

# APOLLO

9 West 57 Street New York, NY 10019

November 3, 2021

Investor StepStone Group  
StepStone Group LP  
4275 Executive Square  
Suite 500  
La Jolla, California 92037

**Re: Apollo Natural Resources Partners, L.P.**

Dear Investor:

Please find the unaudited Capital Account Statement and Statement of Changes in Partner's Capital for SilverStone Balfour, L.P.'s investment in Apollo Natural Resources Partners, L.P. for the period ended September 30, 2021.

Additionally, in accordance with periodic reporting requirements contained in Section 8.2(e) of the Partnership Agreement, we confirm that after due inquiry and investigation: (i) no Triggering Event has occurred with respect to the Management Company, the General Partner, any director of the Management Company or the General Partner or any Principal Partner; (ii) no Principal Partner or director of the Management Company or the General Partner has declared Bankruptcy; and (iii) to the best knowledge of the General Partner, the General Partner is in compliance with the provisions of the Partnership Agreement in all material respects.

Capitalized terms herein shall have the meaning assigned to them in the Partnership Agreement.

If you have any questions, please email our investor services team at [investor@apollo.com](mailto:investor@apollo.com) or call (914) 694-8000.

Best Regards,

Apollo Management

cc: Investor StepStone Group , [stepstone@scic.com](mailto:stepstone@scic.com) , 4275 Executive Square, Suite 500 , La Jolla , California 92037

# Capital Account Statement<sup>1</sup> (unaudited)

For the investment of SilverStone Balfour, L.P. in Apollo Natural Resources Partners, L.P.

Figures as of September 30, 2021

## Commitment Overview

Capital commitment	\$	17,116,914
Contributed capital		(16,989,201)
Recallable distributions		1,812,678
Unpaid capital obligation	\$	<u>1,940,391</u>

## Distribution Summary – LPA Based

Figures through September 30, 2021

Total return of capital	\$	8,447,151
Total gross income		5,526,850
Realized carry allocation paid or held in Escrow <sup>2</sup>		(1,101,602)
Total Distributions		<u>12,872,399</u>
Estimated corporate taxes and holdback <sup>3</sup>		(676)
Total Distributions – net of corporate tax	\$	<u>12,871,723</u>

## Schedule of Investments and Capital Account Detail

Portfolio investments:		
Apex Energy		\$ 223,715
Caelus		64,746
EP Energy		58,448
Express Energy Services		27,240
Jupiter Resources		408,978
Talos Energy		<u>792,344</u>
Total Portfolio Investments		1,575,471
Cash, other assets and liabilities		774,071
Accrued unrealized carry allocation as of September 30, 2021		<u>186,575</u>
Ending Partner's Capital	\$	<u>2,536,117</u>

<sup>1</sup> Schedule of Investments and Capital Account Detail information is prepared from the combined Apollo Natural Resources Partners, L.P. books and records, which are prepared in accordance with accounting principles generally accepted in the United States of America. These statements include portfolio investments and corresponding capital contributions through various alternative investment vehicles and conduit vehicles formed in accordance with Section 5.3 of the Partnership Agreement, if applicable. The fair value of each of the Partnership's portfolio investments are allocated to each individual limited partner in proportion to the capital contributed for each such investment.

<sup>2</sup> At September 30, 2021, realized carry allocation paid by the investor of \$620,317 is held in an Escrow Account in accordance with Section 4.9 of the Partnership Agreement.

<sup>3</sup> Estimated corporate taxes and holdback withheld from electing Limited Partners are treated as distributions to such Limited Partners pursuant to section 4.2 of the Limited Partnership Agreement.

# Statement of Changes in Partner's Capital<sup>1</sup> (unaudited)

For the investment of SilverStone Balfour, L.P. in Apollo Natural Resources Partners, L.P.

Period from July 1, 2021 to September 30, 2021

	Amounts
<b>Beginning Partner's Capital:</b>	<b>\$ 2,798,905</b>
Contributions:	
Investments	-
Management Fees	28,747
Operating Expenses	24,523
Total Contributions	<u>53,270</u>
Distribution:	
Gross distributions	(403,038)
Realized carry allocation paid or held in Escrow	-
Estimated corporate taxes and holdback <sup>2</sup>	-
Net Distributions	<u>(403,038)</u>
Total investment income/(loss):	
Interest income	3,669
Dividend Income	9,456
Total investment income/(loss)	<u>13,125</u>
Expenses:	
Gross management fees <sup>4</sup>	(14,374)
Management fee offsets	-
Net Management fees	<u>(14,374)</u>
Affiliated expenses	(395)
Other operating expenses	(3,315)
Total Expenses	<u>(3,710)</u>
Net Investment income/(loss)	<u>(4,959)</u>
Realized gain/(loss) and unrealized appreciation/(depreciation) from investments, foreign currency and other receivables:	
Net realized gain/(loss) <sup>3</sup>	(326,983)
Net change in unrealized appreciation/(depreciation)	418,922
Net realized gain/(loss) and net unrealized appreciation/(depreciation) from investments, foreign currency and other receivables	<u>91,939</u>
Net change in unrealized carry allocation	<u>-</u>
<b>Ending Partner's Capital:</b>	<b>\$ <u>2,536,117</u></b>

<sup>1</sup> Statement of Changes in Partner's Capital is prepared from the Apollo Natural Resources Partners, L.P. books and records, which are prepared in accordance with accounting principles generally accepted in the United States of America.

<sup>2</sup> Estimated corporate taxes and holdback withheld from electing Limited Partners are treated as distributions to such Limited Partners pursuant to section 4.2 of the Limited Partnership Agreement.

<sup>3</sup> Net realized gain/(loss) is net of estimated U.S. corporate tax refund/(payment) during the period of \$-.

<sup>4</sup> Gross management fees is based on Adjusted Cost of \$4,599,522 at an annual rate of 1.25 %.