



Investor Presentation

NYSE: KOS

August 2017

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical facts, included in this presentation that address activities, events or developments that Kosmos Energy Ltd. ("Kosmos" or the "Company") expects, believes or anticipates will or may occur in the future are forward-looking statements. Without limiting the generality of the foregoing, forward-looking statements contained in this presentation specifically include the expectations of management regarding plans, strategies, objectives, anticipated financial and operating results of the Company, including as to estimated oil and gas in place and recoverability of the oil and gas, estimated reserves and drilling locations, capital expenditures, typical well results and well profiles and production and operating expenses guidance included in the presentation. The Company's estimates and forward-looking statements are mainly based on its current expectations and estimates of future events and trends, which affect or may affect its businesses and operations. Although the Company believes that these estimates and forward-looking statements are based upon reasonable assumptions, they are subject to several risks and uncertainties and are made in light of information currently available to the Company. When used in this presentation, the words "anticipate," "believe," "intend," "expect," "plan," "will" or other similar words are intended to identify forward-looking statements. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the Company, which may cause actual results to differ materially from those implied or expressed by the forward-looking statements. Further information on such assumptions, risks and uncertainties is available in the Company's Securities and Exchange Commission ("SEC") filings. The Company's SEC filings are available on the Company's website at www.kosmosenergy.com. Kosmos undertakes no obligation and does not intend to update or correct these forward-looking statements to reflect events or circumstances occurring after the date of this presentation, whether as a result of new information, future events or otherwise, except as required by applicable law. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. All forward-looking statements are qualified in their entirety by this cautionary statement.

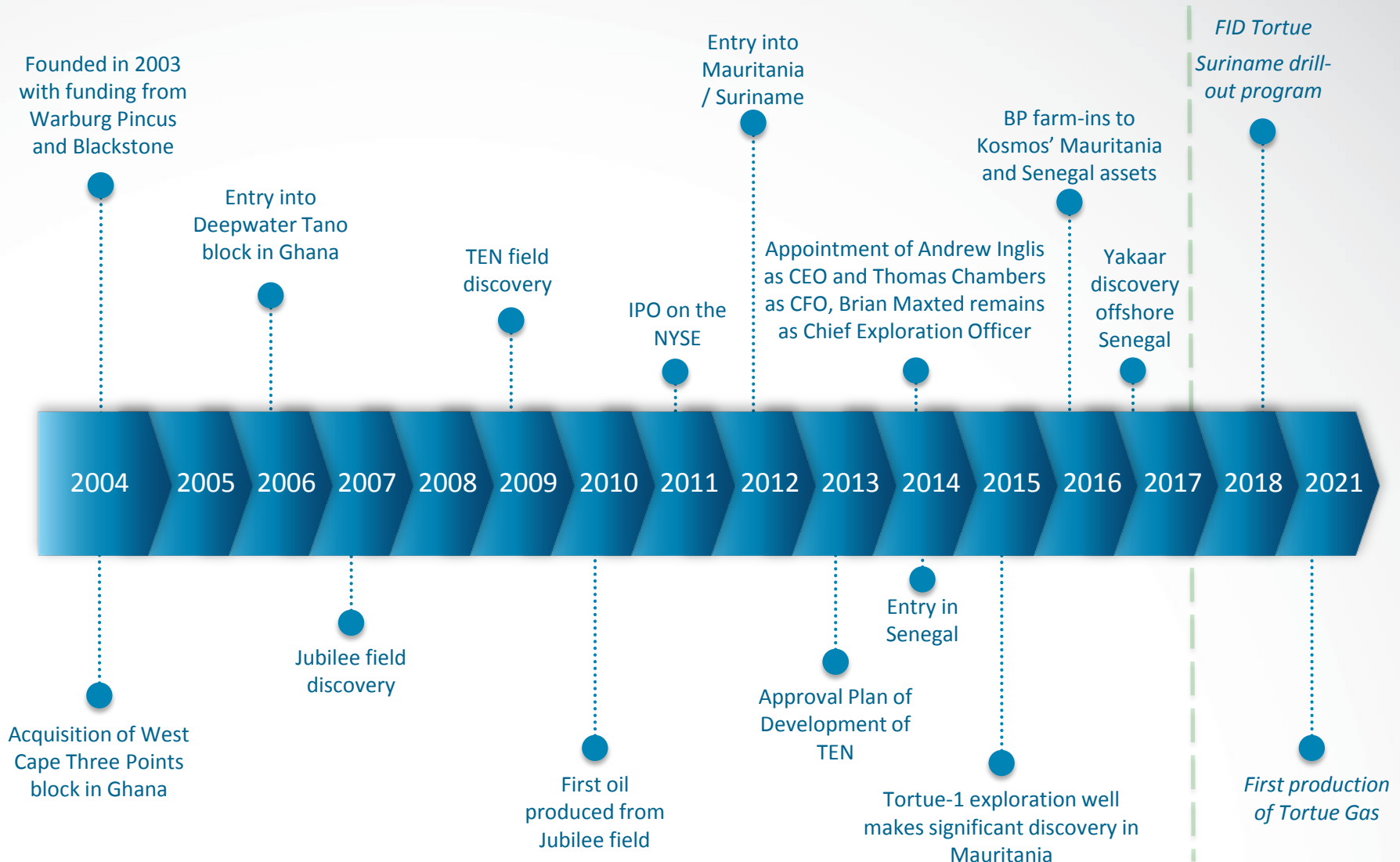
Cautionary Statements regarding Oil and Gas Quantities

The SEC permits oil and gas companies, in their filings with the SEC, to disclose only proved, probable and possible reserves that meet the SEC's definitions for such terms, and price and cost sensitivities for such reserves, and prohibits disclosure of resources that do not constitute such reserves. The Company uses terms in this presentation, such as "total un-risked resource potential," "total discovered," "net un-risked mean discovered resources," "net un-risked resource exposure," "de-risked plays," "defined growth resources," "de-risked prospectivity," "discovered resources," "potential," "gross resources" and other descriptions of volumes of reserves potentially recoverable that the SEC's guidelines strictly prohibit the Company from including in filings with the SEC. These estimates are by their nature more speculative than estimates of proved, probable and possible reserves and accordingly are subject to substantially greater risk of being actually realized. Investors are urged to consider closely the disclosures and risk factors in the Company's SEC filings, available on the Company's website at www.kosmosenergy.com.

Potential drilling locations and resource potential estimates have not been risked by the Company. Actual locations drilled and quantities that may be ultimately recovered from the Company's interest may differ substantially from these estimates. There is no commitment by the Company to drill all of the drilling locations that have been attributed these quantities. Factors affecting ultimate recovery include the scope of the Company's ongoing drilling program, which will be directly affected by the availability of capital, drilling and production costs, availability of drilling and completion services and equipment, drilling results, agreement terminations, regulatory approval and actual drilling results, including geological and mechanical factors affecting recovery rates. Estimates of reserves and resource potential may change significantly as development of the Company's oil and gas assets provides additional data.



Company Background



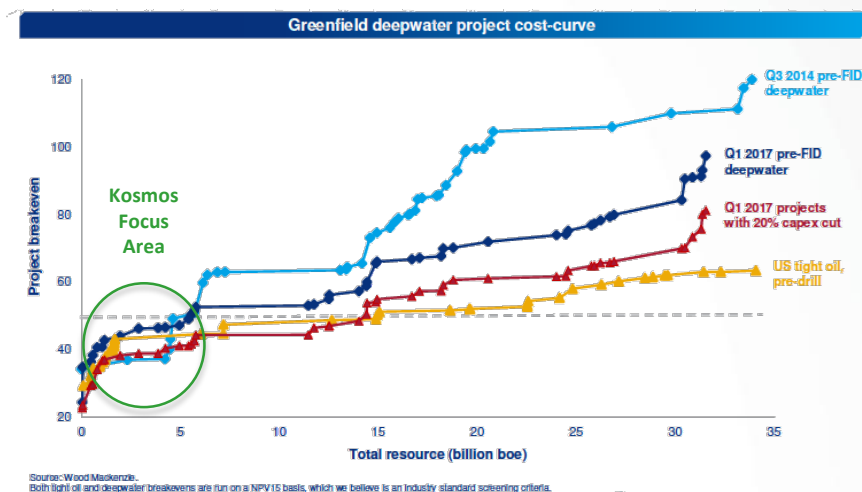
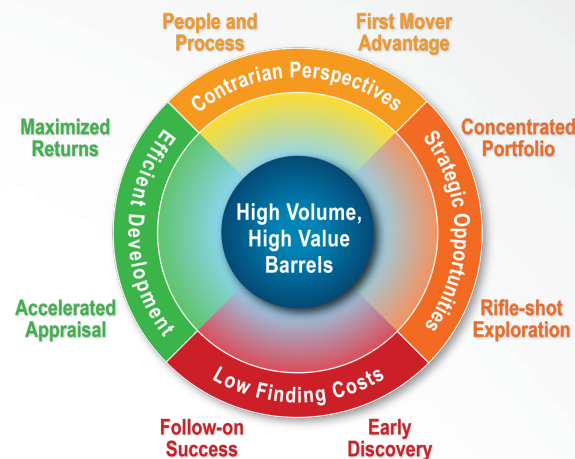
Proven strategy targets frontier basins at the low end of the industry cost curve, maximizing returns in a low commodity price environment – no change since inception

Business Objectives

- Efficiency: Deliver high success rate
- Effectiveness: Discover high-value / high-volume barrels

Differentiated Process

- Conceive contrarian concept to create first-mover advantage
- Capture large acreage positions with good fiscal terms and high working interest to build concentrated portfolio
- Undertake disciplined 3D-based seismic petroleum system analysis to mature concept to drilling stage
- Execute rifle-shot exploration program to open new petroleum system
- Farm-down to minimize capital cost and secure development partner
- Exploit de-risked follow-on potential



How is Kosmos Differentiated?

Self-funded explorer with preeminent exploration track record

- **Focused Strategy**

- Identify and capture high-volume and high-value barrels

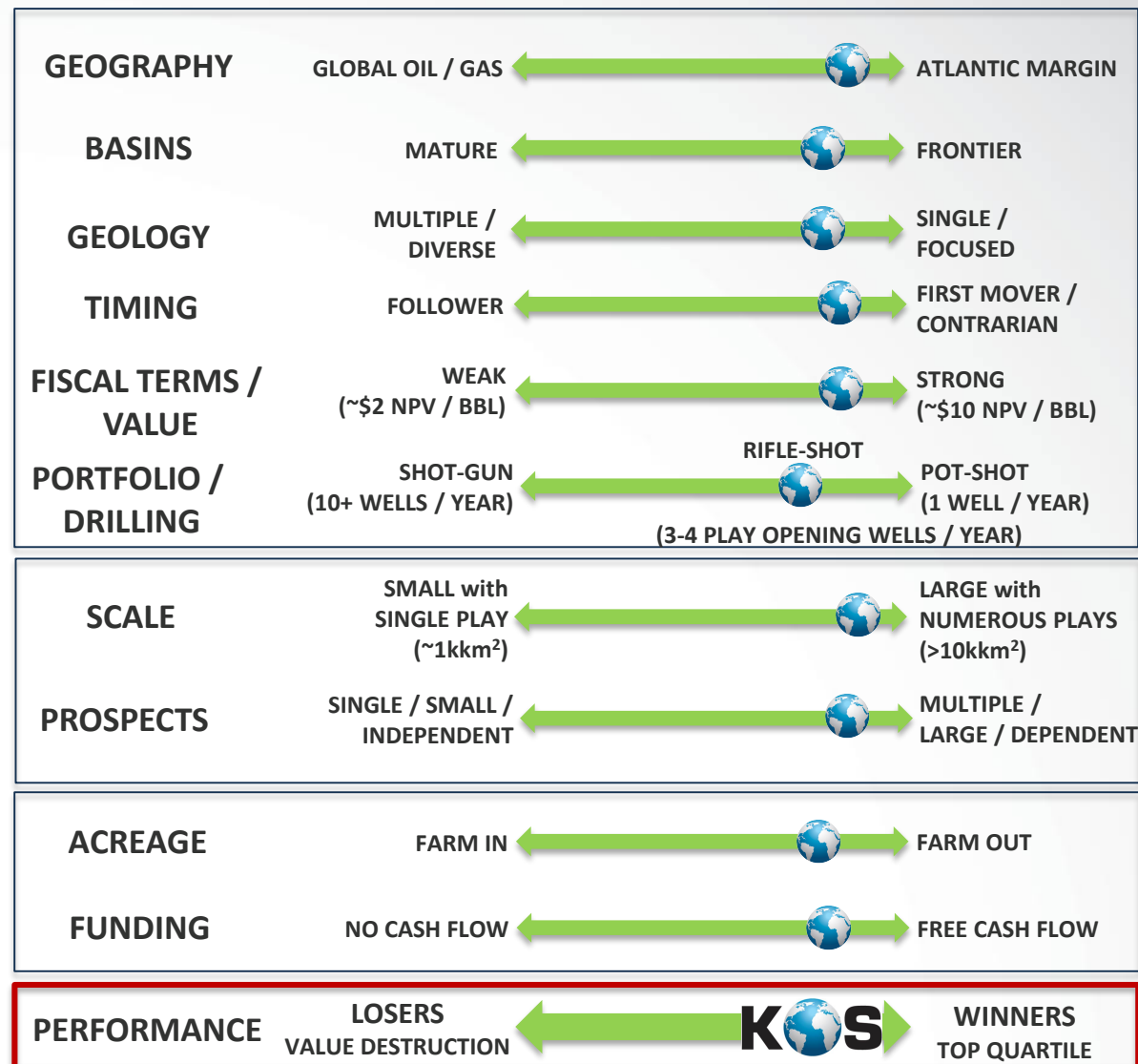
- **Disciplined Execution**

- Manage risks to deliver early, sustained exploration success

- **Self-Funding**

- Maximize flexibility and returns

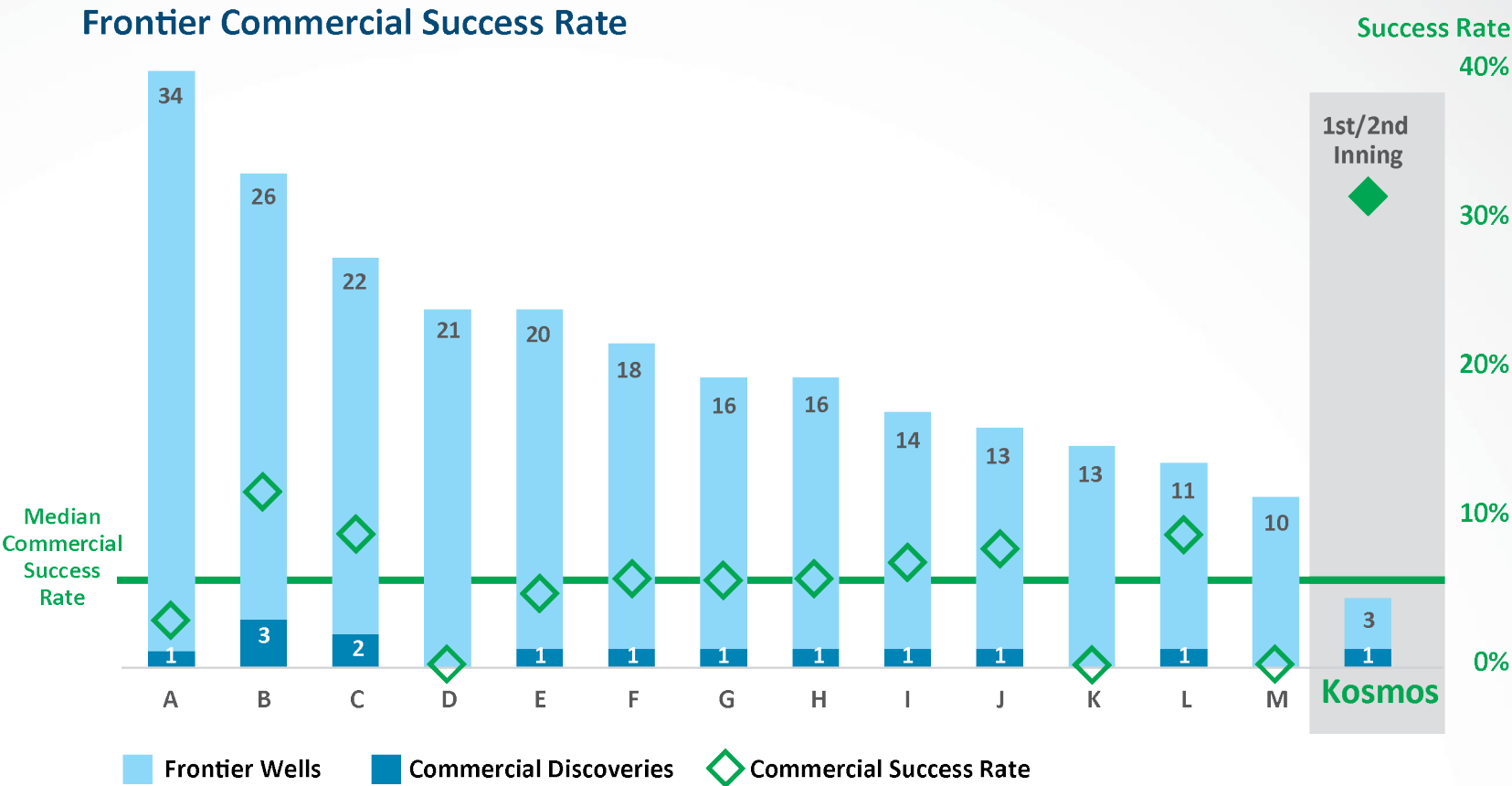
- **Delivers Performance**



Kosmos' Track Record of Success



Track record of opening new basins efficiently through disciplined execution of strategy...

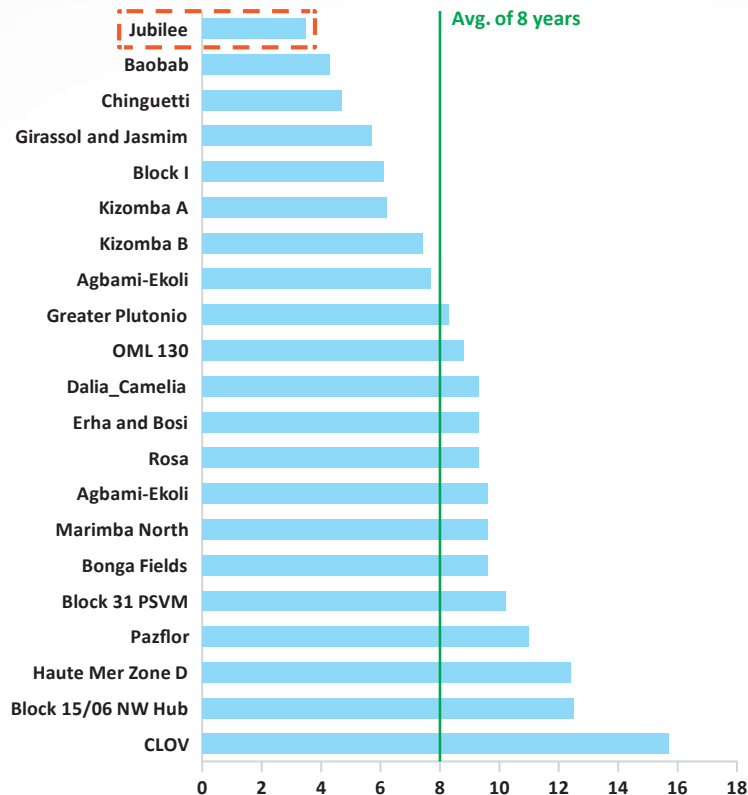


Source: REP
Note: Data includes frontier wells drilled 2009 – August 7, 2015
Peer group includes Africa Oil, Anadarko, Cairn, ENI, Marathon, OMV, Petrobras, Petronas, Repsol, Shell, Statoil, Total, and Tullow

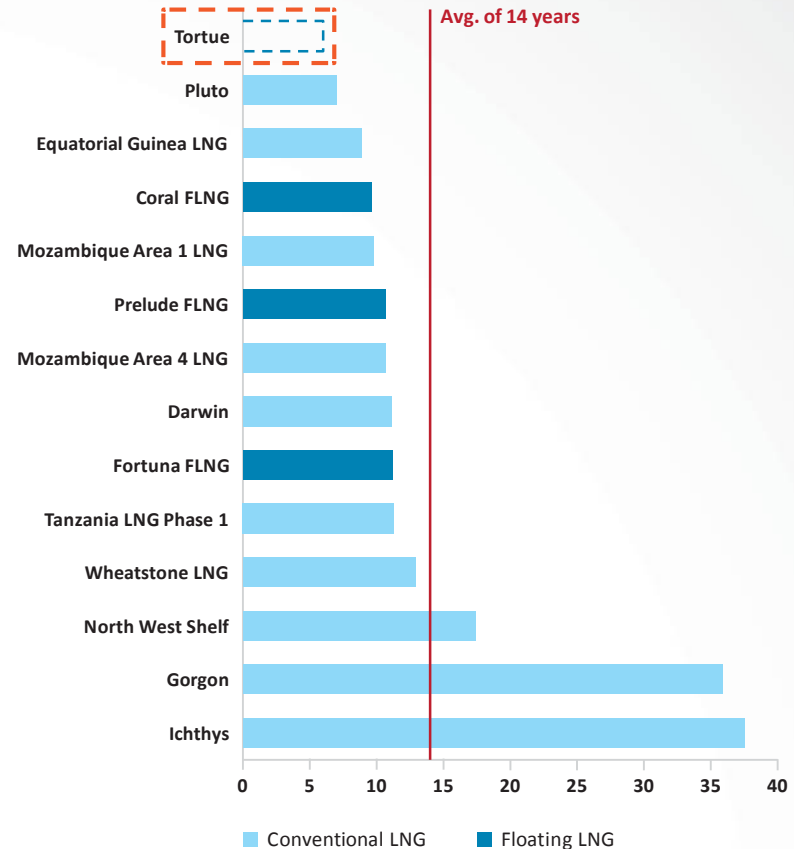
Development Pathfinders

...and history of using accelerated, phased development plans that utilize proven concepts and contractors to mitigate the risks to deliver early production and cash flow and enhance the returns of our projects

Discovery to First Oil (years)¹



Discovery to First Gas (years)²



Source: Wood Mackenzie, Offshore Technology, SubseaIQ

1.) African oil discoveries in > 2,500' of water currently on production

2.) African and Australian LNG projects supplied by offshore gas fields, first gas date for non-operational projects based on Wood Mackenzie estimates

Kosmos' Strategy is Delivering Value

Farm-out transaction demonstrates that Kosmos' unique business model can deliver competitive returns when executed correctly

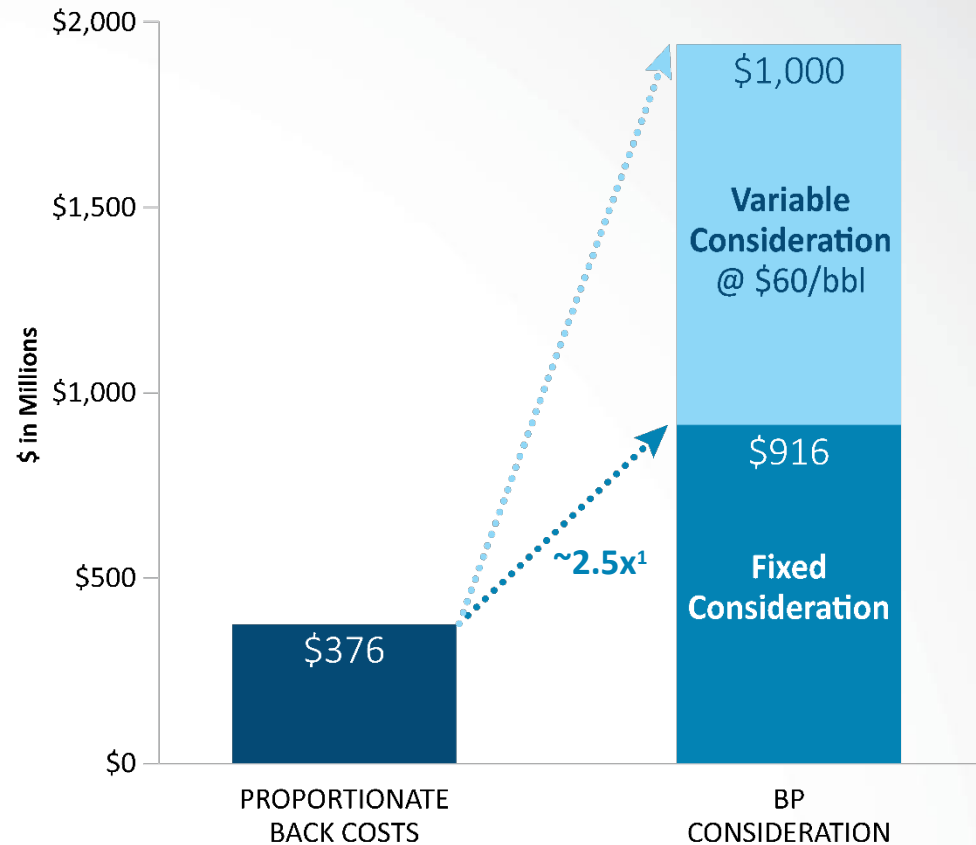
Minimum returns of ~2.5x proportionate back costs¹

- Based solely on fixed consideration reflecting the value of world-class basin opened by Kosmos

Further upside from a material ~30% retained interest and variable consideration

- Future high-impact exploration wells to be funded through E&A carry
- Variable consideration enables Kosmos to benefit from future potential liquids discoveries

Kosmos Exploration Returns ²



(1) Based on \$376MM of back costs (proportionate to BP's acquired interest), undiscounted

(2) Assumes Mauritania discovery

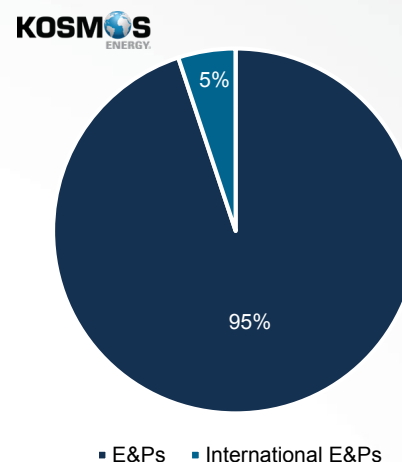
Why the LSE?

Listing on the LSE provides Kosmos with a broader potential investor base while offering European investors a differentiated investment opportunity

Limited number of US-listed internationally focused E&Ps ¹

Secondary listing is the next step in the company's evolution

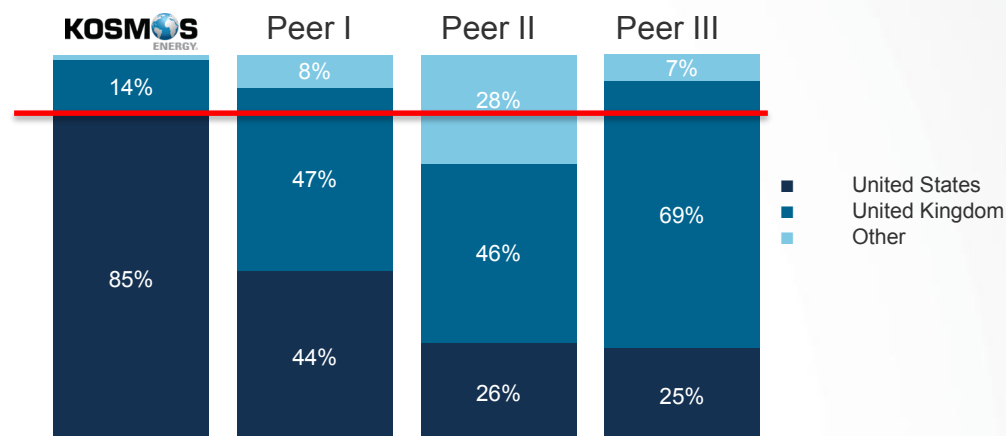
- Since IPO in 2011 have been listed on NYSE
- Expand and diversify our investor base through a secondary listing on the LSE
- Management continuing to be based in Dallas
- Blue-chip US investor base



Selected the LSE for our secondary listing because of its strong liquidity, reputation for transparency, and participants' knowledge of the role of frontier exploration and development in our industry

- Offer investors a differentiated investment opportunity compared to our London-listed peers
- Increase our visibility among U.K. and European investors

Key peers have a broader geographic investor base





Investment Thesis

**Proven, Repeatable, Differentiated
Strategy that Delivers Value**

Firm Foundation in Ghana

**World-Class Basin Opened in
Mauritania and Senegal
with FID on Tortue project by 2018**

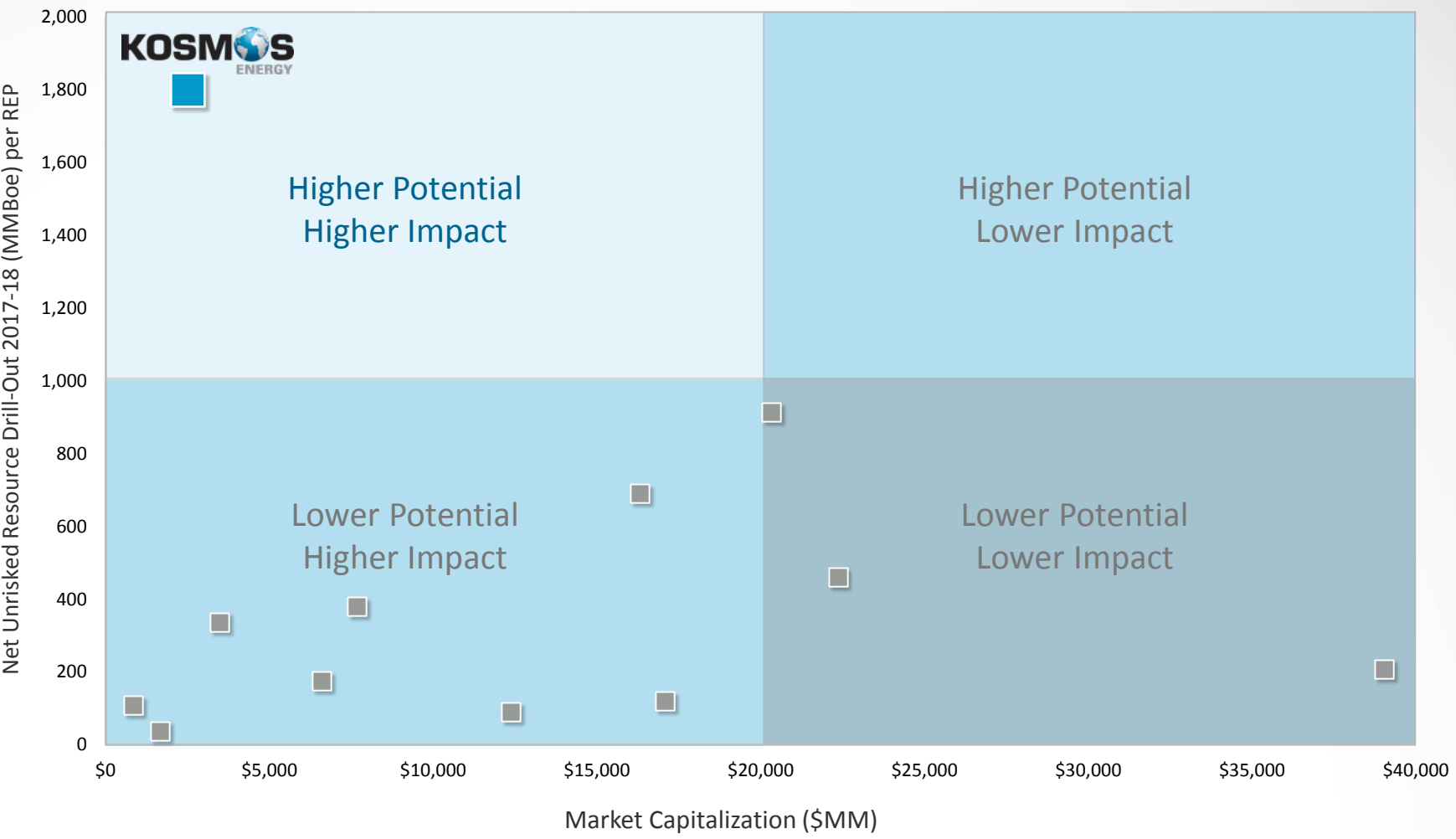
**Near-Term Transformational
Exploration Catalysts**

**Strong Balance Sheet and
Free Cash Flow Generation**

2017-2018 Portfolio Drill Out in Context



Kosmos has the highest impact exploration program in its peer group



Source: Richmond Energy Partners (REP), FactSet
Note: Peers include Aker BP, Anadarko, Apache, Cairn, GALP, Hess, Lundin, Noble, Ophir, Tullow, and Woodside

Ghana Overview

Long-life assets position Kosmos as low end of cost curve from company-making Ghana fields

Strong, growing reserve base

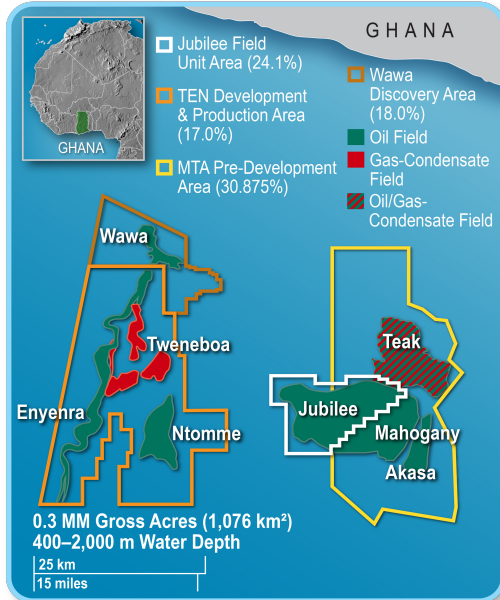
- Greater than 100% RRR last four years

Plateau production

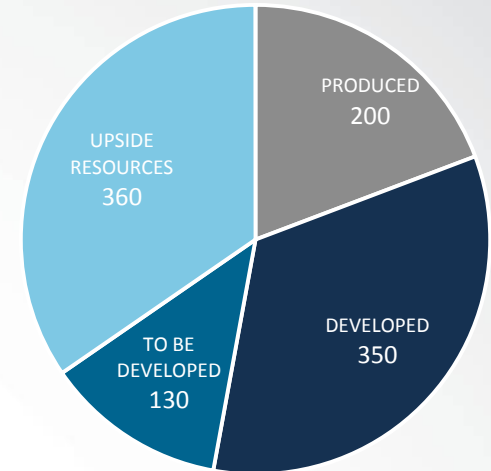
- Minimal maintenance capital required to keep production flat through early 2020s

High-margin barrels

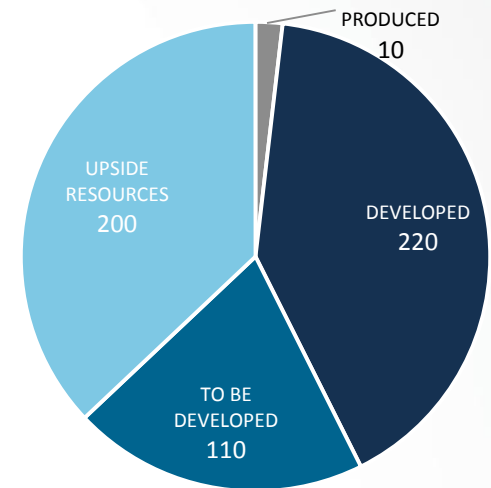
- Low-cost production



**Jubilee Oil (Gross)
Potential Resources**
1,040 MMBbls¹



**TEN Oil (Gross)
Potential Resources**
540 MMBbls¹



Source: Tullow Oil:

1.) "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)

Ghana Asset Inflection Point Has Arrived

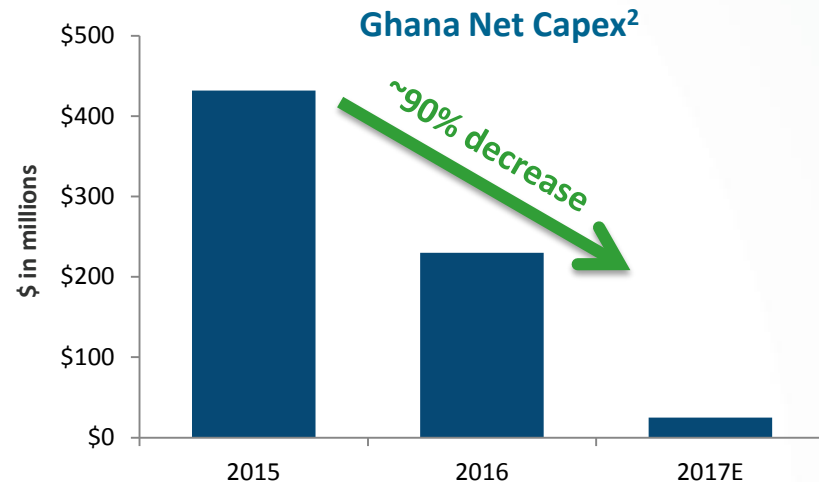
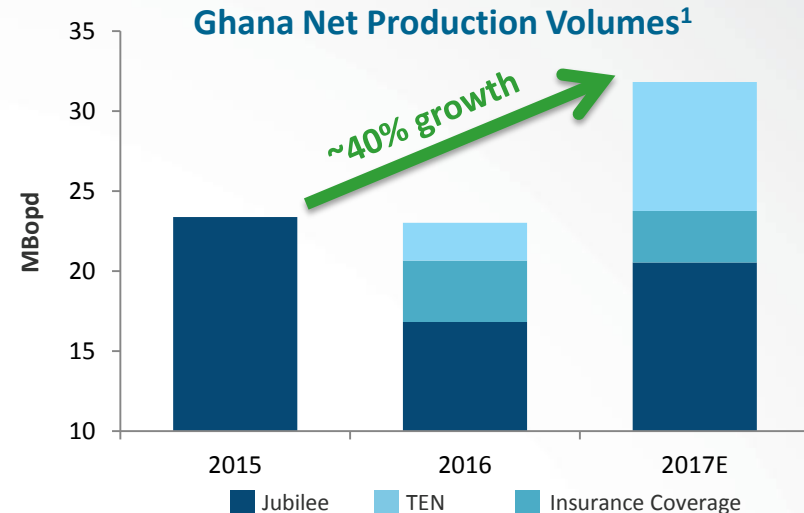
Foundation asset delivering increasing production and cash flow as capex declines, providing free cash flow for growth

Production expected to grow ~40% as capex falls ~90% from 2015-2017

— TEN first oil achieved in August 2016

Free cash flow positive starting in 4Q:16, providing funding for growth

1+ BnBbl gross oil recoverable with ~20% produced



(1) Net production includes Jubilee and TEN entitlement volumes and LOPI insured volumes assuming \$50/bbl Brent
 (2) Excludes capex related to Jubilee turret remediation which is expected to be reimbursed under insurance coverage

Opening Mauritania / Senegal

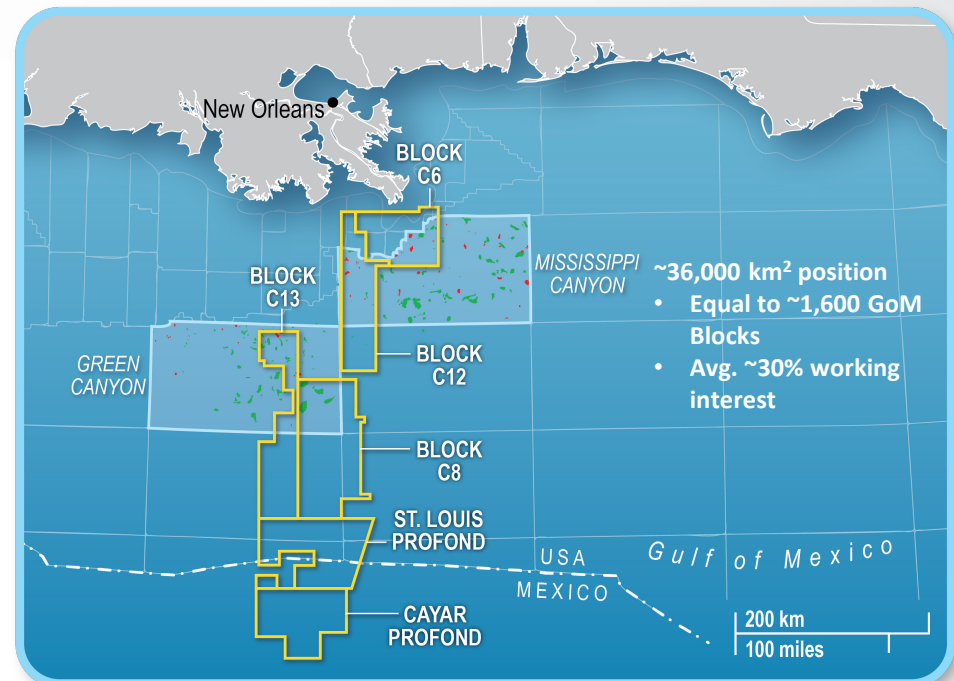
The outboard Cretaceous petroleum system offshore Mauritania and Senegal is a super-major scale hydrocarbon province with world-class discovered gas resource and substantial follow-on potential, including for liquids

Completed 1st Exploration Phase – Inboard

- 5 wells with 100% success rate
 - 3 trends tested with 25 and 50 Tcf of discovered and de-risked potential gas resource, respectively

Executing 2nd Exploration Phase – Outboard

- 4 independent tests of outboard basin floor fans
- First successful well demonstrating outboard basin floor fan concept works
- ~75% of undrilled prospectivity resides in Mauritania where there is the greatest chance of finding liquids



In the Gulf of Mexico, our position in Mauritania and Senegal would stretch from Louisiana across the Mexican border

Defined, Efficient Path to First Gas from Tortue

Partnership with shared vision for fast-tracked gas development provides foundation for delivery of funded growth

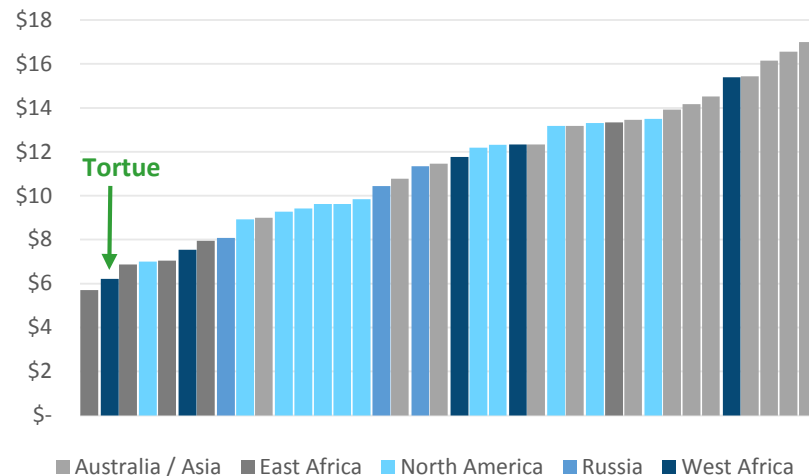
BP operates development of Tortue project targeting FID by 2018

- Partnership benefits from BP's extensive LNG marketing expertise

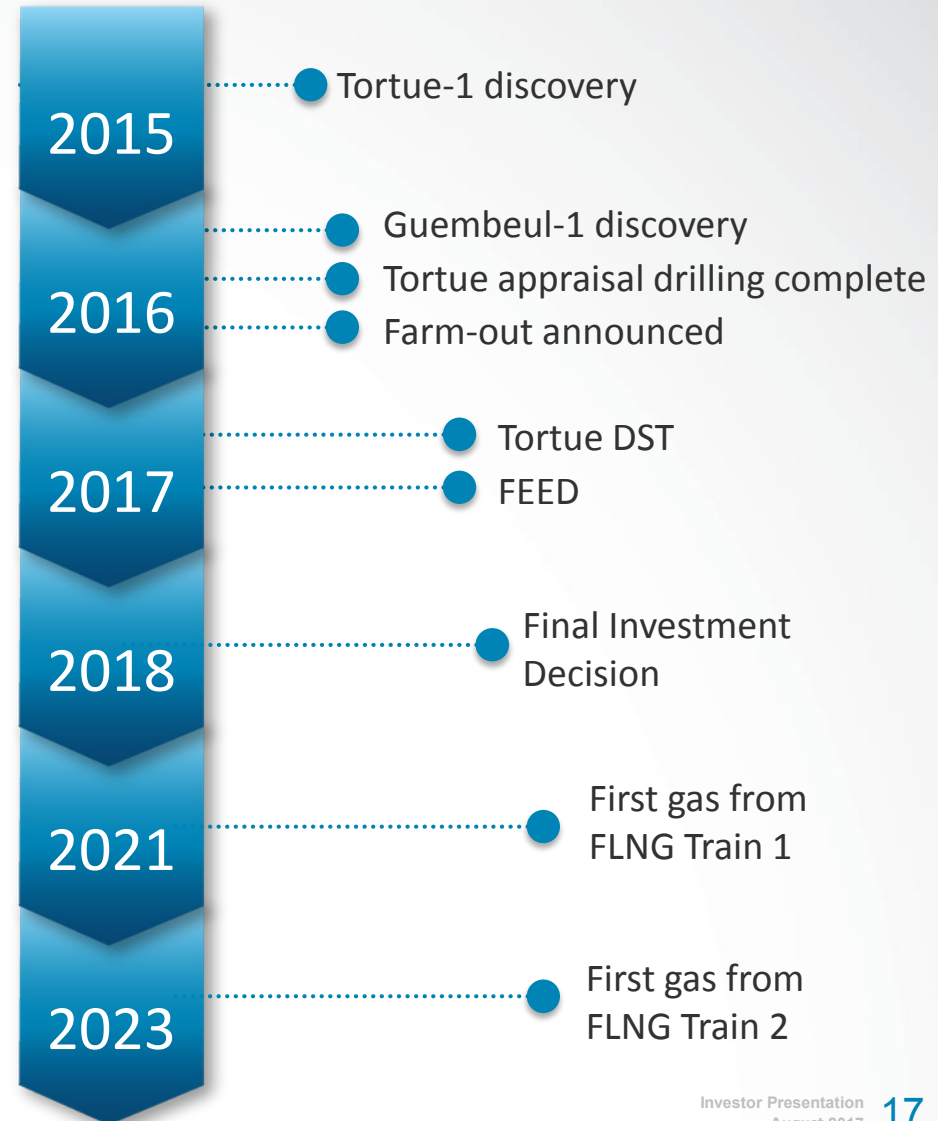
Expected to materially grow Kosmos cash flow with a cost-competitive project largely funded through initial development, with expansion capacity

- Anticipate project breakeven of < \$5 per Mcf (excludes Kosmos \$533 million carry)

Lowest Decile on LNG Cost Curve¹



(1) Source: Goldman Sachs Top Projects 2017 report



Developing Discovered Gas

Project moving forward with significant below and above ground progress made



Quality Resource

Deliver ~15 Tcf with high resource density, high well deliverability



Supportive Governments

Anticipate signing of Intergovernmental Cooperation Agreement (ICA) by both governments shortly



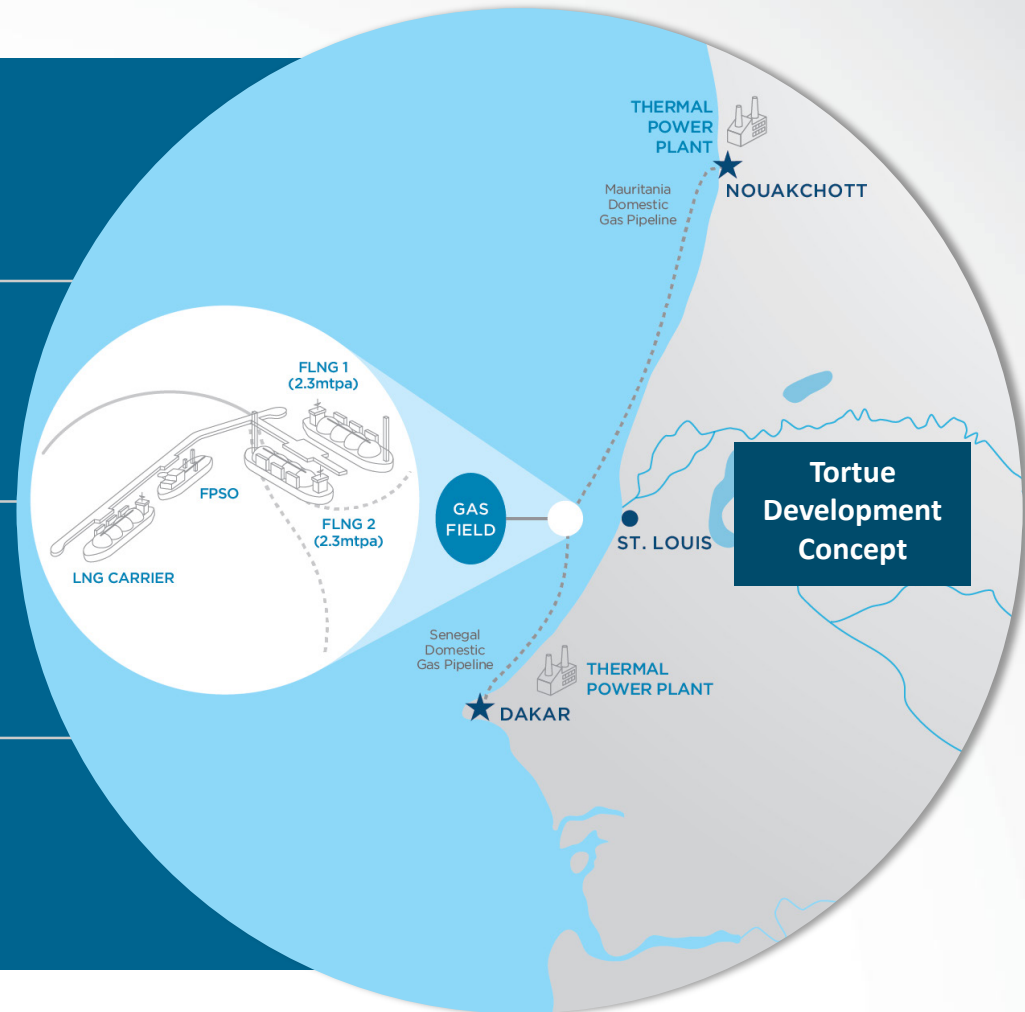
Conceptual Development Plan

Competitive near-shore FLNG concept selected with estimated breakeven of less than \$5.00/mcf FOB



Development Strategy

Strategically aligned, simple partnership with shared vision for the basin



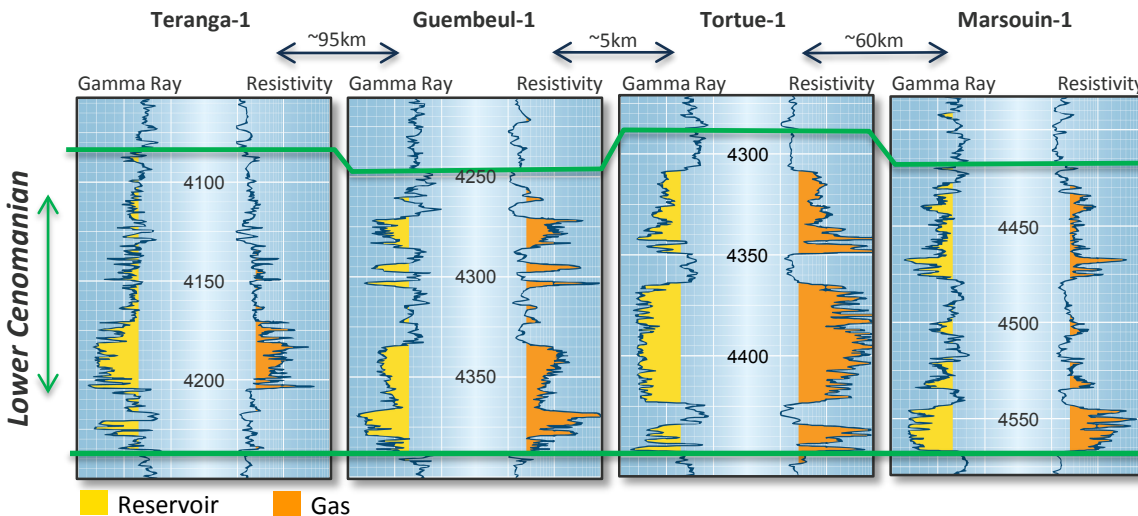
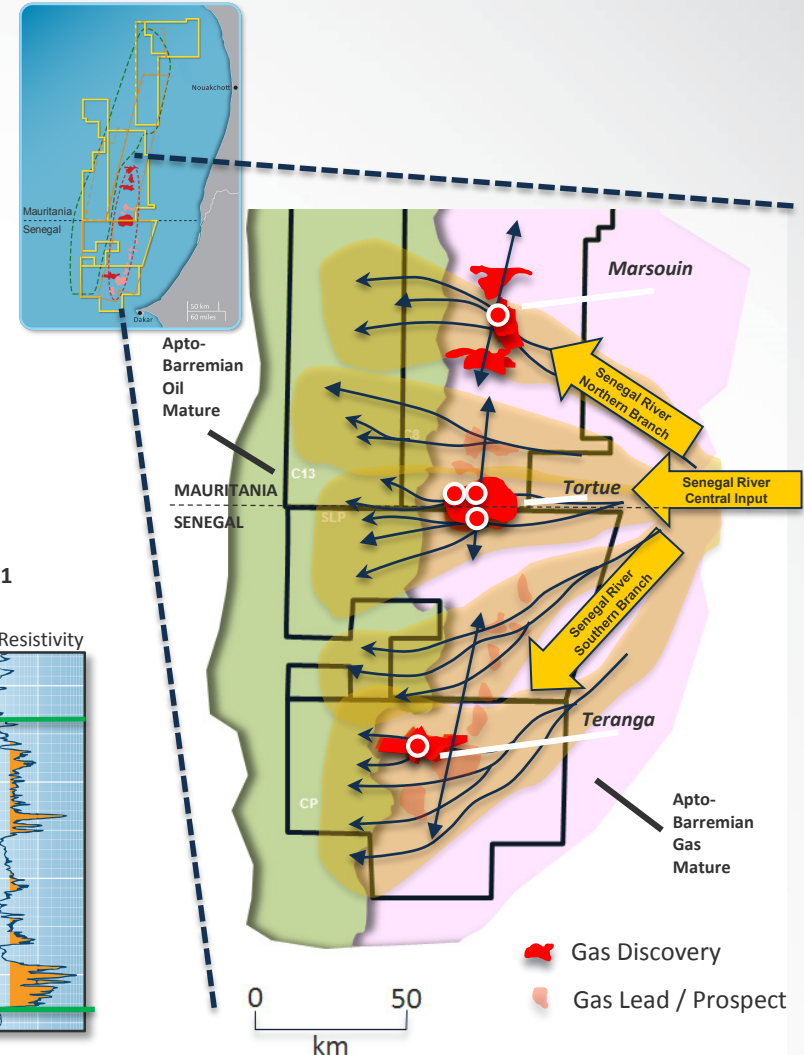
1st Exploration Phase – Inboard

~25 Tcf of discovered gas resource along inboard Senegal River fairway of northern Senegal and southern Mauritania with total potential of over 50 Tcf in well-delineated and calibrated sands

Successfully tested three major fairways of Senegal River Trend

Charge, trap, and reservoir all proven

Tortue is appraised / delineated and is expected to be the anchor for the first phase development



Mauritania / Senegal Charge Model Summary

Hydrocarbon charge model explains results to date and predicts phase; we believe there is a strong chance of finding oil or liquid-rich gas on the outboard basin floor fan fairways, particularly in Mauritania

Three oil / gas sources

- Older, deeper, regional Neocomian-Valanginian, and younger, shallower, local Albian and Cenomanian-Turonian

Five key processes determine phase

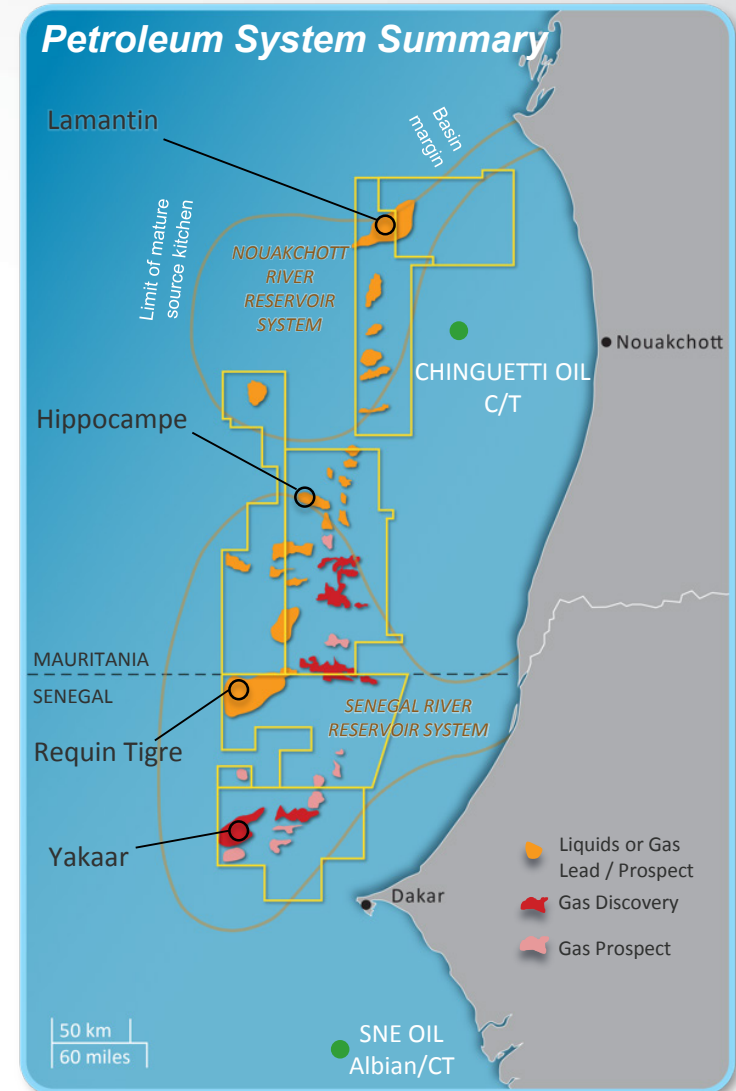
- Source facies, overpressure, timing of generation and level of maturity, fractionation of fluid during vertical migration, and source mixing

Results to date

- Lean gas found along the in-board slope / channel trend (e.g. Tortue, Marsouin, Teranga)
 - Due to dilution of source facies by Senegal River, late cracking to gas due to high maturity, fractionation (drying) of liquids during vertical migration, and no oil enrichment from the younger, immature sources
- Oil / liquids discovered along basin margin (e.g. SNE, Chinguetti)
 - Due to maturity of the two younger oil sources in adjacent kitchens, mixing and limited exposure to deeper-sourced gas

Phase prediction for oil / liquids with CGR > economic minimum

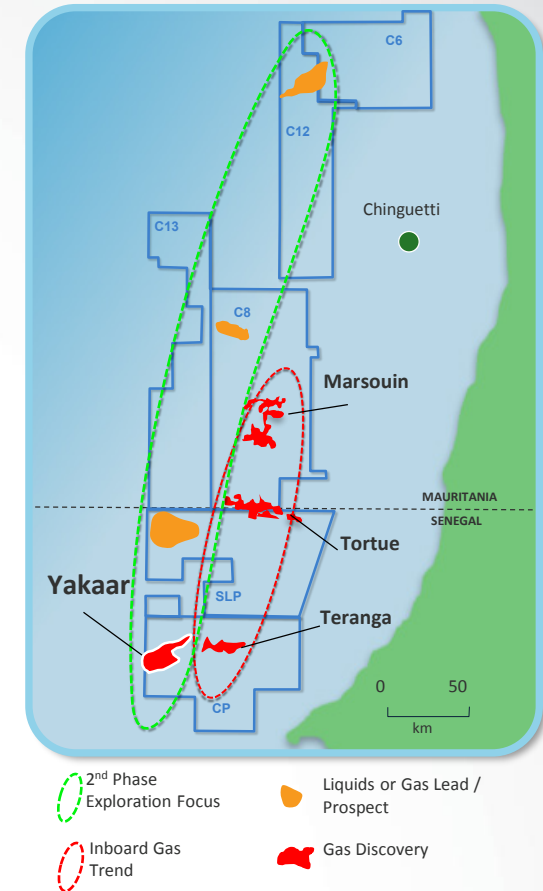
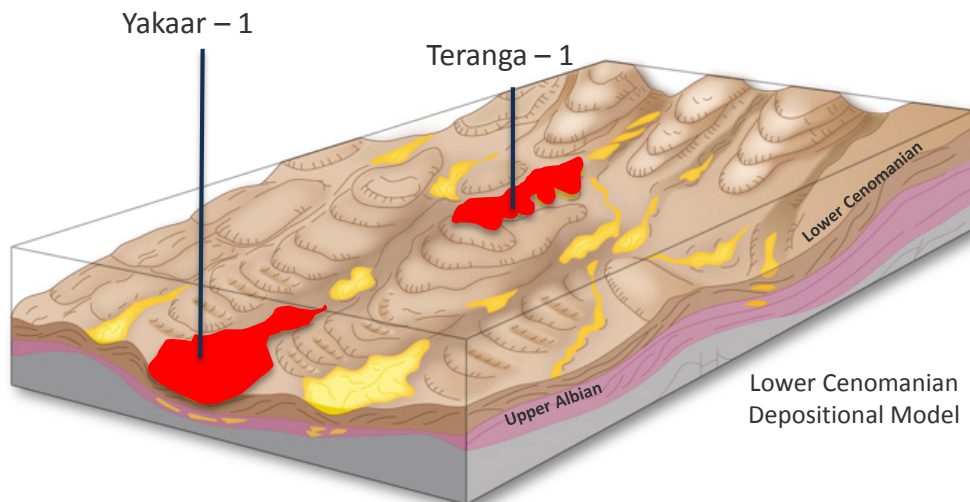
- Lowest risk in northern Mauritania



Yakaar Discovery

Yakaar is the first successful test of the outboard basin floor fairway and continues 100% success rate in Mauritania / Senegal

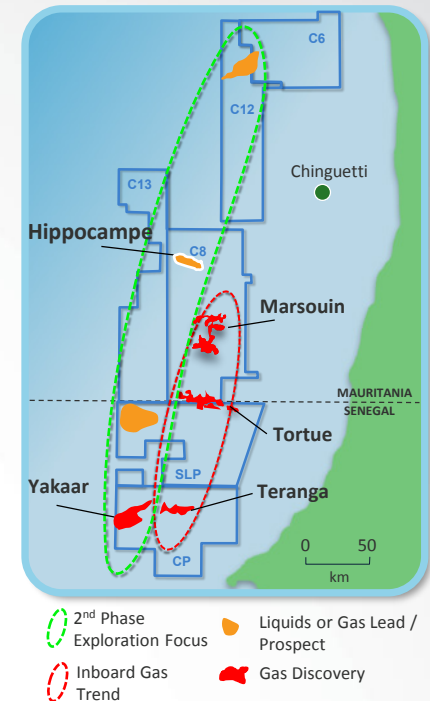
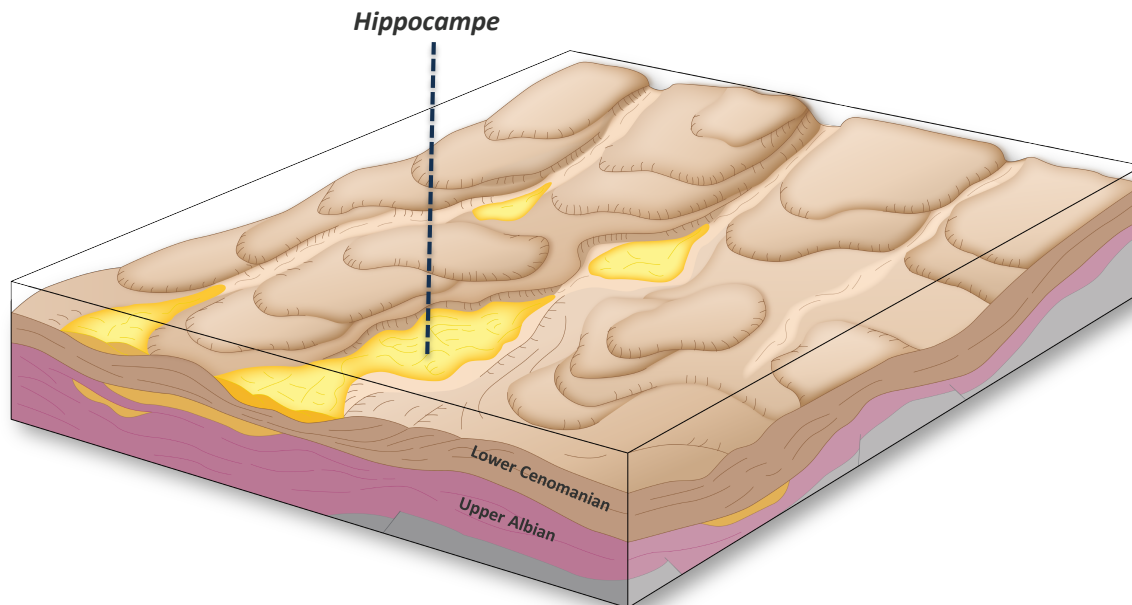
- Yakaar, combined with Teranga, discovered 20 Tcf Pmean gas resource, creating the opportunity for a second cost competitive LNG hub in Senegal
- De-risked the key play elements of the basin floor fan fairway:
 - Demonstrating the play concept, reservoir quality and trap are working
 - Further de-risking prospects which reside in a similar setting
- Preliminary CGR of 15-30 in the range of uncertainty; oil and liquids are more likely in Mauritania
- Demonstrates seismic and AVO tools continue to work accurately
 - Provides additional confidence around additional prospectivity



Hippocampe Prospect

2 BBOE or 12 TCFE gross unrisked resource potential

- Located in Block C-8, northwest and outboard of Marsouin discovery and believed to be charged from more oil-prone / mature Neocomian-Valanginian, and potentially Albian, source kitchens
- Large basin floor fan with extensive, stacked reservoirs of Cenomanian and Albian age
- Combination structural-stratigraphic trap with strong seismic attribute support for hydrocarbons, including calibrated AVO and reservoir / trap conformance
- Prospect identified on recently acquired 3D survey and being matured for drilling following Tortue DST given size and optimal location

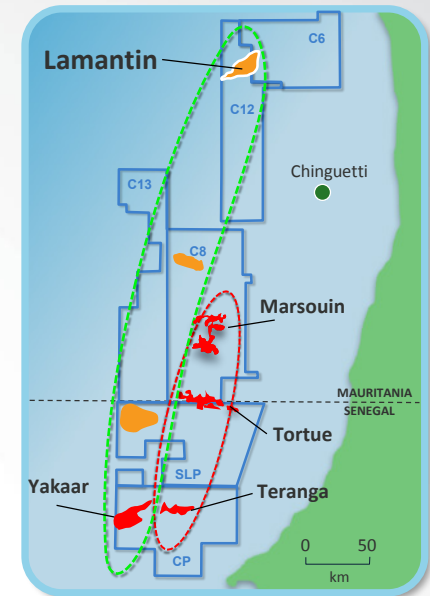
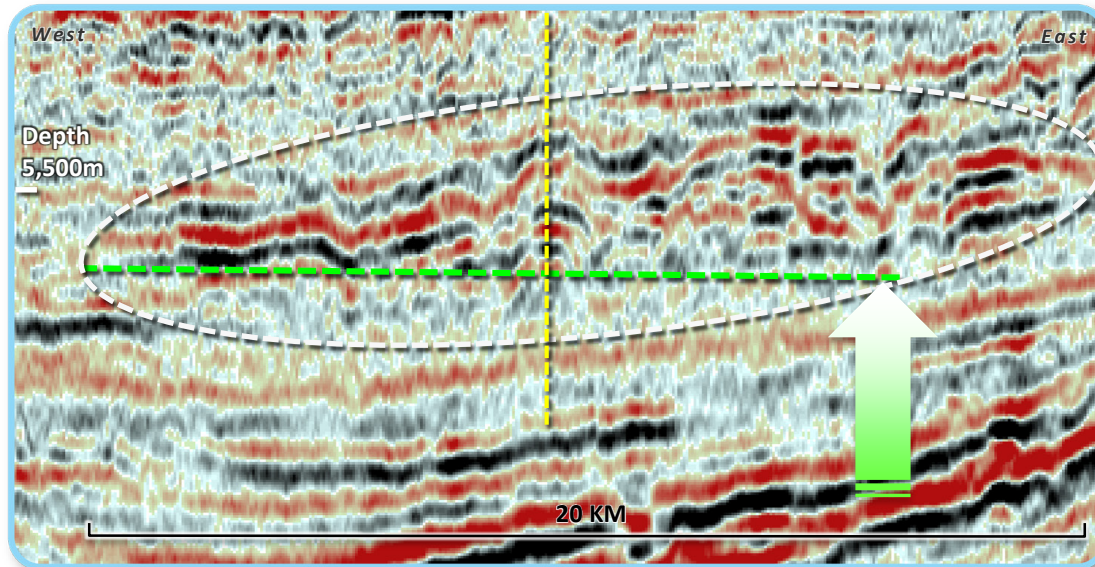


Lamantin Prospect

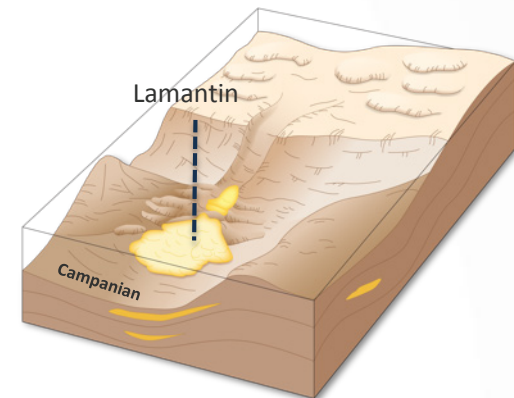
2 – 3 BBOE gross unrisked resource potential

- Located in the higher confidence Cenomanian-Turonian and Albian oil source kitchen with increased probability for liquids
- Large, basin floor fan of Upper Cretaceous (Campanian) age with stacked, amalgamated channel systems
- Combination structural-stratigraphic trap with positive AVO support including reservoir / trap conformance and flat spot
- Defined on 2D, 3D acquired, and processing / interpretation in progress

Lamantin – 1



- 2nd Phase Exploration Focus
- Liquids or Gas Lead / Prospect
- Inboard Gas Trend
- Gas Discovery

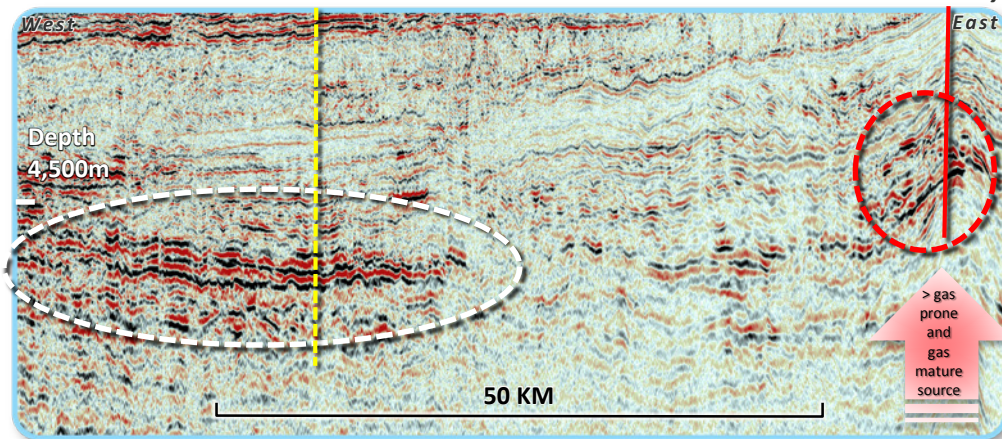


Requin Tigre Prospect

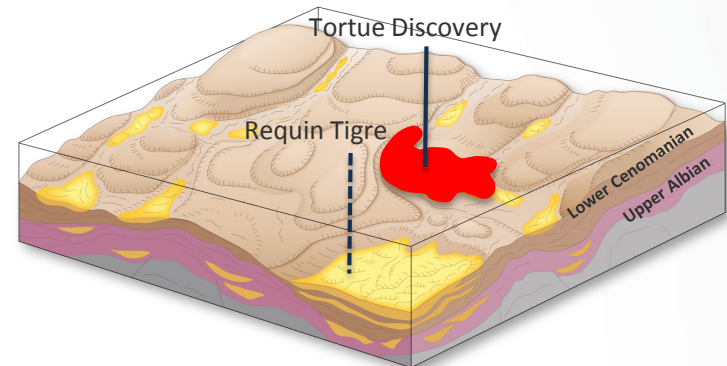
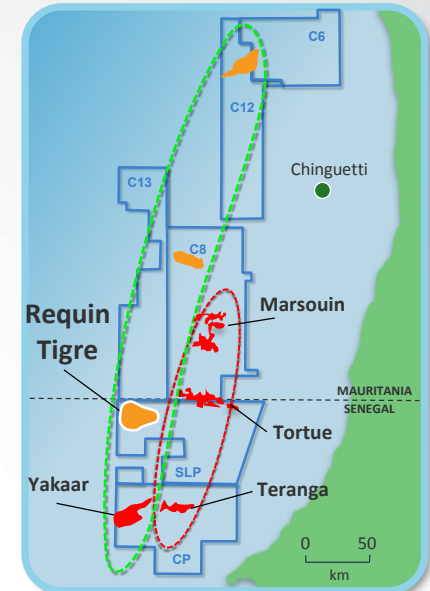
60 TCFE gross unrisked resource potential

- Located in northern Senegal, outboard of the Tortue gas discovery, charged from a Neocomian-Valanginian source kitchen
- Very large basin floor fan on central arm of Senegal River, comprising stacked, amalgamated Lower Cenomanian channel systems with similar, deeper Upper Albian secondary target
- Combination structural-stratigraphic trap, defined on 3D seismic with positive, calibrated AVO support including reservoir / trap conformance and flat spot
- Defined on fast-track 3D seismic, awaiting final volumes to complete prospect evaluation and confirm well location

Requin Tigre – 1



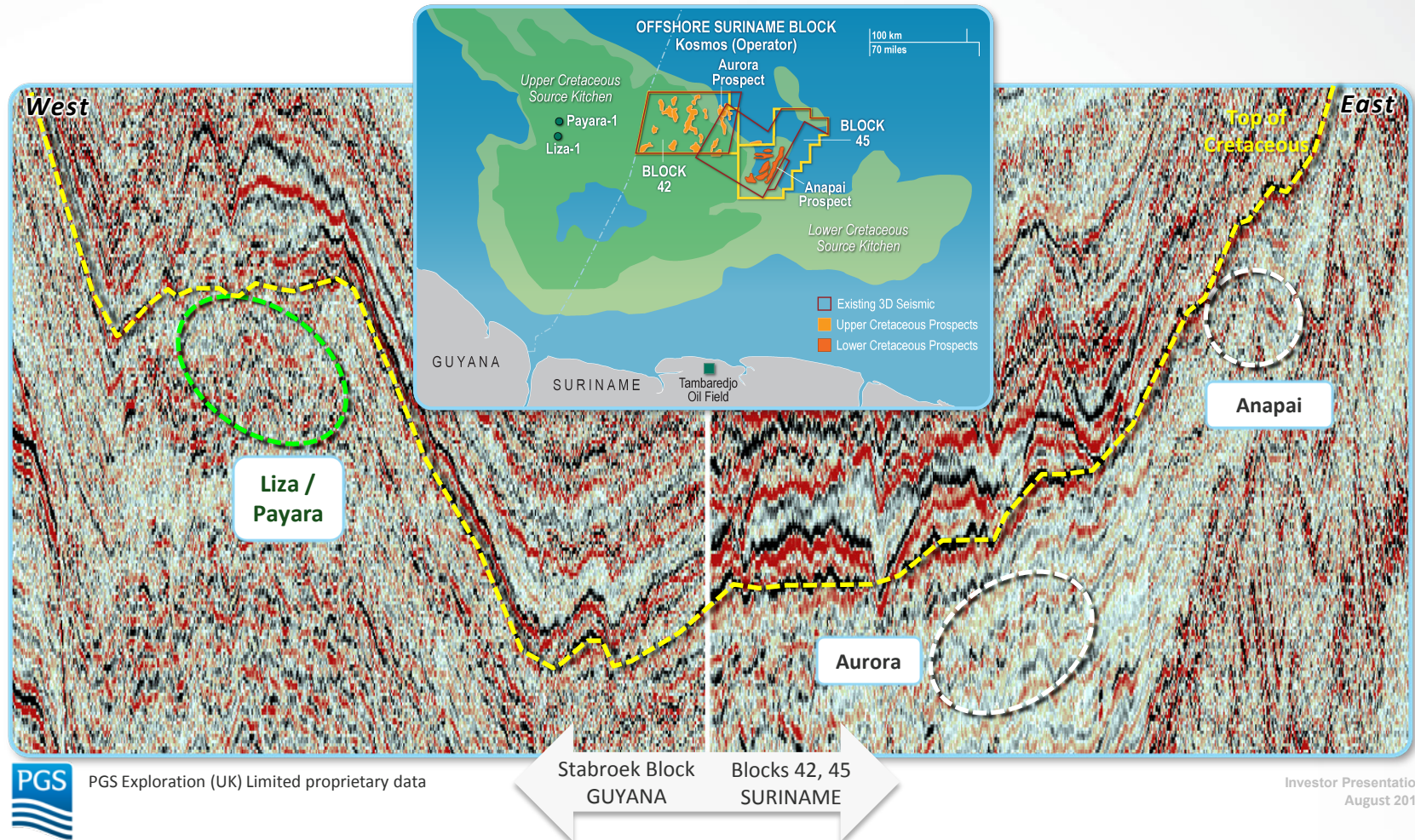
**Tortue
Discovery**



Suriname-Guyana Basin

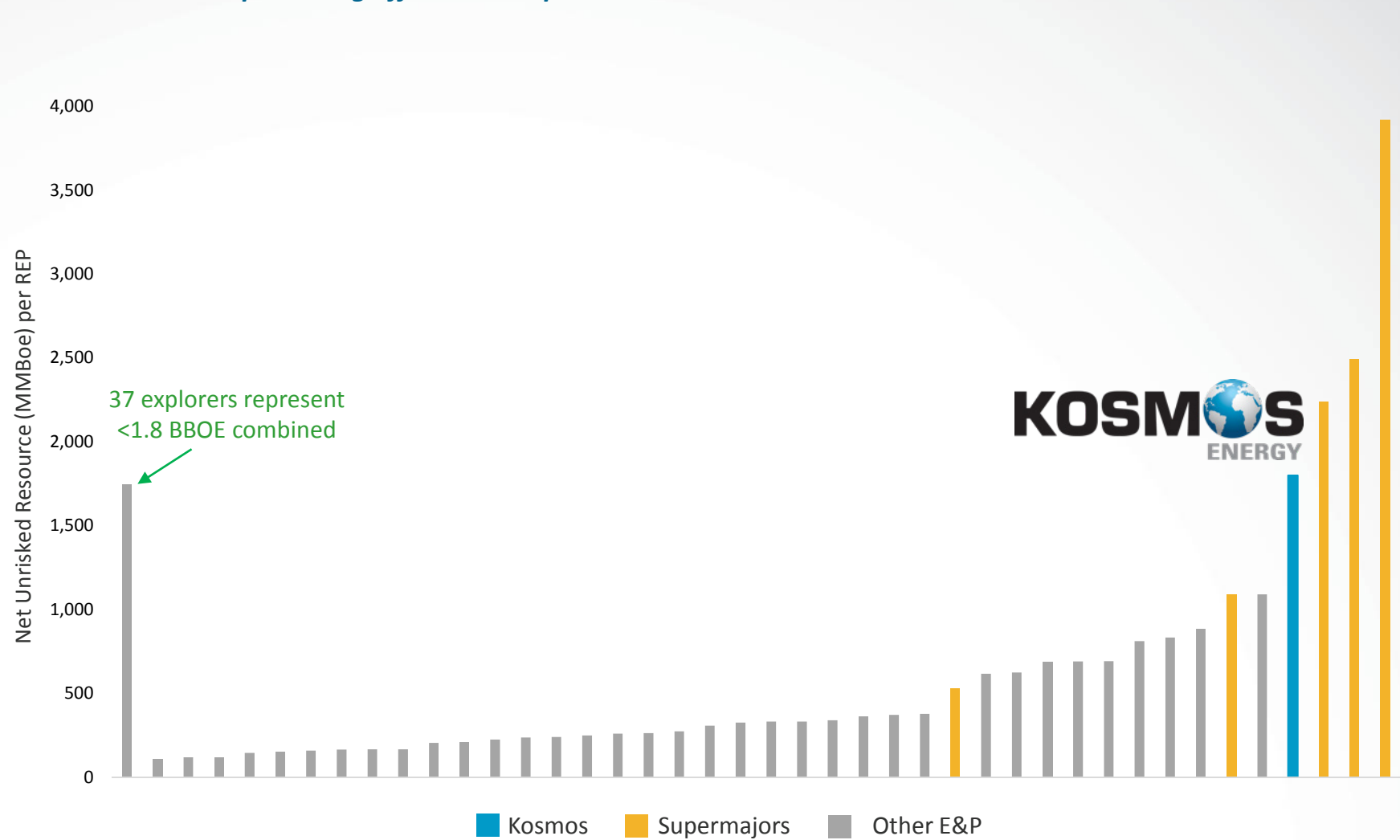
Up to two wells being matured to find oil in Suriname, including at least one in 2018

- ~11,000 km² (~475 GoM blocks) position captures multiple plays / fairways on the south east margin of the Cretaceous Guyana-Suriname petroleum system.
- Proven oil petroleum system with multiple hydrocarbon sources, reservoirs and traps, diverse plays and follow-on prospectivity
- 3D seismic interpretation and prospect evaluation in progress with other industry wells planned for this year
- 1BBOE+ potential identified with positive AVO support, including late Cretaceous Liza-type structural-stratigraphic targets (e.g. Aurora), and structural targets (e.g. Anapai)



Substantial Drill Out in 2017-2018

Drilling five wells over the next 18 months that are amongst the industry's most significant exploration wells in the world's two most promising offshore hot spots



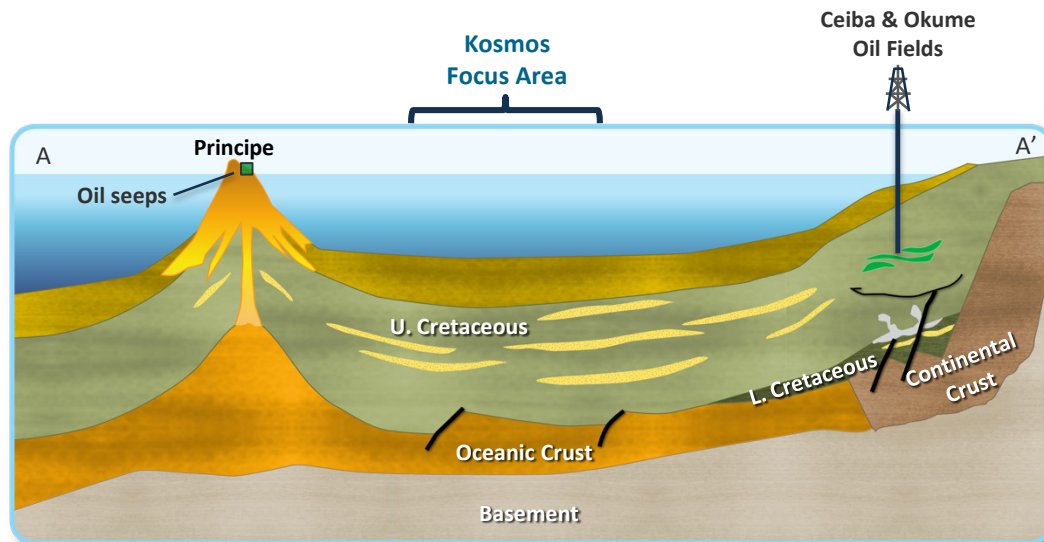
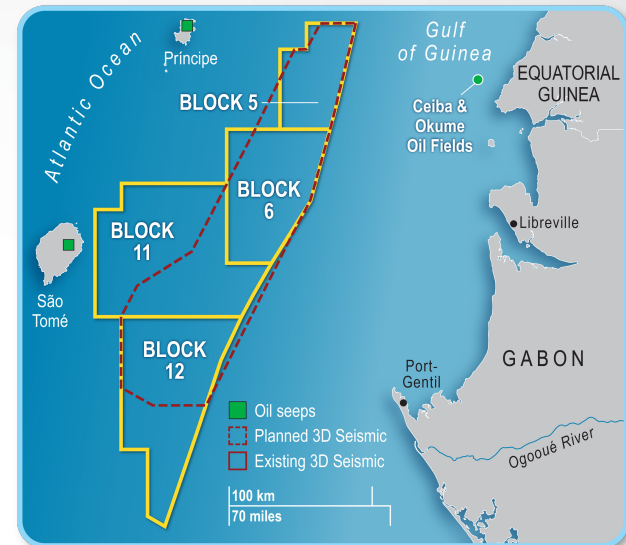
Leveraging learnings and using industry down-cycle to re-enter Gulf of Guinea and find oil in an area we know well

Play extension of proven Rio Muni oil province offshore Equatorial Guinea

- Play diversity with follow-on dependent prospectivity

Began acquiring Kosmos' largest ever 3D seismic survey in 1Q 2017, partially carried by GALP

~25,000 km² position, equivalent to ~1,110 GoM blocks



Samples from oil seeps in São Tomé and Príncipe



Financial Strength

Significant liquidity and strong free cash flow generation enable execution

Substantial liquidity

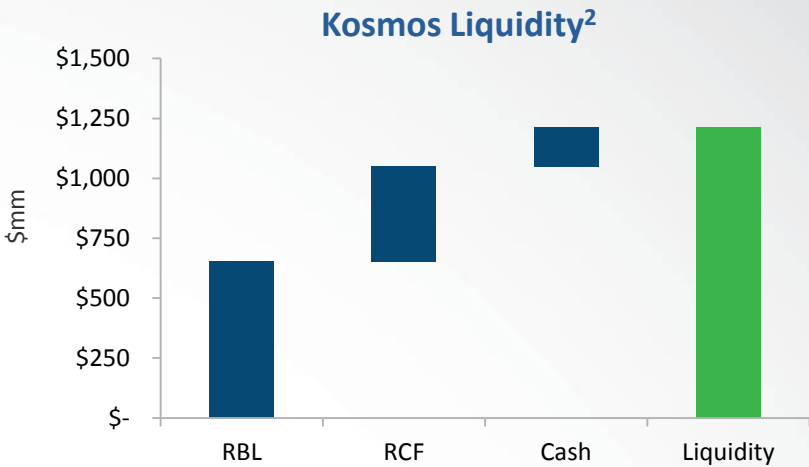
— \$1.2 billion as of 2Q:17

2017E Capex decreasing >75% from 2016

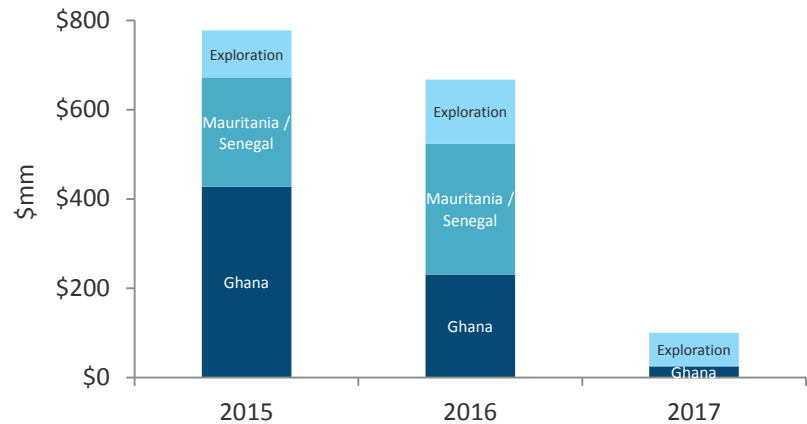
— 2017E Capex budget of \$100 million¹

Substantial free cash flow generation

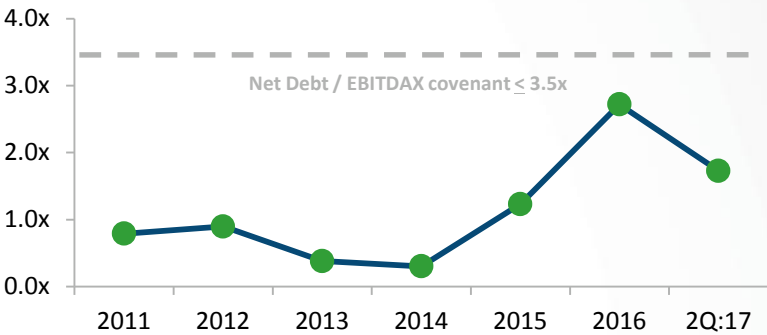
— ~\$250 million at \$50/bbl



2015-2017E Capex



Kosmos Net Debt / EBITDAX



(1) Net of farm-out proceeds
(2) As of June 30, 2017

Kosmos' Future Value Growth

Growing cash flow in Ghana combined with defined and funded growth in Mauritania/Senegal creates a unique investment opportunity

Growing cash flow in Ghana



- Growing production / cash flow with decreasing committed capex
- ~40% production growth expected from 2016-17¹
- Expected to generate ~\$500MM of EBITDAX per year through 2020+

Defined Production Growth for Tortue Gas



- Aligned partnership to deliver early gas from Tortue with project break-even <\$5/Mcf FOB
- Expect FID by 2018 and first gas in ~2021

Transformational Near-Term Exploration Potential



- Multiple high-impact tests outboard Mauritania/Senegal
- Maturing multi-well drilling program in Suriname and São Tomé targeting oil in proven oil provinces

Strong Balance Sheet and Free Cash Flow Generation



- Generating substantial free cash flow at \$50/bbl
- Fully carried activity set in Mauritania/Senegal for next several years, including E&A and development
- Strong balance sheet with substantial liquidity of ~\$1.2 billion²

(1) Net production includes Jubilee and TEN entitlement volumes and LOPI insured volumes assuming \$50/bbl Brent

(2) As of April 1, 2017



Appendix

Financials

	2014	2015	2016	LTM ⁴
Production¹ (MBopd)	24	24	22	26
Revenue (\$MM)²	\$874	\$672	\$573	687
Liquidity (\$Bn)³	\$1.9	\$1.8	\$1.2	\$1.2
EBITDAX (\$MM)	\$723	\$500	\$405	\$546
Net Debt (\$MM)	\$213	\$614	\$1,128	\$943
Net Debt/EBITDAX	0.3x	1.2x	2.7x	1.7x

(1) Net production includes Jubilee and TEN entitlement volumes and LOPI insured volumes at \$62/bbl Brent

(2) Revenue includes oil revenue, cash settled oil hedges, and LOPI proceeds

(3) Includes available borrowings under RBL and RCF and cash and cash equivalents

(4) Liquidity and leverage ratios as of June 30, 2017



Andrew G. Inglis
CEO and Chairman of the Board of Directors

- CEO and Chairman since March 2014
- Age: 58
- Joined Kosmos from Petrofac, where he was a Chief Executive and a member of the Board of Directors
- Prior to Petrofac, he spent 30 years with BP, most recently as CEO of its exploration and production business



Brian F. Maxted
*Chief Exploration Officer
Director Founding Partner*

- Director since January 2011 and served as the Company's Chief Executive Officer from 2011 to March 2014
- Age: 60
- Prior to his director function, he served the Company's as Senior Vice President, Exploration and as Chief Operating Officer
- Prior to co-founding Kosmos in 2003, he was Senior VP of Exploration for Triton Energy



Thomas P. Chambers
Senior VP and Chief Financial Officer





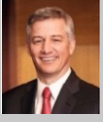
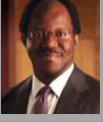


- Joined Kosmos in November 2014 as a Senior VP and CFO
- Age: 62
- Significant corporate finance and executive experience in the international exploration and production industry
- Previously Executive VP and CFO of Apache from 2010 to 2014

Asset Summary

Country & Block	Fields / Discoveries	Stage	Kosmos Interest	Partners
Ghana				
WCTP/DT	Jubilee	Production & Development	24.1%	Tullow Oil, Anadarko, GNPC, PetroSA
DT	TEN	Production & Development	17.0%	Tullow Oil, Anadarko, GNPC, PetroSA
	Wawa	Appraisal	18.0%	Tullow Oil, Anadarko, GNPC, PetroSA
WCTP	Mahogany, Teak	Appraisal	24.1%	Tullow Oil, Anadarko, GNPC, PetroSA
	Akasa	Appraisal	30.9%	Tullow Oil, Anadarko, GNPC, PetroSA
Mauritania				
Block C6	Ahmeyim, Marsouin	Exploration	28.0%	BP, SMHPM
Block C8		Exploration & Appraisal	28.0%	BP, SMHPM
Block C12		Exploration	28.0%	BP, SMHPM
Block C13		Exploration	28.0%	BP, SMHPM
Senegal¹				
Cayar Offshore Profond	Teranga, Yakaar	Exploration & Appraisal	30.0%	BP, PETROSEN
Saint Louis Offshore Profond	Guembeul	Exploration & Appraisal	30.0%	BP, PETROSEN
Suriname				
Block 42		Exploration	33.0%	Chevron, Hess
Block 45		Exploration	50.0%	Chevron
Sao Tome and Principe				
Block 5		Exploration	45.0%	Galp, Equator, ANP
Block 6		Exploration	45.0%	Galp, ANP
Block 11		Exploration	65.0%	Galp, ANP
Block 12		Exploration	45.0%	Galp, Equator, ANP
Morocco (including Western Sahara)				
Boujdour Maritime		Exploration	55.0%	Cairn, ONHYM
Essaouira		Exploration	75.0%	ONHYM

(1) Indirect effective interest held via a 50.01% shareholding in Kosmos BP Senegal Limited

Board Summary

	Yves-Louis Darricarrère <i>Director</i>	<ul style="list-style-type: none"> • Director since December 2015 (Age: 66) • Currently a Senior Advisor to Lazard Frères Bank. Prior to joining Lazard Frères Bank in 2015, Mr. Darricarrère was CEO of Total's Upstream business, a position he held from 2012 until 2015
	Sir Richard B. Dearlove <i>Director</i>	<ul style="list-style-type: none"> • Director since 2012 (Age: 72) • Chairman of the Trustees of London University. He was Master of Pembroke College at the University of Cambridge, U.K. from 2004 to 2015, and the Head of the British Secret Intelligence Service (MI6) from 1999 to 2004
	David I. Foley <i>Director</i>	<ul style="list-style-type: none"> • Director since 2011 (Age: 50) • Senior Managing Director in the Private Equity Group at Blackstone Group and is the CEO of Blackstone Energy Partners. Mr. Foley currently leads Blackstone's investment activities in the energy and natural resources sector
	David B. Krieger <i>Director</i>	<ul style="list-style-type: none"> • Director since 2011 (Age: 43) • Partner of Warburg Pincus & Co. and a MD of Warburg Pincus LLC and has been with the firm since 2000. Mr. Krieger is a member of the firm's Executive Management Group and is involved primarily with the firm's investment activities in the energy sector. Mr. Krieger is currently a Director of MEG Energy, Ceres and several private companies
	Joseph P. Landy <i>Director</i>	<ul style="list-style-type: none"> • Director since 2012 (Age: 56) • Co-Chief Executive Officer of Warburg Pincus and has been with the firm since 1985. Mr. Landy has been jointly responsible for the management of the firm since 2000, including the formulation of strategy, oversight of investment policy and decisions, leadership of the firm's Executive Management Group and the coordination of LP communications
	Adebayo O. Ogunesi <i>Director</i>	<ul style="list-style-type: none"> • Director since: 2011 (Age: 63) • Since 2006, Mr. Ogunesi has been Chairman and Managing Partner of Global Infrastructure Partners, a private equity firm that invests in infrastructure assets in the energy, transport and water sectors. Mr. Ogunesi previously served as Executive Vice Chairman and Chief Client Officer of Credit Suisse's Investment Banking Division
	Chris Tong <i>Director</i>	<ul style="list-style-type: none"> • Director since February 2011 (Age: 60) • Mr. Tong currently serves as a Director and Chairman of the Audit Committee of Targa Resources Corp. From 2009 to 2012, Mr. Tong also served on the Board of Directors of Cloud Peak Energy. He served as Senior Vice President and Chief Financial Officer of Noble Energy from January 2005 until August 2009
	Christopher A. Wright <i>Director</i>	<ul style="list-style-type: none"> • Director since: 2011 (Age: 69) • Dr. Wright became a Director of Delonex Energy in August 2013 and Explora Petroleum in January 2014. From November 2005 to January 2011, Dr. Wright was the Executive Chairman of Fairfield Energy before being appointed Chief Executive Officer in January 2011, a position he retired from in March 2013

PA Summary: Ghana

Blocks		West Cape Three Points	Deepwater Tano	
Contract Type		PA	PA	
Exploration Period	(years)	3 + 2 + 2 (+3 for deep water)	[3 + 2 + 2 (+3 for deep water)]	
Exploitation Period	(years)	30 (less exploration period)	[30 (less exploration period)]	
Equity %				
Kosmos - Production		30%	17%	
NOC - Production		10% + 2.5%	[10% + 2.5%]	
Royalty & Taxes				
Royalty - Oil ⁽¹⁾	(%)	5%	5%	
Royalty - Gas		5%	3%	
Income Tax	(%)	35%		
Dividend Withholding Tax	(%)	10%		
Additional Oil Entitlement ("AOE")				
AOE	Total AOE = (FAn + SAN + TAN + ZAN) / Weighted Average Market Price			
First Account	$FA_n = (FA_{n-1}(1 + a + i)) + NCF$	NCF	Net Cash Flow for nth month	
Second Account	$SA_n = (SA_{n-1}(1 + b + i)) + NCF$	n	nth month in question	
Third Account	$TA_n = (TA_{n-1}(1 + c + i)) + NCF$	n-1	Month immediately preceding	
Fourth Account	$ZA_n = (ZA_{n-1}(1 + d + i)) + NCF$	i	One subtracted from the quotient of the USIGWPI for the calendar year second preceding the year in question	
	Contractor Rate of Return	AOE Rate (%)	Contractor Rate of Return	AOE Rate (%)
a	> 25%	7.5%	> 19%	5%
b	> 30%	15%	> 20%	10%
c	> 40%	25%	> 25%	15%
d			> 30%	20%
e			> 40%	25%
Abandonment Accrual (whichever comes later)				
Reserves Depletion	(%)	50%		
Years prior to abandonment	(years)	5		
Other				
Training - Development & Production Period		US\$100,000 p.a.		
Surface Rentals - Development & Production A		US\$100 / sq. km.		

1.) In depths of 200 metres or less the royalty shall be 7.5% for oil

PSC Summary: Mauritania

Blocks	C-6, C-8, C-12, C13	
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Contract Type PSC

		Oil	Gas
Exploration Period	(years)	4 + 3 + 3	4+3+3 (+5 ext.)
Exploitation Period	(years)	25 + (10 etx.)	30 + (10 etx.)

Equity %		C-8, C-12, C13	C-6
Kosmos - Production	(%)	28%	
NOC - Production	(%)	10% (+4% option)	10% (+8% option)

Royalty & Taxes		Oil	Gas
Royalty	(%)	--	--
Cost Recovery	(%)	55%	62%
Corporate Tax	(%)	27%	
Dev. Financing Rate	(%)	5%	
% Debt Finance Ded.	(%)	70%	

Profit Oil Calculation R-Factor based

$$R = \frac{\text{Cumulative Net Revenue (less Exploitation Costs)}}{\text{Exploration + Development Costs}}$$

Profit Oil Tranches

Value of R	State Share	Contractor Share
< 1.0	31%	69%
≥ 1.0 and < 1.5	33%	67%
≥ 1.5 and < 2.0	35%	65%
≥ 2.0 and < 2.5	37%	63%
≥ 2.5 and < 3.0	39%	61%
≥ 3.0	42%	58%

Blocks	C-6, C-8, C-12, C13	
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Bonuses

Signature Bonus	(\$ mm)	\$1.0	\$4.0
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Production Bonuses:

Rate		Bonus
25 kboepd	(\$ mm)	\$6
50 kboepd	(\$ mm)	\$8
100 kboepd	(\$ mm)	\$12
150 kboepd	(\$ mm)	\$20

Exploration Period Bank Guarantees

Phase 1	(\$ mm)	\$9	\$4
Phase 2	(\$ mm)	\$27	\$22
Phase 3	(\$ mm)	\$22	\$22

Other

Surface Rental		
Phase 1	\$/km2 p.a.	\$2
Phase 2	\$/km2 p.a.	\$3
Phase 3	\$/km2 p.a.	\$4
Exploitation	\$/km2 p.a.	\$170
Training	(\$k /yr)	\$300 -\$600

Environmental Committee Financing

Exploration period	(\$k /yr)	--	\$100
Exploitation period	(\$k /yr)	--	\$350
Commercial Production	(\$k /yr)	--	\$700

Blocks		Cayar / Saint Louis
Contract Type		Production Sharing Contract
Exploration Period	(years)	2 + 3 + 2.5
Extension on Discovery	(years)	3 (oil) / 5 (gas)
Exploitation Period	(years)	25 + (10 etx.)
Equity		
Kosmos	(%)	30%
NOC	(%)	10% (+ 10% Option)
Royalty & Taxes		
Cost Recovery	(%)	75%
Corporate Tax	(%)	25%
Dividend Rate	(%)	5%
Dev. Financing Rate	(%)	5%
% Debt Finance Ded.	(%)	100%
Residual Production		
<u>Daily Production (kboepd)</u>		<u>State Share</u>
≤ 30		65%
> 30 and ≤ 60		60%
> 60 and ≤ 90		50%
> 90 and ≤ 120		46%
> 120		42%
Minimum Exploration Investment		
Initial Period	(\$ mm)	\$8.0
First Renewal Period	(\$ mm)	\$20.0
Second Renewal Period	(\$ mm)	\$20.0
Other		
Training / Promotion	(\$k p.a.)	\$300
Surface Rentals	(\$ / km ² p.a.)	\$5 - \$15
PETROSEN Equipment	(\$k)	\$150

PA Summary: Morocco & Western Sahara

Blocks		Boujdour Maritime	Essaouira
Contract Type		PA	PA
Exploration Period	(years)	4 + 2 + 2	2.5 + 3 + 2.5
Exploitation Period	(years)	25 + (10 etx.)	25 + (10 etx.)
Equity %			
Kosmos	(%)	55%	75%
ONHYM	(%)	25%	25%
Royalty & Taxes			
Royalty - Depth < 200 m ¹	(%)	10%	5%
Royalty - Depth > 200 m ²	(%)	7%	3.5%
Income Tax	10 year exemption from production start		
Bonus			
Commercial Discovery	(\$ mm)	\$0.5	\$1.0
First Sale	(\$ mm)	\$0.5	--
Production Bonuses:			
50 kboepd	(\$ mm)	\$1.0	\$1.0
75 kboepd	(\$ mm)	--	\$2.0
100 kboepd	(\$ mm)	\$2.0	\$3.0
> 100 kboepd	(\$ mm)	n.a.	\$4.0
200 kboepd	(\$ mm)	\$3.0	--
300 kboepd	(\$ mm)	\$4.0	--
Minimum Exploration Expenditure Obligation			
Initial Period	(\$ mm)	\$25.0	\$7.0
First Extension Period	(\$ mm)	\$50.0	\$30.0
Second Extension Period	(\$ mm)	\$50.0	\$60.0
Training			
Training - Base	(\$k p.a.)	\$150	\$50
Training - Per Exploitation Concesion	(\$k p.a.)	\$30	\$25
Training - Maximum	(\$k p.a.)	\$250	\$100

1.) Royalty paid on production exceeding first 300k tons or 300mm m³

2.) Royalty paid on production exceeding first 500k tons or 500mm m³

Blocks		Block 42	Block 45
Contract Type		PSC	PSC
Exploration Period	(years)	4+3+2 (+ 5 gas)	3+2+2
Exploitation Period	(years)	25	25
Equity %			
Kosmos	(%)	33%	50%
NOC Participation ⁽¹⁾	(%)	10%	15%
Royalty	(%)	6.25%	6.25%
Cost Recovery	(%)	80%	80%
Income Tax	(%)	36%	
Profit Oil Calculation		R-Factor based	

$$R = \frac{(\text{cumulative gross revenue} - \text{cumulative royalty} - \text{cumulative income tax})}{(\text{cumulative petroleum expenditures})}$$

Profit Oil Tranches

Value of R	State Share	Contractor Share
> 0 and ≤ 1.25	15%	85%
> 1.0 and ≤ 1.25	20%	80%
> 1.25 and ≤ 1.5	25%	75%
> 1.5 and ≤ 1.75	30%	70%
> 1.75 and ≤ 2.0	45%	55%
> 2.0 and ≤ 3.0	60%	40%
> 3.0	75%	25%

Minimum Work Obligation (Estimates)

Phase 1	(\$ mm)	\$5	\$8
Phase 2	(\$ mm)	\$85	\$85
Phase 3	(\$ mm)	\$100	\$100

Training

Exploration Period	(\$k p.a.)	\$100	\$100
Post - Exploration Period	(\$k p.a.)	\$400	\$400

PSC Summary: Sao Tome & Principe

Blocks		Block 5	Block 6	Block 11	Block 12
Contract Type		PSC	PSC	PSC	PSC
Exploration Period	(years)	4 + (1) + 2 + 2	4 + 2 + 2	4 + 2 + 2	4 + 2 + 2
Production Period	(years)	20	20	20	20
Equity %					
Kosmos	(%)	45%	45%	65%	45%
State	(%)	15%	10%	15%	12.5%
Royalty	(%)	2%	2%	2%	2%
Cost Recovery	(%)	80%	80%	80%	80%
Corporate Tax	(%)	30%	30%	30%	30%

Profit Oil					
<u>Contractor Share</u>		<u>Contractor Return</u>			
100%		<16%	<19%	<16%	<19%
90%		≥16% & <19%	≥19% & <22%	≥16% & <19%	≥19% & <22%
80%		≥19% & <23%	≥22% & <26%	≥19% & <23%	≥22% & <26%
60%		≥23% & <26%	≥26% & <29%	≥23% & <26%	≥26% & <29%
50%		≥26%	≥29%	≥26%	≥29%

Rate of Return

$$\text{ACNCF (Current)} = (100\% + \text{DA}) \times \text{ACNCF (Prior)} + \text{NCF (Current)} \times 100\%$$

ACNCF = Accumulated Compounded Net Cash Flow

NCF = Net Cash Flow

DA = Annual Compound Rate

Rate of return between largest DA yield positive ACNCF and smallest DA causing a negative ACNCF

Minimum Work Obligation (Estimates)					
Phase 1	(\$ mm)	\$5.2	\$4.5	\$2.5	\$4.5
Phase 2	(\$ mm)	\$24.5	\$7.5	\$40	\$24.5
Phase 3	(\$ mm)	\$24.5	\$50	\$40	\$24.5

Scholarships					
Exploration period	(\$k)	\$100 - \$250	\$100 - \$200	\$100 - \$250	\$100 - \$250
Production period	(\$k)	\$350	\$300	\$550	\$350

Application Fees					
For the production period	(\$k)	\$500	\$500	\$500	\$500
To commence drilling	(\$k)	\$25	\$25	\$25	\$25

Blocks		Block 5	Block 6	Block 11	Block 12
Bonuses					
Signature	(\$ mm)	\$2	\$2	--	\$2.5
Commerciality	(\$ mm)	\$6	--	--	\$5.5
Additional Signature:					
50 kboepd	(\$ mm)	\$3	--	--	\$3
100 kboepd	(\$ mm)	\$3	--	--	\$3
150 kboepd	(\$ mm)	\$3	--	--	\$3
250 kboepd	(\$ mm)	\$5	--	--	\$5
350 kboepd	(\$ mm)	\$5	--	--	\$5
450 kboepd	(\$ mm)	\$10	--	--	\$10
500 kboepd	(\$ mm)	\$10	--	--	\$10
750 kboepd	(\$ mm)	\$15	--	--	\$15
1000 kboepd	(\$ mm)	\$15	--	--	\$15
Cumulative Production					
50 mmboe	(\$ mm)	--	--	\$10	--
100 mmboe	(\$ mm)	--	\$5	\$13	--
150 mmboe	(\$ mm)	--	\$8	--	--
200 mmboe	(\$ mm)	\$10	--	\$15	\$5
350 mmboe	(\$ mm)	\$10	\$10	\$20	\$10
450 mmboe	(\$ mm)	\$15	--	--	\$15
500 mmboe	(\$ mm)	--	\$10	--	--
550 mmboe	(\$ mm)	--	--	\$25	--
600 mmboe	(\$ mm)	\$15	--	--	\$15
800 mmboe	(\$ mm)	\$15	--	--	\$15

Social Projects					
Phase 1	(\$k p.a.)	\$400	\$200	\$300	\$150
Phase 2	(\$k p.a.)	\$350	n.a.	\$500	\$200
Phase 3	(\$k p.a.)	\$350	n.a.	\$400	\$200

Cumulative Production					
20 mmboe	(\$ mm)	--	--	\$2	--
40 mmboe	(\$ mm)	\$2	--	\$4	\$2
50 mmboe	(\$ mm)	--	\$1	--	--
60 mmboe	(\$ mm)	--	--	\$6	--
70 mmboe	(\$ mm)	\$3	--	--	\$3
100 mmboe	(\$ mm)	\$5	\$2	--	\$5
150 mmboe	(\$ mm)	--	\$5	--	--

