Tullow Oil plc

2017 FULL YEAR RESULTS

Wednesday 7 February 2018

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.

Tullow Oil plc - 2017 Full Year Results

CEO UPDATE

PAUL McDADE - Chief Executive Officer

TULLOW plc

A BALANCED E&P BUSINESS FOCUSED ON RETURNS

Business foundations	Disciplined approach	Future value generation
Highly experienced team Proven operating capability Low-cost production in West Africa Material East African developments High-impact exploration portfolio Prudent risk management	**Monetisation** Maximising revenue from production Portfolio management **Use of cash flow** Selectively investing in assets Balance sheet deleveraging	Enhance & replenish portfolio Seek options for growth Deliver shareholder returns

DELIVERING ON OUR OBJECTIVES

Continued strengthening of Balance Sheet

FREE CASH FLOW

Maximise free cash flow through increased production, efficient capital allocation & cost discipline

✓ $543m free cash flow

FUNDING

Complete RBL refinancing

✓ Secured $2.5bn RBL

PORTFOLIO MANAGEMENT

Progress monetisation options to achieve maximum value at the optimum time

✓ Uganda farm-down, Europe & exploration deals

Maximising value from current portfolio

West Africa

Re-start TEN drilling;
Secure GJFFD approval;
Ramp-up Ghana production & continue to reduce costs

✓ On-track

East Africa

Drive Uganda to FID;
Finalise Kenya E&A and progress towards FID

✓ Uganda FID on-track, completed Kenya E&A, progressing development plan

New Ventures

Commence Guyana-Suriname drilling programme;
Define future exploration drilling programme;
Seek new opportunities

✓ Araku drilled, exploration portfolio reset, Peru & CDI

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CFO UPDATE

LES WOOD - Chief Financial Officer

2017 FULL YEAR RESULTS SUMMARY

Revenue	Underlying cash operating costs	Adjusted EBITDAX	(Loss) after tax
$1,723million ▲	$11.1/boe ▼	$1,346million ▲	$(189)million ▲
FY 2016: $1,270 million	FY 2016: $14.3/boe	FY 2016: $941 million	FY 2016: $(597) million

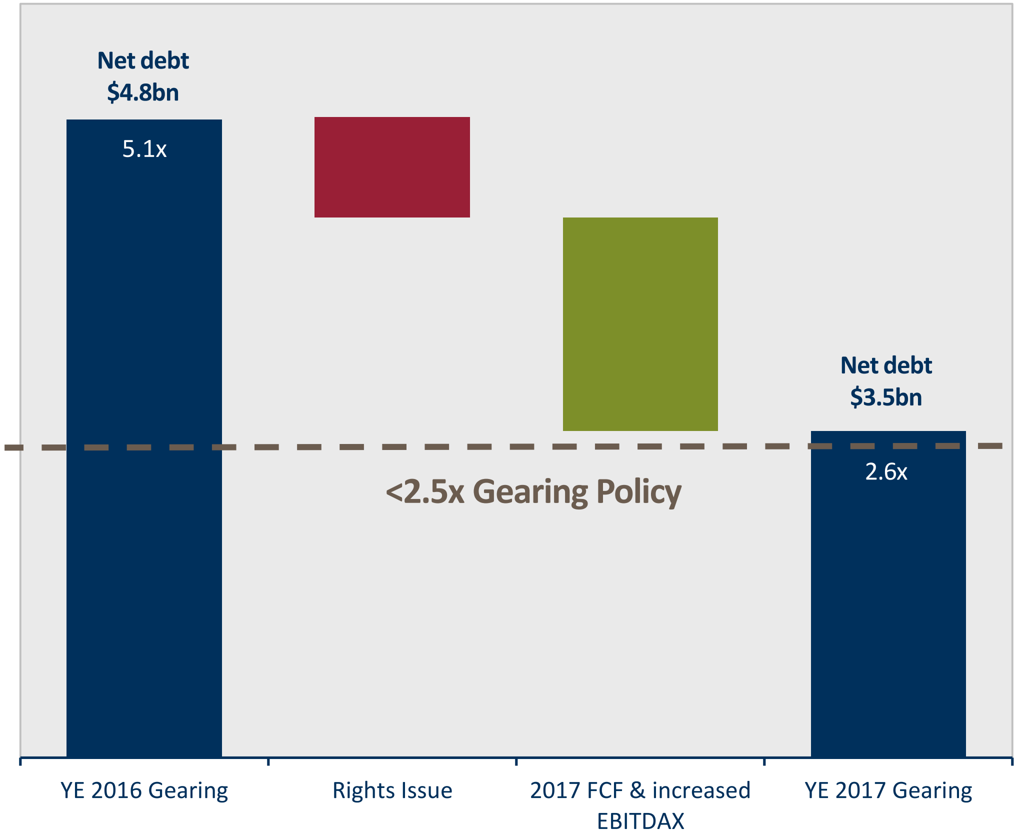
Capital investment	Free cash flow	Net debt	Gearing
$225million ▼	$543million ▲	$3.5billion ▼	2.6 times ▼
FY 2016: $857 million	FY 2016: $(792) million	YE 2016: $4.8 billion	YE 2016: 5.1 times

1) Revenue excludes $162 million additional revenue from Corporate Business Interruption insurance
2) Profit/(loss) includes non-cash impairment of property, plant and equipment of $347 million (post-tax)
3) Capex excludes $58 million of Uganda capex expected to be reimbursed at completion of farm-down

Strong financial platform as we enter 2018

A STEP CHANGE IN NET DEBT AND GEARING

Gearing reduced to 2.6x – approaching policy target



Significant progress towards policy

- Net debt reduced by $1.3bn
  - Equity proceeds of $721 million
  - Free cash flow of $543 million
- Reduced gearing by 50%

Operating below 2.5x gearing

- Maximise free cash flow
- Balance uses of cash:
  - Further debt reduction
  - Investment opportunities
  - Shareholder returns

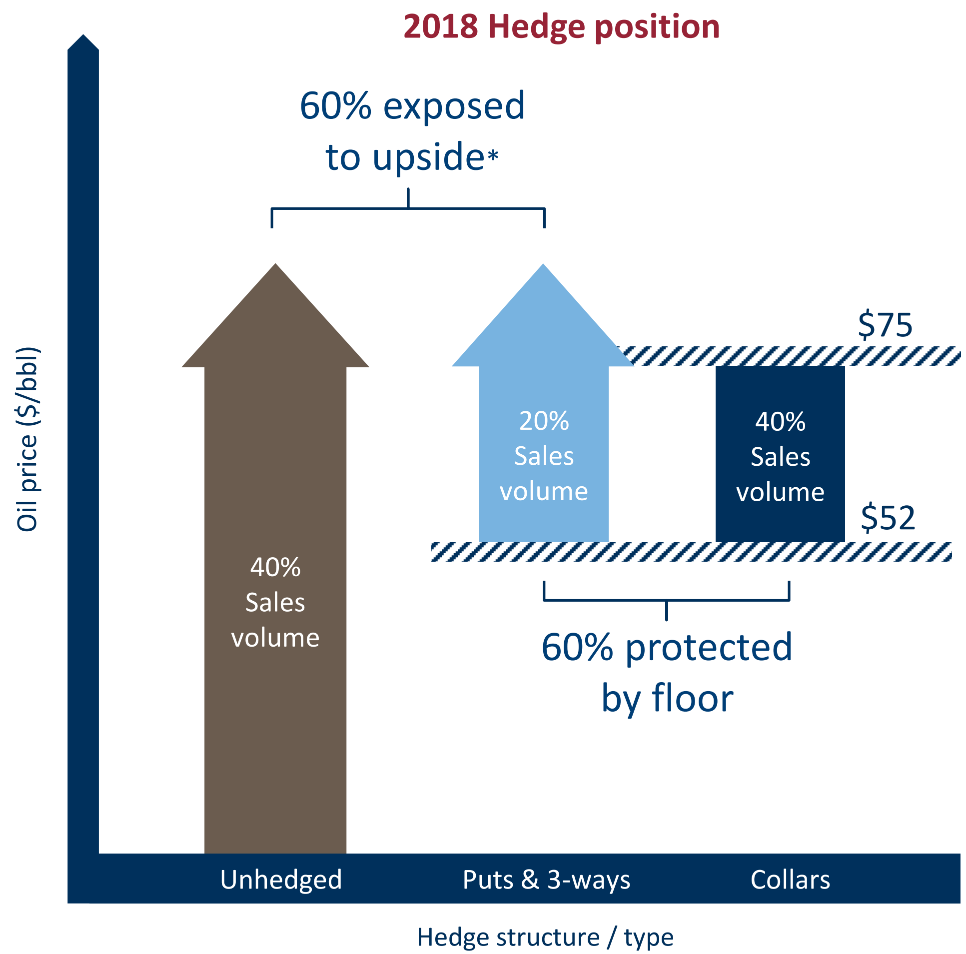
Note: all references to “gearing” above refer to the gearing ratio calculated as Net Debt/Adjusted EBITDAX

