



Tullow Oil plc

2012 HALF-YEARLY RESULTS

25 July 2012



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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.

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Section	Page
Introduction	4
Finance	6
Development and Operations	12
Exploration and Appraisal	21
Conclusion	33
Appendix	35



Tullow Oil plc – 2012 half-yearly results
Introduction – Aidan Heavey

Repeatable strategy delivering success



- Record results & strong balance sheet
- High impact exploration success continues
- Increasing production profile
- Strong pipeline of exploration & development opportunities
- Proven team focused on growth



Tullow Oil plc – 2012 half-yearly results
Finance – Ian Springett

2012 half-yearly results summary

	1H 2012	1H 2011	Change
Sales revenue	\$1,167m	\$1,062m	+10%
Operating profit	\$834m	\$608m	+37%
Net profit	\$567m	\$347m	+63%
Basic earnings per share	60.3c	36.9c	+63%
Dividend per share	4.0p	4.0p	0%
Capital investment ¹	\$926m	\$648m	+43%
Cash generated from operations ²	\$875m	\$875m	0%
Net debt ³	\$695m	\$2,609m	-73%

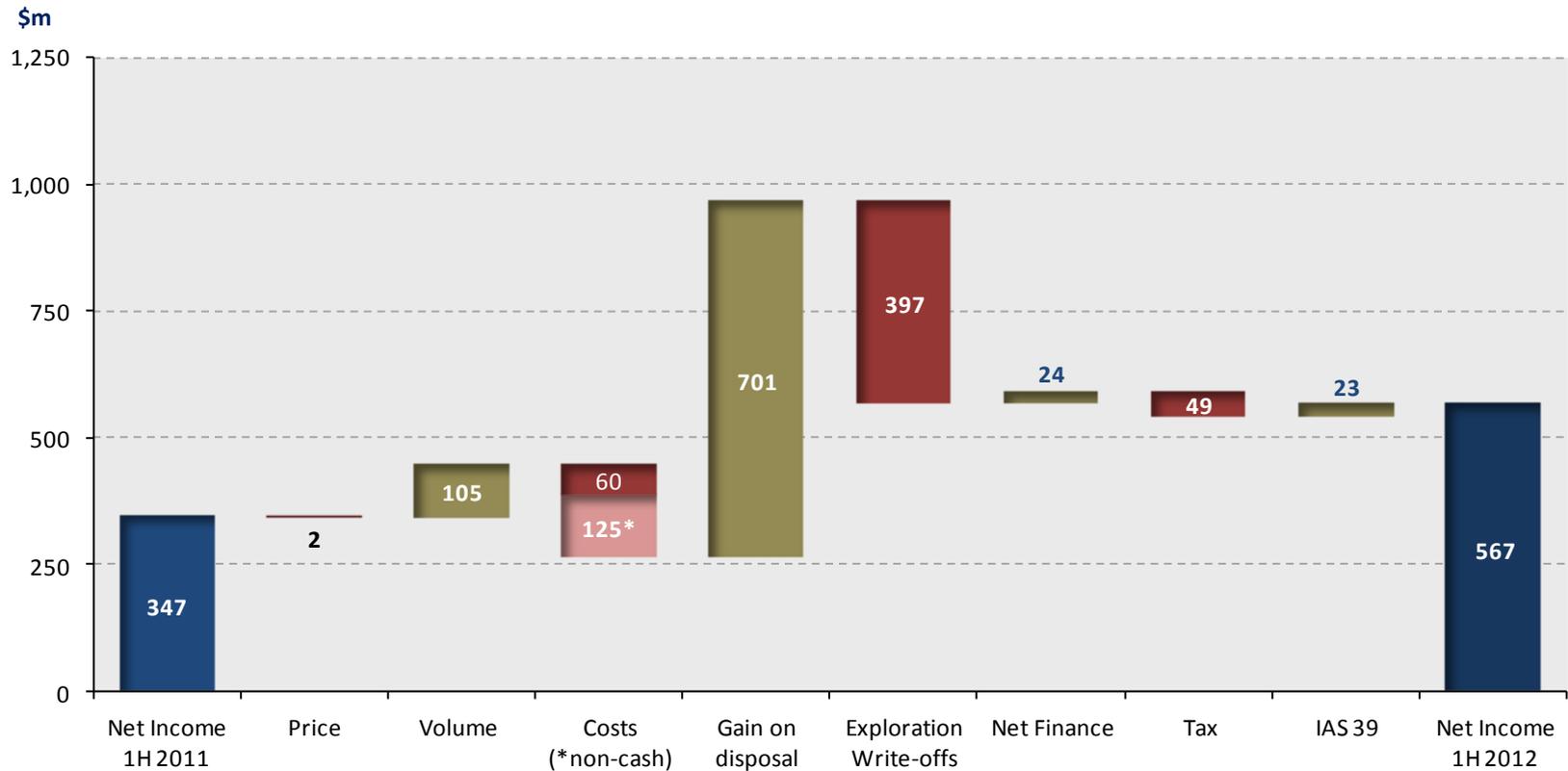
¹ 2011 excludes Nuon acquisition

² Before working capital movements

³ Net of all cash balances

Record financial results; balance sheet transformed February 2012 by Uganda farm-down

Net income 1H 2012 v 1H 2011



Net Income up 63%; significant gain on Uganda disposal offset by increased exploration write-offs

Sources and uses of funds

Cash inflow \$3,574m

- Operating cash flow \$862m* (1H 2011:\$777m*)
- Disposals \$2,568m (1H 2011:\$0m)
- Share proceeds \$15m (1H 2011:\$8m)

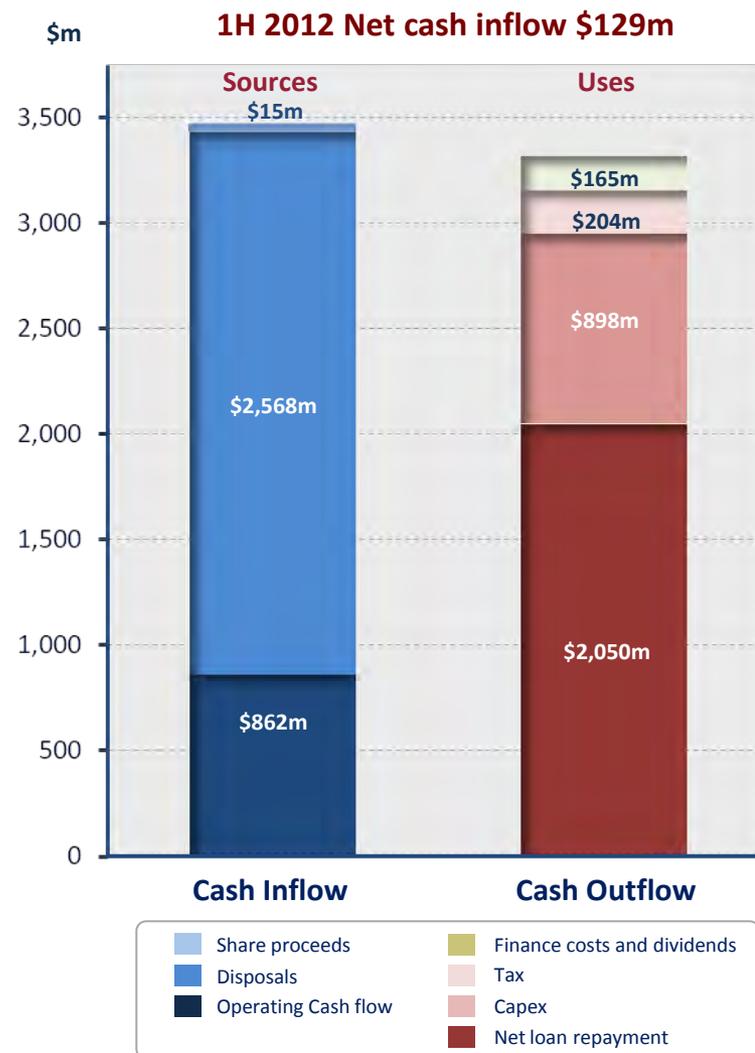
Cash outflow \$3,336m

- Net loan repayments \$2,050m (1H 2011 drawdown:\$730m)
- Cash Capex \$898m (1H 2012:Capex \$755m;acquisition \$404m)
- Cash tax paid \$204m (1H 2011:\$112m)
- Finance Costs & fees, & Dividends \$165m (1H 2011:\$179m)

