



Capital Markets Day

Tullow Oil plc | 2020 Capital Markets Day
25 November 2020



2020 Capital Markets Day



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A NEW APPROACH

Delivering enhanced value and cashflow

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GHANA

Maximise value from large resource

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KENYA AND EMERGING BASINS

Material value to unlock

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Underpinned by a robust financial framework

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Improving production efficiency and reliability

4

NON-OPERATED

Investing in stable, sustainable production

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ENVIRONMENT, SOCIAL, GOVERNANCE

Retaining a strong focus

8

CONCLUSIONS

Presenters



Rahul Dhir
Chief Executive Officer



Les Wood
Chief Financial Officer



Wissam Al-Monthiry
Managing Director, Ghana



Julia Ross
Director, People and Sustainability

A year of significant change: Putting Tullow back on track

Leadership

New CEO, leadership and lean organisation

Operational turnaround

Focus on asset integrity, process safety, maintenance and reliability

Cost focus

Ghana operating costs and corporate G&A significantly reduced

Capital discipline

Flexible opportunities identified to allocate future investment capital

Capital structure

Successful RBL redeterminations and Uganda proceeds received

ESG focus

Continue to create lasting social and economic benefits

Maximising value

New plans to deliver material value and cash flow

Highly experienced, diverse and committed leadership team

Rahul Dhir
Chief Executive Officer

Joined Tullow 2020; formerly Delonex, Cairn India, Morgan Stanley

Les Wood

Chief Financial Officer

- Commercial & Planning
- Finance
- IR & Corporate Affairs
- M&A
- Oil Marketing
- Tax
- Treasury

Joined Tullow in 2014 as VP Commercial; formerly at BP

Wissam Al-Monthiry

Ghana

- Health & Safety
- Integrated technical functions
- Stakeholder & JV Management

Joined Tullow in 2020; formerly at BP and Goldman Sachs

Mike Walsh

General Counsel

- Information Systems
- Insurance
- Internal Audit & Risk
- Legal

Joined Tullow in 2020; formerly at Delonex, Cairn India

Julia Ross

People & Sustainability

- Shared Prosperity
- Human Resources
- Internal Comms.

Joined Tullow in 2001; formerly Corporate Finance at Tullow

Jean-Medard Madama

Non-op

- Gabon, Cdi, EG
- Non-op technical
- Stakeholder & JV Management

Joined Tullow in 2012; formerly at Schlumberger

Amalia Olivera-Riley

Exploration

- Africa
- NFE and ILX¹
- South America
- Subsurface

Joined Tullow in 2019; formerly at Repsol and ExxonMobil

Madhan Srinivasan

Kenya

- Development concept
- Licence renewal
- Stakeholder & JV Management

Joined Tullow in 2014; formerly at Essar Energy and BP

Senior Leadership Team (SLT)

Technical Advisors & Auditors

Well Engineering

Baringa
Partners in Performance
Striatum

Subsurface & Geoscience

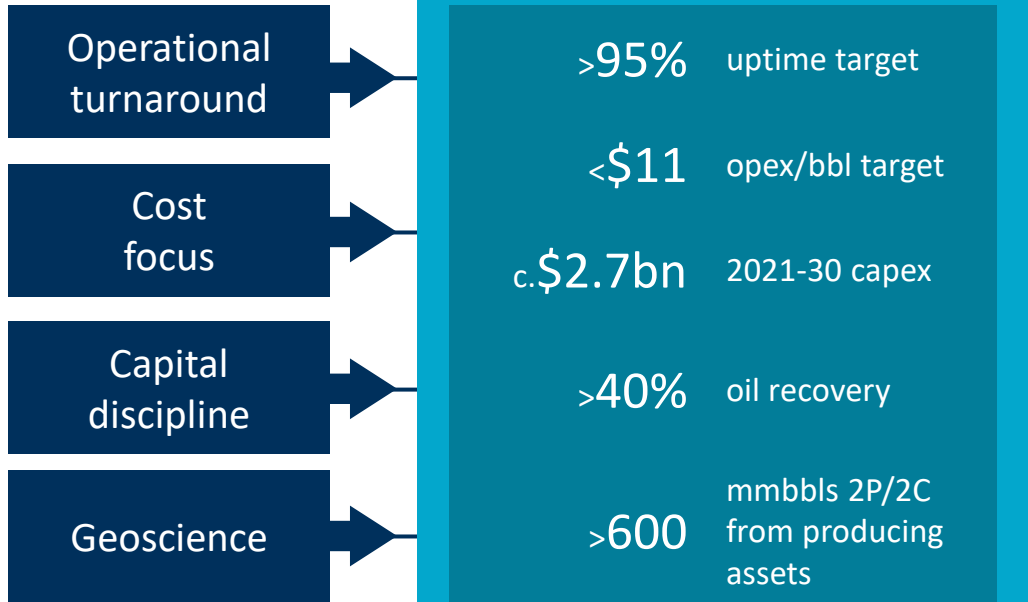
Intera Petroleum
Consultants
TRACS

¹ Near-field exploration and infrastructure-led exploration

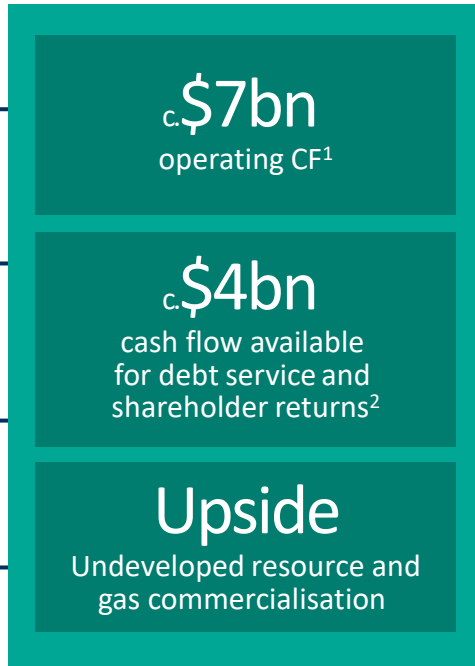
New approach delivers material value and cash flow

Production base with material resource play

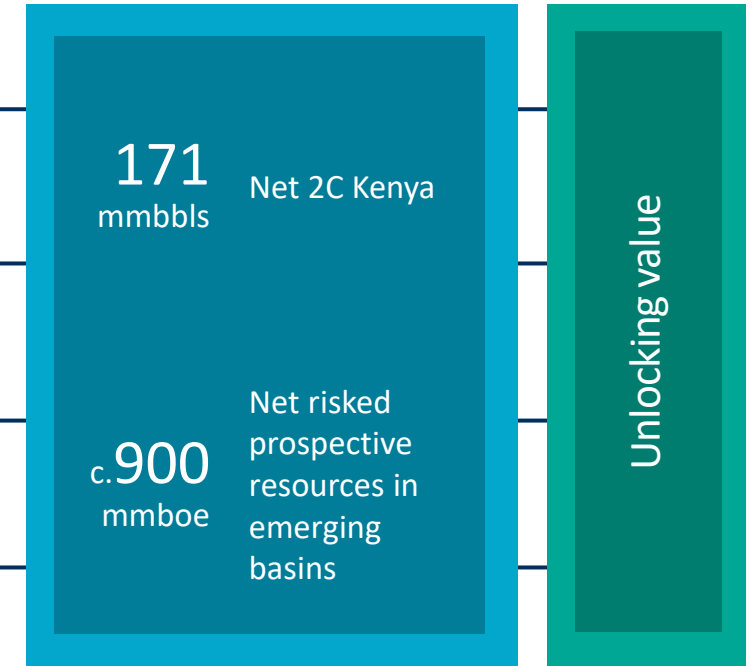
2021-30



>90% capital allocation



Significant positions in discovered and emerging basins



Managing capital exposure

¹ Cash flow from operating activities, before debt service, capital investment and decommissioning expenditure

² Cash flow from operating activities less capital investment and decommissioning expenditure

^{1&2} Based on \$45/bbl in 2021, \$55/bbl flat nominal in 2022+

Well defined and profitable investment opportunities

Attractive portfolio of African production investments



¹ Based on \$45/bbl in 2021, \$55/bbl flat nominal in 2022+

>80%
IRR on
investment
portfolio¹

c.\$11/bbl
Average
development cost

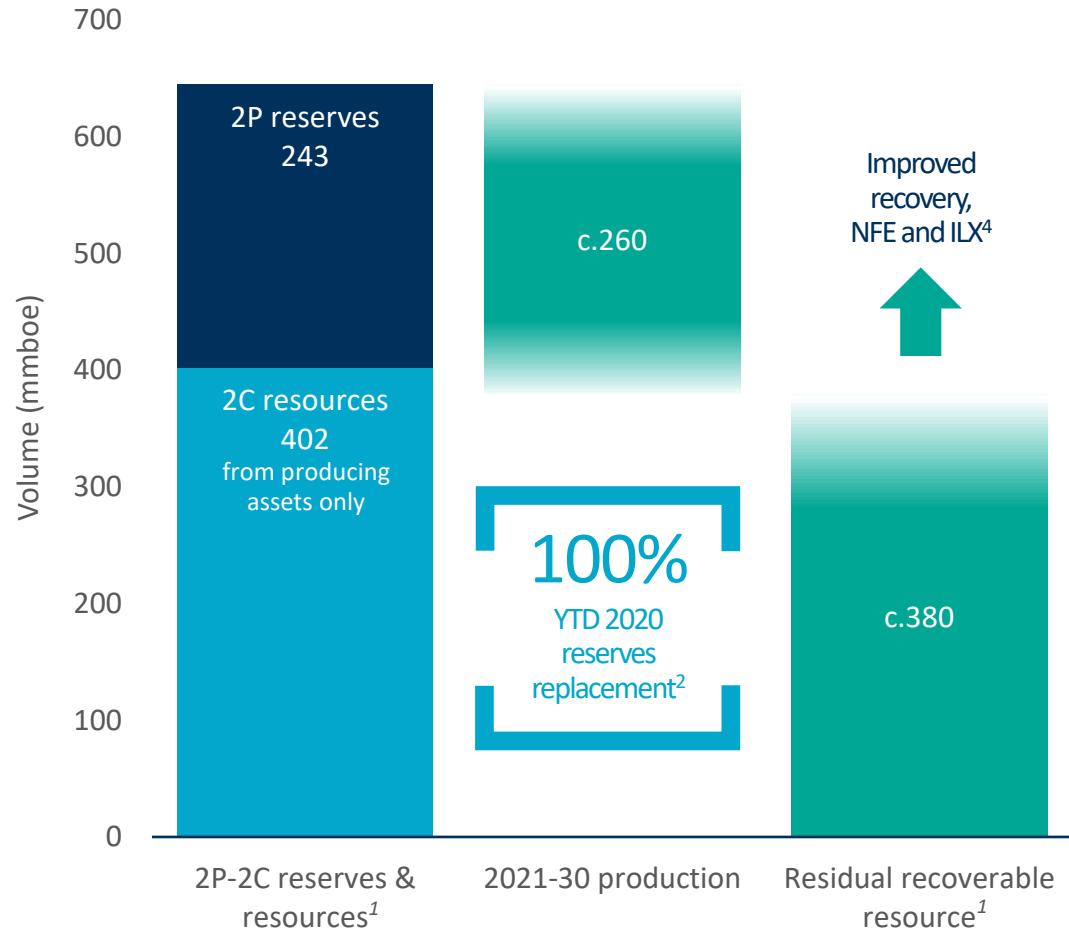
Value accretive producing assets

- Significant improvement in reliability and profitability
- More than 60 well-defined and de-risked investment options identified
- Short payback projects and a self-funded cashflow profile
- Prioritising investments in producing assets (>90% of Group capex)
- Average IRR of >130% at \$65/bbl and >70% at \$45/bbl
- Significant value creation for host governments

Flexibility to manage capital investment

Material producing asset resource

Well-defined supply with replenishment potential³



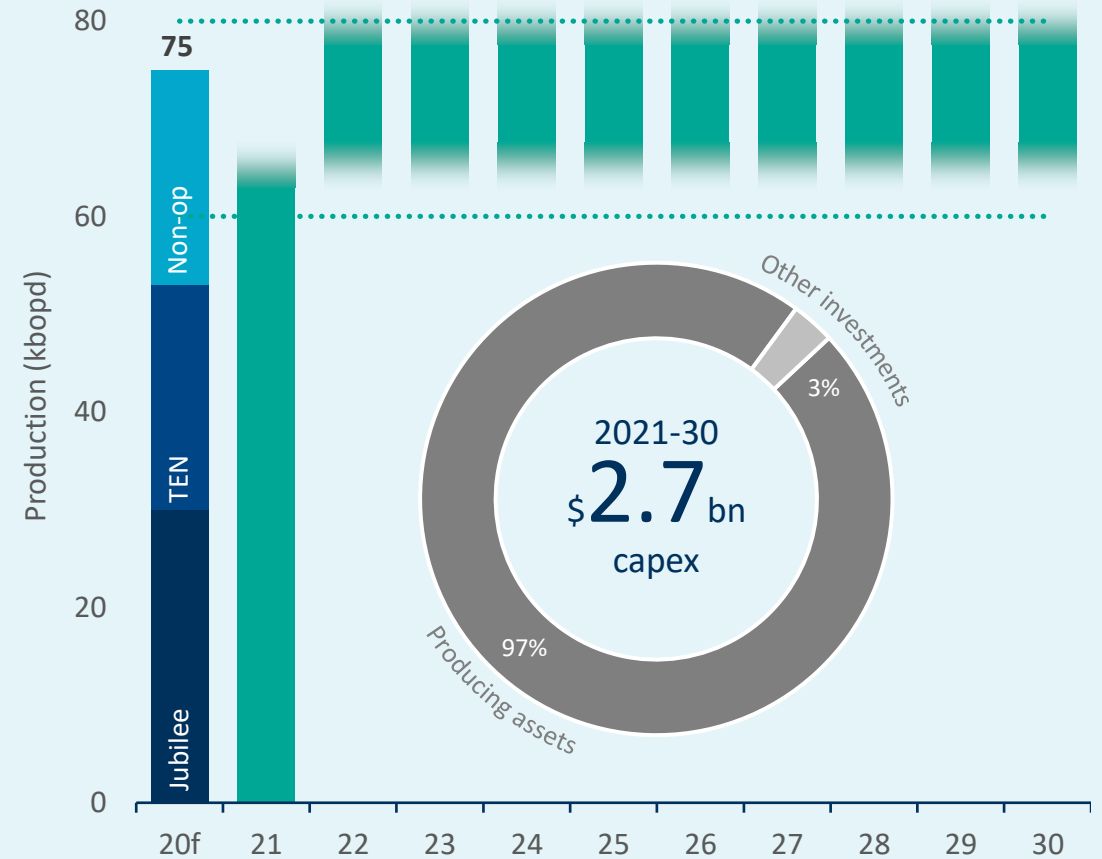
¹ 2C resources from producing assets only, excludes Kenya and Guyana

