



Tullow oil plc

ANNUAL GENERAL MEETING

25 April 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.

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A NEW EXECUTIVE TEAM



Management change

New CEO & CFO

Extended Executive team

Reorganisation of senior management

Board changes



Listening & responding

Focusing on our messages to investors

Acting on feedback from our staff

Building on relationships with host Governments & Partners



Planning & actions

Objectives set & delivery tracked

Driving business performance

Exploring options to maximise value & returns

A highly motivated team focused on execution and delivery

THE PAST YEAR – DELIVERING ON OUR OBJECTIVES



Continued strengthening of Balance Sheet

Free cash flow

- ✓ Record year for production
- Cost discipline embedded
- \$543m free cash flow in 2017

Funding & Balance sheet

- ✓ Significant debt reduction
- Secured \$2.5bn RBL
- \$800m senior notes offering

Portfolio management

- ✓ Uganda farm-down
- Europe disposals
- Exploration deals

Maximising value from current portfolio

West Africa production

- ✓ Drilling under way in Ghana
- Greater Jubilee approval
- Ghana opex < \$8/bbl

East Africa developments

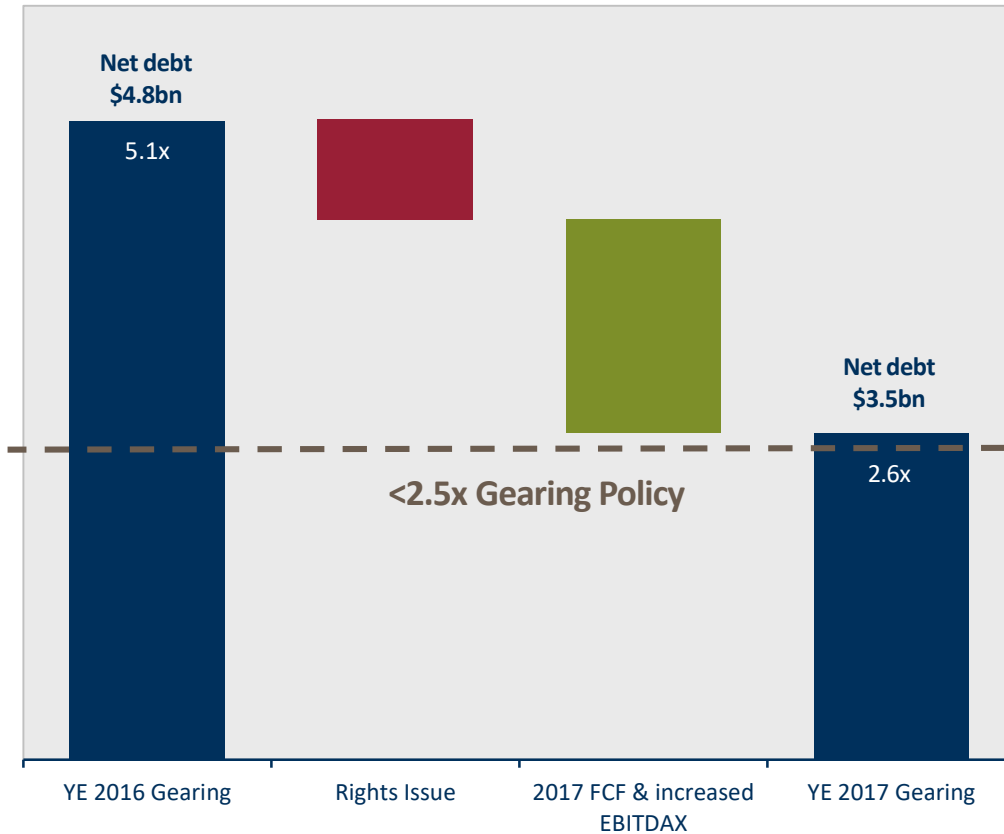
- ✓ Uganda FID on-track for 2018
- Kenya phased development
- Planning for Kenya FID in 2019