Significant deleveraging through Rights Issue and free cash flow generation

HEDGING STRATEGY - MAINTAINING EXPOSURE TO OIL PRICE UPSIDE

Long-term financial risk management

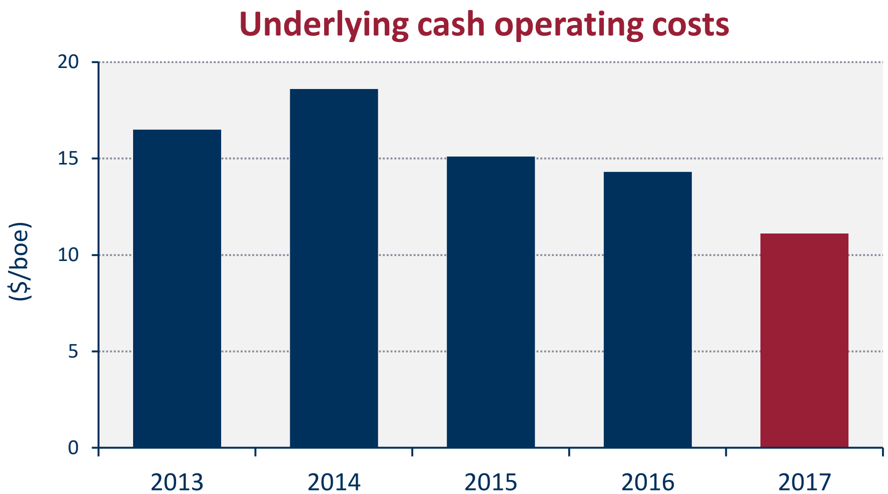
- Proactively hedged production over last 10 years to protect revenues
- Cumulative realised revenue of ~$850m from hedging during 2015 to 2017
- Systematic approach to hedging will continue even as oil price stabilises
- Hedging strategy in place:
  - Protects downside
  - Maximises upside exposure
  - 60%/30% hedged (Yr 1, Yr 2)



Prudent financial risk management delivers value and protects revenues

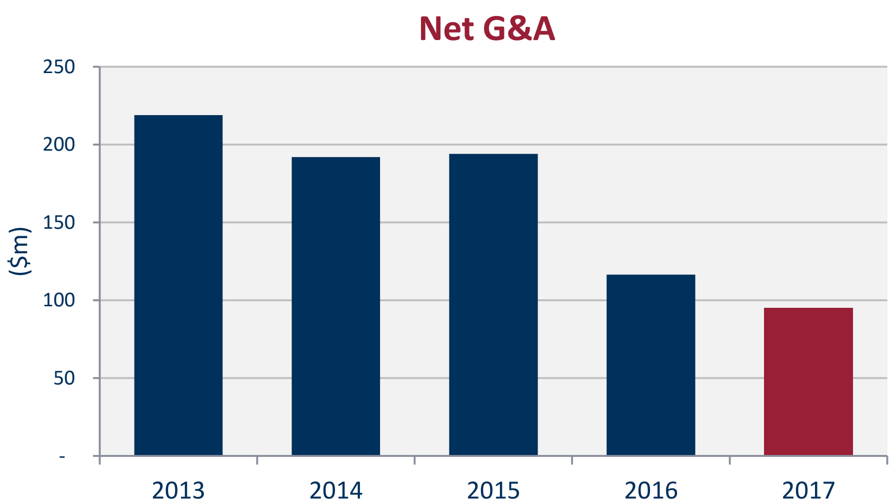
* 10% of sales volumes are hedged using three-ways with upside participation up to $71 and above $78

DRIVING DOWN COSTS ACROSS THE BUSINESS



Low-cost production assets

- Cash operating costs of $11.1/boe[1]
- Targeting ~$10/boe going forwards
- Ghana 2017 opex <$8/boe, ahead of 2018 target



Cost discipline firmly embedded

- Ongoing cost of running the business down by 50%
- Delivered $581m of revised target of $650m cash cost savings
- Continuous optimisation to match current activity set

[1] Excluding prior year accrual reversals, the underlying cash operating costs were $11.7/boe

CAPITAL INVESTMENT PRIORITISED ON HIGH RETURN ASSETS

Disciplined capital allocation

- Continued focus on balancing deleveraging and growth
- Capital allocation screened against strict criteria to maximise returns
- Minimise commitments to retain flexibility in response to market conditions
- Flexible range of $200m to $600m over the next three years

Core activities for 2018 capital expenditure of $460m

		2018	($m)	2017
Ghana	1 rig drilling programme and maintenance	250		85
CWA	Maintenance and flexible infill drilling programmes	40		27
Kenya	Optimised pre-FID expenditure	80		86
Exploration	Seismic acquisition, prospect generation, high-impact drilling	90		98

Capex recovered through deferred consideration

Uganda	Project expenditures	110		58

Notes:

i. Ghana capex is stated excluding $69m of prior year capex accrual reversals due to changes in estimates

ii. Capital expenditure excludes decommissioning costs; onerous service contracts; and is net of Jubilee Turret remediation costs

iii. At completion of the Uganda farm-down, Tullow is also due to receive $100 million cash consideration along with re-imbursement of 2017 capex of $58 million. A further $50 million cash consideration is due to be received when FID is achieved.

MAXIMISING REVENUE THROUGH PRODUCTION

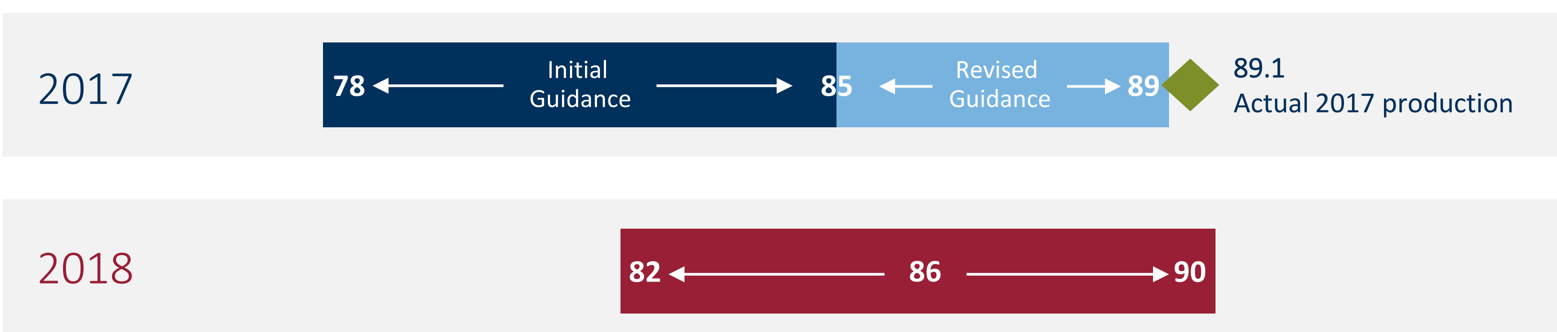
2017 production performance

- Strong delivery, exceeding revised guidance
- Successful optimisation of TEN production, while maintaining prudent well management
- Good production performance, despite no new Ghana drilling and reduced investment in Non-Op portfolio
- TEN producing at ~70 kbopd over the last few months

2018 production guidance

- TEN to ramp up following drilling, completion and tie-in of new wells
- Continued insurance cover for Jubilee Turret related production losses
- Upside potential with continued strong performance

Production guidance (kbopd)



CONTINUING OUR DISCIPLINED APPROACH

Disciplined approach

Monetisation

Maximising revenue from production

Portfolio management

Use of cash flow

Selectively investing in assets

Balance sheet deleveraging

Short-to-medium term objectives

Deliver financial strategy

- Maximise free cash flow through continued cost discipline
- Balance sheet optimisation; operate below 2.5x gearing
- Continued prudent financial risk management
- Deliver shareholder returns

Maximise value from current portfolio

- Grow production, maximise Ghana FPSO throughput
- Progress Uganda & Kenya developments towards FID
- Complete Uganda farm-down, continue portfolio optimisation
- Prepare for exploration drilling from 2H 2018 onwards

