



Tullow Oil plc

Tullow Oil plc | 2022 Half Year Results
14 September 2022



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.

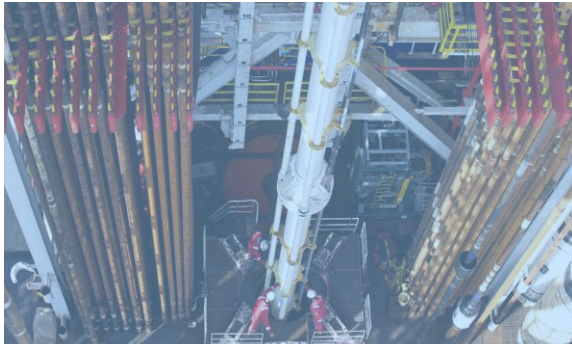
Whilst Tullow believes the expectations reflected herein to be reasonable in light of the information available to them at this time, the actual outcome may be materially different owing to factors beyond the Group's control or within the Group's control where, for example, the Group decides on a change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

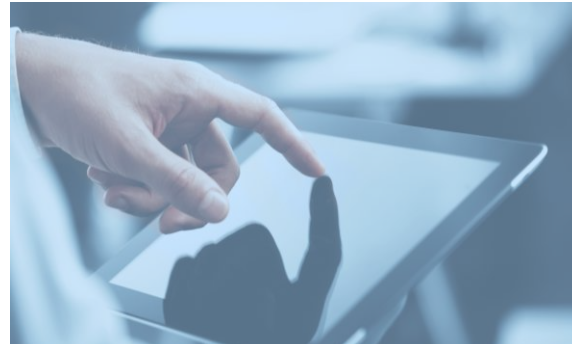
* Note: The NPV10 valuation on slide 11 is calculated in accordance with the terms of the indenture for the issuance of 10.25% Senior Secured Notes due 2026 by Tullow Oil plc ("Tullow") dated 17 May 2021 (the "Indenture"). Tullow has agreed with the Takeover Panel that an independent valuation report prepared in accordance with Rule 29 of the City Code on Takeovers and Mergers (the "Takeover Code") will be included in the scheme document when published by Capricorn Energy plc in connection with its recommended merger with Tullow (the "Merger"). The publication of this independent reserves report in connection with the Merger, or any other independent reserves report required by the Takeover Code, should not be construed as a commitment to publish any such report in the future.

2022 Half Year Results

Agenda



Overview



Financial



Operations



Strategic

Presenters



Rahul Dhir
Chief Executive Officer



Richard Miller
Interim Chief Financial Officer

OVERVIEW

Tullow Oil plc | 2022 Half Year Results

Accelerated delivery of Business Plan

Operational excellence

- ✓ Jubilee production growth
- ✓ TEN production stabilised
- ✓ Stable production from non-op portfolio
- ✓ Drilling performance ahead of schedule and budget
- ✓ Successful Jubilee O&M transformation

Strong financials

- ✓ Material cashflow generation
- ✓ Uganda FID payment received
- Ghana pre-emption pays back in 2022
- Focus on costs, further opex and G&A reductions
- Year-end 2022 leverage <1.5x (at \$95/bbl)

Levers for value creation

- Ongoing business plan delivery
- Accelerated deleveraging
- Jubilee South East and North East
- Jubilee acceleration
- TEN Enhancement
- Ghana gas
- Kenya
- Contingent payments from Uganda, Equatorial Guinea and Dussafu, Gabon
- Merger with Capricorn

Strong operational foundations, accelerated deleveraging and multiple levers for growth

FINANCIAL

Tullow Oil plc | 2022 Half Year Results

Strong operational performance accelerates deleveraging



Financial performance	1H 2021	1H 2022
Production (kboepd)	61.2 ¹	60.9
Realised price (\$/bbl)	60.8	86.5
Revenue (\$m)	727	846
Gross Profit (\$m)	321	620
Profit After Tax (\$m)	93	264
Capital Investment (\$m)	101	156
Free Cash Flow (\$m) ²	86	(205) ³

Key mid-year metrics	HY21	HY22
LTM EBITDAX (\$m)	885	1,263
Net Debt (\$bn)	2.3	2.3
Gearing (times)	2.6	1.9
Headroom (\$bn)	0.7	0.6

¹ Includes partial contribution from EG and Dussafu, Gabon which were sold in 1H 2021

² Free cash flow before debt amortisation and including a \$75 million payment from TotalEnergies following Ugandan parliamentary approval of the Uganda Final Investment Decision (FID), a payment of \$76 million to HiTec Vision in relation to the purchase of Spring Energy in 2013 and total consideration of \$126 million for the pre-emption related to the sale of Occidental Petroleum's interest in the Jubilee and TEN fields in Ghana to Kosmos Energy.

