Interim Report and Unaudited Interim Condensed Financial Statements

for the six months ended 30 June 2019

REL
RIVERSTONE ENERGY

Riverstone Energy Limited

(LSE: RSE)

A focus on long-term

capital growth

2019

Contents

Riverstone Energy Limited seeks to achieve superior risk adjusted returns through investing in the energy sector. The energy sector is global and a significant component of virtually all major economies.

Long-term market drivers of economic expansion, population growth, development of markets, deregulation and privatisation will continue to create opportunities globally for investors in energy.

The registered office of the Company is PO Box 286, Floor 2, Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 4LY, Channel Islands.

Financial & Operational Highlights

→ Net Committed Capital to Date	$1,116 million / 92 per cent. of net capital available(1)
→ Net commitments during the period ended 30 June 2019	Commitments reduced by a net total of $6 million(2): (i) $22 million in Ridgebury H3 LLC (ii) ($19) million in Sierra Oil and Gas Holdings, L.P. (iii) ($5) million in Eagle Energy Exploration, LLC. (iv) ($4) million in Meritage Midstream Services III, L.P.
→ Remaining unfunded commitments at 30 June 2019	$125 million(3): (i) $45 million in ILX Holdings III, LLC (ii) $24 million in Carrier Energy Partners II, LLC (iii) $23 million in Meritage Midstream Services III, L.P. (iv) $17 million in Castex Energy 2014, LLC (v) $12 million in Hammerhead Resources Inc. (vi) $4 million in Ridgebury H3 LLC (vii) $1 million in Fieldwood Energy, Inc.
→ Net Capital Invested to Date	$991 million / 82 per cent. of net capital available(1)
→ Investments during the period ended 30 June 2019	Invested a total of $24 million(2): (i) $18 million in Ridgebury H3 LLC (ii) $4 million in ILX Holdings III, LLC (iii) $3 million in Castex Energy 2014, LLC
→ Gross Realised Capital to Date	$862 million / 51 per cent. of total capital invested
→ Gross Realisations during the period ended 30 June 2019	Realised a total of $133 million(2): (i) $83 million in Meritage Midstream Services III, L.P. (ii) $39 million in Sierra Oil and Gas Holdings, L.P. (iii) $6 million in Carrier Energy Partners II, LLC (iv) $3 million in Three Rivers Natural Resources Holdings III, LLC (v) $2 million in ILX Holdings III, LLC

Key Financials

	30 June 2019	31 December 2018	30 June 2018
NAV as at	**$1,058 million / £833 million(4)**	$1,431 million / £1,123 million(4)	$1,754 million / £1,328 million(4)
NAV per Share as at	**$13.24 / £10.43(4)**	$17.91 / £14.06(4)	$20.76 / £15.72(4)
Market capitalisation at	**$874 million / £688 million(4)**	$1,095 million / £860 million(4)	$1,423 million / £1,078 million(4)
Share price at	**$10.93 / £8.61(4)**	$13.71 / £10.76(4)	$16.85 / £12.76(4)

	30 June 2019	30 June 2018
Total comprehensive (loss) / profit for the six months ended	**($373.12) million**	$10.75 million
Basic (Loss) / Earnings per Share for the six months ended	**(467.01) cents**	12.72 cents

(1) Net capital available of $1,210 million is based on total capital raised of $1,320 million, capital utilised for Tender Offer of $72 million, realised profits and other income net of fees, expenses and performance allocation

(2) Amounts may vary due to rounding

(3) The Board by consultation with the Investment Manager does not expect to fully fund all commitments in the normal course of business. The Investment Manager's historical track record shows that investments are often realised prior to the commitment being fully funded

(4) Based on exchange rate of 1.270 $/£ at 30 June 2019 (1.274 $/£ at 31 December 2018 and 1.321 $/£ at 30 June 2018)

Chairman's Statement

The macro environment for energy

REL continues to adapt to the changing investment landscape within energy to identify compelling investment opportunities.

As we move into the second half of the year, REL remains focussed on its objective of delivering an advantageous return to shareholders.

After an especially turbulent fourth quarter last year, crude oil prices modestly recovered during the first half of 2019. Though the WTI price continued to fluctuate, it ended the period at $58 per barrel, compared to $45 per barrel at the end of 2018. WTI continued to be acutely influenced by developments in the geopolitical environment, notably the shifting dynamics of the U.S.- China trade discussions and concerns around slowing economic growth.

The challenging oil price backdrop has continued to impact energy equities, particularly within E&P. While energy equities dropped in tandem with WTI price decreases late last year, they have been much slower to recover as oil prices have trended upwards this year. WTI increased by 29 per cent. through 30 June 2019 compared to the end of 2018. However, the S&P Oil & Gas E&P Index only recovered by 3 per cent. and the Canadian S&P TSX Oil & Gas E&P Index dropped by 1 per cent. during the same period. This dynamic is reflective of the enduring wariness of public institutional investors towards the sector, given the lengthy nature of the current downturn which started five years ago.

Despite turbulence in commodity prices and the public markets, the current market environment presents unique investment opportunities for private capital as public financing sources for energy companies remain scarce. REL has been focussed on continuing to diversify its investments across subsectors as part of its ongoing portfolio management strategy, targeting transactions with strong risk-adjusted returns. Accordingly, the Company recently funded its first investment in the energy services sector through the Ridgebury H3 (Handy Tankers) transaction which acquired three IMO-compliant vessels and committed to two transactions in the midstream and power sectors.

In late April, REL announced a commitment of up to $66 million to Onyx, a newly formed European independent power producer that has agreed to acquire a fleet of coal and biomass-fired power stations in Germany and Netherlands with approximately 2,000 megawatts of net generation capacity. Two of the plants acquired are among the most modern and operationally efficient coal plants in Europe. Riverstone expects the company to be a critical component in the provision of reliable power generation in Western Europe and to serve as a platform for future opportunities as the demand for electricity continues to grow rapidly. In June, REL also announced a $100 million commitment to Aleph Midstream, which closed in July, to become the first midstream player in the Vaca Muerta in Argentina, the largest shale development outside of North America. With Riverstone sponsored company Vista Oil & Gas as the anchor tenant, REL believes this transaction represents a unique investment opportunity that will be able to capitalise on Riverstone's core competitive advantages. Aleph Midstream demonstrates the value of platform synergies which allow the Company to take advantage of proprietary transactions, similar to Meritage III whose partnership with Hammerhead Resources supported REL's successful exit earlier this year at an attractive valuation. This transaction, along with Ridgebury H3, demonstrate REL's modified investment strategy as Riverstone's private funds did not participate.

Looking forward, REL is well-positioned to create value for shareholders through its flexible investment strategy, which has evolved as oil prices remain lower for longer. Even though REL's NAV and share price performance have been impacted by the instability in the energy markets, the Company and Investment Manager remain keenly focussed on driving portfolio company investment performance in order to generate favourable returns to shareholders.

PERFORMANCE

Facing difficult conditions for energy valuations, REL ended 30 June 2019 with a NAV of $13.24 (£10.43) per share, a 26 per cent. decrease in USD and GBP compared with 31 December 2018. REL's shares have traded down 20 per cent. since 31 December 2018 on a Pounds Sterling basis and closed the period at a 17 per cent. Discount to NAV. The Board has been monitoring REL's share price performance and the discount to the prevailing Net Asset Value and continues to evaluate options with the goal of reducing the discount.

While REL has not been immune to the effects of the most prolonged oil price downturn in recent history due to its exposure to the E&P sector, the portfolio has proven to be resilient on a relative basis. Since inception in 2013, the NAV per share has decreased by 18 per cent. in USD (4 per cent. in GBP) compared to the S&P Oil & Gas E&P Index and the Canadian S&P TSX Oil & Gas E&P Index, which have declined by 60 per cent. and 67 per cent., respectively during the same period. In addition, REL has realised total gross proceeds of $862 million since inception, which represents over half of its $1,683 million of invested capital to date.

During the period, there were several valuation changes within the portfolio, primarily to reflect the volatility related to the macro environment. The underperformance of U.S. and Canadian E&P equities, combined with muted forward oil prices which remain in the $50s per barrel and lack of M&A market activity, created particularly challenging headwinds for REL's portfolio company valuations.

REL's investment in Hammerhead saw the largest overall decrease in unrealised value during the period as its Gross MOIC decreased from 1.5x to 0.8x to reflect the lower trading multiples of its peer group and a more conservative forecast primarily given uncertainty around regulatory dynamics and oil price volatility. During the first half of 2019, the public Canadian E&P capital markets remained challenged and continued to underperform the broader energy and E&P sectors. The Alberta government may also elect to extend existing production curtailment quotas into 2020 in an effort to mitigate potential widening of oil differentials, as new liquids pipeline capacity out of the region continues to be delayed. The Gross MOIC for Liberty II, Centennial, and Carrier II also declined, primarily reflecting the weakness in the M&A and equity markets. Ridgebury H3 (Handy Tankers) increased from a 1.0x to a 1.1x during the period, while ILX III remained flat.

The valuation of REL's investments is conducted quarterly by the Investment Manager and is subject to approval by the independent Directors. In addition, the valuations of REL's investments are audited by Ernst & Young LLP in connection with the annual audit of the Company's Financial Statements. The Company's valuation policy is compliant with both IFRS and IPEV Valuation Guidelines and has been applied consistently from period to period since inception. As the Company's investments are generally not publicly quoted, valuations require meaningful judgement to establish a range of values, and the ultimate value at which an investment is realised may differ from its most recent valuation and the difference may be significant. Further information on the Company's valuation policy can be found in the Investment Manager's Report.

In the first half of 2019, through the Partnership, REL received $133 million in gross proceeds from the portfolio, principally as a result of two full realisations that closed during the period. In January, gross proceeds of $83 million were received from the sale of Meritage III, a Canadian midstream investment. REL was able to achieve a strong return on its $40 million investment, with the exit representing a Gross MOIC of 2.1x and a Gross IRR of 30 per cent.. In February, the Company closed on the sale of Sierra, an independent E&P company, which generated gross proceeds of $39 million, representing a Gross MOIC of 2.1x and a Gross IRR of 55 per cent.. This exit also represented Riverstone's first successful realisation in Mexico, with the energy industry having only deregulated in the country five years ago. REL also received proceeds from Three Rivers III, ILX III, Carrier II, Rock Oil, RCO and Fieldwood totalling $11 million.

REL invested a total of $24 million over the period, $18 million of which was used to fund REL's participation in the Ridgebury H3 (Handy Tankers) investment. The remaining $6 million was invested in ILX III and Castex 2014 to fund ongoing operations. Taking this into account, REL finished the period with $991 million net invested, equating to 82 per cent. of net capital available and a cash balance of $219 million.

The portfolio continued to progress operationally during the first half of 2019, while also prioritising liquidity to mitigate against risks amidst a fragile macro backdrop. In the US, Centennial continues to focus on maintaining a solid balance sheet and as a result, reduced its operated rig program to six versus seven last year. Despite a lower rig count, the company continues to increase both daily oil and equivalent production volumes and is targeting 12 per cent. crude oil production growth with the ability to ramp up rig pace if the macro environment improves. Liberty II is continuing to execute its development program in the Bakken, with particular focus within its new East Nesson position, and has grown production to over 8,000 boepd today from 6,500 boepd one year ago. The company is evaluating financing options to accelerate development, which would increase production volumes and cash flows and further delineate East Nesson. Liberty II also continues to develop its midstream business which includes a 30 mcf gas processing plant and 45,000 bw/d of produced water disposal capacity.

