Tullow Oil plc

2017 HALF YEAR RESULTS

Wednesday 26 July 2017

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 Half Year Results

CEO UPDATE

PAUL McDADE - 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

KEY SHORT TO MEDIUM-TERM OBJECTIVES

Continued strengthening of Balance Sheet

Free cash flow	Funding	Portfolio Management
Maximise free cash flow through increased production, efficient capital allocation & cost discipline	Complete RBL refinancing	Progress monetisation options to achieve maximum value at the optimum time

Maximising value from current portfolio

West Africa	East Africa	New Ventures
Re-start TEN drilling Secure GJFFD approval Ramp-up Ghana production & continue to reduce costs	Drive Uganda to FID Finalise Kenya E&A and progress towards FID	Commence Guyana-Suriname drilling programme Define future exploration drilling programme Seek new opportunities

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CFO UPDATE

LES WOOD - Chief Financial Officer

FINANCIAL STRATEGY BUILT ON FIRM FOUNDATIONS

Financial foundations

- Strong team with key relationships
- Re-set business with a low cost base
- Deleveraging through free cash flow generation
- Diversified capital structure
- Proven hedging and insurance programmes
- Effective portfolio management

Disciplined approach

- Minimum $0.5bn liquidity headroom
- RCF extended to April 2019
- Positioned to refinance RBL
- Maintain cost discipline
- Retain capex flexibility & strict allocation

Future value generation

- Strong balance sheet
- Delivering significant cash flow growth
- Selective high-impact exploration
- Positioned to take advantage of future market opportunities

Tullow is well positioned despite the current low oil price

2017 HALF YEAR RESULTS SUMMARY

Revenue	Underlying cash operating costs	Adjusted EBITDAX	Profit/(Loss) after tax
$788 million ▲	$11.9/boe ▼	$544 million ▲	$(309)million(1) ▼
1H 2016: $541 million	1H 2016: $13.4/boe	1H 2016: $330 million	1H 2016: $29 million

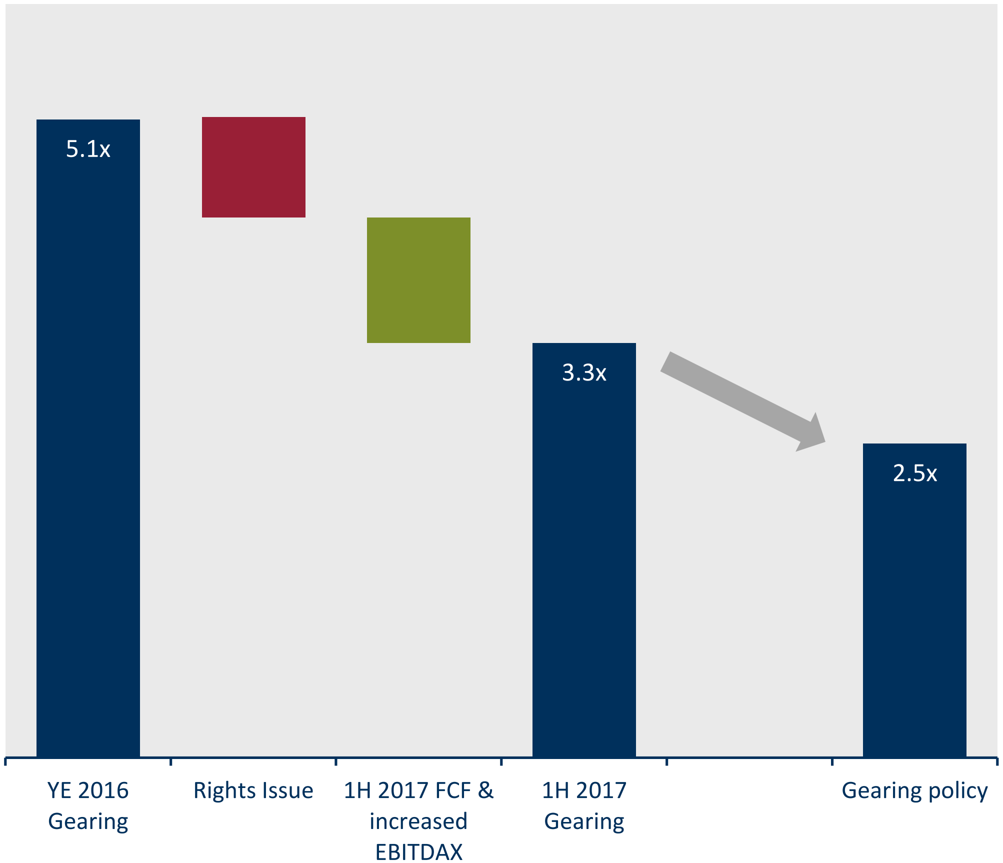
Capital investment	Free cash flow	Net debt	Gearing
$77million(2) ▼	$205 million ▲	$3.8 billion ▼	3.3 times(3) ▼
1H 2016: $613 million	1H 2016: $(697) million	YE 2016: $4.8 billion	YE 2016: 5.1 times

