

16 May 2012



# Disclaimer



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.

# Positioned to deliver next phase of growth



- Record financial results
- Jubilee drives up production
- Uganda farm-down transforms the balance sheet
- Exploration opens two major new basins in French Guiana and Kenya
- Material new acreage positions acquired
- Best safety performance to date
- 2011 dividend of 12p/share





# Tullow Oil plc – 2012 Annual General Meeting

## Introduction

# Tullow's global footprint



- 7 countries
- 47 licences
- 57,793 sq km acreage
- 20,800 boepd
- 120.8 mmboe

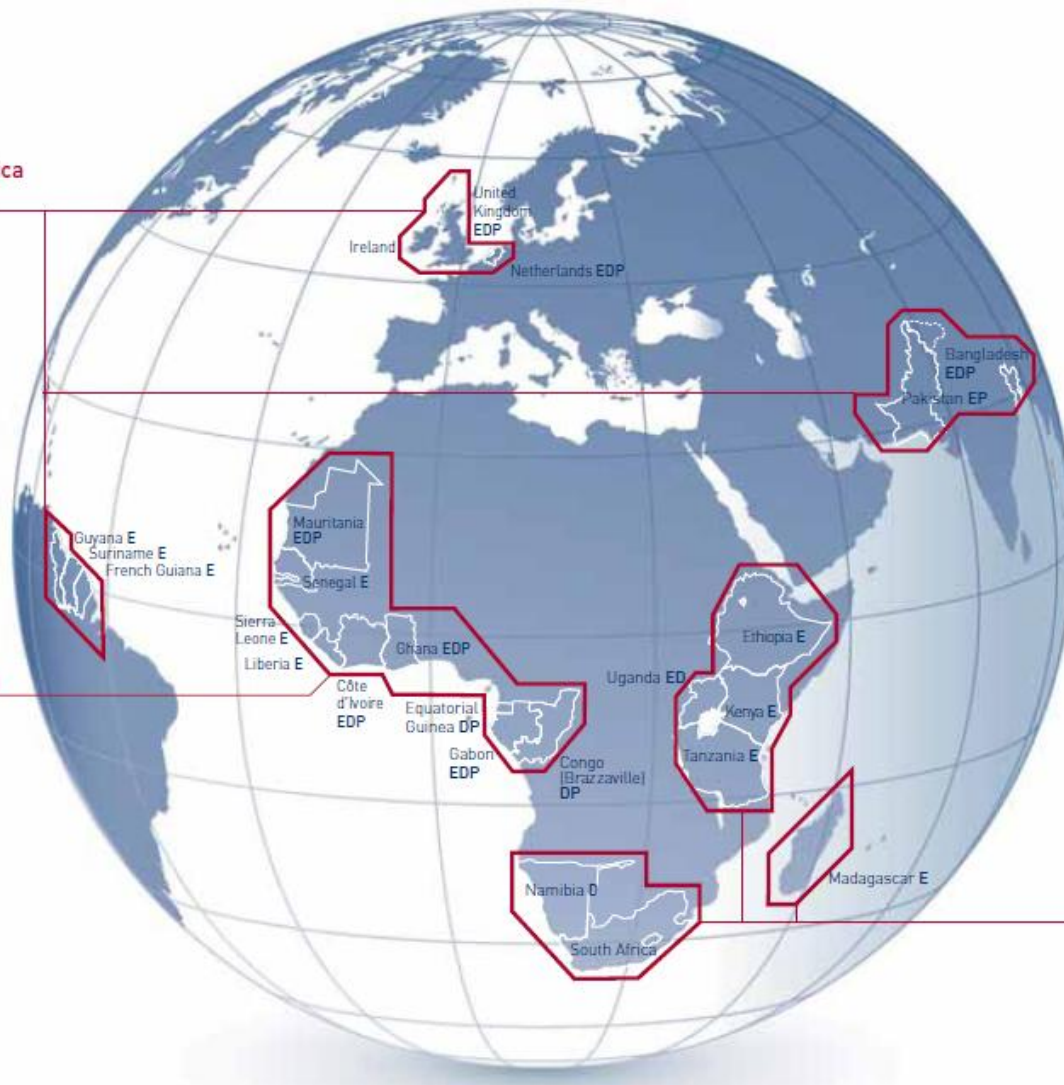
Europe,  
South America  
& Asia

- 9 countries
- 42 licences
- 66,425 sq km acreage
- 57,400 boepd
- 657.8 mmboe

West &  
North Africa

- 6 countries
- 18 licences
- 151,677 sq km acreage
- 964 mmboe

South &  
East Africa



# 2011 full year results summary

	2011	2010	Change
Sales revenue (\$m)	2,304	1,090	+111%
Operating profit (\$m)	1,132	262	+332%
Net profit (\$m)	689	90	+670%
Basic earnings per share (cents)	72.5	8.1	+795%
Dividend per share (pence)	12.0	6.0	+100%
Capital investment <sup>1</sup> (\$m)	1,432	1,235	+16%
Cash generated from operations <sup>2</sup> (\$m)	1,832	789	+132%
Net debt <sup>3</sup> (\$m)	2,854	1,943	+47%

