



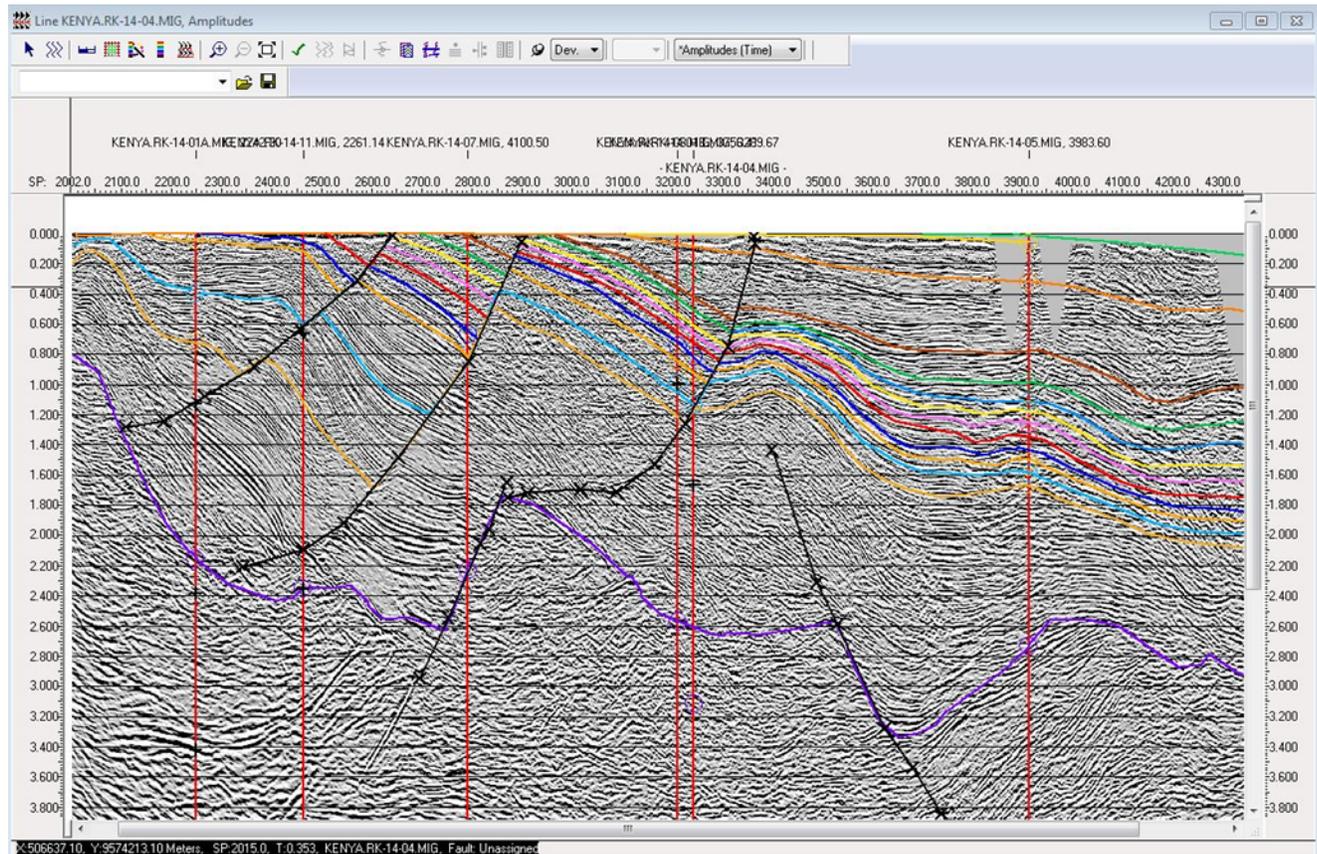
29 August, 2014

Dear Shareholder/Investor,

We are pleased to update you on Rift Energy's current activities as we continue on with our goal of creating significant shareholder value by acquiring and developing oil and gas assets with high impact potential. Our work on Block L19 in Kenya continues to yield positive results and our business development pipeline remains strong as we look for significant assets to add to our project portfolio.

## Kenya: Block L19

To date, our exploration work on Block L19 has positively increased our geological knowledge base which, in turn, has lowered our risk profile and increased value substantially. The preliminary results of our recently completed 724 line KM 2D Seismic Survey have been outstanding. Numerous leads and prospects at various depths have been identified, all of which will be further defined when the 2D seismic data is processed/interpreted, which will be finished shortly. Upon completion of the 2D seismic processing/interpretation we expect to be in the position to pick a location to drill our first exploratory well on Block L19, which is expected to be drilled during the next two-year exploration phase that starts in September 2014.