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

Significant progress being made to deleverage the balance sheet

RIGOROUS FOCUS ON COSTS

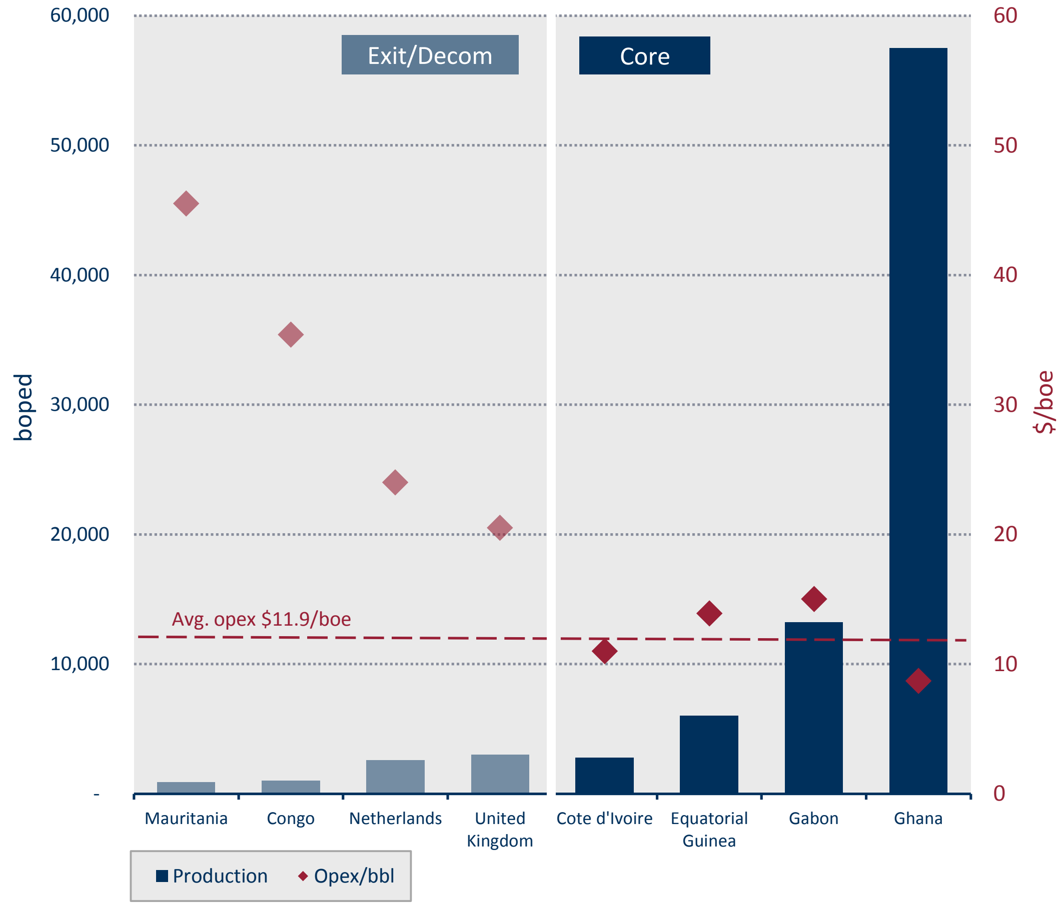
A leaner, more efficient business

- $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

Underlying 1H 2017 cash operating costs compared to production



Disciplined cost management continues to deliver cash savings

CONSIDERABLE CAPEX FLEXIBILITY

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

Ghana	Maintenance and anticipated 1-2 rig drilling programme
CWA	Maintenance and flexible infill drilling programmes
Kenya	Pre-FID expenditure only
Exploration	Seismic acquisition, prospect generation, high-impact, low-cost/low-complexity drilling
Uganda	Post deal completion capex covered through deferred consideration

Scrutinise capital allocation to drive value

FOUNDATIONS FOR GROWTH

Good progress made in the first half

- On a pathway to <2.5x gearing
- Sustained cost reductions
- Ongoing capex flexibility

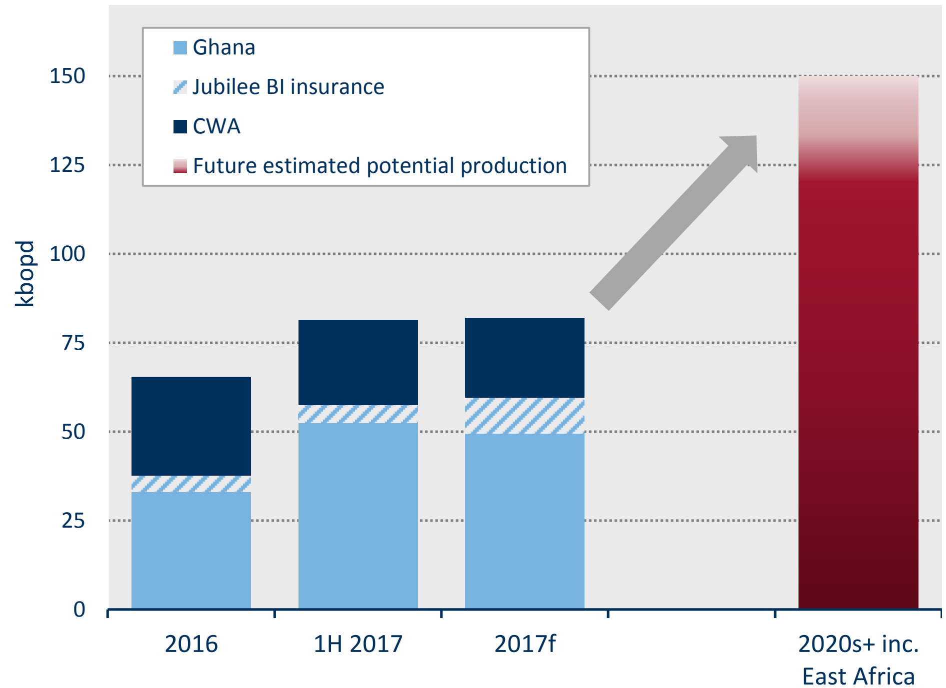
Considerable EBITDA growth potential

- 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

Actual and forecast future oil production



Period	West Africa* (bopd)	Europe (boepd)
1H 17	81,400	6,000
FY 17f	78 – 85,000	5,500-6,000

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

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BUSINESS UPDATE

PAUL McDADE - Chief Executive Officer

WEST AFRICA – CASH GENERATING PRODUCTION BUSINESS

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

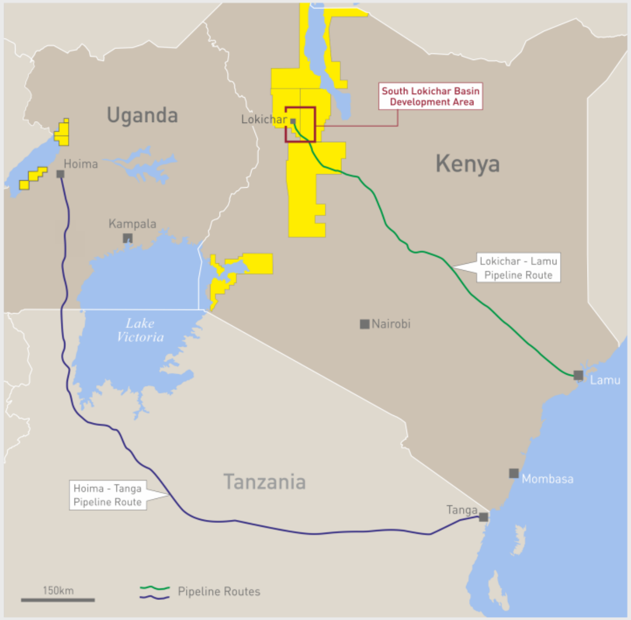
EAST AFRICA – DISCOVERIES LEADING TO MATERIAL PRODUCTION

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

NEW VENTURES- VALUE GENERATING EXPLORATION PORTFOLIO

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

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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

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APPENDIX

A LEADING GLOBAL INDEPENDENT EXPLORATION & PRODUCTION COMPANY

Established record of delivering successes

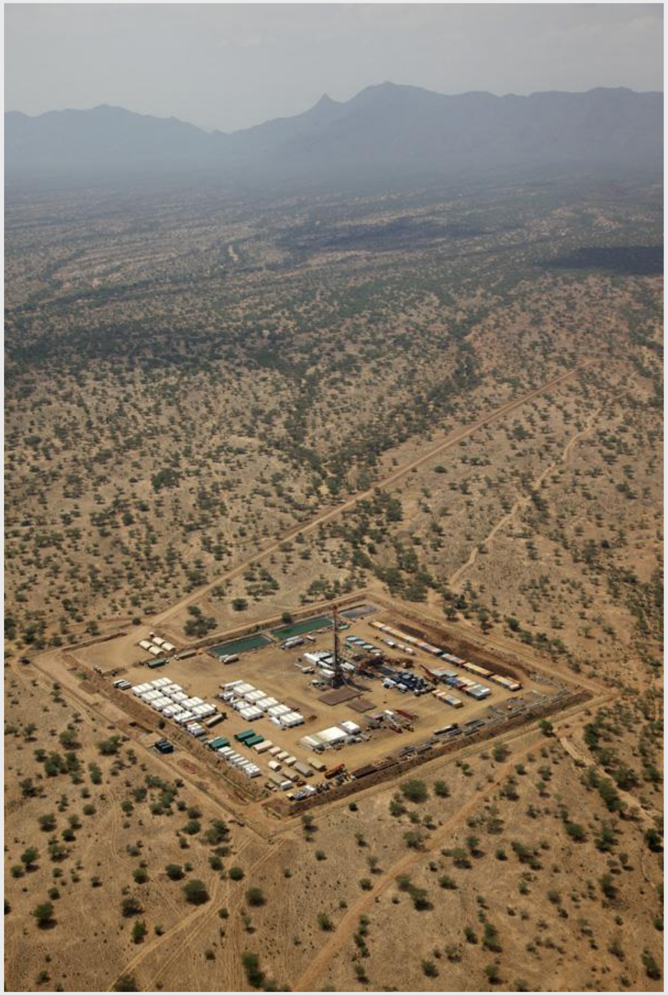
- The business has developed organically and through acquisitions since 1985

