

2014

GHANA INVESTOR FORUM

7 May 2014





2014 GHANA INVESTOR FORUM

BUSINESS OVERVIEW



2013 full year results summary

	2013	2012	Change
Sales revenue	\$2,647m	\$2,344m	+13%
Gross profit	\$1,440m	\$1,345m	+7%
Administrative Expenses	(\$219m)	(\$191m)	
Profit on disposal	\$30m	\$702m	
Exploration costs written off ¹	(\$871m)	(\$671m)	
Operating profit	\$381m	\$1,185m	-68%
Profit after tax	\$216m	\$666m	-68%
Basic earnings per share	18.6c	68.8c	-73%
Dividend per share	12.0p	12.0p	0%
Capital investment ²	\$1,800m	\$1,870m	-4%
Cash generated from operations ³	\$1,901m	\$1,777m	+7%
Net debt ⁴	\$1,909m	\$989m	+93%

¹ Before tax refunds

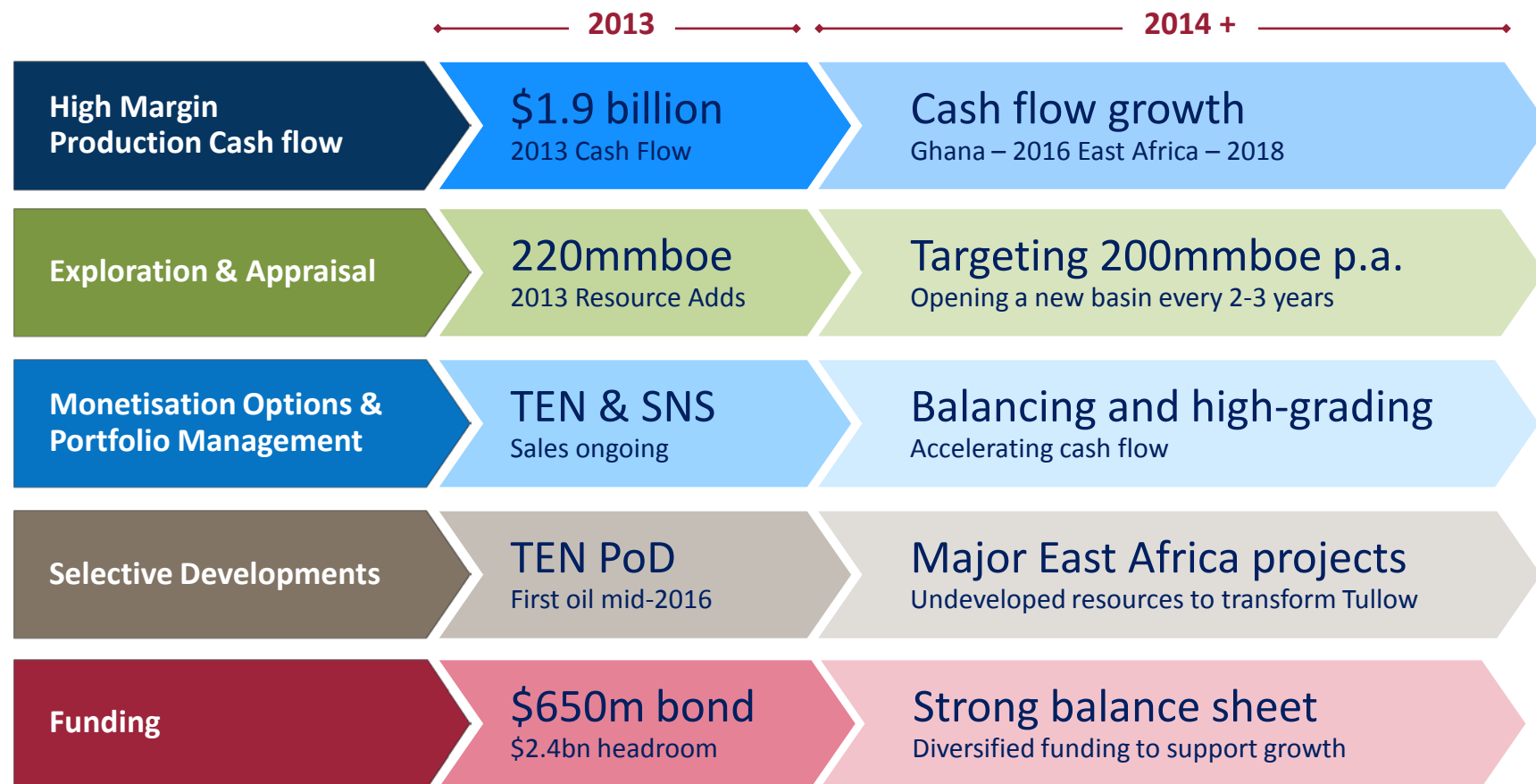
² 2013 excludes Spring acquisition and includes Norway capex on an after tax refund basis

³ Before working capital movements

⁴ Net debt is cash and cash equivalents less financial liabilities

Increased production generated higher revenues and operating cash flow

Delivering against our strategy



Operational and financial flexibility to deliver substantial long term growth

High margin production cash flow

High Margin Production Cash flow

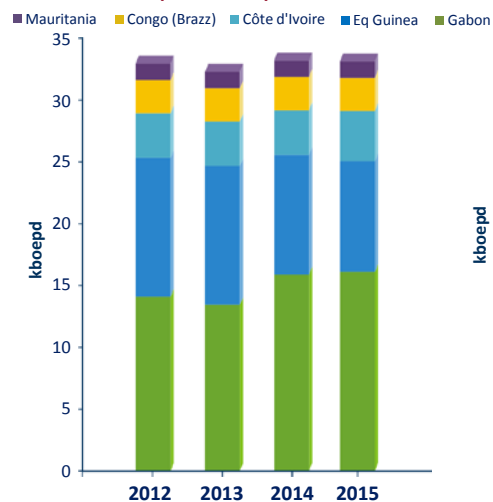
2013 Group actual production:

84,200 boepd

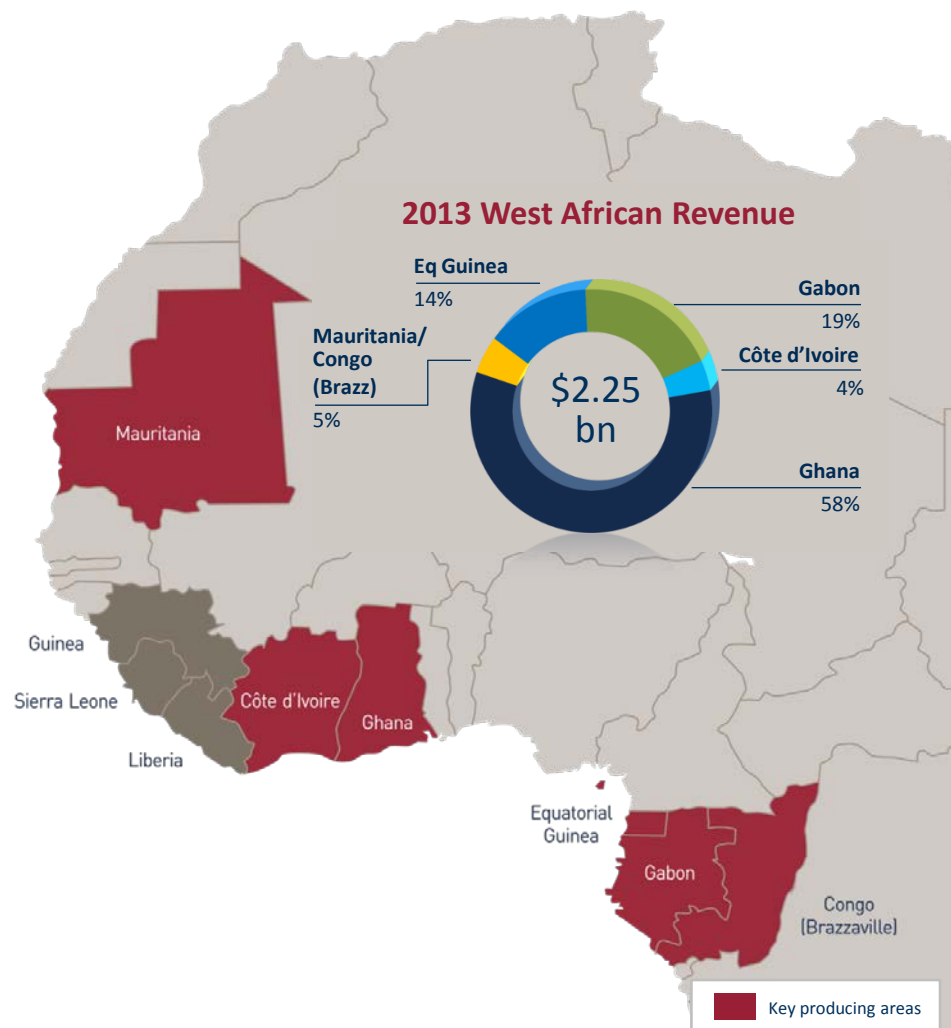
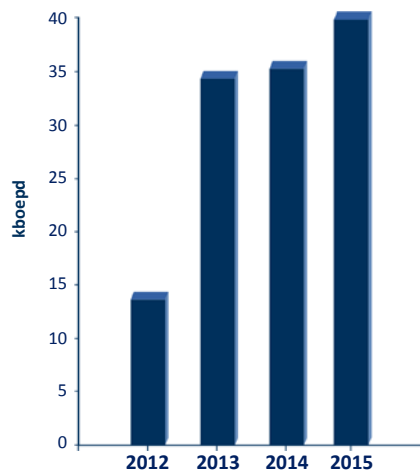
2014 Group production guidance:

79-85,000 boepd

West Africa non-operated production



Ghana – Jubilee field operated oil production



Jubilee – world class asset delivering long term cash flow

High Margin Production Cash flow

Strong reservoir performance

- Existing well production capacity >130mbd
- Final Phase 1A wells to be completed as required

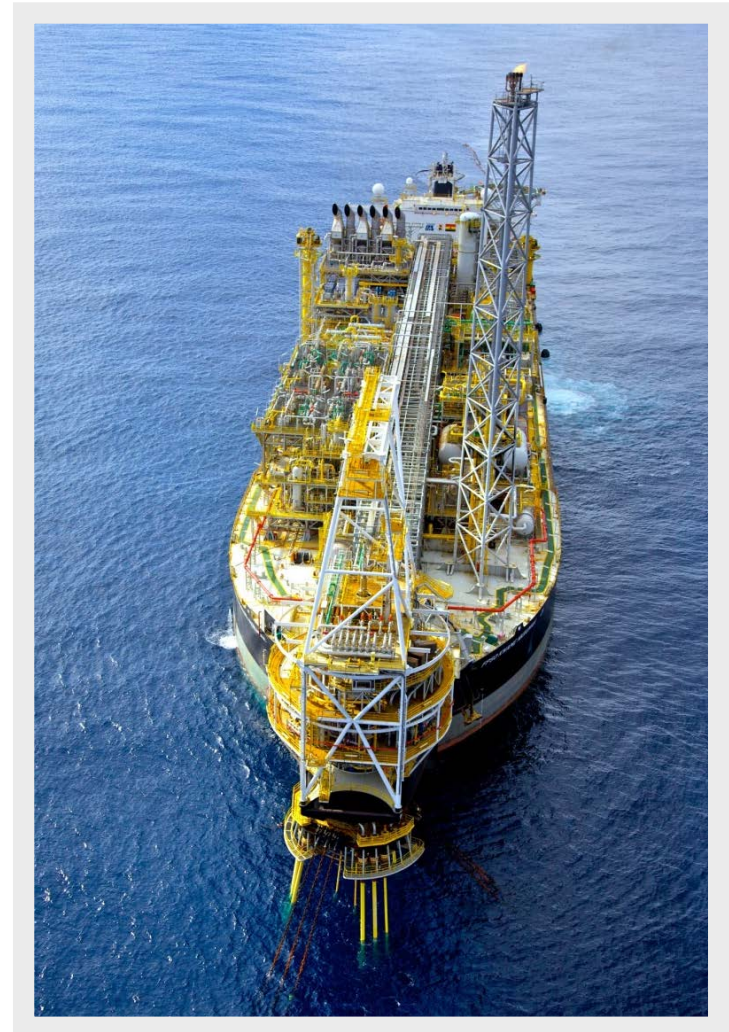
Production increase awaiting Gas export

- Gas export facilities review indicates 2H 2014 availability
- Short term gas disposal options under review with GoG

