

October 28, 2022

TO: Members of Proteum Energy, LLC
(via email distribution)

Private and Confidential

RE: Third Quarter of 2022 Member Report, including:

- Letter from Executive Chairman, Tom Niccoli
- Letter from CEO, Larry Tree
- Financials and Quarterly Budget & Report
- Saudi Arabia Press Release

Q3 Report: This Proteum Energy[®] Q3 2022 Quarterly Investor Report will provide you with important information about how the Company is implementing its strategy. Larry Tree's report will articulate how this strategy is developing and how the company is leveraging the opportunities that continue to present themselves at an increasing pace. Included are the Company's 3rd Quarter 2022 Company Financial Report and Financials.

Also, included in this investor package is our latest Press Release regarding the fact that "Proteum Energy has added a Saudi Arabian patent to its IP portfolio as part of our expansion into the Middle East North Africa region." Currently, the Company has 7 granted & 3 pending US Patents as well as 3 issued and 7 pending International Patents. Larry's update contains additional information on this topic as well as development of additional IP in cooperation with the University of Regina.

Annual Meeting: I want to thank all of those folks who attended the **Annual Meeting** in person. We had over 30 people visit our 44th street office. We also had a few folks tour our 2,000 sq foot warehouse facility which houses parts for two additional FTF300s, just like the one we currently have at our Bryan Texas test facility. These parts could come in handy as we have seen a renewed interest in "flare to fuel" and as a result have several discussions in process regarding these units. (See Larry's report for more information about the FTF300s.)

Including the folks that attended in person, three of our Board Members, Brian O'Connor, Rob Saik (Canadian) and John Horton were also in attendance. They were gracious enough to come early and spend time with investors answering questions etc. They also offered their insights regarding the company, the industry and the management team which were both inspiring and enlightening. Those comments can be heard on the Annual Meeting recording which is available for all those who missed the meeting or those who would like a copy to review again. Simply visit our website listed below and select the "Contact" tab at the top of the page and request the link and it will be provided.

Industry Outlook: Proteum Energy, LLC started 2022 on a very positive note and that positive start has accelerated and has continued to gain momentum throughout the third quarter. As was articulated in the July Investor ZOOM call and again at the Annual Meeting, 2022 tailwinds continue to create a favorable environment for the roll out of Proteum Energy's patent-pending steam non-methane reformation (SnMR[™]) hydrogen production technology. However, turmoil

in the energy markets, the Ukrainian War and inflation pressures have changed the environment, bringing both renewed interest in clean energy and challenges to structuring long-term contracts. Proteum Energy is in an emerging industry (hydrogen) which requires the coordination and assembly of industry partners with diverse disciplines to deliver a profitable outcome for all shareholders. Although we, along with our partners, are paving new ground, the need for deployment of hydrogen centric solutions to address the world energy dilemma is immense and consequently, government incentives are being defined and aggressively rollout out. Trust that we are taking full advantage of all available resources and Department of Energy (DOE) dollars that may be made available to us. Along those lines, we have engaged a “grant management” company whose specific job it is to help us identify and then assist us in applying for both grant money as well as low interest rate loans through the DOE. These include targeting Hydrogen Hub opportunities around the country as well as providing guidance in submitting our application for low interest rate financing through the DOE’s Loan Program Office (LPO). The application requirements and timing of actual funding will not materialize until Q3 and Q4 of 2023 or later.

Funding: On the funding side, Larry’s report will get into more detail, but overall, we are looking for a partner that can quarterback the long-term funding of our “capital stack” requirements given our aggressive 10-year technology rollout while minimizing shareholder dilution. In our efforts to acquire current capital to meet the rollout of our first project, we have determined that an industry centric Investment banker is our best option. As of this time, I can say that we have identified at least two highly qualified firms whose experience and strength in this area meet our long-term requirements. We plan to engage with one of these groups once our initial project funding has been secured and we have adequate “runway” to meet their client qualification.

Bryan TX Site: As you may be aware, we currently have 22 years left on our 10-acre 30-year Bryan TX lease (if all options are exercised) and as such, we are currently speaking with a group interested in purchasing our ANGI compressor and leasing space on our site to operate a fueling station for their virtual pipeline gas business. We should know by the end of November as to how they want to proceed. The compressor sale and leasing of excess acreage on the site would help cover monthly expenses as we work to secure our next round of financing.

Warrants: Also, as was part of the discussion at the Annual Meeting, investors in the Friends and Family round hold warrants with an aggregate exercise price of \$8.25MM @ \$0.15/unit that will expire on 01/31/2023. Management desires to assist current shareholders who let us know they wish to acquire additional units by connecting them with warrant holders who choose not to exercise their total allotment. As such, we would like to ask all warrant holders of record to let us know if they are not going to be exercising some or all of their warrants. You can let the Company know by going to the website and selecting the Contact tab at the top of the page and leaving us a comment.

Board of Directors: At this time, I would like to **THANK** the hard work and active role that our Board of Directors has taken. We are certainly blessed to have the level of talent and support from this high powered, quality group. We have organized six separate Subcommittees of the Board including Governance, Business Development, Fund Raising, Compensation, Finance & Accounting and Proteum HTC (U of Regina - Canada). Many members are on multiple committees which require weekly time

commitments in addition to attending the monthly Board meetings. The Members re-elected to the current Board slate include: Thomas Niccoli, Laurence B. Tree II (ex officio member), Brian O'Connor, Perry Fraley, John Horton, Rob Saik, S. Curtis Johnson, Trevin Vaughn, Michael Brown and Greg Andrukow.

Website: We invite you to visit our website <https://www.proteumenergy.com/> and the "Investor Area" tab where you will find confidential information such as our quarterly reports, industry news as well as our most current "Investor Deck" which is being updated on a regular basis. The password for the Investor Area is currently: ProteuM2022.

Investor ZOOM Calls: On an administrative note, we want to remind you that Investor ZOOM Calls are now scheduled for **once per quarter** on the last Thursday of the quarter at 3:00pm Arizona time. Each of you will continue to get a reminder prior to the call with an invitation to register and attend the ZOOM meeting. Due to the Holidays, our next Investor ZOOM call is scheduled for **Thursday January 5th at 3:00pm Arizona time**. Further communication will be forthcoming concerning the agenda for this Call.

Proteum Energy® would like to point out that this letter and the other information provided to the Members in our 2Q22 report is based upon the best information and estimates available to the Company at this time. This information includes "forward-looking statements" regarding future events and performance which may not be borne out but may vary materially from our expectations. Any decision to invest in the Company should only be made after a thorough review of the Company's requisite private placement memorandum disclosures and in consultation with your investment and tax advisors. If you have any questions about this information, the Company's private placement disclosures or our business plan, please do not hesitate to contact us.

On behalf of the Board of Directors, we again thank you for your support of Proteum Energy® and the development of its business model. We are pleased with the progress to date and eager to realize the opportunities the future holds.

Very truly yours,

/s/

Thomas C. Niccoli
Executive Chairman of the Board of Directors

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