In Canada, Hammerhead continues to progress the development of its core Upper/Middle Montney acreage. The company recently completed a six well pad at Gold Creek which came online earlier this year, bringing total production to approximately 30,000 boepd compared to 29,000 boepd one year ago. Given the challenging market environment in Canada, the company has pulled back its drilling capital program for now as it evaluates a number of financing initiatives, including certain midstream assets, in order to fund continued growth.

REL's offshore investments have also focussed on growth through operational excellence. ILX III continues to progress its development plan, and its Buckskin project recently reached first oil at its two wells, which have performed above expectation. The company's development plan also contemplates bringing on three additional projects online in 2020. Meanwhile, Fieldwood recently commenced its deepwater drilling program and encountered two commercial discoveries. The first discovery is expected to become producing by the end of this year, while the second will come online by early next year.

As we move into the second half of the year, REL remains focussed on its objective of delivering an advantageous return to shareholders. As part of meeting this objective, the Company's Management Engagement Committee has been holding ongoing discussions with the Investment Manager regarding potential changes to the terms of the Investment Management Agreement. REL has a contractual agreement with the Investment Manager and any change to the Investment Management Agreement requires the consent of the Manager. While the industry has endured a prolonged downturn, the Board looks forward to seeing the Company and Investment Manager continuing to identify ways to capitalise on attractive investment opportunities and drive alpha over the long-term.

Richard Hayden

RICHARD HAYDEN
Chairman
13 August 2019

Investment Manager's Report

Focussing on value creation over the long-term through a flexible investment strategy.

Oil prices continued to experience significant fluctuations through the first half of 2019. Following the $45 per barrel WTI pricing at the end of 2018, prices rebounded as sanctions on Venezuela and Iran tightened and U.S. supply growth appeared to be slowing. As U.S.-China trade discussions were tabled and inventories were building, spot oil prices exhibited volatility. However, they have since stabilised as trade discussions have resumed and OPEC announced extended production cuts. Despite the variability in commodity prices, REL continues to prioritise driving operational performance and diversifying its portfolio across sectors to capitalise on a broad range of opportunities.

Although energy companies have focussed on capital discipline and commodity spot prices have recovered moderately, North American energy valuations remain at muted levels. Despite the gains in near-term prices, the forward oil prices supporting valuations have been anchored in the low-to-mid $50 per barrel range. Meanwhile, public energy equities continue to underperform the broader market and have recovered materially less than spot prices as investor sentiment towards the industry remains weak. As a result, trading multiples have continued to compress, furthering the downward trend that has persisted over the last three years. These factors, combined with public investors' demands for capital discipline, have also limited capital markets and M&A activity. In the E&P sector, consolidation could potentially be on the horizon as the "majors" have begun to trade significantly above their smaller peers and there appears to be a need for smaller producers to gain scale, lower their cost structures and diversify their asset bases in order to be competitive in a lower commodity price environment. Chevron's bid for Anadarko Petroleum, which eventually lost to a bid by Occidental Petroleum, was the first major transaction to be announced, though subsequent M&A activity has been somewhat limited.

Several factors which will meaningfully affect inventory balance have the potential to improve market sentiment and support a sector recovery. First, a stable geopolitical environment will be critical. Recent developments including OPEC's extension of their production cuts through the first quarter of 2020 and continued dialogue in U.S.-China trade discussions following the G20 Summit are encouraging signals. Tensions between the U.S. and Iran will also be an important issue to monitor as hostility has risen between the two major oil producing nations recently. Recent seizures of oil tankers in the Strait of Hormuz by Iran have continued to create uncertainty in the oil markets and could lead to supply constraints. It is important to note that the oil tankers in REL's Ridgebury H3 investment do not operate in the Persian Gulf. Secondly, there will be a considerable focus on U.S. producers' ability to grow volumes with limited access to capital markets, reduced capital budgets and declining quality inventory. Investor sentiment is expected to improve if producers are able to generate free cash flow sustainably and return value to shareholders.

Despite a challenging backdrop for E&P, REL believes that the energy investment landscape is still quite attractive, especially across subsectors. Given Riverstone's flexible investment strategy, the Company is well-suited to take advantage of a wide range of opportunities with strong risk-adjusted returns across the entire energy value chain. The need for critical infrastructure in key basins continues to provide compelling investment opportunities within midstream. Meanwhile, secular trends indicate that the long-term demand for power and electricity will increase immensely and outpace the rate of growth for hydrocarbons. This dynamic, along with the shorter-term cyclical troughs that certain power markets are facing, create a constructive market environment for REL to capitalise on.

Riverstone has an extensive platform of investments across various subsectors and regions, which provides REL with the ability to leverage institutional knowledge to identify and underwrite new opportunities. The first half of 2019 proved to be a period where the Company was able to execute upon unique investment opportunities in power and midstream with the announcement of commitments to Onyx and Aleph Midstream. As the Company and Investment Manager focus on further diversifying the portfolio, the "build-up" approach will continue to serve as a key tenet of the investment strategy in order to drive growth while limiting exposure to downside risk through disciplined capital deployment.

Even though energy will remain inherently cyclical and the industry has faced unprecedented difficulties in recent years, REL will continue to leverage Riverstone's core competencies to originate proprietary transactions across the industry spectrum. Supported by a team with deep experience in both investing and operations through multiple economic and commodity price cycles, REL is well-positioned to deliver for its shareholders over the long-term.

INVESTMENT STRATEGY

The Investment Manager's objective is to achieve superior risk-adjusted, after-tax returns by making privately negotiated control investments in the global energy industry across all sectors, which is a significant component of virtually all major economies. REL's investment strategy has recently expanded to also focus on other sectors across the energy value chain, including energy services and power, as well as opportunities in which the Private Riverstone Funds do not participate. The recent commitments to the acquisition of three refined product tankers in partnership with the Ridgebury Tankers LLC management team and to Aleph Midstream, an independent Argentine oil and gas gathering and processing-focussed midstream company, which is further discussed in the Subsequent Events section, as disclosed in Note 11 on page 29, is representative of this modified investment approach. Long-term market drivers of economic expansion, population growth, development of markets, deregulation, and privatisation allied to near-term commodity price volatility are expected to continue to create opportunities globally for Riverstone.

Key Drivers:

- Capital constraints among companies with high levels of leverage and/or limited access to public markets;
- Industry distress and pressures to rationalise assets;
- Increases in ability to extract hydrocarbons from oil and gas-rich shale formations; and
- Historical under-investment in energy infrastructure.

The Investment Manager, through its affiliates, has a strong track record of building businesses with management teams and of delivering consistently attractive returns and significant outperformance against both crude oil and natural gas benchmarks. The Company aims to capitalise on the opportunities presented by Riverstone's pipeline of investments.

The Investment Manager, having made over 180 investments globally in the energy sector since being founded in 2000, utilises its extensive industry expertise and relationships to thoroughly evaluate investment opportunities and uses its significant experience in conducting due diligence, valuing assets and all other aspects of deal execution, including financial and legal structuring, accounting and compensation design. The Investment Manager also draws upon its extensive network of relationships with industry-focussed professional advisory firms to assist with due diligence in other areas such as accounting, tax, legal, employee benefits, environmental, engineering and insurance.

Investment Manager's Report
(continued)

CURRENT PORTFOLIO

Investment *(Initial Investment Date)*	Target Basin	Gross Committed Capital ($mm)	Invested Capital ($mm)	Gross Realised Capital ($mm)[1]	Gross Unrealised Value ($mm)[2]	Gross Realised Capital & Unrealised Value ($mm)[3]	30 Jun 2019 Gross MOIC[3]	31 Dec 2018 Gross MOIC[3]
Centennial *(6 Jul 2016)*	Permian (U.S.)	$268	$268	$172	$115	$287	1.1x	1.3x
Hammerhead Resources (formerly CIOC) *(27 Mar 2014)*	Deep Basin (Canada)	307	295	23	202	225	0.8x	1.5x
ILX III *(8 Oct 2015)*	Deepwater GoM (U.S.)	200	155	2	200	202	1.3x	1.3x
Liberty II *(30 Jan 2014)*	Bakken, PRB (U.S.)	142	142	–	128	128	0.9x	1.1x
Carrier II *(22 May 2015)*	Permian & Eagle Ford (U.S.)	133	110	22	66	88	0.8x	1.0x
RCO[4] *(2 Feb 2015)*	North America	80	80	79	3	82	1.0x	1.1x
Fieldwood *(17 Mar 2014)*	GoM Shelf (U.S.)	89	88	8	54	62	0.7x	0.7x
Castex 2014 *(3 Sept 2014)*	Gulf Coast Region (U.S.)	67	50	–	35	35	0.7x	1.0x
CNOR *(29 Aug 2014)*	Western Canada	90	90	–	27	27	0.3x	0.8x
Ridgebury H3 *(19 Feb 2019)*	Global	22	18	–	20	20	1.1x	n/a
Total Current Portfolio[5]		**$1,398**	**$1,296**	**$305**	**$849**	**$1,154**	**0.9x**	**1.0x**

REALISATIONS

Investment *(Initial Investment Date)*	Target Basin	Gross Committed Capital ($mm)	Invested Capital ($mm)	Gross Realised Capital ($mm)[1]	Gross Unrealised Value ($mm)[2]	Gross Realised Capital & Unrealised Value ($mm)[3]	30 Jun 2019 Gross MOIC[3]	31 Dec 2018 Gross MOIC[3]
Rock Oil[6] *(12 Mar 2014)*	Permian (U.S.)	114	114	231	8	239	2.1x	2.1x
Three Rivers III *(7 Apr 2015)*	Permian (U.S.)	94	94	203	–	203	2.2x	2.2x
Meritage III[7] *(7 Apr 2015)*	Western Canada	62	40	83	–	83	2.1x	2.0x
Sierra *(24 Sept 2014)*	Mexico	18	18	39	–	39	2.1x	2.0x
Total Realisations[5]		**$290**	**$267**	**$557**	**$8**	**$565**	**2.1x**	**2.1x**
Withdrawn Commitments and Impairments[8]		121	121	1	–	1	0.0x	0.0x
Total Investments[5]		**$1,809**	**$1,683**	**$862**	**$857**	**$1,719**	**1.0x**	**1.3x**
Cash and Cash Equivalents					**$219**			
Total Investments and Cash and Cash Equivalents					**$1,076**			

Note: Please refer to the Investment Portfolio Summary on pages 8 to 13 for additional details on the valuation of the Company's portfolio as of 30 June 2019.

(1) Gross realised capital is total gross proceeds realised on invested capital. Of the $862 million of capital realised to date, $573 million is the return of the cost basis, and the remainder is profit

(2) Amounts reflect the fair value of the investments held by the Partnership (see Note 6 for further information)

(3) Gross Unrealised Value and Gross MOIC are before transaction costs, taxes (approximately 21 to 27.5 per cent. of U.S. sourced taxable income) and 20 per cent. carried interest on gross profits (without a hurdle rate). Since there is no netting of losses against gains, the effective carried interest rate on the portfolio as a whole will be greater than 20 per cent.. In addition, there is a management fee of 1.5 per cent. of net assets (including cash) per annum and other expenses. Given these costs, fees and expenses are in aggregate expected to be considerable, Total Net Value and Net MOIC will be materially less than Gross Unrealised Value and Gross MOIC. Local taxes, primarily on U.S. assets, may apply at the jurisdictional level on profits arising in operating entity investments. Further withholding taxes may apply on distributions from such operating entity investments. In the normal course of business, REL may form wholly-owned subsidiaries, to be treated as C Corporations for U.S. tax purposes. The C Corporations serve to protect REL's public investors from incurring U.S. ECI. The C Corporations file U.S. corporate tax returns with the U.S. IRS and pay U.S. corporate taxes on its taxable income

(4) Credit investment

(5) Amounts may vary due to rounding

(6) The unrealised value of the Rock Oil investment consists of rights to mineral acres

(7) Midstream investment

(8) Withdrawn commitments consist of Origo ($9 million) and CanEra III ($1 million), and impairments consist of Eagle II ($62 million) and Castex 2005 ($48 million)

Investment Manager's Report
(continued)

INVESTMENT PORTFOLIO SUMMARY

As of 30 June 2019, REL's portfolio comprised ten active investments including eight E&P investments, one energy services investment and one credit investment.