² As at 30 September

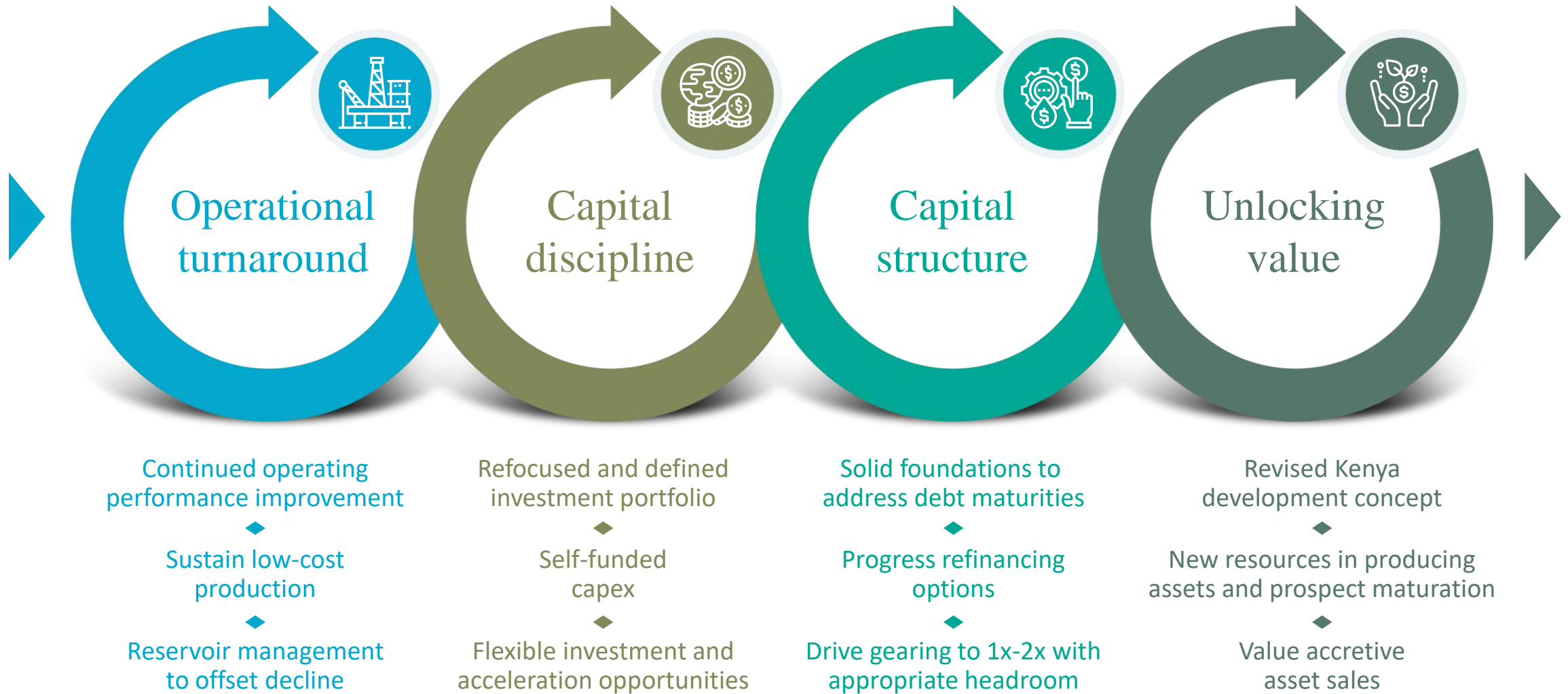
³ All numbers Tullow working interest

⁴ Near-field exploration and infrastructure-led exploration

Visible production with acceleration potential³



Roadmap to creating a resilient, self-funded business



Operational turnaround: Improving production efficiency and reliability

Wissam Al-Monthiry
Tullow Oil plc | 2020 Capital Markets Day

Operational turnaround to deliver value and cash flow



Health and safety – Remains our highest priority



Commercial and relationship focus – Government and Joint Venture (JV) collaboration



Organisational capability – Team strengthened and integrated



Facilities reliability – Enhanced maintenance and asset integrity

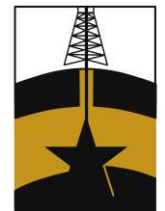


Drilling efficiency – Reduce well complexity and rig downtime



Competitive operating costs – Continuous improvement

JV partners



GNPC



PetroSA

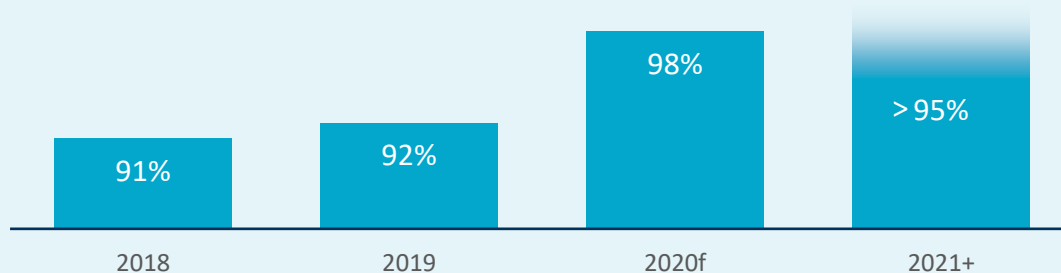
Focus on enhancing oil production

Production efficiency

- Closely integrated Tullow oversight
- Improvement to processing systems reliability
 - Defect elimination process
 - Well optimisation
 - Maintenance and integrity management
- Sustaining performance by embedding efficiencies

Improved uptime performance in Ghana

Uptime (%)

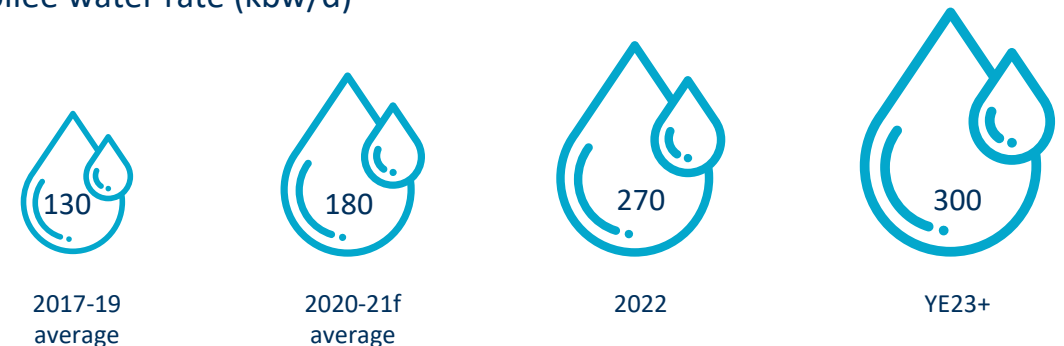


Water injection efficiency

- Water injection remains a key area of focus on Jubilee
- Greater water injection volumes to sustain reservoir pressure and improve sweep efficiency
- Three water injection pumps operational on Jubilee with injection capacity building up to >300kbw/d
- Aligning full system infrastructure to sustain capability

Addressing water injection reliability and capacity

Jubilee water rate (kbw/d)



Improving gas offtake performance

Opportunity

- Higher gas export improves reservoir management, enhances oil production and minimises emissions
- Delivers material value for Ghana

2020 Progress

- Record levels of gas export built up over 2020
- Improvements in facilities reliability through targeted interventions
- Onshore gas demand stabilising
- Alignment with Government on projected gas offtake

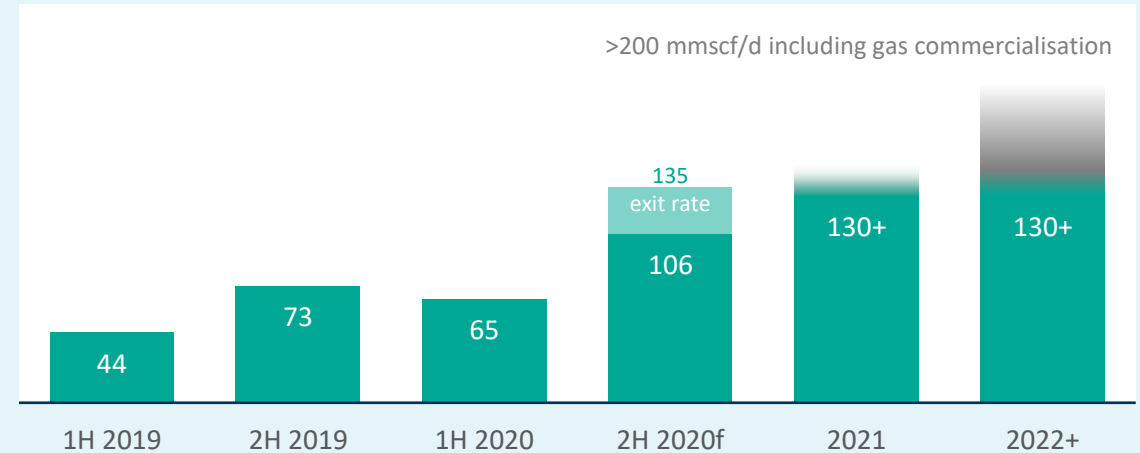
Forward plan

- Maintain gas performance with sustained facilities uptime
- Debottleneck gas handling capacity on Jubilee FPSO
- Target to increase gas offtake beyond 130mmscf/d

Integrated delivery: subsurface, operations, commercial and Government

Reliable gas offtake supports oil production

Gas rate (mmscf/d)



Growing gas processing capacity

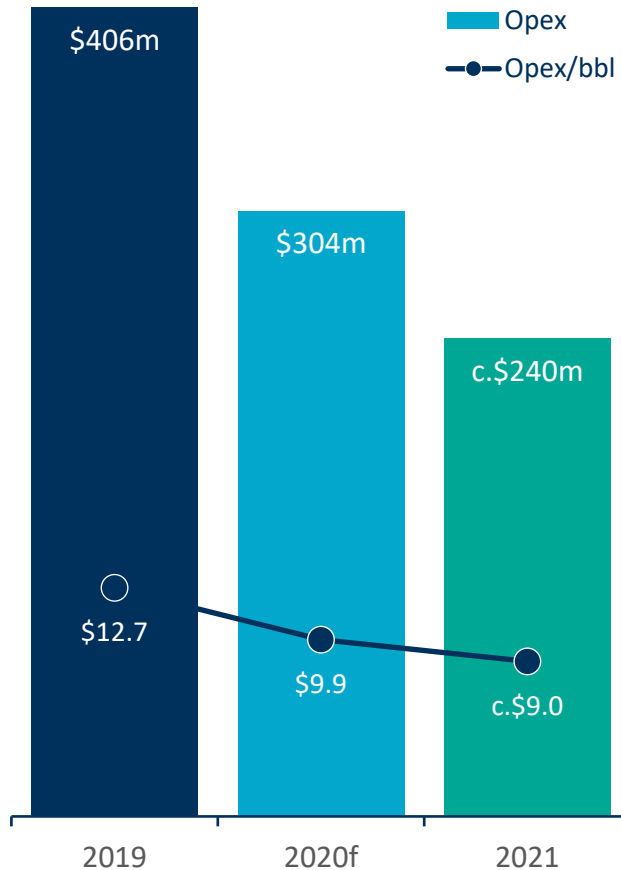
Gas rate (mmscf/d)



Driving down costs for a low cost operation

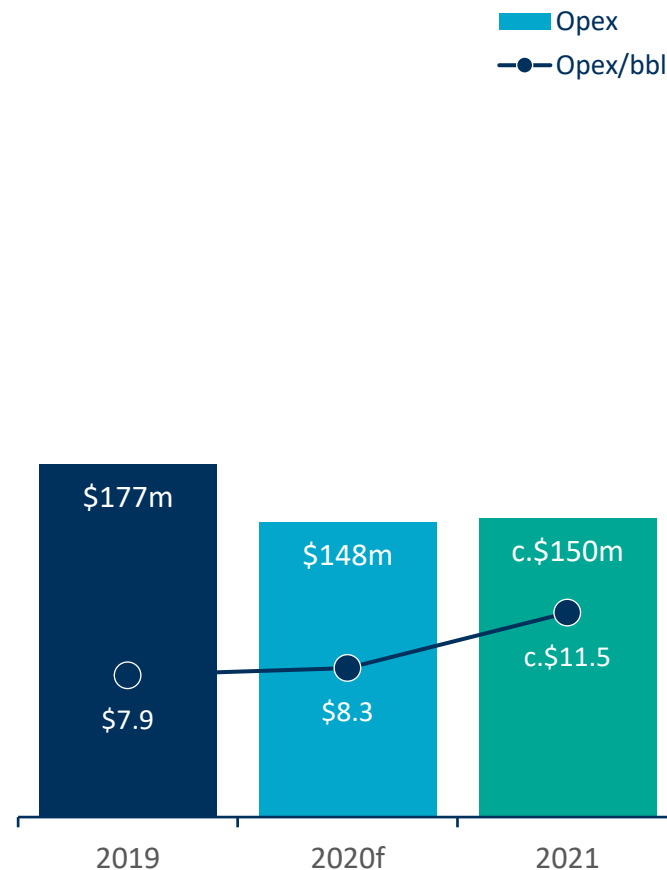
Jubilee¹

Asset operating costs (gross)



TEN

Asset operating costs (gross)



