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APOLLO

## **Apollo & Riverstone to Invest up to \$600 Million in Talos Energy LLC, a New Oil & Gas Company Focused on Acquisitions in the Gulf Coast and Gulf of Mexico Regions**

NEW YORK & HOUSTON--(BUSINESS WIRE)-- Talos Energy LLC ("Talos") today announced that it has partnered with investment funds affiliated with Apollo Global Management, LLC (NYSE: APO; collectively with its subsidiaries, "Apollo") and Riverstone Holdings LLC ("Riverstone"), to form a new company with up to \$600 million of equity commitments focusing on oil and gas opportunities in the Gulf Coast and Gulf of Mexico regions.

Talos, headquartered in Houston, Texas, has an executive management team led by Tim Duncan, Chief Executive Officer and President, and includes Steve Heitzman, John Parker, and John Harrison. The executive management team has over a decade-long track record of working together to build successful private equity-backed companies including Gryphon Exploration Company ("Gryphon") and, more recently, Phoenix Exploration Company LP ("Phoenix"), a Riverstone portfolio company. Gryphon was formed in late 2000 and sold in August 2005 to Woodside Energy, while Phoenix was formed in April 2006 and sold in August 2011 to a group led by Apache Corporation.

Talos will focus on oil and gas acquisition opportunities along the Gulf Coast and Gulf of Mexico, primarily in shallow water where the management team has previously been successful in extending and enhancing mature fields through their operational, exploitation and exploration expertise.

Tim Duncan, Chief Executive Officer of Talos commented, "We are excited to have Apollo and Riverstone, two premier private equity investors with deep expertise in natural resources, as our equity sponsors in Talos. We are fortunate to have such a long-standing, cohesive management team at Talos and we are confident in our ability to create value for our investors by executing a broad range of business development opportunities. We believe with the right professionals and technical approach, the Gulf Coast and Gulf of Mexico continues to be a rewarding basin to acquire assets and use innovative techniques to develop another round of investment opportunities. We will use the experiences of our previous successful efforts to build Talos into a significant exploration and production company."

Greg Beard, a Senior Partner at Apollo, said, "We are delighted to partner with the top-notch team at Talos, which has an outstanding track record in the region. We believe our investment in Talos is consistent with Apollo's approach of partnering with high quality management teams to buy physical assets at attractive valuations and drive value through operational excellence."

Pierre Lapeyre and David Leuschen, Co-Founders of Riverstone, said, "We are excited to build another company with Tim and his team of experienced industry executives. This investment exemplifies Riverstone's strategy of re-partnering with proven management teams with deep, basin-focused operating expertise. We look forward to repeating the success we had with Phoenix."

About Apollo Global Management:

Apollo is a leading global alternative investment manager with offices in New York, Los Angeles, Houston, London, Frankfurt, Luxembourg, Singapore, Mumbai and Hong Kong. Apollo had assets under management of more than \$75 billion as of December 31, 2011, in private equity, credit-oriented capital markets and real estate funds invested across a core group of nine industries, including natural resources, where Apollo has considerable knowledge and resources. For more information about Apollo, please visit [www.agm.com](http://www.agm.com).

About Riverstone Holdings

Riverstone Holdings LLC, an energy and power-focused private equity firm founded in 2000, has approximately \$18 billion under management across seven investment funds, including the world's largest renewable energy fund. Riverstone conducts buyout and growth capital investments in the midstream, exploration & production, oilfield services, power and renewable sectors of the energy industry. With offices in New York, London and Houston, the firm has committed approximately \$16.4 billion to 80 investments in North America, Latin America, Europe and Asia. For more information, visit [www.riverstonellc.com](http://www.riverstonellc.com).

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