

# Barclays Capital CEO Energy-Power Conference

NYSE: KOS

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

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## 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](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.

## Business Designed to Compete in a Lower Commodity Price Environment

- Strategically targeting large resources with good fiscal terms at the low end of the cost curve
- Prudently built strong balance sheet with \$1.9 Bn of liquidity ahead of exploration success
- Positioned to take advantage of current environment and opportunities

## World-Class Production / Development Asset in Ghana

- Plan to double gross production to >200 MBopd in next 18 months with high-margin barrels
- Big fields get bigger – strong 100%+ reserve replacement<sup>1</sup>
- Expect significant free cash flow generation from Ghana in 2017+

## Portfolio of Basin-Opening Exploration Opportunities

- Focus on value creation through opening new basins with significant running room
- Largest Atlantic Margin discovery of 2015 in Tortue West
  - Opened outboard Cretaceous petroleum system in Mauritania-Senegal
- Continuing to mature and high-grade basin-opening opportunities from existing portfolio and new ventures
- Up to 7 high-quality exploration and appraisal catalysts over next 18 months

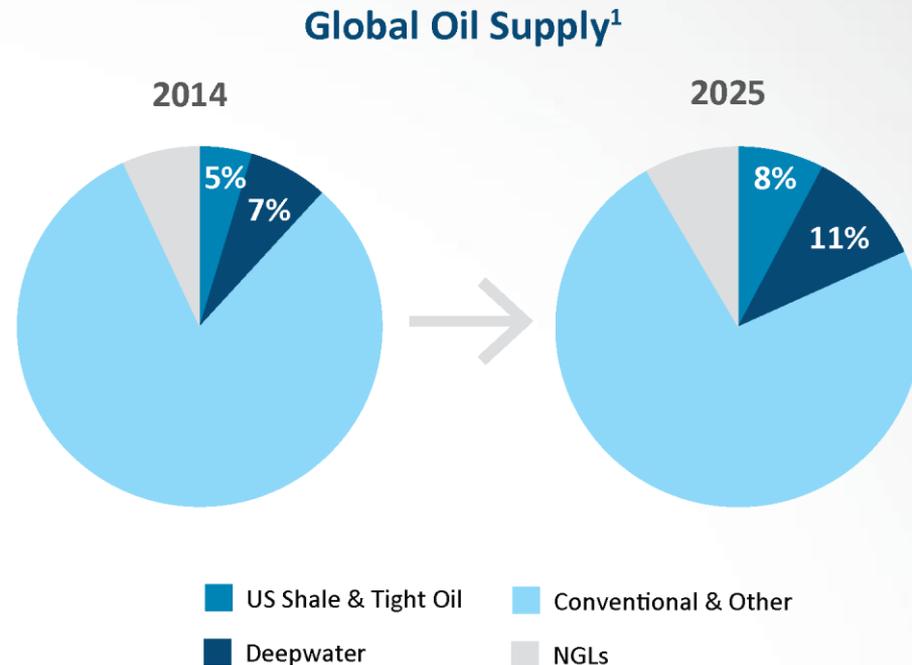
1.) Jubilee RRR >100% in 2013, 2014

# Growth of Deepwater

*Deepwater is a key source of global oil supply and its contribution is expected to grow*

## Growing oil demand will require increased production from the best of Shale AND the Deepwater

- U.S. Shale oil has exhibited significant growth but expected to plateau
- Significant yet-to-find resources located in the Deepwater
- In a low-price environment, only high-quality, low-cost projects can move forward



1.) Source: WoodMac, includes condensate and NGLs

# Kosmos' Strategy

*Proven strategy targets frontier basins at the low end of the industry cost curve, maximizing returns in a low commodity price environment*