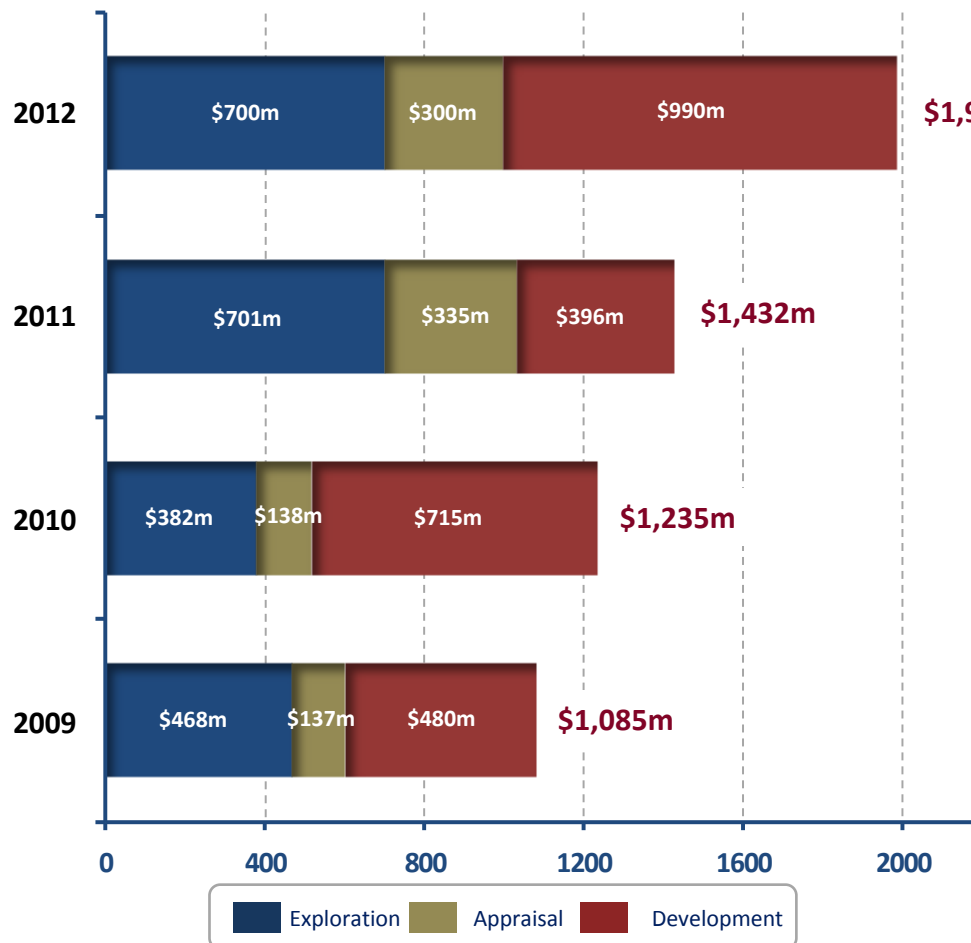
<sup>1</sup> 2011 excludes Nuon acquisition

<sup>2</sup> Before working capital movements

<sup>3</sup> Net of all cash balances and before 2012 Uganda farmdown

Record financial results; transformed by higher production & increased commodity prices.  
Balance sheet further transformed in February 2012 by Uganda farm-down.