³ Excluding the benefit of two Ghana liftings in early June for which revenue of over \$200 million was received in early July

2022 guidance at \$95/bbl

Production **60-64** kboepd

Capex **c.\$380** million

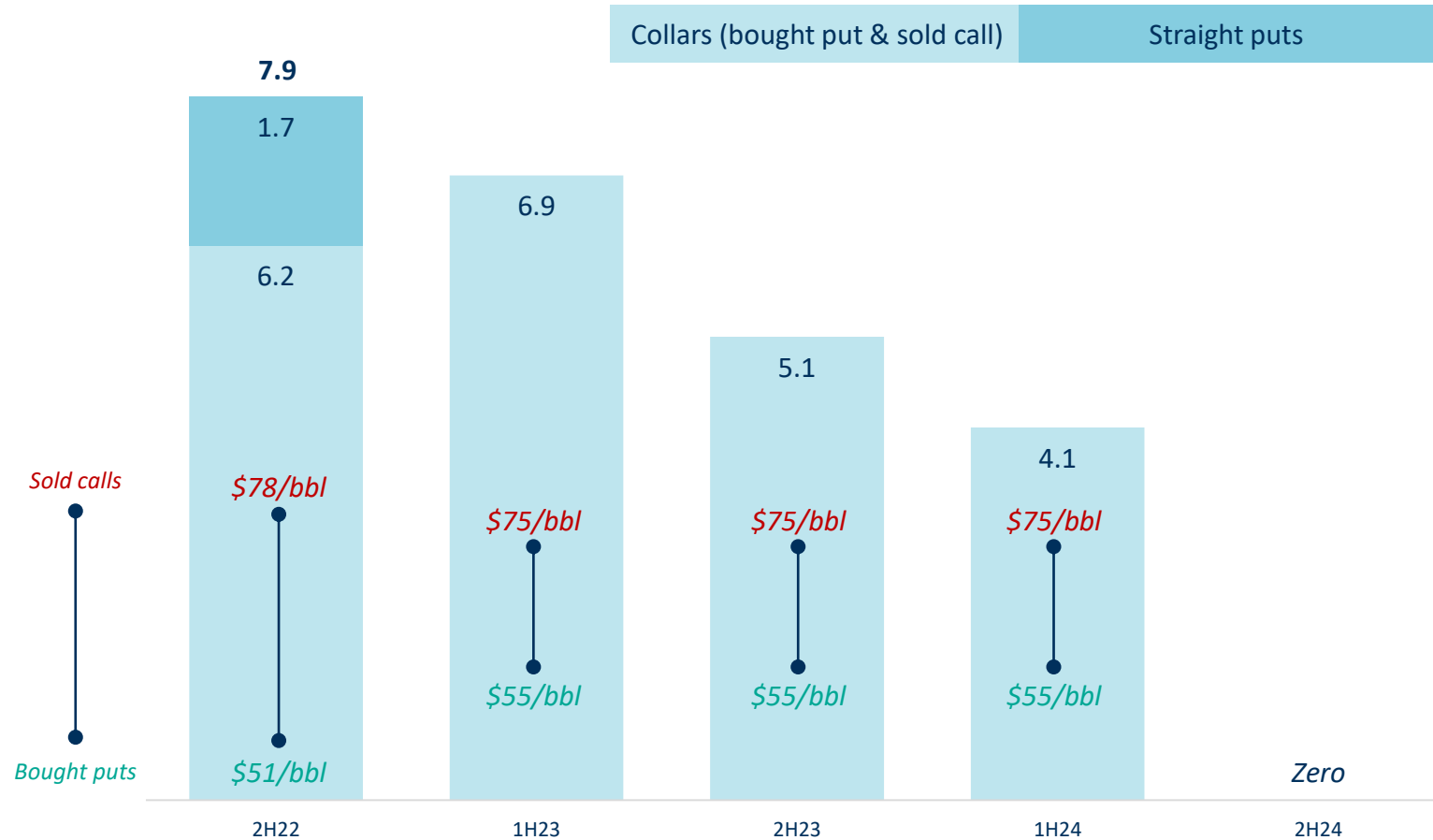
Decommissioning **c.\$100** million

Free cash flow² **c.\$200** million

Gearing **<1.5x** at YE22

Increasing oil price upside participation as hedges roll off

Commodity hedging volume (mmbbls)



c.45% of production entitlement for remainder of 2022 fully participates in oil price upside