Long-term reserves recovery remains robust

- Reservoir performance to date underpins reserves
- 3D/4D seismic acquired to optimise future development
- Long-term options to increase FPSO capacity being worked
- Full field development plan will guide capital investment

Highly attractive Incremental investments will
provide long term cash flow



Jubilee – 100 cargo offtakes, 100 million barrels

High Margin Production Cash flow

Milestone production

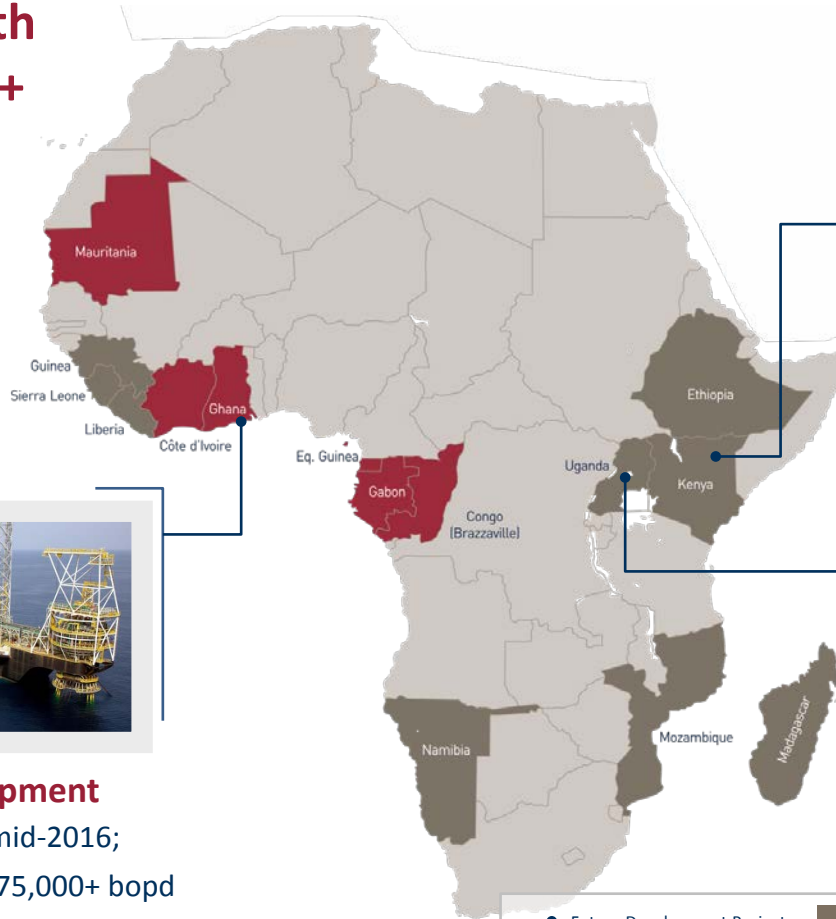
- On 14 April, the FPSO Kwame Nkrumah completed the 100th off-take from the Jubilee Field
- Closely followed by the production of the 100 millionth barrel from the facility on 4 May
- Offtakes occur approximately every 10 days & each cargo holds approximately 997,500 bbls
- Production milestone reached with zero incidents to people and the environment
- Demonstrates success and collaboration of JV partners and Jubilee offtake Coordination (JOC) team



Cash flow growth from a pipeline of future projects

High Margin Production Cash flow

Material growth potential 2016+



KENYA - South Lokichar Basin

- Development studies underway;
- Single basin has potential to produce in excess of 100,000 bopd gross.



