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.
### Agenda

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<th>Topic</th>
<th>Main presenter</th>
<th>Q&amp;A</th>
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<td>Introduction</td>
<td>Aidan Heavey</td>
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<tr>
<td>12.45</td>
<td>West Africa Business</td>
<td>David Lawrie</td>
<td>David Lawrie, Paul McDade and Angus McCoss</td>
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<tr>
<td>13.45</td>
<td>East Africa Business</td>
<td>Gary Thompson</td>
<td>Gary Thompson, Paul McDade and Angus McCoss</td>
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<td>14.45</td>
<td>Coffee break</td>
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<tr>
<td>15.15</td>
<td>Exploration</td>
<td>Ian Cloke</td>
<td>Ian Cloke, Angus McCoss and Claire Hawkings</td>
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<tr>
<td>16.15</td>
<td>Funding our Business</td>
<td>Brian Williams</td>
<td>Brian Williams, Les Wood, Ian Springett, &amp; Aidan Heavey</td>
</tr>
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<td></td>
<td>Strategy &amp; Portfolio Management</td>
<td>Les Wood</td>
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<tr>
<td>17.15</td>
<td>Closing remarks</td>
<td>Ian Springett</td>
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<td>17.30</td>
<td>Cocktails and canapés</td>
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</tr>
</tbody>
</table>
Speaker biographies

**David Lawrie**
**Vice President, West & North Africa**
David joined Tullow in 2011 and is the Regional Vice President for West & North Africa and a member of the Tullow Group Executive Committee. Having previously worked for HESS and BP David held various senior roles in Asset Management and Commercial both here in the UK and overseas. He has over 20 years experience in the Oil and Gas industry.

**Gary Thompson**
**Vice President, South & East Africa**
Gary joined Tullow in 2013 and is the Regional Vice President for South & East Africa and a member of the Group Executive Committee. Prior to joining Tullow, Gary worked for BG Group, Woodside Energy and a Chevron lead Joint Venture Operating Company. Gary has held various general management, asset management, senior commercial and senior technical roles in 29 years of experience in the oil and gas industry in various locations around the world.

**Ian Cloke**
**Vice President, Exploration**
Ian Cloke joined Tullow in 2005 and is Vice President Exploration and a member of the Group Executive Committee. Previously to this he was Area Exploration Manager for South & East Africa for in Cape Town. Prior to Tullow he worked for ExxonMobil in various positions around the globe in exploration, development and production. He has a PhD and MSc from University of London and a BSc from the University of Durham.

**Brian Williams**
**Vice President, Corporate Finance**
Brian Williams joined Tullow in 2000 and was appointed Head of Corporate Finance, Treasury and Marketing following our Energy Africa acquisition in 2004, having previously managed the Finance and Commercial functions of our UK gas business. An accountant with over 30 years experience, Brian has worked in various Finance and Commercial roles with the BNOC, Hamilton Brothers Oil & Gas, Pict Petroleum and Alliance Resources. Brian holds a degree in Economics and Modern History and a post graduate diploma in Finance & Accounting. Brian is also a member of the Group Executive Committee.

**Les Wood**
**Vice President, Commercial**
Les joined Tullow in 2014 as Vice President Commercial and is a member of the Group Executive Committee. Prior to joining Tullow, Les worked for BP plc in various executive, CFO, M&A, senior commercial and senior technical positions over 28 years in various locations around the world, including Canada and the Middle East. He has an MSc from Aberdeen University and a BSc from Heriot Watt University.

**Claire Hawkings**
**Vice President, Europe, South America & Asia**
Claire joined Tullow in 2009 and is the Regional Vice President for Europe, North Atlantic, South America & Asia and a member of the Tullow Group Executive Committee. Before Tullow, Claire worked for BG Group in various senior roles in General Management, business development, commercial, strategy and planning, both here in the UK, in Asia and in North Africa. She has around 25 years experience in the Oil and Gas industry.
Our Strategy

- Material cash flow generation and development upside from West Africa
- New oil province potential in East Africa delivering significant future resource growth
- Industry leading exploration portfolio in Africa and Atlantic Margins
- Strong balance sheet provides foundations to deliver long term value to shareholders
Our strategy

- **Material cash flow generation and development upside from West Africa**
- New oil province potential in East Africa delivering significant future resource growth
- Industry leading exploration portfolio in Africa and Atlantic Margins
- Strong balance sheet provides foundations to deliver long term value to shareholders
Regional investment highlights

West & North Africa

- Material business with potential to generate over $2.5bn per annum of pre-tax operating cash flow
- Rising production base to over 100,000 boepd by 2017; significant future value growth
- Balanced fiscal regimes which encourage investment
- Strong relationships with key stakeholders
- Deep regional experience and footprint

Over 100,000 boepd net production by 2017
2014 CAPITAL MARKETS DAY

West Africa Business

NON-OPERATED PRODUCTION
Material portfolio of high margin resources

High margin oil fields give broad technical base with potential to drive future value growth

Influencing non-operated activities

Learning from and challenging operators to transfer knowledge across West Africa portfolio

Track record of sustaining production

Selective high quality investment opportunities enable sustained production

Stakeholder management

Strong in-country relationships to ensure alignment with host Governments
2014 Capital Markets Day

Non-operated – sustaining high margin production

- Good technical work has delivered investment opportunities
- High return investments compete strongly for capital within Tullow’s portfolio
- Medium term investment plans sanctioned and under way

High value incremental investments can sustain net production around 30,000 boepd to 2020+