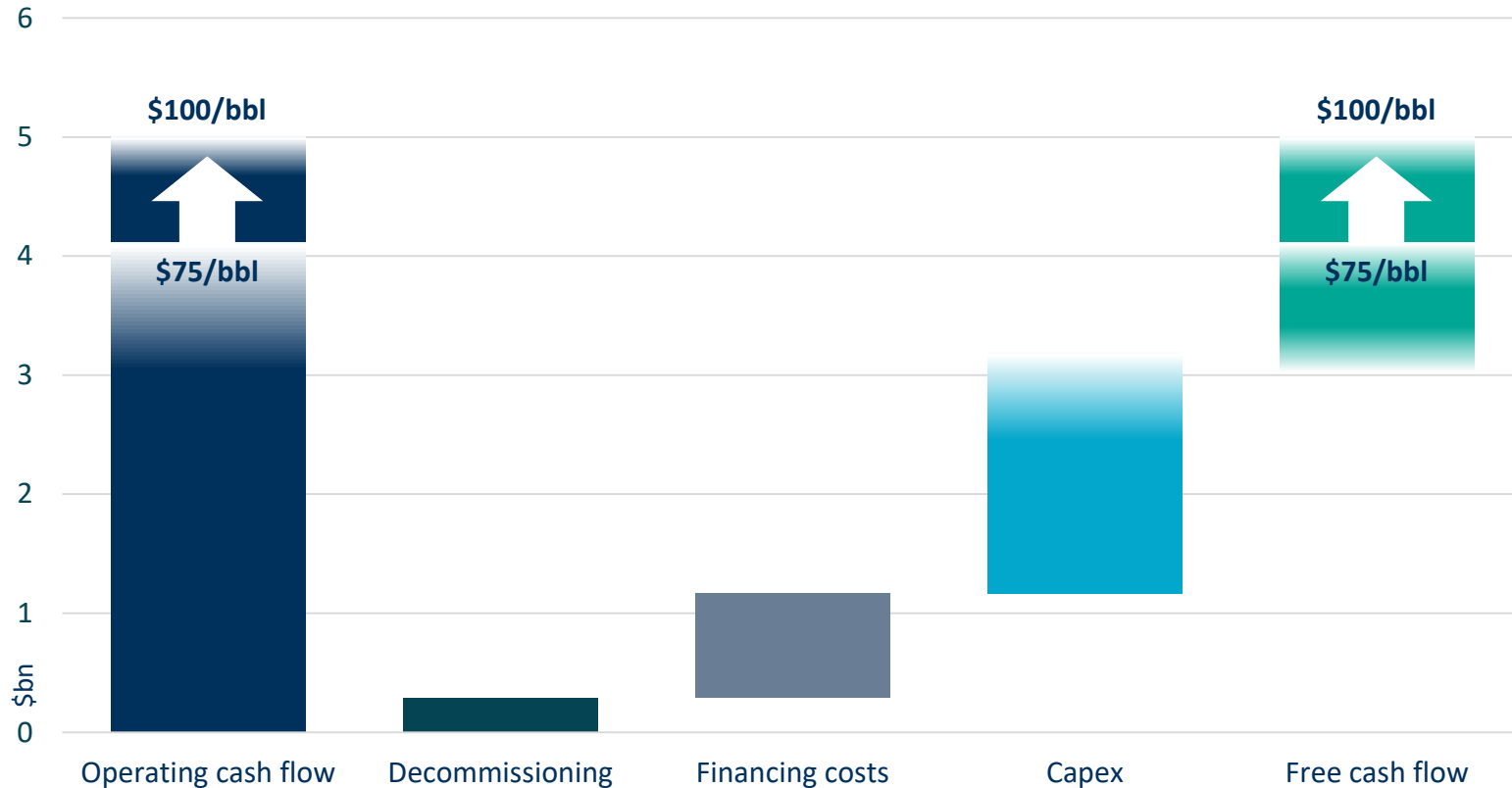
c.70% of production entitlement protected on the downside

Hedging levels reduce from May 2023, providing increasing exposure to oil price upside

Further hedging will be considered as part of the ongoing business planning process

High oil price unlocks material incremental value potential

Sources and uses of cash 2022-25 (\$75-100/bbl¹ nominal)



Up to \$2bn free cash flow potential at \$100/bbl in 2022-25

Additive contingent payments



Uganda²

c.\$15-47 million per annum at plateau,
at \$70-100/bbl, with uncapped upside to oil price
and for the full duration of the licence



Equatorial Guinea³

\$5.5 million annual maximum

\$16 million maximum over five year period
after trigger



Dussafu, Gabon⁴

\$5 million annual maximum

\$24 million maximum over five year period
after trigger

¹ Both \$75/bbl and \$100/bbl scenarios assume \$95/bbl in 2022 and \$80/bbl in 2023

² Based on Brent linked contingent payment of upstream revenues from the acquired interests (28.33% post-Ugandan Government back-in) and at gross plateau rate of c.230 kbopd

³ Based on 15% of net cash flow, contingent on production threshold of 5,500 bopd net per calendar year and Brent \$60/bbl per calendar year average

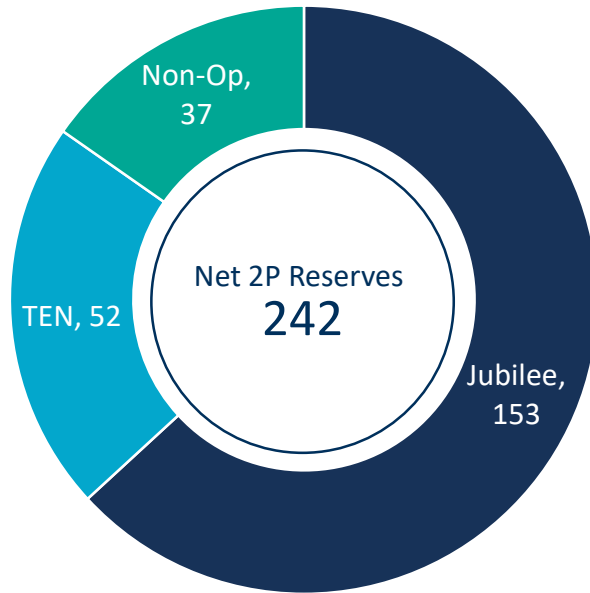
⁴ Based on 15% of net cash flow, contingent on production threshold of 33kbopd for a period of 60 days post first oil from the Hibiscus and Ruche discoveries and Brent \$55/bbl per calendar year average

OPERATIONS

Tullow Oil plc | 2022 Half Year Results

Material reserves and resources base underpins growth potential

Reserves at 30 June 2022 (mmboe)