# Capital expenditure of \$2 billion forecast for 2012

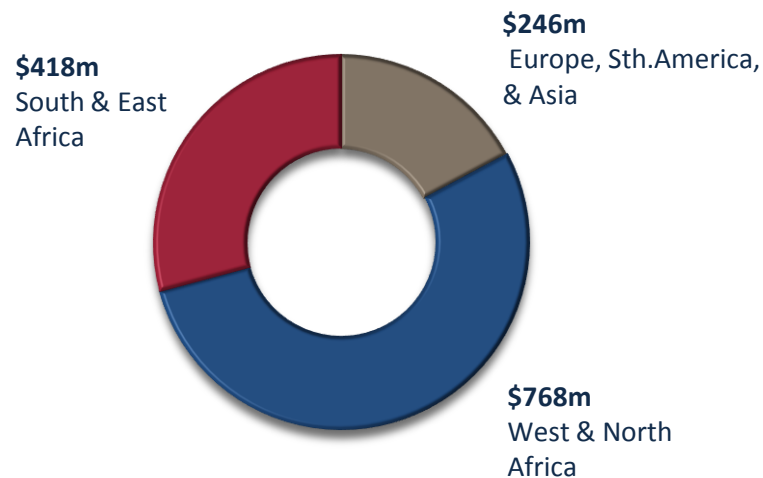


- **\$1,990m for 2012**

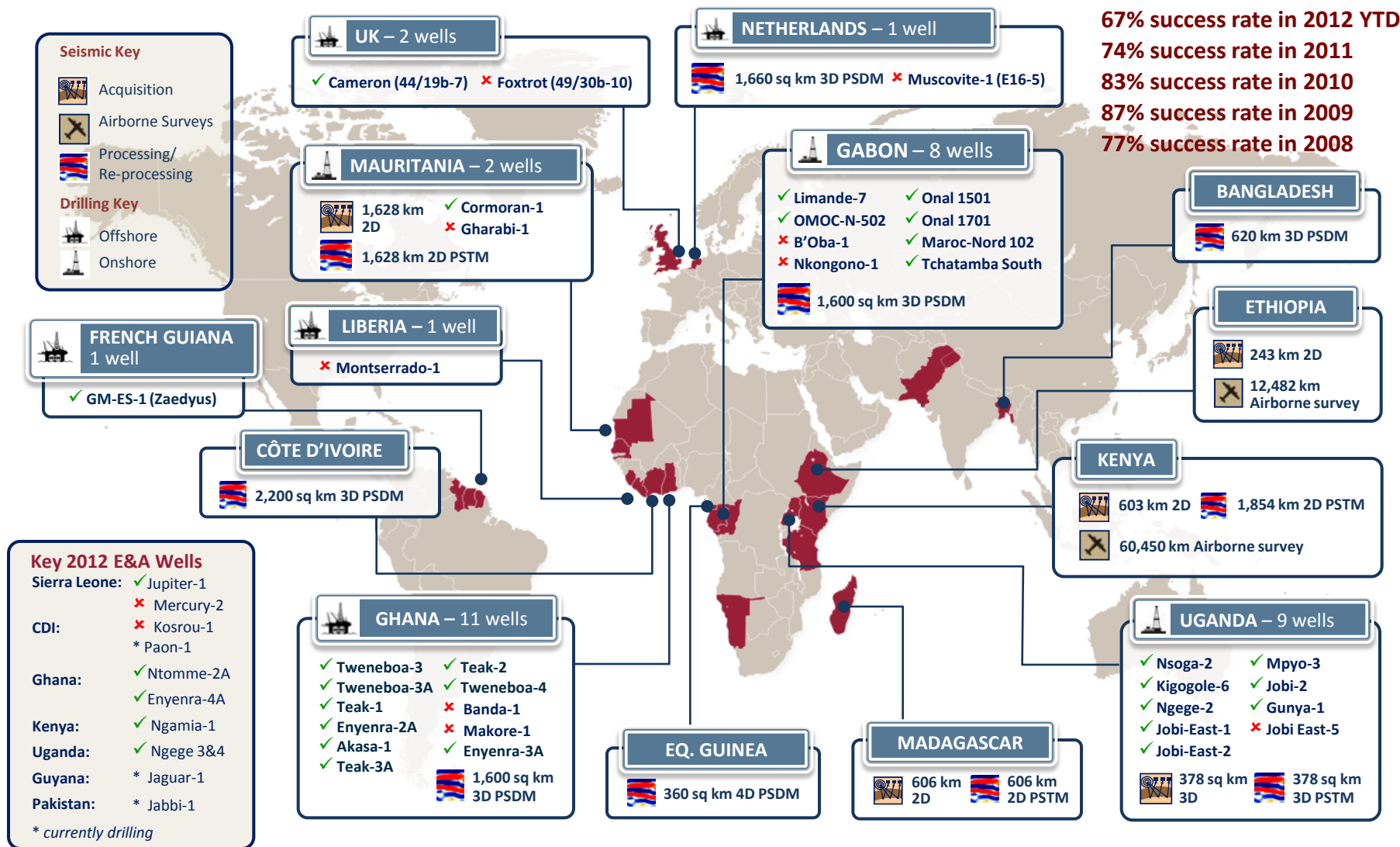
- Ghana: Jubilee remediation and phase 1A & TEN developments
- Uganda: Lake Albert
- Other Africa: WATM, Kenya
- ROW: South America, Europe

