Tullow Oil plc
2017 HALF YEAR RESULTS
Wednesday 26 July 2017
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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Tullow Oil plc - 2017 Half Year Results

CEO UPDATE

PAUL McDUADE - Chief Executive Officer
A NEW MANAGEMENT TEAM – THE FIRST 90 DAYS

Management change

New CEO & CFO
Extended Executive team
Reorganisation of senior management

Listening & reflecting

Gauging perceptions from our investors
Collecting feedback from our staff
Meeting host Governments & industry partners

Planning & actions

Objectives set for the short to medium-term
Driving business performance
Exploring options to maximise value & returns

A highly motivated team focused on execution and delivery
A BALANCED E&P BUSINESS FOCUSED ON RETURNS

Business foundations

- Highly experienced team
- Proven operating capability
- Low-cost production in West Africa
- Material East African developments
- High-impact exploration portfolio
- Prudent risk management

Disciplined approach

Monetisation

Maximising revenue from production
- Portfolio management

Use of cash flow

Selectively investing in assets
- Balance sheet deleveraging

Future value generation

Enhance & replenish portfolio
- Seek options for growth
- Deliver shareholder returns
Continued strengthening of Balance Sheet

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

**Funding**
Complete RBL refinancing

**Portfolio Management**
Progress monetisation options to achieve maximum value at the optimum time

Maximising value from current portfolio

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

**East Africa**
Drive Uganda to FID
Finalise Kenya E&A and progress towards FID

**New Ventures**
Commence Guyana-Suriname drilling programme
Define future exploration drilling programme
Seek new opportunities
Tullow Oil plc - 2017 Half Year Results

CFO UPDATE

LES WOOD - Chief Financial Officer
Tullow is well positioned despite the current low oil price.
## 2017 Half Year Results

### 2017 HALF YEAR RESULTS SUMMARY

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Underlying cash operating costs</th>
<th>Adjusted EBITDAX</th>
<th>Profit/(Loss) after tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>$788 million</td>
<td>$11.9/boe (1H 2016: $541 million)</td>
<td>$544 million (1H 2016: $330 million)</td>
<td>$(309) million (1H 2016: $29 million)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital investment</th>
<th>Free cash flow</th>
<th>Net debt</th>
<th>Gearing</th>
</tr>
</thead>
<tbody>
<tr>
<td>$77 million (2H)</td>
<td>$205 million (1H 2016: $613 million)</td>
<td>$3.8 billion (YE 2016: $4.8 billion)</td>
<td>3.3 times (3H)</td>
</tr>
</tbody>
</table>

1) Includes non-cash impairment of property, plant and equipment of $418 million (post-tax)
2) FY17 capex is forecast to be c.$400 million, before removal of Uganda capex covered by farm down
3) Calculated on a last 12 months basis

### Strong first half 2017 financial performance
A STEP CHANGE IN GEARING

1H 2017 gearing reduced to 3.3x

Good progress in the first half
- Net debt reduced by $1bn to $3.8bn
- Reduced gearing achieved through:
  - Equity proceeds of $0.7bn
  - Free cash flow of $0.2bn
  - EBITDAX increased by $0.2bn

Net debt reduction to continue
- Future free cash flow
- Further portfolio management

Notes: all references to “gearing” above refer to the gearing ratio calculated as Net Debt/Adjusted EBITDAX
A leaner, more efficient business

- $415m delivered of targeted $500m cash cost savings
- Now targeting $650m savings over same three year period
- Cost discipline will continue with further reductions targeted across the portfolio

Low-cost core assets

- Group underlying cash operating costs of $11.9/boe
- Core asset underlying cash operating costs of c.$10/boe
Disciplined capital allocation

- Capital allocated to strike the right balance between deleveraging and growth
- All investment screened against strict commercial and technical criteria
- Minimise commitments to maximise flexibility in response to market conditions
- Options to flex annual capex between $200m and $600m over the next three years