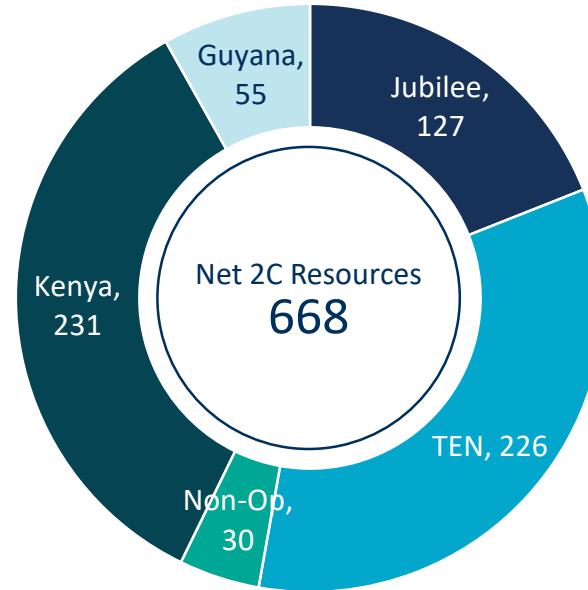


\$4.7 billion 2P NPV10¹
including impact of hedging

22 mmboe 2P reserves added
through Ghana pre-emption

>10 years reserves life
based on 2022 production

Resources at 30 June 2022 (mmboe)

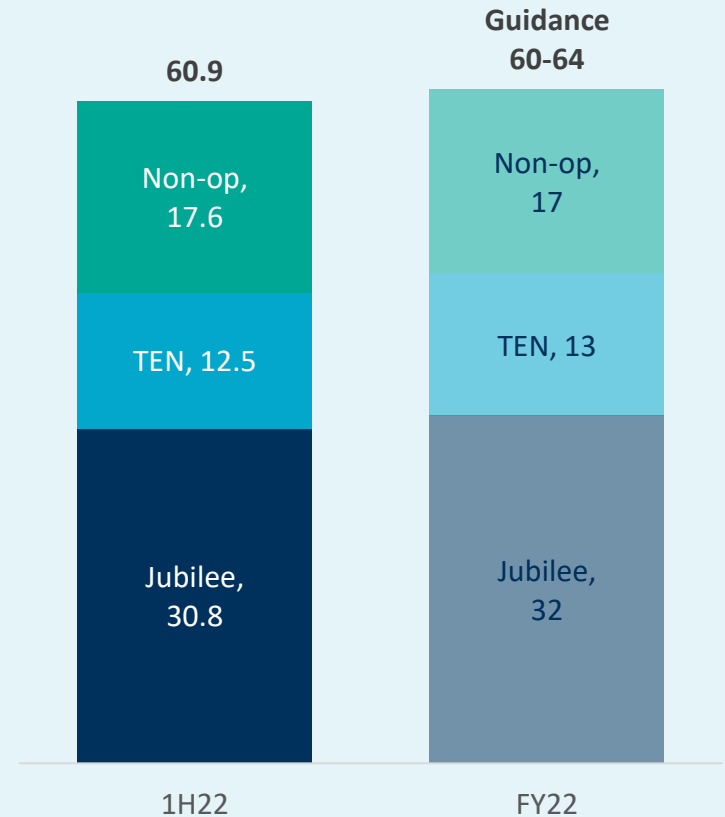


43 mmboe 2C resources added
through Ghana pre-emption

Significant gas resources in Ghana
earmarked for development

Kenya expected to be materially de-risked
through farm-down to strategic partner

Net Group production (kboepd)

