



NYSE AMERICAN: HUSA

Investor Presentation

Fall, 2019

Forward-Looking Statements

This presentation contains forward-looking statements, including those relating to our future financial and operational results, reserves or transactions, that are subject to various risks and uncertainties that could cause the Company's future plans, objectives and performance to differ materially from those in the forward-looking statements. Forward-looking statements can be identified by the use of forward-looking terminology such as "may", "expect," "intend," "plan," "subject to," "anticipate," "estimate," "continue," "present value," "future," "reserves," "appears," "prospective," or other variations thereof or comparable terminology. Factors that could cause or contribute to such differences could include, but are not limited to, those relating to the results of exploratory drilling activity, the Company's growth strategy, changes in oil and natural gas prices, operating risks, availability of drilling equipment, availability of capital, the inherent variability in early production tests, dependence on weather conditions, seasonality, expansion and other activities of competitors, changes in federal or state environmental laws and the administration of such laws, the general condition of the economy and its effect on the securities market, the availability, terms or completion of any strategic alternative or any transaction and other factors described in "Risk Factors" and elsewhere in the Company's Form 10-K and other filings with the SEC. While we believe our forward-looking statements are based upon reasonable assumptions, these are factors that are difficult to predict and that are influenced by economic and other conditions beyond our control.

The United States Securities and Exchange Commission permits oil and gas companies, in their filings with the SEC, to disclose proved, probable and possible reserves. We use certain terms in this document, such as non-proven, resource potential, Probable, Possible, Exploration and un-risked resource potential. These terms include reserves, and prospects and leads not rising to the level of or included in reserves, with substantially less certainty than proved reserves, and no discount or other adjustment is included in the presentation of such amounts. The recipient is urged to consider closely the disclosure in our Form 10-K and quarterly reports available from us at 801 Travis, Suite 1425, Houston, Texas 77002 or our website. You can also obtain these reports from the SEC by calling 1-800-SEC-0330.

Company Investment Profile

- **Permian/Midland Basin Assets – New Lease**
 - 5871 acre lease with 20% working interest (6.667% premium on initial well)
 - Initial well anticipated to be drilled and completed by end of 2019
 - Potential for up to 50 wells on leased acreage. AMI on 20,367 acres in total.
- **Permian/Midland Basin Assets – Yoakum County**
 - 650 gross acres with 12.5% working interest (subject to 10% back-in after payout)
 - 1 horizontal well drilled and on production. Potential for up to 3 additional wells.
 - Additional potential in 5,700 acre AMI
- **Permian/Delaware Basin Assets - Reeves County**
 - 640 gross acres. 18.6% working interest (subject to 5% back-in after payout)
 - 2 horizontal wells drilled, on production.
- **Colombia**
 - Llanos and Putumayo Basin assets
 - Large blocks with long-term developmental potential

Company Investment Profile (continued)