UGANDA - Lake Albert Rift Basin

- Basin development targeting over 200,000 bopd gross production

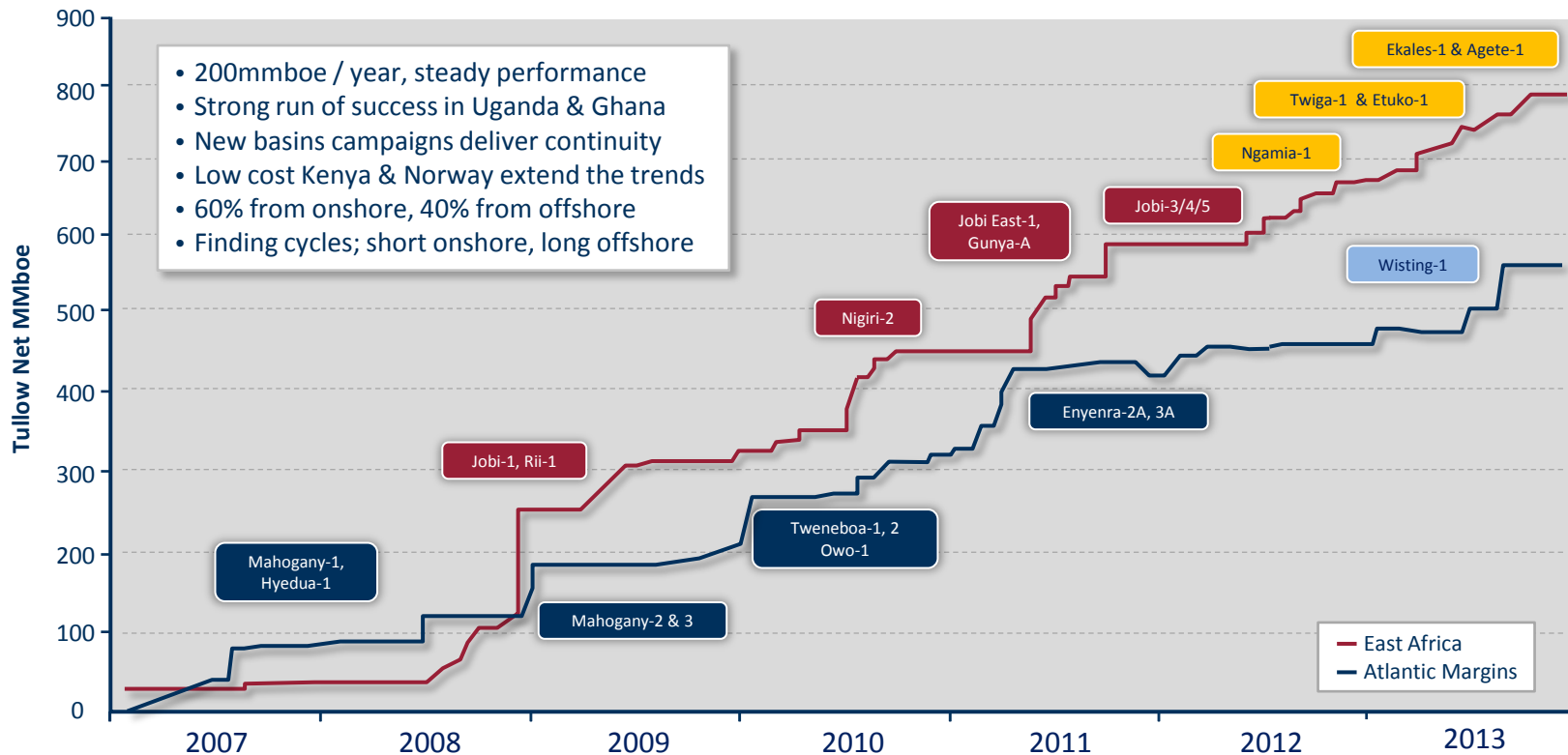


GHANA - TEN development

- On track for first oil in mid-2016;
- FPSO gross capacity of 75,000+ bopd

Exploration & Appraisal

Exploration & Appraisal



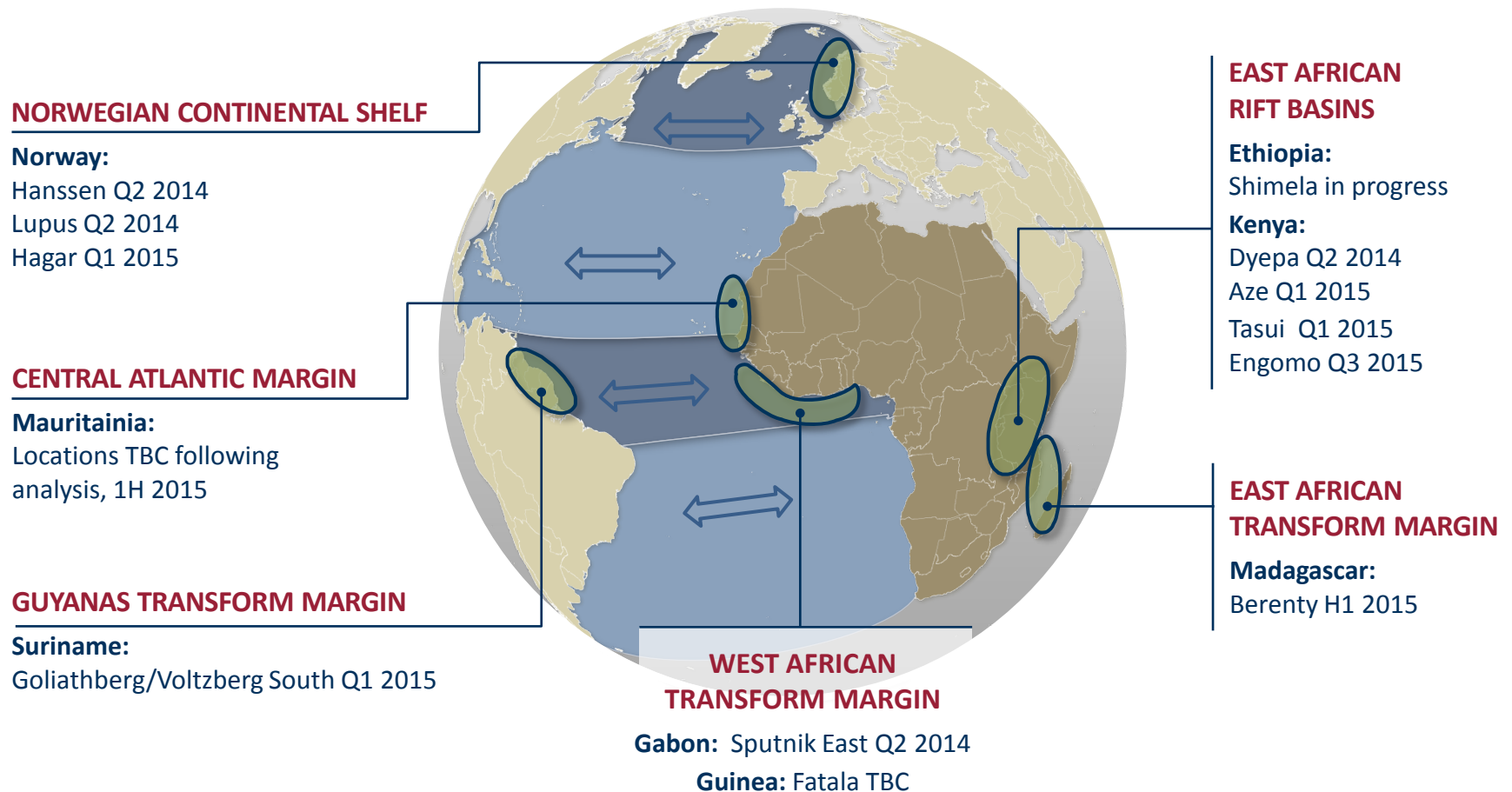
Success in new basin opening exploration strategy has led to good prospects for lower finding costs

Uganda at original equities, no uplift from Heritage acquisition

2014+ exploration programme - targeting 200mmboe p.a.