Core activities for capital expenditure 2018 - 2020

<table>
<thead>
<tr>
<th>Country</th>
<th>Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ghana</td>
<td>Maintenance and anticipated 1-2 rig drilling programme</td>
</tr>
<tr>
<td>CWA</td>
<td>Maintenance and flexible infill drilling programmes</td>
</tr>
<tr>
<td>Kenya</td>
<td>Pre-FID expenditure only</td>
</tr>
<tr>
<td>Exploration</td>
<td>Seismic acquisition, prospect generation, high-impact, low-cost/low-complexity drilling</td>
</tr>
<tr>
<td>Uganda</td>
<td>Post deal completion capex covered through deferred consideration</td>
</tr>
</tbody>
</table>
**Foundations for Growth**

**Good progress made in the first half**
- On a pathway to <2.5x gearing
- Sustained cost reductions
- Ongoing capex flexibility

**Considerable EBITDA growth potential**
- Reach, sustain and extend Ghana plateau production
- 23,000 bopd net from Uganda for no capex
- Kenya production to further add to production base
- Positioned to take advantage of oil price recovery

**Future value growth**
- High-impact exploration opportunities
- Options to maximise value and deliver returns

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**Actual and forecast future oil production**

<table>
<thead>
<tr>
<th>Period</th>
<th>West Africa* (bopd)</th>
<th>Europe (boepd)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1H 17</td>
<td>81,400</td>
<td>6,000</td>
</tr>
<tr>
<td>FY 17f</td>
<td>78 – 85,000</td>
<td>5,500-6,000</td>
</tr>
</tbody>
</table>

*Includes insurance payments relating to the Jubilee field production equivalent to 5,000 bopd in 1H 2017 and 10,000 bopd in 2017f
Business fundamentals

- Material production base from Ghana
- Low operating costs, targeting c.$8/bbl
- Significant resource base underpins future production

Reaching full production potential

- TEN production optimisation delivering encouraging rates
- Jubilee turret remediation project well advanced
- Preparations to return to drilling under way:
  - TEN ramp up post ITLOS
  - Greater Jubilee Full Field Development Plan approval expected 2H 2017
- Near field exploration opportunities progressing
- Targeting top quartile operating performance
- Sustaining non-op portfolio contribution through flexible investments and near-term returns

“We are focused on optimum capital allocation to maximise near-term value by securing strong, low-cost production in West Africa and ensuring that all our producing assets across the region reach their full potential.”

Gary Thompson, EVP West Africa
Business fundamentals

- Over 2 billion bbls of resources discovered
- Low-cost material resource developments
- Track record of monetisation

Progressing developments

- Uganda deal completion and FID targeted by end 2017
- Project to deliver c.23kopd net production from early 2020s, with zero capex exposure to Tullow
- Kenya EOPS progressing and already delivering valuable lessons on the ground
- Targeted and efficient exploration and development pre-FID capex
- Considering innovative commercial structures to maximise value at low oil prices

“Now we have achieved the key strategic target of farming down Uganda and driving the project towards FID, our focus now turns to Kenya as we work to progress the development and consider optimum commercialisation options.”

Mark Macfarlane, EVP East Africa
Business fundamentals

- Approach focused on building value
- Oil-focused acreage in known geology & geographies
- Strict commercial and technical screening of prospects

High-impact exploration opportunities

- Lessons learnt from previous campaigns: only drill at the right cost, equity and reward
- Active portfolio management and deal making on existing and new acreage to manage risk & reward
- Balanced activity set of refreshing portfolio, building resources and drilling wildcats:
  - Guyana / Suriname - Industry hot-spot, drilling high-impact Araku-1 wildcat in Q4 2017
  - Material seismic and processing work ongoing to mature leads and rank prospects across the portfolio

“Tullow’s New Ventures team is focused on selective, high-impact exploration at the right equities and at the right costs. We are building a flexible exploration portfolio that can deliver value in current market conditions.”

Ian Cloke, EVP New Venture
CONCLUSION

PAUL McDADE - Chief Executive Officer
CONCLUSION – WELL POSITIONED FOR THE FUTURE

Strong business foundations

- Experienced, broader management team
- High-quality, low-cost asset base with growth potential
- Selective high-impact exploration opportunities
- Strengthened financial position

Delivering shareholder returns

- Disciplined investment focused on returns
- Enhancing & replenishing asset base
- Continued deleveraging
- Positioned to take advantage of future opportunities

Positioned to deliver value growth over the next 3-5 years
Tullow Oil plc - 2017 Half Year Results

APPENDIX
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
- Over 85 licences across 17 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
2017 Half Year Results