New Ventures

- ✓ Reset portfolio
- 3 year programme planned
- Entered Peru & CDI

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

AN OVERVIEW OF OUR OPERATIONS



NEW VENTURES - exploration

- Africa and South America
- 3 year campaign from 2H 18



EAST AFRICA – development

Kenya & Uganda

- Development of significant discovered resources
- Production growth from early 2020s



WEST AFRICA - production

Ghana

- Low-cost producing assets
- Drilling programme to maximize production

Non-operated portfolio

- Investment to sustain production

Oil production¹

2017: 89,100 bopd

2018 guidance: 82,000 - 90,000 bopd

A balance of production, development & exploration assets

1) Totals include Jubilee Field Insurance Production-Equivalent Barrels of 7,400 bopd in 2017 and 10,200 bopd in 2018

MAXIMISING PRODUCTION IN GHANA

A return to drilling at TEN and Jubilee

- Multi-year programme of infill wells
- First well at TEN under way
- Drill/complete ~5 wells in a full year
- Significant focus on investing capital efficiently
- Considering business case for 2nd rig

Strong performance at TEN

- Existing wells performing above expectations
- Tie-in of additional wells from around mid-2018
- Facility tested above design capacity

Preparing Jubilee to return to full production

- Turret remediation on-track, insurance cover remains
- Drilling from 1H 2018 to increase well stock and reach plateau production levels



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

DEVELOPING KENYA'S DISCOVERED RESOURCES

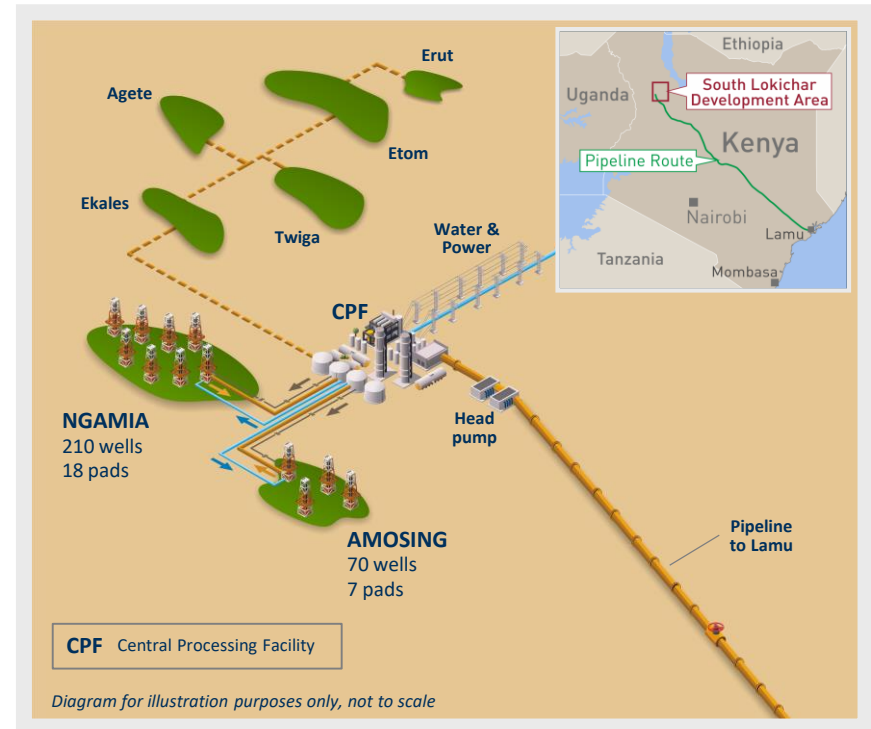
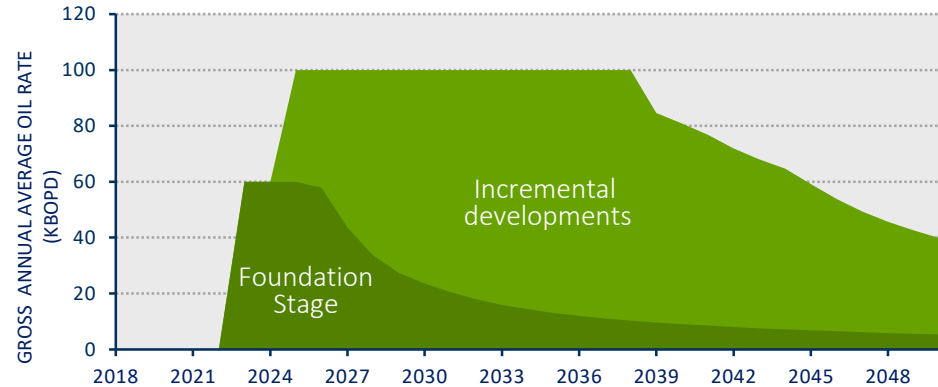