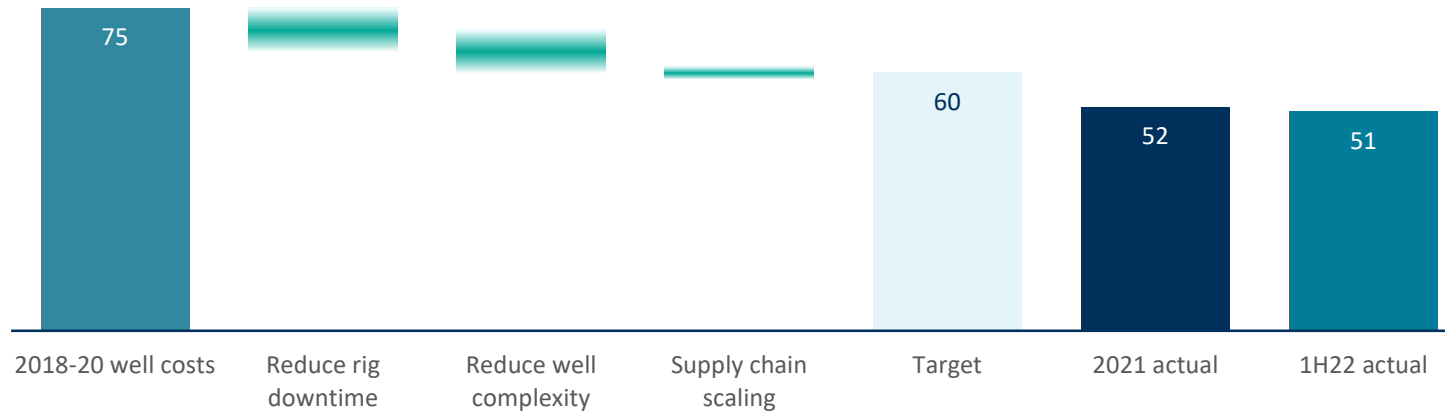


¹ See statement on valuation on slide 2

Top quartile Ghana drilling performance

Average well cost reduction of >30%¹

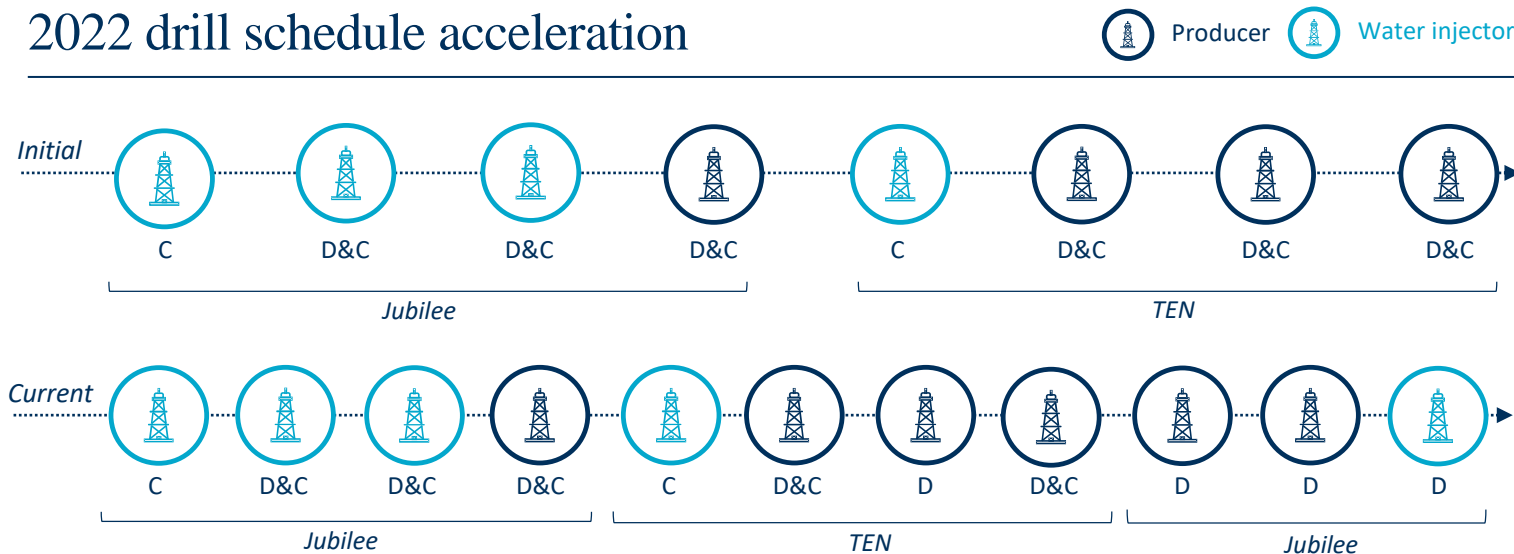
Drilling cost per well (\$m gross)



Reduced well cost maintained despite inflationary pressures and greater well complexity

In Ghana, drillex represents c.75% of capex 2022-25

2022 drill schedule acceleration

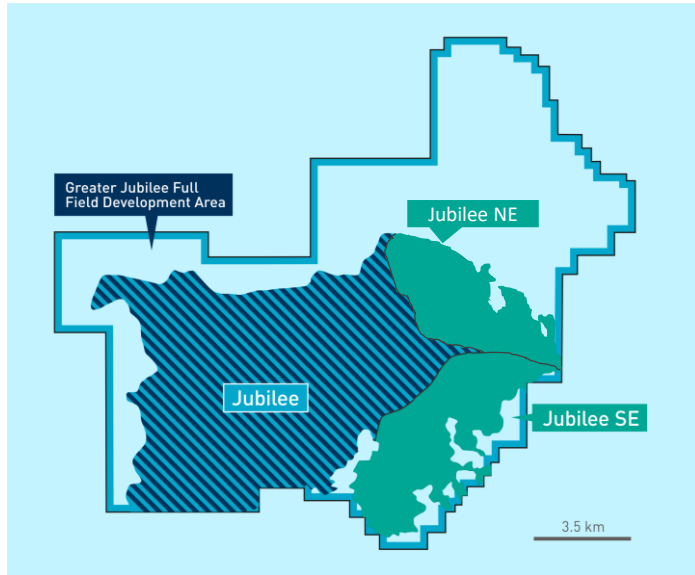


Completion design innovation further pushing down cost

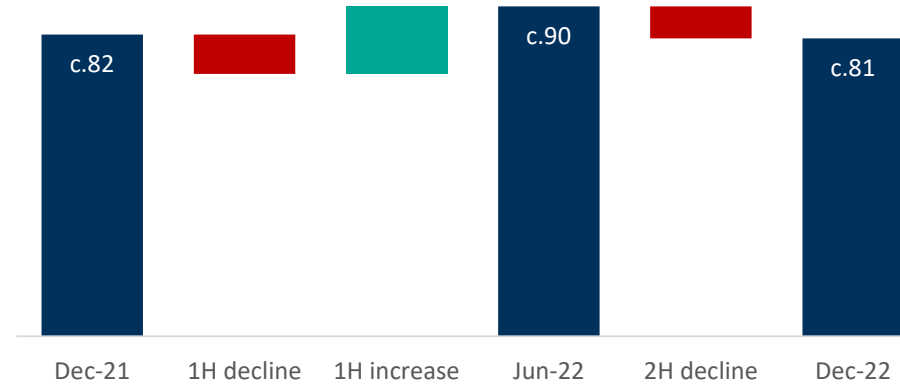
Accelerated schedule brings three Jubilee wells scheduled for 2023 forward into 2022