Centennial

As of 30 June 2019, REL, through the Partnership, has invested in full its $267.9 million commitment to Centennial. Centennial is an E&P company focussed on the acquisition and development of oil and liquids-rich natural gas resources in the Permian Delaware Basin, West Texas. The company, led by former EOG Resources, Inc. chief executive Mark Papa, has rapidly aggregated an 80,200 net acre position in the Delaware Basin of the Permian. The Company is currently running a six-rig drilling program and will maintain a flexible approach to operating activity based upon commodity prices.

REL, through the Partnership, owns approximately 15.2 million shares which are publicly traded (NASDAQ:CDEV), at a weighted average purchase price of $11.21.

As of 30 June 2019, REL's interest in Centennial, through the Partnership, was valued at 1.1x Gross MOIC(1) or $287.0 million (Realised: $171.8 million, Unrealised: $115.2 million). The Gross MOIC(1), which reflects the mark-to-market value of REL's shareholding, decreased over the last six months.

Hammerhead

As of 30 June 2019, REL, through the Partnership, has invested $295.3 million of its $307.5 million commitment to Hammerhead. Hammerhead is a private E&P company focussed on liquids-rich unconventional resources in Western Canada. Since its establishment in 2010, Hammerhead has aggregated one of the largest and most advantaged land positions in the emerging Montney and Duvernay formations of Western Canada's Deep Basin. The company controls and operates 100 per cent. of this asset base, which comprises over 2,000 net drilling locations across 400,000 net acres in the Montney and Duvernay. Since Riverstone's initial investment, Hammerhead has increased production almost ten-fold to 30,000 boepd and significantly grown reserves to 407 mmboe.

As of 30 June 2019, REL's interest in Hammerhead, through the Partnership, was valued at 0.8x Gross MOIC(1) or $225.0 million (Realised: $23.1 million, Unrealised: $201.9 million). The Gross MOIC(1) decreased over the period, to reflect lower trading multiples of its peer as well as a more conservative outlook due to uncertainty around production curtailments in Alberta.

ILX III

As of 30 June 2019, REL, through the Partnership, has invested $155.0 million of its $200.0 million commitment to ILX III. ILX III, based in Houston, Texas, is a repeat joint-venture with Ridgewood Energy Corporation. The new entity maintains the same strategy of acquiring non-operated working interests in oil-focussed exploration projects in the shallow Gulf of Mexico. ILX III acquired offshore leases with 15 defined deepwater prospects at inception but has since opportunistically farmed into two additional prospects and added 22 additional prospects through numerous lease sales. In 2019, ILX divested its interest in four undrilled prospects and reached first oil on two wells at its Buckskin project, both of which have performed above expectations. The Company's current plan anticipates bringing three additional projects online in 2020.

As of 30 June 2019, REL's interest in ILX III, through the Partnership, was valued at 1.3x Gross MOIC(1) or $201.5 million. The Gross MOIC(1) was unchanged over the period.

(1) Gross Unrealised Value and Gross MOIC are before transaction costs, taxes (approximately 21 to 27.5 per cent. of U.S. sourced taxable income) and 20 per cent. carried interest on gross profits (without a hurdle rate). Since there is no netting of losses against gains, the effective carried interest rate on the portfolio as a whole will be greater than 20 per cent.. In addition, there is a management fee of 1.5 per cent. of net assets (including cash) per annum and other expenses. Given these costs, fees and expenses are in aggregate expected to be considerable, Total Net Value and Net MOIC will be materially less than Gross Unrealised Value and Gross MOIC. Local taxes, primarily on U.S. assets, may apply at the jurisdictional level on profits arising in operating entity investments. Further withholding taxes may apply on distributions from such operating entity investments. In the normal course of business, REL may form wholly-owned subsidiaries, to be treated as C Corporations for U.S. tax purposes. The C Corporations serve to protect REL's public investors from incurring U.S. ECI. The C Corporations file U.S. corporate tax returns with the U.S. IRS and pay U.S. corporate taxes on its taxable income

Liberty II

As of 30 June 2019, REL, through the Partnership, has invested in full its $141.7 million commitment to Liberty II. Liberty II established positions in the Williston (Bakken) and Powder River Basins through a series of acquisitions, which benefit from Liberty II's sophisticated and proprietary well completion technology. Liberty II subsequently sold its position in the Powder River Basin and is currently focussed on its Bakken acreage, which has grown to approximately 100,000 net acres through aggressive grassroots leasing efforts in the East Nesson and bolt-on acquisitions. Acquisitions have resulted in an extensive drilling inventory and many contiguous acreage positions of scale.

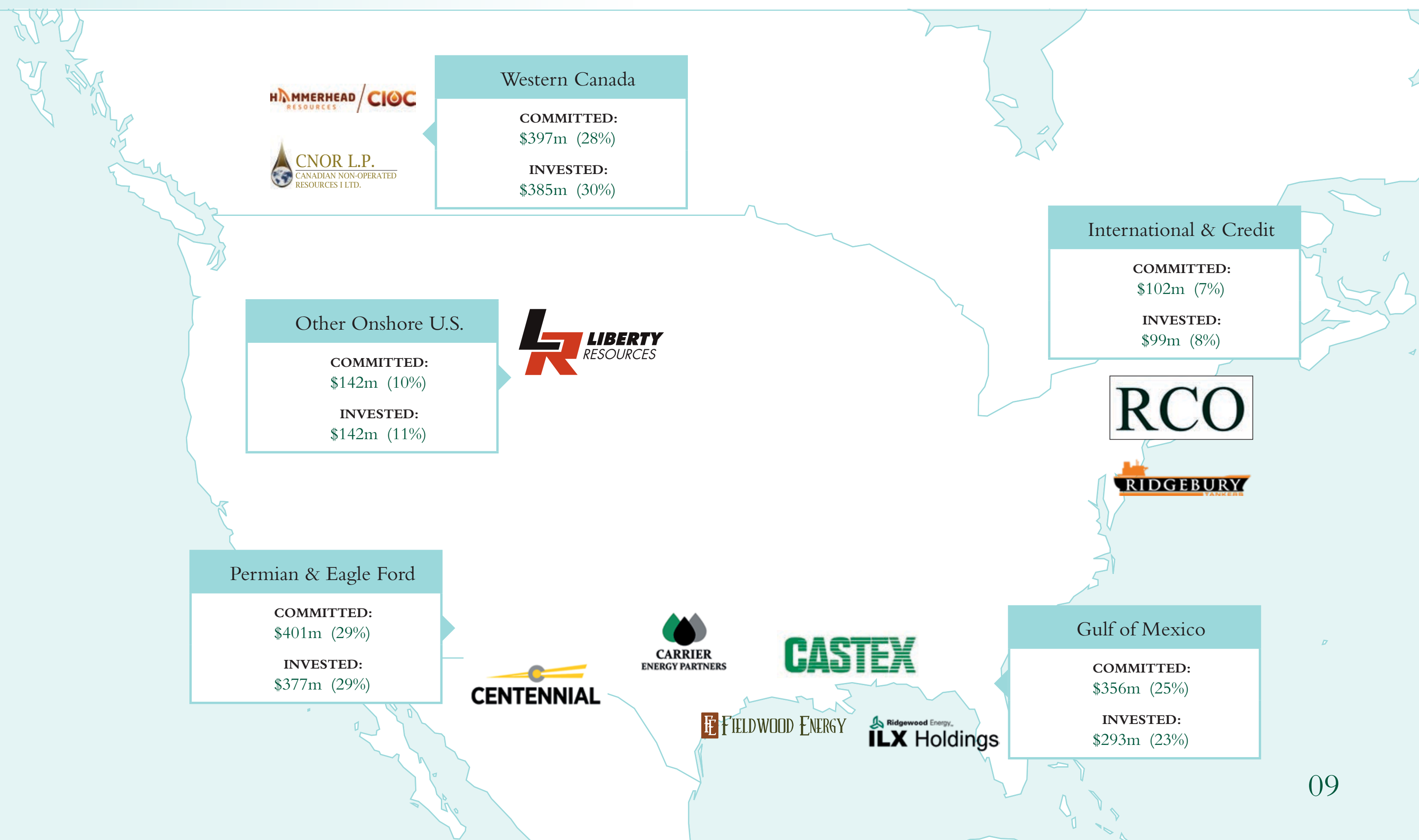
In the first half of 2019, Liberty II drilled 7 wells, brought 8 wells online, and is currently producing approximately 8,400 boepd. The Company plans to continue drilling its East Nesson position in the Bakken and is exploring options to accelerate its development program.

As of 30 June 2019, REL's interest in Liberty II, through the Partnership, was valued at 0.9x Gross MOIC[1] or $127.5 million. The Gross MOIC[1] decreased during the period to reflect weakness in M&A and equity markets and a more conservative outlook on execution.

Carrier II

As of 30 June 2019, REL, through the Partnership, has invested $109.6 million of its $133.3 million commitment to Carrier II. Carrier II is focussed on the acquisition and exploitation of upstream oil and gas assets by partnering with select operators that are developing both unconventional and conventional reservoirs in North America. Shortly after its establishment in May 2015, Carrier II entered into a joint venture agreement with a highly experienced operator group made up of Henry Resources, LLC and PT Petroleum, LLC, targeting 19,131 net acres for development in the southern Midland Basin (subsequently increased to 20,260 net acres). In addition, through three separate acquisitions the company has acquired 3,892 net acres in Karnes County in the Eagle Ford basin, targeting the Sugarloaf Project and the Chisholm Project, both operated by Marathon Oil Corp. Carrier II was producing approximately 7,400 boepd at the end of the period.

In the first half of 2019, Carrier II distributed $6.3 million through dividends to REL, through the Partnership. As of 30 June 2019, REL's interest in Carrier II, through the Partnership, was valued at 0.8x Gross MOIC[1] or $87.7 million. The Gross MOIC[1] decreased over the period due to uncertainty around development pacing and the weakness in the M&A and capital markets environments.



Investment Manager's Report
(continued)

RCO

As of 30 June 2019, REL, through the Partnership, has invested in full its $80.3 million commitment to RCO, of which $78.7 million has been realised. RCO was formed in January 2015 to take advantage of the dislocation in the leveraged capital markets for energy companies. Since its inception, RCO has made a total of 32 investments, 31 of which have already been fully exited.

As of 30 June 2019, REL's interest in RCO, through the Partnership, was valued at 1.0x Gross MOIC[(1)] or $81.5 million (Realised: $78.7 million, Unrealised: $2.8 million). The Gross MOIC[(1)] decreased slightly over the period, reflecting the mark-to-market value of RCO's remaining underlying securities.

Fieldwood

As of 30 June 2019, REL, through the Partnership, has invested $87.7 million of its $89.1 million commitment to Fieldwood. Riverstone formed Fieldwood in partnership with CEO Matt McCarroll and his team in December 2012. REL made its investment in Fieldwood in 2014, as the company acquired the Gulf of Mexico interests from Apache Corporation and SandRidgeEnergy, Inc. The company has subsequently made three bolt-on acquisitions.

In the first half of 2019, Fieldwood began its deepwater drilling program and encountered commercial discoveries at the Orlov and Troika prospects, with first production from the campaign expected to be in the last quarter of 2019. During the period, the company also acquired an additional 10 per cent. interest in its operated Gunflint deepwater field and an additional 39 per cent. interest in the Galapagos field.