South Lokichar development plan

- Phased development approach planned
- 240 – 560 – 1,230 mmbo (1C-2C-3C) resources
- Export via pipeline to Lamu
- Foundation Stage followed by incremental developments
- Full development to achieve plateau production of 100,000 bopd+

Foundation Stage - Amosing/Ngamia

- Targeting 210 mmbo
- Initial production of 60,000 - 80,000 bopd
- FEED: 2018, FID: 2019, First Oil 2021/2
- Foundation Stage gross capex of \$2.9bn



UGANDA DEVELOPMENT



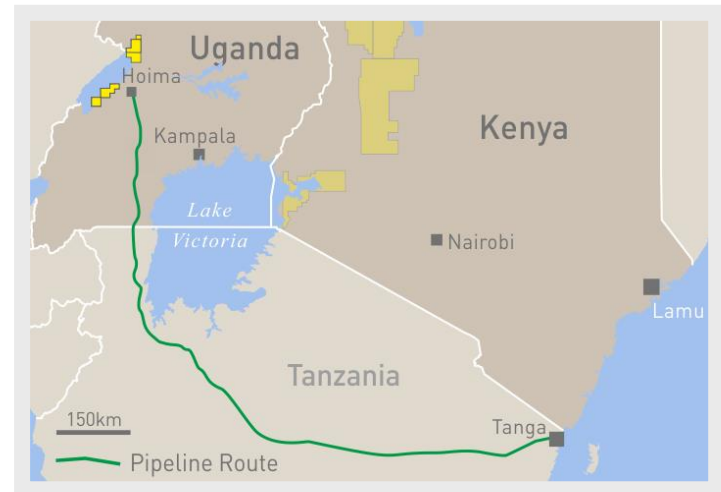
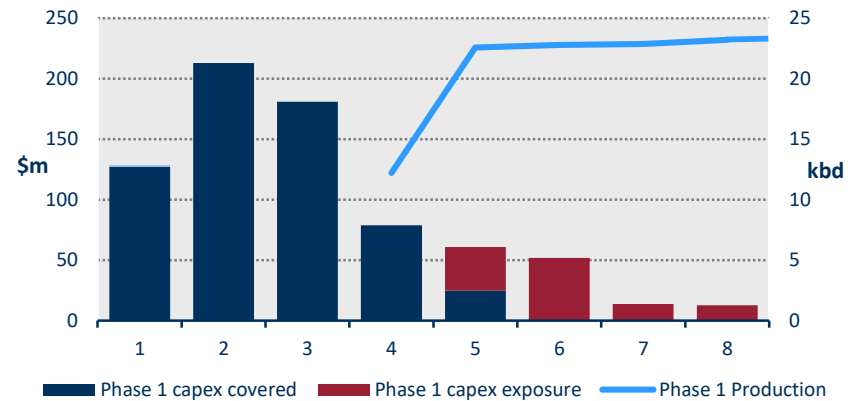
Farm-down expected to complete in 2018

- \$900m farm down to Total & CNOOC
- Deal covers Tullow's capex to 1st oil and beyond