Non-operated West Africa net production profile

- Profile at 2006
- Production Add
- Current Plans
- Future Opportunities

WEST AFRICA
- Mauritania
- Sierra Leone
- Liberia
- Eq. Guinea
- Gabon
- Congo (Brazzaville)

Atlantic Ocean

21 production licences
Over 800 active wells
Non-operated case study: Gabon

- High value infill drilling has offset decline
- Tullow technical influence impacting Operator decisions
- Sputnik, pre-salt exploration opportunity, offers material upside potential in 2014

Gabon net production profile

Gabon net capex profile

- **c.55** Wells per Year
- **161%** Reserve Replacement (last 4 years)
- **0.57** Average payback per well (years)

Strong reserves replacement can sustain net production >13,000 boepd, with exploration upside
• Use of 4D seismic data to optimise infill drilling
  - First iteration in 2010 (learning ahead of use at Jubilee & TEN)
  - Next campaign planned for late 2014/15 (Ceiba)

• Outstanding results achieved on Ceiba
  - Initial 20,000 bopd gross flow rate from recent infill wells

• Ongoing drilling activity on Okume Complex
  - 10 well programme under way
  - 4 future wells on Elon, dependent on 4D data processing

4D seismic enabling previously unseen oil to be developed
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West Africa Business

Ghana

Operated Activity
Up to c.4 billion barrels of high quality oil in place, with additional gas in place of up to c.4 tcf

Experienced team with strong track record of delivery through all phases of life cycle

Substantial future production growth secured across portfolio of high quality investment opportunities

Well established relationships with key stakeholders underpins long term business

World class fields

Strong track record

Visible future growth

Strong local relationships
Material resource base will drive long-term value growth
Gross production at around 200,000 boepd beyond 2025

- c.$2bn annual potential net pre-tax operating cash flow
- Opportunity for FPSO capacity expansion and production acceleration

World class fields with potential to sustain c.$2bn pre-tax operating cash flow per annum
• Direct operating costs benchmark favourably with identified cost reduction areas

• Indirect operating costs seeing some growth ahead of TEN start-up

• Current operating costs of c.$9/boe, has scope to reduce to <$8/boe as production increases, efficiency improvements are delivered and TEN synergies are realised

• TEN operating costs expected to be similar to Jubilee (excluding lease)

Combined Jubilee and TEN operations offer scope for further cost reduction through synergies and efficiencies
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Strong track record – potential to increase capacity

• **Current oil capacity**
  - Constrained by gas export infrastructure
  - On track to deliver 100,000 bopd in 2014

• **FPSO capacity is being upgraded**
  - FPSO tested at maximum 126,000 bopd
  - On completion of FPSO debottlenecking, oil capacity of c.140,000 bopd
  - Gas capacity being increased from 160 mmscfd to c.180 mmscfd

• **Good reservoir management will determine long term production potential**

Near term opportunities to increase long-term FPSO capacity

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### FPSO capacity improvements

<table>
<thead>
<tr>
<th></th>
<th>Work completed</th>
<th>Work in progress</th>
<th>Work outstanding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oil optimisation</td>
<td>Run down improvements Cooling optimisation</td>
<td>Run down improvements Cooling modifications</td>
<td>Pumps and exchangers</td>
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<tr>
<td>Gas compression</td>
<td>Debottlenecking</td>
<td>Rewheeling Dehydration optimisation</td>
<td>Upgrading power capacity</td>
</tr>
<tr>
<td>Water injection</td>
<td></td>
<td>Scale unit by-pass</td>
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</table>

**CAPACITY POTENTIAL**

<table>
<thead>
<tr>
<th>Oil</th>
<th>Gas</th>
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<tbody>
<tr>
<td>125 kbopd</td>
<td>160 mmscfd</td>
</tr>
<tr>
<td>135 kbopd</td>
<td>170 mmscfd</td>
</tr>
<tr>
<td>140 kbopd</td>
<td>180 mmscfd</td>
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</tbody>
</table>
Visible future growth – delivering Jubilee upside

2P recovery
- Additional wells identified to develop remaining resources
- Further sub-sea infrastructure to be installed to extend resource reach
- Investing in technology levers to increase recovery factors

3P resource upside
- Process established to mature 3P upside resources to 2P

Further upside
- Near field exploration opportunities being worked

Substantial remaining value opportunity to be delivered
Visible future growth – TEN development overview

**Base development case**
- 300 mmboe reserves being developed
- 24 well development
- Gross development capex of $4.9 billion
- Leased FPSO, capacity of 80,000 bopd

**Mid-2016 start up**
- 10 wells on stream at start up; 7 drilled to date
- Plateau production reached by end 2016
- c.$4 billion capex spent by First Oil

**Post start up**
- Drill and complete remaining 14 wells by 2018
- Initiate export of gas by mid-2017
- Focus on delivering upside resources

Well results to date underpin confidence in resource estimates
### Execution schedule with strategic milestones

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
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<tbody>
<tr>
<td></td>
<td>Q2</td>
<td>Q3</td>
<td>Q4</td>
<td>Q2</td>
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<tr>
<td>General Milestones</td>
<td></td>
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</tr>
<tr>
<td>Drilling &amp; Completion</td>
<td>Early Drilling</td>
<td>FPSO Engineering</td>
<td>FPSO Procurement</td>
<td>FPSO Construction</td>
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<tr>
<td>FPSO Engineering</td>
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<tr>
<td>FPSO Procurement</td>
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<tr>
<td>FPSO Construction</td>
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<td>Subsea Engineering</td>
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<td>Subsea Procurement</td>
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<td>Subsea Fabrication</td>
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<tr>
<td>Subsea Installation</td>
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<tr>
<td>FPSO Installation</td>
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<tr>
<td>Hook-up &amp; Commission.</td>
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<tr>
<td>Operations</td>
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</tbody>
</table>