As of 30 June 2019, REL's interest in Fieldwood, through the Partnership, was valued at 0.7x Gross MOIC[(1)] or $61.9 million (Realised: $7.7 million, Unrealised: $54.2 million). The Gross MOIC[(1)] increased slightly over the period, following an extensive review of Fieldwood's prospect inventory that was conducted to finalise the deepwater drilling plan.

Castex 2014

As of 30 June 2019, REL, through the Partnership, has invested $50.0 million of its $66.7 million commitment to Castex 2014. Castex 2014 is a Houston-based oil and gas company focussed on gas exploration opportunities in the U.S. Gulf Coast Region, in partnership with Castex 2005. Castex 2014 was formed with a deep inventory of drill-ready and work in-progress prospects and has continued to identify additional high-potential prospects by utilising its extensive 3D-seismic inventory.

As of 30 June 2019, REL's interest in Castex 2014, through the Partnership, was valued at 0.7x Gross MOIC[(1)] or $35.0 million. The Gross MOIC[(1)] decreased over the period due to unfavourable results at one of its prospects.

CNOR

As of 30 June 2019, REL, through the Partnership, has invested in full its $90.0 million commitment to CNOR. CNOR is a Calgary-based oil and gas company focussed on the Western Canadian Sedimentary Basin. CNOR has invested in a joint venture with Tourmaline Oil Corp. targeting the Peace River High area (126,000 net acres), and during the first half of 2019, CNOR closed on a strategic combination with publicly-traded Blackbird Energy to consolidate CNOR's ~25,000 net acre Pipestone Montney position with that of Blackbird's offsetting ~73,000 acres. The pro forma company is named Pipestone Energy Corp and trades under TSX-V: PIPE.

As of 30 June 2019, REL's interest in CNOR, through the Partnership, was valued at 0.3x Gross MOIC[(1)] or $27.0 million. The Gross MOIC[(1)] decreased over the period primarily due to a change in valuation methodology of the Pipestone asset, following completion of the strategic combination with Blackbird, and the valuation for the joint venture with Tourmaline is reflective of the expected proceeds from a potential sale which is currently being evaluated.

Ridgebury H3

As of 30 June 2019, REL, through the Partnership, has invested $18.3 million of its $22.0 million commitment to Ridgebury H3. The Company is an international shipping company, targeting the Handy size tanker markets, and owns three ~10-year old Handy size product tankers. Ridgebury H3 is managed by the same team as Ridgebury Tankers, a Riverstone portfolio company led by Bob Burke, a long-time shipping executive with 30 years of shipping industry experience.

As of 30 June 2019, REL's interest in Ridgebury H3, through the Partnership, was valued at 1.1x Gross MOIC[(1)] or $19.6 million. The Gross MOIC[(1)] increased over the period due to a slight increase in the appraisal value of the tankers, relative to the purchase price.

REALISED INVESTMENTS

Meritage III

Meritage III was established in April 2015 to pursue greenfield development opportunities and opportunistic acquisitions for the gathering, treating and handling of natural gas, NGLs and crude oil in Western Canada. Since inception, the company has constructed and commissioned two gas processing facilities, underpinned by gas gathering and processing agreements with Hammerhead and three additional operators. In the second quarter of 2018, Meritage III executed an additional offtake agreement with Hammerhead which supported the construction of a third gas processing facility, and in the third quarter of 2018, it also expanded its gathering and processing agreement with Velvet Energy Ltd.

In January 2019, REL announced the sale of Meritage III to a newly formed joint venture between SemGroup Corporation (NYSE: SEMG) and KKR & Co. Inc., for aggregate gross proceeds to Meritage III of C$600 million (US$449 million). The transaction closed in February 2019, resulting in gross proceeds to REL of $83.4 million. This implies a Gross MOIC of 2.1x, a Gross IRR of 30 per cent. and a gain of $44 million on the Company's investment, through the Partnership, of $40 million. The MOIC and IRR, net of performance allocation, are approximately 1.9x and 26 per cent., respectively. The Investment Manager, through RELCP, subsequently invested the net proceeds of its performance allocation in Ordinary Shares of the Company.

As of 30 June 2019, REL's total interest in Meritage III, through the Partnership, was valued at 2.1x Gross MOIC(1) or $83.4 million (100 per cent. realised).

Sierra

Sierra was formed in September 2014 to pursue select upstream and midstream opportunities in Mexico as the energy industry underwent a historic period of reform and liberalisation. Through multiple consortia, Sierra won six offshore blocks with over 750,000 net acres, which made it the largest independent acreage holder in Mexico's Sureste Basin by net acreage. In 2017, a consortium consisting of Sierra, Talos (a Riverstone portfolio company) and Premier Oil plc announced a historic oil discovery in the shallow waters of the Gulf of Mexico. The Zama 1 well, located in Mexico's Block 7, confirmed the presence of a light oil resource estimated to be in the range 1.4 billion and 2.0 billion barrels of oil in place.

In the fourth quarter of 2018, Riverstone announced that it had agreed to the sale of 100 per cent. of its membership interests in Sierra to DEA Deutsche Erdoel AG ("DEA"), an international independent exploration and production company headquartered in Germany. The transaction subsequently closed in March 2019, following approval by Mexico's antitrust and hydrocarbons regulators. At closing, REL received $36.6 million of upfront cash, then subsequently received an additional $2.6 million in April 2019 as part of an earn-out related to appraisal and exploration activities. This implies a Gross MOIC(1) of 2.1x, a Gross IRR(1) of 55 per cent. and a gain of $21 million on the Company's investment, through the Partnership. The MOIC and IRR, net of performance allocation, are approximately 1.9x and 48 per cent., respectively. The Investment Manager, through RELCP, subsequently invested the net proceeds of its performance allocation in Ordinary Shares of the Company.

As of 30 June 2019, REL's total interest in Sierra, through the Partnership, was valued at 2.1x Gross MOIC(1) or $39.4 million (100 per cent. realised).

WITHDRAWN COMMITMENTS AND IMPAIRMENTS

Eagle II

During 2Q 2019, REL, through the Partnership, wrote-off its investment in Eagle II of $61.7 million after the company signed a PSA to sell its SCOOP assets. The proceeds from the sale will be used to repay debt.

(1) Gross Unrealised Value and Gross MOIC are before transaction costs, taxes (approximately 21 to 27.5 per cent. of U.S. sourced taxable income) and 20 per cent. carried interest on gross profits (without a hurdle rate). Since there is no netting of losses against gains, the effective carried interest rate on the portfolio as a whole will be greater than 20 per cent.. In addition, there is a management fee of 1.5 per cent. of net assets (including cash) per annum and other expenses. Given these costs, fees and expenses are in aggregate expected to be considerable, Total Net Value and Net MOIC will be materially less than Gross Unrealised Value and Gross MOIC. Local taxes, primarily on U.S. assets, may apply at the jurisdictional level on profits arising in operating entity investments. Further withholding taxes may apply on distributions from such operating entity investments. In the normal course of business, REL may form wholly-owned subsidiaries, to be treated as C Corporations for U.S. tax purposes. The C Corporations serve to protect REL's public investors from incurring U.S. ECI. The C Corporations file U.S. corporate tax returns with the U.S. IRS and pay U.S. corporate taxes on its taxable income

Investment Manager's Report (continued)

VALUATION

The Investment Manager is charged with proposing the valuation of the assets held by REL through the Partnership. The Partnership has directed that securities and instruments be valued at their fair value. REL's valuation policy is compliant with IFRS and IPEV Valuation Guidelines and has been applied consistently from period to period since inception. As the Company's investments are generally not publicly quoted, valuations require meaningful judgement to establish a range of values, and the ultimate value at which an investment is realised may differ from its most recent valuation and the difference may be significant.

The Investment Manager values each underlying investment in accordance with the Riverstone valuation policy, the IFRS accounting standards and IPEV Valuation Guidelines. The value of REL's portion of that investment is derived by multiplying its ownership percentage by the value of the underlying investment. If there is any divergence between the Riverstone valuation policy and REL's valuation policy, the Partnership's proportion of the total holding will follow REL's valuation policy. There were no valuation adjustments recorded by REL as a result of differences between IFRS and U.S. Generally Accepted Accounting Principles for the six months ended 30 June 2019 or in any period to date. Valuations of REL's investments through the Partnership are determined by the Investment Manager and disclosed quarterly to investors, subject to Board approval.

Riverstone values its investments using common industry valuation techniques, including comparable public market valuation, comparable merger and acquisition transaction valuation, and discounted cash flow valuation.

For development-type investments, Riverstone also considers the recognition of appreciation or depreciation of subsequent financing rounds, if any. For those early stage privately held companies where there are other indicators of a decline in the value of the investment, Riverstone will value the investment accordingly even in the absence of a subsequent financing round.

Riverstone reviews the valuations on a quarterly basis with the assistance of the Riverstone Performance Review Team ("PRT") as part of the valuation process. The PRT was formed to serve as a single structure overseeing the existing Riverstone portfolio with the goal of improving operational and financial performance.

The Audit Committee reviews the valuations of the Company's investments held through the Partnership and makes a recommendation to the Board for formal consideration and acceptance.

The unaudited fair market valuations as of 30 June 2019 formed part of REL's 2019 Interim Financial Report and were subject to an interim review under ISRE 2410, which was undertaken by Ernst & Young LLP on behalf of the Directors.

UNINVESTED CASH

As of 30 June 2019, REL, including the Partnership, had uninvested funds of over $219 million held as cash and money market fixed deposits. The Partnership maintains deposit accounts with several leading international banks. In addition, the Partnership invests a portion of its cash deposits in short-term money market fixed deposits. REL's treasury policy seeks to protect the principal value of cash deposits utilising low risk investments with top-tier counterparts. Uninvested cash earned approximately 139 basis points during the six months ended 30 June 2019.

As of 30 June 2019, REL, through the Partnership, had unfunded commitments of $125 million. Pro forma for the new commitments into Aleph Midstream and Onyx Strategic Investment Management I BV, the Company has remaining unfunded commitments of up to $291 million; however, the Board by consultation with the Investment Manager does not expect to fully fund all commitments in the normal course of business. The Investment Manager's historical track record shows that investments are often realised prior to the commitment being fully funded.

In connection with the listing of REL on the London Stock Exchange, all proceeds of the offering were converted to U.S. dollars at an average rate of 1.606 at inception. All cash deposits referred to above are denominated in U.S. dollars. Additionally, REL's functional currency and Financial Statements are all presented in U.S. dollars. The Partnership's commitments are denominated in U.S. dollars, except Hammerhead and CNOR which are denominated in Canadian dollars.

GOING CONCERN

The Company retained $11.5 million of cash in the IPO and Placing and Open Offer, and has received distributions in aggregate of $14.3 million from the Partnership cumulatively through Q2 2019, of which $3.1 million remains at 30 June 2019 (31 December 2018: $2.1 million). This cash balance is sufficient to cover the Company's existing liabilities at 30 June 2019 of $0.7 million, as well as they fall due over the next six months, but the Company will require a $1.2 million distribution in Q1 2020 to cover its forecast expenses for the initial six months of 2020 of approximately $1.8 million. In accordance with section 4.1(a) of the Partnership Agreement, in the event of the Company requiring additional funds for working capital, it is entitled to receive another distribution from the Partnership.