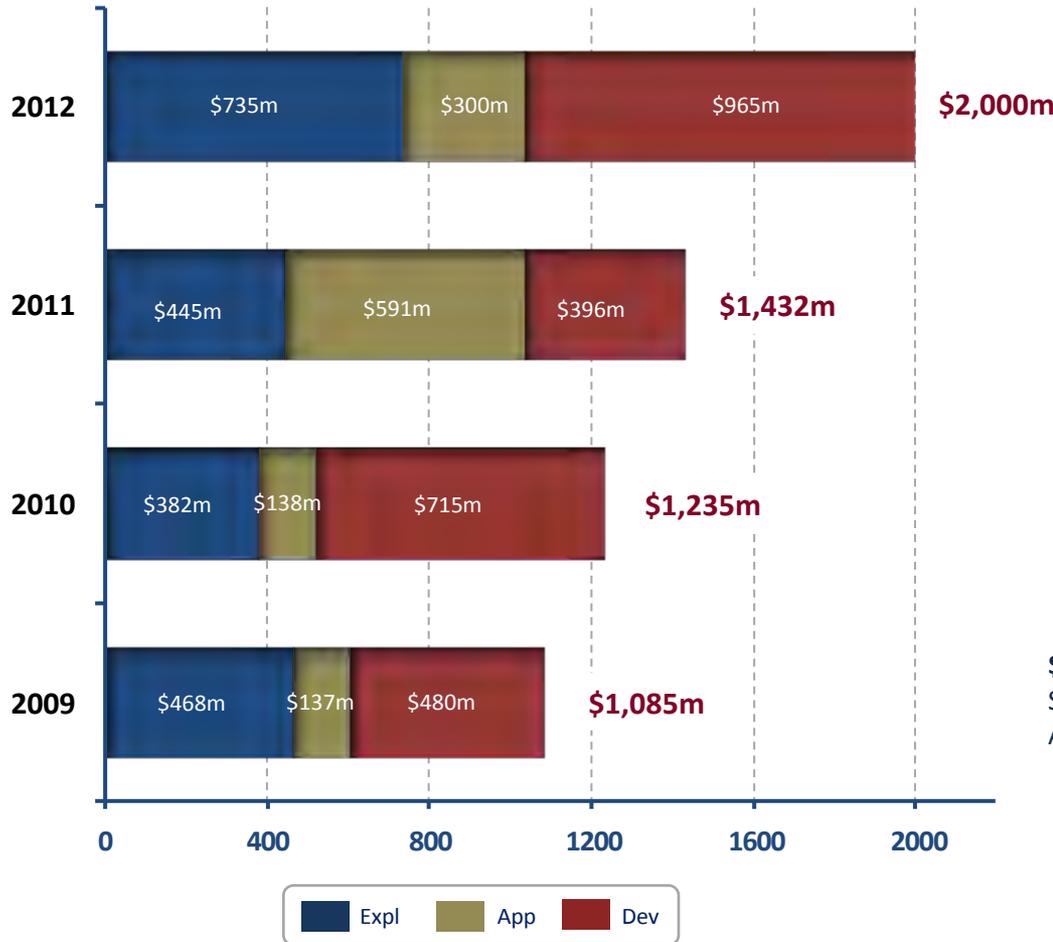
Net cash inflow \$129m

- Increase in cash balances

* After working capital



2012 capital expenditure

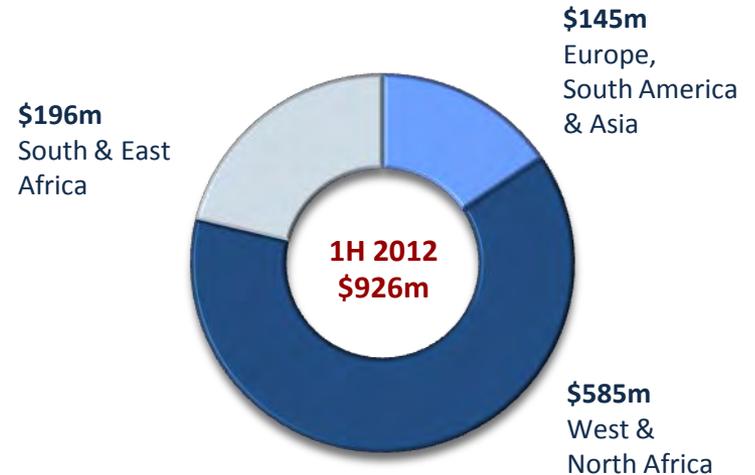


\$2 billion capex for full year 2012

- Ghana: Jubilee and Phase 1A & TEN developments
- Uganda: Lake Albert drilling
- Other Africa: Maintaining mature production & high impact exploration
- ROW: French Guiana appraisal and selected high impact exploration

1H 2012 capital split:

- >50% Ghana & Uganda; >80% Africa



Notes:

- i) 2011 Capital Expenditure excludes the Nuon and Ghana EO acquisition expenditure .
- ii) 2010 Capital Expenditure excludes the Heritage licence and Ghana FPSO lease acquisition expenditure

Strong Balance Sheet

- Record results and successful financing strategy have transformed the balance sheet
- Strong, well funded balance sheet
 - Debt facilities \$4 billion; net debt \$695 million
 - Increasing operational cash flow
- Significant value growth opportunities
 - Progressing major development projects in Ghana and Uganda
 - Further new basins opened - Kenya 2012; French Guiana 2011
 - Significant campaigns in other new basins planned
- Drive funding strategy even harder in next phase of growth
 - Strong focus cashflow plus continued portfolio high grading / monetisation
 - Further debt diversification; hedge protection
 - Ensure healthy balance of Exploration vs. Developments vs. Funding

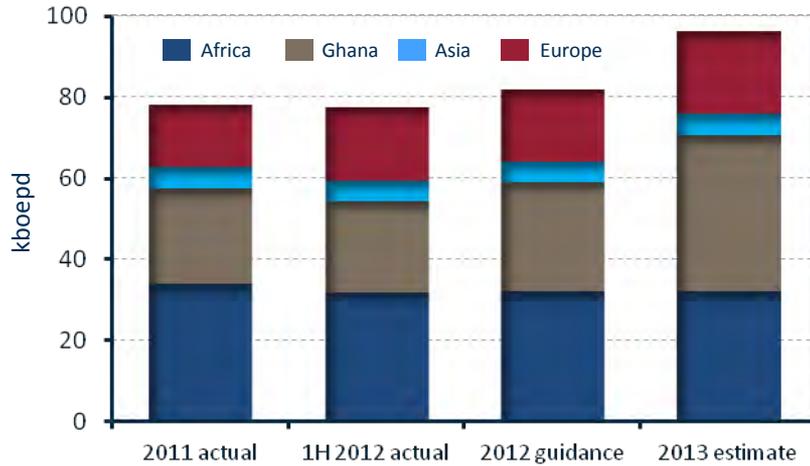


Tullow Oil plc – 2012 half-yearly results

Development and Operations – Paul McDade

Strong production performance in 1H 2012

Group working interest production

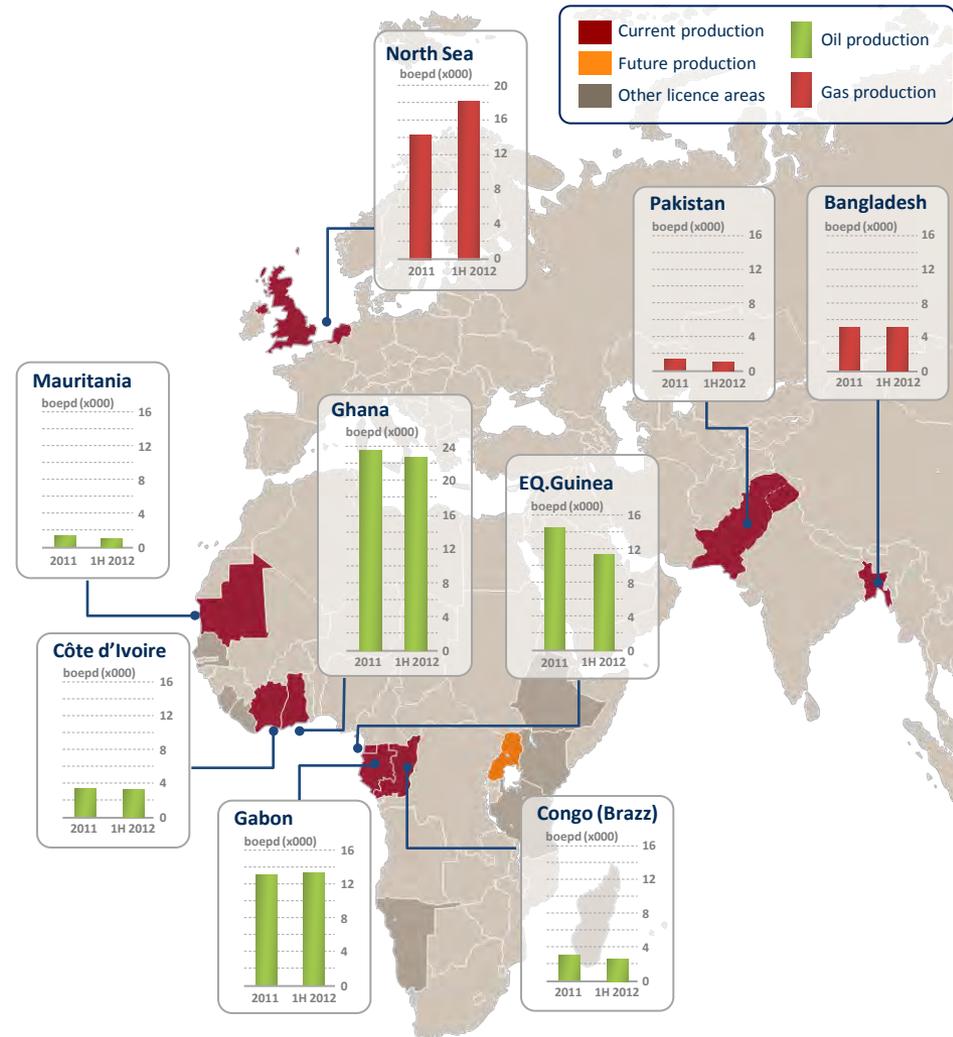


1H 2012 Production: 77,400 boepd

- Successful treatment of Jubilee Phase 1 wells
- Strong performance across UK, Africa & Asia
- 2012 guidance 80 - 84,000 boepd

Significant medium term production growth

- 2012 exit production will be > 90,000 boepd
- 2013 estimate of around 95,000 boepd
- Development portfolio potential of >200,000 boepd



Jubilee field – benefitting from a fast track phased approach

Fast tracking delivered significant benefits

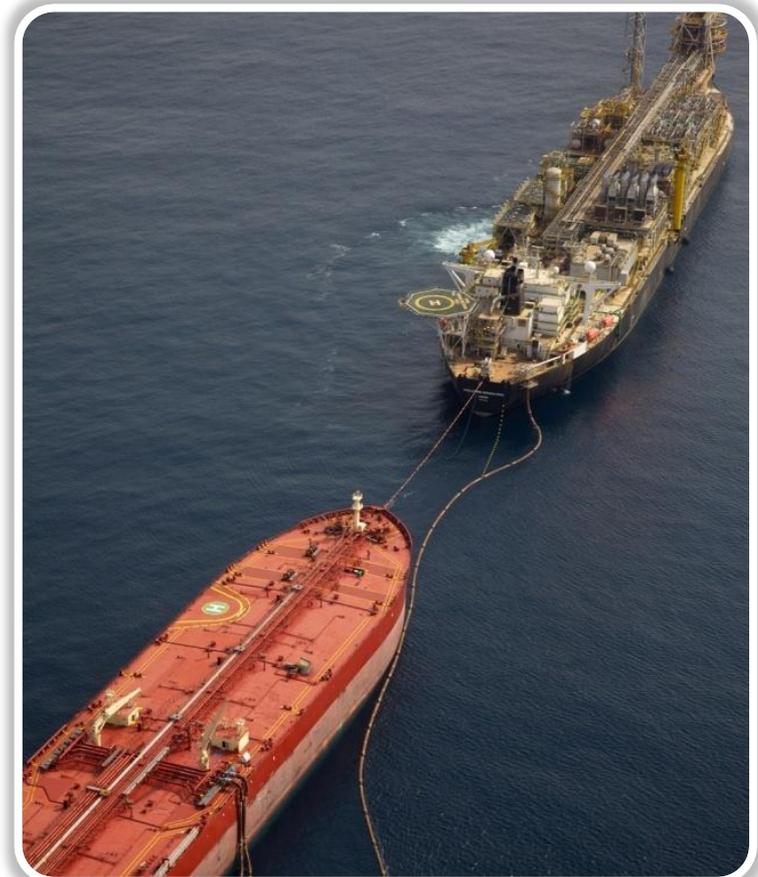
- First oil delivered 40 months after discovery
- Captured contract market window
- Early revenue - c.\$4bn gross delivered to date
- FPSO performance has exceeded expectations
- Reliable and flexible subsea design
- Excellent safety performance

