

## Riverstone Energy Limited Announces Quarterly Portfolio Update and Corporate Broker Appointments

**London, UK (7 April 2014)** - Riverstone Energy Limited ("REL"), a limited liability closed-ended collective investment company, announces its quarterly portfolio summary as of 31 March 2014, inclusive of updated quarterly unaudited fair market valuations:

	Date Announced	Target Basin(s)	Subsector (Drilling Technique)	Committed Capital (\$mm)	Invested Capital (\$mm)	Gross MOIC <sup>1</sup>
<b>Liberty II</b>	7 Nov 2013	Bakken (U.S.)	Exploration & Production ("E&P") (Unconventional)	\$100	\$66	1.0x
<b>Eagle II</b>	13 Dec 2013	Mid-Continent (U.S.)	E&P (Conventional / Unconventional)	50 <sup>2</sup>	6	1.0x
<b>Rock Oil</b>	13 Mar 2014	Eagle Ford, Utica and Permian (U.S.)	E&P (Unconventional)	83	2	1.0x
<b>Fieldwood</b>	13 Mar 2014	Gulf of Mexico Shelf (U.S.)	E&P (Conventional)	82	54	1.0x
<b>CIOC</b>	27 Mar 2014	Deep Basin (Canada)	E&P (Unconventional)	60	30	1.0x
<b>Total</b>				<b>\$375</b>	<b>\$158</b>	<b>1.0x</b>
<b>Percentage of total REL capital<sup>3</sup></b>				<b>31%</b>	<b>13%</b>	

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

"We are very pleased with the continued progress of REL. In each of the three commitments made this quarter - Rock Oil, Fieldwood and CIOC - we are investing alongside proven management teams focusing on exploration and production in North America. All five REL investments are still in their initial stages and are marked at cost, but we are very excited about their prospects for growth and value creation in the near term, both through acquisitions such as the ones completed this quarter by Liberty II and Fieldwood, and through active drilling campaigns."

Additionally, REL announces the appointment of Goldman Sachs, J.P. Morgan Cazenove, and Morgan Stanley as its joint corporate brokers with immediate effect.

REL will make an Interim Management Statement for the 3 month period from 1 January 2014 pursuant to DTR 4.3 in due course.

<sup>1</sup> MOIC is Multiple of Invested Capital.

<sup>2</sup> The commitment to Eagle II is \$50 million with an option to commit an additional \$50 million.

<sup>3</sup> Based on total capital raised of \$1,229 million, including KFI's second tranche of £50 million.

## **Summary of activity during 1Q 2014:**

12 March: Liberty II completes acquisition of Bakken assets for \$446 million. The properties acquired comprise approximately 53,000 net acres primarily located in the Williams, Divide, Burke and McKenzie counties of North Dakota and over 4,000 boe/day of production.

13 March: REL makes \$83 million commitment to Rock Oil Holdings. Rock Oil is led by Kyle Miller and will seek to build concentrated acreage positions with substantial production in the Eagle Ford Shale, the Utica Shale and the Permian Basin.

13 March: REL makes \$82 million commitment to Fieldwood Energy primarily to fund the acquisition of SandRidge Energy Inc.'s Gulf of Mexico and Gulf Coast business unit. Fieldwood Energy has a leasehold of approximately 650 blocks in the U.S. Gulf of Mexico Shelf after completing two material acquisitions, and is currently the leading oil & gas producer in the Shelf. It is led by CEO Matt McCarroll, who previously led Dynamic Offshore Resources, a successful Riverstone-backed portfolio company that was sold in 2012.

27 March: REL makes \$60 million commitment to Canadian International Oil Company ("CIOC"). CIOC is led by Scott Sobie and 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% of this asset base, which comprises approximately 400,000 acres, currently produces approximately 3,000 boe/day.

## **About Riverstone Energy Limited:**

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

For further details, see [www.RiverstoneREL.com](http://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 the responsibility of valuing the assets held by REL and the Partnership. The Partnership has directed that securities and instruments be valued at their fair value. REL's valuation policy follows the IFRS accounting standards and IPEV Valuation Guidelines. Riverstone 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 and the Fund V proportion will follow the Riverstone valuation policy. Valuations determined by Riverstone are disclosed quarterly to investors.

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 of subsequent financing rounds, if any, or if subsequent financing rounds are below original cost, the investment is valued at the "down round". 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 Riverstone investment committee as part of the valuation process. Ernst & Young LLP attends the valuation review meetings that are relevant to the Company as part of their statutory audit process.