As at 30 June 2019, the Partnership, including its wholly-owned subsidiaries, REL US Corp and REL US Centennial Holdings, LLC, had $216 million of uninvested funds held as cash and money market fixed deposits (31 December 2018: $135 million), and has no material going concern risk. Although the Company's commitments, through the Partnership, exceed its available liquid resources, it is not expected that all commitments will be drawn due to a variety of factors, such as a portfolio company being sold earlier than anticipated or a targeted investment opportunity changing or disappearing. In addition, the board of each underlying portfolio company, more often than not controlled by Riverstone, has discretion over whether or not that capital is ultimately invested. Moreover, REL's arrangements with Riverstone allow unfunded commitments of $125 million as at 30 June 2019 (31 December 2018: $156 million) to be amended by the Investment Manager with consideration from the Board.

In light of the above facts, the Directors are satisfied that it is appropriate to adopt the going concern basis in preparing the interim condensed financial statements. In reaching this conclusion, the Board has considered budgeted and projected results of the business, projected cash flow and risks that could impact the Company's liquidity over the next twelve months.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company's assets consist of investments, through the Partnership, within the global energy industry, with a particular focus on opportunities in the global exploration and production and midstream energy sub-sectors. Its principal risks are therefore related to market conditions in the energy sector in general, but also the particular circumstances of the businesses in which it is invested through the Partnership. The Investment Manager to the Partnership seeks to mitigate these risks through active asset management initiatives and carrying out due diligence work on potential targets before entering into any investments.

The key areas of risk faced by the Company are the following: 1) concentration risk from investing only in the global energy sector, 2) Ordinary Shares trading at a Discount to NAV per Share, 3) inherent risks associated with the exploration and production and midstream energy subsectors, 4) difficulty for the Company to terminate its Investment Management Agreement, 5) voting impact on any Discontinuation Resolution by affiliates of the Investment Manager and the Company's Cornerstone Investors, and 6) conflicts regarding the allocation of investment opportunities between the Company and Private Riverstone Funds.

The principal risks and uncertainties of REL were identified in further detail in the 2018 Annual Report and Financial Statements. There have been no changes to REL's principal risks and uncertainties in the six-month period to 30 June 2019 and no changes are anticipated in the second half of the year.

SUBSEQUENT EVENTS

In July 2019, REL, through the Partnership, funded $23.5 million of its $100 million commitment into Aleph Midstream in conjunction with the closing of the transaction, as disclosed in Note 11 on page 29.

RIVERSTONE INTERNATIONAL LIMITED
13 August 2019

Directors' Responsibilities Statement

The Directors are responsible for preparing this Interim Financial Report in accordance with applicable law and regulations. The Directors confirm that to the best of their knowledge:

- The unaudited interim condensed financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU; and
- The Chairman's Statement and Investment Manager's Report include a fair review of the information required by:

  (i) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the unaudited interim condensed financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

  (ii) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the financial year and that have materially affected the financial position and performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

  On behalf of the Board

Richard Hayden

RICHARD HAYDEN
Chairman
13 August 2019

Independent Review Report to Riverstone Energy Limited

We have been engaged by the Company to review the Unaudited Interim Condensed Financial Statements ("financial statements") for the six months ended 30 June 2019 which comprises the Condensed Statement of Financial Position, the Condensed Statement of Comprehensive Income, the Condensed Statement of Changes in Equity, the Condensed Statement of Cash Flow and related Notes 1 to 11. We have read the other information contained in the Interim Report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the financial statements.

This report is made solely to the Company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK and Ireland) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board ("ISRE 2410"). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

DIRECTORS' RESPONSIBILITIES

The Interim Report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the Interim Report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in Note 2, the Annual Financial Statements of the Company are prepared in accordance with IFRSs as adopted by the European Union. The financial statements included in this Interim Report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union ("IAS 34").

OUR RESPONSIBILITY

Our responsibility is to express to the Company a conclusion on the financial statements based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with ISRE 2410. A review of Interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the financial statements for the six months ended 30 June 2019 are not prepared, in all material respects, in accordance with IAS 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Ernst & Young LLP

ERNST & YOUNG LLP
Guernsey
13 August 2019

(1) The maintenance and integrity of the Company's website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website

(2) Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Condensed Statement of Financial Position

As at 30 June 2019

	Notes	30 June 2019 $'000 (Unaudited)	31 December 2018 $'000 (Audited)
Assets			
Non-current assets			
Investment at fair value through profit or loss	6	**1,055,549**	1,428,985
Total non-current assets		**1,055,549**	1,428,985
Current assets			
Trade and other receivables		**217**	579
Cash and cash equivalents		**3,054**	2,132
Total current assets		**3,271**	2,711
Total assets		**1,058,820**	1,431,696
Current liabilities			
Trade and other payables		**725**	435
Total current liabilities		**725**	435
Total liabilities		**725**	435
Net assets		**1,058,095**	1,431,261
Equity			
Share capital		**1,246,517**	1,246,559
Retained earnings		**(188,422)**	184,702
Total equity		**1,058,095**	1,431,261
Number of Shares in issue at period/year end	10	**79,896,731**	79,896,731
Net Asset Value per Share ($)	10	**13.24**	17.91

The interim condensed financial statements on pages 16 to 29 were approved and authorised for issue by the Board of Directors on 13 August 2019 and signed on their behalf by:

RICHARD HAYDEN
Chairman

PATRICK FIRTH
Director

The accompanying notes form an integral part of these interim condensed financial statements.

Condensed Statement of Comprehensive Income

For the six months ended 30 June 2019 (Unaudited)

	Notes	1 January 2019 to 30 June 2019 $'000	1 January 2018 to 30 June 2018 $'000
Investment (loss) / gain			
Change in fair value of investment at fair value through profit or loss	6	**(371,336)**	12,599
Expenses			
Directors' fees and expenses		**(619)**	(525)
Legal and professional fees		**(69)**	(165)
Other operating expenses		**(1,130)**	(1,122)
Total expenses		**(1,818)**	(1,812)
Operating (loss) / profit for the period		**(373,154)**	10,787
Finance income and expenses			
Foreign exchange gain / (loss)		**10**	(45)
Interest income		**20**	5
Total finance income and expenses		**30**	(40)
(Loss) / Profit for the period		**(373,124)**	10,747
Total comprehensive (loss) / income for the period		**(373,124)**	10,747
Basic (Loss) / Earnings per Share (cents)	10	**(467.01)**	12.72
Diluted (Loss) / Earnings per Share (cents)	10	**(467.01)**	12.72

All activities derive from continuing operations.

The accompanying notes form an integral part of these interim condensed financial statements.

Condensed Statement of Changes in Equity

For the six months ended 30 June 2019 (Unaudited)

	Share capital $'000	Retained earnings $'000	Total Equity $'000
As at 1 January 2019	**1,246,559**	**184,702**	**1,431,261**
Loss for the period	**–**	**(373,124)**	**(373,124)**
Cancellation of shares	**(42)**	**–**	**(42)**
As at 30 June 2019	**1,246,517**	**(188,422)**	**1,058,095**

For the six months ended 30 June 2018 (Unaudited)

	Share capital $'000	Retained earnings $'000	Total Equity $'000
As at 1 January 2018	1,317,496	425,683	1,743,179
Profit for the period	–	10,747	10,747
As at 30 June 2018	1,317,496	436,430	1,753,926

The accompanying notes form an integral part of these interim condensed financial statements.

Condensed Statement of Cash Flows

For the six months ended 30 June 2019 (Unaudited)

	1 January 2019 to 30 June 2019 $'000	1 January 2018 to 30 June 2018 $'000
Cash flow generated from / (used in) operating activities		
Operating (loss) / profit for the financial period	(373,154)	10,787
Adjustments for:		
Net finance income	20	5
Change in fair value of investment at fair value through profit or loss	371,336	(12,599)
Movement in trade receivables	362	307
Movement in trade payables	290	(277)
Net cash used in operating activities	(1,146)	(1,777)
Cash flow generated from investing activities		
Distribution from the Partnership	2,100	3,300
Net cash generated from investing activities	2,100	3,300
Cash flow used in financing activities		
Buyback of shares	(42)	–
Net cash used in financing activities	(42)	–
Net movement in cash and cash equivalents during the period	912	1,523
Cash and cash equivalents at the beginning of the period	2,132	789
Effect of foreign exchange rate changes	10	(45)
Cash and cash equivalents at the end of the period	3,054	2,267

The accompanying notes form an integral part of these interim condensed financial statements.

Notes to the Unaudited Interim Condensed Financial Statements

For the six months ended 30 June 2019

1. GENERAL INFORMATION

Riverstone Energy Limited is a company limited by shares, which was incorporated on 23 May 2013 in Guernsey with an unlimited life and registered with the GFSC as a Registered Closed-ended Collective Investment Scheme pursuant to the POI Law. The Company's Ordinary Shares were admitted to the premium segment of the UK Listing Authority's Official List and to trading on the Main Market of the London Stock Exchange as part of its IPO which completed on 29 October 2013. With effect from 29 April 2019, the registered office of the Company is PO Box 286, Floor 2, Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 4LY.

The Company makes its investments through the Partnership, a Cayman Islands registered exempted limited partnership, in which the Company is the sole limited partner. The principal place of business of the Partnership is the Cayman Islands. Both the Company and the Partnership are subject to the Investment Management Agreement with the Investment Manager, a company registered in the Cayman Islands.

The Partnership has the right to invest alongside the Private Riverstone Funds in all Qualifying Investments in which the Private Riverstone Funds participate. These funds are managed and advised by affiliates of the Investment Manager. The Partnership's recent investments in Aleph and Ridgebury H3 demonstrate its modified investment strategy as the Private Riverstone Funds did not participate. Further detail of these investments is provided in the Investment Manager's Report.

2. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE COMPANY

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2018. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The Company applied, for the first time, certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2019. The new standards or amendments to existing standards and interpretations, effective from 1 January 2019, did not have a material impact on the Company's interim condensed financial statements. It is not anticipated that any standard which is not yet effective, will have a material impact on the Company's financial position or on the performance of the Company's statements.

These interim condensed financial statements are presented in U.S. dollars and are rounded to the nearest $'000, unless otherwise indicated.

3. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

The estimates and judgements made by the Investment Manager are consistent with those made in the Financial Statements for the year ended 31 December 2018.

4. TAXATION

The taxation basis of the Company remains consistent with that disclosed in the Financial Statements for the year ended 31 December 2018.

The Company has made an election to, and currently expects to conduct its activities so as to be treated as a partnership for U.S. federal income tax purposes. Therefore, the Company expects that it generally will not be liable for U.S. federal income taxes. In the normal course of business, REL may form wholly owned subsidiaries, to be treated as C Corporations for U.S. tax purposes. The C Corporations serve to protect REL's public investors from incurring U.S. ECI. The C Corporations file U.S. corporate tax returns with the U.S. IRS and pay U.S. corporate taxes on its income. Each of the Company's Shareholders who are liable for U.S. taxes will take into account their respective share of the Company's items of income, gain, loss and deduction in computing its U.S. federal income tax liability as if such Shareholder had earned such income directly, even if no cash distributions are made to the Shareholder.

The Company is exempt from taxation in Guernsey under the provisions of the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 2008 and is charged an annual exemption fee of £1,200.

The Cayman Islands at present impose no taxes on profit, income, capital gains or appreciations in value of the Partnership. There are also currently no taxes imposed in the Cayman Islands by withholding or otherwise on the Company as a limited partner of the Partnership on profit, income, capital gains or appreciations in respect of its partnership interest nor any taxes on the Company as a limited partner of the Partnership in the nature of estate duty, inheritance or capital transfer tax.