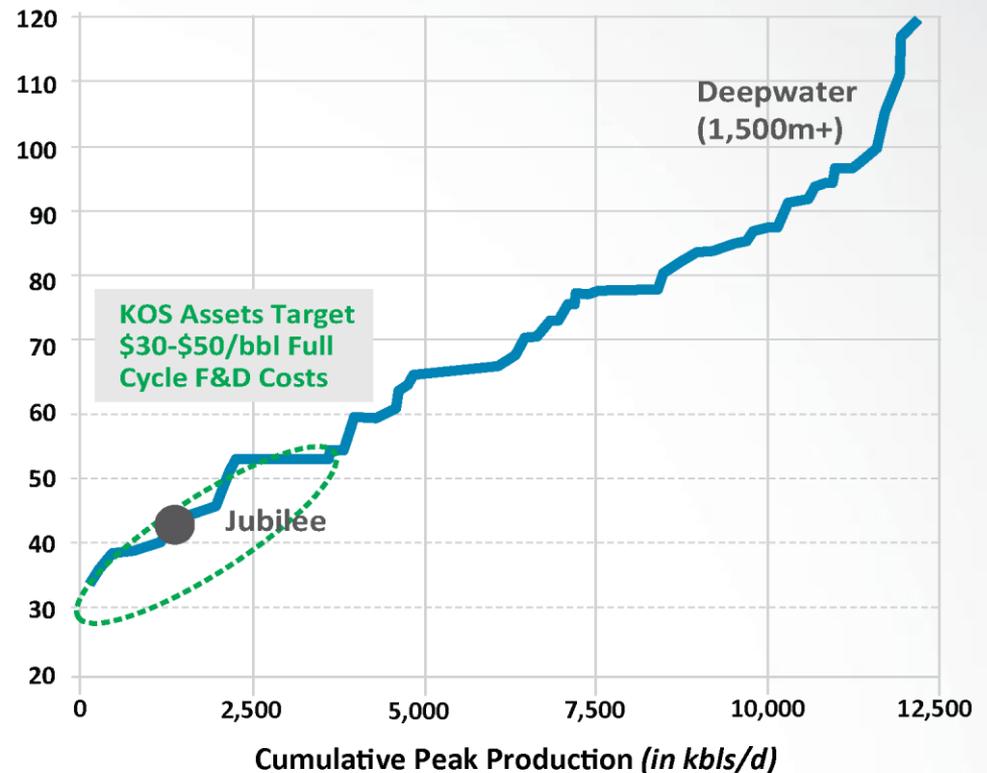
## Business Objectives

- 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
- Farm-down to minimize capital cost and secure development partner
- Execute rifle-shot exploration program to open new petroleum system
- Exploit de-risked follow-on potential