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BUSINESS UPDATE

PAUL McDADE - Chief Executive Officer

OPERATIONAL PROGRESS ACROSS THE BUSINESS

TULLOW plc

West Africa
Build and extend revenues

- TEN producing at 70,000 bopd
- Ghana drilling to recommence Feb 2018
- Jubilee Turret repair progressing to plan
- Near-field opportunities being pursued
- Focus on growing non-op portfolio
- Continuous cost and operating efficiency

East Africa
Progress developments

- Uganda deal completion and FID mid-2018
- FEED & ESIAs progressing in line with FID schedule
- Deliver ~23 kbopd, capex covered beyond First Oil
- Focus on phased development of Kenya discovered resources
- Plan to reach Kenya FID in 2019, First Oil 2021/22
- EOPS start up 1H 2018

New Ventures
Growth through exploration

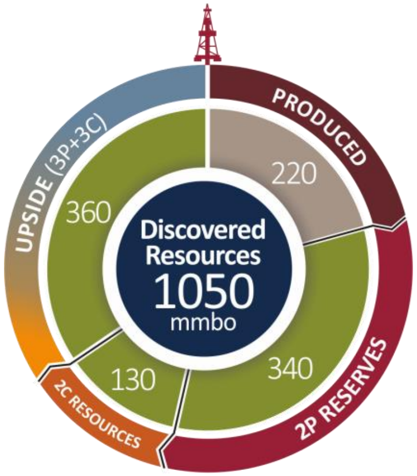
- Record year for seismic and FTG acquisition
- Significant new licences in Côte d’Ivoire and Peru
- Continuing to mature leads and rank prospects
- Multiple high-impact frontier campaigns planned over next three years
- Multi-year exploration drilling campaign to commence in 2H 18

OPTIMISING GHANA PRODUCTION AND RESERVES RECOVERY

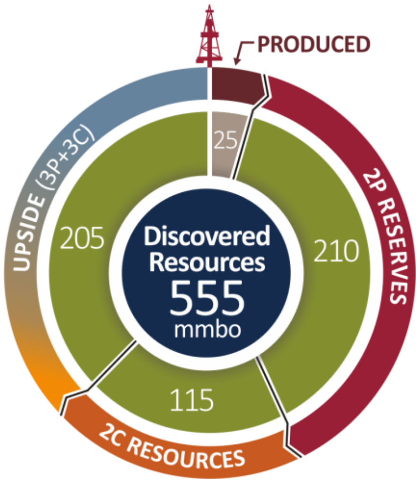
Flexible programme to maximise production

- Multi-year programme of infill wells
- Initial focus on wells that utilise existing infrastructure
- Ongoing optimisation of rig schedule
- Single rig programme can drill/complete ~5 wells per year
- Assessing business case to accelerate drilling with a 2nd rig
- Significant focus on investing capital efficiently

Jubilee oil (gross)*



TEN oil (gross)*



Average gross cost per well	\$60 - 70m
Duration to drill & complete	60 - 70 days
40% cost reduction compared to 2015	

* Rounded gross figures based on reserves and contingent resources as of 31 Dec 2017

KENYA APPRAISAL CONFIRMS MATERIAL OIL RESOURCES

Successful exploration & appraisal programme

- 11 successful exploration wells, 21 appraisal wells drilled
- Extended well tests, water injection tests and water-flood trials completed
- EOPS ready to commence in 1H 2018

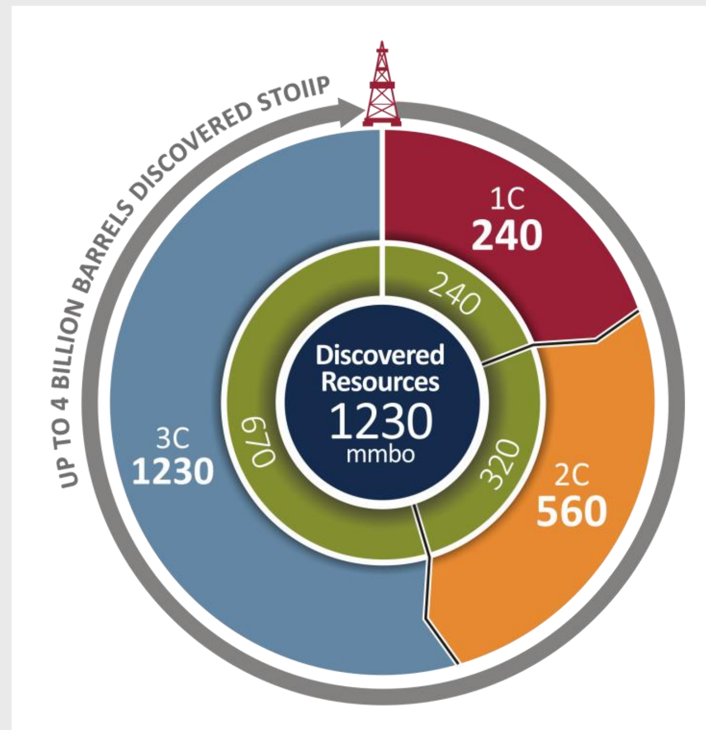
Substantial resources underpin development

- 240 – 560 – 1,230 mmbo (1C-2C-3C)
- Discovered STOIIP of up to 4 bn barrels

Material upside potential across the basin

- Undrilled exploration risked inventory of 230 mmbo
- Further potential in tight oil plays

South Lokichar basin resources



Successful appraisal confirms discovered resource base for development

DEVELOPING KENYA'S DISCOVERED RESOURCES

South Lokichar development plan

- Discovered resources support development via export pipeline to Lamu
- Phased development approach planned
- Incremental developments to follow initial Foundation Stage, utilising installed infrastructure
- Full development to achieve plateau production of 100,000 bopd+

Amosing/Ngamia Foundation Stage

- Foundation Stage targeting 210 mmbo
- Initial production of 60,000 - 80,000 bopd
- Allows early FID to take advantage of low cost environment
- Targeting FEED: 2018, FID: 2019, First Oil 2021/2
- Foundation Stage gross capex of $2.9bn
  - Upstream $1.8bn
  - Pipeline $1.1bn
  - ~80% spend to First Oil

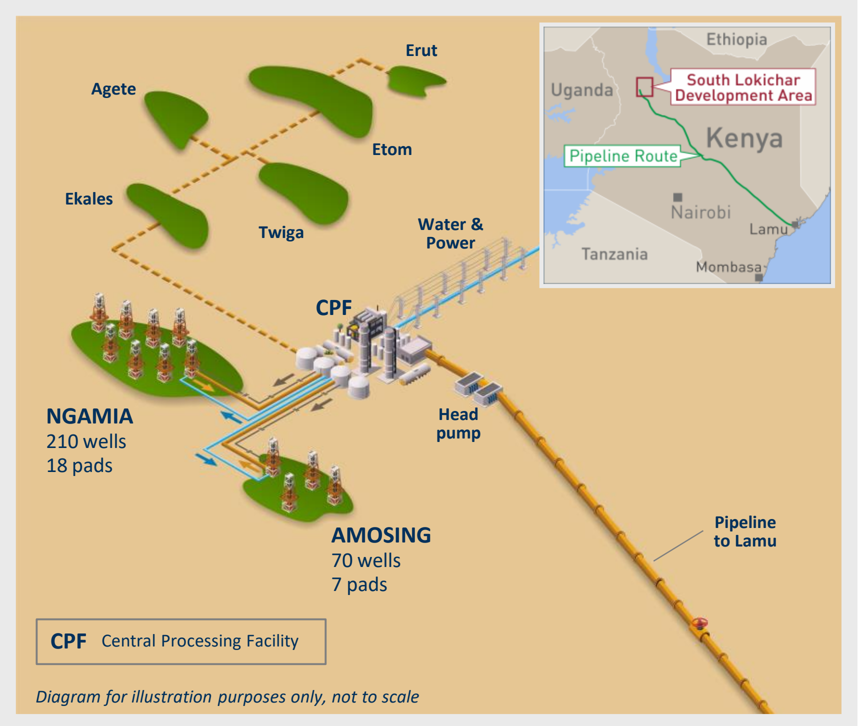
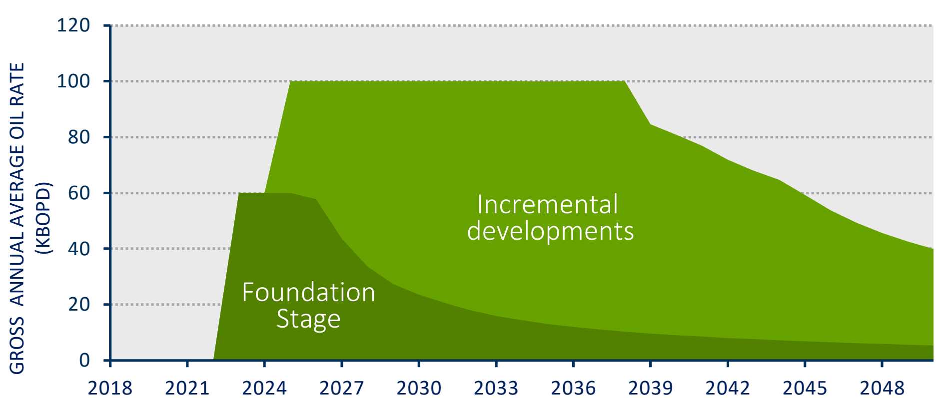