- Over 2 million man-hours worked to date
- Major contracts awarded to ‘world-class’ contractors with West Africa experience
- Tullow delivery teams staffed and in place
- All permits in place for installation works, beginning in 2015
- Project progress to date on track; expect progress to be c.50% by end of 2014

Project remains on schedule and within budget.
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Visible future growth – monetising gas resources in Ghana

- Up to c.4 tcf gross potential gas resource to be monetised
- GNGC gas infrastructure project creates sufficient capacity to take Jubilee and TEN gas
- Expected completion in Q4 2014
- Future value opportunity as domestic/regional gas market develops

Ghana’s growing energy demand can unlock value from large gas resource
2013 Socio-economic contribution

- Employment: 266 Ghanaians employed, 87% of permanent staff
- Procurement: $438 million spent with 740 local companies 2010-2013
  - ~50% of total 2013 spend with local companies and international businesses registered in Ghana
- Capacity development: 120 scholarships 2011-14
  - $5 million in Jubilee Technical Training Centre
  - $5 million in Enterprise Development Centre
- Social investment: Jubilee Livelihood Enhancement and Enterprise Development Project, >1,400 people sponsored
- Payments to Government: $443 million 2012-13

TEN Project will significantly enhance Tullow’s socio-economic contribution to Ghana
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West Africa Business

CONCLUSION
Investment highlights

• Material business with potential to generate over $2.5bn per annum of pre-tax operating cash flow

• Rising production base to over 100,000 boepd by 2017; significant future value growth

• Balanced fiscal regimes which encourage investment

• Strong relationships with key stakeholders

• Deep regional experience and footprint
Our strategy

- Material cash flow generation and development upside from West Africa
- **New oil province potential in East Africa delivering significant future resource growth**
- Industry leading exploration portfolio in Africa and Atlantic Margins
- Strong balance sheet provides foundations to deliver long term value to shareholders
• Full life cycle regional scale E&P business
• Two basins discovered with over 300,000 bopd potential
• Large yet-to-find upside from basin opening exploration campaign
• Governments and partners aligned for earliest possible first oil
• Good progress on Uganda and Kenya developments including pipeline

Investment highlights

East Africa Business

- **3** Countries
- **9** Licences
- **10+** Years experience
- **90,000** Sq Km
- **2.3 Bbo** Discovered Resources (Gross)
- **1 to 5 Bbo** Risked Yet to Find Resources (gross)
Major resources – A new oil province

Two major oil basins already discovered with large upside potential to be tested across 12+ basins; Multi basin opening exploration focus

Leading regional position

Significant mainly operated, regional equity position with full cycle E&P business opportunities

Developing discovered resources

Commercial volumes established; Multi basin opening exploration focus; Material production potential over 300,000 bopd gross

Execution capability

Tullow has significant onshore operated experience; Uganda learnings effectively leveraged to accelerate Kenya and Ethiopia campaigns
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East Africa Business

A NEW OIL PROVINCE
2014 Capital Markets Day

Major oil resources discovered

Potential new oil province

- Prospective acreage covers 12+ basins
- Two established as major oil basins
  - Lake Albert
  - South Lokichar
- Significant resources discovered
  - Large yet to find upside
- Expect to test nine new basins by end 2015

World class asset base – early in value cycle
## Exploring Kenya & Ethiopia’s significant resource potential

### The following basins will be tested in 2014/2015

<table>
<thead>
<tr>
<th>Basin</th>
<th>Date</th>
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<tbody>
<tr>
<td>Chew Bahir South Basin: Gardim</td>
<td>In progress</td>
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<tr>
<td>North Kerio Basin: Kodos</td>
<td>3Q 2014</td>
</tr>
<tr>
<td>Turkana Central Basin: Epir</td>
<td>3Q 2014</td>
</tr>
<tr>
<td>Turkana North Basin: Engomo</td>
<td>4Q 2014</td>
</tr>
<tr>
<td>North Lokichar Basin</td>
<td>1H 2015</td>
</tr>
<tr>
<td>Kerio Valley Basin</td>
<td>1H 2015</td>
</tr>
<tr>
<td>Nyanza Trough</td>
<td>2H 2015</td>
</tr>
<tr>
<td>Kerio South Basin</td>
<td>2H 2015</td>
</tr>
<tr>
<td>South Omo Basin</td>
<td>2H 2015</td>
</tr>
</tbody>
</table>

Nine basin opening wells to be drilled by end of 2015
Milestones

- 1995: Block 6 relicenced to CNPC
- 1996: Early production scheme (c.5mbd)
- 1997: Greater Nile Blocks and Block 5A relicenced – path open to development
- 1999: Greater Nile project & export pipeline
- 2003: Block 6 to Khartoum Refinery pipeline
- 2006: Melut Basin project & export pipeline

Tullow’s East Africa position potentially similar in scale to Sudan

- 4 Basins
- 5 Billion Barrels
- 3 Pipelines
- >400 kbopd
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East Africa Business
LEADING REGIONAL POSITION
2014 Capital Markets Day

Building scale, equity, opportunity and value

- First mover access to major frontier acreage in Uganda
- Perseverance and resilience
  - First discovery 2006 & major discoveries 2008+
- Built on Tullow’s initial Uganda position
  - Acquisitions and farmouts realise value & strengthen partnership
- Leveraged Tullow East African Rift know how
  - Secured low cost operated entry into Kenya & Ethiopia 2010
  - Initial Kenya oil discovery in 2012
  - Further exploration & appraisal success 2013+

Purposefully built position in East African onshore Tertiary Rift Basins
Material full cycle E&P business established

Access & Explore
Regional exploration & appraisal success – 87% at $1.95/bbl. Leveraged to multi basin opening exploration & upside value.

Appraise
Successful Ugandan appraisal - 1.7 Bbo; $2.9 bn monetised by farmout. Leveraging Uganda expertise to accelerate Kenya appraisal & value build.

Develop & Execute
Optimisation and significant cost reductions - $3 bn; Project value enhanced. Leveraging capability to accelerate Kenya development studies. Options to partially divest and monetise project value before execution.

Produce
New future core production business. Regional synergies and shared infrastructure enhancing value.
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East Africa Business

DEVELOPING DISCOVERED RESOURCES
Project definition being finalised

- Appraisal programme completed
- Development costs reduced by 30%
- Kingfisher PL awarded, all EA2 Field Development plans submitted to GoU, remaining EA1 plans to be submitted between June and December 2014.
- Enhanced oil recovery (EOR) being worked

MoU underpins basis of development

- MoU provides agreement on export pipeline and local refinery initially 30,000 bopd
- Regional export pipeline being progressed.

Focus on enhancing project value and regional synergies
**Explore, appraise and develop simultaneously**

- Exploration and appraisal drill out by end 2015
  - 600 mmbo Pmean gross resources discovered to date
- Appraisal Area of Interest (AOI) established
- Extended well tests being planned
- Development plan for discovered resources by end 2015
  - Targeting c.100,000 bopd gross
- Social & environmental baseline surveys under way
- Parallel basin opening exploration campaign
  - Potential for subsequent development phases

**Shortening timeline to first oil**

- Government aligned on early first oil ambitions
- Leveraging Uganda experience to accelerate activities
- Targeting end 2015/2016 FID

Rapid progress being made towards commercialisation
Regional crude oil export pipelines

- Regional pipeline agreed
  - Governments across region supportive
- Significant progress on technical design
  - Routing and environmental screening completed
  - Conceptual design studies completed
    - Buried pipeline
    - Flow assurance heating technology identified
    - Offshore loading system concept designs complete
  - Pre-FEED substantially progressed
  - Current costs estimated at c.$4.5 bn
- Structuring of pipeline companies being addressed
  - Tariffs and commercial structures being progressed

Export pipelines will unlock value of regions oil
Marketing and transporting high quality crude oil

- Ultra low sulphur, intermediate API gravity
  - Comparable to Minas, Cabinda
- Very low level of impurities
  - TAN, nitrogen, metals etc
- High proportions of Distillates and VGO
  - Highest unit value cuts
- Transportation logistics well understood for high pour point crudes, access to markets East and West

High quality crude oil, broad market access, strong price outlook
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East Africa Business

EXECUTION
CAPABILITY
Since 2004

• 104 exploration and appraisal wells & sidetracks - 77 as operator
• 40 wells tested both production & injection
• 57,700 sq km of FTG surveys – all as operator
• 12,362 km 2D seismic & 2,152 sq km 3D seismic

Significant savings based on experience

• Transferring learnings on well design and execution across region
• Driving down exploration drilling costs & further reductions targeted
• Reducing rig move time and cost

Tullow most experienced explorer of Tertiary Rift Basins in Africa
Effective appraisal capability

Uganda – Buliisa example

- Two 3D surveys (649 sq km); 30 appraisal wells & sidetracks; well tests on 25 wells
- Production and interference testing, water injection, injection of viscosified water
- Horizontal well successfully drilled and tested
- High quality 3D seismic with excellent imaging
- Seismic attributes indicate hydrocarbon-filled, sand-rich bodies - proved by wells
- Development wells now placed with high confidence leading to higher resources and a lower well count

Appraisal learnings being applied in Kenya
Shortening appraisal timelines

Kenya and Uganda FID can be delivered together by mid-2016
Executing developments in East Africa

**Ugandan and Kenyan discoveries have much in common**

- Good quality waxy, high viscosity crude
- Reservoir rocks highly permeable
- Reservoir energy low with little aquifer support or associated gas
- Sensitive environments

**Similar development concepts**

- High angle/horizontal wells. Artificial lift to maximise productivity and minimise well numbers
- Water injection to maintain reservoir pressures. Potential for polymer injection to enhance recovery.
- Wells grouped and drilled from well pads to minimise land requirements & environmental and social impacts.
- Well pads linked to Central Processing Facilities (CPF) by buried flowlines.
- Separation of produced water at CPF with water treated and reinjected
- Pumping of stabilised crude oil from CPF to market via heated buried crude oil pipeline.