Exploration & Appraisal

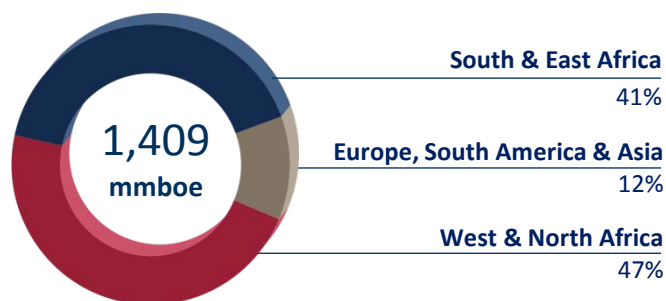
Key exploration wells in the next 18 months



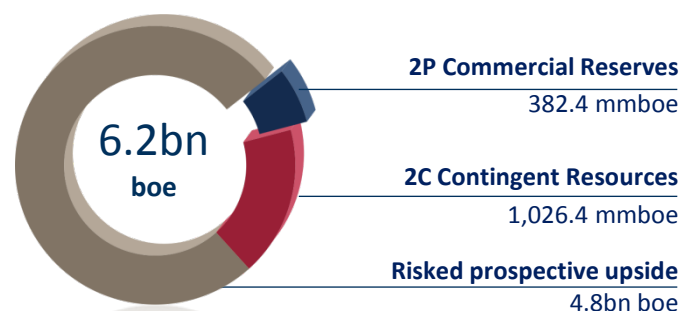
Strong record of resource additions & reserves replacement

Exploration & Appraisal

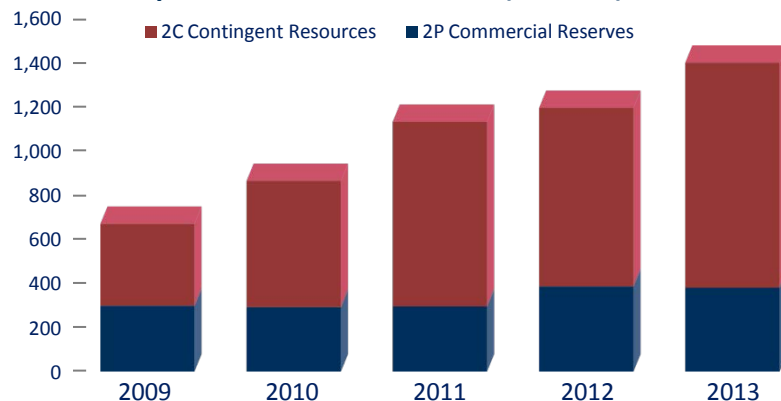
2P Commercial Reserves and 2C Contingent Resources as of 31 December 2013



Total Resource Potential as of 31 December 2013



Group Reserves and Resources (mmboe)*



Reserves and Resources doubled over four year period

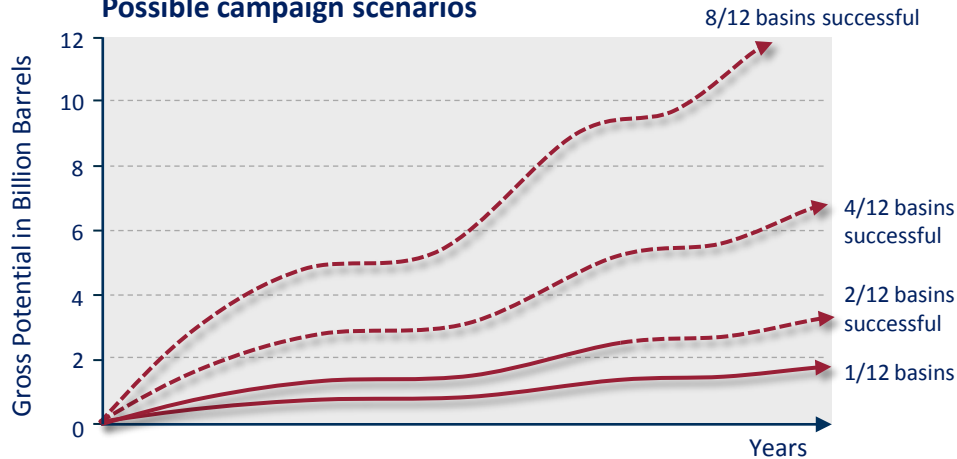
- 150% reserves replacement average over last 5 years
- 200 mmboe average resource add over last 7 Years
- Over 600 mmboe Uganda resources monetised in 2012
- Recent success in Kenya will provide further additions
- 75% oil across the portfolio

* 2009-11 YE contingent resources restated following Uganda sale of 66.67% equity across Lake Albert licence in 2012 – 604 mmboe.