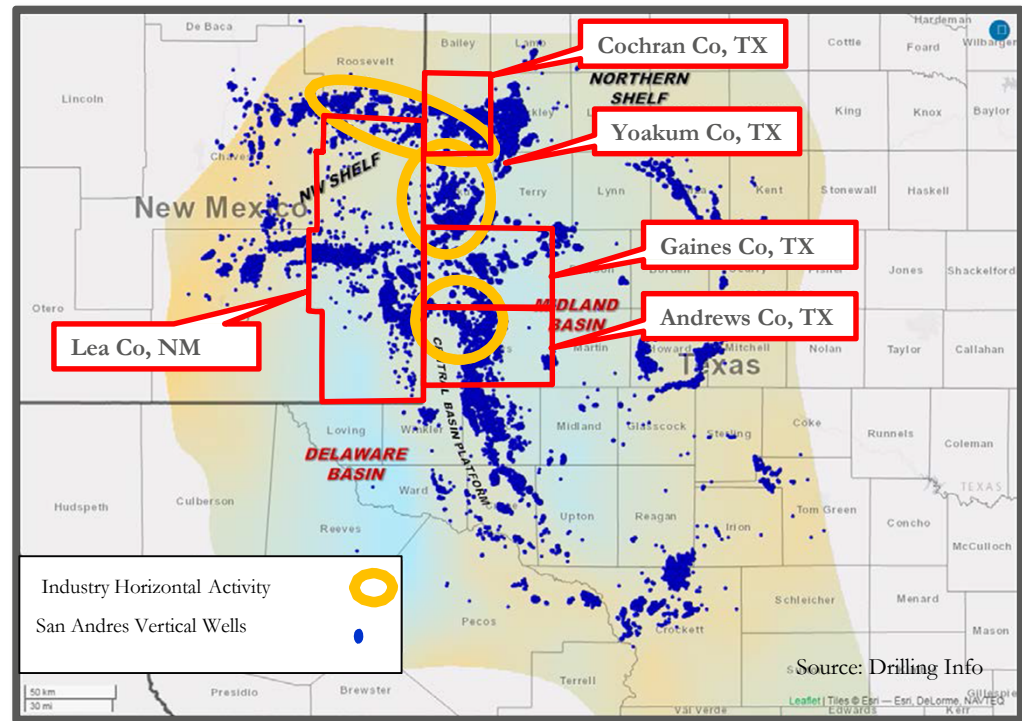
- **Legacy Assets With Potential Upside – Louisiana**
 - Mineral interest in 2,485-acre block in East Baton Rouge Parish
 - Potential upside from planned third party drilling on a 744-acre section of the block in which HUSA holds a 5.27% net royalty interest
- **Clean Balance Sheet – Tax Loss Carryforward**
 - No long-term debt. Approximately \$50 MM tax loss carryforward
- **Low Overhead**
 - Low cost structure and expense discipline measures ongoing
- **Access To Capital**
 - Access to public market capital through existing ATM facility
 - History of accessing private market capital to support investments in acreage and drilling

Permian

San Andres Horizontal Oil Plays

New Technology Creates Highly Competitive & Emerging Play

- **The Main Pay Zone (MPZ) of the San Andres formation has been developed historically in the Permian Basin with conventional, vertical wells drilled on structural highs (see map to right)**
- **Over 10 Billion barrels of oil have been recovered from the Permian Basin San Andres formation**
- **Industry has been interested in what is commonly referred to as the San Andres Residual Oil Zone (ROZ) beneath existing fields since the 1980's**
- **Recent application of horizontal drilling and multi-frac technologies to the San Andres ROZ has resulted in increased activity in West Texas & SE New Mexico**



New San Andres Agreement

- **Lease**

- 20% working interest (subject to 6.667% premium on initial well) in prospect covering 5,871 acres in the Northern Shelf of Permian Basin
- Lease has both a three-year primary terms (with two year extensions) or five year terms.
- Initial lease has been paid for in full

- **Initial well**

- Houston American Energy anticipates the initial well will be drilled and completed by the end of 2019

- **Future Plans**

- Company anticipates drilling up to 50 total wells over 4 to 5 years on current acreage if initial results are successful
- 20,367 acre total AMI for future development
- Potential for up to 150 additional wells on AMI acreage

Yoakum County, Texas

- **Lease**

- 12.5% working interest (subject to proportionate 10% back-in after payout) in prospect covering 650 acres in the Northern portion of Midland Basin
- Lease has a three-year primary term, expiring October 1, 2020, and a 75% net revenue interest (9.375% net to our interest)

- **Initial well**

- Frost #1H well drilled December 2018; well put on production in June 2019

- **Future Plans**

- Company anticipates drilling 4 total wells on current acreage
- Four horizontal wells will hold the entire acreage block upon the establishment of production
- 5,700 acre AMI for future development

Permian
Reeves County
Delaware Basin

Reeves County, Texas

- **Leases**

- 18.6% average working interest (subject to 5% back-in after payout) in 2 prospects covering 640 gross acres in Reeves County Delaware Sub-basin

