TULLOW OIL PLC

2015
AGM TRADING UPDATE

30 April 2015

AGM Trading Update

30 April 2015 – Tullow Oil plc (Tullow) issues the following trading update, for the period 1 January to 30 April 2015. This statement is issued in advance of the Group's Annual General Meeting which is being held at the Haberdashers' Hall in London, at 12pm today. The Group will announce its July Trading Statement and Operational Update on 1 July 2015. Half year results will be announced on 29 July 2015.

Highlights

- Group average working interest production for the first quarter 2015 is in line with expectations; West Africa averaged 65,800 bopd and Europe averaged 9,000 boepd. Full year guidance remains unchanged for both regions.
- The Special Chamber of the International Tribunal of the Law of the Sea (ITLOS) in Hamburg has rejected Côte d'Ivoire's request that Ghana be ordered to suspend all oil exploration and exploitation in the disputed area including the TEN Project.
- The TEN Project is now over 55 percent complete with all 10 of the wells expected to be online at first oil already drilled. The project remains within budget and on schedule with first oil expected in mid-2016.
- Progress continues across the East Africa development towards the option to sanction the project by the end of 2016.
- Continued appraisal success in the South Lokichar basin further underpins resource base of 600 mmbo.
- $200 million exploration budget for 2015 includes high-impact wells in Norway (Bjaaland & Zumba), Kenya (Cheptuket) and Suriname (Spari).
- Additional $450 million funding capacity secured under existing credit facilities and RBL covenant amended.
- Year to date revenue and cost of sales are in line with expectations; business remains well funded with current net debt of approximately $3.5 billion and unutilised debt capacity and free cash of approximately $2.3 billion.
- Major Simplification Project is well under way and will deliver savings of around $500 million over three years.
- Capex guidance for full year 2015 remains unchanged at $1.9 billion.

AIDAN HEAVEY, CHIEF EXECUTIVE OFFICER, TULLOW OIL PLC, COMMENTED TODAY:

"Over the last six months Tullow has reset its business to deal with the fall in the oil price. We have increased our existing debt facilities, amended our banking covenants, suspended our dividend, refocused our capital on near term production and are making substantial cost savings across the Group. Operationally, we have performed well with good progress in Kenya in the South Lokichar Basin and at the Jubilee field in Ghana where we have seen increased oil production due to sustained gas export. The TEN Project remains within budget and on schedule for first oil in mid-2016 and the recent decision from the arbitration between Ghana and Côte d'Ivoire allows the project to continue. Because of the actions we have taken and the recent ITLOS decision, the outlook for the remainder of this year and into 2016 is very positive. We are on track to deliver 100,000 bopd net production from our West Africa portfolio in 2017 and are identifying exploration prospects to target as part of future drilling campaigns."

Operations Update

WEST & NORTH AFRICA

Average working interest oil production for the first quarter 2015 is in line with expectations at 65,800 bopd with the Group's portfolio of operated and non-operated assets performing well. Full year 2015 average working interest guidance remains unchanged at 63,000 to 68,000 bopd.

The Jubilee field has performed well over the period resulting in gross average working interest oil production for the first quarter 2015 of 103,000 bopd (net: 36,600 bopd). The commissioning period for the onshore gas processing facility in Ghana was completed on 31 March 2015 and the Jubilee FPSO is now exporting around 80mmscfd. The initial reliability of the gas plant has been above expectations and Tullow will continue to work with GNGC to increase gas export as domestic power demand increases. Guidance for Jubilee full year gross average working interest oil production remains unchanged at 100,000 bopd (net: 35,500 bopd) and production is building towards FPSO capacity by the end of the year.

The Jubilee Partners continue to engage with the Government of Ghana with the aim of submitting a Full Field Development Plan, which will include the MTA area. Government approval has been received for the drilling of two additional Phase 1A wells to enhance the existing well capacity of the field over the medium term.