Local taxes may apply at the jurisdictional level on profits arising in operating entity investments. Further taxes may apply on distributions from such operating entity investments. The company is structured, and has structured its investments, to eliminate the incurrence of ECI by REL's investors. Based upon the current commitments and investments in Liberty II, Eagle II, Rock Oil, Fieldwood, Castex 2014, Carrier II, ILX III, and Centennial, the future U.S. tax liability on profits is expected to be in the range of 21 to 27.5 per cent. (31 December 2018: 21 to 27.5 per cent.).

5. FAIR VALUE

IFRS 13 'Fair Value Measurement' requires disclosure of fair value measurement by level. The level in the fair value hierarchy within which the financial assets or financial liabilities are categorised is determined on the basis of the lowest level input that is significant to the fair value measurement, adjusted if necessary.

Financial assets and financial liabilities are classified in their entirety into only one of the three levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3 – inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The Company's only financial instrument carried at fair value is its investment in the Partnership which has been classified within Level 3 as it is derived using unobservable inputs. Amounts classified under Level 3 for the period ended 30 June 2019 were $1,056 million (31 December 2018: $1,429 million).

The fair value of all other financial instruments approximates their carrying value.

Transfers during the period

There have been no transfers between levels during the period ended 30 June 2019 and the year ended 31 December 2018. Any transfers between the levels will be accounted for on the last day of each financial period. Due to the nature of the investment, it is always expected to be classified under Level 3.

Valuation methodology and process

The same valuation methodology and process was deployed in June 2019 and December 2018.

For the period ended 30 June 2019, the valuations of the Company's investments, through the Partnership, are detailed in the Investment Manager's Report.

Notes to the Unaudited Interim Condensed Financial Statements (continued)

For the six months ended 30 June 2019

5. FAIR VALUE (continued)

Quantitative information about Level 3 fair value measurements as at 30 June 2019

Industry: Energy

Fair value of Level 3 investments (in thousands)	Valuation technique(s)	Unobservable input(s)	Range: Low (1)	Range: High (1)	Weighted Average (1)	Sensitivity of the input to fair value of Level 3 investments	Fair value of Level 3 Investments affected by unobservable input(2) (in thousands)
$711,303	Public comparables	2019 EV/ EBITDA Multiple(3)	3.5x	4.9x	4.0x	10% weighted average change in the input would result in 1% change in the total fair value of Level 3 investments	$476,471
		EV / 2019E Production Multiple ($/Boepd)(3)	$20,000	$43,600	$31,300	10% weighted average change in the input would result in 1% change in the total fair value of Level 3 investments	$476,471
		1P Reserve multiple ($/Boe)	$9	$13	$12	10% weighted average change in the input would result in 2% change in the total fair value of Level 3 investments	$282,571
		2P Reserve multiple ($/Boe)	$2	$3	$3	10% weighted average change in the input would result in 1% change in the total fair value of Level 3 investments	$228,898
	Transaction comparables	Acreage Multiple ($/Boepd per Acre)	$1,000	$9,300	$5,300	10% weighted average change in the input would result in 1% change in the total fair value of Level 3 investments	$422,270
		2P / 2C Reserve multiple ($/BOE)	$10	$10	$10	10% weighted average change in the input would result in 3% change in the total fair value of Level 3 investments	$199,834
	Discounted cash flow	Oil Price Curve ($/bbl)	$50	$63	$58	20% weighted average change in the input would result in 25% change in the total fair value of Level 3 investments	$711,303
		Gas Price Curve ($/mcfe)	$3	$3	$3	10% weighted average change in the input would result in 3% change in the total fair value of Level 3 investments	$583,803
		Discount Rate	16%	16%	16%	10% weighted average change in the input would result in 2% change in the total fair value of Level 3 investments	$199,834
$30,522	Other						
$741,825	**Total**						

Quantitative information about Level 3 fair value measurements as at 31 December 2018

Industry: Energy Fair value of Level 3 investments (in thousands)	Valuation technique(s)	Unobservable input(s)	Range Low (1)	 High (1)	Weighted Average (1)	Sensitivity of the input to fair value of Level 3 investments	Fair value of Level 3 Investments affected by unobservable input(2) (in thousands)
$1,055,421	Public comparables	1P Reserve multiple ($/Boe)	$12	$13	$12	10% weighted average change in the input would result in 1% change in the total fair value of Level 3 investments	$352,337
		2P Reserve multiple ($/Boe)	$5	$6	$6	10% weighted average change in the input would result in 1% change in the total fair value of Level 3 investments	$487,771
	Transaction comparables	Acreage Multiple ($/Boepd per Acre)	$2,800	$11,700	$5,800	10% weighted average change in the input would result in 1% change in the total fair value of Level 3 investments	$756,162
		2P / 2C Reserve multiple ($/BOE)(4)	$7	$12	$10	25% weighted average change in the input would result in 2% change in the total fair value of Level 3 investments	$196,806
	Discounted cash flow	Oil Price Curve ($/bbl)	$57	$68	$63	20% weighted average change in the input would result in 22% change in the total fair value of Level 3 investments	$1,055,421
		Gas Price Curve ($/mcfe)	$3	$3	$3	10% weighted average change in the input would result in 3% change in the total fair value of Level 3 investments	$852,102
		Discount Rate	16%	20%	17%	10% weighted average change in the input would result in 1% change in the total fair value of Level 3 investments	$215,313
$137,689	Other						
$1,193,110	**Total**						

(1) Calculated based on fair values of the Partnership's Level 3 investments

(2) Each of the Partnership's Level 3 investments are valued using one or more of the techniques which utilise one or more of the unobservable inputs, so the amounts in the "Fair value of Level 3 investments" column will not aggregate to the total fair value of the Partnership's Level 3 investments

(3) As at 30 June 2019, the sensitivity of these unobservable inputs to the total fair value of Level 3 investments was determined to be significant by applying the same methodology that determined it not to be significant as at 31 December 2018

(4) As at 31 December 2018, the sensitivity of these unobservable inputs to the total fair value of Level 3 investments was determined to be significant by applying the same methodology that determined it not to be significant as at 31 December 2017

Notes to the Unaudited Interim Condensed Financial Statements (continued)

For the six months ended 30 June 2019

5. FAIR VALUE (continued)

The Board reviews and considers the fair value of the Partnership's investments arrived at by the Investment Manager before incorporating such values into the fair value of the Partnership. The variety of valuation bases adopted, quality of management information provided by the underlying investee companies and the lack of liquid markets for the investments mean that there are inherent difficulties in determining the fair value of these investments and such difficulties cannot be eliminated. Therefore, the amounts realised on the sale of investments may differ from the fair values reflected in these interim condensed financial statements and the differences may be significant.

The Board approves the valuations performed by the Investment Manager and monitors the range of reasonably possible changes in significant unobservable inputs on a regular basis with consultation from the Investment Manager. Using its extensive industry experience, the Investment Manager provides the Board with its determination of the reasonably possible changes in significant unobservable inputs in normal market conditions as of the period end.

The Directors have considered whether a discount or premium should be applied to the net asset value of the Partnership. In view of the investment in the Partnership and the nature of the Partnership's assets, no adjustment to the net asset value of the Partnership has been deemed to be necessary.

6. INVESTMENT AT FAIR VALUE THROUGH PROFIT OR LOSS

The movement in fair value is derived from the fair value movements in the underlying investments held by the Partnership, net of income and expenses of the Partnership and its related Investment Undertakings, including any Performance Allocation and applicable taxes.

	30 June 2019 $'000	31 December 2018 $'000
Cost		
Brought forward	**1,225,271**	1,302,335
Distribution from the Partnership	**(2,100)**	(77,064)
Carried forward	**1,223,171**	1,225,271
Fair value movement through profit or loss		
Brought forward	**203,714**	440,122
Fair value movement during period/year – see Summary Income Statement below	**(371,336)**	(236,408)
Carried forward	**(167,622)**	203,714
Fair value at period/year end	**1,055,549**	1,428,985

Summary financial information for the Partnership

	30 June 2019 $'000	31 December 2018 $'000
Investments at fair value (net)	**854,600**	1,307,117
Cash and cash equivalents [1]	**69,795**	40,479
Money market fixed deposits [1]	**137,046**	87,000
Management fee payable – see Note 8	**(3,968)**	(5,367)
Other net liabilities	**(1,924)**	(244)
Fair value of REL's investment in the Partnership	**1,055,549**	1,428,985

(1) These figures are comprised of $69.8 million held at the Partnership and $9.3 million held at REL US Corp

Reconciliation of Partnership's investments at fair value	30 June 2019 $'000	31 December 2018 $'000
Investments at fair value – Level 1 (gross)	**115,216**	167,283
Investments at fair value – Level 3 (gross) - see Note 5	**741,824**	1,193,109
Investments at fair value (gross)	**857,040**	1,360,392
Accrued General Partner performance allocation – see Note 8	**(11,723)**	(55,863)
Provision for taxation – see Note 4	**–**	(4,500)
Cash and cash equivalents	**9,283**	7,088
Partnership's investments at fair value (net)	**854,600**	1,307,117

Summary Income Statement	1 January 2019 to 30 June 2019 $'000	1 January 2018 to 30 June 2018 $'000
Unrealised and realised (loss) / gain on Partnership's investments (net)	**(364,899)**	26,700
Interest and other income	**2,732**	1,102
Management fee expense – see Note 8	**(8,547)**	(12,979)
Other operating expenses	**(622)**	(2,224)
Portion of the operating (loss) / profit for the period attributable to REL's investment in the Partnership	**(371,336)**	12,599

Reconciliation of unrealised and realised gain / (loss) on Partnership's investments	1 January 2019 to 30 June 2019 $'000	1 January 2018 to 30 June 2018 $'000
Unrealised loss on Partnership's investments (gross)	**(450,190)**	(67,171)
Realised profit on Partnership's investments (gross)	**54,330**	62,522
Income from Partnership's investments (gross)	**30**	315
General Partner's performance allocation	**30,931**	3,009
Release of Provision for taxation	**–**	28,025
Unrealised and realised (loss) / gain on Partnership's investments (net)	**(364,899)**	26,700

Notes to the Unaudited Interim Condensed Financial Statements (continued)

For the six months ended 30 June 2019

7. CONTINGENT LIABILITIES

Contingent liabilities are potential future cash outflows where the likelihood of payment is considered more than remote but is not considered probable or cannot be measured reliably.

Formation and initial expenses

The formation and initial expenses of the Company totalling $22.5 million were paid in full by the Investment Manager. However, if the Investment Management Agreement is terminated by the Company on or before the seventh anniversary of Admission (other than for a material breach by the Investment Manager attributable to its fraud) the Company will be required to reimburse the Investment Manager in respect of the formation and initial expenses of the Company and the costs and the expenses of the Issue to the full extent that such costs and expenses were borne by the Investment Manager. At this time, the Directors consider the likelihood of the Investment Management Agreement being terminated by the Company to be remote.

8. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the party in making financial or operational decisions.

Directors

The Company has eight non-executive Directors (31 December 2018: eight).

Directors' fees and expenses for the period ended 30 June 2019 amounted to $618,936, (30 June 2018: $524,647), $63,425 of which was outstanding at period end (31 December 2018: $Nil).

Partnership

In accordance with section 4.1(a) of the Partnership Agreement, the Company received distributions in aggregate of $2.1 million (30 June 2018: $3.3 million) from the Partnership through Q2 2019. In accordance with section 4.1(a) of the Partnership Agreement, in the event of the Company requiring additional funds for working capital, it is entitled to receive another distribution from the Partnership.