- **Initial wells**

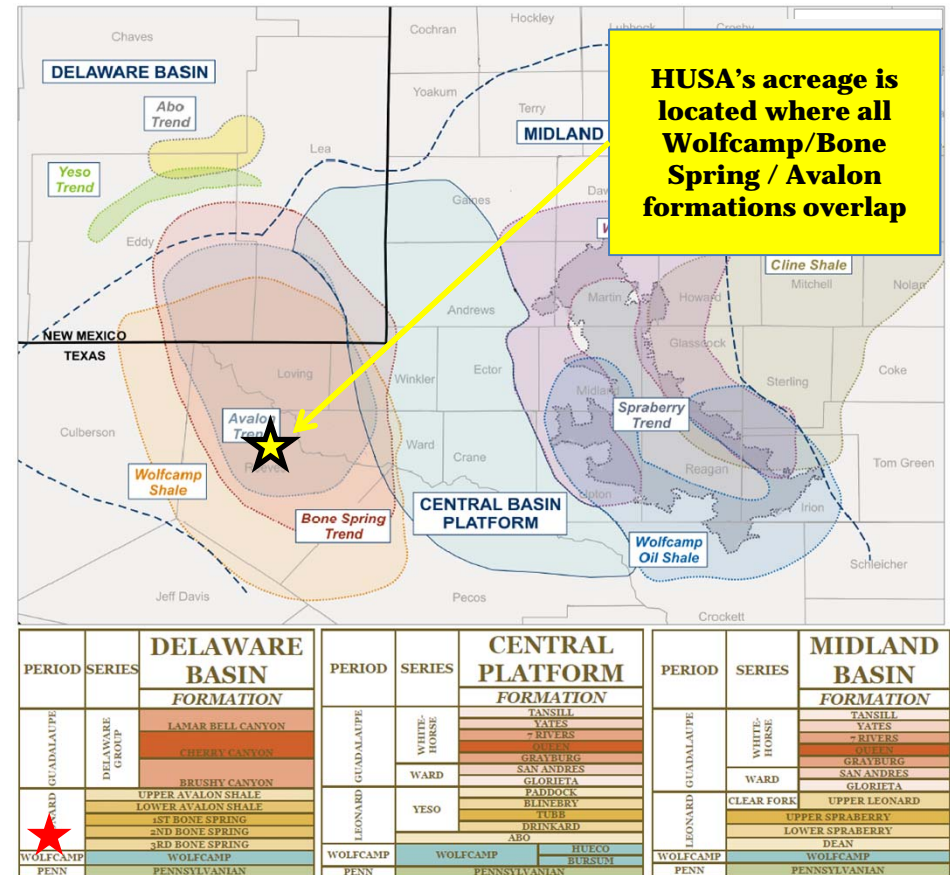
- The O'Brien #3H well and the Johnson #1H well were drilled, completed and put on production in 2017

- **Future Plans**

- The Multi-Stacked Pay Zones that define these prospects allow for potentially eight 4500' Hz wells per 640 acres in each stacked prospective pay zone.
- Drilling plans for the future are undefined at this point in time.

Resource Plays in the Permian Basin

- The Permian Basin includes the Wolfcamp, Bone Spring, and Avalon formations ¹
- HUSA's acreage in Reeves County, TX is located in the most active county in the Permian Basin
- HUSA's acreage ★ is situated where all three shale formations/trends overlap