Diversified world-class asset base

- Focus on Africa and South America
- 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



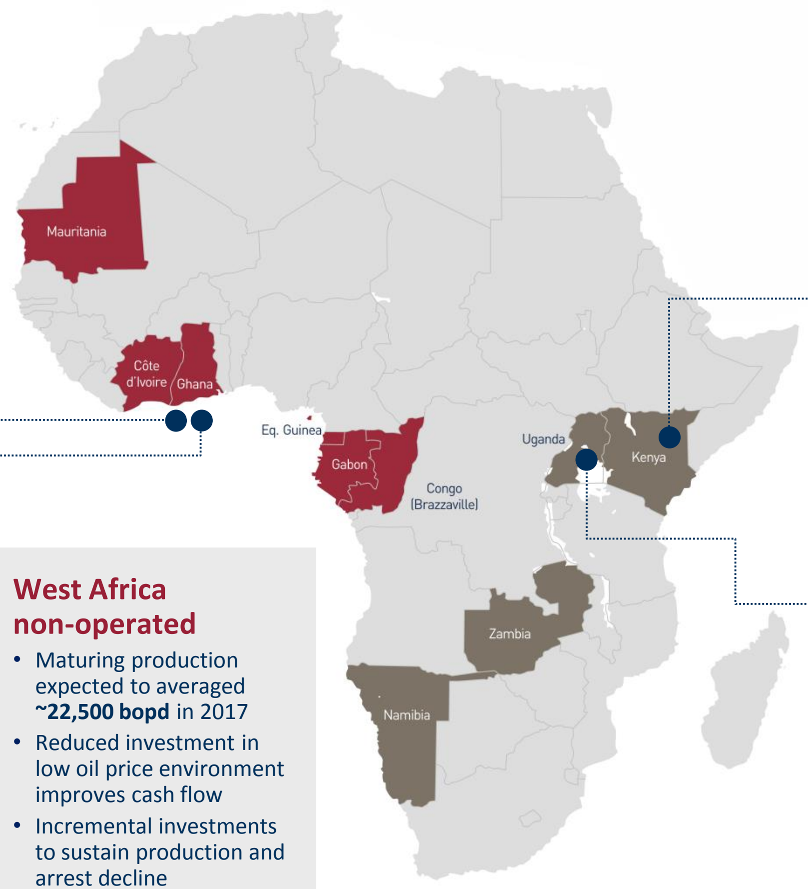
PRODUCTION & DEVELOPMENT ASSET BASE

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

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

2017 West Africa production guidance: 78 – 85 kbopd

Low-cost producing assets with value-adding portfolio opportunities

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

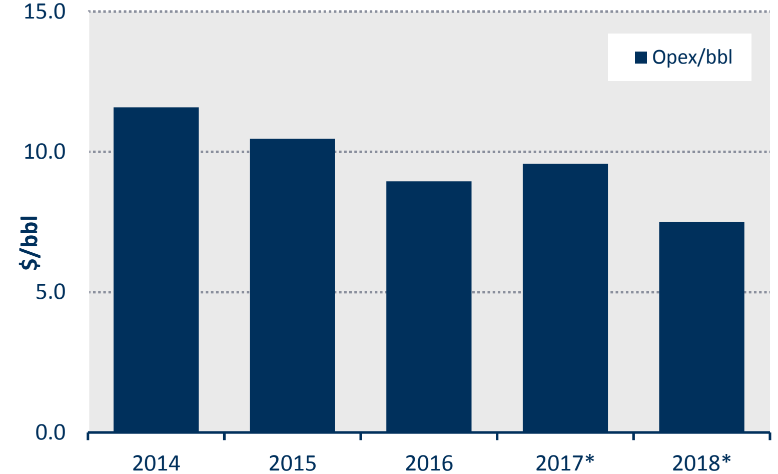
Strong resource base

- 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

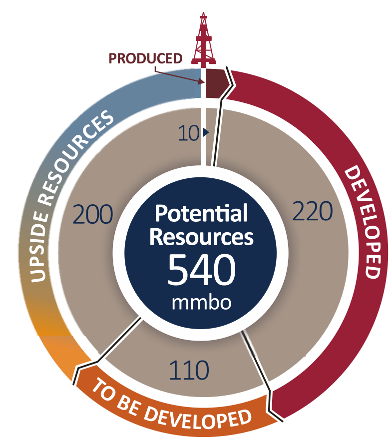
Ghana underlying cash operating costs/bbl



* target

Jubilee oil (gross)**

TEN oil (gross)**



** "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)

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

Year	Net bopd	Net (incl. insurance) bopd
1H 2017	29,900	**34,900**
2017f	26,000	**36,000**

TEN FIELD UPDATE

Successful project execution and completion

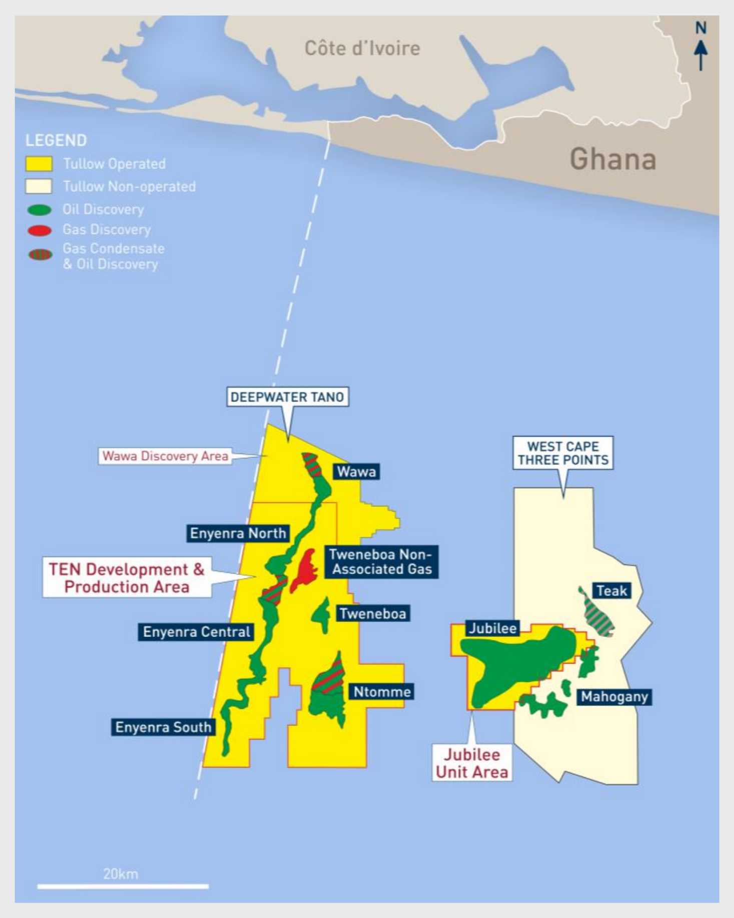
- Project delivered on time and on budget
- FPSO tested in excess of design capacity (80,000 bopd)
- Production data supports oil in place and reserves