The TEN Project is making excellent progress and remains within budget and on schedule with first oil expected in mid-2016. On 25 April 2015, the Special Chamber of the International Tribunal of the Law of the Sea (ITLOS) in Hamburg rejected Côte d'Ivoire's request that Ghana be ordered to suspend all oil exploration and exploitation in the disputed area which includes the TEN Project. ITLOS has ordered a number of provisional measures which both Ghana and Côte d'Ivoire are required to comply with, including continued cooperation until ITLOS gives its decision on the maritime boundary dispute which is expected in late

2017. Tullow is not a party to this arbitration process and will now await a decision by the Government of Ghana on how it will implement the provisional measures order. The Jubilee field is completely unaffected by this arbitration.

The TEN Project is now over 55 percent complete with all 10 of the wells expected to be online at first oil already drilled. During the first quarter of 2015 a number of significant milestones have been achieved which include the commencement of the well completions programme; the delivery and installation of the first two subsea Christmas Trees; the timely installation of FPSO topsides modules; the fabrication of the 4,500 tonne turret, ready to be installed on the bow of the vessel on schedule in May; and all in-country equipment fabrication is on schedule for completion next month.

In Gabon, as a result of the ongoing licence dispute with the government regarding the Onal fields, which is expected to be resolved this year, Tullow has not booked any production for the first quarter 2015.

SOUTH AND EAST AFRICA

In Kenya, the extensive exploration and appraisal programme in the South Lokichar Basin in Blocks 10BB, 13T and 10BA continued over the period.

The Amosing -1 and Amosing -2 wells have been completed in five zones with hydraulically controlled completions that permit independent tests of selected intervals without well intervention in preparation for an Extended Well Test (EWT) of the field. Initial rig-less flow testing during clean-up at a combined maximum rate of 5,600 and 6,000 bopd respectively exceeded expectations, demonstrating high quality reservoir sands which flowed 31 to 38^{o} API dry oil under natural conditions. The EWT involves production and water injection testing to enable dynamic flow characterisation between wells in the Amosing stacked oil reservoirs. The full EWT will commence shortly and results are expected over the next few months. The Amosing-4 appraisal well was drilled on the flank of the field and successfully encountered 27 metres of net oil pay in thick upper reservoir zones proving the significant down-dip extent of the field.

Elsewhere in the Lokichar basin, the Ekales-2 appraisal well reached a total depth of 4,059 metres and encountered an estimated 60-100 metres of net oil pay in the primary shallower objectives. This highly deviated well was also deepened to test the basin centre stratigraphic play where it intersected sandstones with elevated pressures and 50 metres of oil bearing sands, however operating conditions precluded logging and confirmation of any oil pay in this section. This was the first test of this exploration target and is very positive for future upside potential of the South Lokichar basin above the Pmean resources of 600 mmbo already discovered.

The Ngamia-7 appraisal well was drilled to test the Ngamia oil field's eastern flank and encountered up to 130 metres of net oil pay, expanding the proven extent of the field. The Ngamia-8 appraisal was drilled and encountered up to 200 metres of net oil pay in line with pre-drill expectations. The well was positioned in the centre of the Ngamia structure and static pressure data indicates the well is in pressure communication with the oil discovered in the neighbouring Ngamia-1A, Ngamia-3, Ngamia-5, Ngamia-6 and Ngamia-7 wells. Ngamia -8 will be completed as part of the Ngamia field EWT planned for mid-year which will also include the Ngamia-3 and Ngamia-6 wells.

Finally, the Engomo-1 exploration well was drilled during the period in Block 10BA and intersected interbedded sandstones, siltstones and claystones but no significant oil or gas shows were encountered and the well has been plugged and abandoned. Engomo-1 was the first well drilled in the large North Turkana Basin and is located west of Lake Turkana where numerous naturally occurring oil slicks and seeps have been observed. Analysis is being focused on high-grading the remaining prospectivity in the basin.

In Uganda, all appraisal activities and pre-FEED (Front End Engineering and Design) studies have been completed. Progress has also been made on fiscal matters with the Government of Uganda preparing an amendment to the VAT Act to allow VAT exemptions on oil developments.