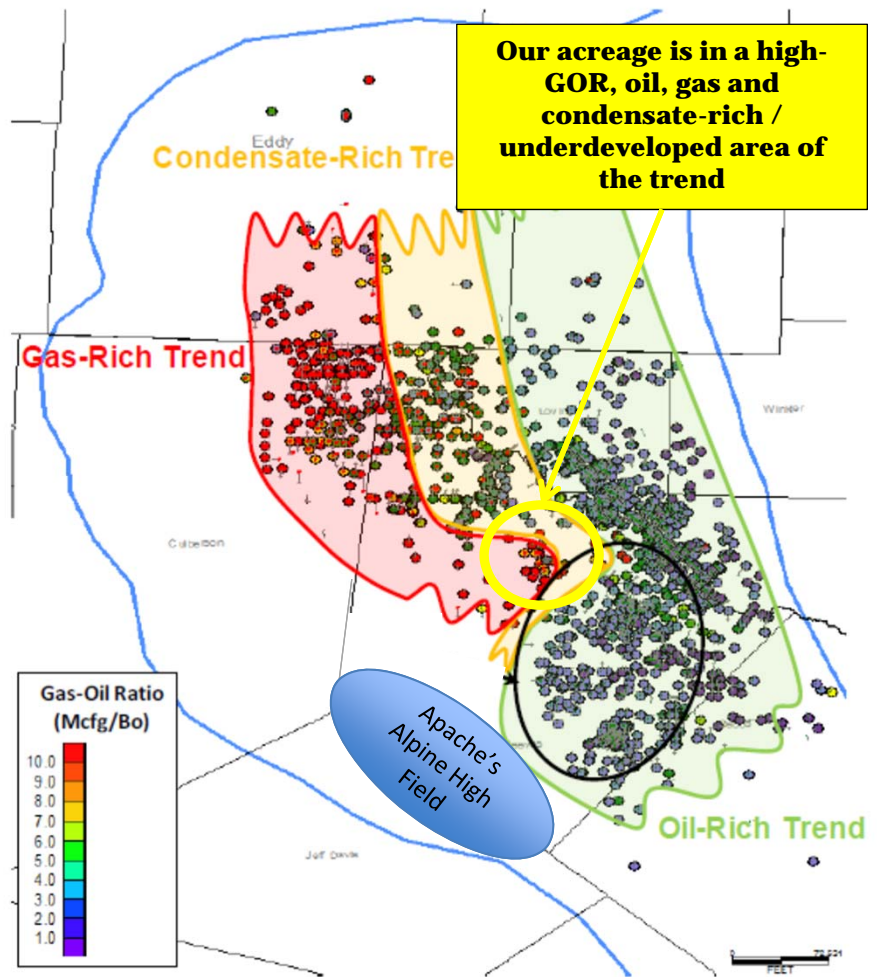


1. U.S. Geologic Survey, Article titled "USGS Estimates 20 Billion Barrels of Oil in Texas' Wolfcamp Shale Formation" dated November 15, 2016. The USGS assessment of continuous oil only covers the Midland Basin portion of Texas' Permian Basin. HUSA's project is in the western side of the Permian Basin in the portion of the basin called the Delaware Basin.

Assets in the Delaware Basin

- In January 2017 HUSA acquired a 25% interest in initial ~720 gross leased acres for \$5,500 per net acre (179 net leased acres) – pooling increased gross acres to 960, with HUSA now owning 18.7% average WI**
- The O’Brien #3H well and the Johnson #1H well are both now producing oil and gas**

Wolfcamp Oil/Condensate/Gas Trend Map ¹



1. Image taken from Centennial Goldman Sachs Global Energy Conference presentation – January 2017, page 5. Includes only wells reported as producing from Wolfcamp formation.