**Uganda development learnings transferable to Kenya**
Uganda development optimisation and Capex savings

• Development optimisation and Capex reduction programme in 2013/14
  - Capex reduced from c.$11bn to c.$8bn
    - Tullow’s c.$6/bbl competitive with benchmarks
  • Further Capex reductions targeted
  • 60% of life of project Capex pre first oil
    - Tullow’s share $1.6 bn at current equity

Capex reductions
• Wells executed to standardised repeatable designs
• Well designs minimise pad numbers
• Purpose built rigs and pads minimise drilling, completion and rig move times
• Facilities costs reduced by redesign of process, reduction in flowline lengths & sharing of facilities

Onshore Capex per boe benchmark study

- Lake Albert Jan 2013
- Lake Albert Jun 2014
- Other onshore African basins

$3bn Capex cost reduction

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduction in Facilities Capex</td>
<td>4%</td>
</tr>
<tr>
<td>Reduction in Well &amp; Pad Costs</td>
<td>9%</td>
</tr>
<tr>
<td>Reduction in Well &amp; Pad Numbers</td>
<td>16%</td>
</tr>
</tbody>
</table>
Management of surface risks

Local Content
- Integrated into core business
- Local Content Task Force
- Strengthening supplier development & contractor management
- Created Local Content Contractors forum
- Special projects – innovative, cross functional, flexible

Social Performance
- Established SP functions – land access & water capability
- Robust EHSIA strategy
- Strengthening contractor management
- Community consultation & communications programme
- Established community resource offices in major towns
- Social investment integrated into broader benefits strategy

Stakeholder Engagement
- Mapping & engagement frameworks in place
- Issues driven approach from National and County level to project affected areas

Our People (HR & Employment)
- Focus on capacity building
- Stronger HR oversight of contractors
- Clear local employment guidelines
- Manpower planning underway – vocational training provision
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East Africa Business

CONCLUSION
Full life cycle regional scale E&P business

Two basins discovered with over 300,000 bopd potential

Large yet-to-find upside from basin opening exploration campaign

Tullow has the people & capability to successfully deliver the East Africa Business Unit
• Material cash flow generation and development upside from West Africa
• New oil province potential in East Africa delivering significant future resource growth
• **Industry leading exploration portfolio in Africa and Atlantic Margins**
• Strong balance sheet provides foundations to deliver long term value to shareholders
2007-2013

- **1.4 Billion boe**
  - Discovered resource
- **$3.3/boe**
  - Finding costs*
- **210**
  - E&A Team
- **5**
  - Basins opened
- **770%**
  - Production Replacement
- **330,000**
  - Sq km gross acreage

![Net Contingent Resource Additions mmboe / year](chart)

- We found & continue to find our own oil
- Cost-effective feedstock for value creation
- Campaign approach hedges annual variability
- E&A investment managed to maximise value
- Our process works

Where we explore: Africa & Atlantic for light oil

- **North Atlantic**: Exploration Campaign & Business Development
- **Central Atlantic**: Major Exploration Campaign Launched
- **Guyanas Margin**: Exploration
- **Equatorial Atlantic**: Exploration Campaign ongoing since 2007
- **South Atlantic Margin**: Exploration Studies & Business Development
- **South Atlantic**: Rift Basins
- **West African Margin**: Core Light Oil Plays

Legend:
- Strat Traps
- Salt Basins
- Rift Basins
- Carbonates
- Core
- Frontier
How we explore: our process works

Exploration Business Development Maintains Hopper Levels

- **Fit to strategy**
  - Oil in Africa & Atlantic
- **Materiality**
  - Campaigns: 3 Core 3 Frontier
  - 40 Senior E&A experts
  - 15 Global Exploration Leadership Team (GELT)
- **Profitability**
  - 6.6 Bbo Risked upside*
  - 155 Prospectors
  - 40 Drill Ready Prospects
- **Chance**
  - 90 Drill Worthy Prospects

**Materiality**

- **Basin potential**
- **Play scope**
- **Prospect quality**
- **Materiality**

**Profitability**

- **Play option value**
- **EMV & NPV**
- **Prospect CoS**
- **Prospect P10 vol**
- **Well cost & complexity**

**Chance**

- **Business case**
- **Corporate risk**
- **Funding**

- **Safety**
- **Efficiency/Effectiveness**
- **Social Performance**

High Value Commercial Oil Discoveries

*Risked upside* Monte Carlo simulation of Prospect & Lead Inventory (P10 = 4.3 Bbo) within full potential of plays & basins (6.6 Bbo)
Balanced investment across the portfolio

**Exploration Business Development**

**Africa & Atlantic New Frontiers**

- >100 opportunities reviewed p.a.
- 97% rejected on value basis

**Frontier**

- **South Atlantic Margins**
  - Low cost options give exposure to upside
  - Older turbidites beneath shelf (low cost)

- **Guyanas Margin**
  - New oil basin opened in 2011
  - Strong portfolio enables value refocus

- **Central Atlantic Margin**
  - New oil play opened in 2014
  - Shift to lower-cost material oil plays

**Core**

- **East African Rift Basins**
  - 10 Bbo STOIIP found in ~40 Bbo potential
  - 2 new oil rift basins opened 2006 & 2012
  - Oil province potential in 12+ basin portfolio

- **North Atlantic Continental Shelf**
  - Hoop oil basin opened in Barents Sea
  - Near infrastructure exploration
  - Fiscal incentives encourage exploration

- **West African Margin**
  - Discovered 4.6 Bboe in place
  - Tano deepwater oil basin opened in 2007
  - Selective wildcats for elusive next Jubilee

**E&A Capex Split**

- ~10%
- ~25%
- ~65%
Oil finding principles

- Focus on finding high value producible light oil
- Oil is multiples more valuable than gas
- Oil is easier to commercialise

Oil finding approach

- Oil finding focus applied across business
- Geophysically, oil harder to find than gas
- Proprietary technologies & know-how
- Scientific method: idea - test - feedback

