

## Riverstone Energy Limited

### Final results for the year ended 31 December 2014

**London, 13 February 2015:** Riverstone Energy Limited (“REL” or the “Company”) announces its year end results for the 12-month period from 1 January 2014 to 31 December 2014.

#### Summary performance

##### 31 December 2014

NAV	\$1,240 million
NAV per share	\$16.31
Profit/(loss) during period	\$20.6 million
Basic profit/(loss) per share during period	28.60 cents
Market Capitalisation	\$1,028 million / £660 million <sup>1</sup>
Share price	\$13.53 / £8.68 <sup>1</sup>

#### Highlights

§ As of 31 December 2014, REL had a NAV per share of \$16.31. This implies a year-on-year increase of 27 cents per share. NAV benefitted from a 40% increase in the value of Gulf of Mexico investment Fieldwood Energy, and an uplift of 50% in CIOC, an E&P investment focused on unconventional resources in Western Canada. The other portfolio companies were valued at cost.

§ REL continues to execute on its strategy and now has a strong portfolio of ten investments in the Gulf of Mexico, Continental U.S., Canada, Mexico, and the Norwegian and U.K. continental shelves, covering both onshore and offshore as well as conventional and unconventional exploration & production.

§ The Company invested a total of \$375 million during the same period, bringing total investments as of 31 December 2014 to \$376 million, or 31 per cent of capital raised.<sup>2</sup>

§ During the course of 2014, REL made eight new commitments, totaling \$574 million, bringing total commitments as of 31 December 2014 to \$724 million, or 59 per cent of capital raised.<sup>2</sup>

#### Commitments and Investments

§ Committed \$60 million to and invested \$54 million in CIOC, a private exploration & production company focused on liquids-rich unconventional resources in the Deep Basin of Western Canada.

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<sup>1</sup> GBP:USD Fx rate of 1.558 as of 31 December 2014.

<sup>2</sup> Based on total capital raised of \$1,221 million, including KFI's second tranche of £50 million (at GBP:USD Fx rate of 1.621).

§ Committed \$82 million to and invested \$54 million in Fieldwood Energy, an exploration & production company led by Matt McCarroll. Fieldwood owns the largest operated asset base on the Gulf of Mexico Shelf with 656 operated platforms across over 650 blocks.

§ Committed \$90 million to and invested \$70 million in CNOR, a newly-formed, Calgary-based oil and gas company. During the period, CNOR entered into multi-year joint venture arrangements with Bellatrix Exploration Ltd and Tourmaline Oil Corp.

§ Invested \$66 million of the \$100 million commitment to Liberty Resources II to support its acquisition of oil and gas assets focused on the Bakken and Three Forks formations in North Dakota.

§ Committed \$50 million to and invested \$48 million in Castex 2005, a Houston-based oil and gas company focused on the acquisition and development of assets in the U.S. Gulf Coast Region.

§ Invested \$36 million of the \$50 million commitment to Eagle II as the company continues to progress on its primary strategy to accumulate and develop acreage for delineation and development in the Mid-Continent region of the U.S.

§ Committed \$67 million to and invested \$24 million in Castex 2014, a newly-formed, Houston-based oil and gas company focused on exploration in the U.S. Gulf Coast Region.

§ Committed \$83 million to and invested \$20 million in Rock Oil, a newly formed, Denver and Houston-based oil and gas exploration & production company focused on the acquisition and development of assets in top-tier North American plays such as the Eagle Ford, Permian and Utica.

§ Committed \$75 million to and invested \$2 million in Sierra Oil & Gas, an independent energy company established to pursue select upstream and midstream opportunities in Mexico.

§ Committed \$67 million to and invested \$1 million in Origo Exploration, a newly formed, Norway-based oil and gas company focused on exploration on the Norwegian and U.K. continental shelves.

## **Manager Outlook**

§ The investment pipeline for REL remains strong, and with uninvested cash of approximately \$836 million, the Company is well positioned to take advantage of the current robust opportunity set.

§ The recent collapse in oil prices underpins the investment opportunity set for companies with strong balance sheets and deep expertise, such as REL. Specific drivers of opportunity include capital constraints among companies with high levels of leverage, pressures to rationalise assets, continued unconventional production growth in North America and historical under-investment in energy infrastructure in a number of regional markets.

§ The Investment Manager continues to believe that this is a market where patience and a disciplined approach to investment are likely to be well rewarded.

Sir Robert Wilson, Chairman of Riverstone Energy Limited, commented:

*“REL made good progress in 2014. Notwithstanding recent volatility in energy markets, REL remains focussed on pursuing the strategy outlined at IPO.”*

David M. Leuschen and Pierre F. Lapeyre Jr., Co-Founders of Riverstone, added:

*“We are very pleased with the continued progress made by REL during our first full year of operations. Our portfolio is developing well and offers investors exposure to a broad range of E&P opportunities across the U.S., Canada, Mexico and the North Sea. 2014 has been a tumultuous year for the broader energy industry, but our pipeline of opportunities is very robust and we look forward to exciting future developments emerging from the lower oil price environment as well as from the strong long term fundamentals of the energy sector.”*

- Ends -

Riverstone Energy Limited's 2014 Annual Report is available to view at:  
[www.RiverstoneREL.com](http://www.RiverstoneREL.com).

The Investment Manager will host a conference call with investors at 12:00pm GMT today. Dial-in details are as follows:

Dial-in (UK): 0800 694 0257  
Dial-in (Intl.): +44 (0) 1452 555 566  
Conference ID: 74776992

#### **About Riverstone Energy Limited:**

REL is a closed-ended investment company that invests exclusively in the global energy industry, with a particular focus on the exploration & production and midstream sectors. The Company is uniquely positioned to benefit from the large number of investment opportunities being driven by the North American energy revolution and the continued growth in global energy demand. REL aims to capitalize on the opportunities presented by Riverstone's energy investment platform. REL is a member of the FTSE 250 and its ordinary shares are listed on the London Stock Exchange, trading under the symbol RSE. To date, REL has invested in 12 energy companies spanning conventional and unconventional oil and gas activities in the Gulf of Mexico, Continental U.S., Western Canada, the U.K. North Sea, the Norwegian Sea, and Mexico.

For further details, see [www.RiverstoneREL.com](http://www.RiverstoneREL.com)

Neither the contents of REL's website nor the contents of any website accessible from hyperlinks on the websites (or any other website) is incorporated into, or forms part of, this announcement.

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