The extensive appraisal activities in Kenya, including the planned EWT, along with the development concept studies completed in 2014 will enable a draft Field Development Plan (FDP) to be prepared by end 2015. The current ambition of the joint venture partnerships is to position the East Africa project, which will include the development of South Lokichar and Lake Albert resources and an export pipeline, for possible sanction by the end of 2016, subject to receipt of all necessary permits and approvals. Good progress continues to be made towards development of these oil resources and as part of the ongoing collaboration between the Governments of Kenya and Uganda on the oil export pipeline, a joint Technical Consultant was appointed in late 2014. The independent technical studies being undertaken by the consultant are progressing rapidly and will assist in the further technical and commercial definition of the pipeline project.

EUROPE, SOUTH AMERICA AND ASIA

European working interest production in the first quarter 2015 averaged 9,000 boepd, with strong performance from the Netherlands assets and the Murdoch field in the UK. Guidance for 2015 average working interest production for Europe remains unchanged at 6,000 to 9,000 boepd.

In September 2014, Tullow signed an agreement to sell its operated and non-operated interests in the L12/L15 area in the Netherlands along with non-operated interests in blocks Q4 and Q5 to AU Energy, a subsidiary of Mercuria Energy Group Ltd. This deal is expected to complete imminently. Full year 2015 European working interest production guidance will be adjusted on a pro rated basis once the deal completes.

Financial Update

Year to date revenue and cost of sales are in line with expectations. Forecast capital expenditure for 2015 currently remains unchanged at around $1.9 billion. On 20 March 2015, alongside its routine re-determination process, Tullow announced that it had secured an additional $450 million of capacity under its existing credit facilities. Tullow's lending banks also agreed an amendment to the financial covenant on the RBL and corporate facility. The business remains well funded and as at 24 April 2015, net debt was approximately $3.5 billion and unutilised debt capacity and free cash was approximately $2.3 billion. The Group's Major Simplification Project is on track and will deliver cost savings over the next three years of around $500 million. A one off restructuring charge for this project of $45 million is expected in the first half of 2015.

Derivative instruments update

Tullow continues to undertake hedging activities as part of the ongoing management of its business risk to protect against commodity price volatility and to ensure the availability of cash flow for reinvestment in capital programmes that are driving business growth. The volumes hedged and derivative products entered into are governed by risk management policies.

At 24 April 2015, the Group's commodity hedge position to the end of 2018 was as follows:

Hedge position	2015	2016	2017	2018
Oil hedges				
Volume (bopd)	34,500	28,754	16,500	3,500
Average floor price protected ($/bbl)	85.98	80.62	78.65	67.49
Gas hedges				
Volume (mmscfd)	6.77	0.62		
Average floor price protected (p/therm)	53.90	63.00		

FOR FURTHER INFORMATION CONTACT:

Tullow Oil plc	Citigate Dewe Rogerson	Murray Consultants
(London)	(London)	(Dublin)
(+44 20 3249 9000)	(+44 207 638 9571)	(+353 1 498 0300)
Chris Perry (Investor Relations)	Martin Jackson	Pat Walsh
James Arnold (Investor Relations)	Grant Ringshaw	Joe Heron
George Cazenove (Media Relations)		

Notes to Editors

Tullow Oil plc

Tullow is a leading independent oil & gas, exploration and production group, quoted on the London, Irish and Ghanaian stock exchanges (symbol: TLW). The Group has interests in over 130 exploration and production licences across 22 countries which are managed as three regional business units: West & North Africa, South & East Africa and Europe, South America and Asia.

Follow Tullow on:

Twitter: www.twitter.com/TullowOilplc

Facebook: www.facebook.com/TullowOilplc

IR App: bit.ly/TullowApp

YouTube: www.youtube.com/TullowOilplc

LinkedIn: www.linkedin.com/company/Tullow-Oil

Website: www.tullowoil.com