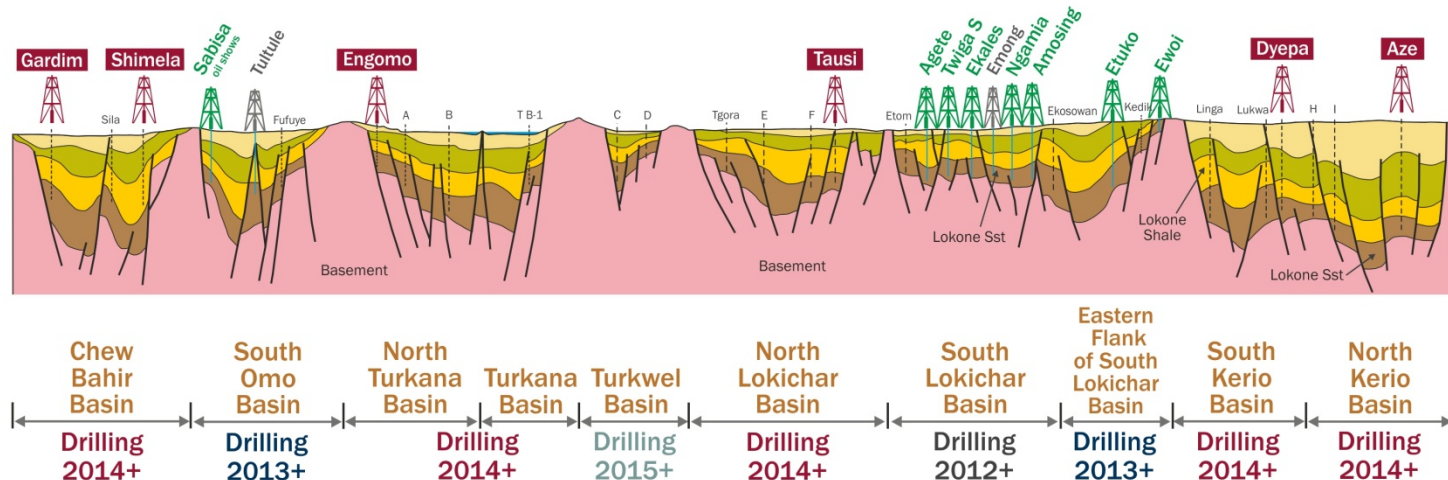
East Africa: Multiple basins with new oil province potential

Exploration & Appraisal

Possible campaign scenarios



- Pioneering basins:
 - Lake Albert, Uganda (1.7Bbo)
 - South Lokichar, Kenya, 7/8 (>600mmbo)
 - Oil shows in South Omo, Ethiopia
- > 9 other Tertiary Rift Basins in portfolio
- 5 basins to be tested by wildcats in 2014



Monetisation options & portfolio management

Monetisation Options & Portfolio Management

Southern North Sea Assets

UK & The Netherlands

- Schooner & Ketch sale agreed for \$75.6m
- Marketing of remaining assets is ongoing

TEN farm-down

Ghana

- Divestment process underway with options being considered



Bangladesh interests

- Sale of Bangladesh assets to Kris Energy completed in December 2013

Pakistan interests

- Awaiting Government consent for sale of Pakistan assets to Ocean Pakistan Ltd

Selective Developments

Selective Developments

TEN PROJECT

Project execution underway and on track

- West Leo rig secured and first two development wells drilled
- Centennial Jewel tanker-FPSO conversion underway in Singapore
- All subsea contracts awarded and major equipment ordered
- Enhanced seismic survey will further enhance well placement
- Project on track for mid 2016 first oil and c.\$5bn capex

Significant future value and cash flow

- 214 mmbobe of net high value reserves & resources booked
- Upside resource potential remains
- Significant enhancement of Tullow cash flow post 2016
- Divestment process underway with options being considered
- Ghana potential net oil production post 2016: 75,000+ bopd

Group's next high value producing asset transforming future cash flow generation



East Africa – major onshore Tertiary Rift Basin projects

Selective Developments

Kenya – Operated world-class onshore oil project

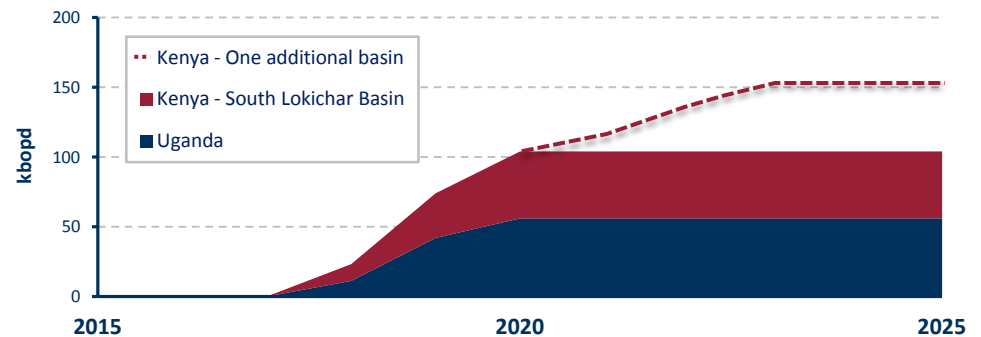
- Favourable conditions allowing for rapid progress
- Clear plan towards 2015/16 development sanction
- Pipeline leadership offers regional benefits

Uganda – Focus on enhancing project value

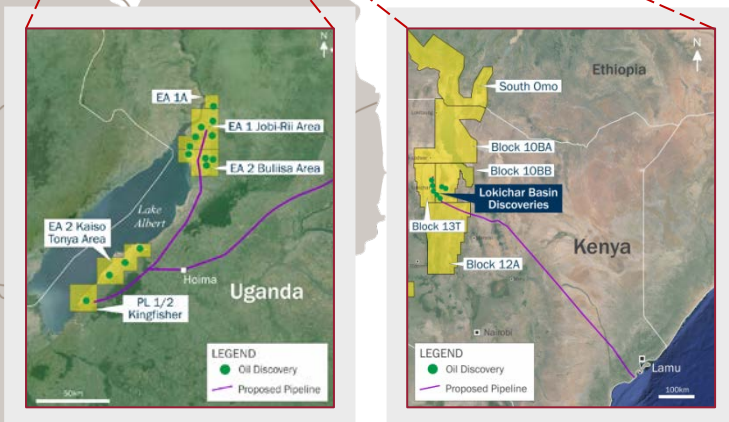
- Major project review results in multi-billion dollar cost savings
- Significant value enhancement with shared regional infrastructure
- Signed MoU provides basis of development