¹ 2021/22 drilling campaign relative to 2018-20 drilling campaign

New wells deliver material production growth

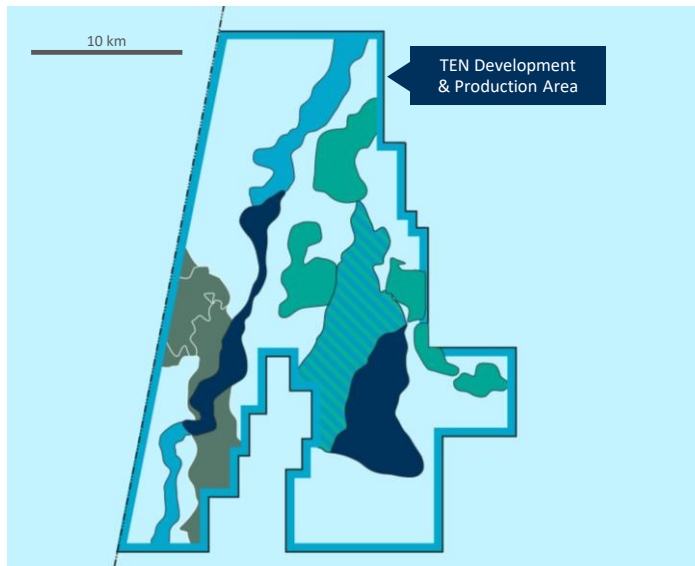


Jubilee 2022 production waterfall (gross, kbopd)

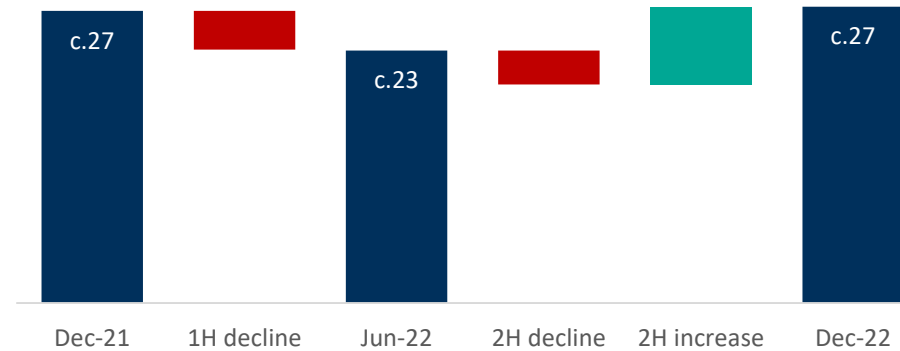


Addition of two new water injectors and one Jubilee producer more than offset natural decline in 1H22 and increased June average production to c.90kbopd

No further wells due to be completed in 2H22, next wells expected online in 2Q23



TEN 2022 production waterfall (gross, kbopd)



Enyenra producer and injector pair due onstream in 4Q22 expected to offset decline in 2022 and support 2023 production

First Ntomme strategic well drilled in 2H22 was water bearing; second Ntomme strategic well to be drilled in 2H22

Non-op: Delivering consistent production and returns

Gabon



Focus on near-field developments and infrastructure-led exploration (ILX) opportunities

IRRs of >60% and rapid payback

c.70% of 2022 capital spent on infrastructure

Long term well test at Tchatamba underway with first oil anticipated late September 2022