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

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

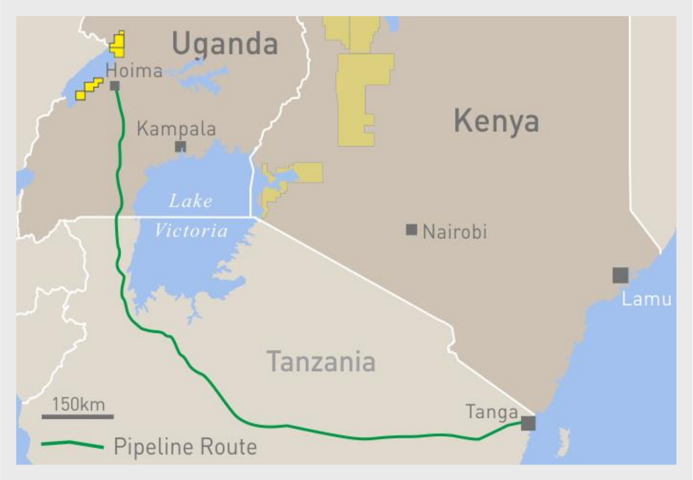
Development milestones to FID

Upstream:

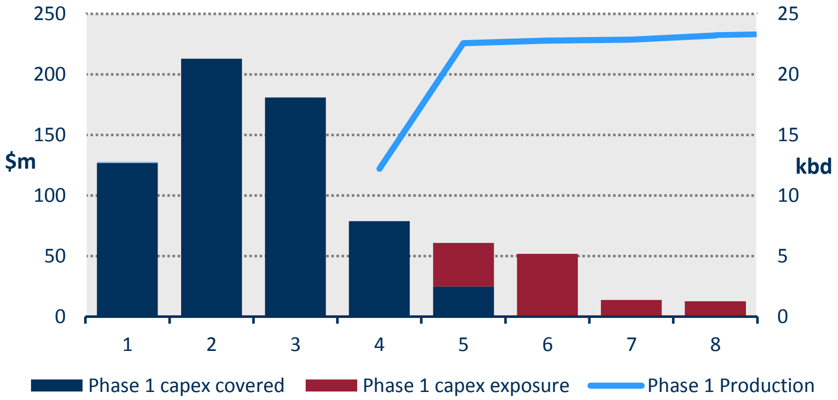
- Phase 1 development to deliver 230kbopd plateau
- FEED, ESIA and technical studies under way

Pipeline:

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



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

KENYA DEVELOPMENT

Continuing to de-risk and build on resources

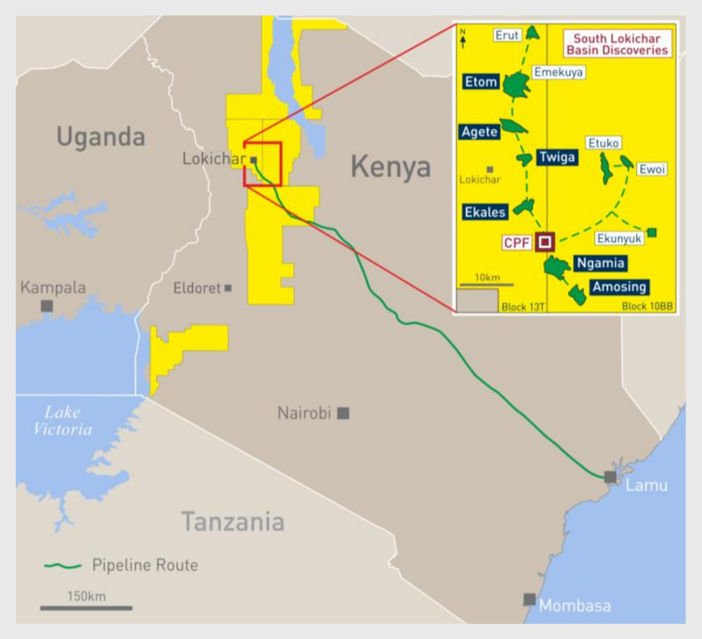
- South Lokichar E&A programme ongoing
- Successful water injection tests support water flood & recovery

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

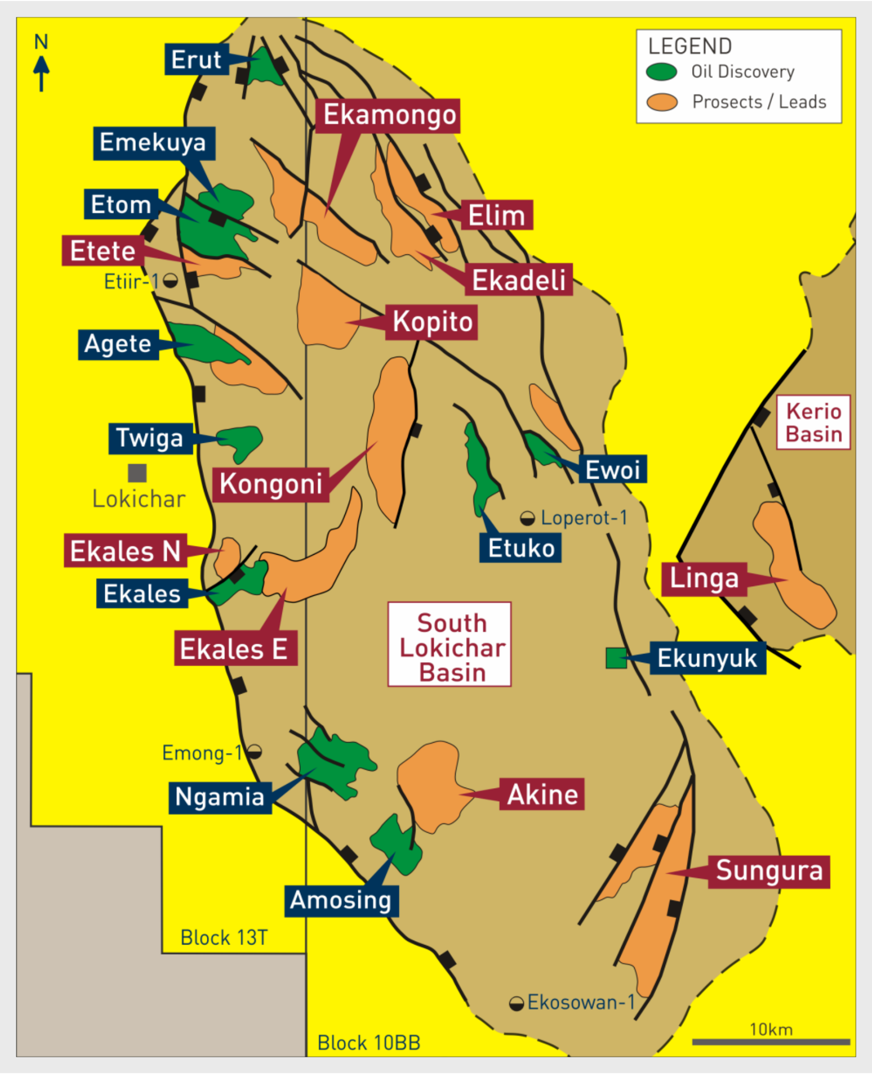
Early Oil Pilot Scheme (EOPS)