Development progressing towards FID

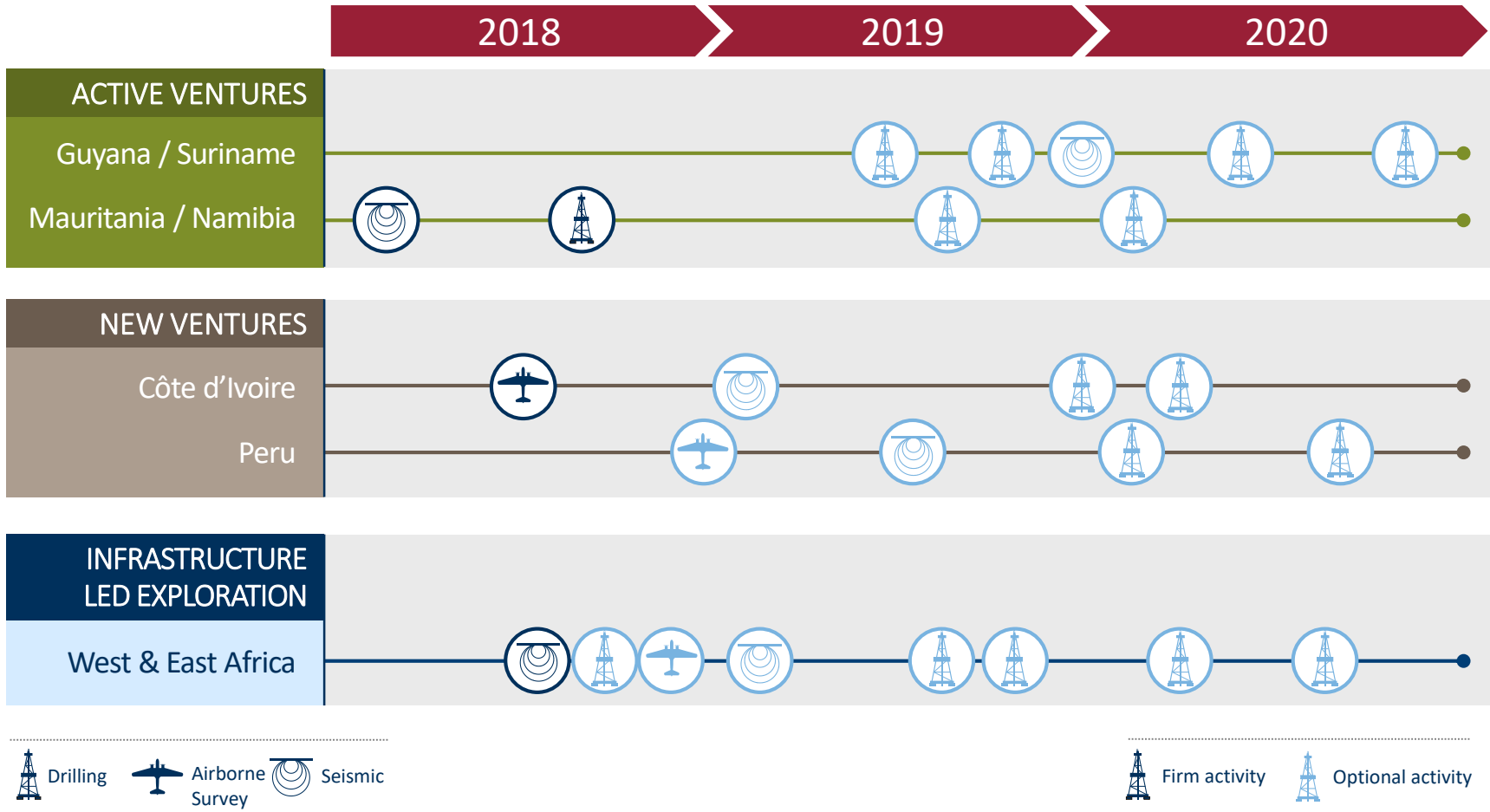
- Development to deliver 230kbopd plateau
- Export via pipeline via Tanzania to Tanga port
- FEED, ESIA and technical studies on-track
- Commercial and transport agreements ongoing
- FID targeted for 2H 2018

Net upstream & midstream development capex & production



Development to deliver ~23,000 bopd of long-term, low-cost net production

MULTIPLE HIGH-IMPACT CAMPAIGNS OVER NEXT THREE YEARS



Drilling
 Airborne Survey
 Seismic

Firm activity
 Optional activity

Competing options in exciting exploration positions in oil prone basins

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 over the past year provides a strong platform for growth

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