Diagram for illustration purposes only, not to scale



EXPLORATION: KEY PART OF LONG-TERM GROWTH STRATEGY

Business foundations

- Basin opening team
- Focus on high margin light oil
- Balancing frontier & emerging plays
- Geographic focus in Africa & S. America
- High-impact prospect portfolio
- Fully reset to new business environment

Disciplined approach

Low-cost, high-impact

- Rigorous technical & commercial screening
- Simple trigger wells & material follow-up

Value realisation

- Farm-downs for carries & risk spread
- Maintain material exposure to upside

Future value generation

Active Ventures

- Guyana / Suriname
- Namibia / Mauritania

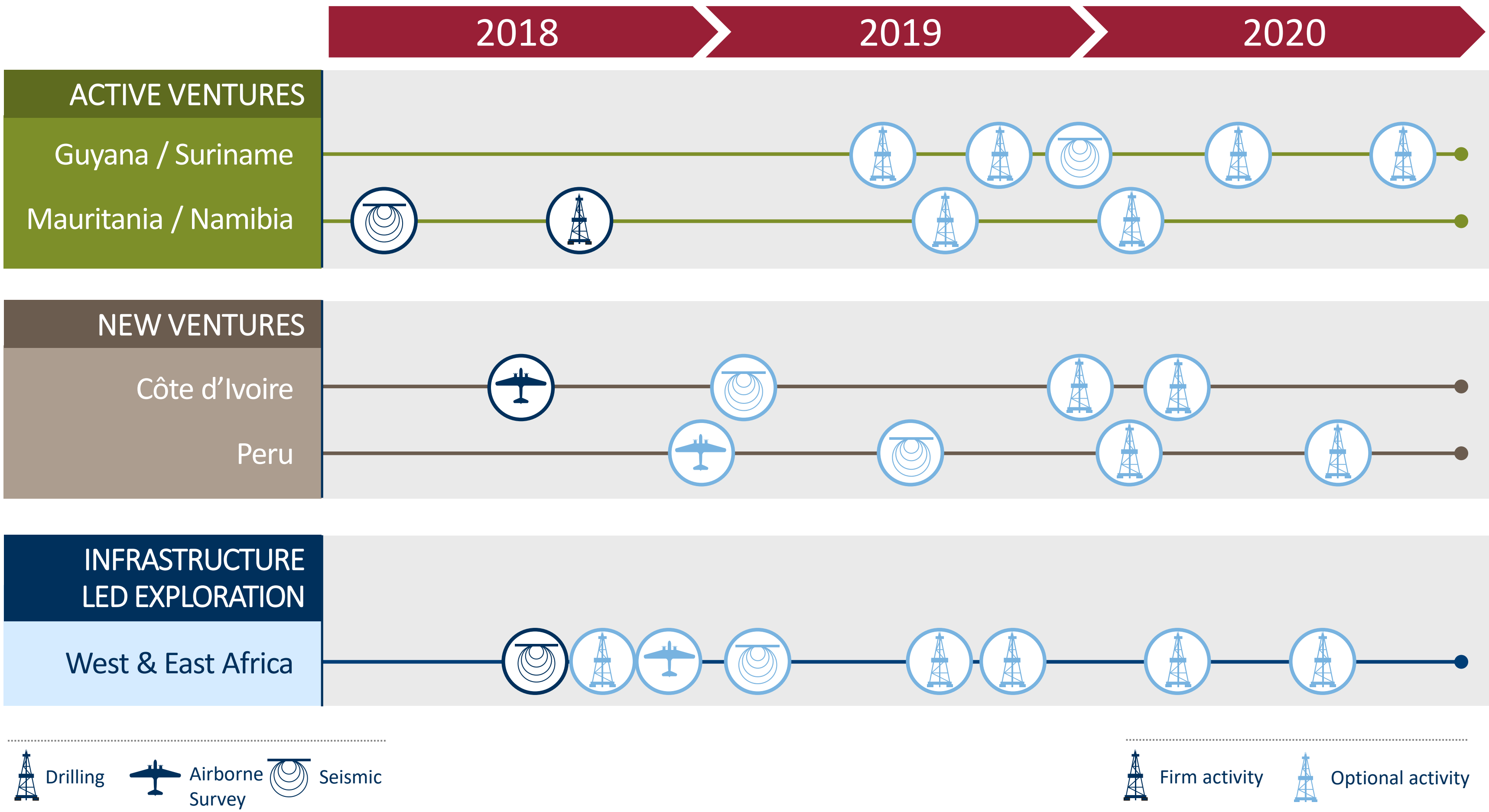
New Ventures

- Côte d'Ivoire
- Peru
- Business development

Infrastructure-Led Exploration

- West & East Africa

MULTIPLE HIGH-IMPACT CAMPAIGNS OVER NEXT THREE YEARS



Competing options in exciting exploration positions in oil prone basins

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CONCLUSION

PAUL McDADE - Chief Executive Officer

WELL POSITIONED FOR THE FUTURE

Business foundations

- Smooth transition to new Executive team
- Asset base significantly de-risked
- Significantly improved financial foundation

Disciplined approach

- Rigorous focus on costs and strict capital allocation
- Maximising production revenue & free cash flow
- Continued active management of portfolio

Future value generation

- Enhance & replenish existing portfolio
- Seek & realise options for growth
- Deliver shareholder returns

Excellent progress made in 2017 provides a strong platform for growth

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APPENDIX

A LEADING GLOBAL INDEPENDENT EXPLORATION & PRODUCTION COMPANY

Established record of delivering successes

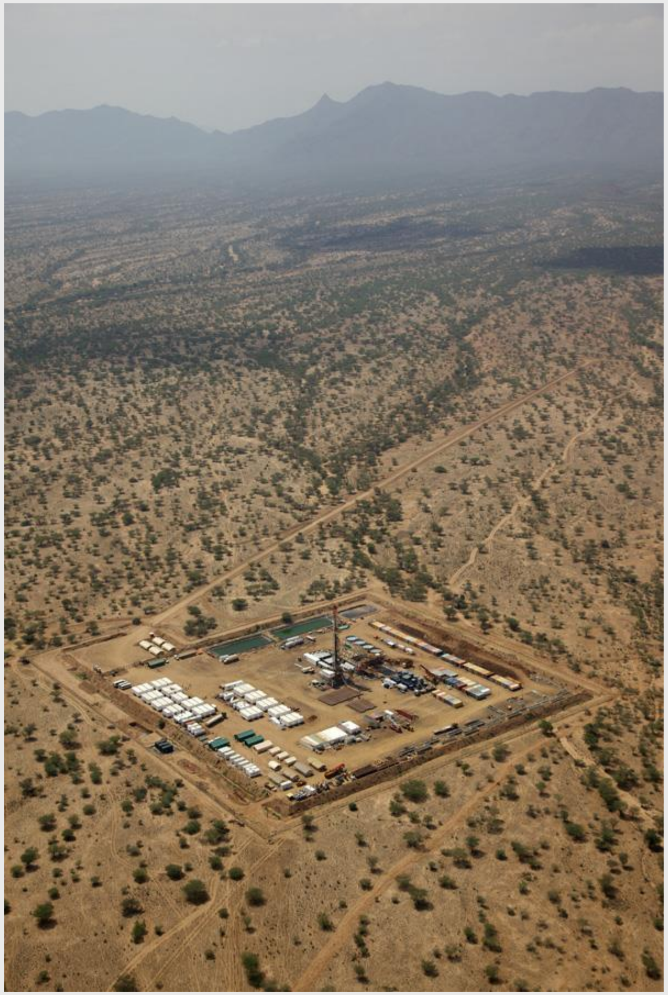
- The business has developed organically and through acquisitions since 1985