**Top 420 Projects Cost Curve<sup>1</sup>**  
Breakeven Price (in US\$/bbl)

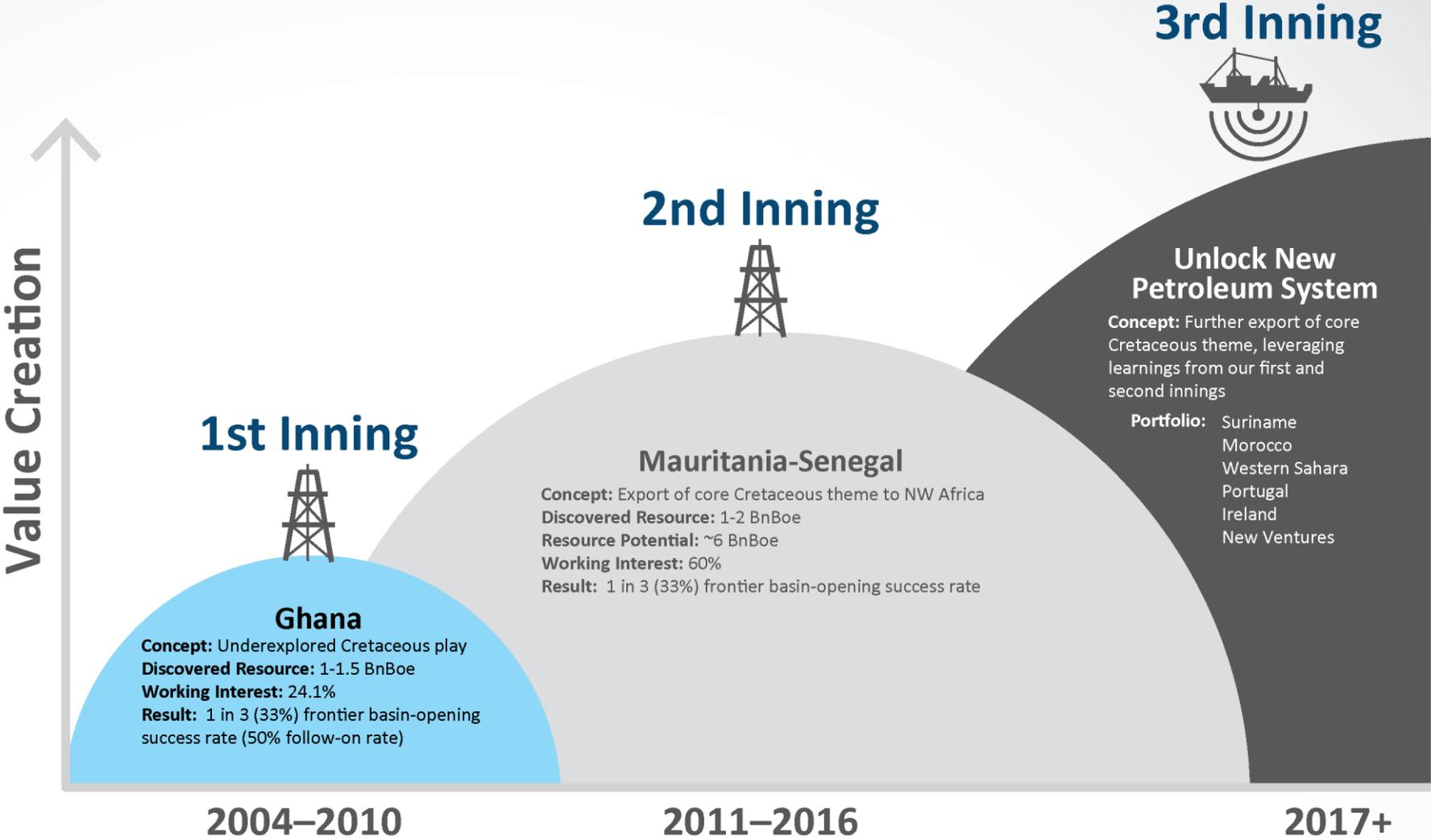


1.) Source: Goldman Sachs Global Investment Research

# Industry Leader in Basin-Opening Exploration



*Over the last decade, Kosmos has opened two new petroleum systems with significant follow-on potential along the Atlantic Margins*