- **2011 capital split:**

- >57% Ghana & Uganda; >83% Africa

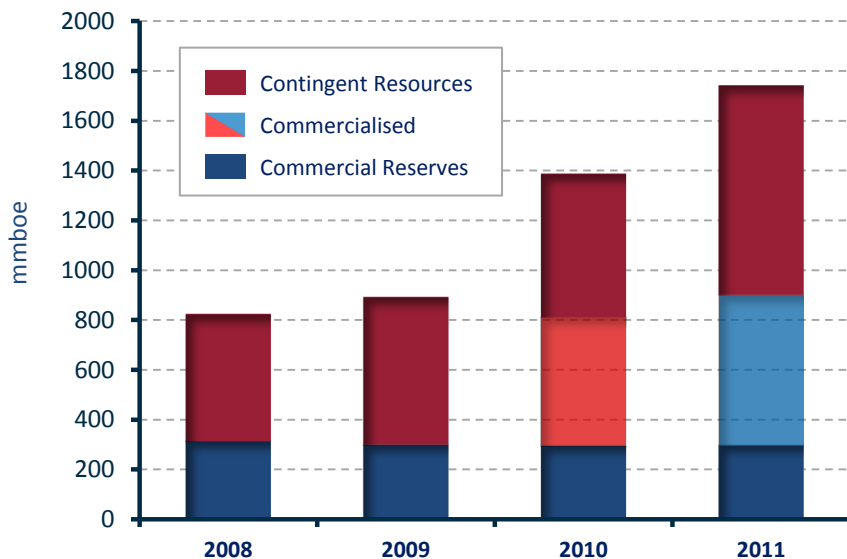


# 74% global E&A success ratio in 2011



67% success rate in 2012 YTD  
74% success rate in 2011  
83% success rate in 2010  
87% success rate in 2009  
77% success rate in 2008



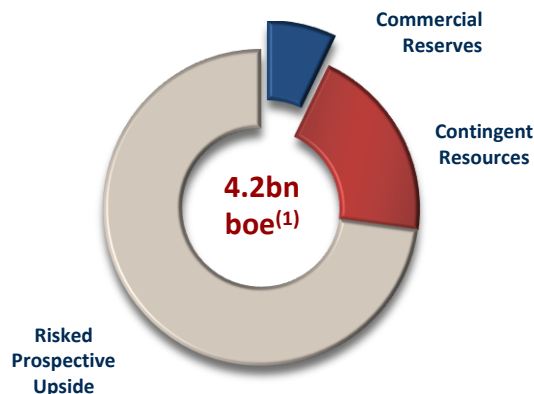
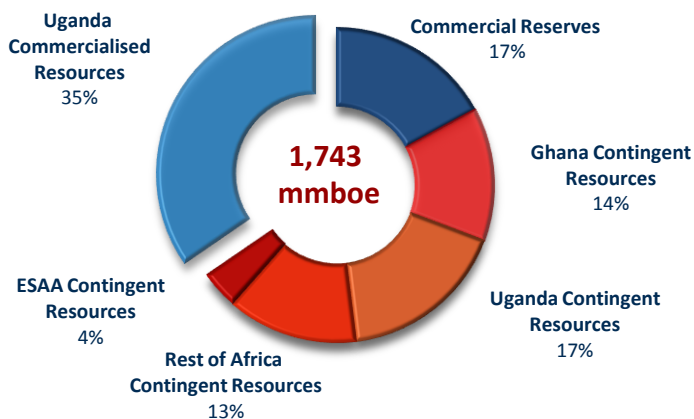


## Reserves and Resources 1,743 mmboe

- Commercial reserves - 298 mmboe
- Contingent resources - 841 mmboe
  - 2011 additions - 235 mmboe
- Uganda resources commercialised - 604 mmboe

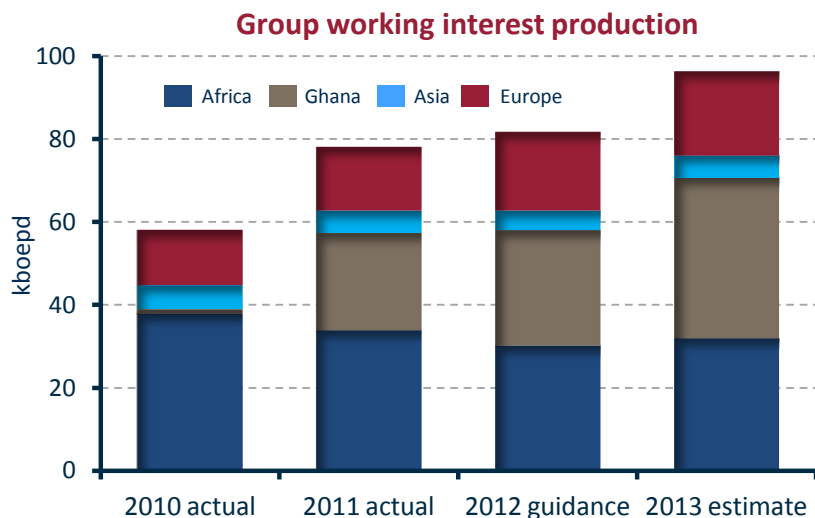
## Total resource potential 4.2 billion boe

- Commercial Reserves - 7% of total
- Reserve and Resource life - >35 years
- Risked Prospective Upside increased to c.3.1bn boe



(1) Adjusted reserves and resources based on Uganda sale of 66.67% (604mmboe)