Tchatamba to be a hub for future development and ILX

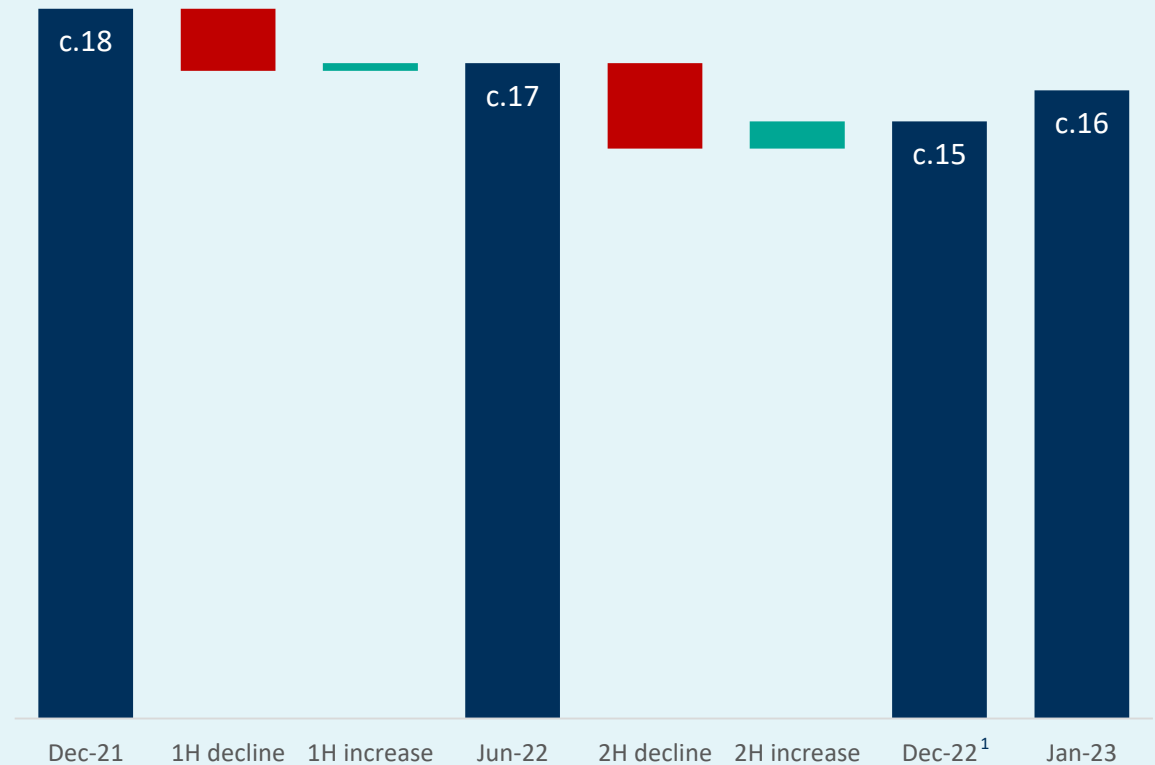
Côte d'Ivoire



Westward extension of producing play in Ghana, targeting >1bn boe STOIIIP potential

Espoir FPSO remediation

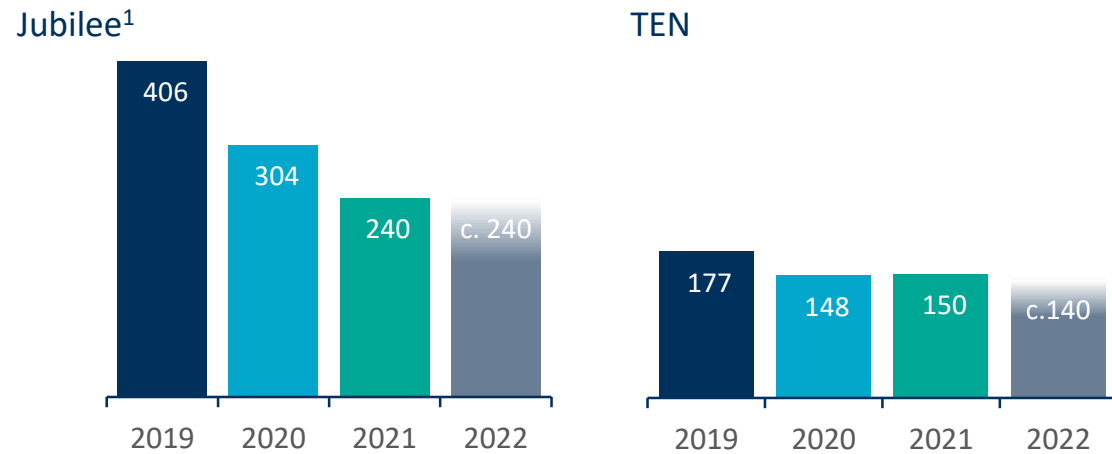
Non-operated 2022 production waterfall (net, kboepd)



¹ Espoir production ramping up in December following a planned 45 day shutdown in October

Ongoing cost reductions despite inflationary pressures

Gross asset operating costs (\$m)

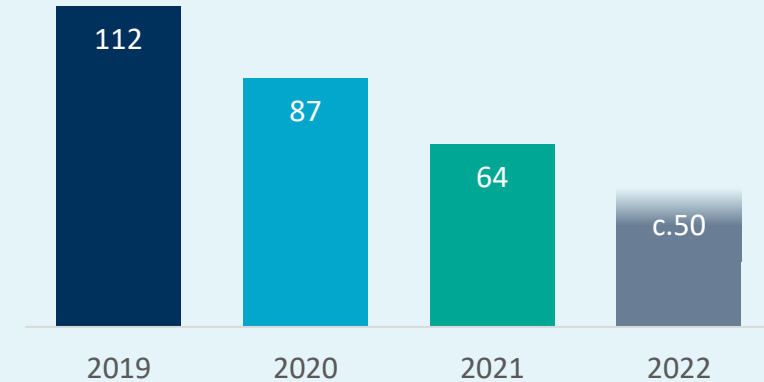


Culture of continuous performance improvement

Investment in improving processing system reliability and availability

Optimisation through integration

Net G&A costs (\$m)



Cost focus deeply embedded in team

Delivering cost savings targets

\$238m in cash savings delivered to date since mid-2020

¹ 2019 and 2020 include opex associated with turret remediation. 2021 includes opex associated with CSV campaign and shutdown

Operating platform delivering tangible results

O&M transformation to achieve the next level of performance

Sustained improvement through active Tullow oversight, investments in addressing legacy equipment defects and cross-functional integration

Realising efficiency improvements, cost reductions and processing system reliability

Targeting top quartile operator performance of: safety, emissions, reliability and costs