Investment Manager

For the provision of services under the Investment Management Agreement, the Investment Manager is paid in cash out of the assets of the Partnership an annual Management Fee equal to 1.5 per cent. per annum of the Company's Net Asset Value (including cash). The fee is payable quarterly in arrears and each payment is calculated using the quarterly Net Asset Value as at the relevant quarter end as further outlined on page 63 in the Financial Statements to 31 December 2018. During the period to 30 June 2019, the Partnership incurred Management Fees of $8,546,633 (30 June 2018: $12,979,442) of which $3,967,854 remained outstanding as at the period end (31 December 2018: $5,367,224). In addition, the Company and Partnership, in aggregate, reimbursed the Investment Manager $901,002 in respect of amounts paid on their behalf for the period (31 December 2018: $1,201,087), of which $58,817 related to travel and other operating expenses of the Investment Manager (31 December 2018: $114,928).

The circumstances in which the Company and the Investment Manager may terminate the Investment Management Agreement are as follows:

Event	Notice period	Consequences of termination[2]
By the Company if the Investment Manager is in material breach which has not been rectified	12 months	The General Partner is entitled to receive a payment equal to four times the quarterly Management Fee payable to the Investment Manager on the basis of the Company's most recent Net Asset Value and an amount equal to the Performance Allocation due on the Company's investments on the basis, at the Company's option, of the latest quarterly valuation or the actual realisation value for each investment.
By the Investment Manager if the Company is in material breach which has not been rectified	12 months	The General Partner is entitled to receive a payment equal to twenty times the quarterly Management Fee payable to the Investment Manager on the basis of the Company's most recent Net Asset Value and an amount equal to the Performance Allocation due on the Company's investments on the basis, at the General Partner's option, of the latest quarterly valuation or the actual realisation value for each investment.
By the Company if the Investment Manager becomes insolvent or resolves to wind up or if the Investment Manager commits an act of fraud or wilful default in relation to the Company which results in material harm to the Company	Immediate	No payment to be made to the Investment Manager or the General Partner.
By the Investment Manager if the Company becomes insolvent or resolves to wind up, undergoes a change of control and delists, ceases to maintain its Guernsey regulatory approval or, if in each case if the consent of the Investment Manager is not obtained, the Company materially changes its investment policy, raises new equity, makes a distribution or acquires or disposes of an investment	Immediate	The General Partner is entitled to receive a payment equal to twenty times the quarterly Management Fee payable to the Investment Manager on the basis of the Company's most recent Net Asset Value and an amount equal to the Performance Allocation due on the Company's investments on the basis, at the General Partner's option, of the latest quarterly valuation or the actual realisation value for each investment.
If a Discontinuation Resolution[1] is passed	Immediate	The General Partner will be entitled to receive a payment equal to twenty times the quarterly Management Fee payable to the Investment Manager on the basis of the Company's most recent Net Asset Value and an amount equal to the Performance Allocation due on the Company's investments on the basis, at the General Partner's option, of the latest quarterly valuation or the actual realisation value for each investment.

(1) If, on 29 October 2020 (the seventh anniversary of the Company's London listing), both of the following are true:

- the trading price for the Company's ordinary shares has not at any time exceeded £14.70 (initially £15.00, subject to adjustments for dividends, stock splits or consolidations and below NAV equity issuances); and
- a gross IRR of 8 per cent. has not been achieved on the Company's capital, calculated by reference to the prevailing valuation or sale proceeds achieved on each of the Company's investments from the date of the initial investment or commitment of capital to that investment and prior to the deduction of fees or taxes,

then a special resolution must be proposed to the Company's Shareholders to discontinue the Company ("Discontinuation Resolution"). Both tests must be triggered for the requirement to propose a Discontinuation Resolution to apply.

(2) In addition, if the Investment Management Agreement is terminated on or before 29 October 2020 other than for a material breach by the Investment Manager attributable to its fraud), the Company is required to reimburse the Investment Manager (or its associates) in full in respect of all expenses relating to the formation and initial listing of the Company incurred by the Investment Manager and its associates.

Notes to the Unaudited Interim Condensed Financial Statements (continued)

For the six months ended 30 June 2019

8. RELATED PARTY TRANSACTIONS (continued)

The Investment Management Agreement cannot be terminated by either the Company or the Investment Manager without cause.

If a Discontinuation Resolution is proposed and not passed, or if, on 29 October 2020, the tests requiring a Discontinuation Resolution are not triggered, the Investment Management Agreement will thereafter continue in perpetuity subject to the termination for cause provisions described above.

General Partner

The General Partner makes all management decisions, other than investment management decisions, in relation to the Partnership and controls all other actions by the Partnership and is entitled to receive a Performance Allocation, calculated and payable at the underlying investment holding subsidiary level, equal to 20 per cent. of the gross realised profits (if any) in respect of a disposal, in whole or in part, of any underlying asset of the Company.

The General Partner is entitled to receive its Performance Allocation in cash, all of which, after tax, Riverstone, through its affiliate RELCP, reinvests in Ordinary Shares of the Company on the terms summarised in Part I and Part VIII of the IPO Prospectus.

During the period to 30 June 2019, the Partnership paid Performance Allocations of $13,208,875 (31 December 2018: $28,677,639) of which $11,722,930 remained outstanding as at the period end (31 December 2018: $55,862,746).

Cornerstone Investors

Each of the Cornerstone Investors has acquired an indirect economic interest in each of the General Partner and the Investment Manager depending on the size of their commitment and the total issue size, up to an aggregate maximum indirect economic interest of 20 per cent. in each, for nominal consideration. These interests entitle the Cornerstone Investors to participate in the economic returns generated by the General Partner, including from the Performance Allocation, and the Investment Manager, which receives the Management Fee.

9. SEGMENTAL REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors, as a whole. The key measure of performance used by the Board to assess the Company's performance and to allocate resources is the Total Return on the Company's Net Asset Value, as calculated under IFRS, and therefore no reconciliation is required between the measure of profit or loss used by the Board and that contained in the Financial Statements and Interim Financial Report.

For management purposes, the Company is organised into one main operating segment, which invests in one limited partnership.

All of the Company's income is derived from within Guernsey and the Cayman Islands.

All of the Company's non-current assets are located in the Cayman Islands.

Due to the Company's nature, it has no customers.

10. (LOSS) / EARNINGS PER SHARE AND NET ASSET VALUE PER SHARE

(Loss) / Earnings per Share

	1 January 2019 to 30 June 2019		1 January 2018 to 30 June 2018	
	Basic	**Diluted**	Basic	Diluted
(Loss) / Profit for the period ($'000)	**(373,124)**	**(373,124)**	10,747	10,747
Weighted average numbers of Shares in issue	**79,896,731**	**79,896,731**	84,480,064	84,480,064
(Loss) / Earnings Per Share (cents)	**(467.01)**	**(467.01)**	12.72	12.72

The (Loss) / Earnings per Share is based on the profit or loss of the Company for the period and on the weighted average number of Shares the Company had in issue for the period.

There are no dilutive Shares in issue as at 30 June 2019 (30 June 2018: none).

Net Asset Value per Share

	30 June 2019	31 December 2018	30 June 2018
NAV ($'000)	**1,058,095**	1,431,261	1,753,926
Number of Shares in issue	**79,896,731**	79,896,731	84,480,064
Net Asset Value per Share ($)	**13.24**	17.91	20.76
Net Asset Value per Share (£)	**10.43**	14.06	15.72
Discount to NAV (per cent.)	**17.44**	23.45	18.83

The Net Asset Value per Share is arrived at by dividing the net assets as at the date of the Statement of Financial Position by the number of Ordinary Shares in issue at that date.

11. SUBSEQUENT EVENTS

In July 2019, REL, through the Partnership, funded $23.5 million of its $100 million commitment into Aleph Midstream in conjunction with the closing of the transaction.

There are no other material events after the period end to the date on which these Financial Statements were approved.

Glossary of Capitalised Defined Terms

"1P reserve" means proven reserves;

"2P reserve" means proven and probable reserves;

"Administrator" means Estera International Fund Managers (Guernsey) Limited;

"Admission" means admission, on 29 October 2013, to the Official List and/or admission to trading on the London Stock Exchange, as the context may require, of the Ordinary Shares becoming effective in accordance with the Listing Rules and/or the LSE Admission Standards as the context may require;

"AEOI Rules" means Automatic Exchange of Information;

"AIC" means the Association of Investment Companies;

"AIC Code" means the AIC Code of Corporate Governance;

"AIC Guide" means the AIC Corporate Governance Guide for Investment Companies;

"AIF" means Alternative Investment Funds;

"AIFM" means AIF Manager;

"AIFMD" means EU Alternative Investment Fund Managers Directive (No. 2011/61EU);

"Aleph Midstream" means Aleph Midstream S.A;

"Annual General Meeting" or **"AGM"** means the general meeting of the Company;

"Annual Report and Financial Statements" means the annual publication of the Company provided to the Shareholders to describe their operations and financial conditions, together with their Financial Statements;

"Articles of Incorporation" or **"Articles"** means the articles of incorporation of the Company;

"Audit Committee" means a formal committee of the Board with defined terms of reference;

"bbl" means barrel of crude oil;

"Board" or **"Directors"** means the directors of the Company;

"boepd" means barrels of equivalent oil per day;

"bopd" means barrels of oil per day;

"bw/d" means barrels of water per day;

"CAD" or **"C$"** means Canadian dollar;

"CanEra III" means CanEra Inc.;

"CAR" means Capital Adequacy Ratio;

"Carrier II" means Carrier Energy Partners II LLC;

"Castex 2005" means Castex Energy 2005 LLC;

"Castex 2014" means Castex Energy 2014 LLC;

"Centennial" means Centennial Resource Development, Inc.;

"CNOR" means the Canadian Non-Operated Resources LP;

"Companies Law" means the Companies (Guernsey) Law, 2008, (as amended);

"Company" or **"REL"** means Riverstone Energy Limited;

"Company Secretary" means Estera International Fund Managers (Guernsey) Limited;

"Cornerstone Investors" means those investors who have acquired Ordinary Shares and acquired a minority economic interest in the General Partner and in the Investment Manager, being AKRC Investments LLC, Casita, L.P., KFI, Hunt and McNair;

"Corporate Brokers" means JP Morgan Cazenove and Numis Securities Limited (effective from 26 February 2019);

"Corporate Governance Code" means The UK Corporate Governance Code 2018 as published by the Financial Reporting Council;

"C Corporations" means a C Corporation, under U.S. federal income tax law, being a corporation that is taxed separately from its owners;

"CRAR" means Capital to Risk (Weighted) Assets Ratio;

"CRS" means Common Reporting Standard;

"DEA" means Deutsche Erdoel AG, an international independent exploration and production company headquartered in Germany;

"Depositary" means Estera Depositary Company (UK) Limited;

"Discontinuation Resolution" means a special resolution that must be proposed to the Company's Shareholders to discontinue the Company within six weeks of the seventh anniversary of the Company's first Admission if the trading price has not met the Target Price, and the Invested Capital Target Return has not been met;

"Discount to NAV" means the situation where the Ordinary shares of the Company are trading at a price lower than the Company's Net Asset Value;

"E&P" means exploration and production;

"Eagle II" means Eagle Energy Exploration, LLC;

"Earnings per Share" or **"EPS"** means the Earnings per Ordinary Share and is expressed in U.S. dollars;

"EBITDA" means earnings before interest, taxes, depreciation and amortisation;

"EBITDAX" means earnings before interest, taxes, depreciation, amortisation and exploration expenses;

"ECI" means effectively connected income, which refers to all income from sources within the United States connected with the conduct of a trade or business;

"EEA" means European Economic Area;

"EGM" means an Extraordinary General Meeting of the Company;

"EU" means the European Union;

"EV" means enterprise value;

"FATCA" means Foreign Account Tax Compliance Act;

"FCA" means the UK Financial Conduct Authority (or its successor bodies);

"Fieldwood" means Fieldwood Energy LLC;