Mineral Acreage

East & West Baton Rouge Parishes, LA

East and West Baton Rouge Parish Mineral Acreage

- **Mineral Acreage**

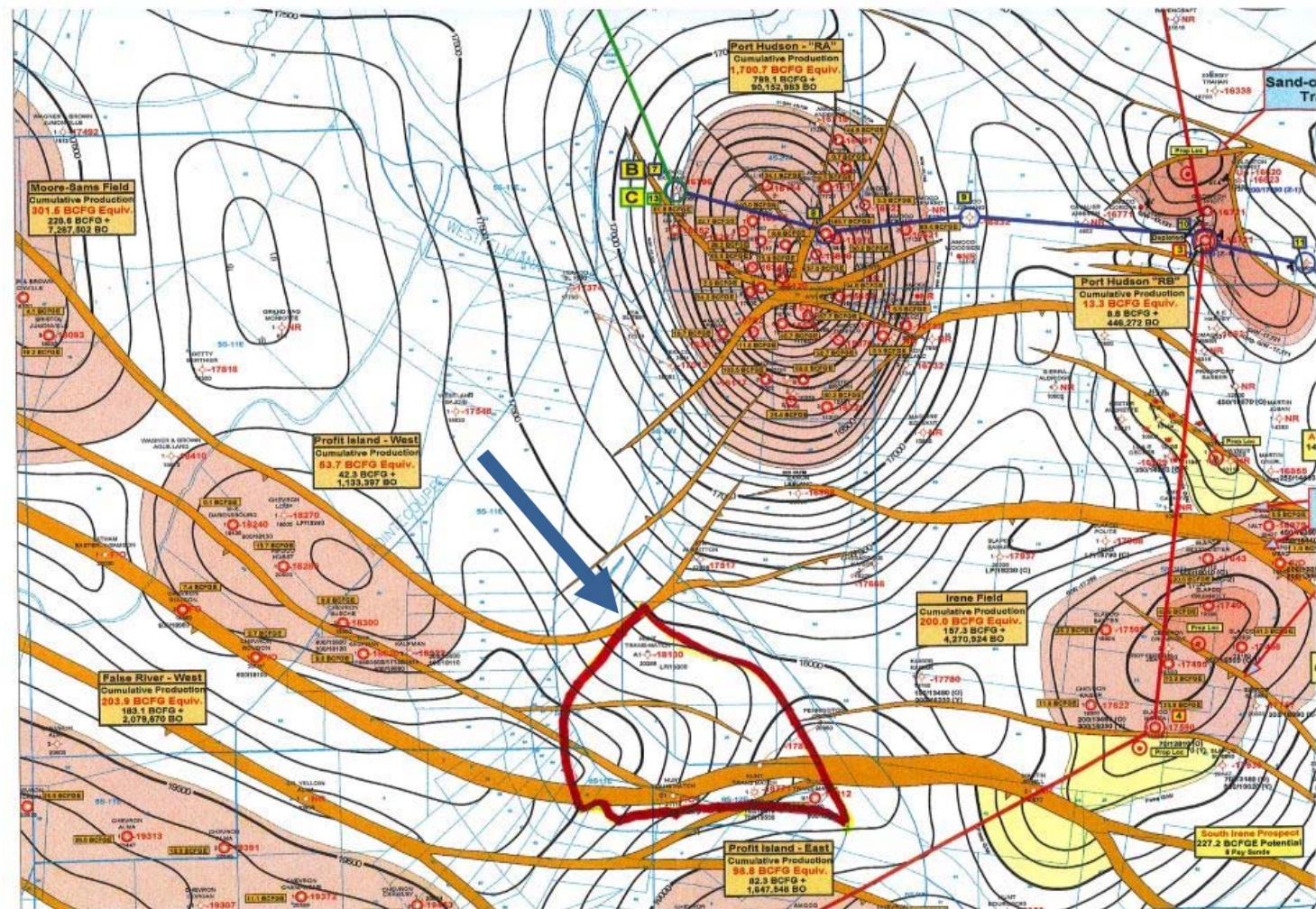
- Company holds a 23.437% mineral interest in 2,485 gross acres, including a 3.547% net royalty interest in 498 acres including one well and 1,243 unleased acres
- 744 gross acres (174 acres net to HUSA's interest) have been leased to a third party operator subject to a 22.5% royalty (5.27% net to HUSA's interest)

- **Opportunity**

- The operator/lessee of the 744 acre block has indicated that it plans to drill an initial well to test the Lower Tuscaloosa Formation below 19,000 ft
- Other Lower Tuscaloosa fields in the area are Port Hudson, Alsen, Irene, South Irene and Profit Island

Mineral Acreage Map (Courtesy of Sunnyside Resources, Inc.)

HUSA-Related Acreage In Red



Colombia

CPO 11 - Llanos Basin

CPO 11 - Llanos Basic

CPO 11

Venus Exploration area

- 69,128 acres
- Operated by Hupecol, LLC
- Houston American Energy holds a 2% interest
- Includes an existing productive vertical well
- Future drilling likely to be horizontal across existing fields

CPO 11 - Llanos Basic

CPO 11

Farm Out (Remainder of the Block)

- 570,277 acres
- 50% farmed out to Parex Resources
- Houston American Energy holds a 1% interest
- Daisy-1 vertical well to be drilled in December, 2019
- Montuno-1 well to be drilled in February, 2020

Colombia

Northern Putumayo Basin

Status of Colombia Concessions

- **Three Concessions**

- Serrania (license has been relinquished)
- Los Picachos (license suspended)
- Macaya (license suspended)

- **Working Interest**

- 12.5% in each concession

- **Current Ongoing Operations**

- License to drill in Serrania was issued, then withdrawn by Government in April 2016
- Lawsuit filed by operating partner...awaiting initial judgement
- Discussions underway with the government on Los Picachos and Macaya licenses.
- Timing and certainty of a resolution is unknown at this time

