

Riverstone Energy Limited Announces 4Q17 Quarterly Portfolio Valuations

London, UK (5 February 2018) - Riverstone Energy Limited ("REL") announces its quarterly portfolio summary as of 31 December 2017, inclusive of updated quarterly unaudited fair market valuations:

Current Portfolio

	Target Basin	Gross Committed Capital (\$mm)	Invested Capital (\$mm)	Realised Capital (\$mm) ¹	Net Invested Capital (\$mm) ²	Gross Realised & Unrealised Value (\$mm) ³	Gross MOIC ³
Hammerhead Resources (formerly CIOC)	Deep Basin (Canada)	\$307	\$295	\$23	\$275	\$561	1.9x
Centennial	Permian (U.S.)	268	268	87	219	479	1.8x
Three Rivers III	Permian (U.S.)	167	94	-	94	206	2.2x
Liberty II	Bakken, PRB (U.S.)	142	142	-	142	177	1.3x
ILX III	Deepwater GoM (U.S.)	200	116	-	116	139	1.2x
Carrier II	Permian (U.S.)	133	110	-	110	131	1.2x
RCO⁴	North America	125	87	82	23	99	1.1x
CNOR	Western Canada	90	83	-	83	83	1.0x
Meritage III⁵	Western Canada	67	34	-	34	59	1.8x
Eagle II	Mid-Continent (U.S.)	67	62	-	62	56	0.9x
Castex 2014	Gulf Coast Region (U.S.)	67	44	-	44	44	1.0x
Sierra	Mexico	38	8	-	8	20	2.4x
Fieldwood	GoM Shelf (U.S.)	82	59	3	59	12	0.2x
Castex 2005	Gulf Coast Region (U.S.)	50	48	-	48	5	0.1x
Total Current Portfolio⁶		\$1,802	\$1,449	\$195	\$1,316	\$2,071	1.4x
Percentage of REL net capital available⁷					90%		

Realisations

	Target Basin	Gross Committed Capital (\$mm)	Invested Capital (\$mm)	Realised Capital (\$mm) ¹	Unrealised Value (\$mm)	Gross Realised & Unrealised Value (\$mm) ³	Gross MOIC ³
Rock Oil⁸	Permian (U.S.)	-	114	229	11	240	2.1x
CanEra III	Western Canada	-	1	1	-	1	0.4x
Origo	North Sea (Norway, U.K.)	-	9	-	-	-	0.0x
Total Investments⁶			\$1,574	\$425		\$2,311	1.5x

Results and Investor Call

REL will release its Annual Report for the 12 month period from 1 January 2017 to 31 December 2017 on 28 February 2018. The Report will include the NAV of REL as well as updates on the portfolio.

Representatives of Riverstone International Limited will host an investor conference call in order to review developments in the Company's investment portfolio.

The conference call will take place at 1200 GMT / 1300 CET / 0700 ET on 28 February 2018 and can be accessed by dialing 0800 028 8438 (UK) or +44 (0) 20 3107 0289 (International) (Conference ID: 5998205).

A playback facility will be available from 1500 GMT on the same day. This facility can be accessed for the following two weeks by dialing 0800 917 2646 (UK) or +44 (0) 20 3107 0235 (International) and using conference ID 5998205. A recording of the investor call will also be available on REL's website within several days after the call.

Change of Name of Company Secretary and Administrator

REL announces that, following the acquisition by Estera Group of the Heritage Financial Services Group, the name of REL's Administrator and Company Secretary has been changed to Estera International Fund Managers (Guernsey) Limited. The change of name is with effect from 10 January 2018. The registered office of REL remains unchanged but the main switchboard number is now +44 01481 742742.

About Riverstone Energy Limited

REL is a closed-ended investment company that invests exclusively in the global energy industry, with a particular focus on the exploration & production and midstream sectors. REL aims to capitalise on the opportunities presented by Riverstone's energy investment platform. REL is a member of the FTSE 250 and its ordinary shares are listed on the London Stock Exchange, trading under the symbol RSE. REL has 14 active investments spanning conventional and unconventional oil and gas activities in the Continental U.S., Western Canada, Gulf of Mexico, Mexico and credit.

For further details, see www.RiverstoneREL.com

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

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Note:

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 follows IFRS and IPEV Valuation Guidelines. The Investment Manager values each underlying investment in accordance with the Riverstone valuation policy, the IFRS accounting standards and IPEV Valuation Guidelines. The Investment Manager has applied Riverstone's valuation policy consistently quarter to quarter since inception. 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 in IFRS and U.S. Generally Accepted Accounting Policies for the period ended 31 December 2017 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 valuation committee as part of the valuation process.

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.

¹ Realised capital is total gross proceeds realised on invested capital. Of the \$425 million of capital realised to date, \$248 million is the return of the cost basis, and the remainder is profit.

² Net invested capital is total invested capital less cost basis of the realised capital.

³ Gross MOIC is Multiple of Invested Capital. 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 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 US tax purposes. The C Corporations serve to protect REL's public investors from incurring U.S. effectively connected income. The C Corporations file U.S. corporate tax returns with the U.S. Internal Revenue Service and pay U.S. corporate taxes on its taxable income.

⁴ Credit investment.

⁵ Midstream investment.

⁶ Amounts may vary due to rounding.

⁷ Based on total capital raised of \$1,320 million, bank loan (maturing 27 June 2018), realised profits and other income net of fees, expenses and performance allocation. The Board does not expect to fully fund all commitments in the normal course of business.

⁸ The unrealised value of the Rock Oil investment consists of rights to mineral acres.