Phased approach benefits well design

- Production issue identified and resolved efficiently
 - 4 treatments completed; further 3 planned
- Phase 1A wells benefitting from approach
 - Updated completion design going forward
 - Well locations optimised based on performance data

Jubilee production outlook

- 2012 average gross production: 70-80,000 bopd
- Year-end exit rate in excess of 90,000 bopd



Working towards Jubilee achieving FPSO production capacity in 2013

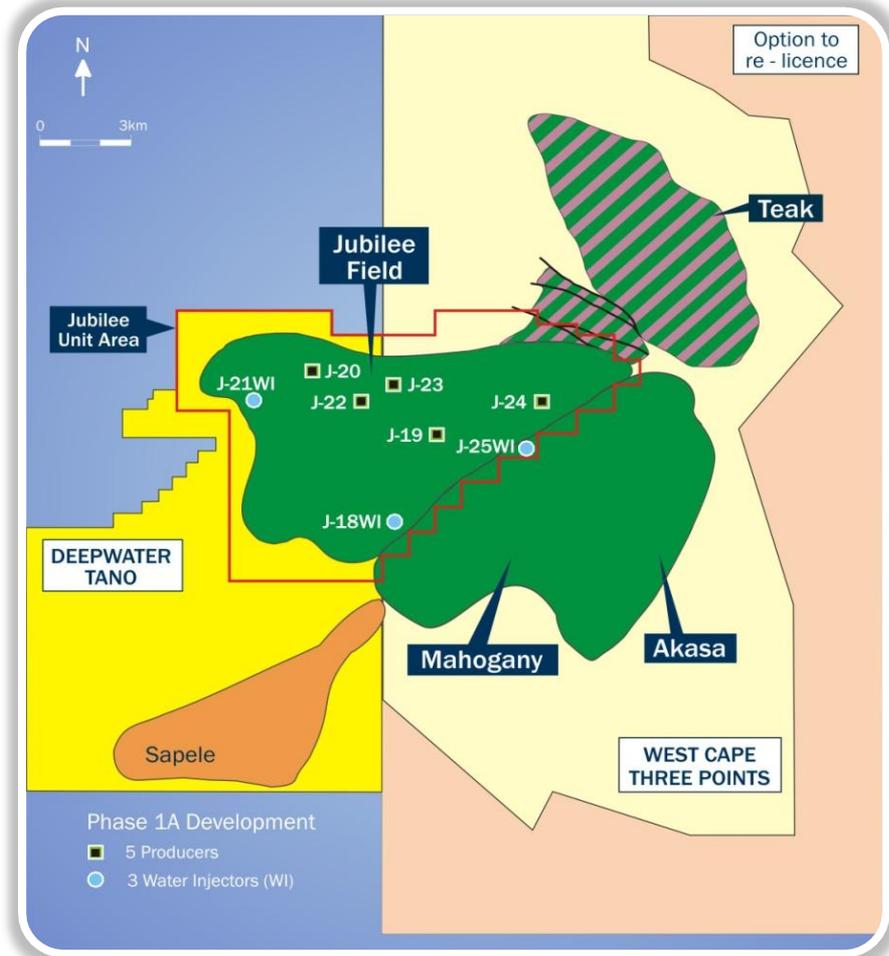
Jubilee Phase 1A and near field development options

Phase 1A development underway

- PoD approved by GoG in early 2012
- 5 producers; 3 water injectors; subsea expansion
- Estimated \$1.1bn budget; 18 month project
- Four wells successfully drilled on prognosis
- First oil on stream in second half 2012

Wider Jubilee Area Potential

- Mahogany, Akasa and Teak resource potential under review
- Further dynamic appraisal required to determine optimal development option
- WCTP operator continues to discuss way forward with Government
- DWT Sapele prospect to be drilled 4Q 2012



Successful appraisal underpins TEN development

TEN appraisal program underpins PoD

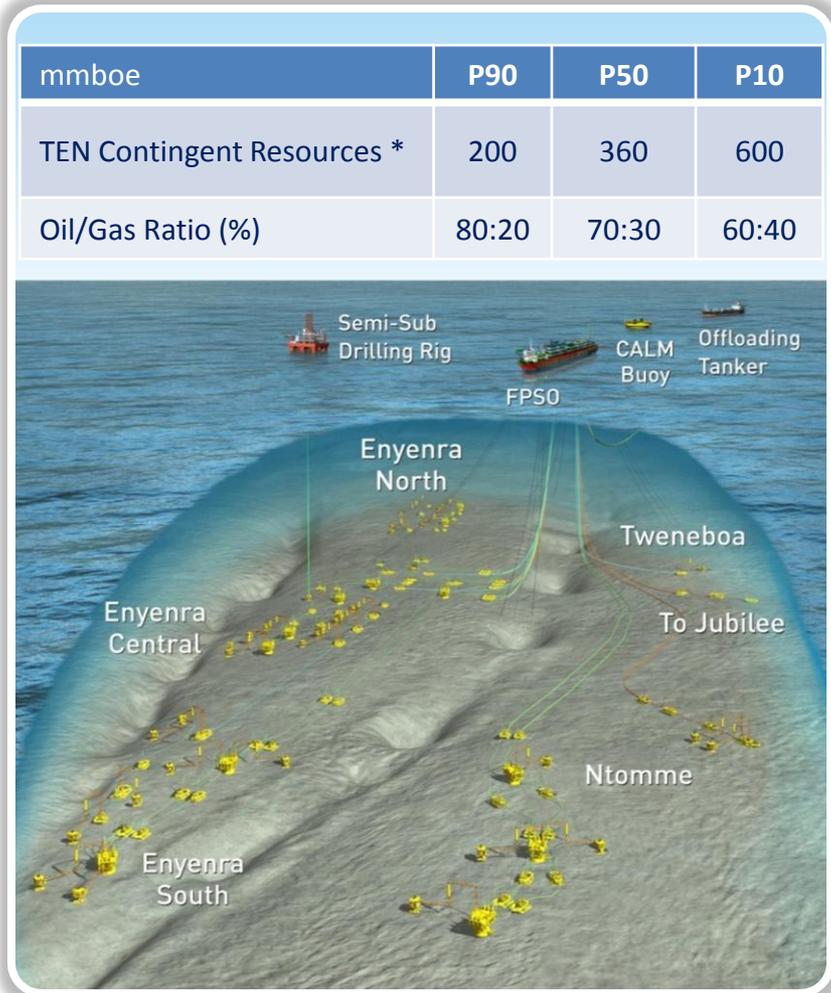
- Successful appraisal of Enyenra, Ntomme and Tweneboa
- Interference testing confirms good reservoir connectivity
- Appraisal & testing underpins resource range
- Upside potential of 380 mmboe in Wawa discovery & Okure prospect

Development progressing towards Sanction

- FPSO design in optimisation phase
- Subsea tenders currently in the market
- Base plan of 26 injection and production wells
- FPSO design capacity of 100,000 bopd
- Gas sales negotiations ongoing
- PoD on track for Q3 2012 submission

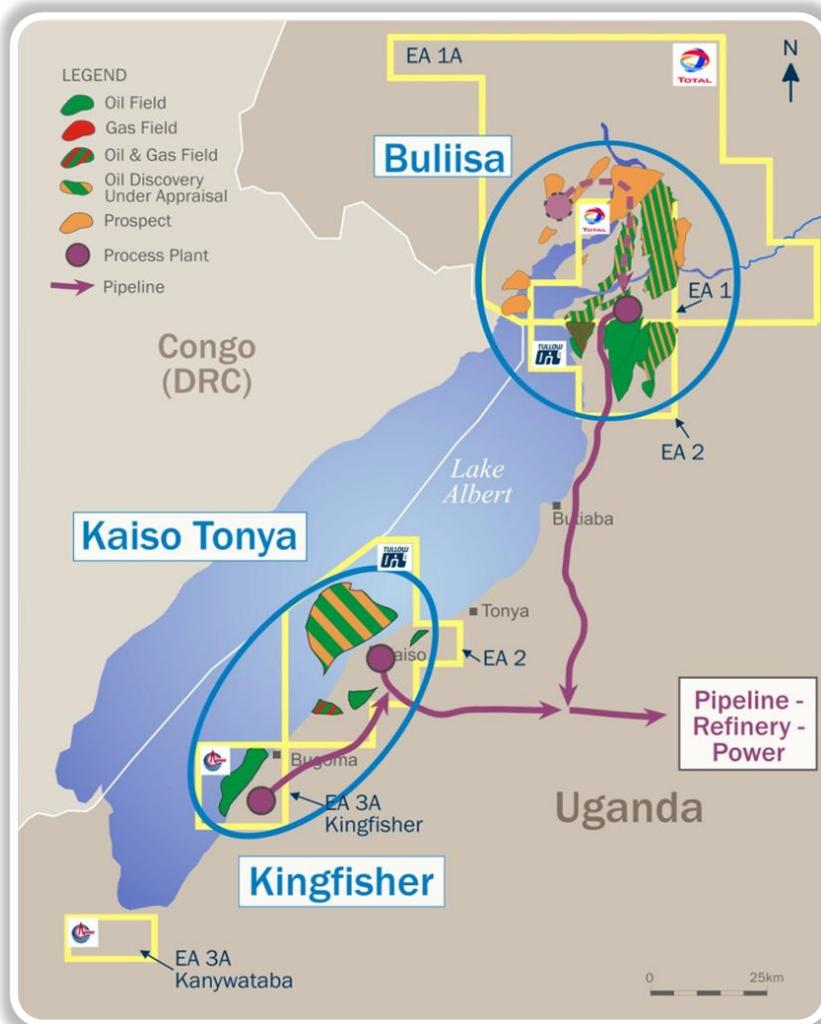
Flexible design to manage potential tie-ins