# Strong production growth in 2011

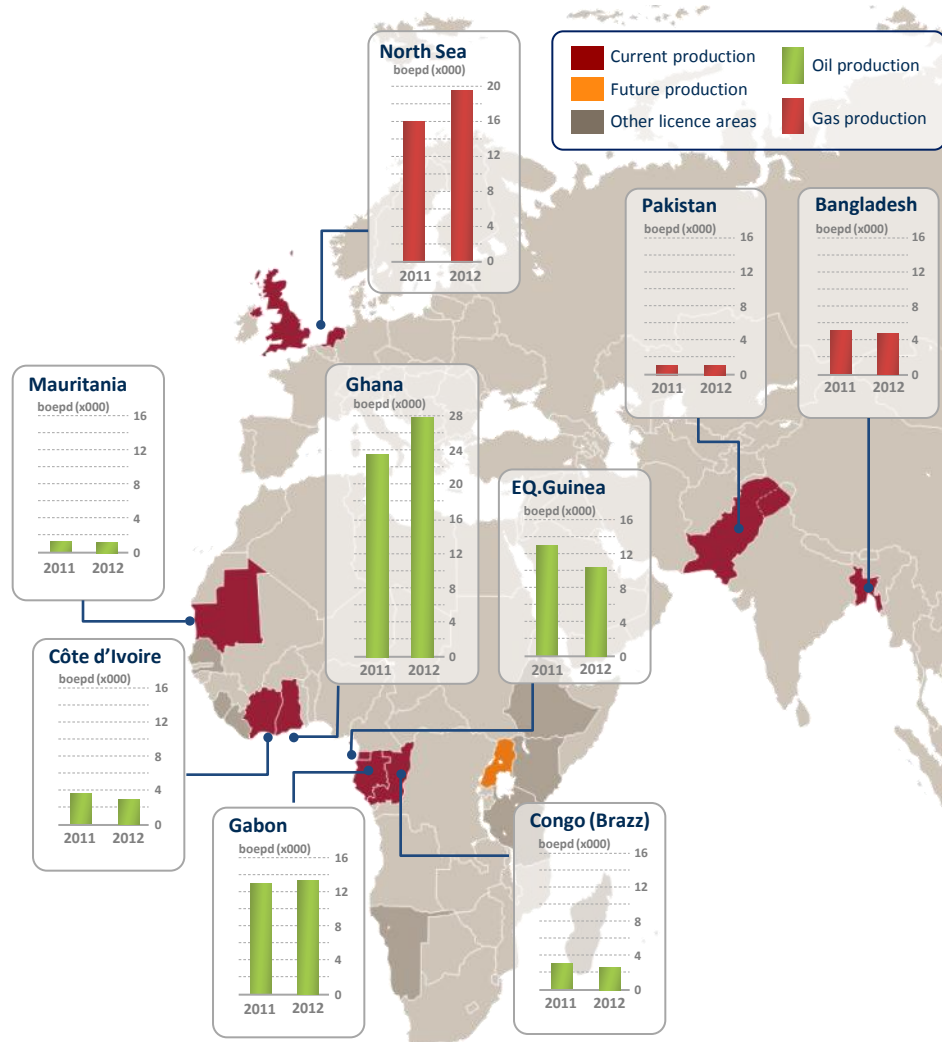


## 2011 Production: 78,200 boepd (+35%)

- Strong performance across UK, Africa & Asia
- Jubilee Phase 1 ramp up delayed
- 2012 guidance 78-86,000 boepd

## Significant medium term production growth

- 2012 exit production will be > 90,000 boepd
- 2013 will benefit from full Jubilee potential
- Commercialising through sale or development portfolio potential of >200,000 boepd



## Strong production growth and high impact exploration

- 57,400 boepd production
- 675.8 mmboe total reserves and resources
- \$1,944 million sales revenue
- \$768 million investment
  - 16 successful E&A wells
  - 29 Development wells
- Major exploration campaigns in 2012
  - Ghana, Liberia, Côte d'Ivoire, Mauritania
- Major development projects
  - Jubilee Phase 1A commenced
  - TEN development planning ongoing