- 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



Pursuing upside potential through E&A and progressing towards Full Field Development

SOUTH LOKICHAR BASIN EXPLORATION & APPRAISAL



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

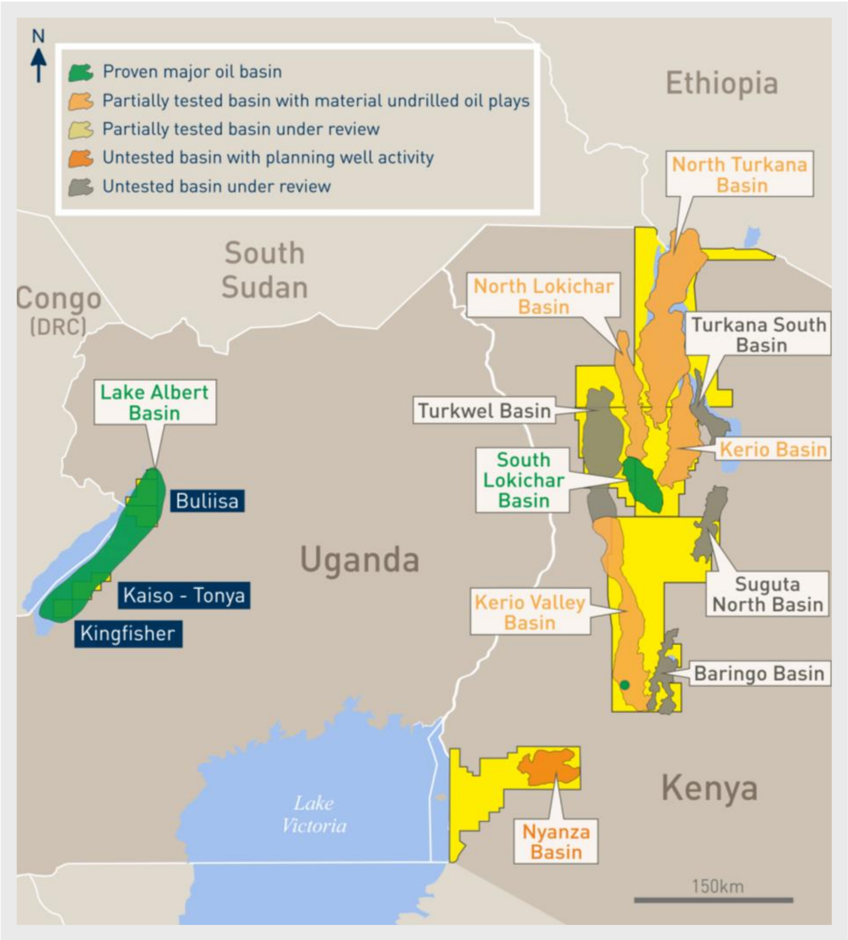
- Multiple oil prospects & leads yet to drill
- Further new plays being targeted
- Estimated billion barrel basin potential*

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

EAST AFRICA: EXPLORING REGIONAL OIL PLAY



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

South Lokichar success with further basins to explore

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	East Africa: Build value	Africa & S America: Frontier exploration
Support Greater Jubilee	Build Kenya resources	Guyana-Suriname hotspot
Extend plateau production	Near field exploration	Mauritania & Namibia
Near field exploration	Support development	Low-cost, material plays
Refresh plays & licences	Pan-regional strength	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