- Potential to tie back Wawa and remaining prospects



* Excludes prospective resources

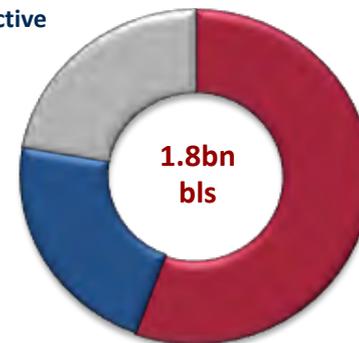
Uganda – Lake Albert Development Plan



Lake Albert Development Concept

- Development concept work completed
- Base case contingent and prospective resource of 1.8bn bls with upside potential of >2bn bls
- Expected production potential in excess of 200 kbopd
- Upstream Capex of \$8bn to \$12bn
- Export pipeline essential to underpin development plan
- GoU pursuing refinery plan
- First oil 36 months post sanction

Risked Prospective Resource
0.4bn bls

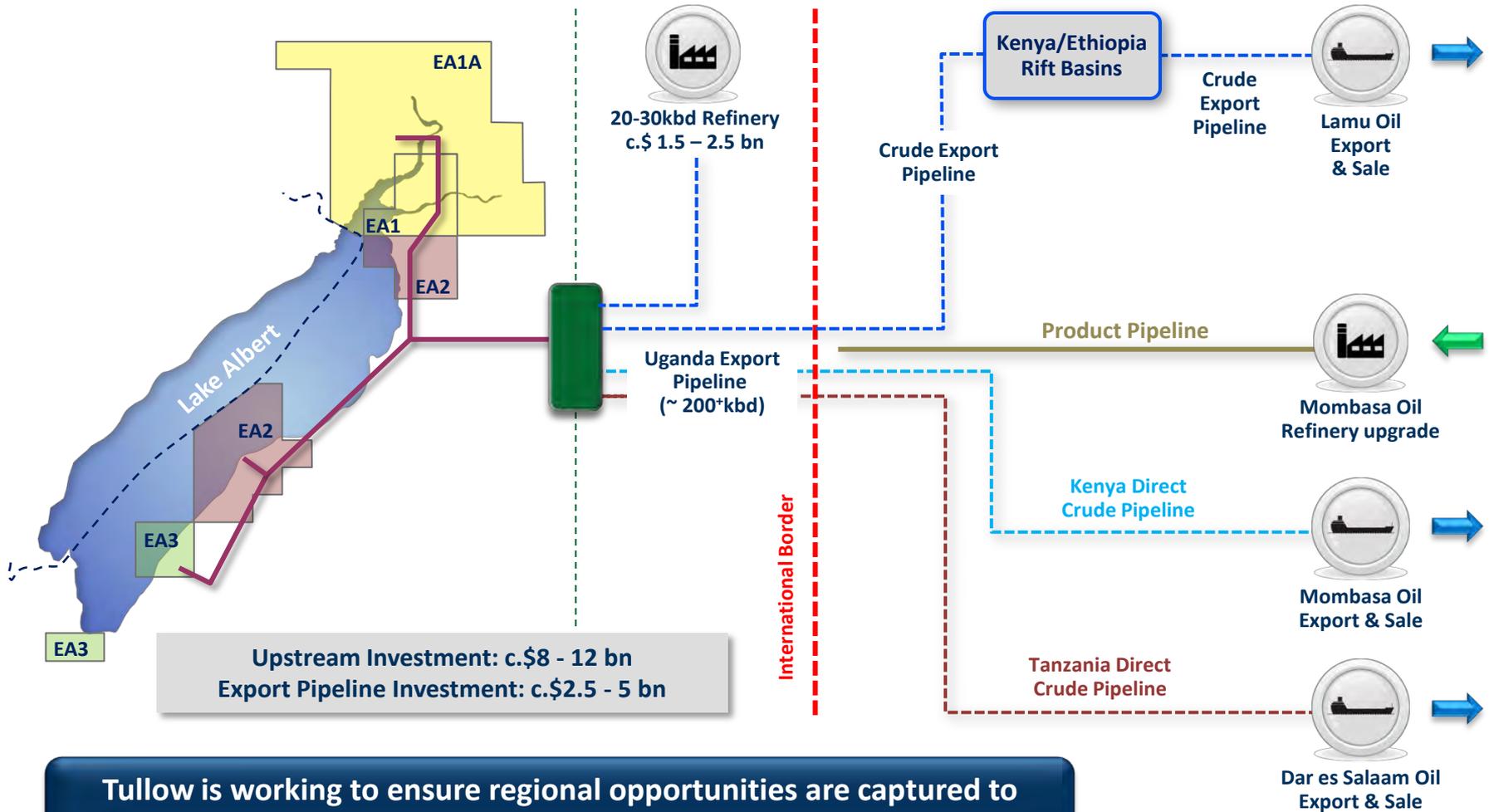


Discovered
1.0bn bls

Enhanced Recovery
0.4bn bls

Engagement with Government of Uganda on Lake Albert Development Plan underway

East Africa Regional Development Opportunities



Tullow is working to ensure regional opportunities are captured to enhance both Uganda and Kenyan developments

Significant development investment activity in 2012

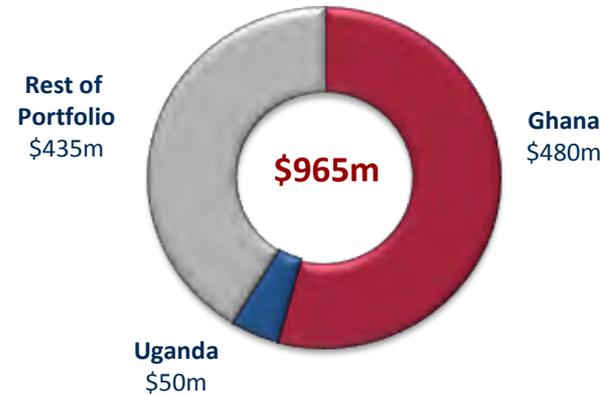
Current development activities

- **Gabon**
 - Significant ongoing development activity, involved in ~60 wells
 - Net production back to over 14,000 bopd
- **Equatorial Guinea**
 - Akom North tie back adding 6,000 bopd gross to Okume production
 - Significant Ceiba & Okume infill campaign under way
- **Côte d'Ivoire**
 - 8 well infill campaign (Espoir Phase III) commences Oct 2012
- **UK and Netherlands**
 - Campaign of 8 wells & 25 workovers underway in CMS and JDA areas

Future development opportunities

- **Mauritania**
 - Banda field: gas to power and oil rim developments under review
- **Namibia**
 - Commercial negotiations for Kudu gas sales continue