Cost savings being delivered

Reduction of equipment vulnerabilities

Continuous opportunity identification with consultant support

Maximise leverage through the supply chain

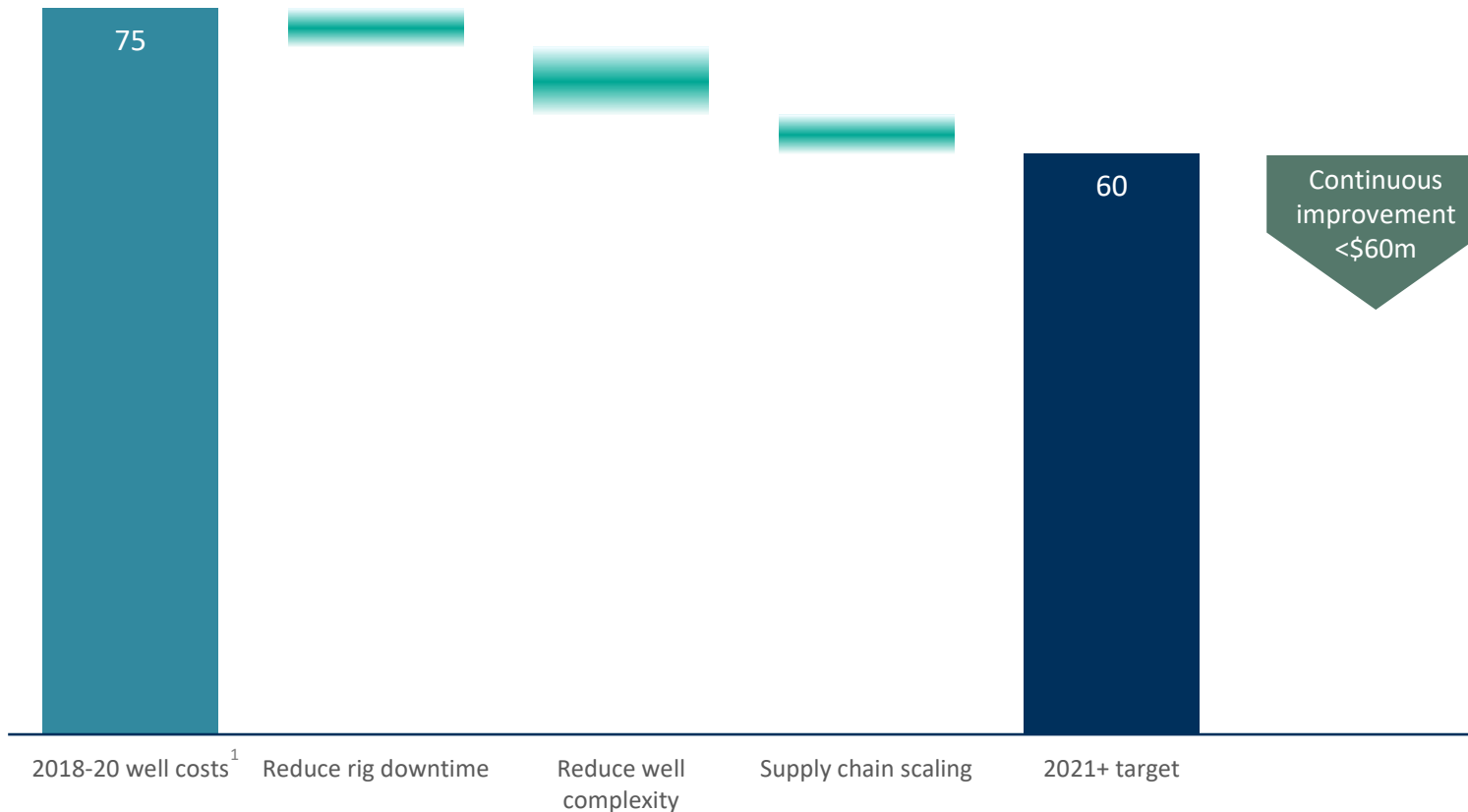
Cost-driven performance management

¹ 2019 and 2020 include opex associated with turret remediation

Delivering improved drilling performance

Driving future drilling costs down by c.20%

Drilling cost per well (\$m gross)



¹ Normalised for 2021 rig rates

Top quartile drilling performance

Simplified well design and reduced completion complexity

Improved rig reliability through enhanced maintenance assurance

Integrated planning across subsurface, drilling and projects teams

Advanced alignment with JV Partners on well targets

Ghana: Maximise value from large resource

Wissam Al-Monthiry
Tullow Oil plc | 2020 Capital Markets Day

Building blocks to unlock value and cash flow

Operational turnaround

Safely maximise production efficiency

Cost focus

Delivering a sustainable low-cost business and organisation

Capital discipline

Allocate capital to high return, short cycle development opportunities

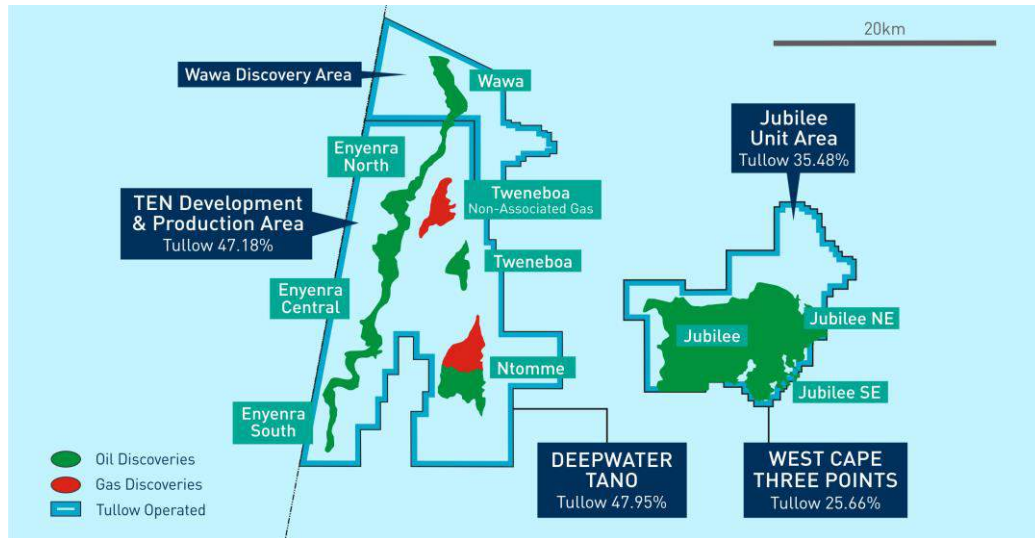
Geoscience

Maximise recovery and deliver significant upside opportunities within licence



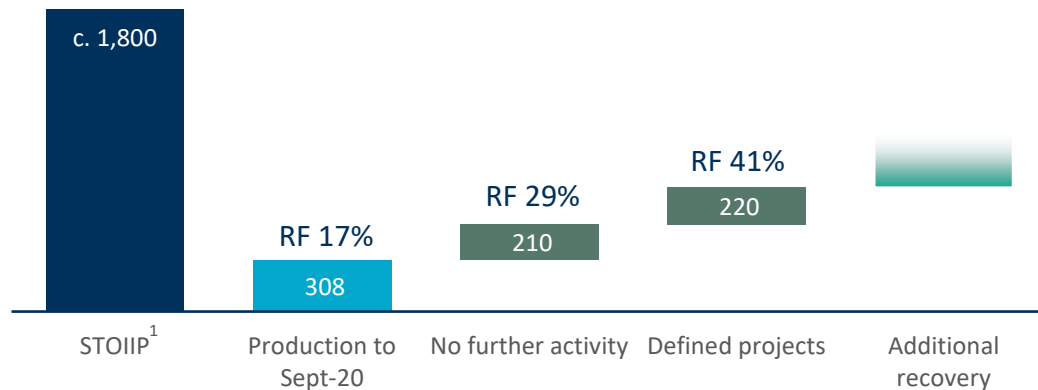
- Options to increase field recovery, develop near-field and ILX discoveries and commercialise the significant gas resources
- Plans in place to develop discovered resource base over the next 10 years
- Low-cost opportunities identified to pursue from 2021 to build production and cash flow
- High quality portfolio of oil producing fields and infrastructure provides solid platform

Substantial Ghanaian resource base across two areas

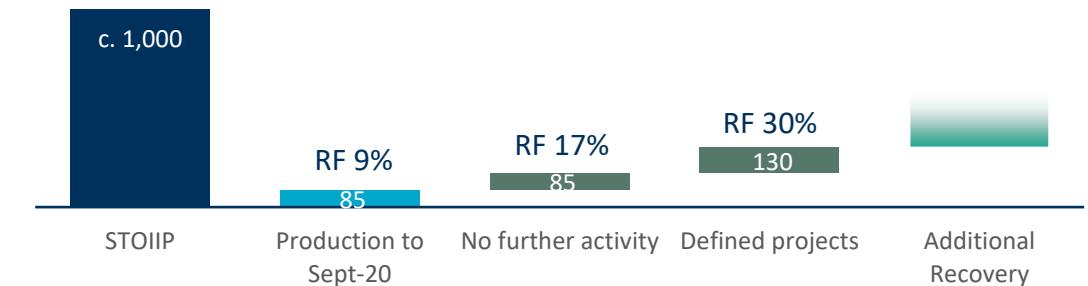


Only 393 mmbbls produced c.14% recovery	Wells: 25 producers, 18 water inj. and four gas inj.
Two FPSOs and subsea infrastructure in place	More than >550mmbbls gross yet to be produced
Potential to increase RF ² to unlock additional reserves	Near-field opportunities present significant upside

Jubilee gross volumes (mmbbls)

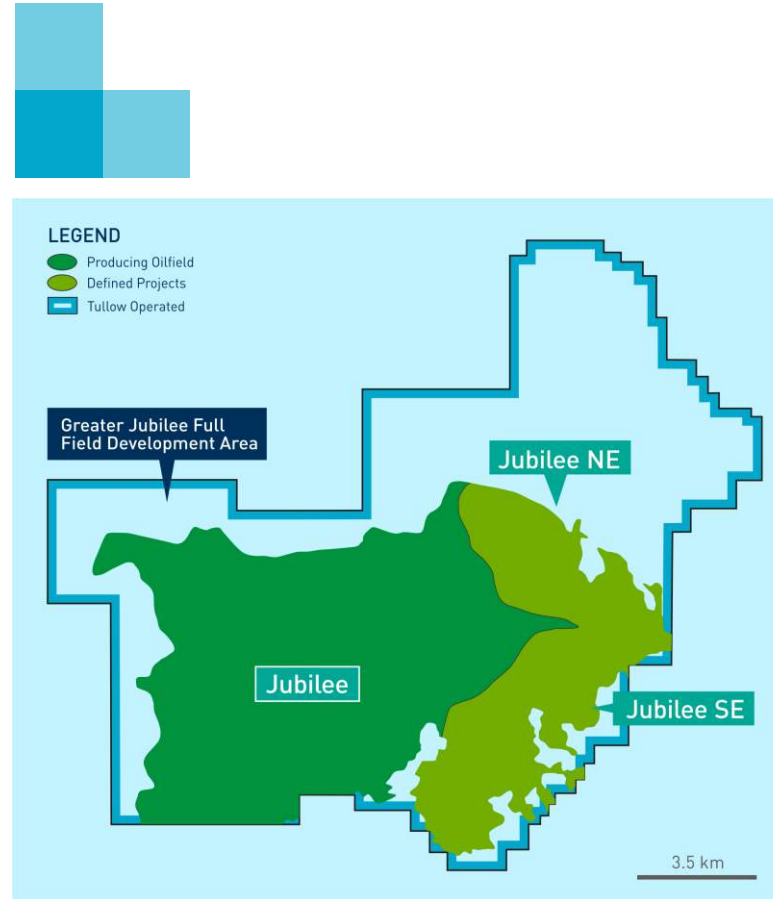
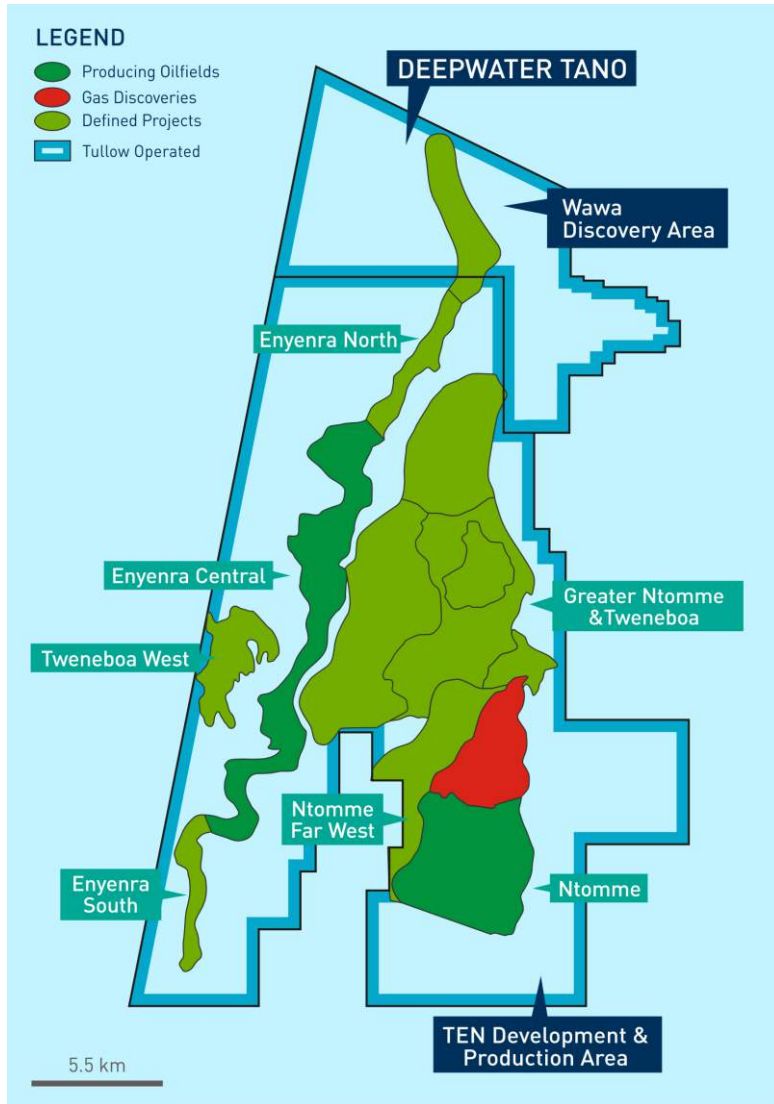


TEN gross volumes (mmbbls)