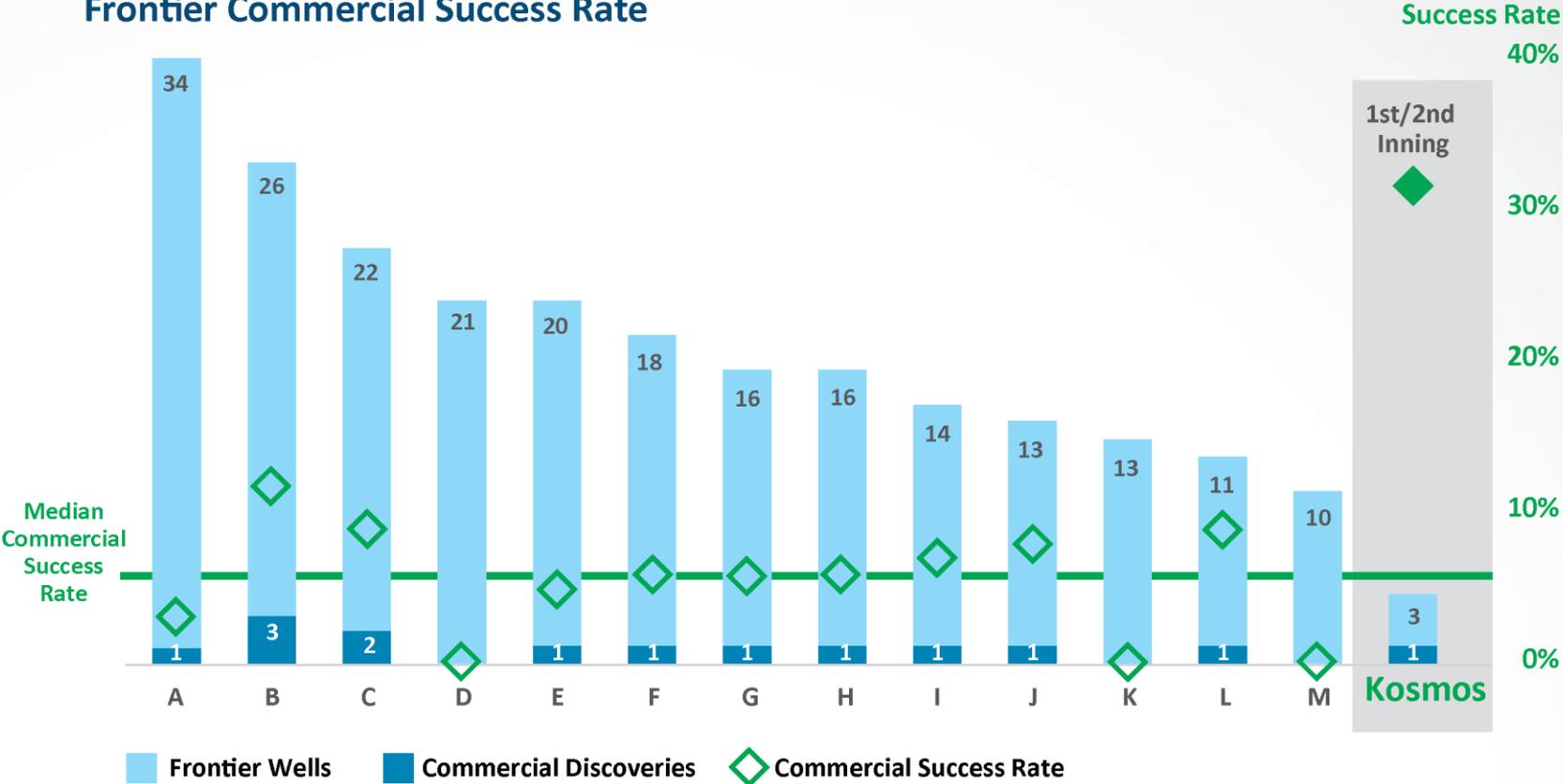


# Kosmos' Track Record of Success



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

## Frontier Commercial Success Rate



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

# First Inning: Ghana

*Execution of disciplined strategy unlocked the value of the Tano Basin*

## Our world-class Ghana asset demonstrates our strategy in action

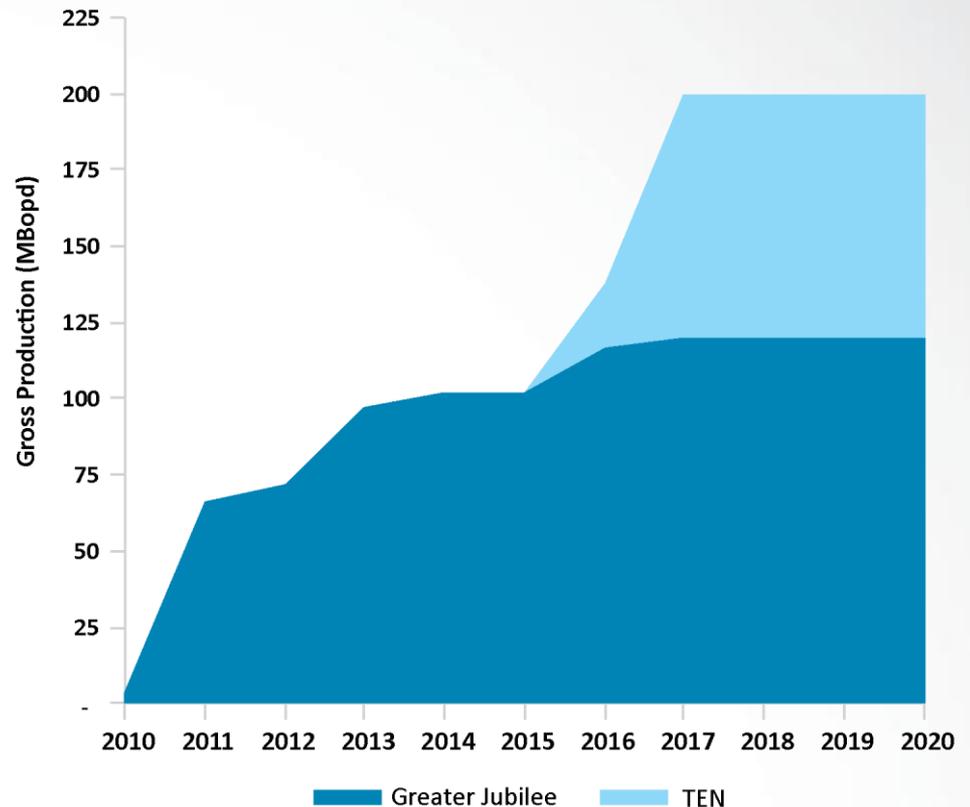
- Early entry with competitive fiscal terms
- High follow-on success rate
- Accelerated development
- High-margin
  - Jubilee Cash Costs < \$20/bbl