2012 D&O capex spend



1H 2012 Revenue



Significant progress across the development portfolio



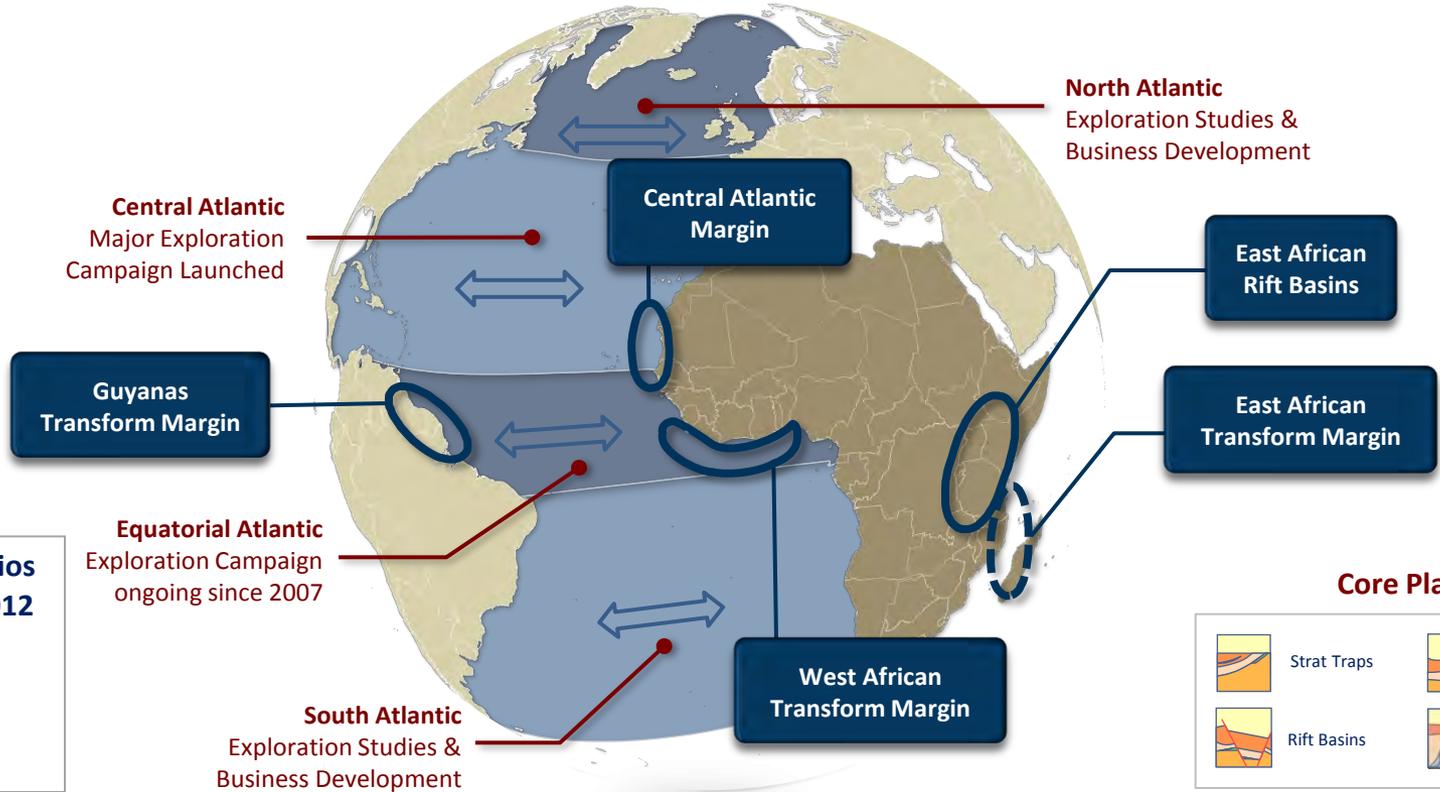
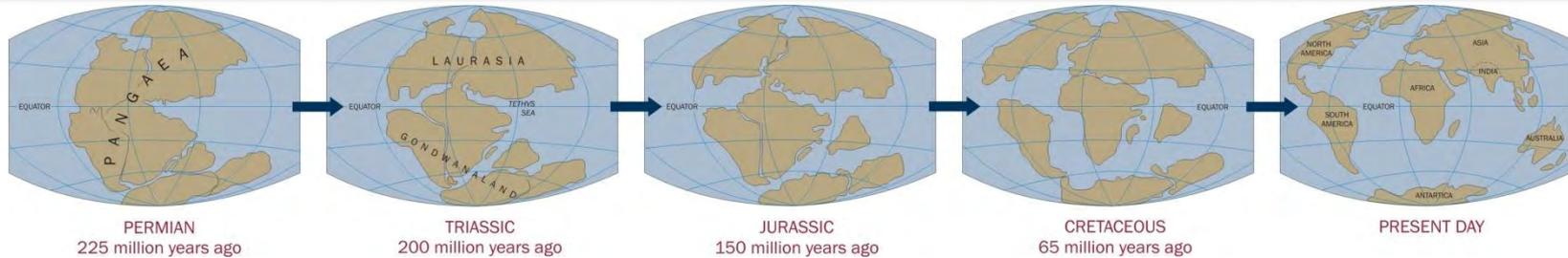
- TEN project moving towards sanction
- Jubilee productivity issue resolved and Phase 1A first oil second half 2012
- Uganda deal completed and development plan presented to Government
- Conceptual development and pipeline studies initiated in Kenya
- Ongoing capital investment maintaining existing producing assets



Tullow Oil plc – 2012 half-yearly results

Exploration & Appraisal – Angus McCoss

Exploration campaigns gather momentum over next 12 months



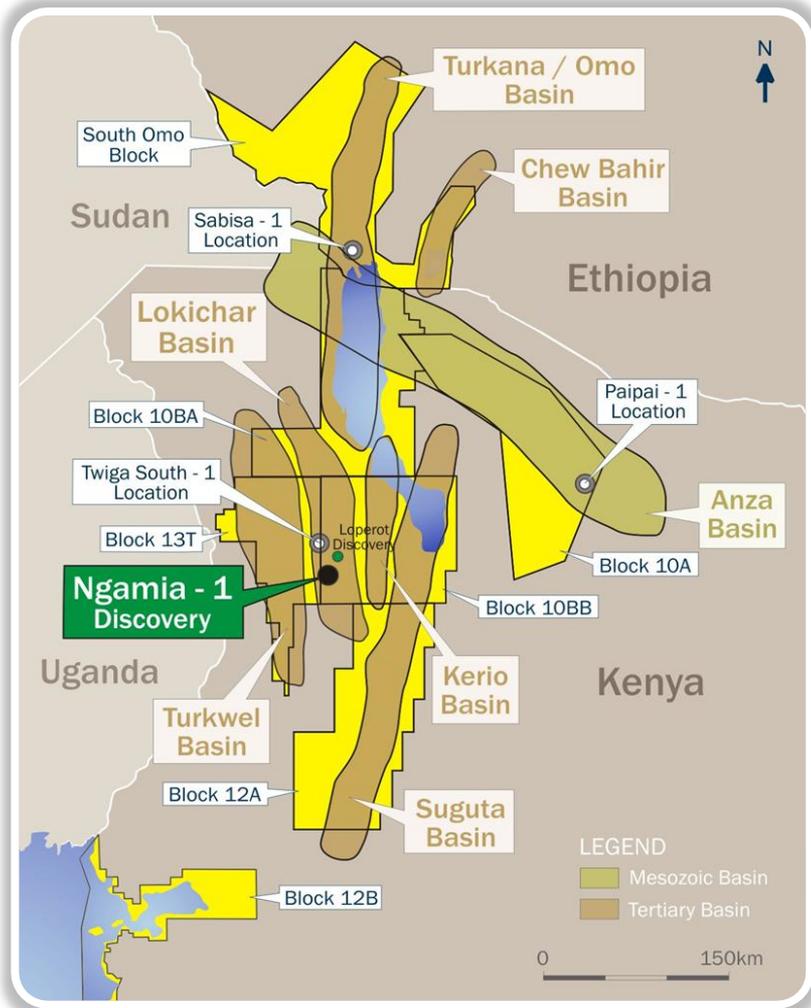
Success Ratios
77% YTD 2012
 74% in 2011
 83% in 2010
 87% in 2009
 77% in 2008



Exploration enterprise – value creation & monetisation



East Africa exploration campaigns in 2012



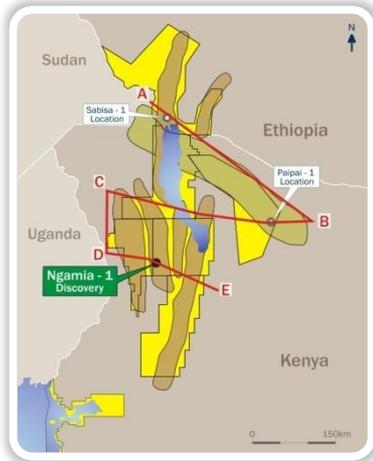
Onshore Rift Basins

- Core Campaigns in Kenya and Ethiopia
 - Multiple rift basins analogous to Lake Albert Rift Basin
 - Ngamia-1 finds 1.1 kilometre gross oil bearing section
 - Over 100 metres net oil pay in Upper Lokhone Sands
 - Geophysical surveys identify over 100 leads & prospects
 - Accelerated campaign triggered by Ngamia-1 discovery
 - Three rigs operational by year-end; building towards further rig capacity
 - Establishing strong regional operating capability

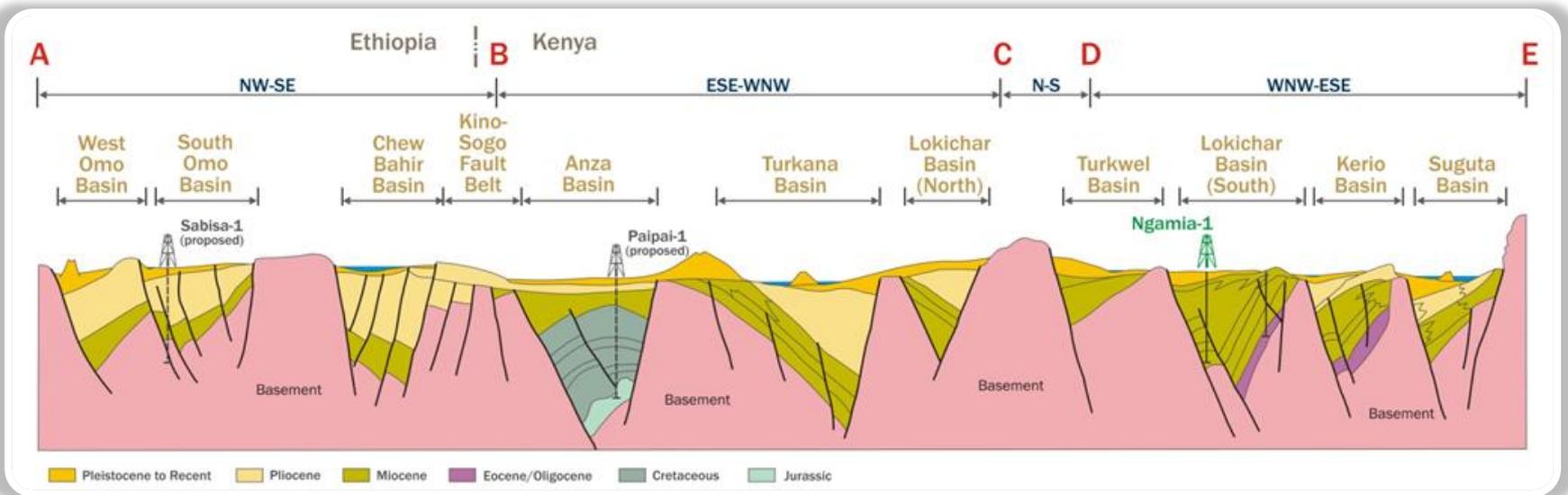
Offshore Transform Margin

- Kenya Block L8
 - High risk exploration for high value oil in gas prone region
 - High impact Mbawa-1 wildcat in Q3 2012