Poised to commence transformational East Africa oil developments

Potential East Africa net oil production*

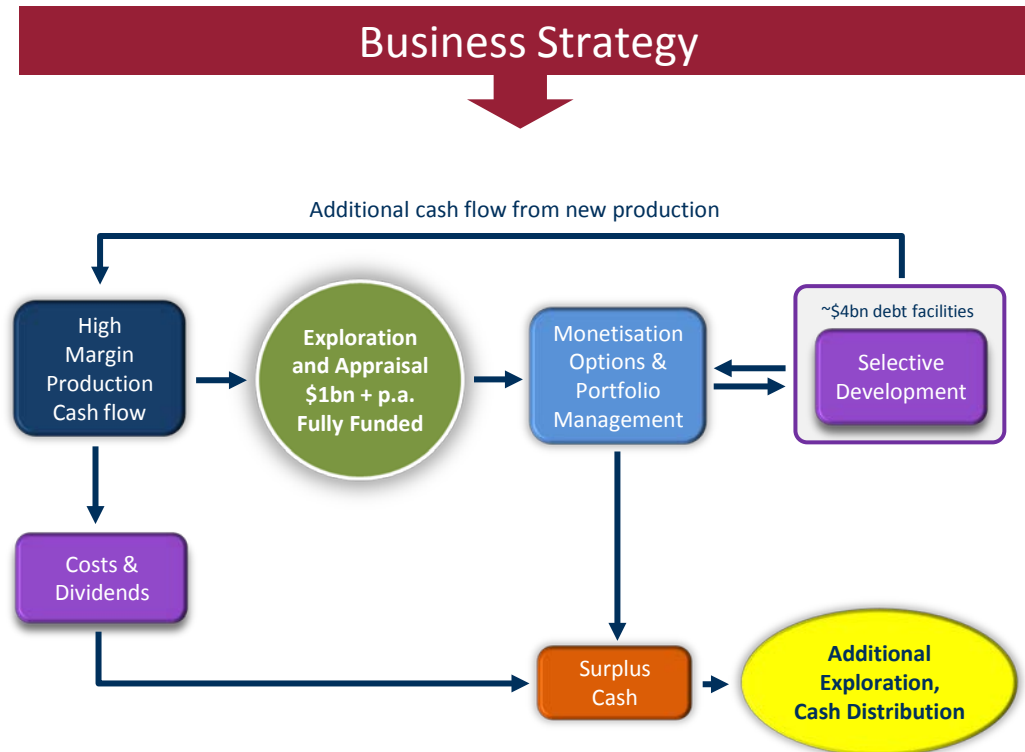


* Net production based on post government back-in rights

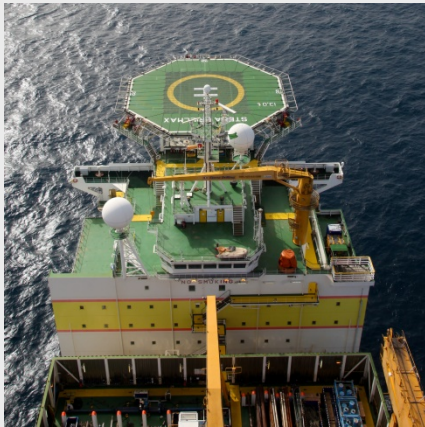


Funding: Strong balance sheet & financial flexibility

Funding



Access to diversified sources of capital provides liquidity and flexibility



2014 GHANA INVESTOR FORUM

CORPORATE RESPONSIBILITY



How we do business

- We manage our business in a responsible way to maximise sustainable development opportunities for host nations.
- We are committed to ensuring long-term benefits to local people and economies where we operate.
- The foundation of shared prosperity is to be a successful and profitable company, so we can meet our obligations to governments, employees and suppliers and generate returns.
- Stakeholder engagement is critical for our operations and our approach to elements such as local content or EHS, directly affects our ability to run our business successfully.

Creating Shared Prosperity



Open, transparent disclosure

Economic contribution

- We are committed to transparent disclosure of payments to governments and other stakeholders in the countries in which we operate
- Revenue transparency and disclosure enables a country's citizens to hold their government and Tullow to account

Leading the way in transparency reporting

- Enhanced our transparency disclosures, reporting in line with the EU Accounting Directive, ahead of legislation
- Disclosed all tax payments to governments at a project or company level in 2013 Annual Report
- Also made voluntary disclosures of other taxes we pay to give a fuller understanding of the payments we make