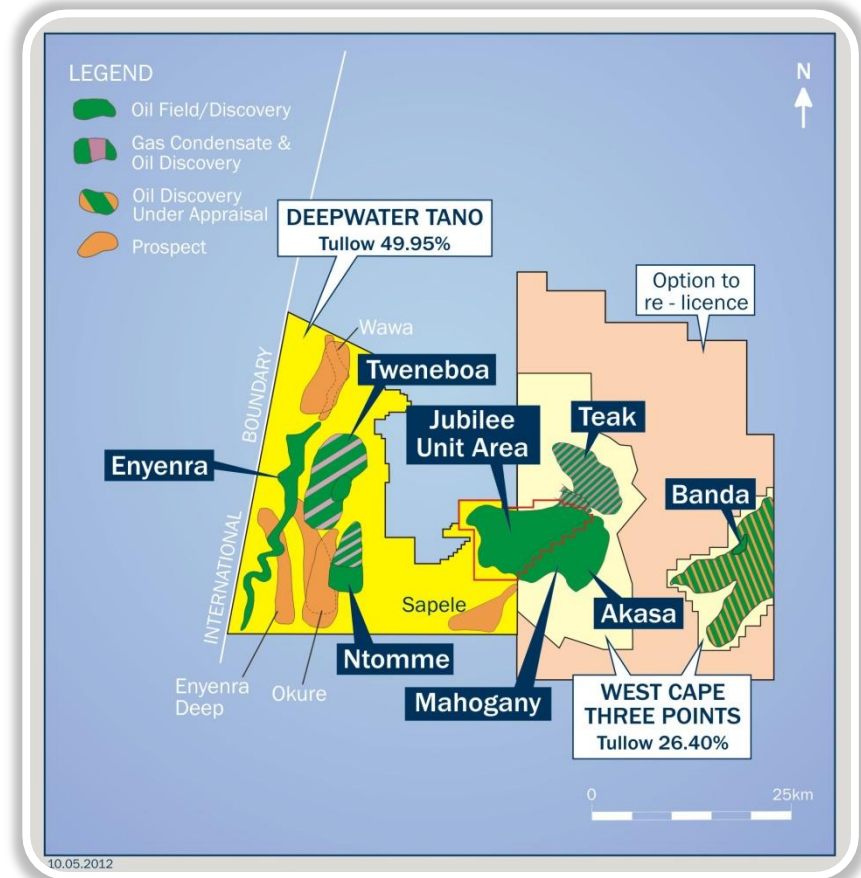


## Development and Production

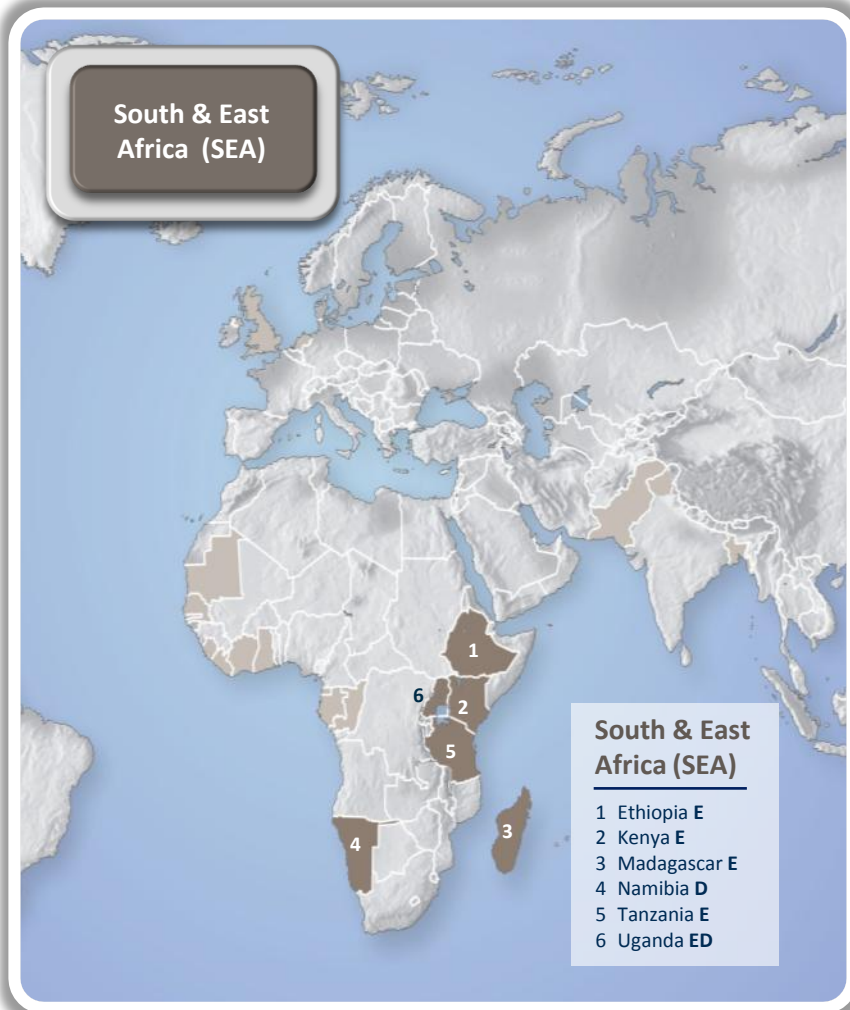
- Jubilee production drives record results
- 2012 production to average of 70 - 90,000 bopd
- Phase 1A development commenced in Feb 2012
- E&A activity on TEN confirms commerciality
- TEN Plan of Development submission expected Q3 2012
- First oil forecast ~30 months after POD approval