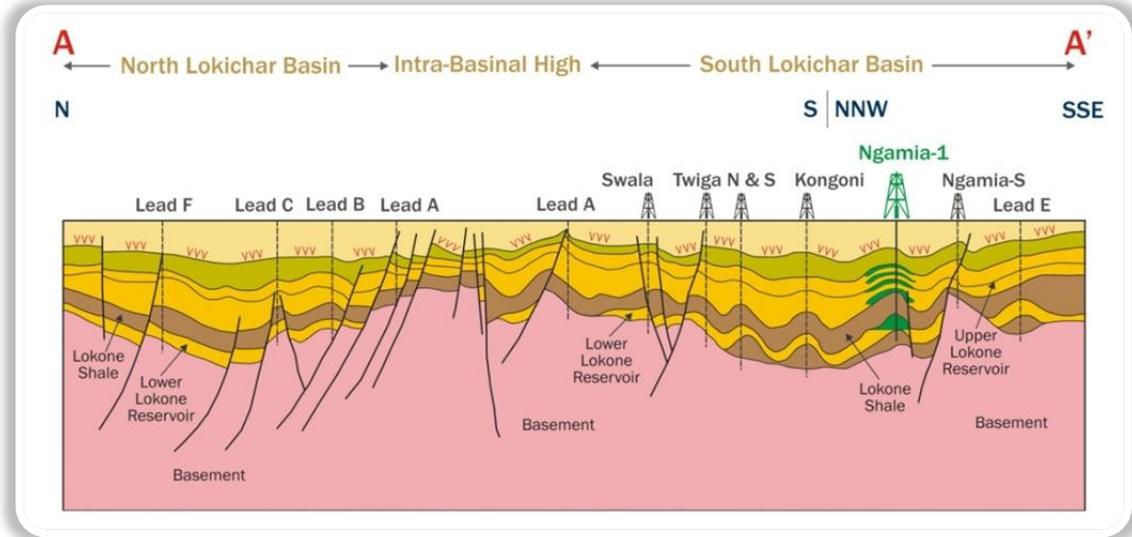
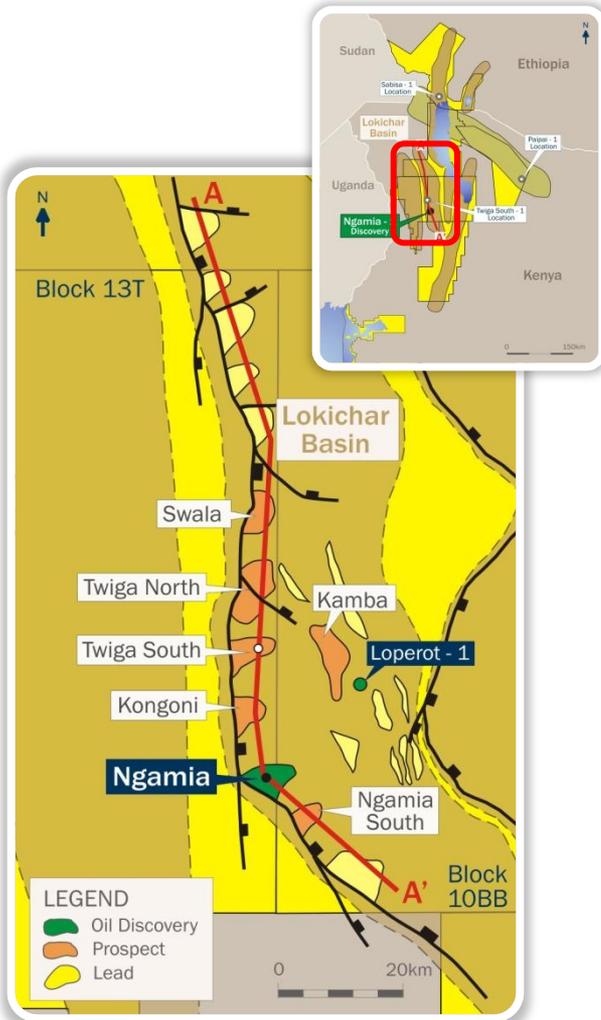
Kenya – Ethiopia Rift Basins exploration core campaign



- Three scales of exploration ongoing simultaneously in multiple basins:
 1. Appraisal & testing of Ngamia-1
 2. Drill-out of South Lokichar Basin
 3. High-grading multiple basins through wildcat drilling
 - Paipai-1 (Q4 2012), Sabisa-1 (Q3 2012)
- Development scoping & stakeholder engagement
 - Preparing for success & potential large scale investments

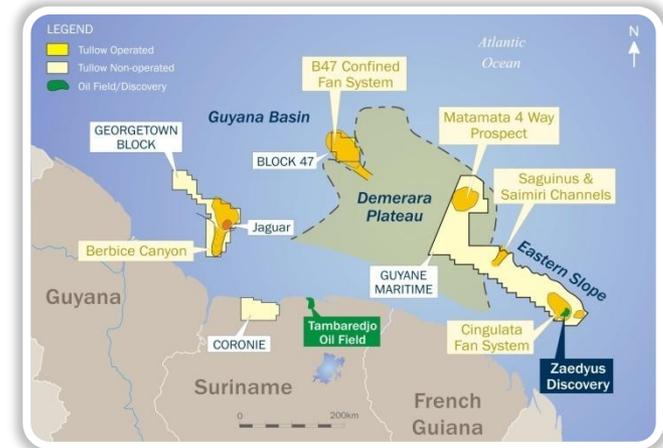
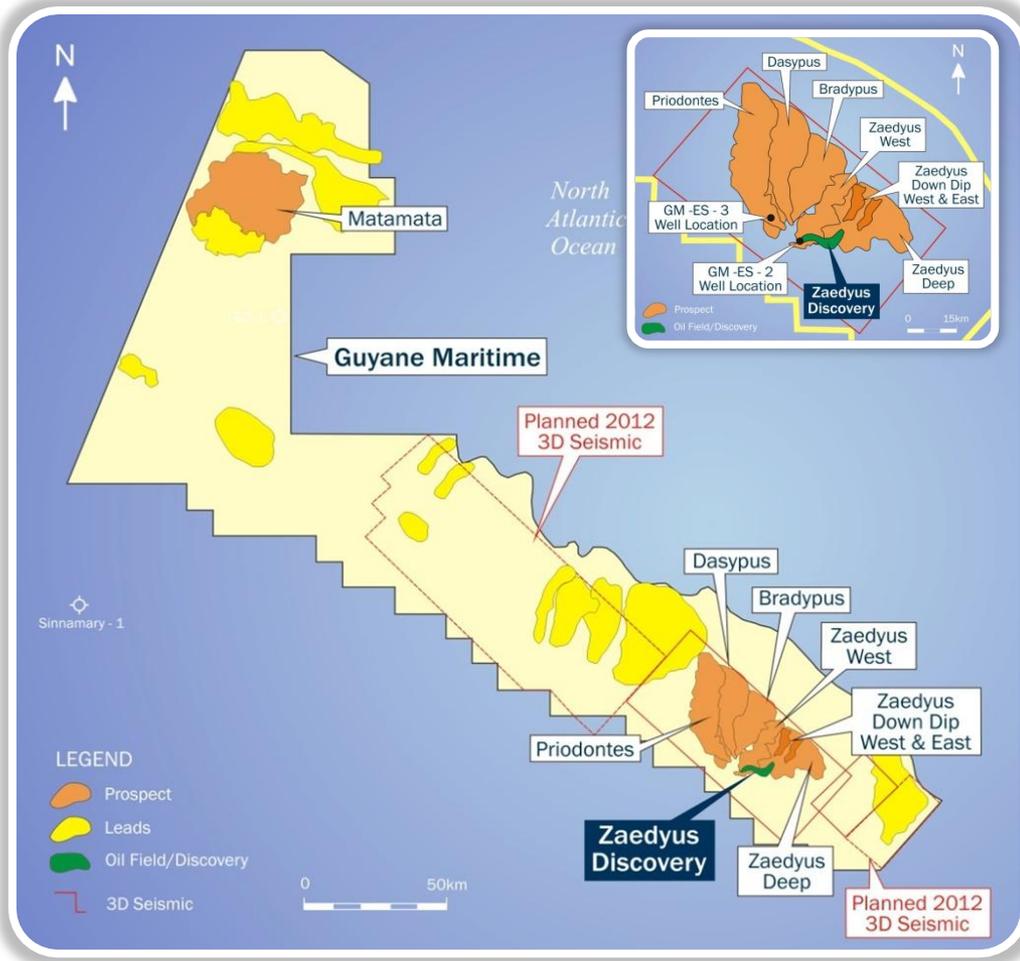


Kenya: South Lokichar Rift Basin – Ngamia follow up



- South Lokichar Rift Basin potential similar to Lake Albert
- Two de-risked rift basin sub-plays being explored
 - Rift bounding fault “string of pearls” – Ngamia, Kongoni, Twiga, Swala etc
 - analogous to Kingfisher
 - Rift flank traps – e.g. Kamba & associated leads
 - analogous to Jobi-Rii

South America: E&A follow-up in core campaign



French Guiana exploration & appraisal

- Zaedyus-2 appraisal well drilling up-dip & deepening to test exploration objectives
- Wildcat exploration well to test material Priodontes turbidite fan prospect
- 3D seismic acquisition ongoing to end 2012

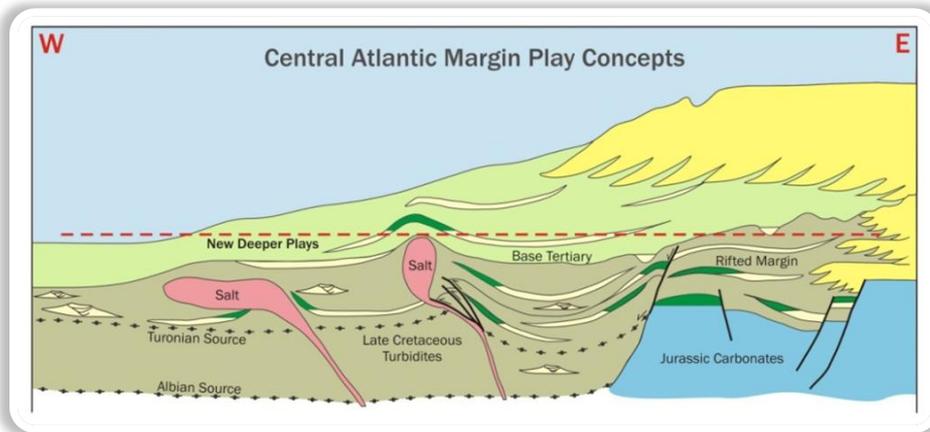
Guyana drilling terminated shallow

- Jaguar-1 well; thin oil sands above objective
- P&A due to shallow onset of high pressures
- Prospectivity outlook enhanced