¹ Stock Tank Oil Initially In Place
² Recovery Factor

Well-defined, high return drilling opportunities



Comprehensive review completed

Highly efficient investments with short paybacks and high returns

Economies of scale identified

Minimal additional infrastructure required

Revised investment phasing to maximise recovery

Unit development costs of c.\$12/bbl

Optimising capacity of both FPSOs

Development work supported by expert 4D seismic analysis

Defined set of opportunities to sustain production



Rich drilling options¹

26
wells planned
over 2021-30

10-15
kbopd
initial production
rate per well

1-2
year payback

>90%
IRR

Defined projects

Jubilee
South East

Jubilee
North East

140
mmbbls oil

- 2022
Producer/ injector pair
- 2023
Two producers online
- 2024+
Follow-on wells
in SE and NE



23
wells planned
over 2021-30

10-15
kbopd
initial production
rate per well

1-2
year payback

>70%
IRR

Ntomme
Far West

Enyenra
North

Enyenra
South

90
mmbbls oil

- 2022-24+
Projects progressing
towards FID

¹ Based on \$45/bbl in 2021, \$55/bbl flat nominal in 2022+
All numbers on a gross basis

Additional opportunities to deliver upside



Maximising recovery¹

Additional oil recovery in Jubilee

- Targeting more than 40% ultimate recovery in Jubilee
- Around 100mmbbls of additional recovery potential

Greater Ntomme Tweneboa (GNT) Area

- More than 350mmbbls of undeveloped STOIP
- Utilising existing subsea infrastructure

Tweneboa West

- More than 30mmbbls of undeveloped STOIP
- Fast development, tie back to existing infrastructure

Significant opportunity to commercialise gas resource¹

c.1TCF
of recoverable gas resource

Already connected to onshore infrastructure

Long term supply potential (10+ years)

Multiple gas commercialisation options

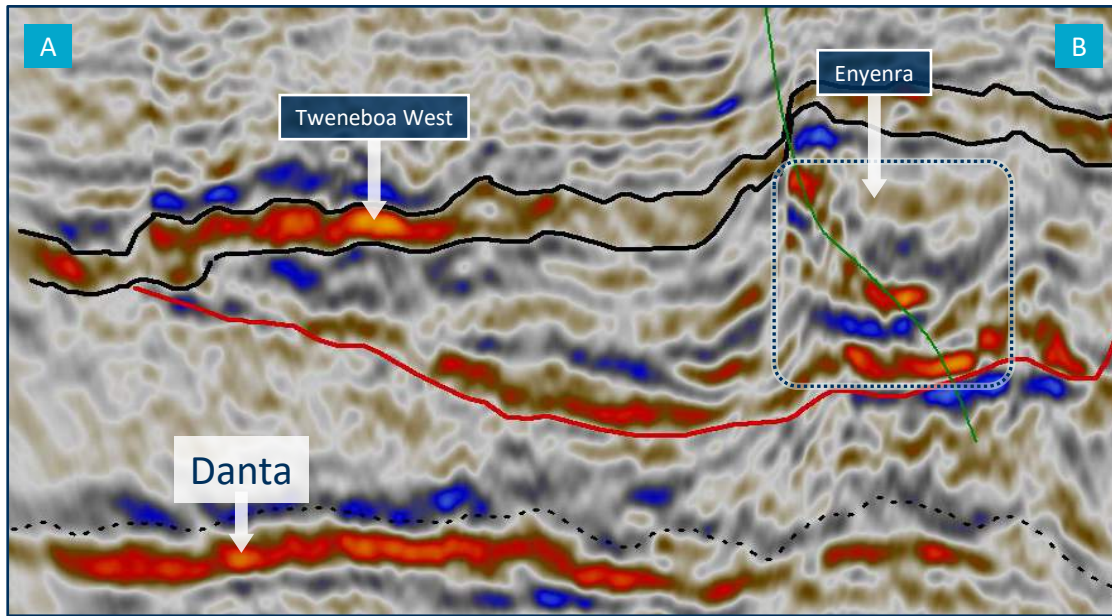
Dedicated JV taskforce to progress

¹ All numbers on a gross basis

Near-field and infrastructure-led opportunities

Ghana

- Several near-field prospective opportunities identified
- Low risk, commercially attractive, accelerated tie-in targets
- Estimated volumes >100mmboe STOIP (gross)
- Discussions with Government on access commenced

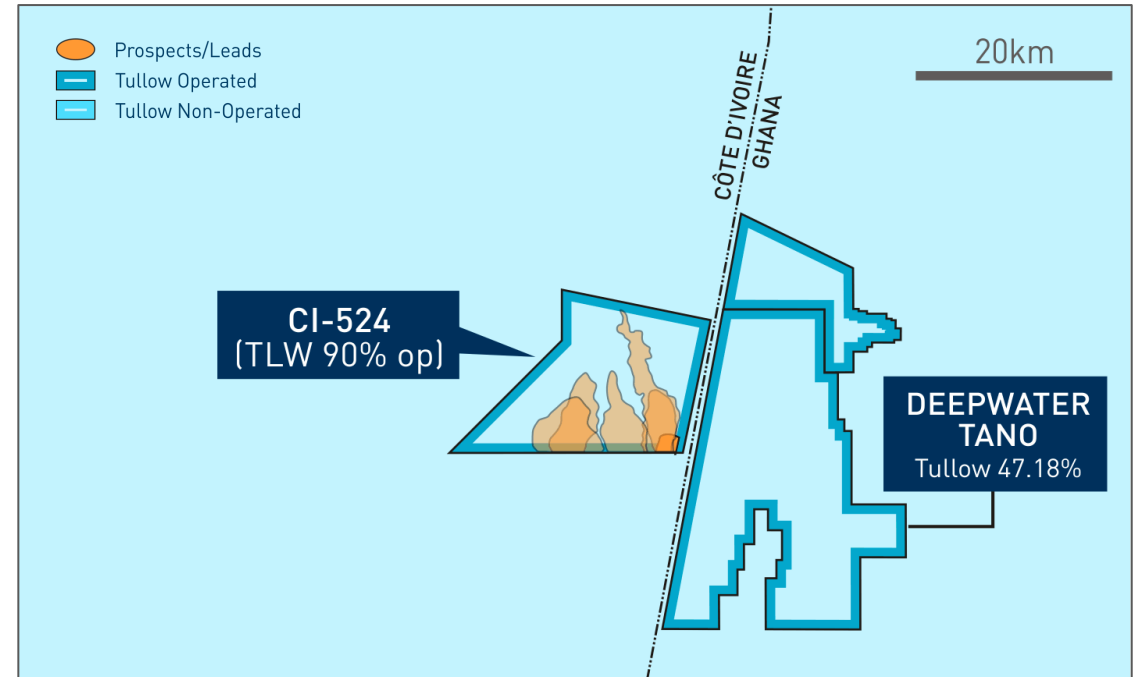


Seismic anomalies (reds) representing reservoir

2km

Côte d'Ivoire

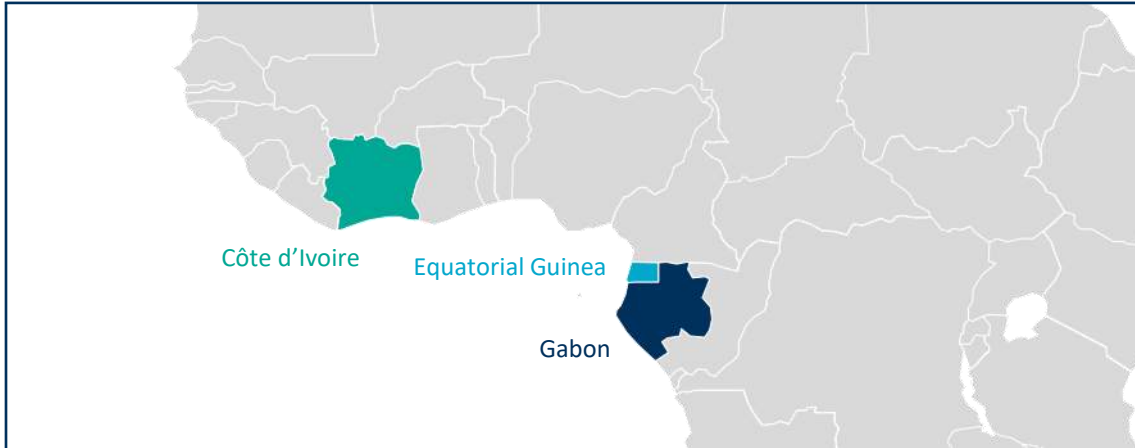
- Underexplored block adjacent to TEN field infrastructure
- Westward extension of proven plays in TEN/Jubilee
- Current focus: seismic re-processing and prospect maturation



Non-op: Investing in stable, sustainable production

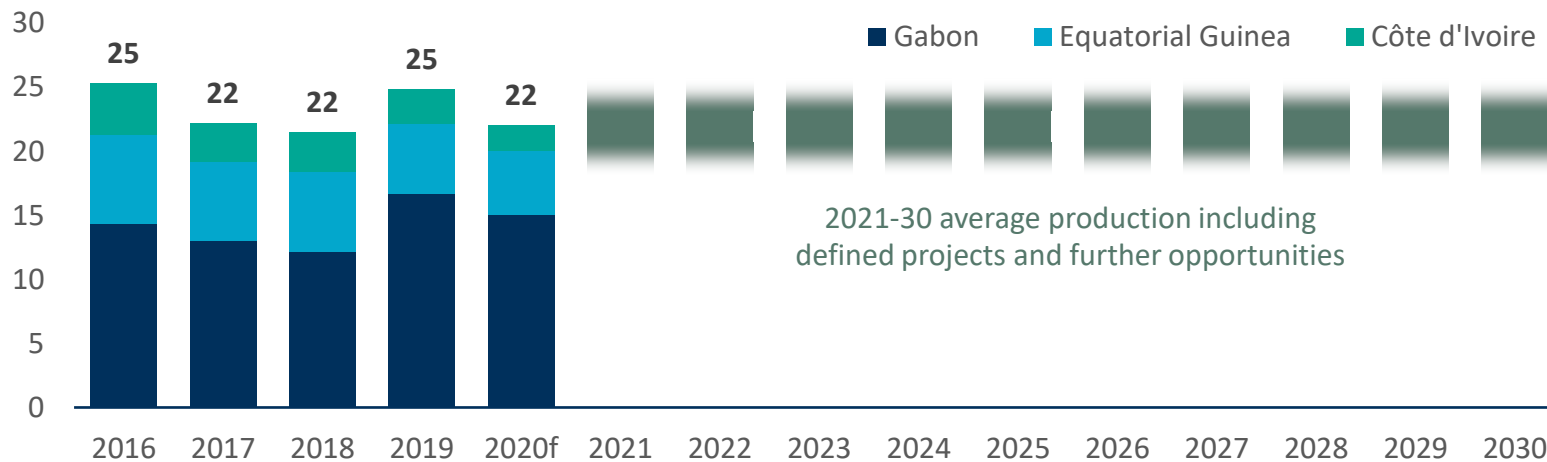
Rahul Dhir
Tullow Oil plc | 2020 Capital Markets Day

Non-op: Stable production from existing resource base



Sustainable production 22 - 25 kboepd	Stable cash flow; Self-funded portfolio
Strong JV partnerships	Proven execution capability
Access to infrastructure	Near field opportunities

Mature fields with defined opportunities for stable production (kboepd)¹



Gabon (c.15kboepd 2020)

- Light oil, 23 fields, off/onshore
- Working interest range 7.5-57.5%

Equatorial Guinea (c.5kboepd 2020)

- Light oil, five fields, offshore
- Working interest 14.25%

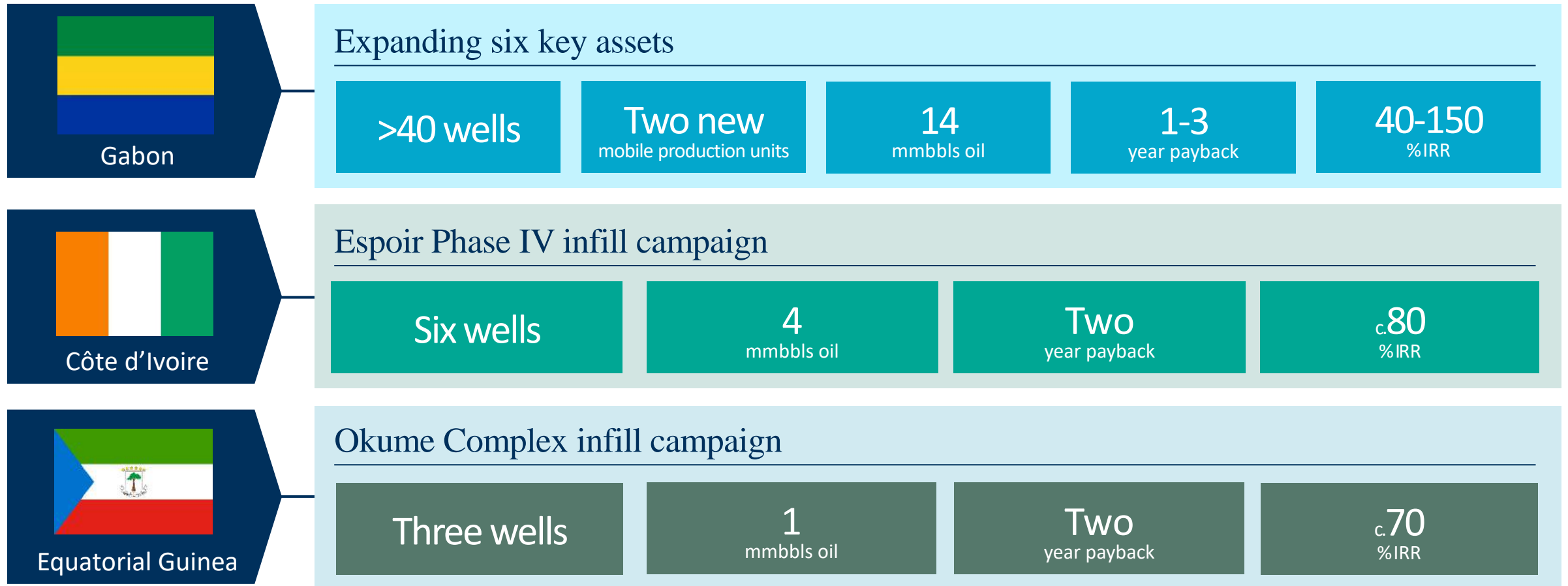
Côte d'Ivoire (c.2kboepd 2020)