## Exploration and Appraisal

- Successful appraisal activity in WCTP and Deepwater Tano in 2011
- Wawa-1 currently drilling
- More high impact exploration to come in 2012



**Working towards Jubilee achieving FPSO production capacity of 120,000 bopd**



## Significant milestones reached & new basins opened

- 964 mmboe total reserves and resources
- \$418 million investment in 2011
- 8 successful E&A wells
- Multiple East African exploration campaigns in 2012

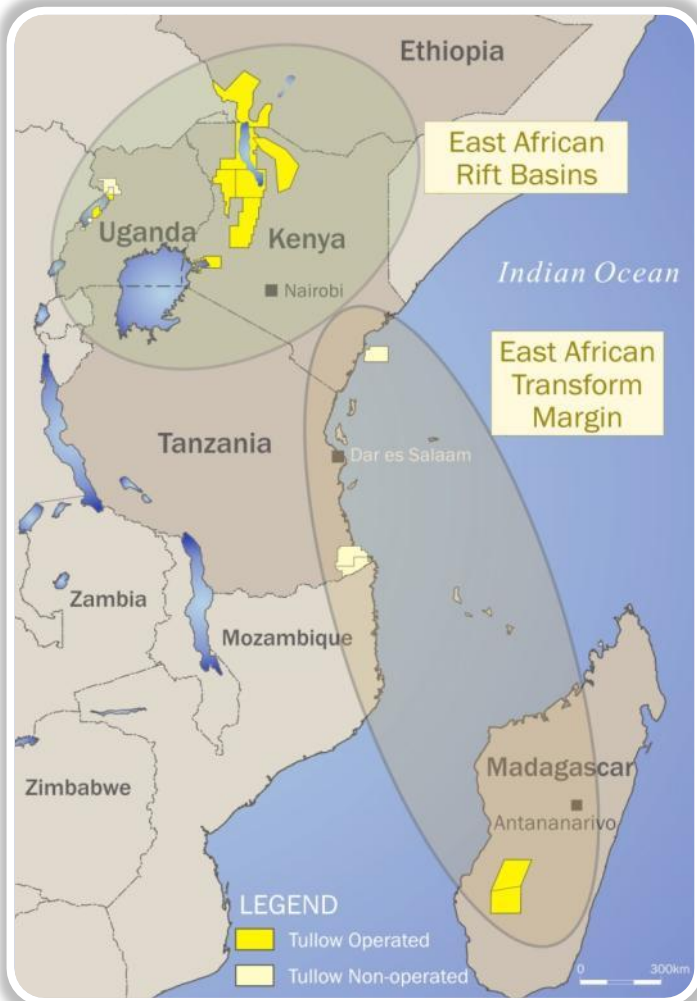
### Uganda

- \$2.9 billion Uganda farm-down deal completed
- 1.1 billion barrels discovered
- Partnership progressing development

### Kenya and Ethiopia

- Tullow's 4th new basin opened with discovery in Kenya
- Transformational potential across Kenya and Ethiopia





## East African Rift Basins

- Uganda -Lake Albert Rift Basin
  - 1.1 billion barrels oil discovered
  - Accelerated appraisal in support of basin development
- Kenya – Ethiopia Rift Basins
  - Seven rift basins analogous to the Lake Albert Rift Basin
  - 100,000 sq km of acreage (10X Uganda)
  - Ngamia-1 makes over 100 metre oil discovery in May 2012

## East African Transform Margin

- Exploration campaigns focused on high value oil
- Morondava Rift Basin in SW Madagascar
- Offshore Kenya Block L8
  - High impact Mbawa-1 wildcat in Q3 2012

## Opening of a major new basin & valuable cash flow

- 20,800 boepd production
- 120.8 mmboe total reserves and resources
- \$360 million sales revenue
- \$246 million investment in 2011
- Zaedyus discovery, offshore French Guiana, potential for region to become a major new petroleum province
- Expansion potential through ongoing development and exploration in the UK and Netherlands
- Acquisition of Nuon Exploration & Production significantly enhanced Dutch Portfolio
- Pre-qualified as operator in Norway
- Plan to divest assets in Bangladesh and Pakistan



# Transatlantic nature of Jubilee play proven



- Success in West Africa leads to testing of Jubilee play across the Atlantic
- Zaedyus-1 makes significant discovery in French Guiana proving the Atlantic twin basin theory
- Exploration campaigns now targeting prospects in French Guiana, Suriname and Guyana
- Zaedyus follow-up drilling to commence mid year; rig contract secured