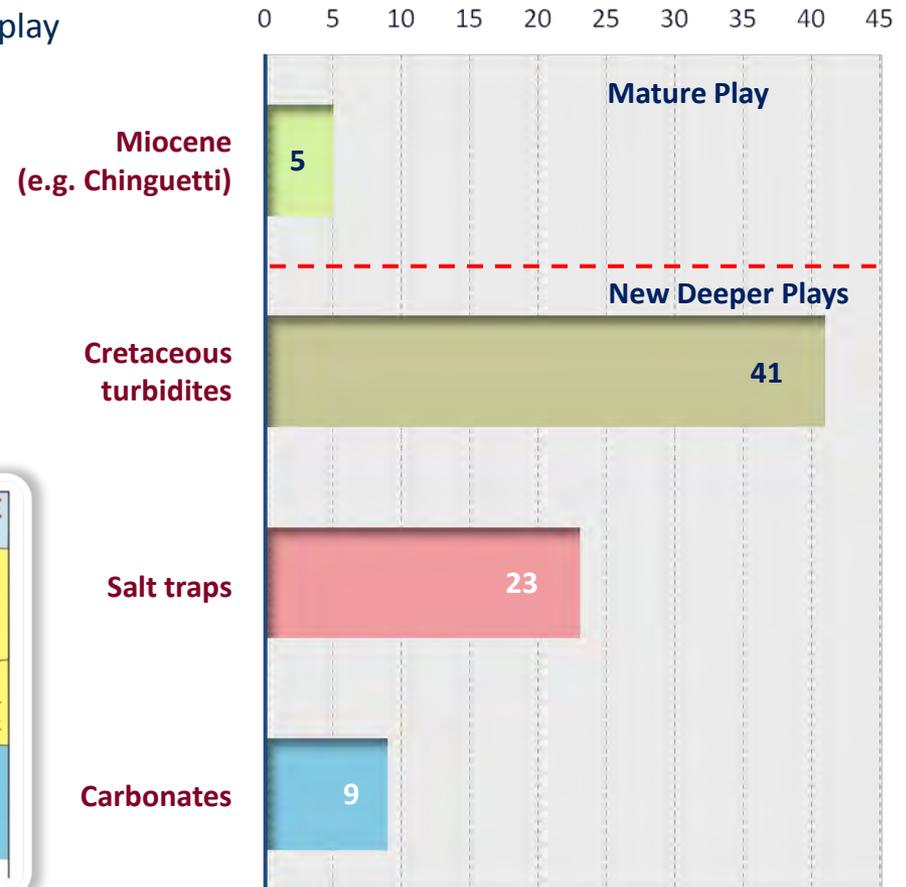
Mauritania: new Central Atlantic Margin core campaign

Significant play diversity in Mauritania acreage

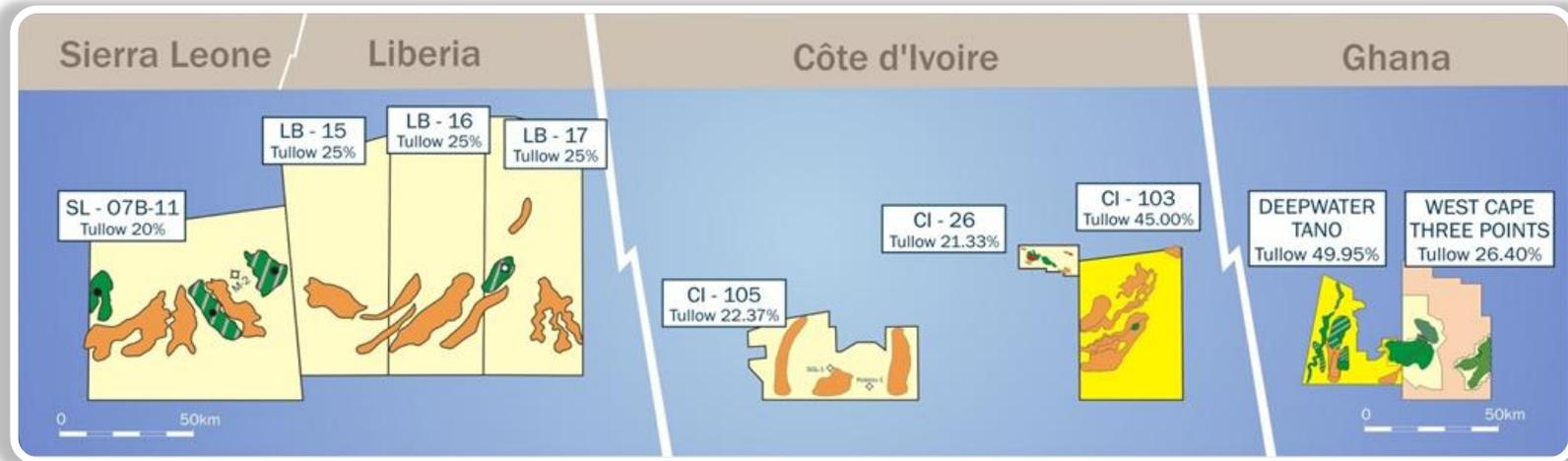
- ~ 80 prospect inventory, with risk spread through core play diversity, within Central Atlantic petroleum systems
 - Stratigraphic Traps: similar to Jubilee play
 - Salt Basin traps: similar to Gulf of Mexico
 - Carbonates: similar to Nova Scotia
- Light oil & gas condensate already proven, testing new deeper plays for bigger reservoirs
- 4 exploration well campaign to commence in H1 2013



~ 80 Prospects

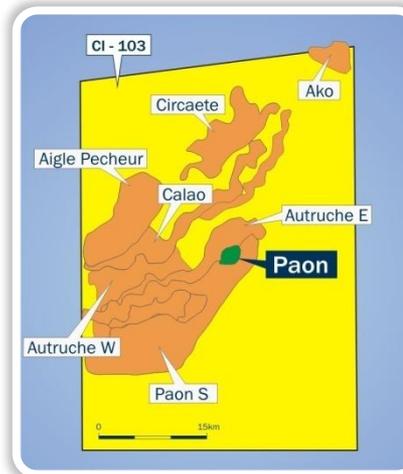


West Africa Transform Margin core campaign



Campaign finds oil but 'hub class' needed

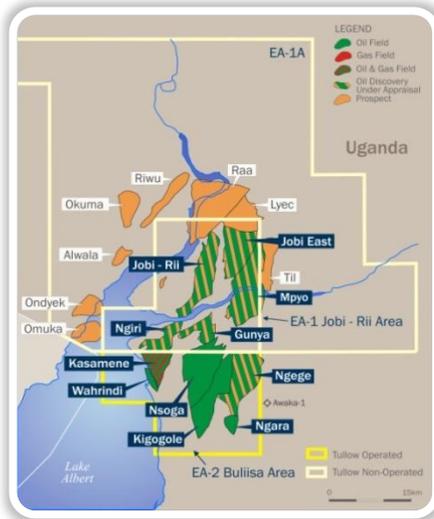
- Sierra Leone & Liberia:
 - Oil & gas condensate system proven
 - Thick sands only have oil shows (breached traps)
 - Oil bearing reservoirs have low net-to-gross
 - Satellite class discoveries to date
- Côte d'Ivoire:
 - CI-105 Kosrou-1 water bearing
 - CI-103 Paon-1 finds 31m net oil pay
 - 'TEN-type' exploration potential in CI-103



Exploration enterprise – value creation and monetisation



E&A in support of key developments



Accelerated appraisal & West of Nile exploration in Uganda

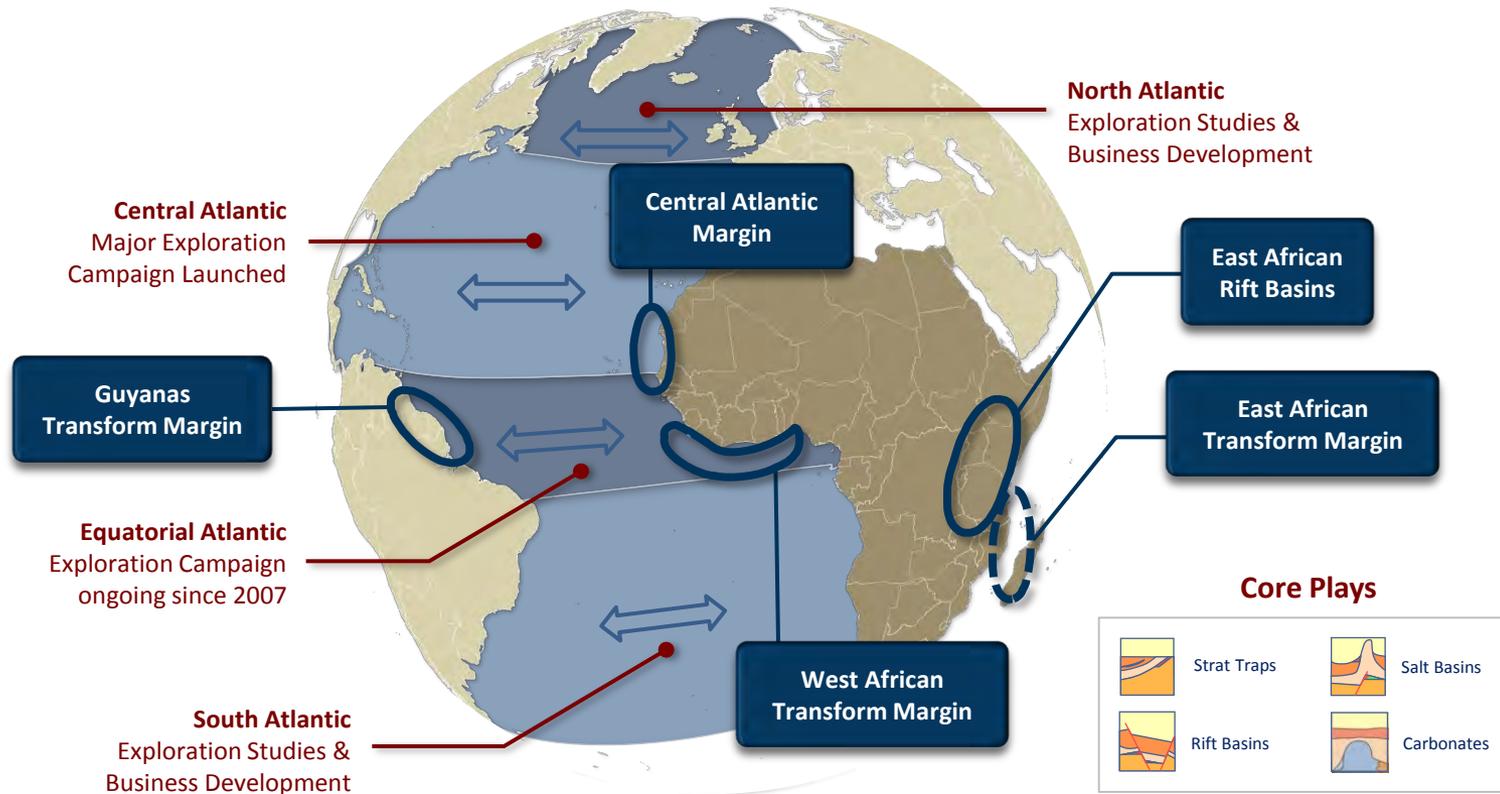
- Accelerated appraisal targets material un-drilled fault blocks & field limits
 - Success in Ngege, Jobi & Ngiri
- West of Nile drilling targets a prospect cascade: Omuka (spud November) to Raa
- 400 mmbo risked mean prospective resource
 - Sum of un-risked 'yet to find' over 1bn barrels