Management and Directors

Management

James Schoonover CEO - Mr. Schoonover has served as a director of Houston American since April 2018 and as CEO since June 2018. Previously, Mr. Schoonover held management positions with numerous companies, including Shearson Lehman Brothers, Lifetime Corporation and MedTox Scientific. In his position as Chief Marketing Officer at MedTox Scientific, he was instrumental in growing the public company's revenue from \$20,000,000 to \$120,000,000. He has been an avid supporter of Houston American Energy, having been a shareholder since 2007. Schoonover has an undergraduate degree from Cornell University in Ithaca, NY and an MBA from the University of St. Thomas in Minneapolis, MN.

Directors

R. Keith Grimes Chief Operating Officer of Sierra Hamilton, an international consulting company to oil and gas exploration and production companies offering specialized technical consulting and E&P technology to operators worldwide. Formerly CEO of predecessor company, Hamilton Group and with Expro Group as Director Eastern Hemisphere. Mr. Grimes has a BSc. in Petroleum Engineering from Texas Tech University.

Stephen Hartzell Owner and President of S.P. Hartzell, Inc., a professional independent consulting exploration geology firm and Co-Owner of Southern Star Exploration, LLC, an independent oil and gas exploration company. Formerly, held various geological positions with Amoco Production Company, Tesoro Petroleum Corporation, Moore McCormack Energy and American Hunter Exploration.

Capitalization (as of 6/30/19)

NYSE MKT: HUSA

Market Capitalization \$13.7 million

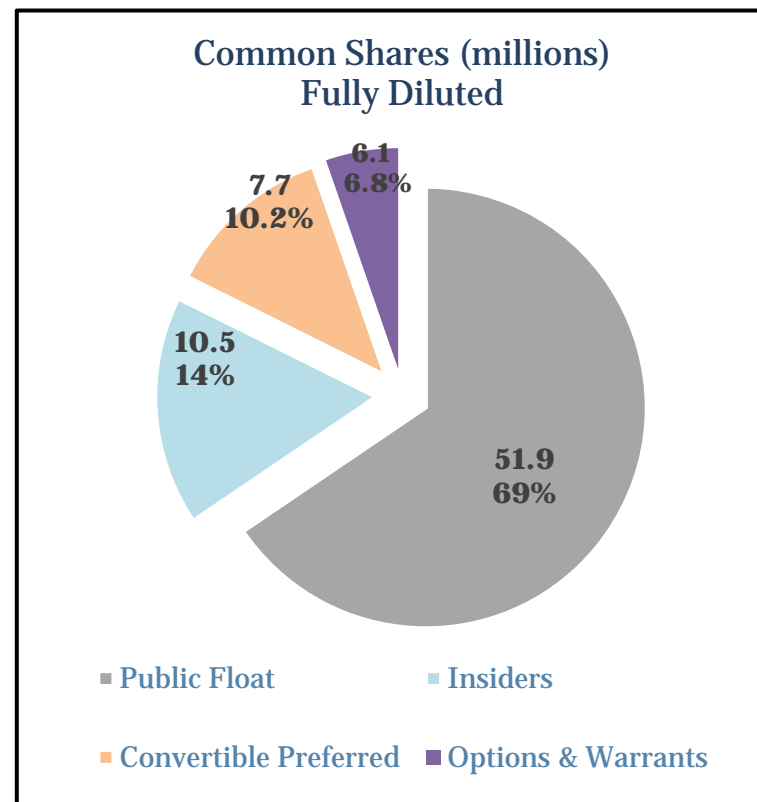
Total Assets \$7.4 million

Total Liabilities \$0.50 million

Stockholders' Equity \$7.4 million

Common Shares Outstanding 62.7 million

Common Shares Fully Diluted 75.1 million



Summary

Summary

- **Houston American Energy is:**
- A company committed to the further development of our Permian assets and exploitation of new Permian opportunities
- A company with no long term debt and access to capital
- A company with a valuation not accounting for the upside potential of legacy assets
- A company with almost 2 decades of experience in opportunistic acquisitions of interests in domestic and international leases
- A company committed to fiscal discipline
- A company with quality operating partners

THANK YOU