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*This announcement contains inside information*

7 November 2023

Riverstone Energy Limited

REL Portfolio Company Hammerhead Announces Sale of Company to Crescent Point

Riverstone Energy Limited ("REL") is pleased to announce that Hammerhead Energy Inc. ("Hammerhead") has announced today the sale of Hammerhead to Crescent Point Energy Corp. ("Crescent Point"), a Calgary based energy company, for an enterprise value of C\$2.55 billion, or C\$21.00 per share (approximately US\$15.26 per share based on a ~C\$1.38 CAD/USD f/x rate). Each Hammerhead share will be exchanged for (i) C\$15.50 (approximately US\$11.26) per share in cash consideration and (ii) C\$5.50 (approximately US\$4.00) per share in Crescent Point common shares.

The transaction is subject to customary closing conditions and completion is anticipated to take place in late December 2023.

REL invested in Hammerhead, alongside Riverstone Global Energy and Power Fund V, L.P. ("Fund V"). REL holds approximately 15.5 million shares today, which represents an approximate 17% interest in Hammerhead, at a 0.71x Gross MOIC as of 30 September 2023, representing a carrying value of US\$209 million against total invested capital of US\$295 million. At the agreed transaction price, REL's interest in Hammerhead is valued at US\$260 million, or 0.88x Gross MOIC inclusive of prior distributions. Total proceeds to REL will consist of US\$198 million of realised cash, inclusive of US\$23 million of prior distributions, and US\$62 million from 8 million shares of Crescent Point common equity. This valuation represents a 24% uplift to the Gross MOIC as of 30 September 2023, which was based on US\$11.93 per Hammerhead share on the NASDAQ.

This transaction represents the culmination of months of discussion and negotiation with several potential acquirors of Hammerhead, ultimately resulting in an offer by Crescent Point that was viewed as extremely attractive based on (i) headline valuation, (ii) amount of cash consideration, and (iii) ownership of a highly liquid minority stock position. Crescent Point is a C\$9 billion upstream company with 2023 production of approximately 150,000 boe/d and forecasted 2023 EBITDA of C\$2.4 billion across assets in the Montney and Duvernay Trends and Saskatchewan. REL's ownership in the pro forma company will be approximately 1%.

As of 30 September 2023, REL's published cash balance was US\$127 million. Following the expected completion of the Hammerhead transaction in late December 2023, approximately 43% of REL's net asset value is expected to consist of cash. REL is currently exploring the most efficient means of returning its excess capital to shareholders (while also taking into account the anticipated on-going requirements of its other portfolio companies) and will make a further announcement in due course.

About Hammerhead:

Hammerhead is a Calgary, Canada-based energy company, with assets and operations in Alberta targeting the Montney formation. Hammerhead Resources Inc., the predecessor entity to Hammerhead Resources ULC, a wholly owned subsidiary of Hammerhead, was formed in 2009.

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

About Riverstone Energy Limited:

REL is a closed-ended investment company which invests in the energy industry that has since 2020 been exclusively focussed on pursuing and has committed US\$211 million to a global strategy across decarbonisation sectors presented by Riverstone's investment platform. REL's ordinary shares are listed on the London Stock Exchange, trading under the symbol RSE. REL currently has 15 active investments spanning decarbonisation, oil and gas, renewable energy and power in the Continental U.S., Western Canada, Europe and Australia.

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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