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 forecast c.50,000 bopd in 2017

**Jubilee field**
- FPSO gross capacity of 120,000 bopd (net WI ~40,000 bopd)
- Potential to extend field production profile and increase commercial reserves through GJFFD

**West Africa non-operated**
- Maturing production expected to averaged ~22,500 bopd in 2017
- Reduced investment in low oil price environment improves cash flow
- Incremental investments to sustain production and arrest decline

2017 West Africa production guidance: 78 – 85 kbopd

**East Africa Development**
- Estimated 750m bbls of discovered resources in Kenya; targeting 80-120k bopd gross production

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

Low-cost producing assets with value-adding portfolio opportunities
2017 Half Year Results

GHANA – MATERIAL, LONG-LIFE AND LOW-COST FIELDS

Operating cost reductions

• Underlying cash opex of ~$8.7/bbl in 1H 2017
• Targeting underlying cash opex in 2018+ of ~$8/bbl

Strong resource base

• Significant resource base underpins future production
• Drilling programme anticipated to commence in 2018 to ramp up towards plateau levels at Jubilee and TEN
• Sustained low-cost production

Material upside potential

• 4D seismic being used to target upside resource potential
• Near field opportunities under review

**“developed resources” figures are derived from 2P resources; “to be developed resources” figures are derived from 2C resources; “upside resources” are derived from (3C-2C resources) + (3P-2P resources)**
2017 Half Year Results

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 5 - 8 weeks in late 2017

Rotation & offloading system

- Rotation of vessel to optimum heading
- Installation of deepwater offloading buoy
- Two-stage execution in 2018 / 2019

Securing the path to stable long-term production

- Greater Jubilee Full Field Development Plan designed to extend production profile and increase reserves
- Government approval of GJFFD plan expected in 2H 2017

<table>
<thead>
<tr>
<th>Year</th>
<th>Net bopd</th>
<th>Net (incl. insurance) bopd</th>
</tr>
</thead>
<tbody>
<tr>
<td>1H 2017</td>
<td>29,900</td>
<td>34,900</td>
</tr>
<tr>
<td>2017f</td>
<td>26,000</td>
<td>36,000</td>
</tr>
</tbody>
</table>
TEN FIELD UPDATE

Successful project execution and completion
• Project delivered on time and on budget
• FPSO tested in excess of design capacity (80,000 bopd)
• Production data supports oil in place and reserves

2017 Production
• 1H 2017 average gross production – 48,000 bopd
• 50,000 bopd average gross production is expected in 2017
• Production and injection optimisation ongoing

Drilling expected to recommence in 2018
• ITLOS boundary decision expected in September 2017
• Reservoir data will be used to position future wells
• Planning optimisation of remaining 13 wells

TEN continues to build high-margin, long-life cash flow
2017 Half Year Results

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 end 2017 FID ambition

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

Monetisation expected to deliver ~23,000 bopd of long-term, low-cost net production whilst covering Tullow’s capex exposure to first oil
Continuing to de-risk and build on resources

- South Lokichar E&A programme ongoing
- Successful water injection tests support water flood & recovery

Progressing Full Field Development

- Targeting 80 - 120,000 bopd gross production via pipeline
- Expected low full cycle costs of $25 to $30/bbl
- FEED expected to commence in late 2017
- Mid-stream commercial and finance studies continue

Early Oil Pilot Scheme (EOPS)

- c.2,000 bopd gross road export pilot expected to commence late 2017
- Low-cost pilot production utilising existing wells
- Provides valuable dynamic reservoir and production data
- Implementation experience will assist JV, GoK and Turkana to prepare for FFD
Proven oil basin
- 14 exploration prospects drilled
- 11 oil accumulations discovered
- Over 20 appraisal wells drilled for delineation & testing
- Tullow estimates 750 mmbo mean resource*

Significant upside potential
- Multiple oil prospects & leads yet to drill
- Further new plays being targeted
- Estimated billion barrel basin potential*

Current E&A programme
- Two discoveries made - Erut-1 and Emekuya-1
- Discoveries de-risk northern area of the basin

*Internal Tullow forecast based on key assumptions and has been not externally audited
2017 Half Year Results