- Light oil and gas, two fields, offshore
- Working interest 21.3%

¹ All numbers Tullow working interest

Non-op: Diverse set of low-risk projects

Defined investment options and projects¹



¹ All numbers Tullow working interest

Kenya and emerging basins: Material value to unlock

Rahul Dhir
Tullow Oil plc | 2020 Capital Markets Day

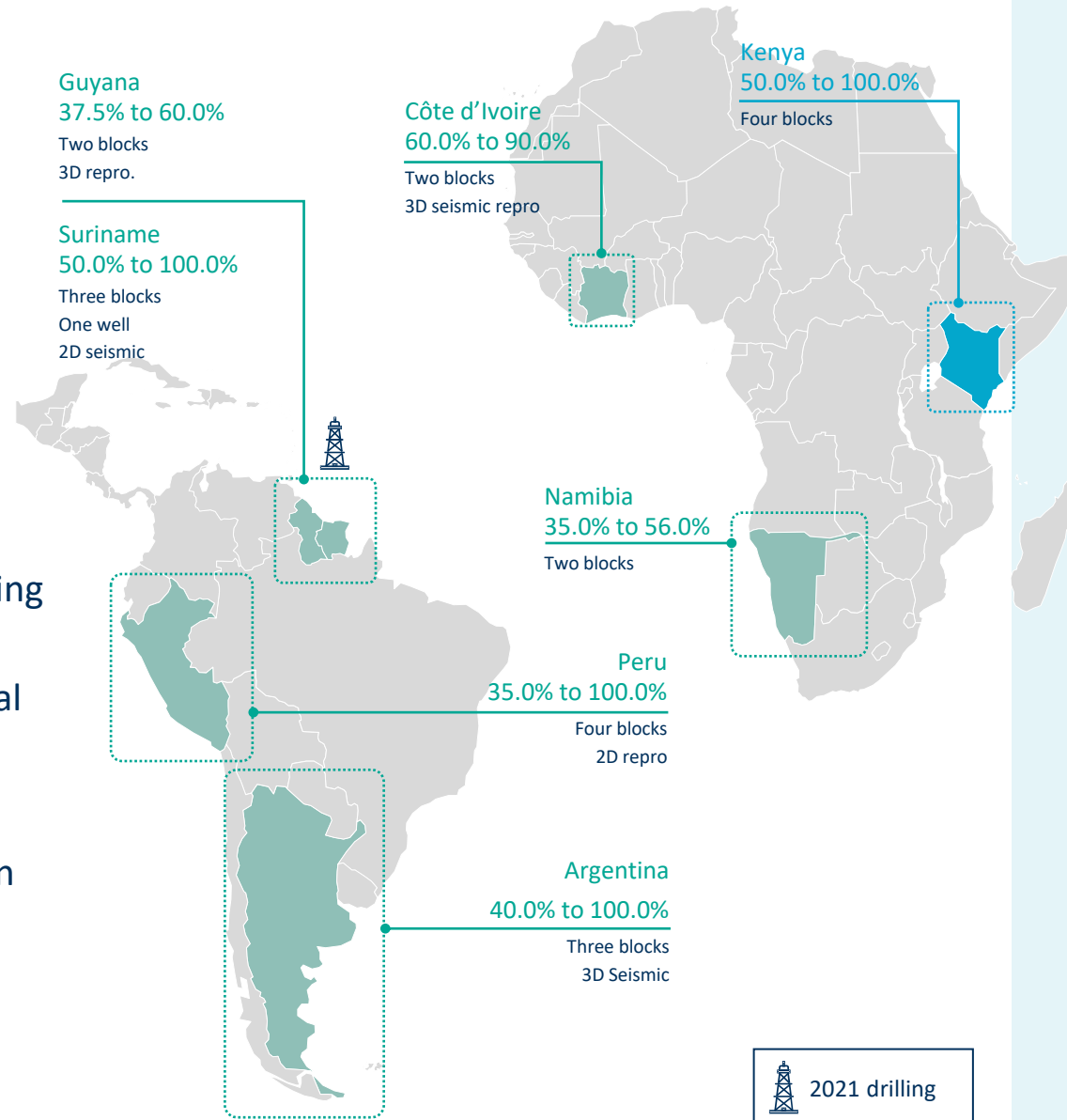
Unlocking value across the portfolio

Kenya

- Material recoverable resource base
- Licences extended
- Development plan being revisited for low oil prices

Emerging basins

- Material positions in emerging oil provinces
- Significant intellectual capital being invested
- Suriname well (GVN-1)
- Guyana prospect maturation
- Argentina 3D seismic



Kenya

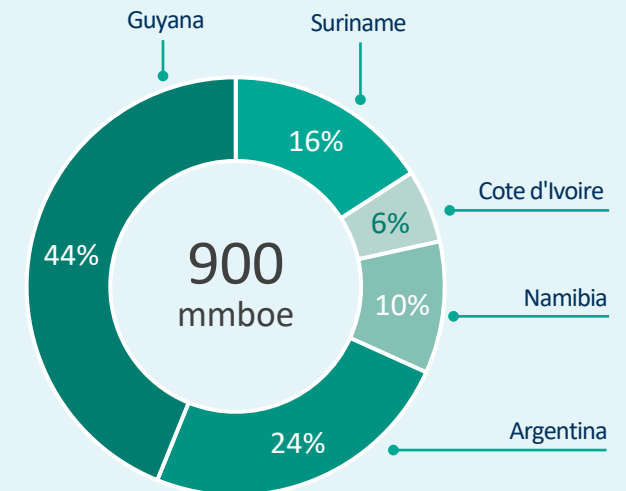
1.5

Billion barrels
Gross STOIP

171

Million barrels
2C working interest resources

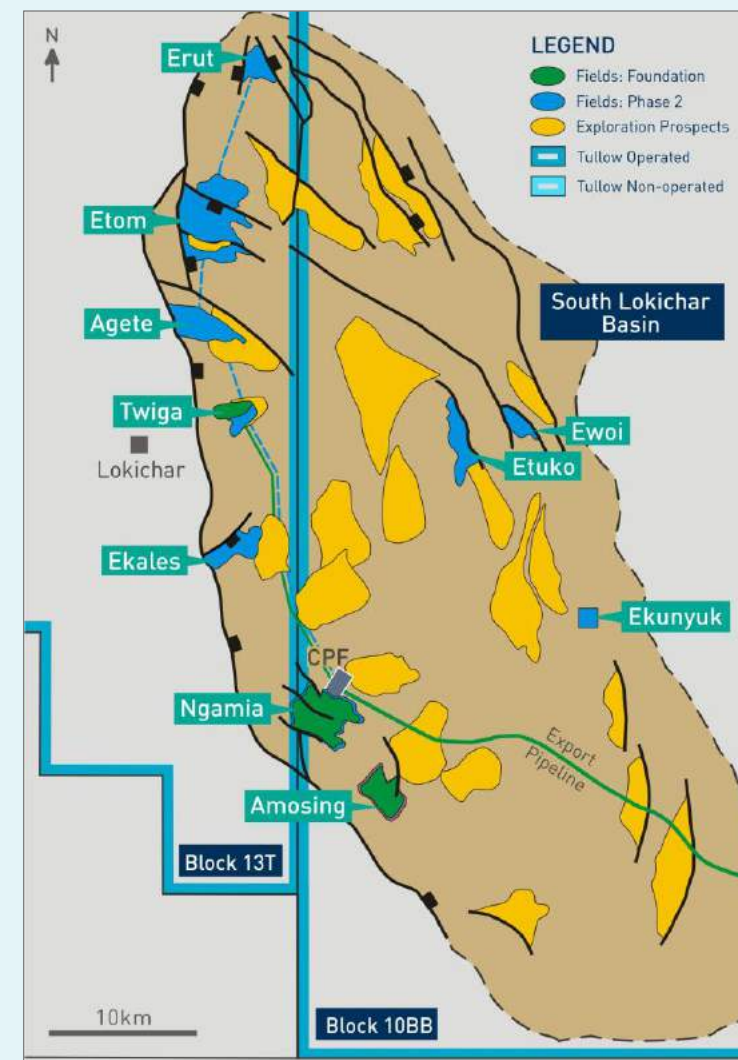
Prospective net risked resources in emerging basins



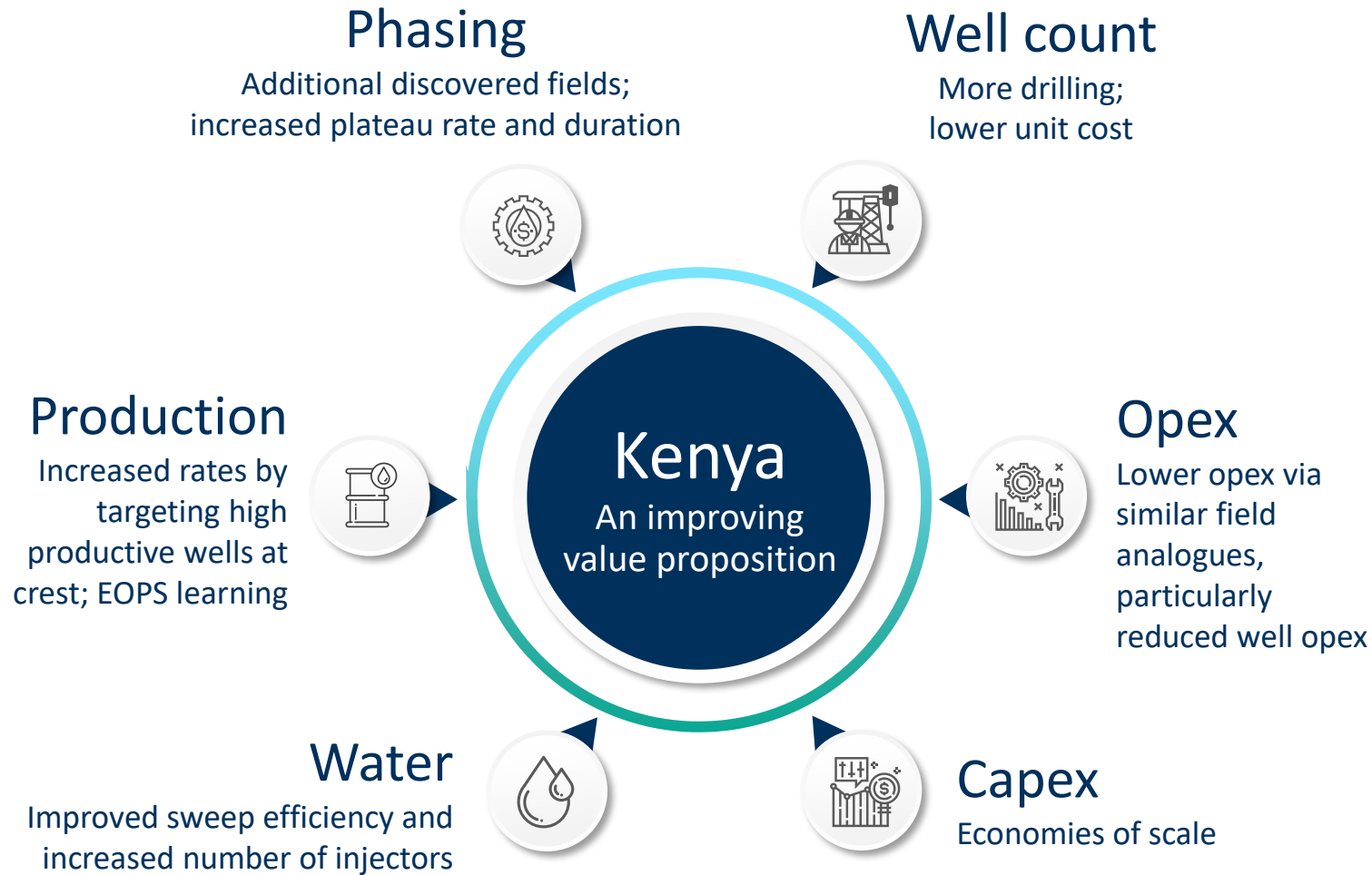
Kenya development concept under review

Ingredients for a profitable low-cost project

Material high quality onshore resource base	1.5 billion bbls STOIIP (gross)	<ul style="list-style-type: none"> • Shallow, productive reservoirs • Light waxy crude • Large onshore acreage position
	Licences extended	December 2021
Significant progress made to date	Technical	Upstream and midstream FEED; upstream bids; pipeline tender
	EOPS	Critical data; first crude export; stakeholder engagement
	Commercial	Key agreements drafted; regional and international interest for pipeline financing
	Land and water	80% pipeline gazetted; ESIA work ongoing



