Tullow Oil plc

ANNUAL GENERAL MEETING

25 April 2019
This presentation contains certain forward-looking statements that are subject to the usual risk factors and uncertainties associated with the oil and gas exploration and production business.

Whilst Tullow believes the expectations reflected herein to be reasonable in light of the information available to them at this time, the actual outcome may be materially different owing to factors beyond the Group’s control or within the Group’s control where, for example, the Group decides on a change of plan or strategy.

The Group undertakes no obligation to revise any such forward-looking statements to reflect any changes in the Group’s expectations or any change in circumstances, events or the Group’s plans and strategy. Accordingly no reliance may be placed on the figures contained in such forward looking statements.
A year of solid financial and operational delivery

**DRILLING** resumed in Ghana

**DRIVING** production

**PROGRESSED** Uganda & Kenya developments

**BUILD** exploration portfolio

**GENERATING** free cash flow

**REDUCED** gearing

**PROFIT** after tax

**PAYING** a sustainable dividend

2018 – GOOD PROGRESS ACROSS THE BUSINESS
The pillars of our growth ambitions

Positioning Tullow for the challenges and opportunities ahead
CREATING A PROGRESSIVE AND SUSTAINABLE ORGANISATION

Driving the Business
- Ghana
- Kenya
- Uganda
- New Ventures
- Corporate

Transforming the Business
- Subsurface
- Operations & Digital
- Business & Sustainability

Implement & Transform
Deliver & Learn

Transformation
Functional Excellence
## 2018 FULL YEAR RESULTS SUMMARY

<table>
<thead>
<tr>
<th>Revenue(^1)</th>
<th>Underlying cash operating costs</th>
<th>Adjusted EBITDAX</th>
<th>Profit after tax(^2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,859\text{ million}</td>
<td>$10.0/boe</td>
<td>$1,600\text{ million}</td>
<td>$85\text{ million}</td>
</tr>
<tr>
<td>FY 2017: $1,723\text{ million}</td>
<td>FY 2017: $11.1/boe</td>
<td>FY 2017: $1,346\text{ million}</td>
<td>FY 2017: $(189)\text{ million}</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital investment(^3)</th>
<th>Free cash flow(^4)</th>
<th>Net debt</th>
<th>Gearing</th>
</tr>
</thead>
<tbody>
<tr>
<td>$423\text{ million}</td>
<td>$411\text{ million}</td>
<td>$3.1\text{ billion}</td>
<td>1.9\text{ times}</td>
</tr>
<tr>
<td>FY 2017: $225\text{ million}</td>
<td>FY 2017: $543\text{ million}</td>
<td>YE 2017: $3.5\text{ billion}</td>
<td>YE 2017: 2.6\text{ times}</td>
</tr>
</tbody>
</table>

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1. Revenue excludes $188 million additional revenue from Corporate Business Interruption insurance (2017: $162 million)
2. Profit/(loss) includes non-cash exploration write-offs of $295 million (pre-tax)
3. Capital investment excludes Uganda capex expected to be recovered on completion of the farm down
4. Free cash flow impacted by one-off litigation payment of $208 million

**Strong financial performance despite oil price volatility**
FOLLOWING OUR CAPITAL ALLOCATION FRAMEWORK

DEBT AND LIQUIDITY

Balance sheet robust to future oil price volatility
- Driving net debt below $2 billion in near term
- Retain flexibility with longer term gearing of 1x-2x
- Ensuring headroom for future opportunities

INVESTING IN OUR BUSINESS

Apply strict criteria to allocate capital across the portfolio:

Maximising production:
- Immediate cashflow
- High returns, short payback

Growth from discovered resources:
- Future cash flow
- Medium-term payback

Finding new oil:
- Significant value
- New resources, capital growth

Other opportunities

SHAREHOLDER RETURNS

Demonstrating financial discipline and business progress
- Capital Returns Policy established
- Sustainable annual ordinary dividend
- Additional returns in periods of strong FCF

2018 final dividend
¢4.8/share (~$67m)

Balanced capital allocation focused on maximising shareholder returns
MAXIMISING PRODUCTION IN WEST AFRICA