Diversified world-class asset base

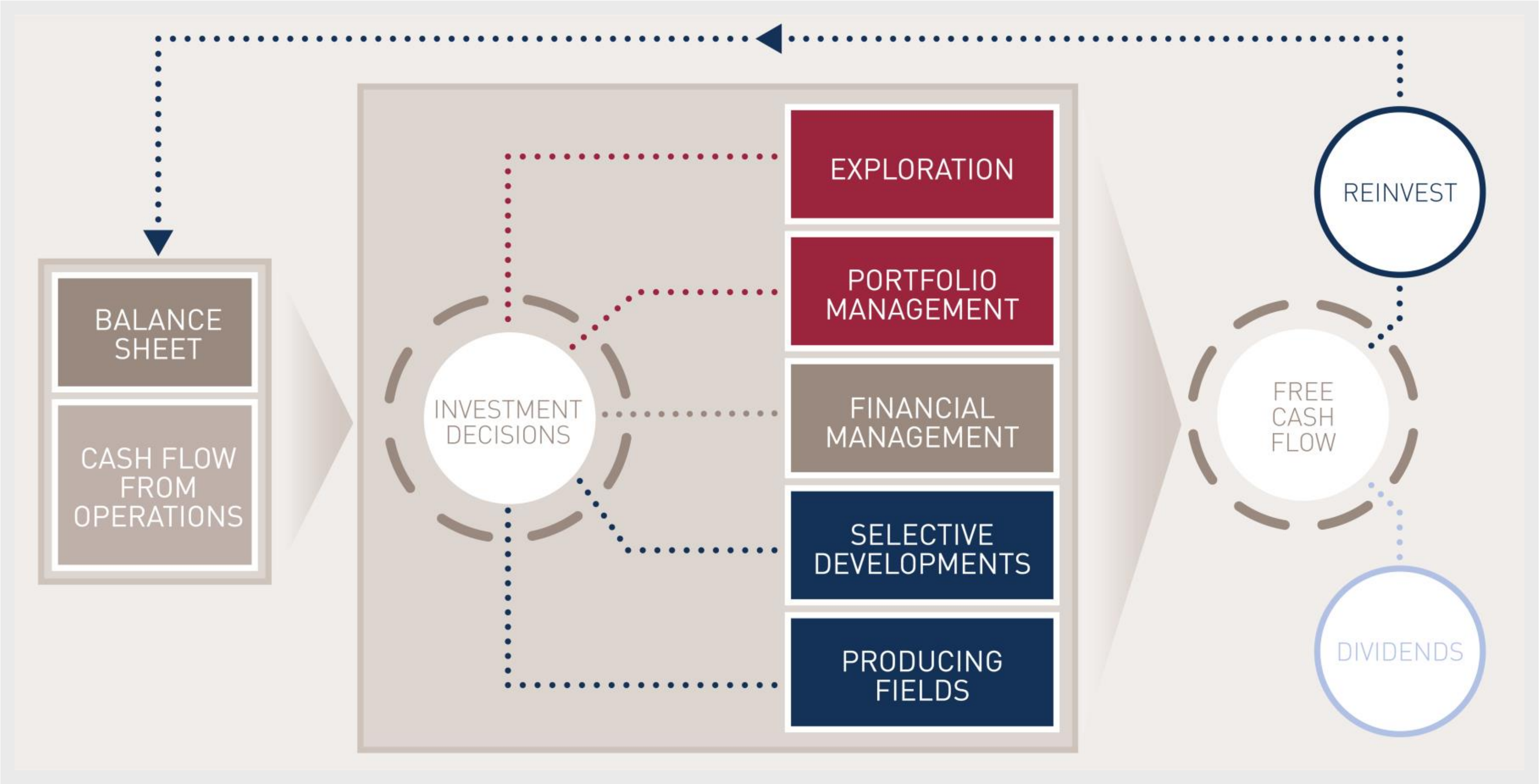
- Focus on Africa and South America
- 90 licences across 16 countries
- Strategic positions in key petroleum basins

Three core business delivery teams

- West Africa: Low-cost oil production from Ghana and non-operated West African portfolio
- East Africa: Significant oil discoveries in Kenya and Uganda, with future development potential
- New Ventures: Building, progressing and drilling of Tullow's frontier exploration portfolio



STRATEGY: BUILDING A SUSTAINABLE, SELF-FUNDED BUSINESS



Tullow's strategy is to create a business where our low-cost, long-life asset base in Africa creates the high-margin cash flow to fund our growth, reduce our debt and deliver shareholder returns

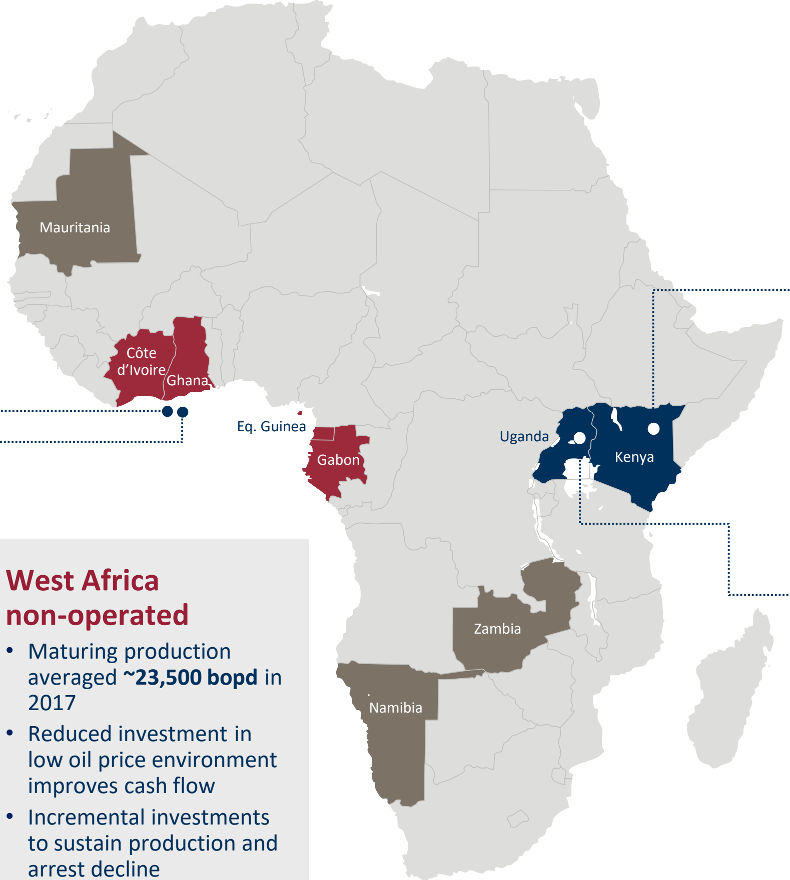
PRODUCTION & DEVELOPMENT ASSET BASE

TEN field

- First oil achieved in August 2016
- FPSO gross capacity of 80,000 bopd **(net WI ~35,000 bopd)**
- Gross production of 56,000 bopd in 2017; forecast of 64,000 bopd in 2018

Jubilee field

- FPSO gross capacity of 120,000 bopd **(net WI ~40,000 bopd)**
- GJFFD plan is a multi-year incremental drilling programme to maximise and sustain production.



West Africa non-operated

- Maturing production averaged **~23,500 bopd** in 2017
- Reduced investment in low oil price environment improves cash flow
- Incremental investments to sustain production and arrest decline

Kenya

- Significant discoveries in South Lokichar basin
- Phased development plan to reach 100+ bopd at plateau
- Driving towards First Oil in 2021/22

Uganda

- Estimated 1.7bn bbls of discovered resources in Uganda, development progressing; c.230kbopd gross production; expected capex covered beyond first oil