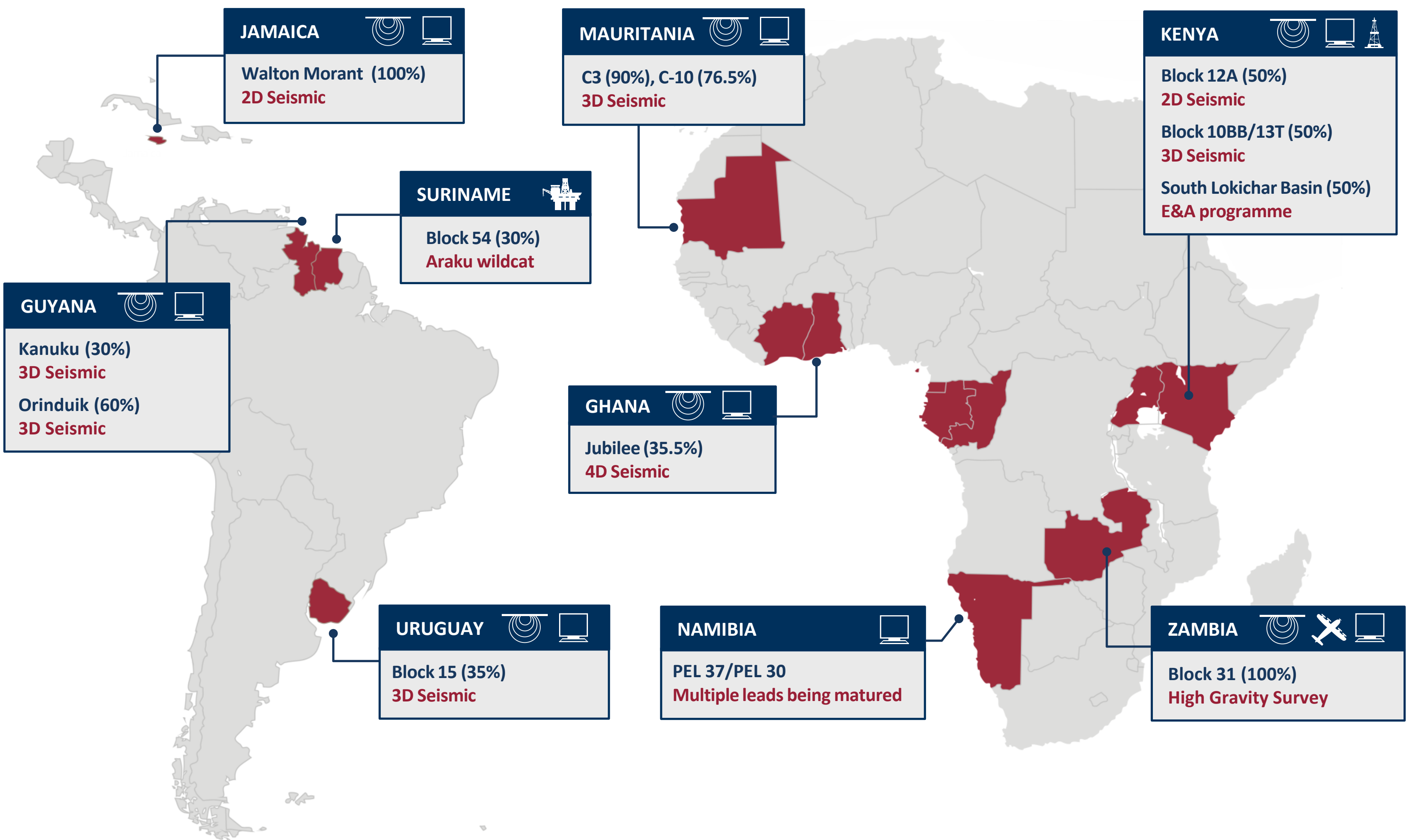
High margin oil

Onshore rifts
East Africa light oil

Simple offshore
Africa &
South America

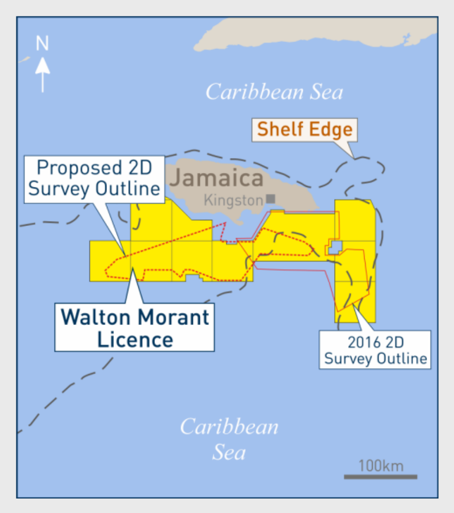
Production heartlands
West Africa light oil

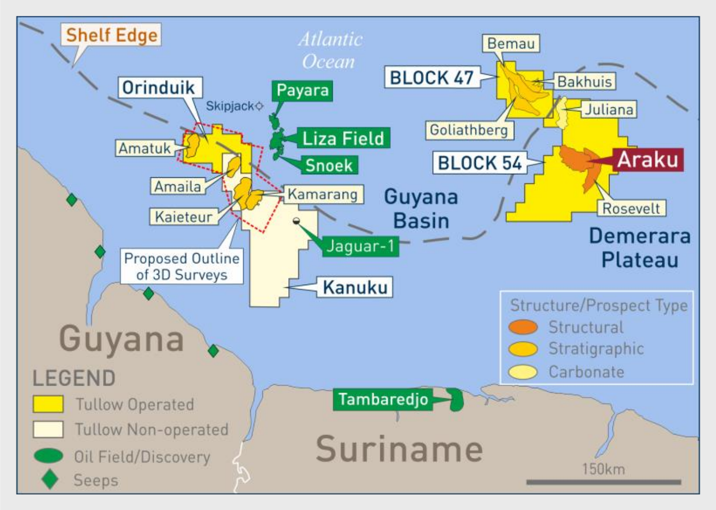
EXPLORATION & APPRAISAL ACTIVITY IN 2017

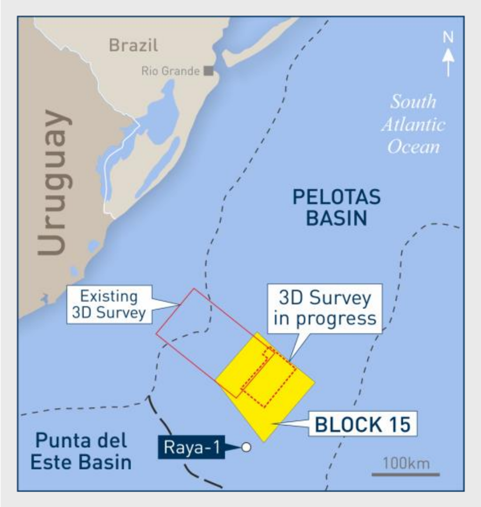


SEISMIC Acquisition | Processing / Re-processing | Airborne Surveys **DRILLING** Offshore | Onshore

SOUTH AMERICA: HIGH-IMPACT PROSPECTS



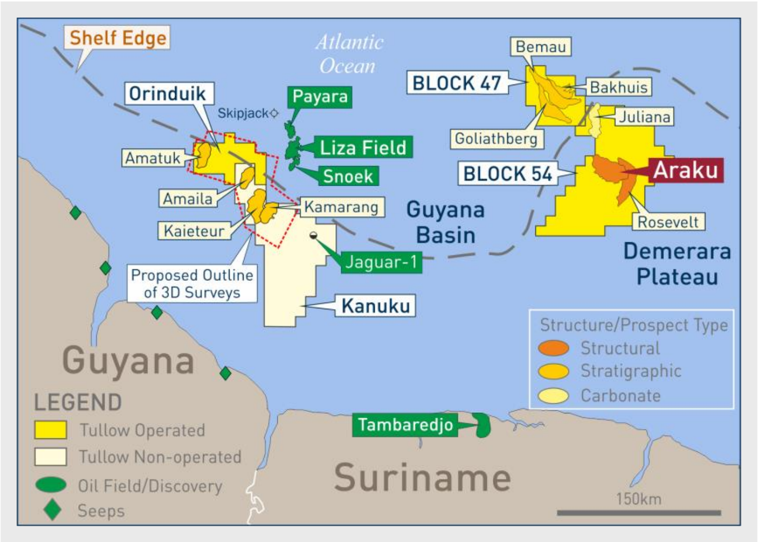


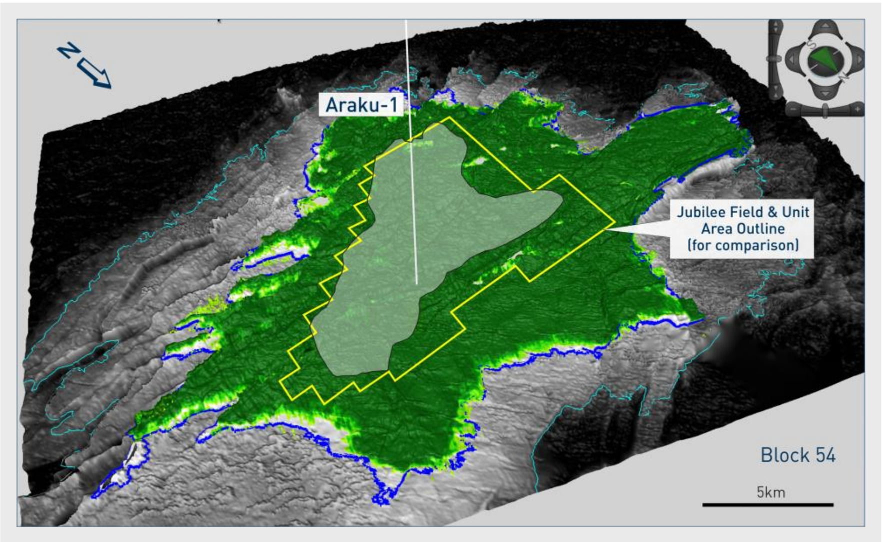


- Jamaica: early stage of frontier exploration, interpreting new 2D seismic data
- Guyana: attractive acreage up-dip of Liza-1 oil discovery; acquiring 3D seismic in 2017
- Suriname: low-cost offshore oil plays; drilling Araku in Q4 2017
- Uruguay: significant potential in the Pelotas Basin; 3D seismic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