Block L19 Seismic

A chronological summary of our exploratory efforts on Block L19 to date follows:

### **Aerial Gravity and Magnetic Survey (“AGM”)**

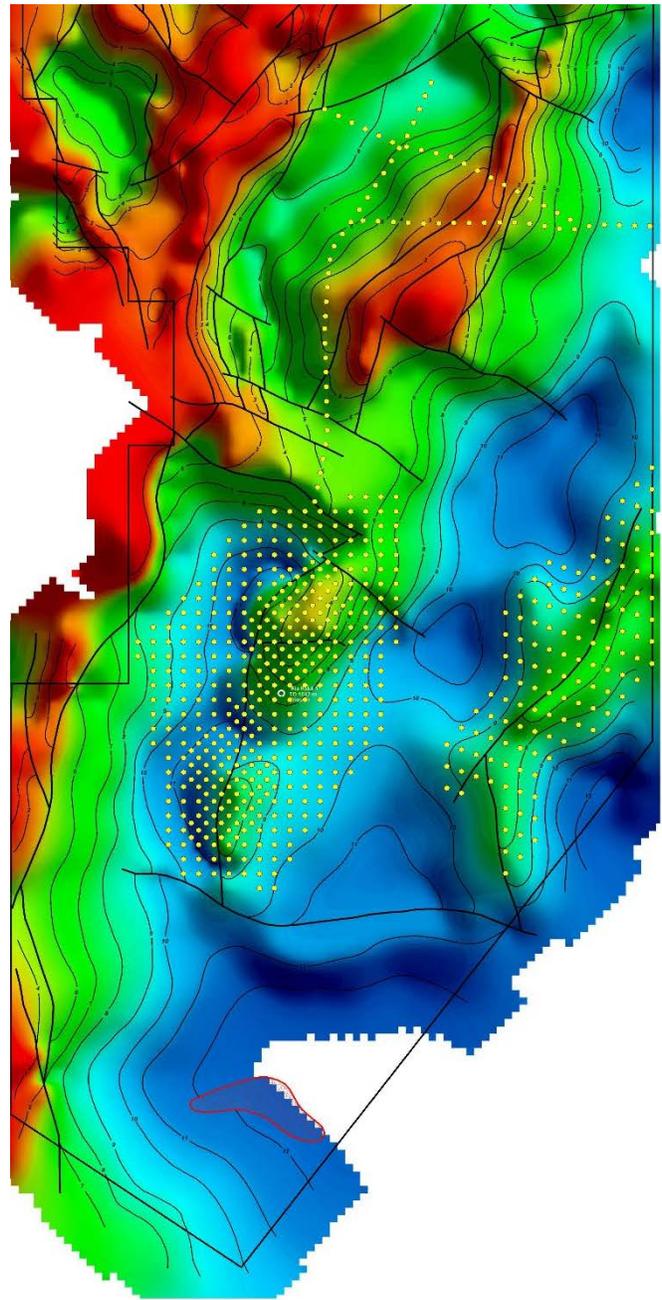
- An AGM consisting of 7,064 line KM of aerial coverage over the entire 12,000 KM<sup>2</sup> of Block L19 was completed during early 2013. The data was processed and interpreted, yielding a map that identified various geological features of interest, which were used to guide additional exploration activity within Block L19 (including a Geochemical Survey with 640 data points and a 724 line KM 2D Seismic Survey).

### **Core analysis of the Ria Kalui well**

- To date, there has been one well drilled on Block L19, the Ria Kalui well, which was drilled to 1,540 meters in 1961 and abandoned prior to completion in 1962. Through on-site field activities during 2013, we were able to recover a number of cores from the well which were then analyzed at a lab in Houston, where the presence of oil in the core samples was confirmed.

### **Geochemical Survey**

- A Geochemical Survey was completed in late 2013, which resulted in indications of hydrocarbon microseepages at various areas of interest. A total of 640 samples were collected across structures of interest that were indicated on the AGM map. As a result, a number of geochemical anomalies were detected. These geochemical anomalies are being correlated to the results of our 2D Seismic Survey.



*AGM map showing shot points for Geochemical Survey*



## 2D Seismic Program

- A 724 line KM 2D Seismic Survey was completed in June 2014, which covered all prospective major geological structures identified within Block L19. The 2D seismic data is now being processed and interpreted and will be combined with the results of the AGM and the Geochemical Survey to identify possible drilling locations. Preliminary results indicate numerous leads and prospects at various depths.