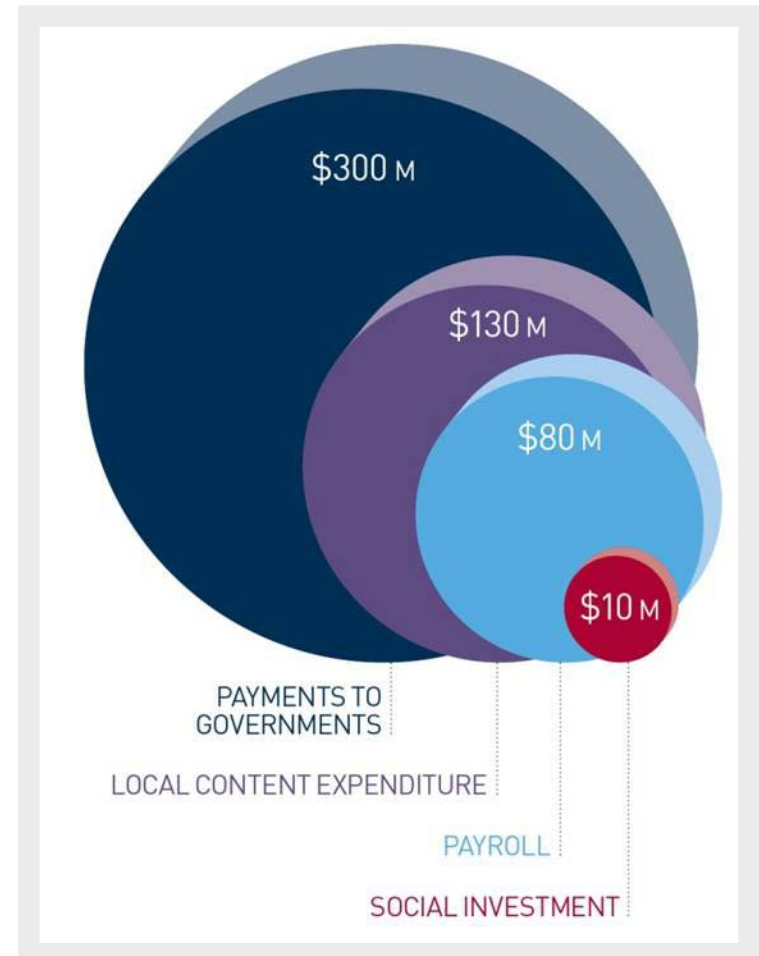
TOTAL PAYMENTS TO
GOVERNMENTS
IN 2013

\$870
MILLION

See 2013 Annual Report, with more details to follow in CR Report, due out in May

Socio-economic contribution in Ghana

- **\$500+ million:** Total socio-economic contribution
- **\$130 million** spent with local suppliers
 - over 40% of Tullow Ghana contracts under \$100,000 were awarded to local businesses
 - 24% of contracts between \$100,000 and \$1 million were awarded to local businesses
- **250+** Ghanaians employed , **87%** of total workforce
- **Social Investments** supporting education, health and enterprise development, including:
 - **The Jubilee Technical Training Centre:** The first vocational training centre in West Africa to offer National Vocational Qualification (NVQ) accredited courses for technical courses
 - **Enterprise Development Centre:** Located in Takoradi, supports small and medium sized Ghanaian enterprises
 - **Livelihood enhancement programme:** Over 1,400 people from 26 fishing communities in the Western Region of Ghana sponsored to receive training

2013**SOCIO-ECONOMIC CONTRIBUTION**

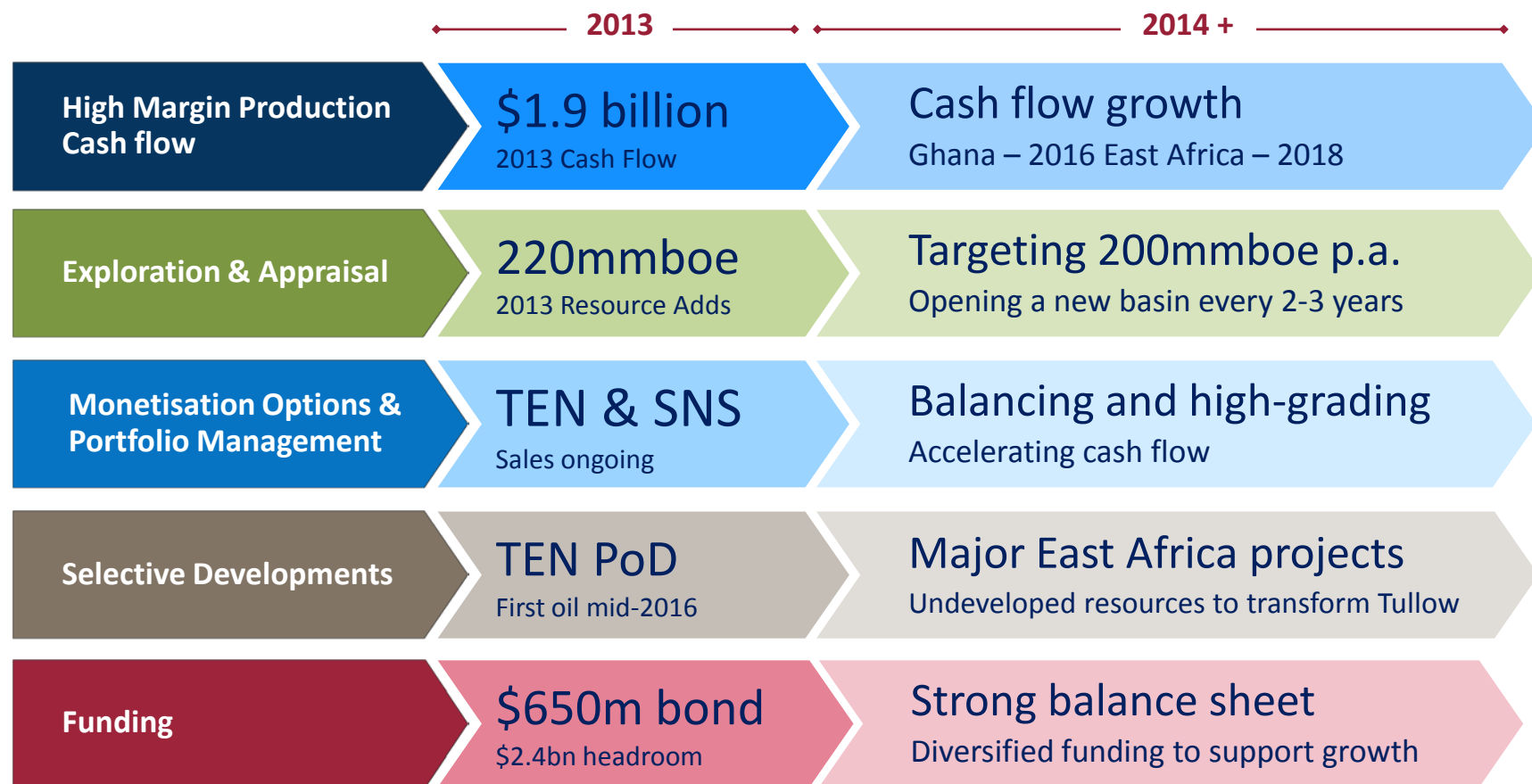


2014 INVESTOR FORUM

CONCLUSIONS



Delivering against our strategy

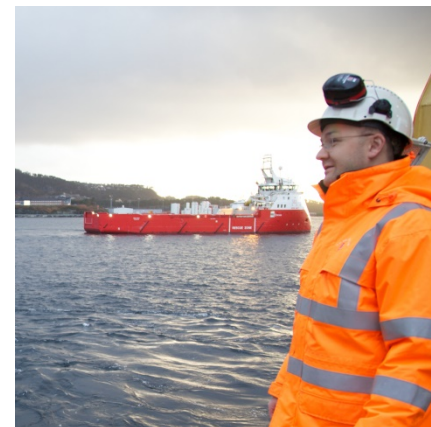


Operational and financial flexibility to deliver substantial long term growth



2014 INVESTOR FORUM

Q&A



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