Substantial acreage positions with long-term future upside potential

GUYANA-SURINAME: EXCELLENT POSITION IN NEW OIL PROVINCE

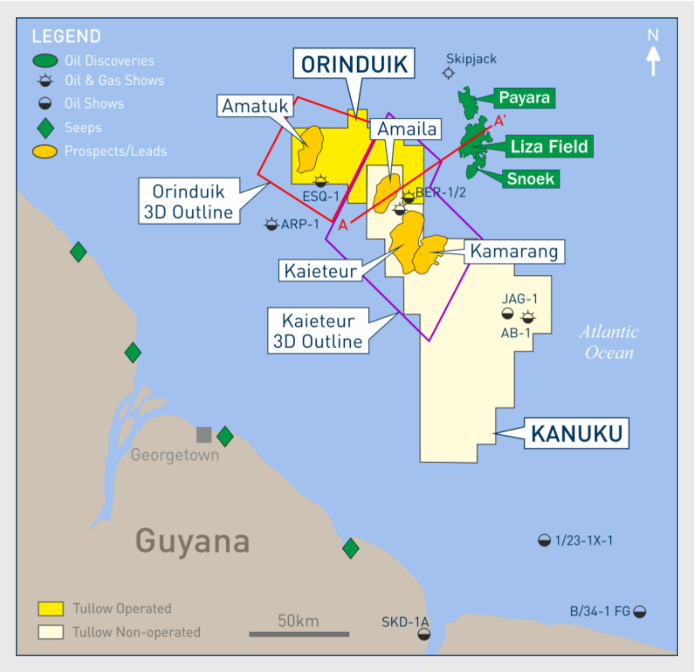


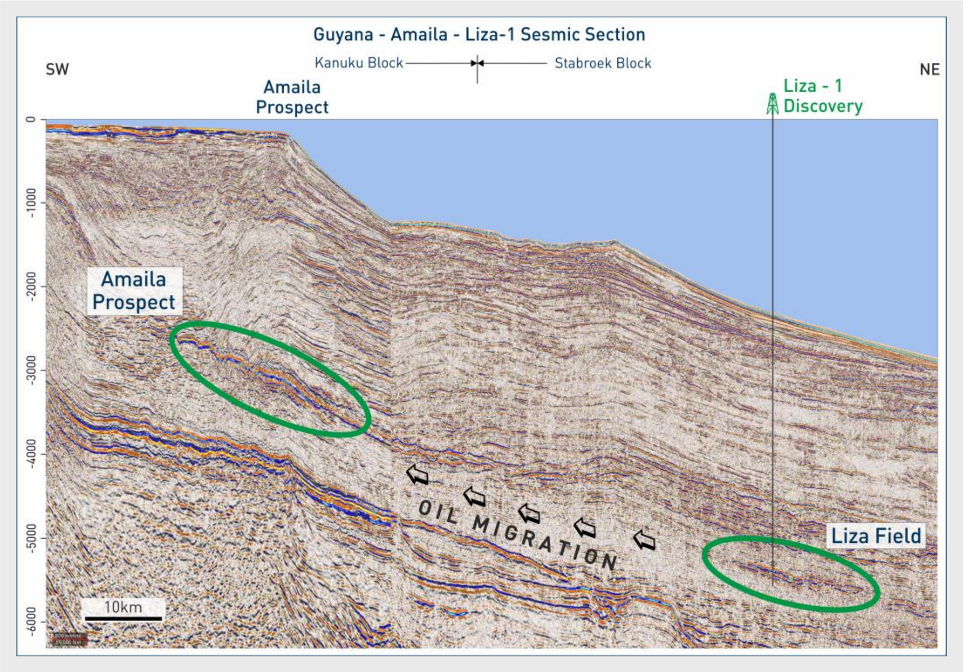


- Liza-1 deepwater oil discovery significantly de-risks the basin & Tullow's regional acreage
- Araku: Estimated 500mmbo prospect in four-way structural closure, good seismic amplitude support
- Araku-1 well cost estimated $14 million net to Tullow (Operator 30%), drilling in Q4 2017
- Multiple high-quality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