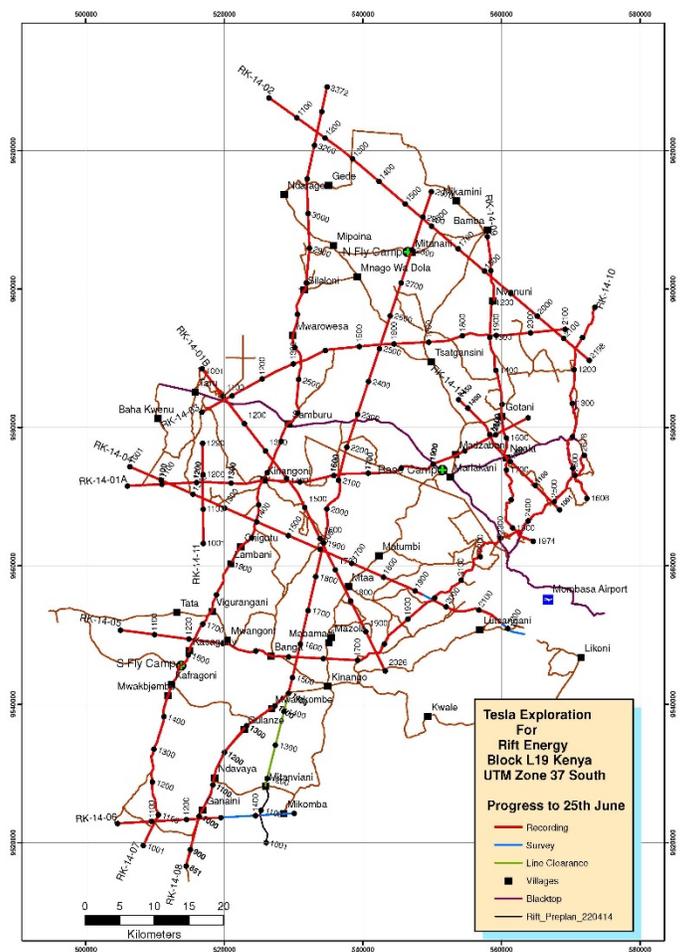
## Block L19 Community Projects

- Community projects are an important step in maintaining good relations with local communities. In Kenya, we continue provide local employment and procure local supplies wherever possible. Ten community projects are currently underway, including four water access projects and six school houses (including desks) that are being constructed in different villages throughout Block L19.



## Block L19 Exploration Program Summary

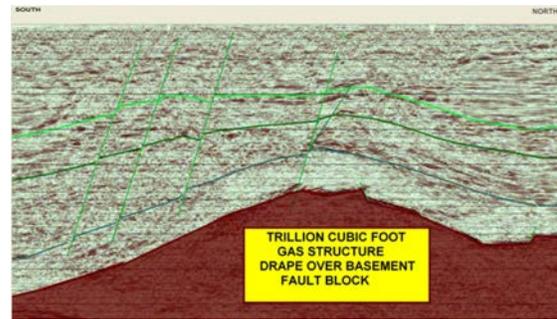
The initial results of our exploration program on Block L19 are very encouraging. We are looking forward to the next exploration phase as we continue to explore the upside potential of Block L19.



*2D seismic lines for 724 line KM survey*

## Next Steps for Block L19

- The recently acquired 2D seismic data is now being processed and interpreted. Following completion of processing and interpretation, we will either:
  - Select a drilling location and drill the structure with the highest potential; or,
  - Acquire additional seismic data.

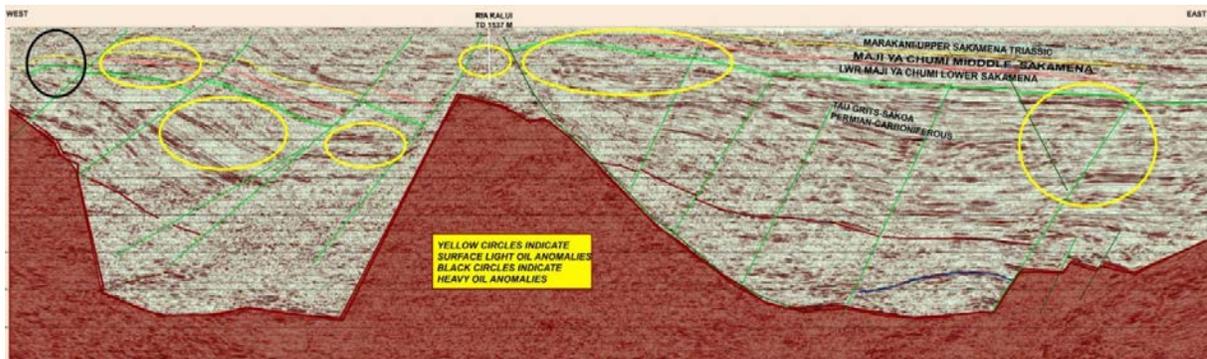


hydrocarbon bearing structure

Potential

## Block L19 Farm-out opportunity

Processing/interpretation of the data from the recently completed 724 line KM 2D seismic Survey will be completed shortly. With that data in hand, **we are now offering a farm-out opportunity on Block L19 to investors and industry players in order to provide additional exploration capital, reduce risk, and to advance the pace of exploration on Block L19.**



## Valuation update

- In July 2014, a valuation completed by Edison Investment Research, an independent consulting firm, valued Rift Energy's common shares at CAD\$5.00/share (up CAD\$0.40/share from last year's valuation), leaving aside the upside of additional deals currently in our business development pipeline.

## Additional Projects

- Our business development deal pipeline continues to grow with quality prospects across multiple countries covering diverse geological settings. Our strategic growth strategy is to have 4-6 projects in several countries, coupled with multiple geological settings in order to diversify our project portfolio, manage risk, and increase shareholder value significantly.

We are very excited about the progress of our activities both in the growing potential of Block L19 and the business development deal pipeline we have established. We appreciate your support as we continue to advance our goal of creating significant value for Rift Energy shareholders.

Best Regards,

Fred B. Zaziski, President and CEO