Top quartile returns from oil discoveries

Higher profitability associated with higher oil reserve mix

3 core campaigns < $3.3/boe
- East African Rift Basins $1.95/boe
  - Investing in a major winner
- West African Margin $3.2/boe
  - Pioneering done, return to Jubilee NFE
- North Atlantic Margin $2.25/boe
  - Capital efficient commercial plays

3 frontier campaigns > $3.3/boe
- Guyanas Margin
  - Flat-lined at Zaedyus. Suriname kick?
- Central Atlantic Margin
  - Proven oil basin, shift to low cost plays
- South Atlantic Margin
  - Entry positions near Angola/Brazil
Cost escalation
- Costs doubled over 5 year boom (2005-9)
- Increased again after Macondo (2010)
- Onshore shale activity boom raises costs

Well complexity
- Exposure too high in multi-casing wells
- Escalated minimum commercial field sizes
- Not necessarily a “deepwater” issue

Enviable portfolio opportunities
- Optionality in large acreage footprints
- Shift within licences towards low cost plays

E&A campaigns proactively adapted to external factors to maximise value
Shifts of emphasis within exploration portfolio for value

Past -> Present

Higher cost / Lower non-technical risk

Lower cost / Higher non-technical risk

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People

- Leading demographics despite ‘Industry Crew Change’
- 195 petroleum geoscientists with 15 years average oil finding experience
- 15 Global Exploration Leaders with 30 years average oil finding experience
- Very high professional motivation & staff retention

Portfolio

- Balanced focus on 3 core & 3 frontier campaigns
- Up to 6.6 Bboe potential recoverable in licence

Top team, top portfolio, needle-moving scale
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East Africa Development Business

CORE CAMPAIGNS
**Uganda Lake Albert Rift Basin (1st phase)**
- New oil basin opened 2006
- 91% E&A success 2006-2014 (88 wells)
- Well cost reduction & smart well trials during E&A
- Pioneering R&D (FTG, Ambient Seismic, HiFi-3D)

**Kenya-Ethiopia Rift Basins (2nd phase)**
- Regional knowledge & capability nimbly deployed
- New frontiers study high-grades Kenya-Ethiopia in 2007
- Commanding position captured at low cost in 2010/11
- Rapid action, next new oil basin opened 2012

Leading acreage position establishes a new industry hotspot
Potential new oil province of rift basins

- Prospective acreage covers 12+ basins
- Two established as major oil basins
- Testing 9 new basins in 2014-15
- 1 to 9 Bbo STOIIP potential in each basin

South Lokichar ultimate potential & beyond...

- Eight oil discoveries (2012-2014)
- High value resource currently being drilled-out
- Rapidly appraise in parallel with development planning
- Basin drill-out attempts to double STOIIP

Multiple basins being explored to define magnitude of new oil province
Tano Basin opened offshore Ghana

- Jubilee giant oil discovery led industry shift
- Campaign hit the N/G sweetspots
- Tullow E&A wells drilled with 80% success
- ~ 4.6 billion boe potential gross in place

Pursuing the Jubilee play westwards

- 2008-12 industry campaign: Jubilee is a rare ‘diamond’
- 7 sub-economic oil finds: high costs, not developed
- Breached if too sandy, uneconomic if too shaley
- Selective wildcatting now focuses on ‘Very Big Cats’

Guinea

- Opportunity set from shelf to ultra-deepwater
- Fatala selected for drilling; 373 mmbo (gross unrisked mean), 974 mmbo (P10), CoS 20%
- Further prospects & leads identified; total gross mean risked resources > 350mmbo
West African near field exploration in producing heartlands

Frontier exploration in producing heartlands
- Pre-salt oil play being tested
- Sandstone reservoirs targeted, age equivalent to Brazil/Angola pre-salt carbonate play
- Sputnik scheduled for July spud; 206 mmbo (gross unrisked mean), 427 mmbo (P10), CoS 27%
- Further prospects & leads identified with gross mean risked resources > 330 mmbo

Oil field & production plateau extensions
- Numerous near field & near infrastructure exploration & appraisal prospects in Ghana, Gabon, Equatorial Guinea, Cote d’Ivoire, Congo B
- High value & cost effective incremental projects for rapid tie back & production

Utilising proprietary knowledge & technology for maximum value extraction
Barents Sea frontier exploration

- Wisting shallow giant oil discovery
- Bjaarland & Hansel to test 500mmbo upside
- CSEM & HiFi 3D seismic proprietary insights
- Exploring for regional follow-up

Norwegian & North Sea near-infrastructure plays

- Established petroleum system & oil plays
- Fiscal incentives encourage oil exploration
- Near infrastructure for quick monetisation
- 2014: Butch SW, Lupus, Heimdalsho

Cost-effective E&A opportunities near infrastructure for quick monetisation
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East Africa Development Business

EXPLORATION BUSINESS DEVELOPMENT & FRONTIER CAMPAIGNS
Directed by continental scale geology
- Fundamental geology locates possible oil basins
- Staying clear of expensive ‘feeding frenzies’

Early business integration
- Integrate commercial & economic insights
- Consider range of non-technical risks & funding options

Parallel evaluations
- Build technical & business case together
- Remain nimble to beat the competition

Capture commanding position
- Longstanding relationships bring opportunities
- Decisive entrepreneurial deal-making

Taking the lead in New Frontiers
**Mauritania deepwater turbidites (1st phase)**
- Fregate-1 discovers over 30m light oil & condensate
- Commercialisation options under review (high costs)
- Follow-up potential of new oil play being high-graded
- Campaign break to integrate data