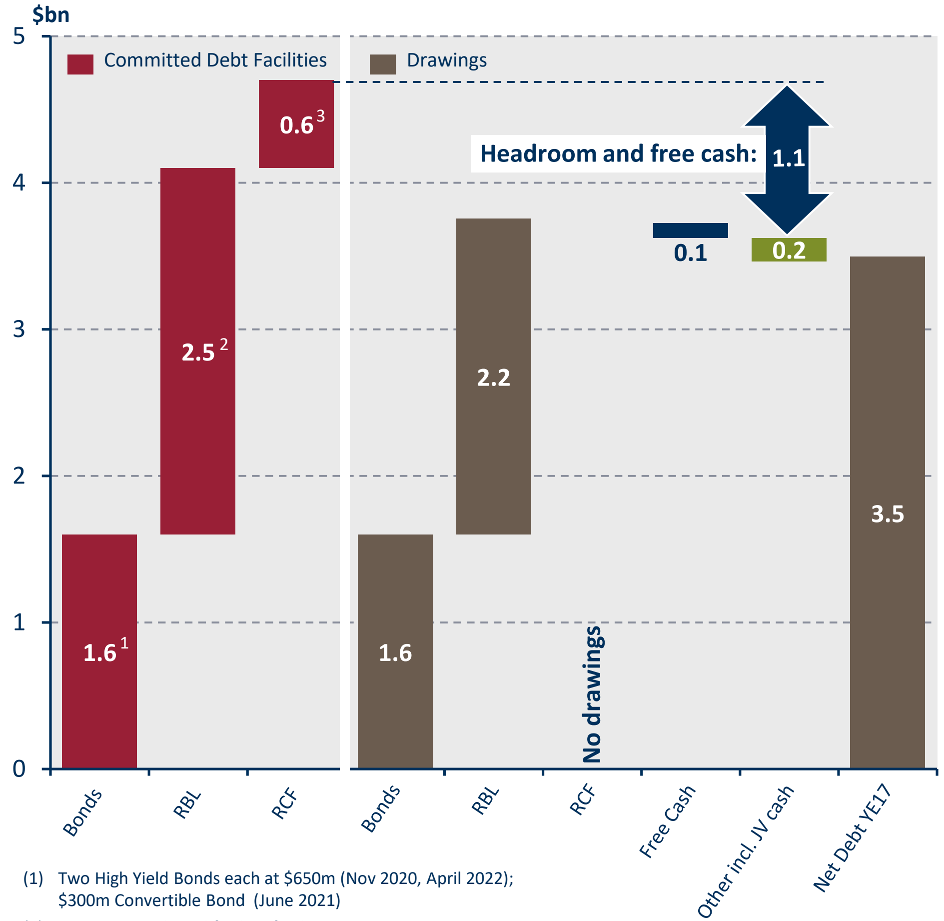
2017 West Africa production: 89,100 bopd

2018 West Africa production guidance: 82,000 - 90,000 bopd

Low-cost producing assets with value-adding portfolio opportunities

BALANCE SHEET, DEBT PROFILE AND LIQUIDITY

Liquidity	• $1.1bn facility headroom and free cash at YE 17 • No material near term debt maturities • Minimum $0.5bn headroom going forward
RBL	• $2.5bn refinancing completed in Nov'17 • 3 year grace period agreed
Corporate Facility	• $600m commitments and available credit • Commitments scheduled to reduce to $500m in Apr'18 and $400m in Oct'18 • Final maturity Apr'19
Bonds	• $1.3bn High Yield Bonds • $0.3bn Convertible Bond • Next maturity Nov'20, $650m high-yield bond



(1) Two High Yield Bonds each at $650m (Nov 2020, April 2022); $300m Convertible Bond (June 2021)

(2) Reserve Based Lend facility; final maturity Nov 2024

(3) Revolving Corporate Facility; reduces to $500m in April 2018, $400m in Oct 2018; final maturity April 2019

Diversified debt capital structure with no material near-term maturities; $1.1bn liquidity headroom at YE17

JUBILEE FIELD UPDATE

Turret remediation project

Interim spread moor
- Temporary heading completed
- All equipment installed
- Tugs removed

Stabilise turret bearing
- Turret modifications for long-term operations
- Downtime of 4 - 6 weeks in Q1 2018

Rotation & offloading system
- Rotation of vessel to optimum heading - approx. 3 weeks of downtime end 2018
- Finalisation of offloading system in 2019

Securing the path to stable long-term production

- Greater Jubilee Full Field Development Plan designed to maximize production and extend production profile
- Government approved GJFFD plan in October 2017
- Incremental drilling programme to commence in February 2018

Year	Net bopd	Net (incl. insurance) bopd
2017	31,800	**39,200**
2018f	26,900	**37,100**

TEN FIELD UPDATE

Successful project execution and completion

- Project delivered on time and on budget in 2016
- FPSO tested in excess of design capacity (80,000 bopd)
- Production data supports oil in place and reserves

2017 & 2018f Production

- 2017 gross average production of 56,000 bopd
- 2018f gross average production of 64,000 bopd

Drilling to recommence February 2018

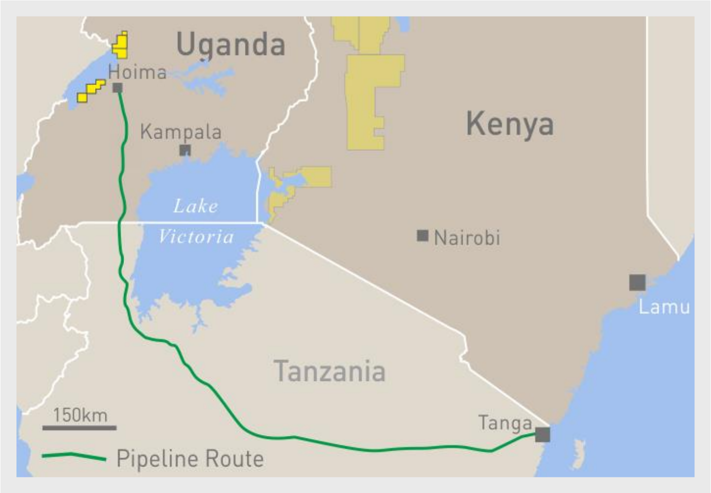
- ITLOS boundary decision given in September 2017 with no adverse impact on the TEN field
- Reservoir data being used to optimise position of new wells
- Drilling to re-commence with a Ntomme production well
- Further incremental drilling to maximise FPSO throughput

TEN continues to build high-margin production, long-life cash flow

UGANDA DEVELOPMENT

Farm-down to Total announced

- $900m consideration:
  - $200m cash - $100m on completion, $50m at FID, $50m at first oil
  - $700m in deferred consideration
- Deferred consideration exceeds Tullow's estimated share of upstream and pipeline capex to 1st oil
- Supports project momentum and JV's ambition for FID mid-year 2018



Development milestones to FID

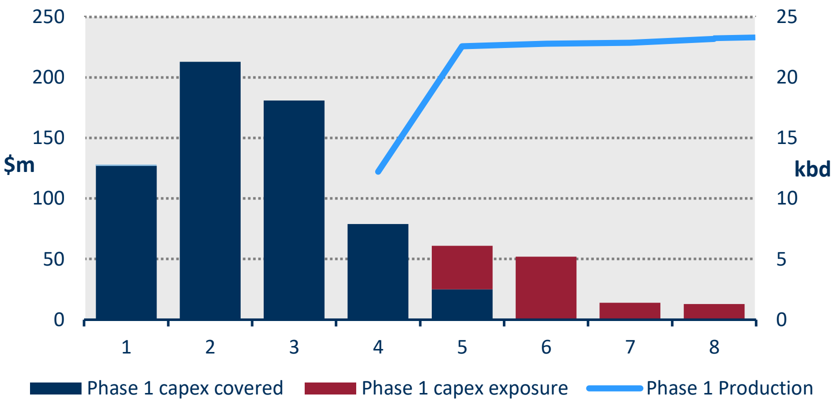
Upstream:

- Phase 1 development to deliver 230kbopd plateau
- FEED, ESIA and technical studies under way

Pipeline:

- FEED and EISA continue to plan
- Inter-governmental agreements signed to secure pipeline routing and commence key commercial agreements

Net upstream & midstream development capex & production



Monetisation expected to deliver ~23,000 bopd of long-term, low-cost net production whilst covering Tullow's capex exposure to first oil

EXPLORATION: CAMPAIGNS FOCUSED ON LONG-TERM VALUE

Off-limits Exploration

- Ultra-deepwater
- Deepwater gas
- Shale oil
- Arctic
- Over-heated bid rounds
- Above ground too difficult
- Complex wells
- Poor rocks
- Significant over-pressures
- Over-explored
- Dispersed resources