Growing & sustaining our production business

- Ramping up net production in 2019
- Infill, near-field & exploration opportunities to sustain & grow production
- Low-cost production ~$10 opex/bbl
- Significant scope for 'just-in-time' reserves & resources growth

West Africa oil production
2019 guidance: 90,000 - 98,000 bopd

1 Includes 1,000 bopd of Jubilee Field Insurance Production-Equivalent
**Tullow Oil – 2019 Annual General Meeting**

**DEVELOPING OUR DISCOVERIES: EAST AFRICA PRODUCTION HUB**

**KENYA**
- **Material Oil Discoveries**: 560mmbo (Gross 2C resource)
- **Production Scale**: 60 → 100,000 bopd gross production
- **Development Update**: Targeting FID end 2019
  - EOPS increasing to 2,000 bopd
  - Foundation stage well defined
  - FEED & ESIA ongoing
  - Awaiting finalisation of key commercial agreements
  - Land & water agreements progressing

**UGANDA**
- **Material Oil Discoveries**: 1.7bbo (Gross 2C resource)
- **Production Scale**: 230,000 bopd gross production
- **Development Update**: Targeting FID 2H 2019
  - FEED & Upstream ESIA complete
  - Ready to award major contracts
  - Finalisation of commercial, technical & land agreements ongoing
  - Infrastructure improvements under way

**Group net oil production growth**

- **Future growth Inc. East Africa**

Tullow continues to target 2019 FIDs in Uganda and Kenya
Drilling 3-5 high-impact wildcats per year, within $150m exploration budget

Peru & Comoros licences remain subject to final Government approval
2019 DRILLING FOCUS ON GUYANA

KANUKU
ORINDUIK
JETHRO
prospect selected for 2Q 2019 drilling

>100 mmbo
Tertiary target

1,350m
water depth

~$30m
net well cost

Drillship
contracted

CARAPA
prospect selected for 3Q 2019 drilling

>200 mmbo
Cretaceous target

70m
water depth

~$20m
net well cost

Jack-up
rig to be contracted

ORINDUIK
JOE
prospect selected for 3Q 2019 drilling

>100 mmbo
Tertiary target

650m
water depth

~$11m
net well cost

Drillship
contracted

Shelf-edge acreage in industry hot-spot

Multiple prospects up-dip of giant oil discoveries

High-quality 3D seismic processed

Gross mean un-risked resources

>4BBO

>16 Tertiary Prospects

>10 Cretaceous Prospects

2019 confirmed wells

Atlantic
Ocean

ORINDUIK
Joe
Jethro

2017 3D Outline

Carapa
Joe
Jethro
Hammerhead
Payara
Liza Field
Pacora
Snoek
Tilapia
Longtail
Turbot
Pluma
Haimara

LEGEND

Tullow Operated
Tullow Non-operated
Oil Discoveries
Gas Condensate & Oil Discovery
Prospects/Leads
Oil & Gas Shows
Oil Shows

50km

Creating value from delivering the Vision

DRIVING THE BUSINESS

• Excellence in delivering our 2-3 year work programme
• Growing business over short-medium term
• Continuous improvement

TRANSFORMING THE BUSINESS

• Delivering our 2030 Vision
• Delivering new value through transformation
• Ensuring we meet the challenges of the transition to low carbon economy
A STRONG COMMITMENT TO SUSTAINABILITY

**SHARED PROSPERITY**
- Local content and capacity
- Developing local skills
- Social Investment

**ENVIRONMENTAL STEWARDSHIP**
- Climate resilience
- Ecosystems

**RESPONSIBLE OPERATIONS**
- Safety and wellness
- Responsible production

**EQUALITY & TRANSPARENCY**
- Good governance
- Promoting equality
2019 OUTLOOK

A strong foundation for growth in the years ahead

- GENERATE significant free cash flow
- COMPLETE Uganda farm-down
- TARGET Uganda & Kenya FIDs
- RETURN $100m minimum dividend
- DISCOVER oil in Guyana
- MAINTAIN cost discipline
- DELIVER our Vision