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# Corporate Responsibility





# Social Enterprise Investments

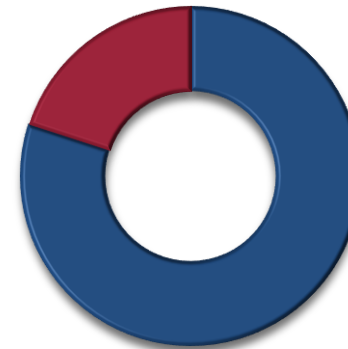


- Building capacity for the oil & gas industry and associated sectors
- Encouraging economic diversification to avoid overreliance on oil & gas
- Contributing to a positive operating environment
- Social Enterprise guidelines in place for community projects – helping to align investments with business objectives



Students from the Tullow Group Scholarship Scheme pilot phase, in Dundee and Aberdeen

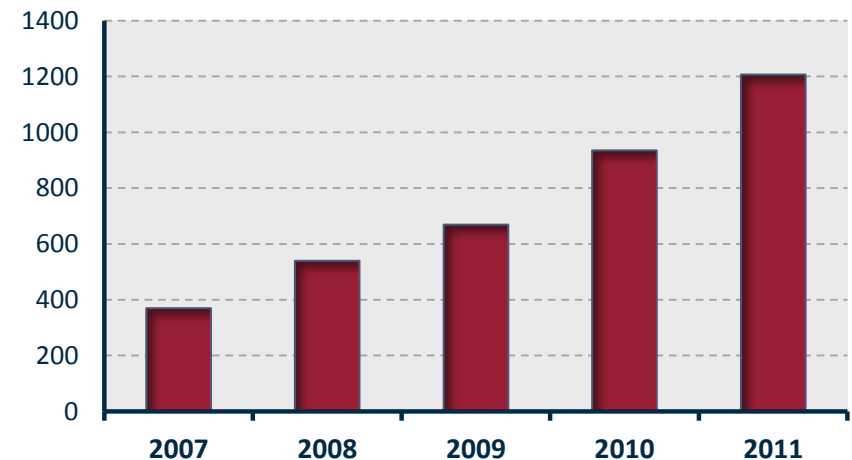
# Employing local people



## Local employees

- Local nationals 80%
- Expatriates 20%

## Five-year growth in employees



# Contributing to national skills base



Tullow Scholarship Scheme –  
Ghana, 2011



Group Well Engineering Manager with  
Trainee from the Well Engineering  
Development Programme



Tullow Uganda staff at TTE, UK



## Supporting local business

- Direct contribution to a country's prosperity
- Meetings and events to build pathways to enter our supply chain
- Closing the Gap sessions to bring up standards
- €2bn forecast capital expenditure in 2012



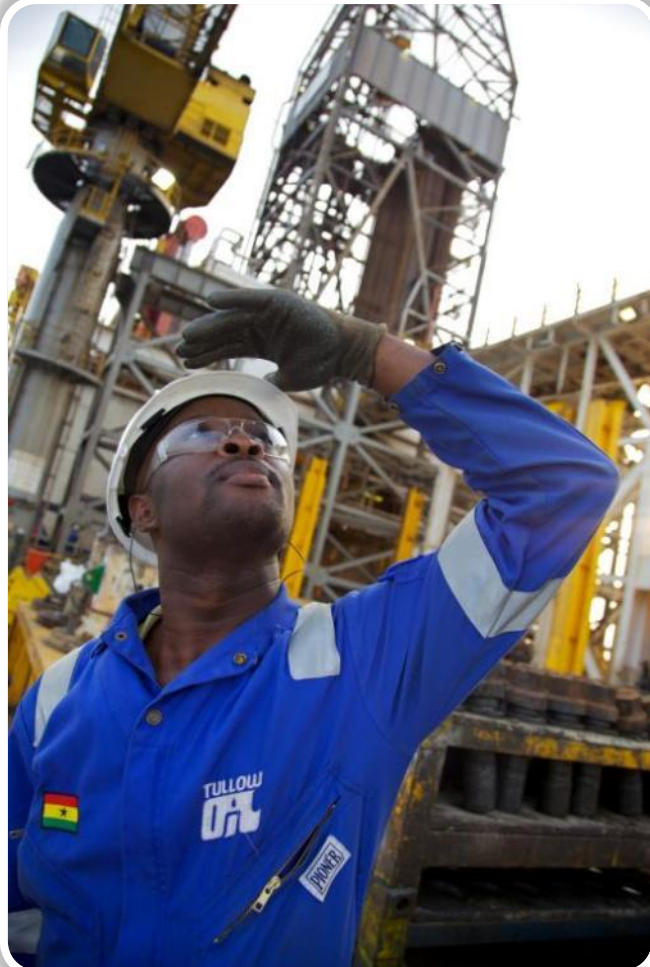


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# Conclusions



## Financially strong and opportunity rich



- Jubilee production delivers record financial results
- Uganda farmdown transforms the balance sheet
- Exploration opens fourth major new basin
- Material new acreage positions acquired
- Clear vision to be the leading global exploration and production company



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# Questions and Answers

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