Commercial screening

- Tested at $50/bbl
- Low cost of supply
- Value accretive

Capital & risk screening

- Low capital exposure
- Acceptable risk / reward
- Control over JV spend

Geology screening

- Materiality
- Campaign NPV >$1Bn
- New play / territory

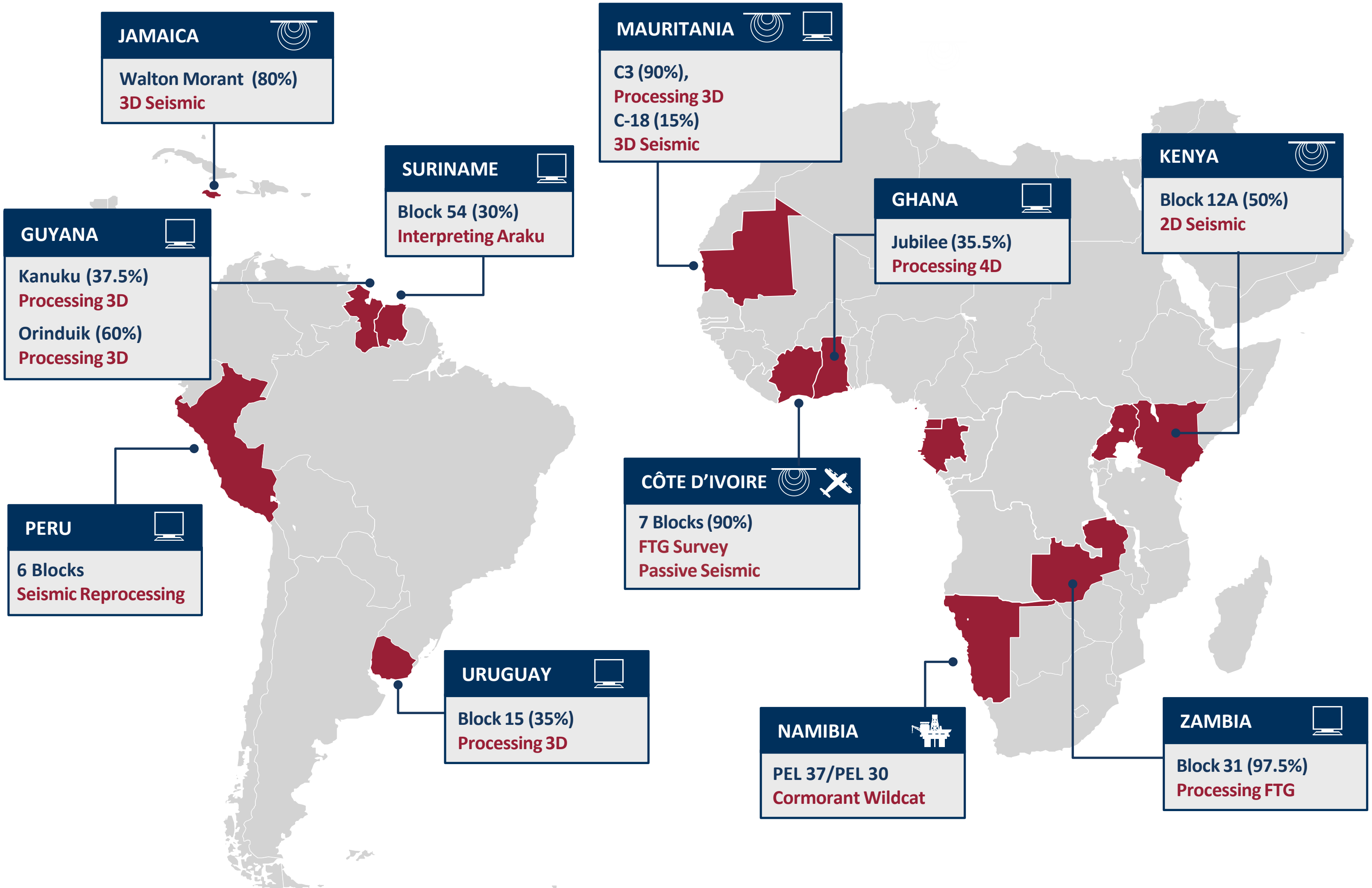
High margin oil

Onshore rifts
East Africa light oil

Simple offshore
Africa &
South America

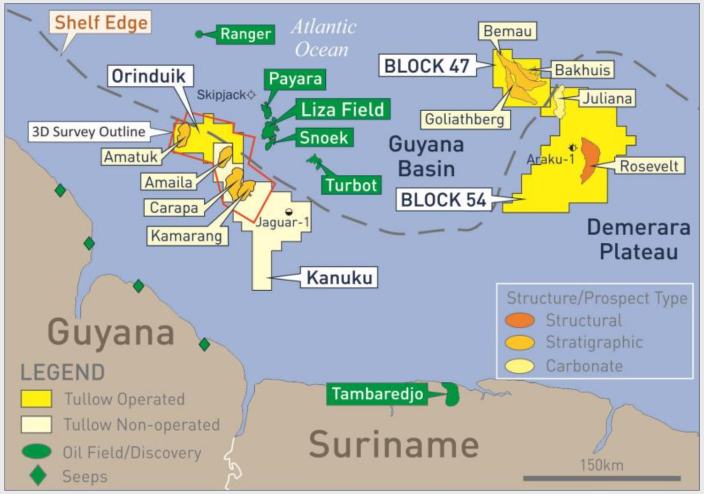
Production heartlands
West Africa light oil

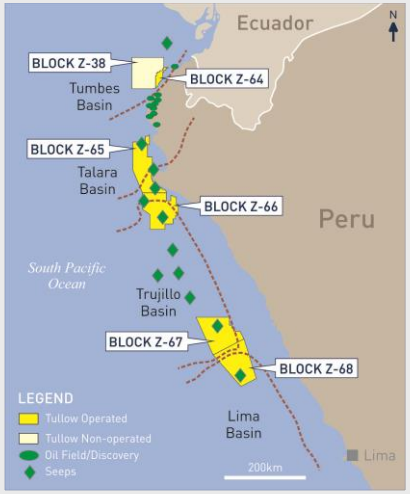
EXPLORATION & APPRAISAL ACTIVITY IN 2018

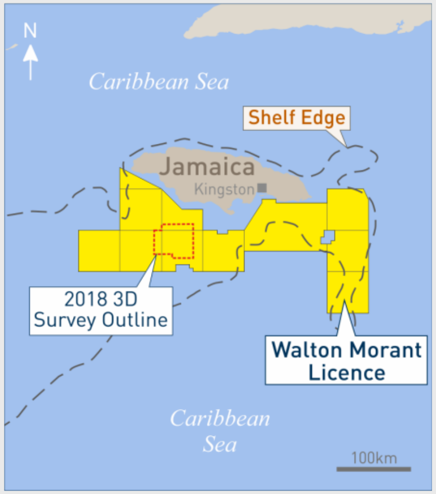


SEISMIC Acquisition | Processing / Re-processing | Airborne Surveys **DRILLING** Offshore | Onshore

SOUTH AMERICA: HIGH-IMPACT PROSPECTS





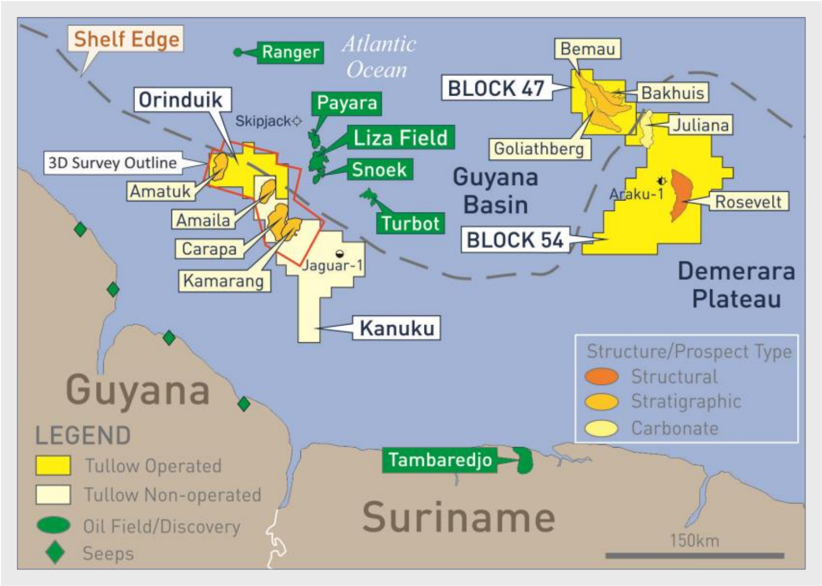


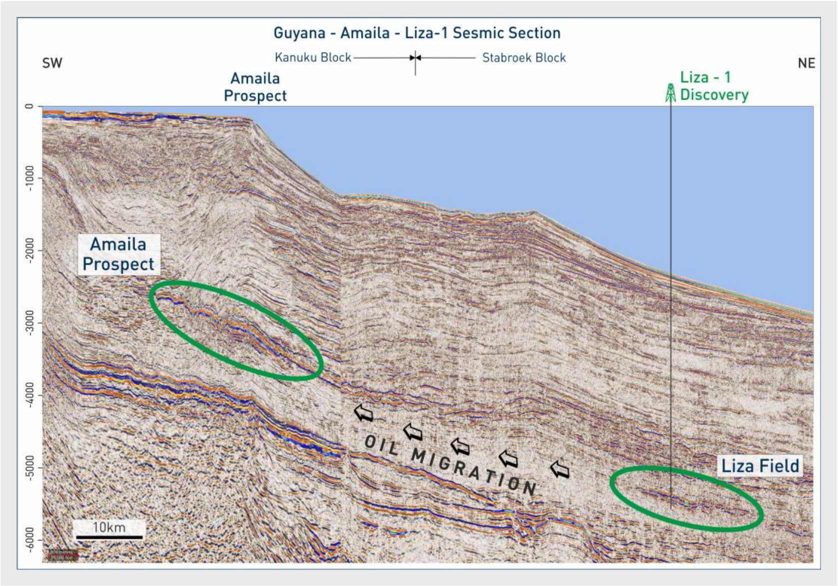
- Guyana: attractive acreage up-dip of Liza-1 oil discovery; ongoing processing of seismic
- Suriname: low-cost oil plays; Araku-1 drilled in 2017; further prospects for future drilling
- Peru: new country entry announced in Jan 18*; six licences agreed across 28,000 sq km
- Jamaica: interpreting new 2D seismic data; 3D seismic survey planned for 2018
- Uruguay: significant potential in the Pelotas Basin; 3D seismic being processed