Kenya project redesign for low oil prices



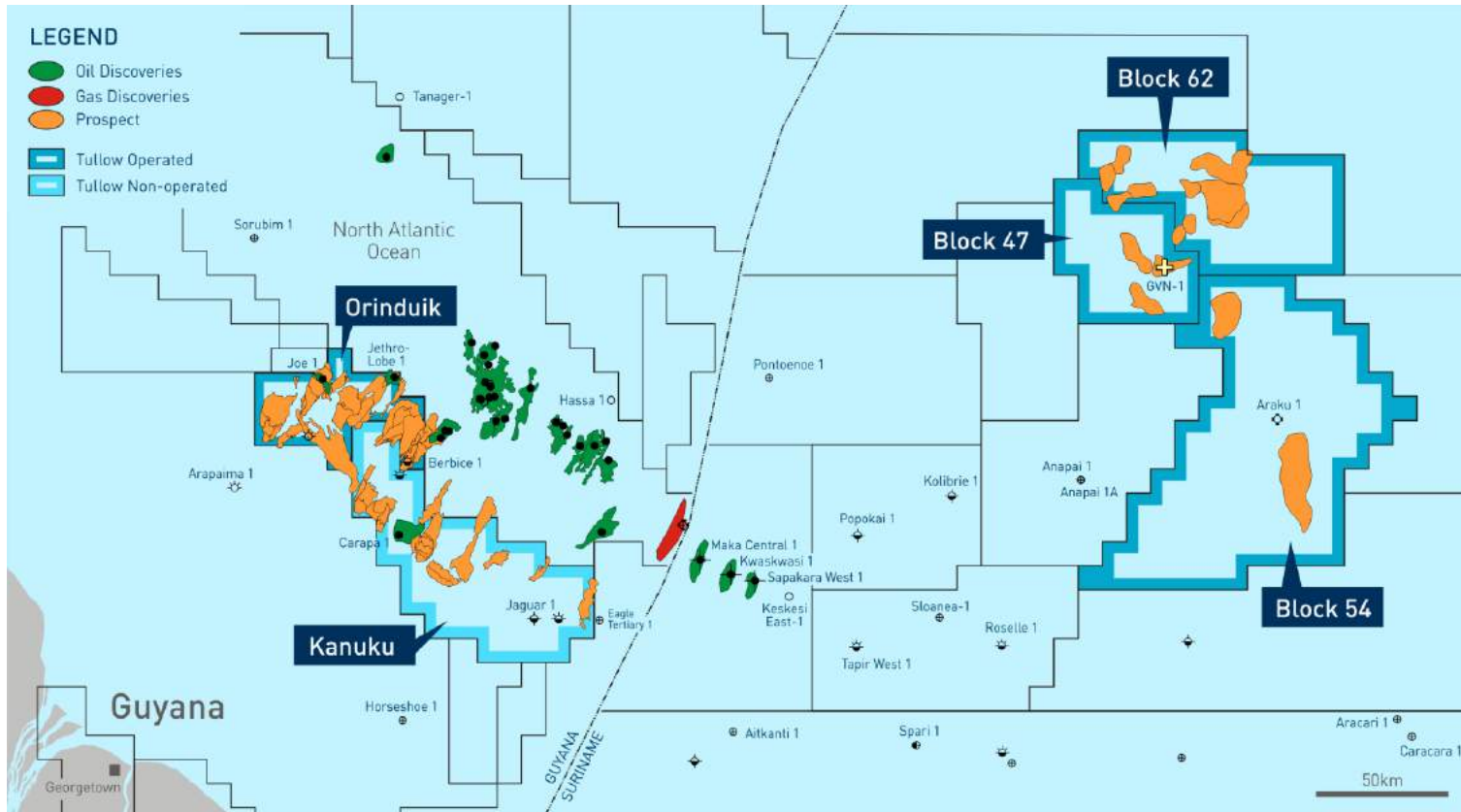
Licence extensions
will provide time to evaluate options

Feedback
from farm down process is being incorporated

Economics
to be improved through development concept and cost optimisation

Guyana/Suriname: Material positions in emerging basins

Generating value through opportunity identification and maturation



- Industry hot spot with multi-billion-barrel discoveries**


- Leveraging core expertise in turbidite plays**


- Strong relationships with host governments**


- Suriname – GVN-1 well with significant follow-up**

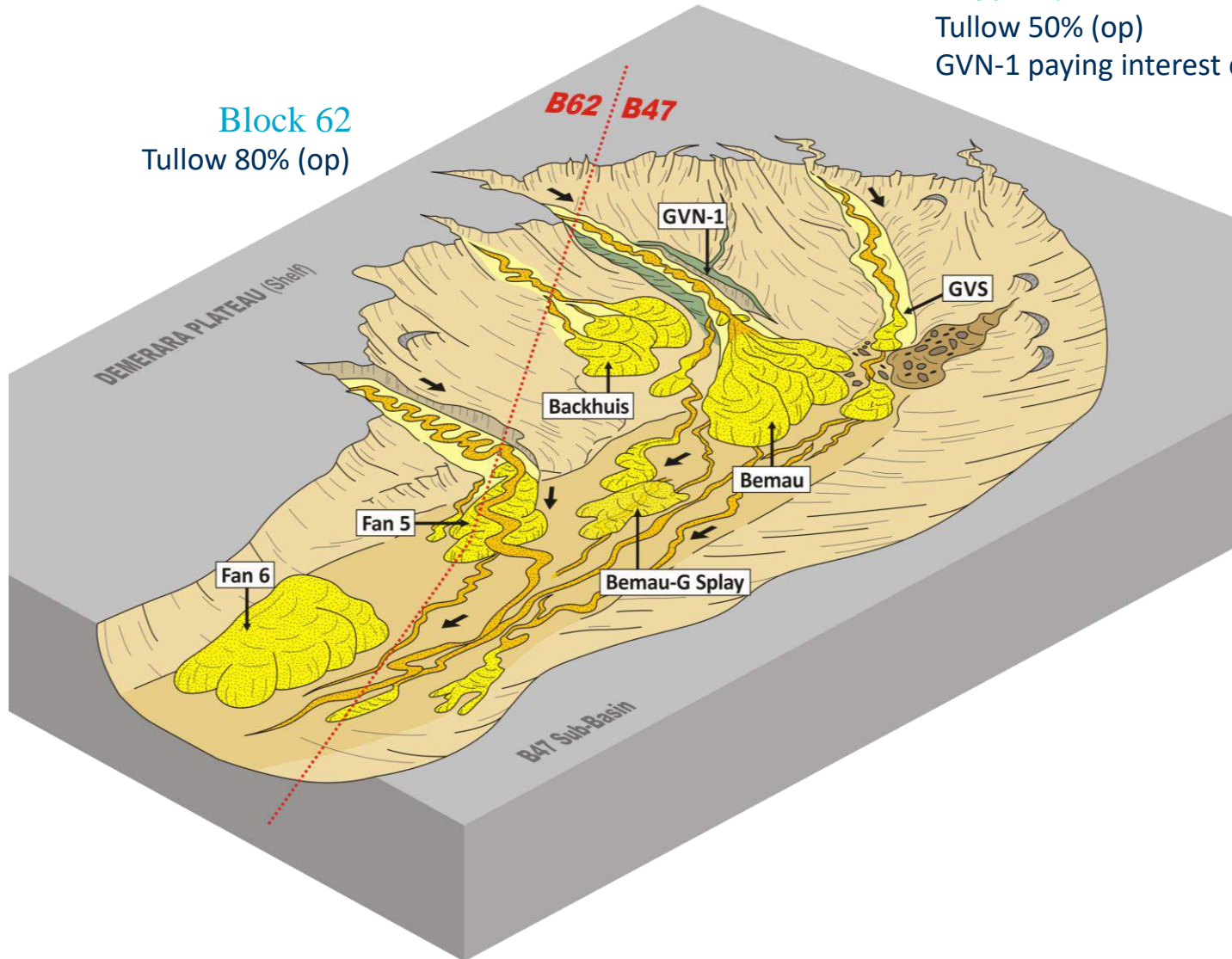

- Guyana – Prospects maturing for drilling campaign**



Suriname: Goliathberg-Voltzberg North-1

Block 47
Tullow 50% (op)
GVN-1 paying interest c.36%

Block 62
Tullow 80% (op)



Planning for 1Q21 spud

Upper Cretaceous turbidite play

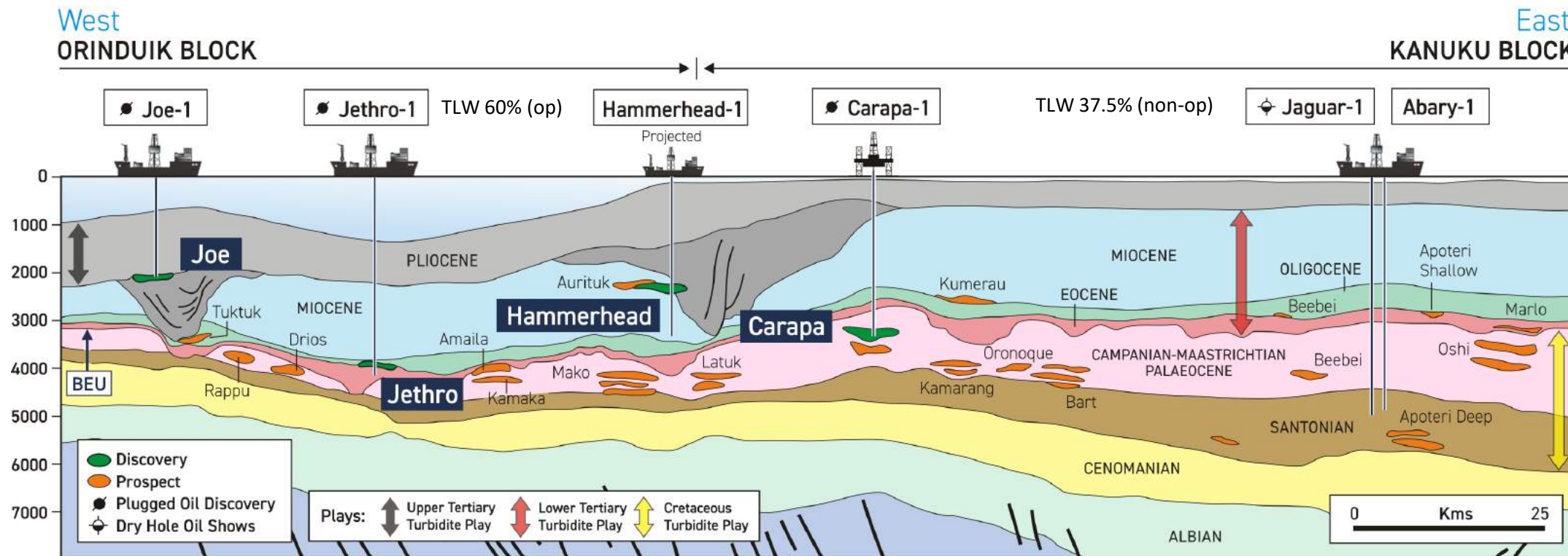
Dual targets in excess of 400mmboe (gross)¹

Testing extension of working hydrocarbon system

Potential to de-risk >1bnboe (gross) in follow-up prospects¹

¹Pmean recoverable

Guyana: Material equity in prospective blocks



Inboard of >8bnboe discoveries in Guyana-Suriname basin

Large portfolio of prospects – total over 2bnboe net recoverable

Three plays proven on Tullow acreage

High grading drill candidates for Kanuku 2022 and Orinduik 2022+

Environment, Social and Governance: Retaining a strong focus

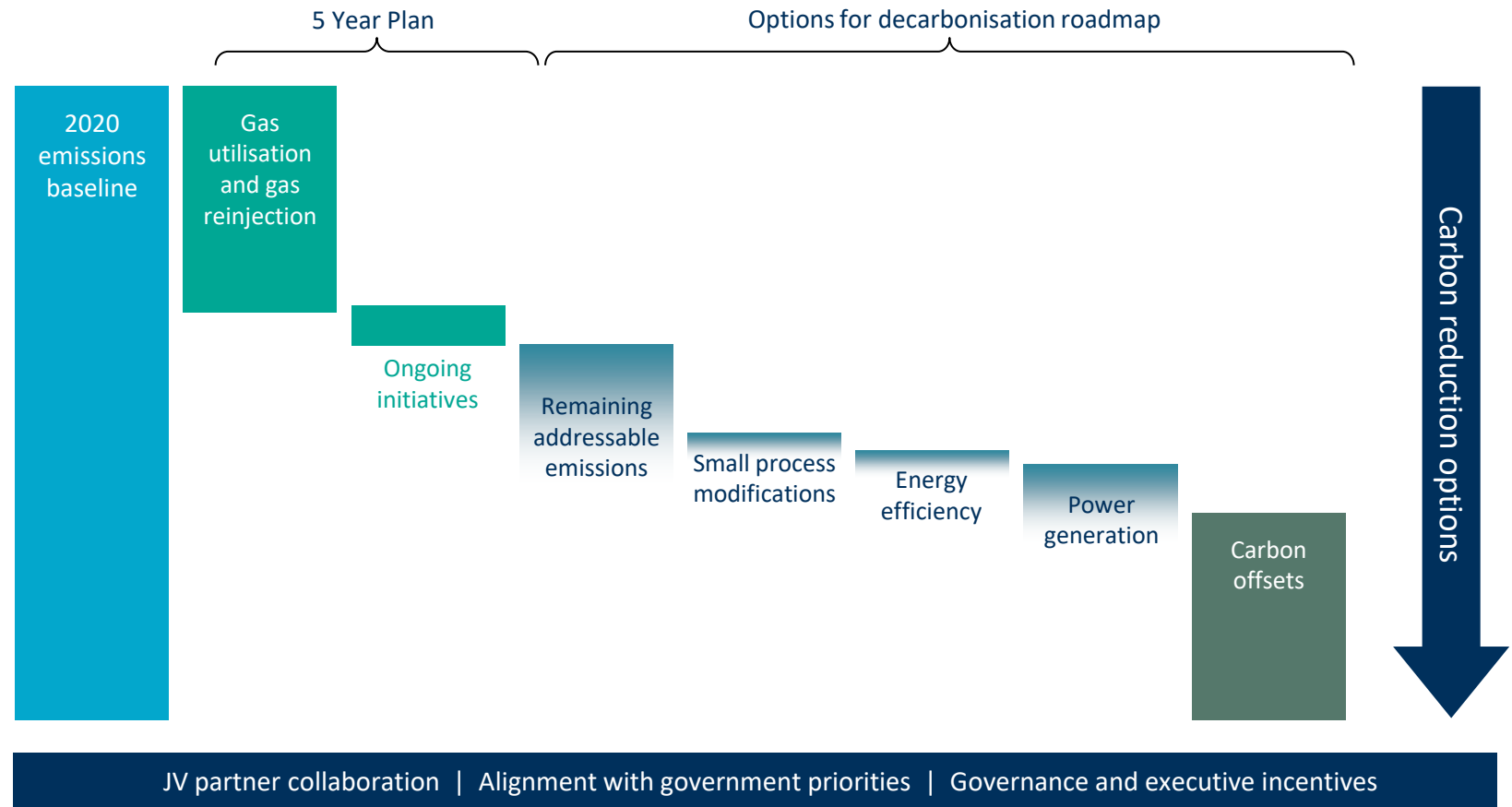
Julia Ross
Tullow Oil plc | 2020 Capital Markets Day

Focused on reducing GHG emissions



- Higher 2020 emissions intensity, from increased flaring in Ghana
- Long-term gas offtake options support elimination of flaring
- Net Zero delivery plan being developed

Net Zero (Scope 1 and 2) commitment – possible decarbonisation levers



Creating lasting social and economic benefits

Social investment in Ghana

>500	3,000
educational scholarships	bursaries



\$10 million committed over 5 years to Government of Ghana's flagship Free Senior High School initiative, providing access to education for all

Strategic local content in Ghana

- \$1.5bn spent with local suppliers since 2015
- c.30% of supply chain expenditure has been with indigenous companies over last three years



Targeted development: focus on marine sector led to first Ghanaian owned and flagged Offshore Supply Vessel