**Mauritania shelf plays (2nd phase)**
- Cost effective exploration shifts inboard
- Rifted margin & carbonate plays
- Kibaro prospect; 67 mmbo (gross unrisked mean), 150 mmbo (P10), CoS 24%
- Further prospects & leads identified with gross mean risked resources > 1 Bbo
Namibia reachable turbidites

- Older turbidites beneath shelf (low cost)
- Oil system established by Wingat-1 (HRT)
- New 3D survey highlights 2015 prospect
- Albatross prospect; 422 mmbo (gross unrisked mean), 1093 mmbo (P10), CoS 17%
- Further prospects & leads identified with gross mean risked resources > 150 mmbo

Guyanas Margin

- Significant oil charge proven by Zaedyus-1 (72 m pay)
- Industry interest continues to ramp-up
- Commanding acreage spread with play diversity
- Equity being managed to mitigate exposures
- Goliathberg operated prospect in Suriname; 287 mmbo (gross unrisked mean), 788 mmbo (P10), CoS 20%
- Further prospects & leads identified with gross mean risked resources > 716 mmbo
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Exploration investment highlights

PEOPLE

Industry recognised leading oil finders over last 5 years

TRACK RECORD

200mmboe/yr (average 2007-2013 @ $3.3/boe; $4.4/boe for 222mmboe in 2013)

PORTFOLIO

Industry leading positions in hottest new provinces (6.6 Bboe risked upside)

PROGRAMME

Potential high impact exploration news flow from multiple wildcats 2014-2015
Our Strategy

- Material cash flow generation and development upside from West Africa
- New oil province potential in East Africa delivering significant future resource growth
- Industry leading exploration portfolio in Africa and Atlantic Margins
- **Strong balance sheet provides foundations to deliver long term value to shareholders**
Funding strategy designed to support business strategy

**Business strategy**

- High Margin Production Cash flow
- Exploration and Appraisal
- Monetisation Options & Portfolio Management
- Selective Development
- Surplus Cash
- Additional Exploration, Cash Distribution
- Additional cash flow from new production

**Funding strategy**

- Maintain appropriate **liquidity**
  - To support the business model
  - Target minimum headroom
  - Continue to optimise debt capacity

- **Diversification** of debt capital
  - To reduce refinancing risk
  - Tap different pools of liquidity
  - Sources, tenor, rate, cost

- Apply a **disciplined approach** to financial management
  - Treasury & financing policies and headroom/gearing targets
  - Appropriate credit rating
  - Capital allocation
  - Portfolio management

**Funding strategy focused on liquidity, diversification and a disciplined approach**
Funding initiatives leverage business strengths

**Business Strengths**

1. Proven track record:
   - E&A success
   - Development project execution
   - Strong long standing relationships in Africa
   - Stable management team

2. Large diversified asset base (exploration, development and production)

3. Strong cash generation (high margin production and portfolio management)

4. Operator status and material equity positions provide significant influence over assets

5. Disciplined capital management and conservative financial profile

**Funding Initiatives**

- **Operating Cash Flow**
  - $1.9bn in 2013

- **Commercial Bank Facilities**
  - $3.5bn RBL
  - $750mm RCF
  - ~$500mm EFF

- **Equity**
  - >$2bn raised 2009/10

- **Debt Capital Markets**
  - $1.3bn Senior Notes

- **Portfolio Management**
  - $2.9bn Uganda farm-down;
  - TEN farm-down;
  - Europe sale

- **Project Financing, Multilaterals**
  - $165mm IFC tranche in RBL;
  - Kenya, Uganda, Banda

Business strengths allow us to access various pools of liquidity
Corporate bonds enhance Tullow’s debt capital structure

- New source of capital reduces dependency on banks
  - Limited pool of banks
  - Deep, liquid market

- Portfolio mix supports different financing structures
  - Asset based, secured
  - EBITDA based, unsecured

- Tenor diversification reduces refinancing risk
  - ~4 years, then amortising
  - 7+ years, non amortising

- Fixed rate exposure provides cost of funding certainty
  - Floating rate
  - Fixed rate

Bond offerings provide access to diversified investor base and structure, reducing financial risk
# Debt capital structure has evolved

## Debt maturity profile

<table>
<thead>
<tr>
<th>$mm</th>
<th>Commitment size</th>
<th>Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>RBL</td>
<td>3,500</td>
<td>Dec 2019</td>
</tr>
<tr>
<td>Corporate Facility</td>
<td>750</td>
<td>Apr 2017</td>
</tr>
<tr>
<td>6% Senior Notes</td>
<td>650</td>
<td>Nov 2020</td>
</tr>
<tr>
<td>6¼% Senior Notes</td>
<td>650</td>
<td>Apr 2022</td>
</tr>
<tr>
<td>EFF¹</td>
<td>~500</td>
<td>Dec 2017</td>
</tr>
</tbody>
</table>

---

## Key metrics

<table>
<thead>
<tr>
<th>$mm</th>
<th>31 May 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>430</td>
</tr>
<tr>
<td>Debt outstanding</td>
<td></td>
</tr>
<tr>
<td>RBL Facilities</td>
<td>1,550</td>
</tr>
<tr>
<td>EFF¹</td>
<td>248</td>
</tr>
<tr>
<td>Corporate Facility</td>
<td>-</td>
</tr>
<tr>
<td>Senior Notes</td>
<td>1,300</td>
</tr>
<tr>
<td>Total debt</td>
<td>3,098</td>
</tr>
<tr>
<td>Net debt</td>
<td>2,668</td>
</tr>
<tr>
<td>Facility headroom</td>
<td>2,399</td>
</tr>
</tbody>
</table>

