



KKR Sells Mineral and Royalty Interests to Kimbell Royalty Partners

May 29, 2018

HOUSTON--(BUSINESS WIRE)-- KKR today announced the signing of a definitive agreement under which Kimbell Royalty Partners, LP (NYSE: KRP) ("Kimbell") will acquire mineral and royalty interests (the "Interests") managed in partnership with Haymaker Resources in a transaction valued at approximately \$242 million. The acquisition of the Interests is part of a larger transaction through which Kimbell has agreed to acquire certain subsidiaries of both Haymaker Resources, LP (owned by KKR and Haymaker management) and Haymaker Minerals and Royalties LLC (owned by Haymaker management and other investors). The total combined transaction value is \$404 million, to be financed with a mix of cash and KRP units.

The consideration for the Interests includes \$126 million in cash and 6 million common units of Kimbell valued at approximately \$116 million. Following the closing of the transaction, the 6 million units will represent approximately 22% of the common units of Kimbell. In addition, Kimbell announced its plans to change its tax status from a pass-through partnership to that of a taxable entity following the closing of the acquisition. Kimbell expects that the conversion to a taxable entity will enable it to target a significantly larger investor base, increase its liquidity and support its continued growth and consolidation strategy. The transaction is expected to close in the third quarter of 2018, subject to customary closing conditions.

[David Rockecharlie](#), Member and Head of Energy Real Assets for KKR, commented, "We are pleased with the outcome in this partnership for our Energy Income and Growth Fund investors and with our continued ownership of these attractive mineral interests as an equity owner in KRP going forward."

KKR, through its Energy Real Assets investment strategy, has invested in and signed pending transactions to acquire over \$3.4 billion in upstream oil and gas asset positions since the beginning of 2015, primarily funded with equity from the Energy Income and Growth Fund I. These investments represent a diversified portfolio of oil and natural gas working and mineral interests and related cash flows throughout major oil and gas basins in the United States. KKR's Energy Real Assets investment strategy provides flexible capital solutions and acquisition funding to upstream operators and asset owners.

About KKR

KKR is a leading global investment firm that manages multiple alternative asset classes, including private equity, energy, infrastructure, real estate and credit, with strategic manager partnerships that manage hedge funds. KKR aims to generate attractive investment returns for its fund investors by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation with KKR portfolio companies. KKR invests its own capital alongside the capital it manages for fund investors and provides financing solutions and investment opportunities through its capital markets business. References to KKR's investments may include the activities of its sponsored funds. For additional information about KKR & Co. L.P. (NYSE: KKR), please visit KKR's website at www.kkr.com and on Twitter @KKR_Co.

About Haymaker

Founded in 2013, Haymaker has invested capital on behalf of Kayne Anderson and KKR to acquire over 5 million gross mineral acres through over 700 individual transactions. Using sophisticated practices from the software, finance, and upstream E&P industries, Haymaker was able to assemble a diversified portfolio of mineral and royalty interests in over 35,000 producing wells across 26 states and over 500 counties. To learn more, visit www.haymakermineralsandroyalties.com

Forward-Looking Statements

This press release may contain certain forward-looking statements, including statements with regard to future plans and operations of Kimbell and their expected benefits. Words such as "believes," "expects," "plans," "projects" and "future" or similar expressions are intended to identify forward-looking statements. These forward-looking statements are subject to the inherent uncertainties in predicting future results and conditions. Certain factors could cause actual results to differ materially from those described in these forward-looking statements, and some of these factors are enumerated in the filings Kimbell makes with the U.S. Securities and Exchange Commission. KKR undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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Source: KKR