Exploration drill-out ongoing in Deepwater Tano in Ghana

- 2012 TEN appraisal underpins development plan
- Drill-out to be achieved by end of January 2013
- Wawa-1 discovers 33m net oil & gas condensate pay up-dip from Enyenra
- Okure-1 to spud in Q3 2012, Sapele-1 in Q4 2012



Exploration campaigns gather momentum over next 12 months



- Exploration business development & basin incubation sets up 4 core campaigns
- Exciting exploration drilling programme ahead including wells with material follow up
- Successful appraisal & exploratory appraisal continue to support key developments



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Conclusion – Aidan Heavey

Repeatable strategy delivering success



- Record results & strong balance sheet
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Appendix

Creating shareholder value

Consistent and repeatable strategy

- Sustainable long term value growth
- Balance exploration, major projects & funding
- Safety, environment, stakeholders & people

- High-impact exploration portfolio
- Ghana; Jubilee production, progressing T.E.N project
- Uganda: farm-down completed ; new partnership Total/CNOOC
- Opened new basins in French Guiana & Kenya

Underpinned by financial strategy

- Strong, well funded balance sheet to enable growth
 - Debt and equity funding
 - Portfolio management
- Significant operational cash flow

- \$3.5bn RBL debt facility
- \$500m Corporate facility
- Proceeds Uganda farm-down
- Jubilee production ramp-up
- Managing mature production

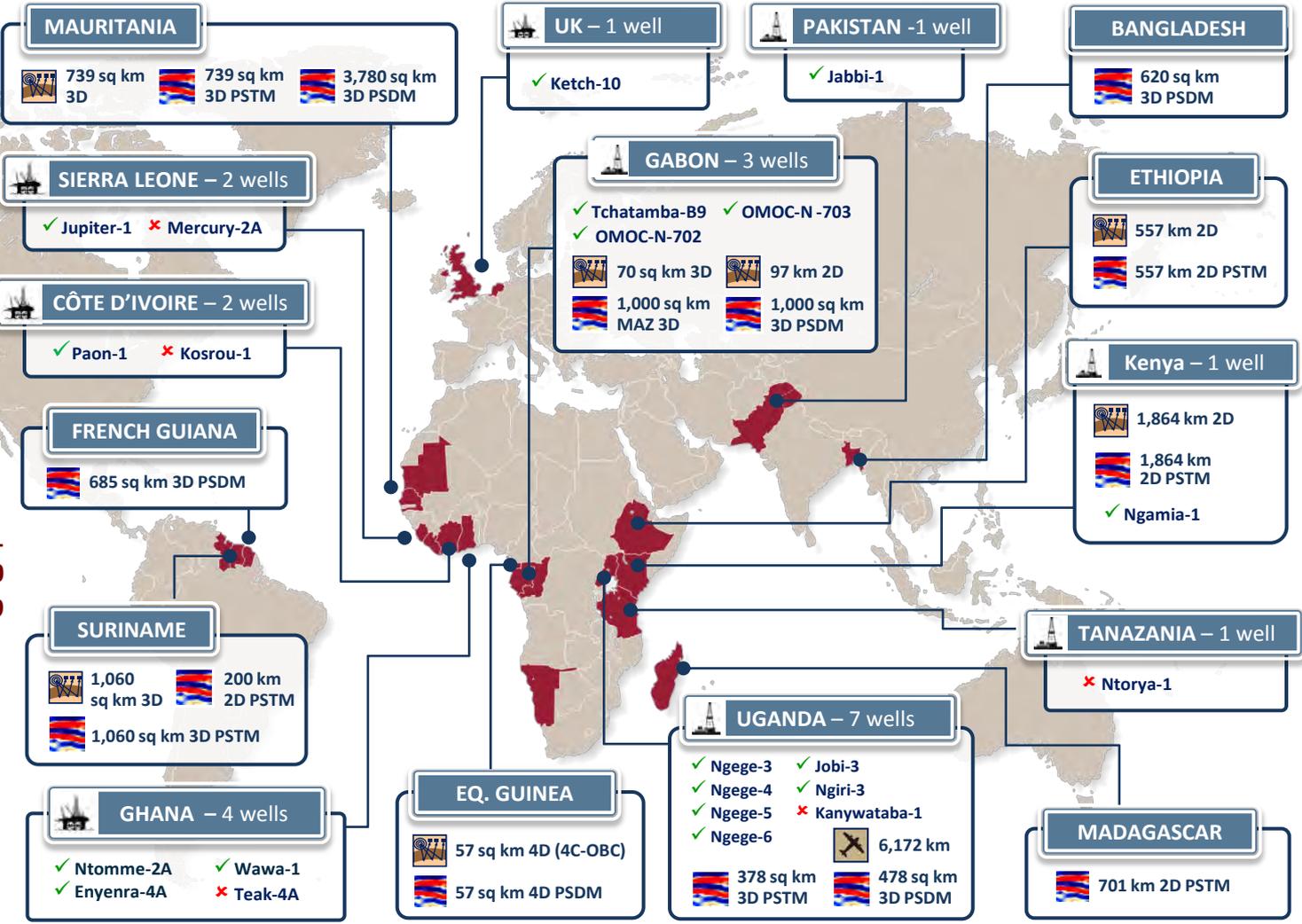
77% global E&A success ratio year to date

Seismic Key

- Acquisition
- Airborne Surveys
- Processing/ Re-processing

Drilling Key

- Offshore
- Onshore



74% success rate in 2011
 83% success rate in 2010
 87% success rate in 2009

Wells Currently Drilling

Uganda: * Jobi-4
 Pakistan: * Kohat-1
 Netherlands: * K8-FC-W(380)
 French Guiana: * Zaedyus-2

* currently drilling

12 month Exploration and Appraisal programme

Country	Block	Prospect	Interest	mmboe		Spud Date
				Mean	Gross Upside *	
WEST & NORTH AFRICA						
Côte d'Ivoire	CI-103	Calao-1	45% (op)	150	400	2013
Gabon	Kiarsseny	2 Exploration Wells	52.78% (op)	15 / 60	30 / 150	Q1 2013
Ghana	Deepwater Tano	Okure-1 (prev Twen. Deep)	49.95% (op)	120	300	Q3 2012
		Sapele-1		75	160	Q4 2012
Mauritania	Various	3 Exploration Wells	Various	205	430	H1 2013
SOUTH & EAST AFRICA						
Ethiopia	South Omo	Sabisa-1	50% (op)	70	175	Q4 2012
		Sabisa North		60	160	2013
		Tultule-1		70	190	2013
Kenya	13T	Twiga South	50% (op)	50	140	Q3 2012
		Kongoni-1		45	120	H1 2013
		Twiga North		60	180	Q1 2013
	10A	Paipai-1	50% (op)	115	290	Q3 2012
	10BB	Kamba-1	50% (op)	60	160	2013
L8	Mbawa-1	15% + 5%##	200	560	Q3 2012	
Uganda	EA-1	Jobi-C,D & E	33.33%	**	**	In progress
		Ngiri - 5 appl wells		**	**	H2 2012
		Gunya-B & C		25	40	Q1 2013
		Jobi-East up to 4 appl wells		90	125	H1 2013
		Mpyo up to 5 appl wells		180	310	H1 2013
	EA-1A	Raa-A	33.33%	85	240	Q4 2012
		Omuka-A		85	170	Q4 2012
		Alwala-A or Riwu-A		10 / 15	20 / 25	Q4 2012
		Lyec-A		20	25	Q4 2012
	EA-2	Til-A	33.33% (op)	30	60	Q4 2012
		Ngege 5 appl wells		30	60	In progress
		Nsoga 2 appl wells		15	30	Q3 2012

* Estimated P10 ## Option to increase interest to 20% ** Late stage appraisal

12 month Exploration and Appraisal programme (cont.)

Country	Block	Prospect	Interest	mmboe		Spud Date
				Mean	Gross Upside*	
EUROPE, SOUTH AMERICA & ASIA						
The Netherlands	K8	K8-FC-W (308)	9.95%	3	5	In progress
	E11	Vincent-1	60% (op)	20	40	Q1 2013
	E15c	Cornelis E15c-1	48% (op)	30	65	Q2 2013
French Guiana	Guyane Maritime	Zaedyus-2 appraisal well	27.50%	60	100	In progress
		Zaedyus-2 exploratory appraisal (deep)		130	300	In progress
		Zaedyus dowdip		160	370	2013/2014
		Priodontes		300	680	Q4 2012
		2 Exploration wells		320 / 180	890 / 420	2013
Suriname	Coronie	5 well campaign	40%	50	100	In progress
Pakistan	Kohat	Kohat-1	40%	25	60	In progress
	Kalchas	Kup	30%	110	290	Q1 2013

* Estimated P10

Follow Tullow on:



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