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

GUYANA: PROSPECTS UP-DIP OF LIZA-1 DISCOVERY

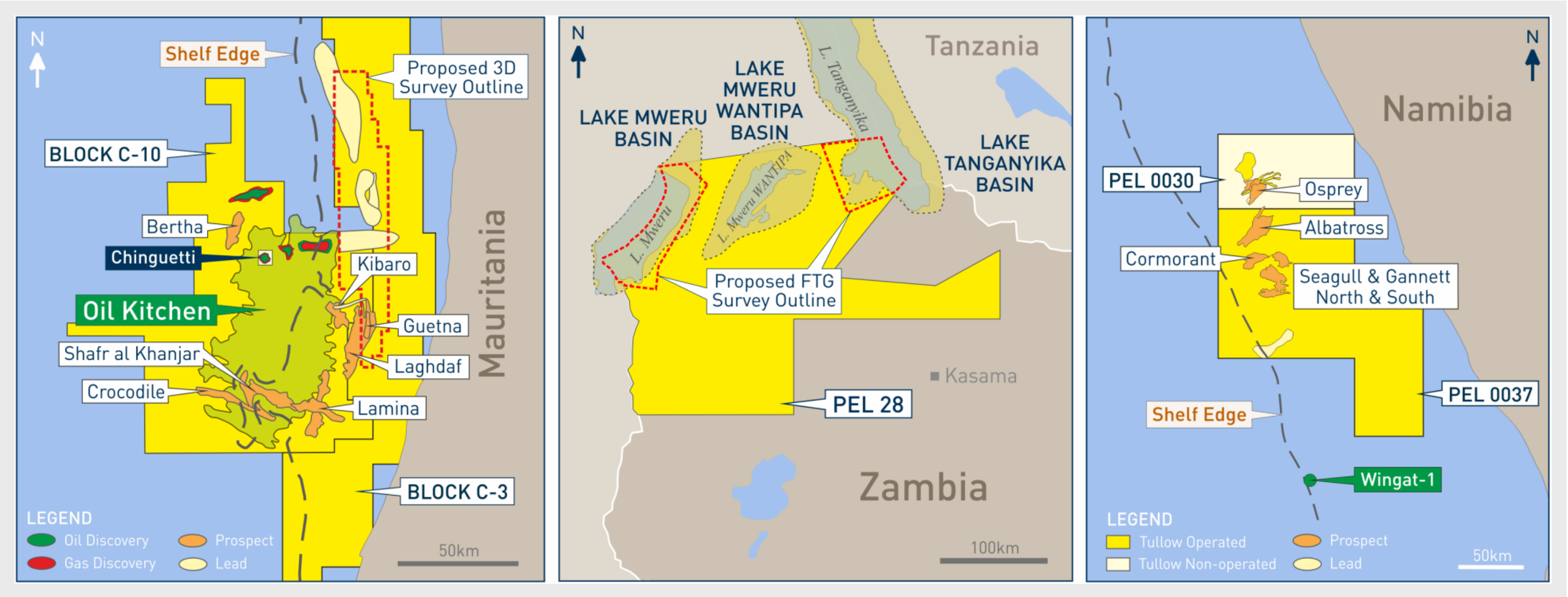




Exploration activity commenced

- 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

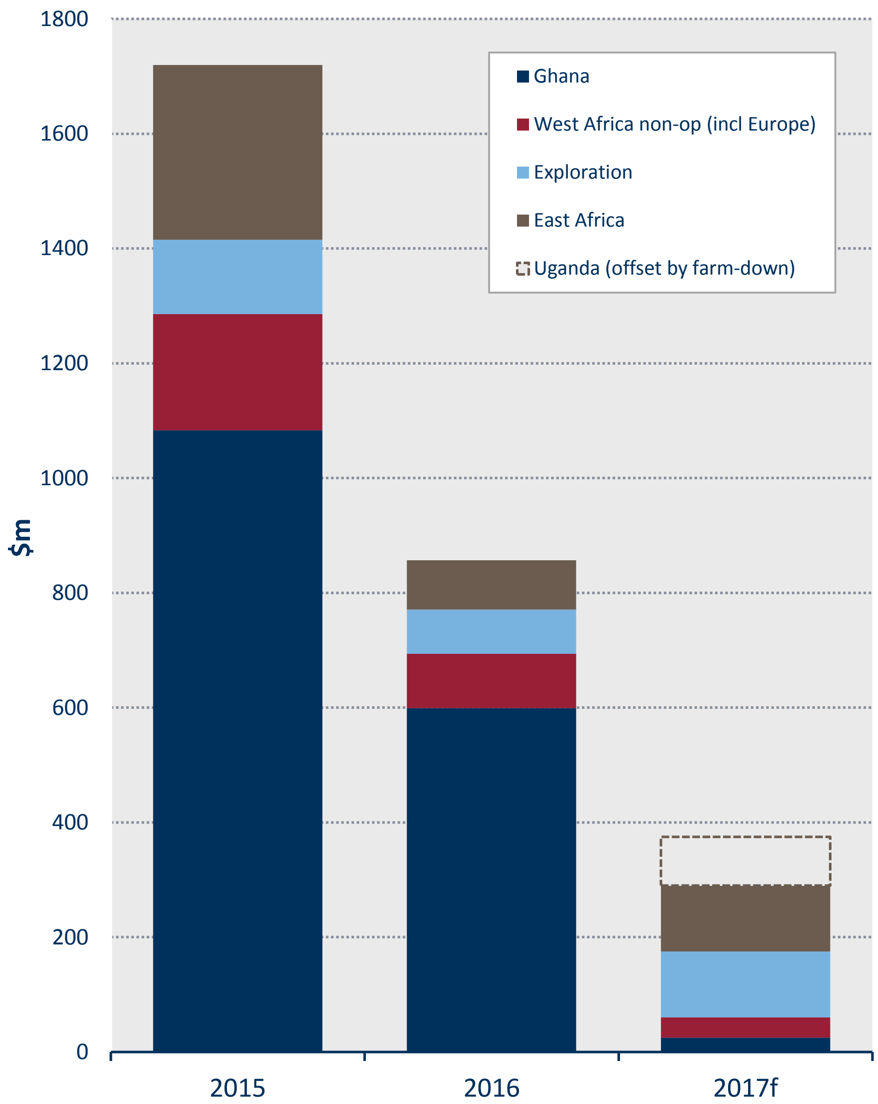
AFRICA: HIGH-IMPACT LEADS AND PROSPECTS



- 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

CAPITAL ALLOCATION



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

HEDGING STRATEGY

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[1] 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

Hedge Position (as at 30 June 2017)	2017	2018	2019
Oil volume (bopd)	42,500	27,000	9,732
Average floor price protected ($/bbl)	60.32	51.53	46.33

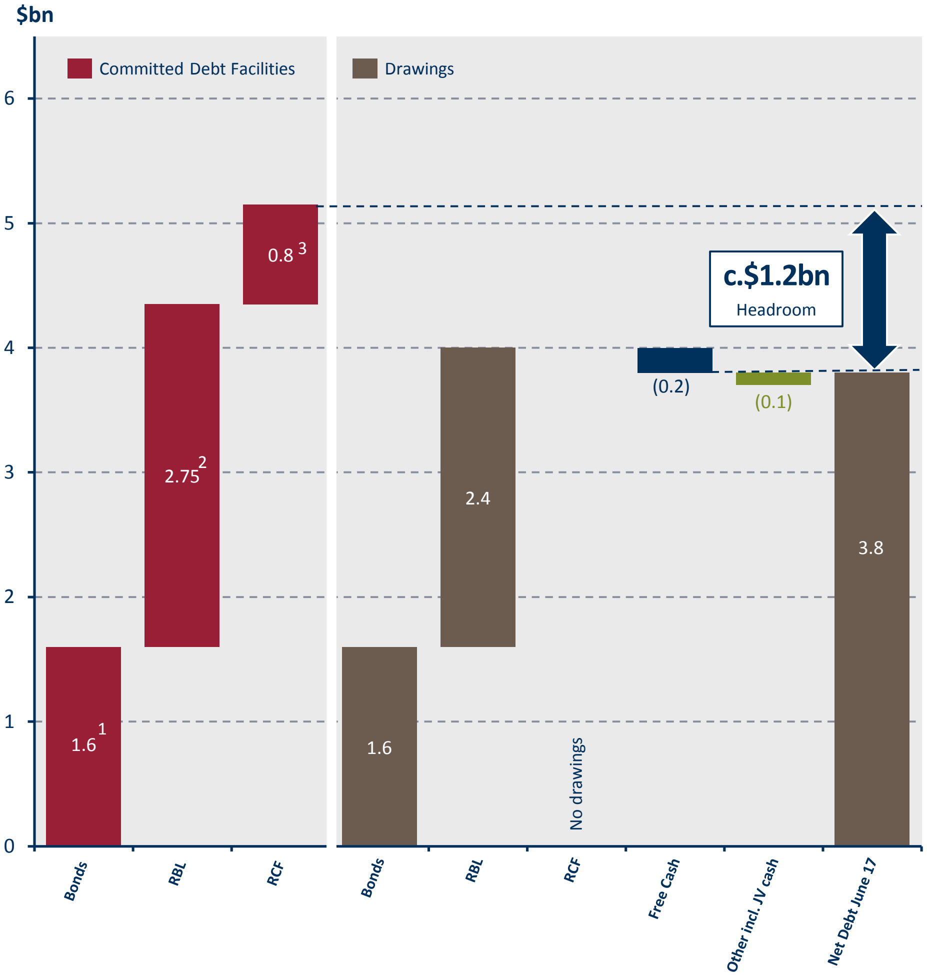
[1] Hedging revenue: 2015: $365m, 2016 :$363m.
[2] When including lost production insured at $60/bbl, Tullow is effectively ~80% hedged at $60/bbl

Revenues and cash flow underpinned by long-term prudent hedging programme

BALANCE SHEET, DEBT PROFILE AND LIQUIDITY

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)

Organic deleveraging commenced in Q4 2016; balance sheet and liquidity underpinned by diversified debt capital structure



(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

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