EAST AFRICA: EXPLORING REGIONAL OIL PLAY

<table>
<thead>
<tr>
<th>Location</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uganda</td>
<td></td>
</tr>
<tr>
<td>Lake Albert Basin</td>
<td>• 17+ oil fields discovered (90% success)</td>
</tr>
<tr>
<td></td>
<td>• Estimated 1.7 billion barrels of oil discovered</td>
</tr>
<tr>
<td>Kenya</td>
<td></td>
</tr>
<tr>
<td>North Turkana Basin</td>
<td>• Basin margin play unsuccessful at Engomo-1</td>
</tr>
<tr>
<td></td>
<td>• Independent plays away from basin margin untested</td>
</tr>
<tr>
<td>North Lokichar Basin</td>
<td>• No commercial accumulation at Emesek-1</td>
</tr>
<tr>
<td></td>
<td>• Post well analysis in progress</td>
</tr>
<tr>
<td>South Lokichar Basin</td>
<td>• 11 oil accumulations (750 mmbo mean resource est.)</td>
</tr>
<tr>
<td></td>
<td>• + 2 technical discoveries (tight oil plays)</td>
</tr>
<tr>
<td></td>
<td>• New northern oil play domain established by Etom-2</td>
</tr>
<tr>
<td></td>
<td>• Erut-1 de-risks northern oil play</td>
</tr>
<tr>
<td></td>
<td>• Additional prospects &amp; plays still to be tested</td>
</tr>
<tr>
<td></td>
<td>• Further upside potential in basin</td>
</tr>
<tr>
<td>Kerio Basin</td>
<td>• Basin margin play unsuccessful at Kodos-1</td>
</tr>
<tr>
<td></td>
<td>• Epir-1 established a working oil system</td>
</tr>
<tr>
<td></td>
<td>• Independent plays in main basin untested</td>
</tr>
<tr>
<td>Kerio Valley Basin</td>
<td>• Cheptuket-1: encountered oil shows</td>
</tr>
<tr>
<td></td>
<td>• FTG currently being acquired</td>
</tr>
<tr>
<td>New basin testing wildcats</td>
<td></td>
</tr>
<tr>
<td>Nyanza basin</td>
<td>• Still to be tested.</td>
</tr>
</tbody>
</table>

South Lokichar success with further basins to explore
2017 Half Year Results

EXPLORATION: CENTRAL TO LONG-TERM GROWTH STRATEGY

• Focus on low-cost, high-margin, light oil plays
• Portfolio of high-impact prospects suited to current environment
• Working on our seismic and geological assets to create & high-grade prospects
• Adding attractive exploration acreage to build on our exciting prospect portfolio

Growth options:

West Africa:
- Extend revenues
  - Support Greater Jubilee
  - Extend plateau production
  - Near field exploration
  - Refresh plays & licences

East Africa:
- Build value
  - Build Kenya resources
  - Near field exploration
  - Support development
  - Pan-regional strength

Africa & S America:
- Frontier exploration
  - Guyana-Suriname hotspot
  - Mauritania & Namibia
  - Low-cost, material plays
  - New licences in our plays

Transformational exploration opportunities
NEW VENTURES: 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
2017 Half Year Results
EXPLORATION & APPRAISAL ACTIVITY IN 2017

JAMAICA
Walton Morant (100%)
2D Seismic

MAURITANIA
C3 (90%), C-10 (76.5%)
3D Seismic

MAURITANIA
C3 (90%), C-10 (76.5%)
3D Seismic

SURINAME
Block 54 (30%)
Araku wildcat

GUYANA
Kanuku (30%)
3D Seismic
Orinduik (60%)
3D Seismic

KENYA
Block 12A (50%)
2D Seismic

Block 10BB/13T (50%)
3D Seismic

South Lokichar Basin (50%)
E&A programme

URUGUAY
Block 15 (35%)
3D Seismic

GHANA
Jubilee (35.5%)
4D Seismic

NAMIBIA
PEL 37/PEL 30
Multiple leads being matured

ZAMBIA
Block 12A (50%)
2D Seismic

Block 31 (100%)
High Gravity Survey

GUYANA
Kanuku (30%)
3D Seismic
Orinduik (60%)
3D Seismic
• Jamaica: early stage of frontier exploration, interpreting new 2D seismic data
• Guyana: attractive acreage up-dip of Liza-1 oil discovery; acquiring 3D seismic in 2017
• Suriname: low-cost offshore oil plays; drilling Araku in Q4 2017
• Uruguay: significant potential in the Pelotas Basin; 3D seismic programme completed

Substantial acreage positions with long-term future upside potential
Liza-1 deepwater oil discovery significantly de-risks the basin & Tullow’s regional acreage
Araku: Estimated 500mmbo prospect in four-way structural closure, good seismic amplitude support
Araku-1 well cost estimated $14 million net to Tullow (Operator 30%), drilling in Q4 2017
Multiple high-quality prospects identified for follow-up drilling in 2018+

Game-changing low-cost prospects with multiple follow-up potential
Exploration activity commenced

- 3D seismic programme under way
- Jubilee-like setting up-dip of Liza oil discovery in shallow water
- Estimated well cost of c.$14 million each net to Tullow (non-op 30%)
- Shallow water prospects & leads in Tullow acreage, paired with deepwater prospects
• Mauritania: exploration focus shifted to low-cost shelf-edge oil plays, 3D seismic acquisition in 2017
• Zambia: extension of East African Rift Basin Play; High Gravity survey to commence in August 2017
• Namibia: material turbidite oil play in low-cost shallow water setting
• Ghana: near field & exploration potential to extend production plateau and increase reserves

Large acreage positions onshore & offshore Africa
**2017 Capex of c.$0.4bn**

- FY 2017 capex forecast lowered from $0.5bn to $0.4bn
- Low Ghana spend due to absence of drilling
- Exploration and Appraisal spend focused on high-impact activities
- Uganda capex expected to be offset after completion of farm-down

**Notes:**

i. Exploration expenditure is net of Norwegian tax refund

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

iii. 2017 Capital expenditure includes: Ghana c.$25m (reduced from original forecast of $90m due to prior year accruals), Kenya pre-development c.$115m, West Africa non-op c.$35m; Exploration c.$115m, Uganda c.$85m (offset by asset farm-down)

iv. Going forwards, Uganda capex will continue to be shown as part of Group capex, but is expected to be offset by deferred consideration following completion of asset farm-down to Total
Prudent approach provides significant benefits to the business

- Tullow has proactively hedged production to protect revenues over the last 10 years
- Significant liquidity benefit through protecting future revenues and preserving RBL debt capacity
- Cumulative realised revenue of $728m from hedging during 2015 and 2016
- Disciplined approach to continue, even in stabilising oil prices

Current hedge portfolio

- c.60%² of 2017 oil entitlement volumes hedged at c.$60/bbl

<table>
<thead>
<tr>
<th>Hedge Position (as at 30 June 2017)</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oil volume (bopd)</td>
<td>42,500</td>
<td>27,000</td>
<td>9,732</td>
</tr>
<tr>
<td>Average floor price protected ($/bbl)</td>
<td>60.32</td>
<td>51.53</td>
<td>46.33</td>
</tr>
</tbody>
</table>

¹ Hedging revenue: 2015: $365m, 2016: $363m.
² When including lost production insured at $60/bbl, Tullow is effectively ~80% hedged at $60/bbl

Revenues and cash flow underpinned by long-term prudent hedging programme
Organic deleveraging commenced in Q4 2016; balance sheet and liquidity underpinned by diversified debt capital structure

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Liquidity

- c.$1.2bn facility headroom and free cash at 30 June 2017
- Minimum $0.5bn headroom going forward

RBL

- Successful routine redetermination March ‘17
- $345m accordion effective April ‘17, largely offsetting April ‘17 scheduled amortisation
- Commitments and available credit reduced by $410m in May ‘17, removing excess capacity ahead of October ‘17 amortisation
- Refinancing expected in 2H 2017

Corporate Facility

- 12 month extension secured to April 2019
- Commitments and available credit reduced to $800m in April ‘17

Bonds

- Debt diversification from two high-yield bonds ($650m each) and one convertible bond ($300m)

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(1) Two High Yield Bonds each at $650m (Nov 2020, April 2022); $300m Convertible Bonds (2021)
(2) Reserve Based Lend facility, 6 monthly amortisations commenced in Oct 2016 with Final Maturity October 2019
(3) Revolving Corporate Facility reduces to $600m in Jan 2018; $500m in April 2018; $400m in Oct 2018, Final Maturity April 2019