Upgrading aviation infrastructure at Takoradi Airport Air Force Base creating an enhanced operational base for oil and gas sector and beyond



c.25%

of Ghana's gas demand for domestic power supplied at zero cost, providing access to electricity to 6.7 million individuals

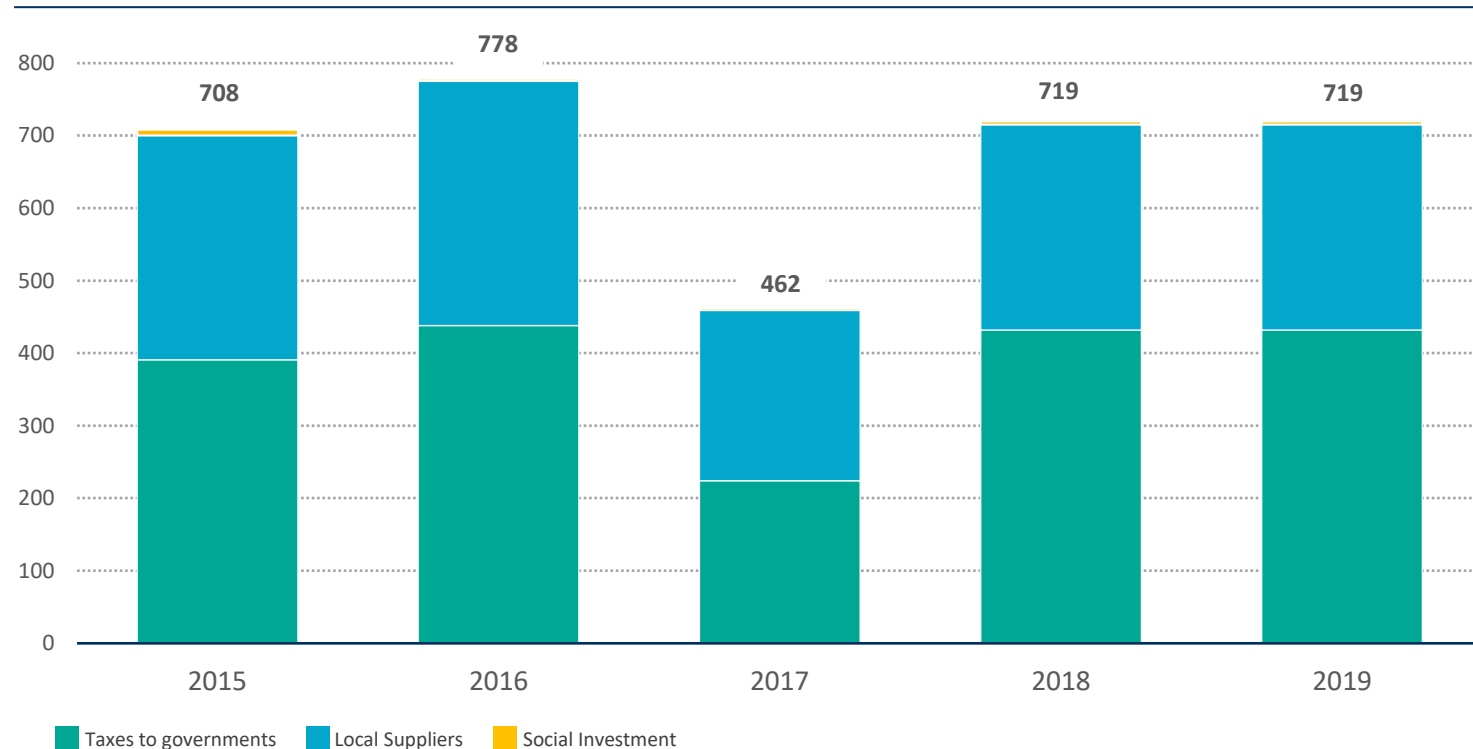
Shared Prosperity for all stakeholders

Strong internal and external transparency and governance



c. \$3.4bn
socio-economic contribution 2015-19

Socio-economic contribution (\$m)



First oil company to publicly support contract transparency

Leading disclosure on Modern Slavery in Transparency in the Supply Chain Report

Human Rights Policy embedded in Code of Ethical Conduct

Strong Anti-Bribery and Corruption governance

Female Board representation at 33%

Workforce Advisory Panel meeting regularly with Board

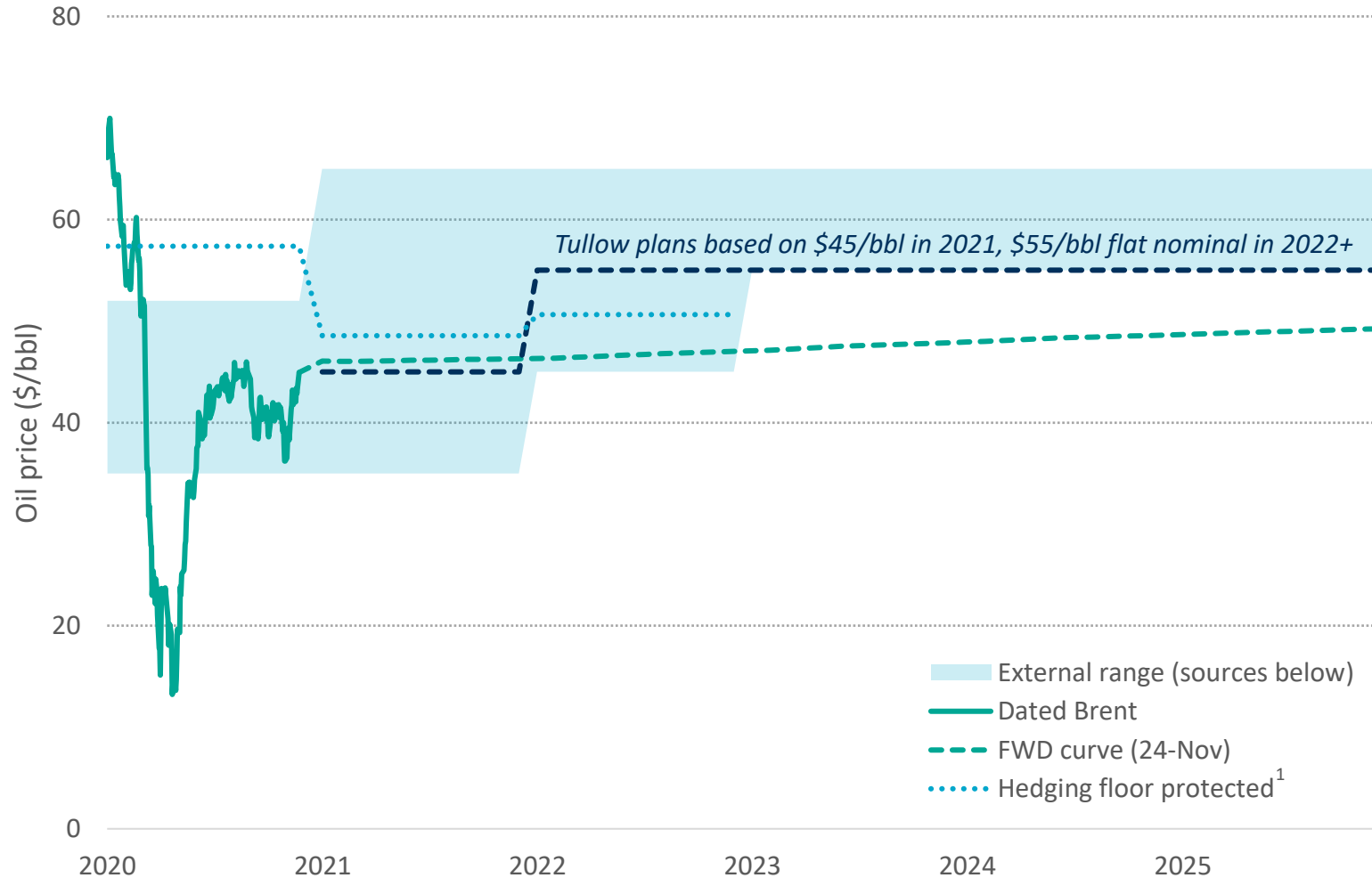


Financials:

Underpinned by a robust financial framework

Les Wood
Tullow Oil plc | 2020 Capital Markets Day

Oil market context: a volatile backdrop



¹ 2020: 60% hedged at \$57/bbl, 2021: 54% hedged at \$49/bbl, 2022: 3% hedged at \$51/bbl

Sources: Bloomberg, Tullow data and External range based on: Arden, Auctus, BAML, Barclays, Berenberg, BMO, BNP, Canaccord, Cenkos, Citi, Credit Suisse, Deutsche Bank, Goldman Sachs, Hannam, Investec, Jefferies, JPM, Morgan Stanley, Mackie Research, Mirabaud, Panmure Gordon, Pareto, Peel Hunt, RBC, Shore Capital, Societe Generale, Stifel, UBS and WH Ireland

1H20

Dramatic crash and rebound following OPEC+ deal

Hedging

remains a key risk management tool

\$55/bbl

in line with low end of external range

New approach underpinned by a robust financial framework

Strengthened balance sheet...

- Drive Net Debt to \$1.0bn - 1.5bn
- Gearing at lower end of range of 1-2x
- Liquidity headroom of no less than \$500m

... resilient to oil price volatility

Disciplined capital allocation...

- >90% of investment focused on producing assets
- Flexible \$150-450m capital expenditure range
- Managing capital exposure to Kenya and emerging basins

... with flexibility to respond to oil price environment

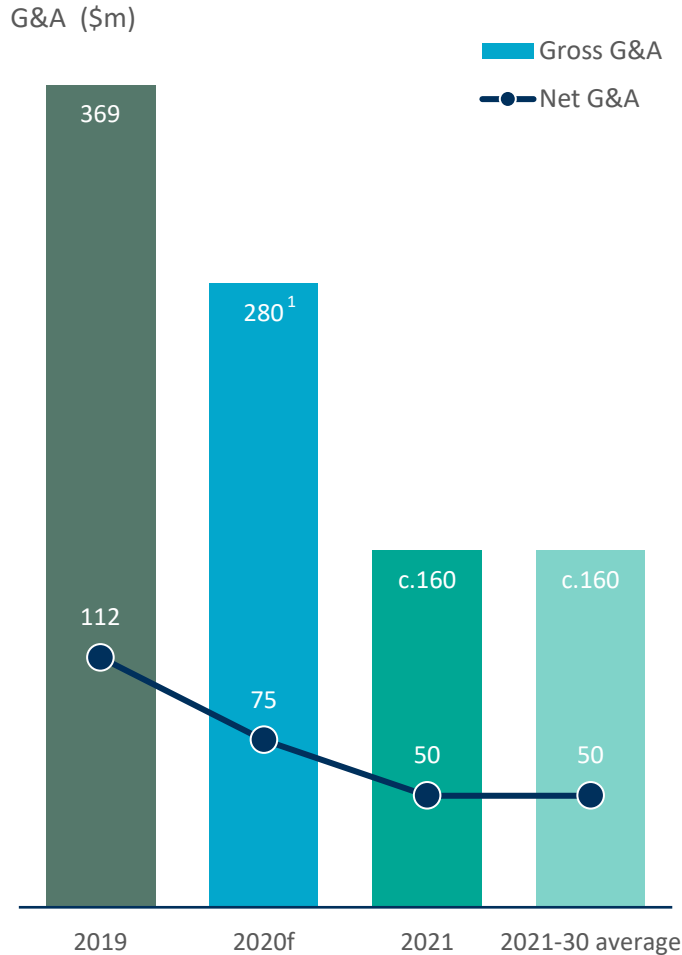
Focused on value creation...

- Prioritise investments with high returns and short payback
- Maximise value from producing asset portfolio
- Unlock value in discovered resource and emerging basins

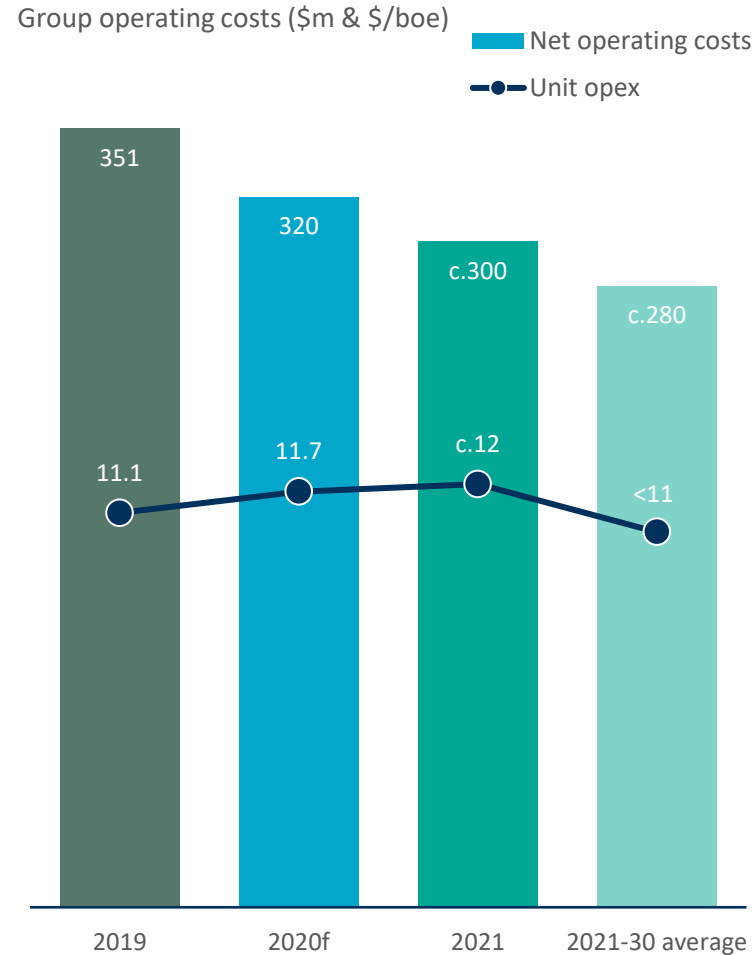
... with a clear set of priorities

Delivering a sustainable lower cost business

A lean organisation



Pursuing lower steady state operating costs



Annual cash cost savings of >\$125m

- Headcount reduced by c.60%
- Outsourcing of certain routine activities
- Continue to pursue further efficiencies