Creating a differentiating and scalable core competency for Tullow



Wells



Eight new wells brought on stream in 2021-22: six at Jubilee and two at TEN

FPSO uptime



High efficiency from Ghana FPSO's
>95% Jubilee and **99%** TEN in 1H22

Gas management



Gas offtake from the GoG
averaging c.**90** mmscfd in 1H22

STRATEGIC

Tullow Oil plc | 2022 Half Year Results

Leveraging our unique position to deliver a sustainable future



Shared prosperity case study: Fisherman's Anchor Project, Ghana

Provided training and business development support to 1,000+ small businesses and individuals

82% of loans to fish processors, mainly women, with the remainder to canoe owners and others

34 businesses expanded outside of the region

30 businesses have increased sales

17 new businesses established

39 business have increased production capacity

27 have grown their workforce

Committed to education, skills and enterprise development

Carbon offset: Growing internal capability

Carbon offsetting of hard to abate emissions – feasibility study completed, in the process of finalising Letter of Intent with the Forestry Commission of Ghana

Supporting Ghana's emissions reductions under its Nationally Determined Contributions (NDCs)

Feasibility study conducted for one of the most threatened ecological zones in Ghana

Key intervention activities: capacity building, building alternative sources of income and improving land management

Target of Net Zero (Scope 1 & 2) by 2030

Elimination of routine flaring by 2025

Highly accretive Business Plan with material additional opportunities



Value Maximisation Plan delivery underway

Ghana drilling – 2021/22

c.\$220 million net invested

c.\$250 million net operating cash flow generated

Ghana pre-emption – 2022

\$126 million consideration paid back within 2022

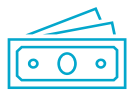
Jubilee South East and North East – 2023-25

c.50% infrastructure investment completed by YE22

>10 value accretive wells to be unlocked

c.\$300 million net total investment remaining (infrastructure and drilling)

>\$650 million¹ net operating cashflow expected to be generated



c.\$2bn net capex²

c.\$2bn free cash flow³



Additional opportunities are maturing

Jubilee acceleration

Targeting >120 mmboe of additional net recoverable resource in Jubilee

TEN Enhancement Plan

>200 mmboe of undeveloped net recoverable resources

Ghana gas development

1.5-2.0 TCF of gross gas resources identified in Jubilee and TEN

Project Oil Kenya

Substantial driver of growth and diversification

c.585 mmbbls of gross recoverable 2C resource



Acceleration potential with additional funds

Development capex ~\$1.5bn – 2.0bn

10 year net cashflow from 1st oil >\$5bn



¹ Based on oil price of \$75/bbl over a time period of 2023-25

² 2022-25

³ 2022-25; assumes \$95/bbl in 2022 and \$80/bbl in 2023, \$100/bbl nominal thereafter

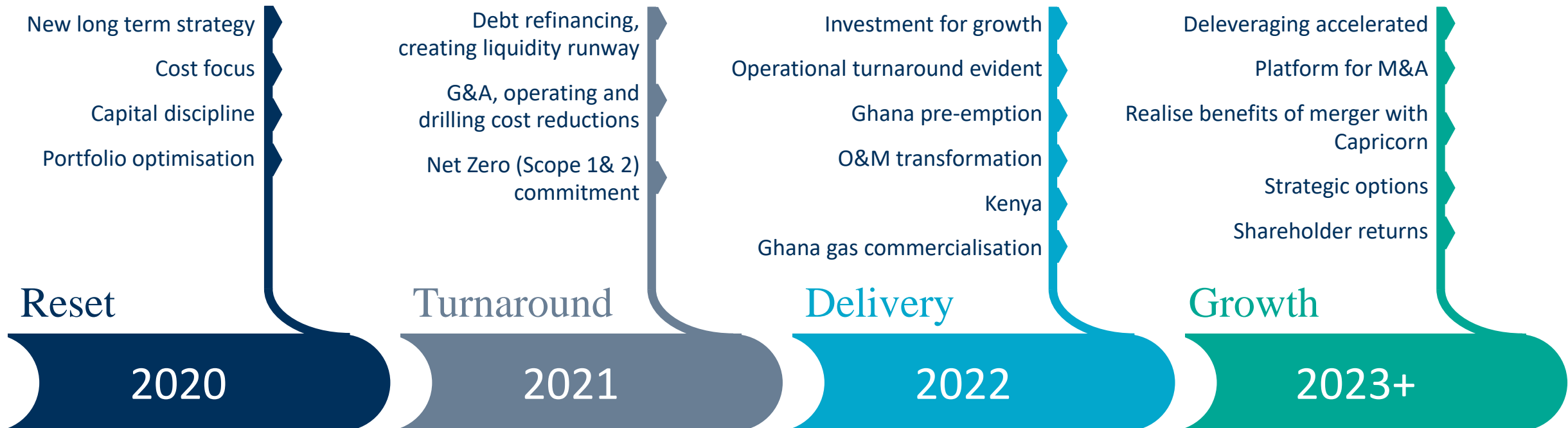
Turnaround accelerated and business positioned for growth



Delivery of the new strategy well underway

Capricorn merger accelerates value creation

Tullow looks to opportunity rich future with confidence



Tullow Oil plc

9 Chiswick Park,
566 Chiswick High Road
London
W4 5XT
United Kingdom

Tel: +44 (0)20 3249 9000

Email: ir@tullowoil.com

Web: www.tullowoil.com

Follow Tullow on:

