



# Barclays Capital CEO Energy-Power Conference

NYSE: KOS

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**ANDREW G. INGLIS**  
Chairman &  
Chief Executive Officer

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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](http://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.

# Leader in Exploration

## Proven, Repeatable, and Value-Focused Strategy



- Differentiated strategy finds and develops large quantities of high-value resource efficiently, and repeatedly
- Delivered top-quartile full-cycle returns since inception

## Firm Foundation in Ghana



- Inflection point has arrived: Growing production / cash flow with decreasing committed capex
- Expect ~50% production growth 2015-17<sup>1</sup>

## Transformational Exploration Upside



- Super-major scale basin in Mauritania/Senegal
  - Inboard: ~25 and over 50 Tcf of discovered and de-risked gas resource, respectively
  - Outboard: Giant/super-giant prospects with liquids potential
- Maturing multi-well drilling program targeting oil in proven oil provinces
  - Suriname, Sao Tome

## Balance Sheet Enables Strategy Execution



- Substantial liquidity of \$1.2 billion
- Low leverage
- Strong hedge and insurance position

(1) Net production includes Jubilee and TEN entitlement volumes as well as volumes covered by LOPI insurance

# Differentiated Strategy



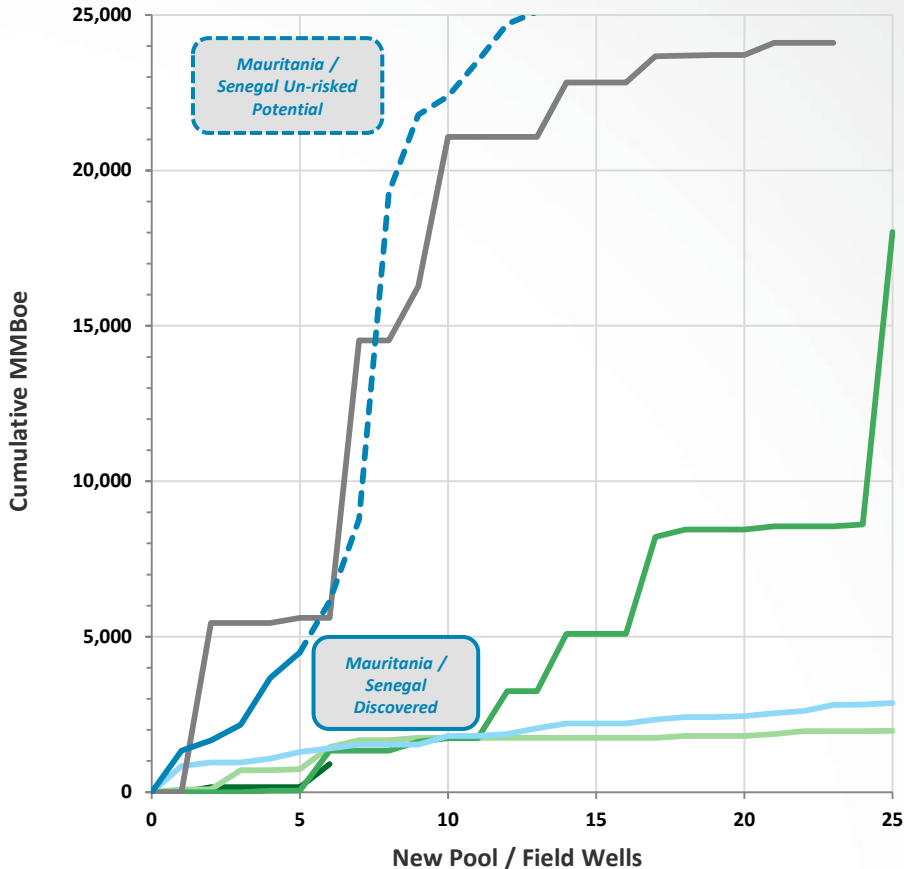
*Kosmos targets large resources with good fiscal terms which positions our assets at the low end of the cost curve and enables us to create value throughout the commodity cycle*

Responsible for opening 2 of 3 new Atlantic Margin basins since 2000 with a large position in the third

Mauritania/Senegal is potentially the largest new petroleum system opened on the Atlantic Margin

Consistent execution of strategy since inception has delivered both resource and value at industry leading success rate of 1 in 3 at opening new basins

New Basin Creaming Curve Since 2000



- Mauritania / Senegal Basin
- Ghana Tano Basin
- Mozambique
- Suriname/ Guyana Basin
- Brazil Pre-Salt
- Angola Pre-Salt

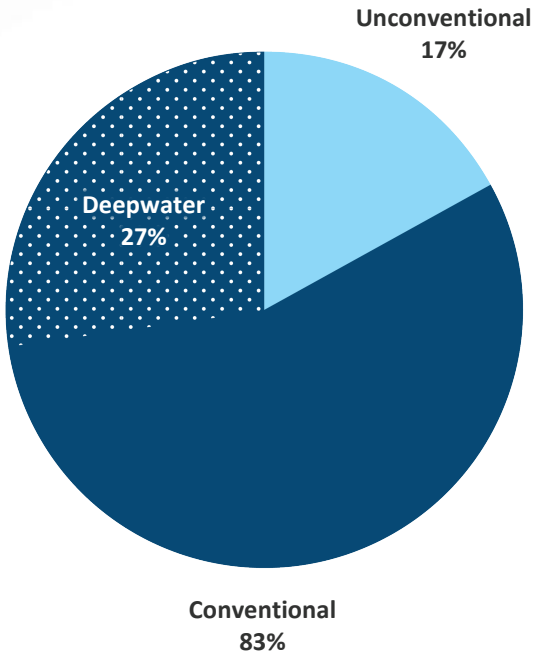
Source: IHS EDIN



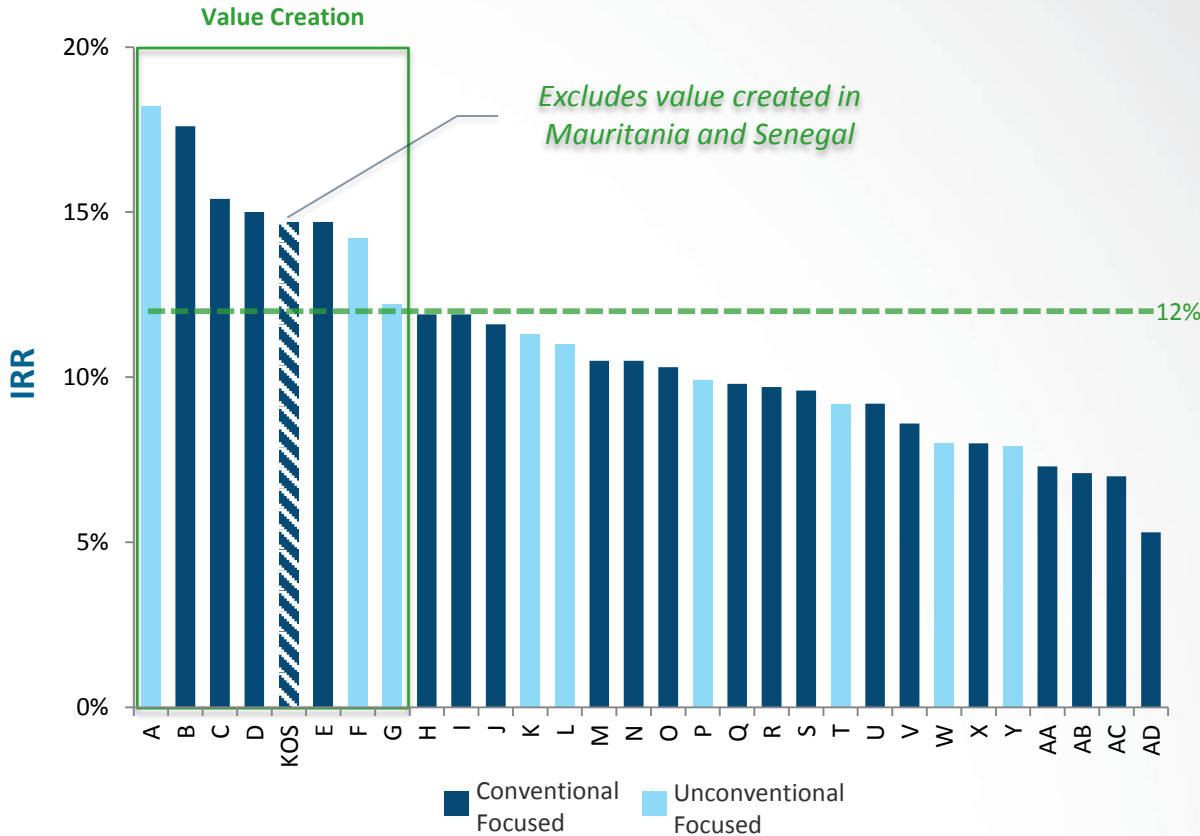
# Delivering Top-Quartile Returns

*Growing oil demand will require new sources of supply from both conventional and unconventional resources, and only the best assets combined with the best management teams have created value on a full-cycle basis*

Sources of incremental production through 2025



10 Year Full-Cycle Exploration Returns<sup>1</sup>



Source: Woodmac, Rystad Energy, U.S. EIA  
 (1) For the period 2005-2014;  
 Companies included are: APA, APC, BG, BHP, BP, CHK, CNE, COP, CVX, DVN, ENI, EOG, HES, HSE, KOS, LUP, MRO, MUR, NBL, OXY, PMO, PNS, RDS, REP, STL, STO, TLW, TOT, WPL, and XOM  
 "Conventional Focused" companies defined as having conventional resource volume greater than approximately 50% of total volume.  
 "Unconventional Focused" companies defined as having unconventional resource volume greater than approximately 50% of total volume.

# Ghana Asset Inflection Point Has Arrived

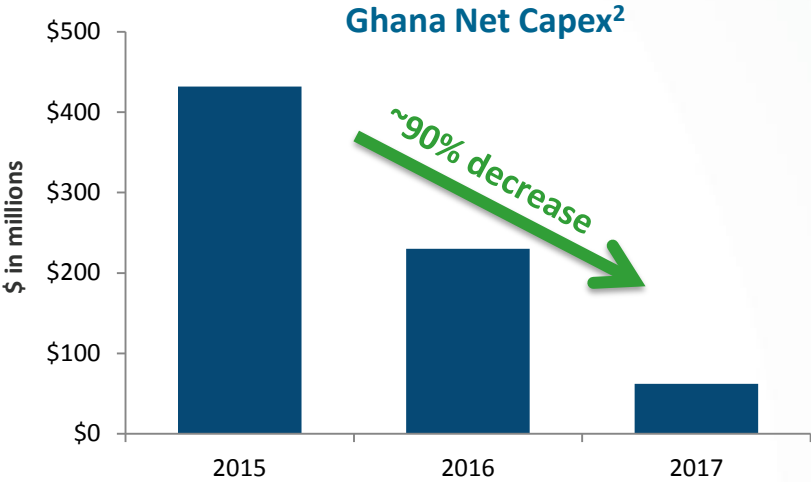
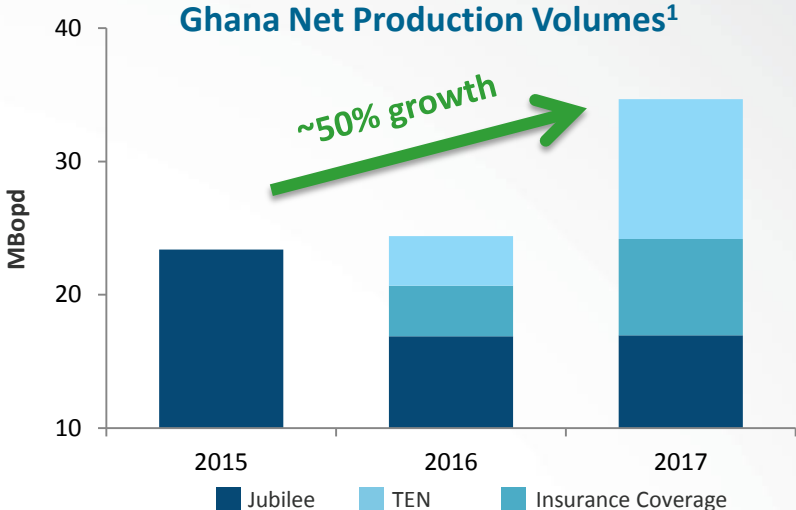


*Foundation asset delivering increasing production and cash flow as capex declines, providing free cash flow for growth*

**Production expected to grow ~50% as capex falls ~90% from 2015-2017**

**Forecast free cash flow positive starting in 4Q:16, providing funding for growth**

**1+ BnBbl gross oil recoverable with less than 20% produced**



(1) Net production includes Jubilee and TEN entitlement volumes as well as volumes covered by LOPI insurance  
 (2) Excludes capex related to Jubilee turret remediation which is expected to be reimbursed under insurance coverage

# Jubilee Cash Flow and Value Intact



*Financial impact of turret bearing issue expected to be mitigated through continued field production and comprehensive insurance coverages*

- Revised operating procedures implemented and working
- Long-term solution moving toward implementation
  - Expected to be complete by 1H:18
- Appropriate insurance coverages in place to mitigate financial impact to Kosmos

Projected Jubilee Cash Flow Summary<sup>1</sup>



(1) Based on current estimates and assumes \$50/bbl Brent oil price from 3Q:16 forward for the calculation of Deferred Revenue; Insurance proceeds and costs shown on an accrued basis

# 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 1<sup>st</sup> Exploration Phase – Inboard

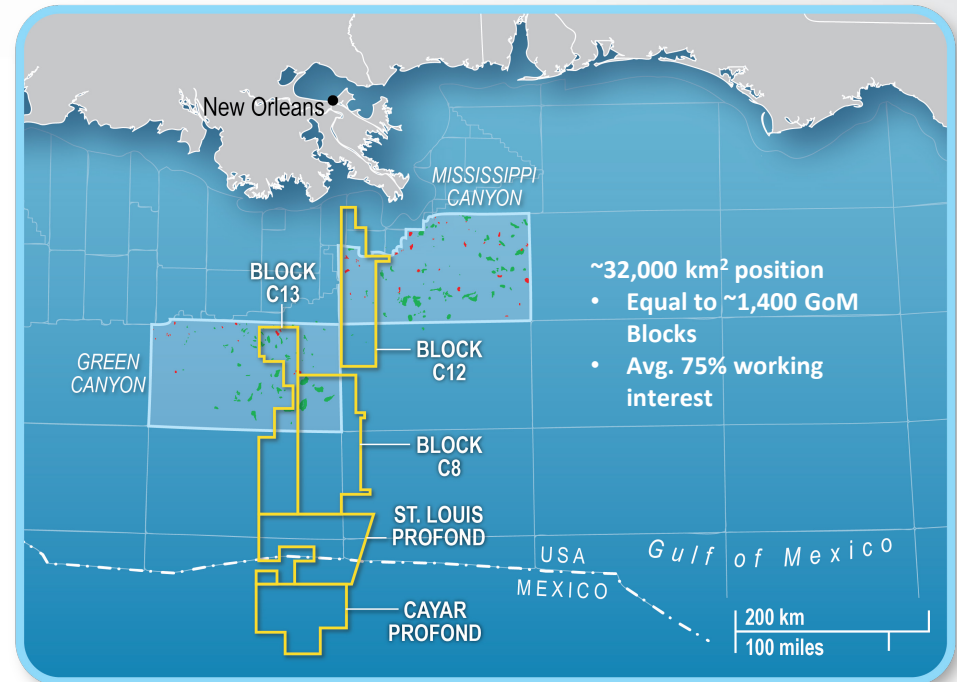
- 5 wells with 100% success rate
  - 3 trends tested with 25 and 50 Tcf of discovered and de-risked potential gas resource, respectively

## Finding Oil

- De-risk hydrocarbon phase
  - Refine charge model
- Define outboard prospectivity
  - Identify, mature and rank prospects

## Planning 2<sup>nd</sup> Exploration Phase – Outboard

- Test significant prospectivity with liquids potential identified outboard starting mid-2017



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

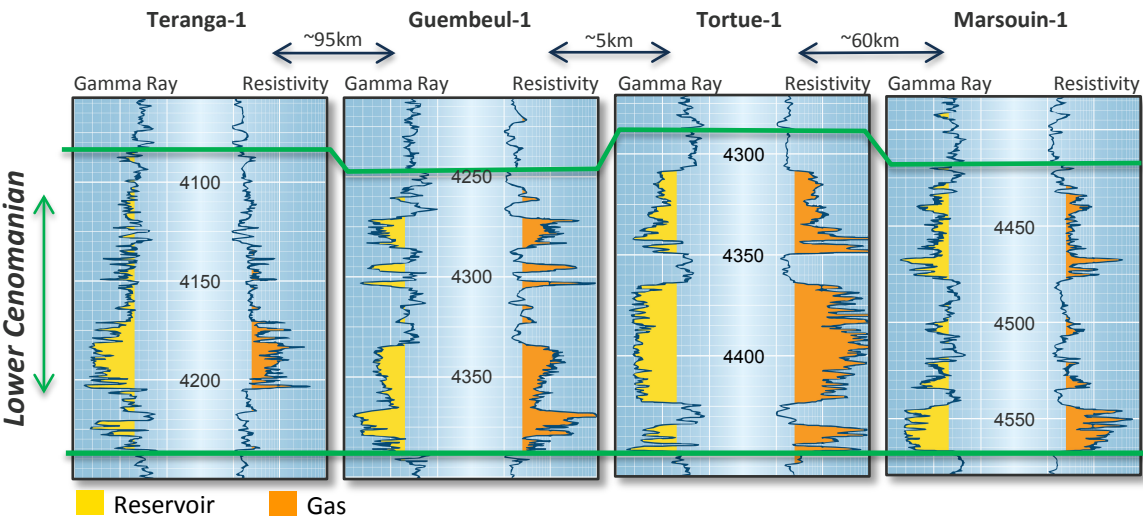
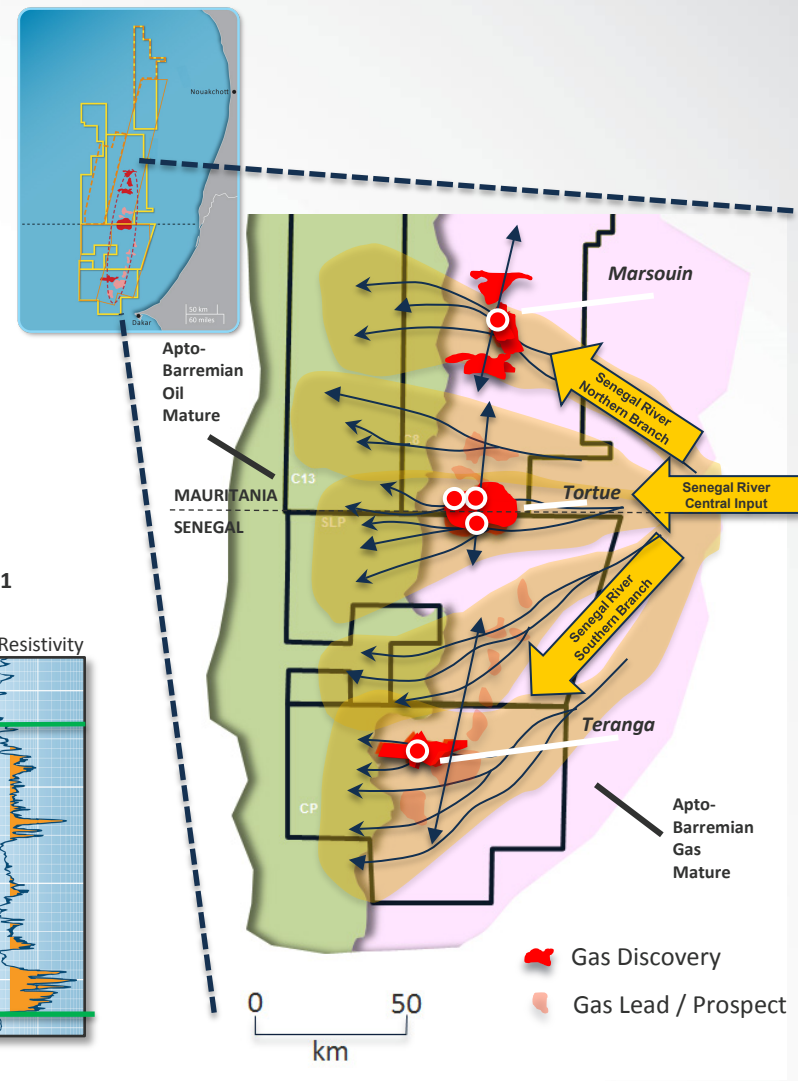
# 1<sup>st</sup> Exploration Phase – Inboard

~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



# 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 by year-end



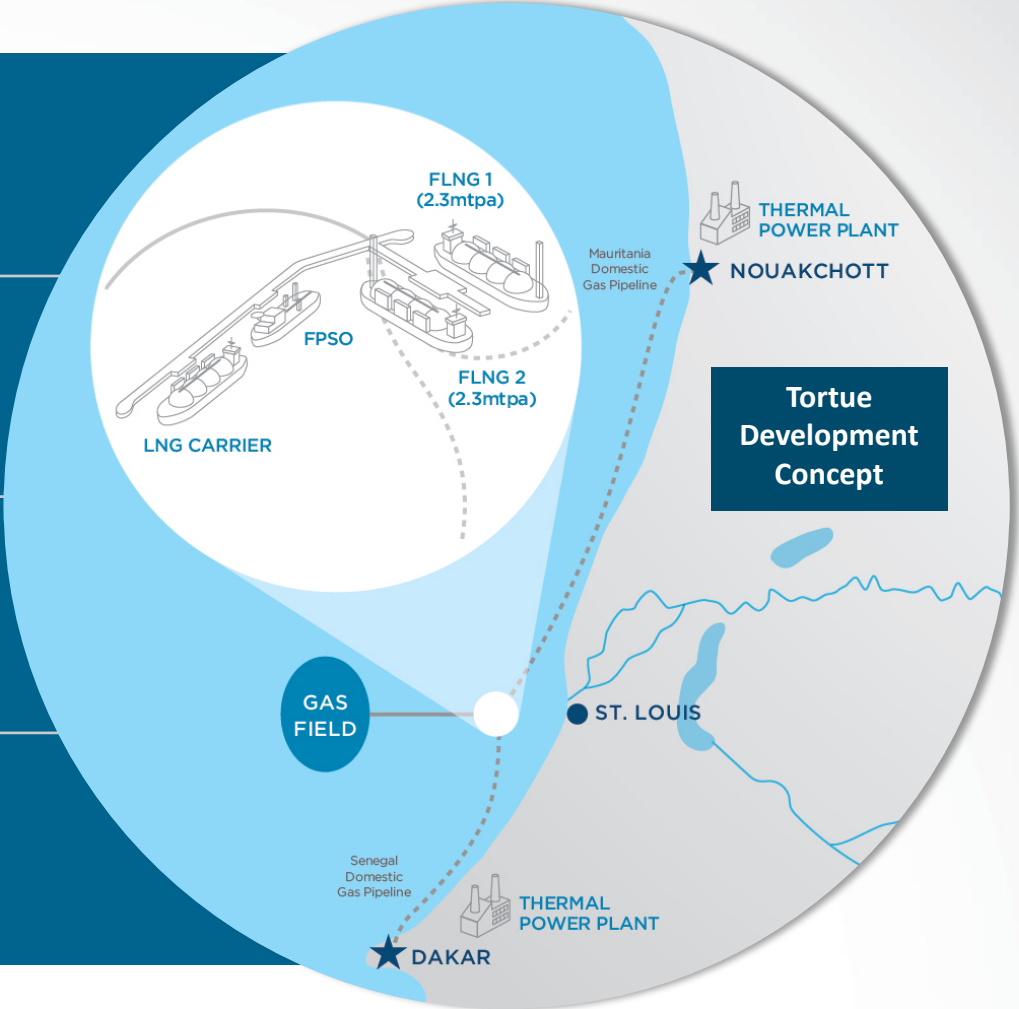
### Conceptual Development Plan

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



### Development Strategy

Strategic partnering options being evaluated

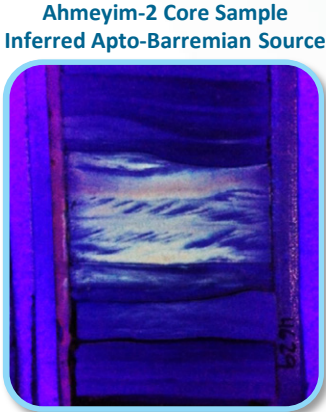
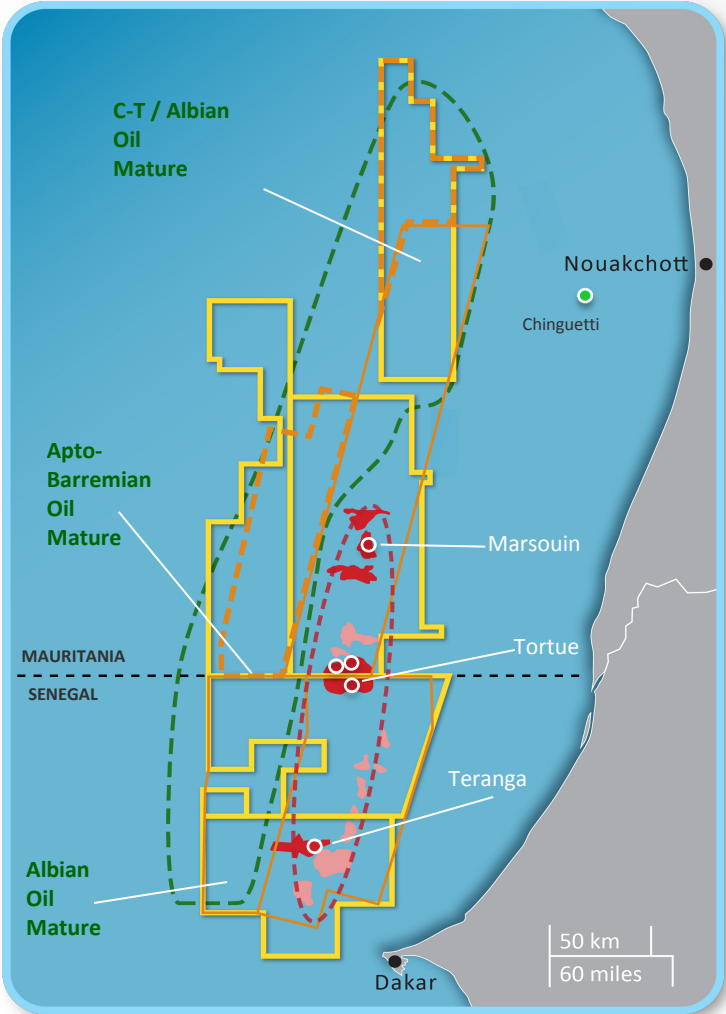




# Finding Oil

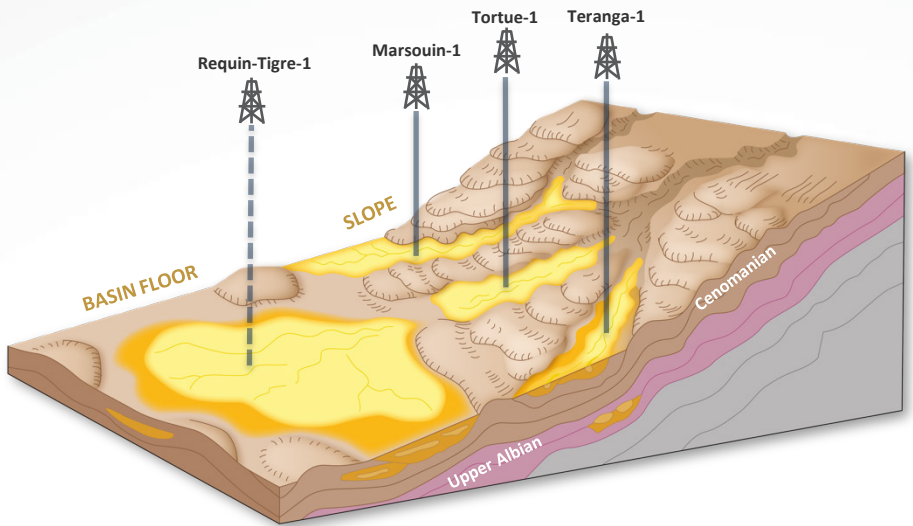
## Analysis of liquids and cores provides compelling evidence of three oil-prone source rocks

- ✓ **C-T Source**
  - Proven in Chinguetti Field
- ✓ **Albian Source**
  - Upper Albian side wall cores and liquids sampled in Teranga-1
- ✓ **Inferred Apto-Barremian Source**
  - Whole core fluorescence observed below the GWC in Ahmeyim-2

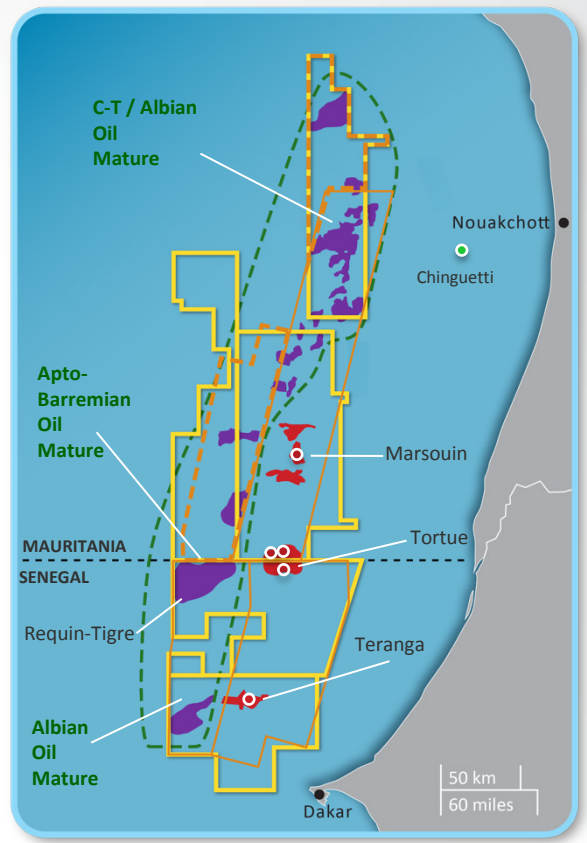
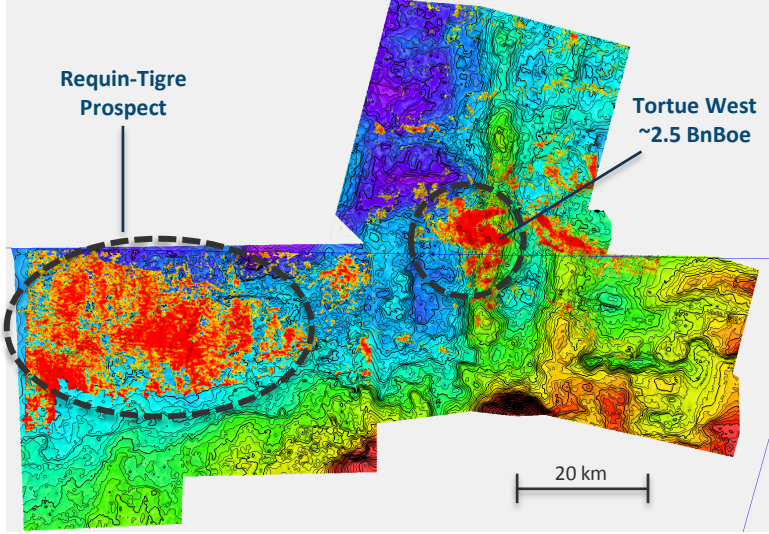


# 2<sup>nd</sup> Exploration Phase – Outboard

*Second phase exploration program will focus on significant additional prospectivity for liquids outboard of existing slope/channel discoveries*



**Base of Cenomanian Depth Structure and Far Amplitude**



- 3D Seismic
  - Complete
  - To be Completed
- 2<sup>nd</sup> Phase Exploration Focus
- Oil or Gas Lead / Prospect
- Gas Discovery

# Finding Oil in Suriname

*High-graded opportunity to find oil in proven Guyana-Suriname Basin ready for late 2017 / 2018 drilling*

**Play extension of proven oil province**

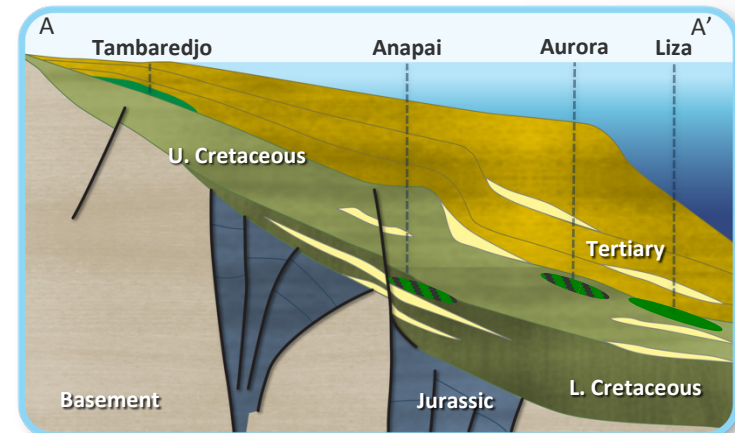
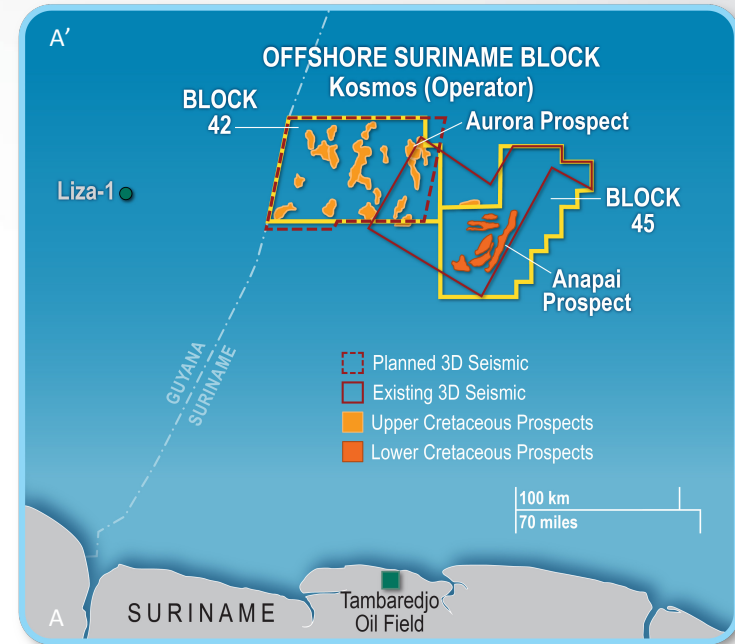
**Farm-out attracted interest of Liza partner, leverages learnings**

- 3D seismic acquisition in Block 42 commencing in 3Q:16

**Key prospects with play diversity testing 1+ BnBbls potential with multi-billion barrel dependent follow-on opportunity**

- Anapai
- Aurora

**~11,000 km<sup>2</sup> position, equivalent to ~475 GoM blocks**



■ Oil discovery    ■ Oil prospect



# Finding Oil in São Tomé



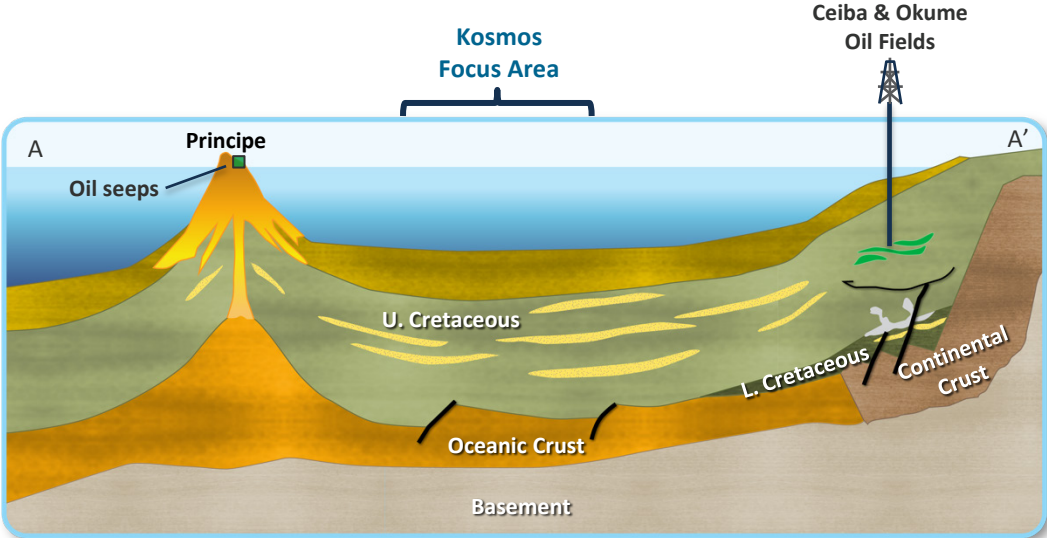
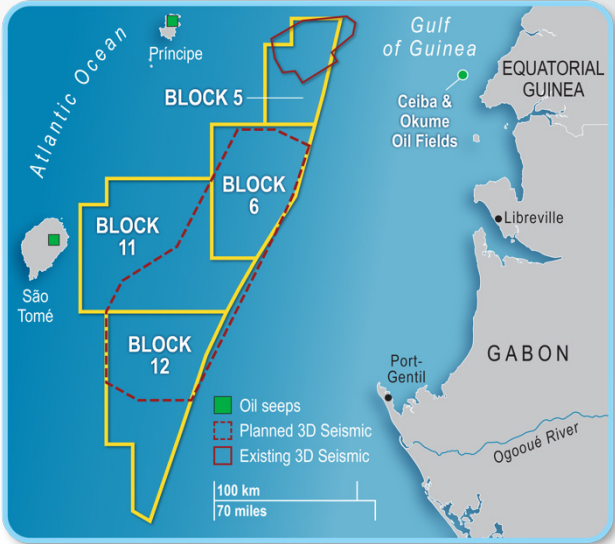
*Leveraging learnings and using industry down-cycle to re-enter Gulf of Guinea and find oil in an area we know well*

## Play extension of proven Rio Muni oil province offshore Equatorial Guinea

- Play diversity with follow-on dependent prospectivity

## Acquiring Kosmos' largest ever 3D seismic survey in 1Q:17

~25,000 km<sup>2</sup> position, equivalent to ~1,110 GoM blocks



Samples from oil seeps in São Tomé and Príncipe



# Financial Strength To Execute Through Cycle



*Significant liquidity and hedge-protected cash flows enable execution*

### Substantial liquidity

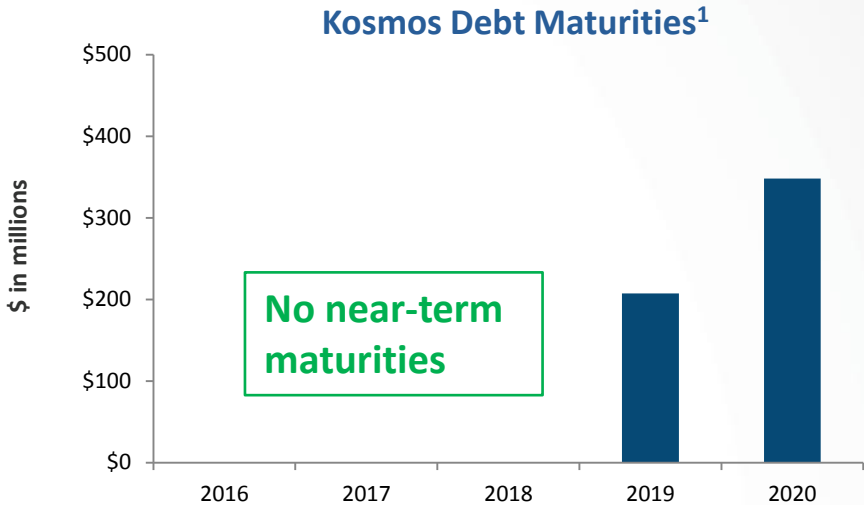
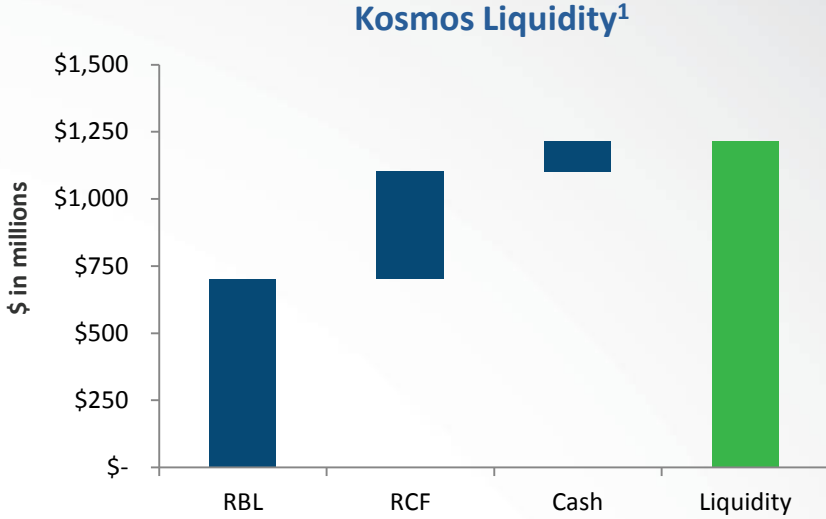
- \$1.2 billion<sup>1</sup>

### Low leverage

- No near-term maturities

### Strong hedging program

- MTM value of ~\$111 million<sup>2</sup>
- Collected over \$325 million from 2015 to 6/30/2016



(1) As of June 30, 2016  
(2) As of July 31, 2016  
Note: Excludes maturities beyond 2020

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