Substantial acreage positions with long-term future upside potential

*Peru licences subject to Government approval, formal signing expected in Q1 2018

GUYANA-SURINAME: EXCELLENT POSITION IN NEW OIL PROVINCE





Guyana:

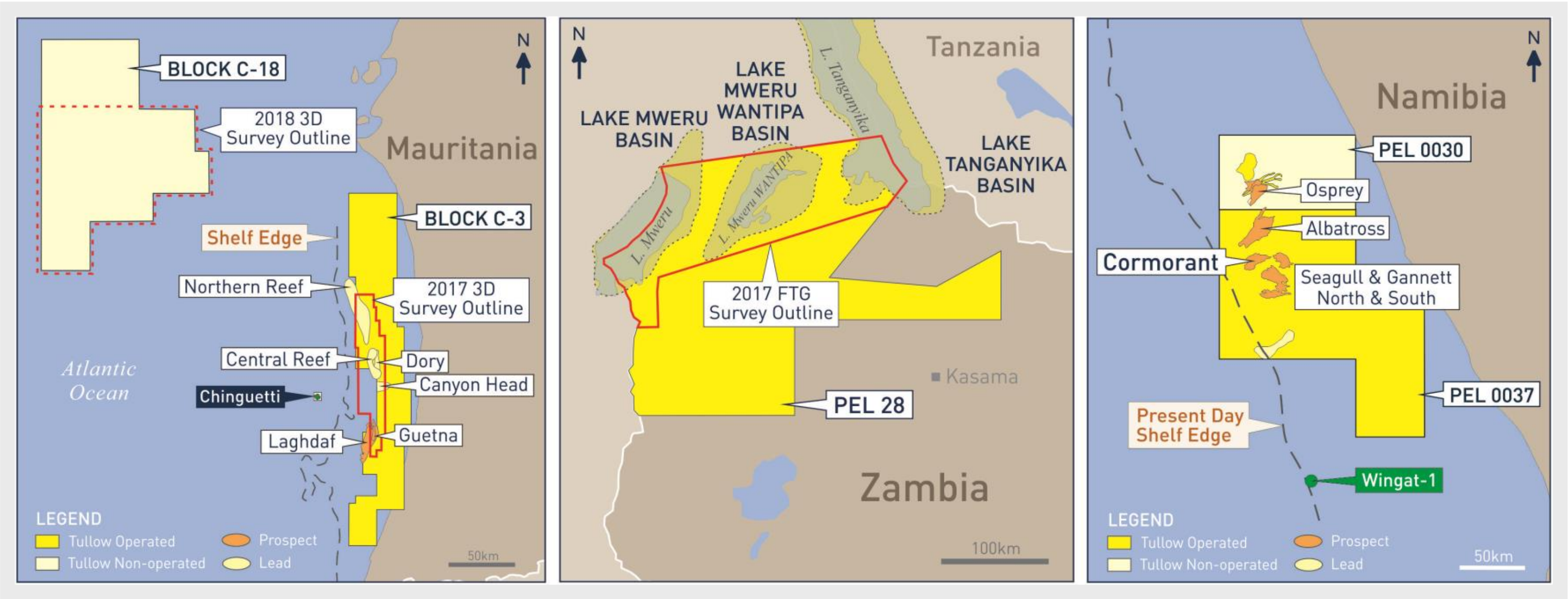
- 3D seismic programme completed in 2017; data processing ongoing
- Multiple high-quality, shallow water prospects being matured and ranked for potential drilling in 2019

Suriname:

- Araku-1 in Suriname drilled in Q4 2017 ($11m net to Tullow, Operator 30%)
- No commercial discovery made but presence of gas condensate de-risks deeper plays

Game-changing low-cost prospects with multiple follow-up potential

AFRICA: HIGH-IMPACT LEADS AND PROSPECTS

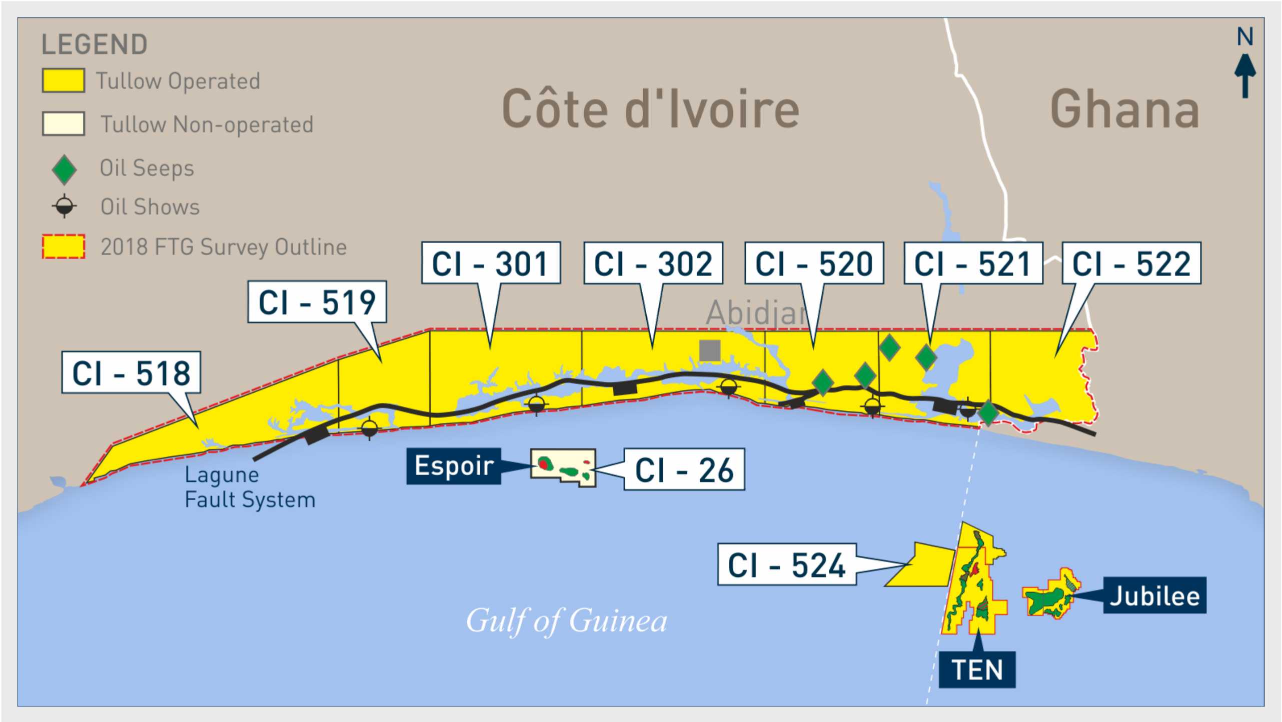


- Namibia: material oil play in low-cost shallow water setting; drilling of Cormorant prospect in 2018
- Mauritania: exploration focus shifted to low-cost shelf-edge oil plays, 3D seismic acquired in 2017
- Zambia: extension of East African Rift Basin Play; High Gravity survey completed in October 2017
- Ghana: near field & exploration potential to extend production plateau and increase reserves
- Côte d'Ivoire: extensive new acreage position with seven onshore blocks and one offshore block*

Large acreage positions onshore & offshore Africa

*Formal signing of Blocks C-520 and C-524 expected in Q1 2018

NEW CÔTE D'IVOIRE ACREAGE



- Extensive 8,600 sq km onshore acreage position built over 2017 and early 2018
- Seven onshore blocks cover transform basin fault play; FTG planned for 2018; 2D seismic in 2019
- Offshore CI-524 sits alongside the maritime border with Ghana, next to Tullow's operated TEN fields
- Mature oil industry suggests short and low-cost path to production if discoveries are made

Extensive acreage in proven petroleum systems compliment existing portfolio

*Formal signing of Blocks C-520 and C-524 expected in Q1 2018

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