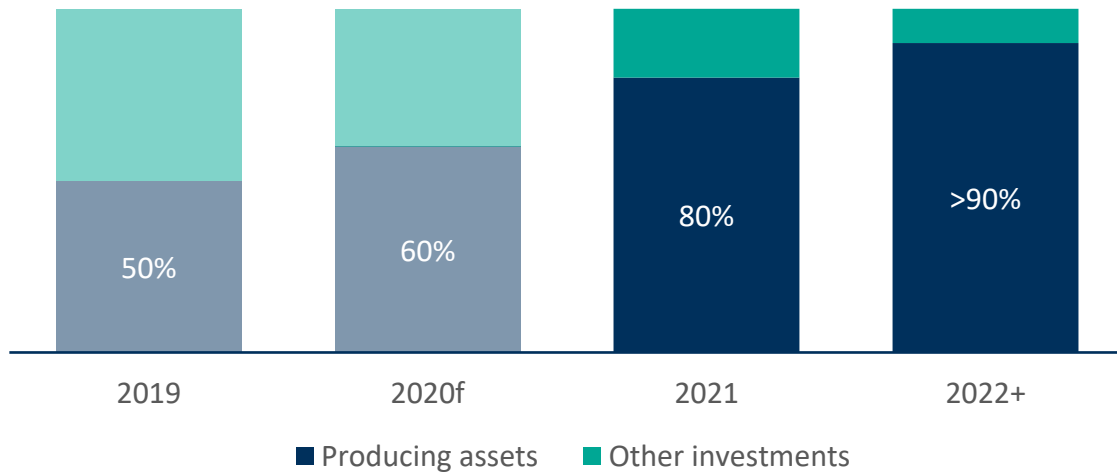
Operating cost reduction to <\$11/boe

- Bottom-up review with external consultants
- Requirement for shuttle tankers removed
- Cost-driven performance management

¹ Excluding restructuring costs

Disciplined capital allocation

Increasing allocation towards producing assets

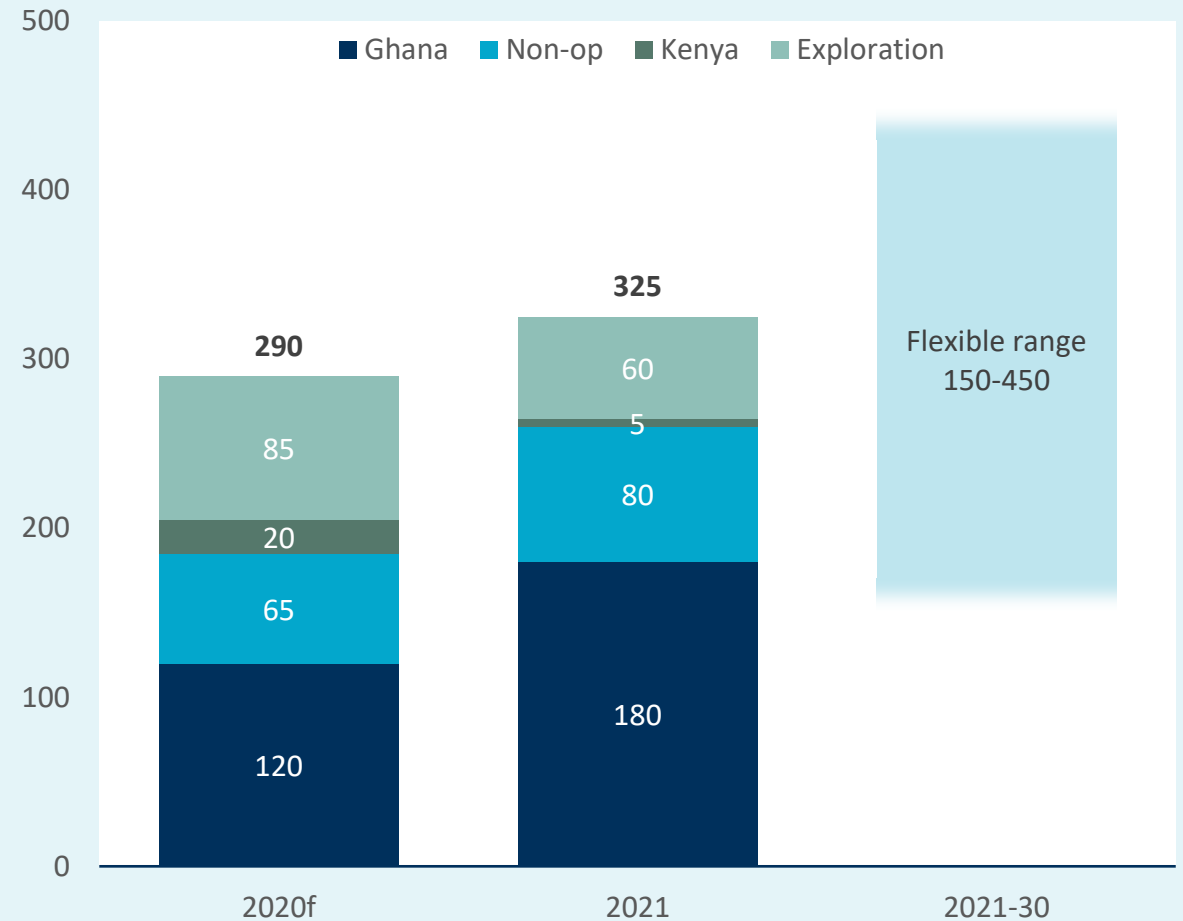


Ability to reduce capital to respond to volatile oil price environment

2021 investing 80% of capital expenditure in producing assets

2021-30 \$2.7bn of total investment

Maintaining a flexible capex range (\$m)

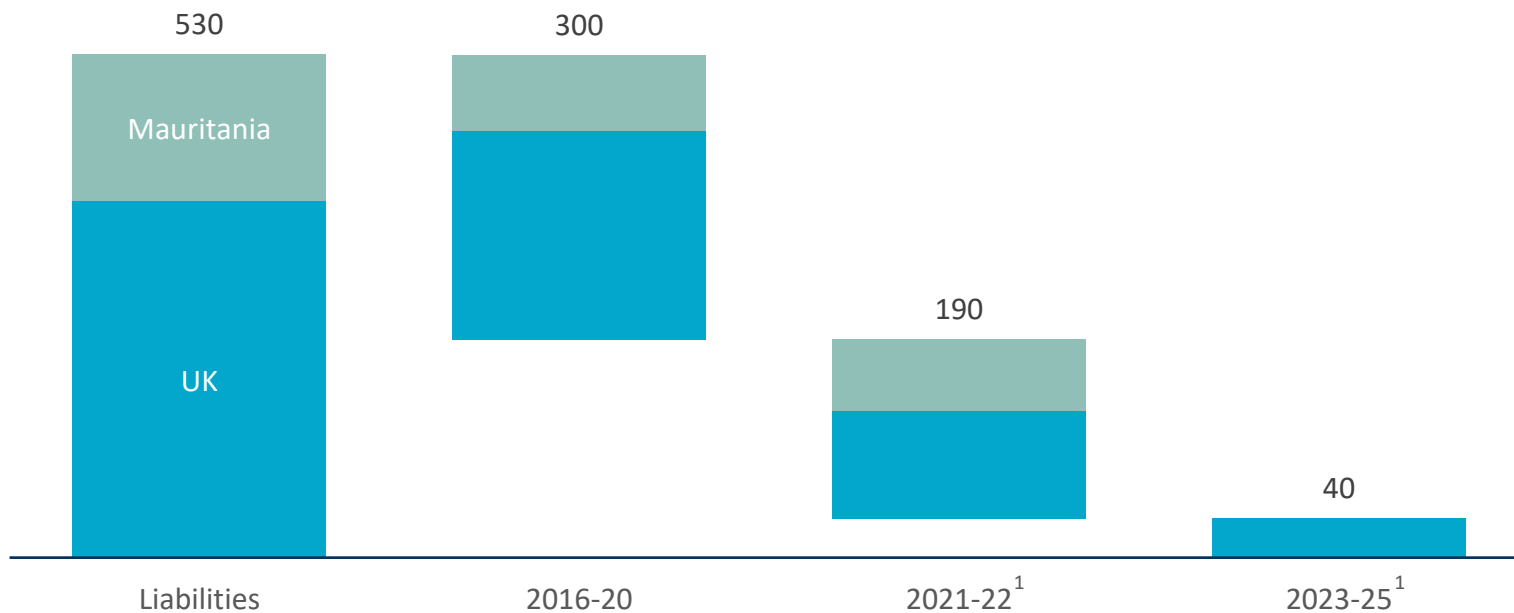


Note: Majority of exploration expenditure in 2020-21 relates to existing commitments

Effectively managing decommissioning liabilities

- Innovative contracting and collaboration strategies yield costs savings
- Increased scope and COVID-19 effect on operations offset by cost savings
- Tullow-operated decommissioning obligations in the UK will be completed in 2020
- Expenditure offset by c.\$140 million UK tax relief

UK and Mauritania decommissioning exposure (\$m)



¹ UK non-operated decommissioning liabilities post-2020

Annual decommissioning costs set to reduce materially from 2022

Material proceeds delivered from Uganda sale

Sale of Ugandan assets

\$500m

Paid at completion:
10 November

\$75m

Payment on Uganda FID

Contingent payments

Oil price related

Efficient execution



- Good collaboration with the Government and Total
- Closed 7 months from signing
- Tax agreement up front
- Operatorship agreed promptly
- No JV Partner pre-emption
- Employee transfers to Total

Considering further asset sales provided they are value accretive and strengthen the balance sheet

Reduced net
debt to \$2.4bn

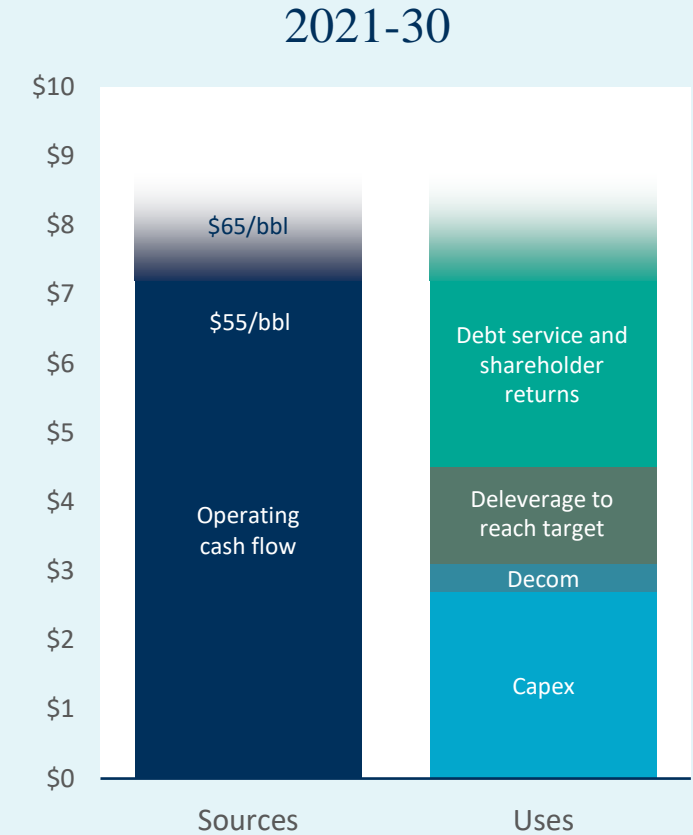
All future Uganda
capital exposure
eliminated

No impact on RBL
debt capacity

New approach supports deleveraging and value creation



Sources and uses of cash (\$bn)



A clear path to deliver net debt in range of \$1-1.5bn and gearing at lower end of 1-2x range

Solid foundations in place to address debt maturities; advisors appointed to progress refinancing options

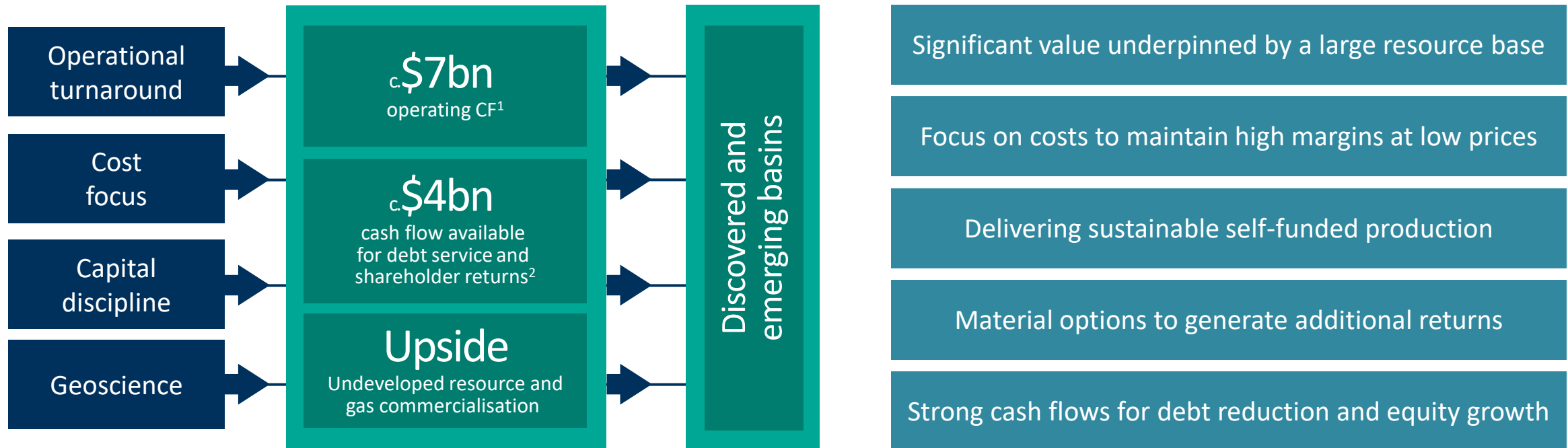
¹ As of 10 November 2020

² 10 year cumulative cash flow available for debt service assuming \$45/bbl in 2021 and \$55/bbl flat nominal 2022-30

Conclusion

Rahul Dhir
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New approach delivers material value and cash flow



¹ Cash flow from operating activities, before debt service, capital investment and decommissioning expenditure

² Cash flow from operating activities less capital investment and decommissioning expenditure

^{1&2} Based on \$45/bbl in 2021, \$55/bbl flat nominal in 2022+

Q&A

To ask a question, please dial into the conference call and enter the “Event Plus Passcode” shown below:

Free phone (UK): 0800 694 1461
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Event Plus Passcode: 27 09 187

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