"Financial Statements" means the audited financial statements of the Company, including the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Cash Flows, the Statement of Changes in Equity and associated notes;

"FRC" means Financial Reporting Council;

"FTSE 350" means Financial Times Stock Exchange 350 Index;

"Fund V" means Riverstone Global Energy & Power Fund V, L.P.;

"Fund VI" means Riverstone Global Energy & Power Fund VI, L.P.;

"General Partner" means REL IP General Partner LP (acting through its general partner, REL IP General Partner Limited), the general partner of the Partnership and a member of the Riverstone group;

"GFSC" or **"Commission"** means the Guernsey Financial Services Commission;

"GFSC Code" means the GFSC Finance Sector Code of Corporate Governance;

"GoM" means the Gulf of Mexico;

"Gross IRR" means an aggregate, annual, compound, gross internal rate of return on investments. Gross IRR does not reflect expenses to be borne by the relevant investment vehicle or its investors including, without limitation, carried interest, management fees, taxes and organisational, partnership or transaction expenses;

"Gross MOIC" means gross multiple of invested capital;

"G20 Summit" means the 2019 G20 Osaka summit which was the fourteenth meeting of the G20, a forum of 19 countries and the European Union;

"Hammerhead" means Hammerhead Resources Inc.;

"Hunt" means Hunt REL Holdings LLC together with various members of Ray L. Hunt's family and their related entities;

"IAS" means international accounting standards as issued by the Board of the International Accounting Standards Committee;

"IFRS" means the International Financial Reporting Standards, being the principles-based accounting standards, interpretations and the framework by that name issued by the International Accounting Standards Board, as adopted by the EU;

"ILX III" means ILX Holdings III LLC;

"IMO" means the International Maritime Organization (IMO), an agency of the United Nations which has been formed to promote maritime safety;

"Interim Financial Report" means the Company's half yearly report and unaudited interim condensed financial statements for the period ended 30 June;

"Investment Manager" or **"RIL"** means Riverstone International Limited which is majority-owned and controlled by Riverstone;

Glossary of Capitalised Defined Terms
(continued)

"Investment Management Agreement" means the investment management agreement dated 24 September 2013 between RIL, the Company and the Partnership (acting through its General Partner) under which RIL is appointed as the Investment Manager of both the Company and the Partnership;

"Investment Undertaking" means the Partnership, any intermediate holding or investing entities that the Company or the Partnership may establish from time to time for the purposes of efficient portfolio management and to assist with tax planning generally and any subsidiary undertaking of the Company or the Partnership from time to time;

"IPEV Valuation Guidelines" means the International Private Equity and Venture Capital Valuation Guidelines;

"IPO" means the initial public offering of shares by a private company to the public;

"IRS" means the Internal Revenue Service, the revenue service of the U.S. federal government;

"ISAE 3402" means International Standard on Assurance Engagements 3402, "Assurance Reports on Controls at a Service Organisation";

"ISA" means International Standards on Auditing (UK and Ireland);

"ISIN" means an International Securities Identification Number;

"ISRE 2410" means International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity";

"KFI" means Kendall Family Investments, LLC, a cornerstone investor in the Company;

"Liberty II" means Liberty Resources II LLC;

"Listing Rules" means the listing rules made by the UK Listing Authority under section 73A Financial Services and Markets Act 2000;

"London Stock Exchange" or **"LSE"** means London Stock Exchange Plc;

"LSE Admission Standards" means the rules issued by the London Stock Exchange in relation to the admission to trading of, and continuing requirements for, securities admitted to the Official List;

"M&A" means mergers and acquisitions;

"Management Engagement Committee" means a formal committee of the Board with defined terms of reference;

"Management Fee" means the management fee to which RIL is entitled;

"McNair" means RCM Financial Services, L.P. for the purposes of acquiring Ordinary Shares and Palmetto for the purposes of acquiring a minority economic interest in the General Partner and the Investment Manager;

"Meritage III" means Meritage Midstream Services III, L.P.;

"mmboe" means million barrels of oil equivalent;

"mcfe" means thousand cubic feet equivalent (natural gas);

"mmcfepd" means million cubic feet equivalent (natural gas) per day;

"NASDAQ" means National Association of Securities Dealers Automated Quotations Stock Market;

"NAV per Share" means the Net Asset Value per Ordinary Share;

"Net Asset Value" or **"NAV"** means the value of the assets of the Company less its liabilities as calculated in accordance with the Company's valuation policy and expressed in U.S. dollars;

"Net IRR" means an aggregate, annual, compound, gross internal rate of return on investments, net of taxes and carried interest on gross profit;

"Net MOIC" means gross multiple of invested capital net of taxes and carried interest on gross profit;

"Nomination Committee" means a formal committee of the Board with defined terms of reference;

"NURS" means non-UCITS retail schemes;

"NYSE" means The New York Stock Exchange;

"Official List" is the list maintained by the Financial Conduct Authority (acting in its capacity as the UK Listing Authority) in accordance with Section 74(1) of the Financial Services and Markets Act 2000;

"Onyx" means Onyx Strategic Investment Management I BV;

"OPEC" means Organisation of the Petroleum Exporting Countries;

"Ordinary Shares" means redeemable ordinary shares of no par value in the capital of the Company issued and designated as **"Ordinary Shares"** and having the rights, restrictions and entitlements set out in the Articles;

"Origo" means Origo Exploration Holding AS;

"Other Riverstone Funds" means other Riverstone-sponsored, controlled or managed entities, including Fund V/VI, which are or may in the future be managed or advised by the Investment Manager or one or more of its affiliates, excluding the Partnership;

"Partnership" or **"RELIP"** means Riverstone Energy Investment Partnership, LP, the Investment Undertaking in which the Company is the sole limited partner;

"Partnership Agreement" means the partnership agreement in respect of the Partnership between inter alios the Company as the sole limited partner and the General Partner as the sole general partner dated 23 September 2013;

"Performance Allocation" means the Performance Allocation to which the General Partner is entitled;

"Placing and Open Offer" means the issuance of 8,448,006 new Ordinary Shares at £8.00 per Ordinary Share on 11 December 2015;

"POI Law" means the Protection of Investors (Bailiwick of Guernsey) Law, 1987, as amended;

"Private Riverstone Funds" means Fund V and all other private multi-investor, multi-investment funds that are launched after Admission and are managed or advised by the Investment Manager (or one or more of its affiliates) and excludes Riverstone employee co-investment vehicles and any Riverstone managed or advised private co-investment vehicles that invest alongside either Fund V or any multi-investor multi-investment funds that the Investment Manager (or one or more of its affiliates) launches after Admission;

"prompt" means the front end of the price curve;

"Prospectus" means the prospectus published on 24 September 2013 by the Company in connection with the IPO of Ordinary Shares and further prospectus published on 23 November 2015;

"PSA" means a public service announcement;

"Qualifying Investments" means all investments in which Private Riverstone Funds participate which are consistent with the Company's investment objective where the aggregate equity investment in each such investment (including equity committed for future investment) available to the relevant Private Riverstone Fund and the Company (and other co-investees, if any, procured by the Investment Manager or its affiliates) is $100 million or greater, but excluding any investments made by Private Riverstone Funds where both (a) a majority of the Company's independent directors and (b) the Investment Manager have agreed that the Company should not participate;

"RCO" means Riverstone Credit Opportunities, L.P.;

"REL" or "Company" means Riverstone Energy Limited;

"RELCP" means Riverstone Energy Limited Capital Partners, LP (acting by its general partner Riverstone Holdings II (Cayman) Ltd.) a Cayman exempted limited partnership controlled by affiliates of Riverstone;

"Ridgebury H3" means Ridgebury H3, LLC;

"RIL" or **"Investment Manager"** means Riverstone International Limited;

"Riverstone" means Riverstone Holdings LLC and its affiliated entities (other than the Investment Manager and the General Partner), as the context may require;

"Rock Oil" means Rock Oil Holdings, LLC;

"S&P Index" means the Standard & Poor's 500 Index;

"S&P Oil & Gas E&P Index" means the Standard & Poor's Oil & Gas Exploration & Production Select Industry Index;

"SCOOP" means South Central Oklahoma Oil Province;

"SEC" means the U.S. Securities and Exchange Commission;

"Sierra" means Sierra Oil and Gas Holdings, L.P.;

"Shareholder" means the holder of one or more Ordinary Shares;

"Three Rivers III" means Three Rivers Natural Resources Holdings III LLC;

"Total Return on the Company's Net Asset Value" means the capital appreciation of the Company's Net Asset Value plus the income received from the Company in the form of dividends;

"TSX" means Toronto Stock Exchange;

"UCITS" means undertakings for collective investment in transferable securities;

"UK" or **"United Kingdom"** means the United Kingdom of Great Britain and Northern Ireland;

"UK Listing Authority" or **"UKLA"** means the Financial Conduct Authority;

"U.S." or **"United States"** means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;

"WTI" means West Texas Intermediate which is a grade of crude oil used as a benchmark in oil pricing;

"£" or **"Pounds Sterling"** or **"Sterling"** means British pound sterling and "pence" means British pence; and

"$" means United States dollars and **"cents"** means United States cents.

Directors and General Information

Directors
Richard Hayden (Chairman)
Peter Barker
Patrick Firth
Pierre Lapeyre
David Leuschen
Ken Ryan
Jeremy Thompson
Claire Whittet

Audit Committee
Patrick Firth (Chairman)
Peter Barker
Richard Hayden
Jeremy Thompson
Claire Whittet

Management Engagement Committee
Claire Whittet (Chairman)
Peter Barker
Patrick Firth
Richard Hayden
Jeremy Thompson

Nomination Committee
Richard Hayden (Chairman)
Peter Barker
Patrick Firth
Jeremy Thompson
Claire Whittet

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Pierre Lapeyre
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Carl Williams

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Ticker: RSE

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Swiss Supplement

ADDITIONAL INFORMATION FOR INVESTORS IN SWITZERLAND

This Swiss Supplement is supplemental to, forms part of and should be read in conjunction with the Interim Report and Unaudited Interim Condensed Financial Statements ended 30th June 2019 for RIVERSTONE ENERGY LIMITED (the "Fund").

Effective from 20th July 2015, the Fund had appointed Société Générale as Swiss Representative and Paying Agent. The current Prospectus, the Memorandum and Articles of Association and the annual report of the Fund can be obtained free of charge from the representative in Switzerland, Société Générale, Paris, Zurich Branch, Talacker 50, P.O. Box 5070, CH-8021 Zurich. The paying agent of the Fund in Switzerland is Société Générale, Paris, Zurich Branch, Talacker 50, P.O. Box 5070, CH-8021 Zurich. The Company may offer Shares only to qualified investors in Switzerland. In respect of the Shares distributed in and from Switzerland, the place of performance and jurisdiction is the registered office of the Swiss Representative.

Cautionary Statement

The Chairman's Statement, the Investment Manager's Report and the Report of the Directors have been prepared solely to provide additional information for shareholders to assess the Company's strategies and the potential for those strategies to succeed. These should not be relied on by any other party or for any other purpose.

The Chairman's Statement, Investment Manager's Report and the Report of the Directors may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology.

These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the intentions, beliefs or current expectations of the Directors and the Investment Adviser, concerning, amongst other things, the investment objectives and investment policy, financing strategies, investment performance, results of operations, financial condition, liquidity, prospects, and distribution policy of the Company and the markets in which it invests.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance.

The Company's actual investment performance, results of operations, financial condition, liquidity, distribution policy and the development of its financing strategies may differ materially from the impression created by the forward-looking statements contained in this document.

Subject to their legal and regulatory obligations, the Directors and the Investment Manager expressly disclaim any obligations to update or revise any forward-looking statement contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

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