- RBL remains core facility (development/producing asset based)
- Corporate Facility (further capacity from resources base)
- Corporate bonds provide diversification of investor base, tenor, structure (unsecured) and pricing (fixed rate)

---

Tullow has access to ~$6.0bn of committed debt facilities with current headroom of $2.4bn and no near term maturities
Disciplined financial management policies

1. Maintain a **well funded** balance sheet
   - Provide ample liquidity
   - Access to flexible and diversified funding sources

2. Apply a **prudent** financial approach
   - Rigorous capital allocation
   - Hedging programmes
   - Insurance programme
   - Flexible dividend policy

3. Adhere to **appropriate** policy targets
   - Headroom
   - Net Debt/EBITDA
   - Net Debt/Equity

**A disciplined and conservative financial approach supports the business model**
Historical performance key metrics

- Strong growth in Adjusted EBITDAX driven by increasing production
- Over $6.3bn of capital investment over the past 4 years
- Capex exposure being managed successfully, e.g. through $2.9bn farm-down of Ugandan assets and ongoing portfolio management activities
- Large and diversified asset base
- Significant increase in total assets of ~$3.1bn since 2010
- Intangibles and PP&E driving 2013 year on year increase of 23%
- Strong de-leveraging since 2010 due to increase in high margin Jubilee production and Uganda farm-down
- Maintenance of low and appropriate leverage levels despite higher capital investments

Growth is managed within a financially sound and conservative framework

---

(1) Excludes Spring Energy Norway acquisition
High margin production and competitive cost base

Realized oil price per bbl ($)$¹

<table>
<thead>
<tr>
<th>Year</th>
<th>Brent avg.</th>
<th>WTI avg.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>78.0</td>
<td>79.6</td>
</tr>
<tr>
<td>2011</td>
<td>108.0</td>
<td>95.1</td>
</tr>
<tr>
<td>2012</td>
<td>111.7</td>
<td>94.1</td>
</tr>
<tr>
<td>2013</td>
<td>108.7</td>
<td>98.0</td>
</tr>
</tbody>
</table>

Operating costs per boe ($)$²

<table>
<thead>
<tr>
<th>Year</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>12.5</td>
<td>13.5</td>
<td>14.6</td>
<td>16.5</td>
</tr>
</tbody>
</table>

Depletion, depreciation and amortization per boe ($)

<table>
<thead>
<tr>
<th>Year</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>16.8</td>
<td>18.0</td>
<td>17.9</td>
<td>17.8</td>
</tr>
</tbody>
</table>

Operating cash flow per boe ($)$³

<table>
<thead>
<tr>
<th>Year</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>37.2</td>
<td>64.2</td>
<td>59.3</td>
<td>59.8</td>
</tr>
</tbody>
</table>

(1) Post hedging
(2) Underlying cash operating costs are cost of sales excluding depletion, depreciation, amortization, impairment loss and under/over lift movements
(3) Before working capital movements

Realized oil prices near Brent-benchmark; strong operating cash flow per boe
Tullow is a well-funded company managed with a *prudent financial approach*

Ample liquidity *headroom* to fund planned capital expenditures

Quality and *highly cash flow generative* portfolio of producing assets

*Multiple sources of capital*, including selective monetisation of assets

Track record of *de-leveraging*

*Strong relationships* and *track record* with bank and bond markets
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STRATEGY & PORTFOLIO MANAGEMENT

Les Wood
2014 Capital Markets Day

Strategy in action

Business strategy

- Grow and develop our commercial reserves to provide strong, stable cash flows
- Execute high impact exploration and appraisal
- Maintain a disciplined approach to financial management
- Monetise value throughout the asset life cycle including portfolio management

Strategy execution

Execution of our strategy is focused on delivering long-term value growth
Recent market environment

- E&P sector has been out of favour
- Majors focusing on divestments & cash returns to shareholders rather than acquisitions
- Small E&Ps are funding constrained
- Low levels of M&A activity in last 2 years; gradually returning in 2014
- Asset market has been saturated; varying quality and characteristics
- No longer able to rely on traditional buyers

Our response

- Adapt sales/farm-out processes & timing, to respond to buyer universe
- Remain committed to delivering value
- Strengthen balance sheet to ensure well funded
- Rigorous capital management
Monetising options and portfolio management

**Portfolio management motivation**
- **Capital allocation:** ensuring right balance of Exploration, Developments and funding
- **Optimising exposure:** right equity at right stage of value chain
- **Licence commitments:** retain flexibility where possible
- **Core assets:** retain and invest in assets with upside potential
- **Monetisation:** to accelerate value/manage risk
  - 2012 Uganda farm-out to Total & CNOOC
  - Ongoing TEN farm-out
  - Future major project dilution as appropriate
- **Exit:** mature/non-strategic assets
  - Bangladesh completed December 2013 (Kris Energy)
  - Pakistan awaiting Government consent (Ocean Pakistan Ltd)
  - UK (Schooner & Ketch) awaiting approvals (Faroe Petroleum Ltd)
  - Remaining UK & Netherlands in progress

Actively managing portfolio to deliver value growth and mitigate risk
Tullow additional value potential being created

Significant additional value upside exists both within our core assets and exploration portfolio
CLOSING REMARKS
Ian Springett