## Production plateau through 2020+

- Big fields get bigger
  - Expect to submit Greater Jubilee full field development plan by year-end
  - Strong 100%+ reserve replacement<sup>1</sup>

## Growing reserves and production provides free cash flow in 2017+

### Ghana Production Outlook (Gross)



1.) Jubilee RRR >100% in 2013, 2014

# Financial Prudence

*Built strong balance sheet following First Inning success, positioning the Company ahead of Second Inning drill out*

## Robust liquidity

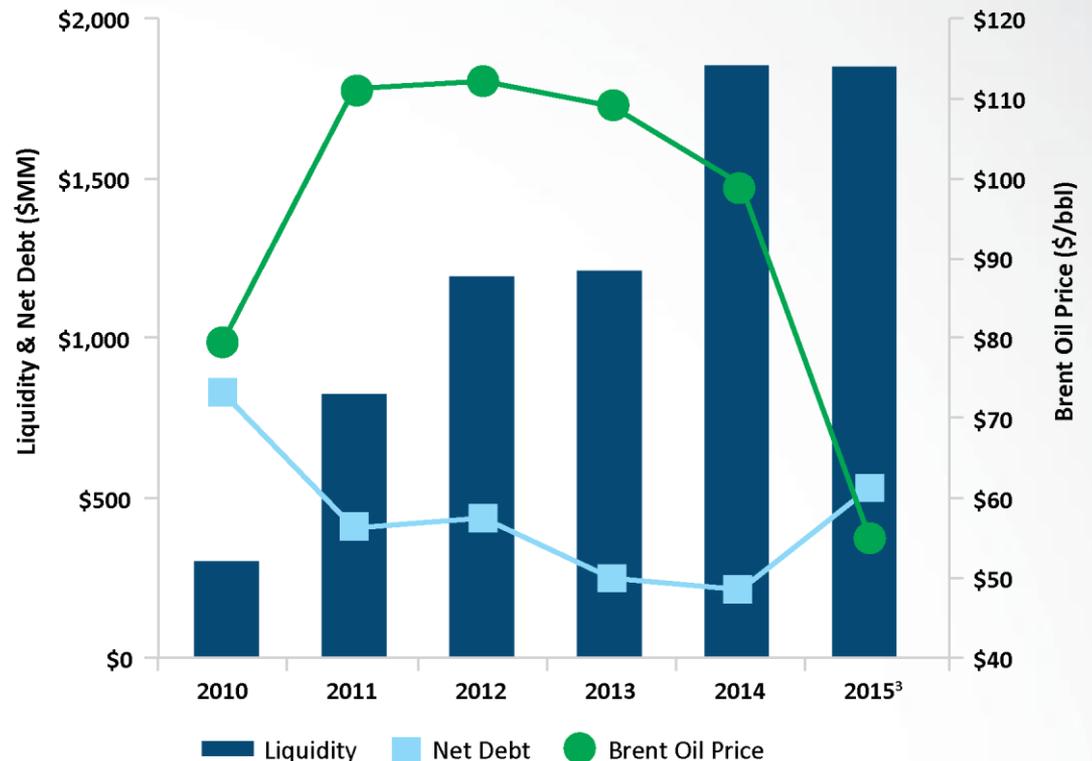
- \$1.9 Bn available<sup>1</sup>
- No near-term debt maturities

## Strong hedge position<sup>2</sup>

- 12.1 MMBbls through 2017

## Low leverage<sup>1</sup>

- 1.1x Net debt / LTM EBITDAX



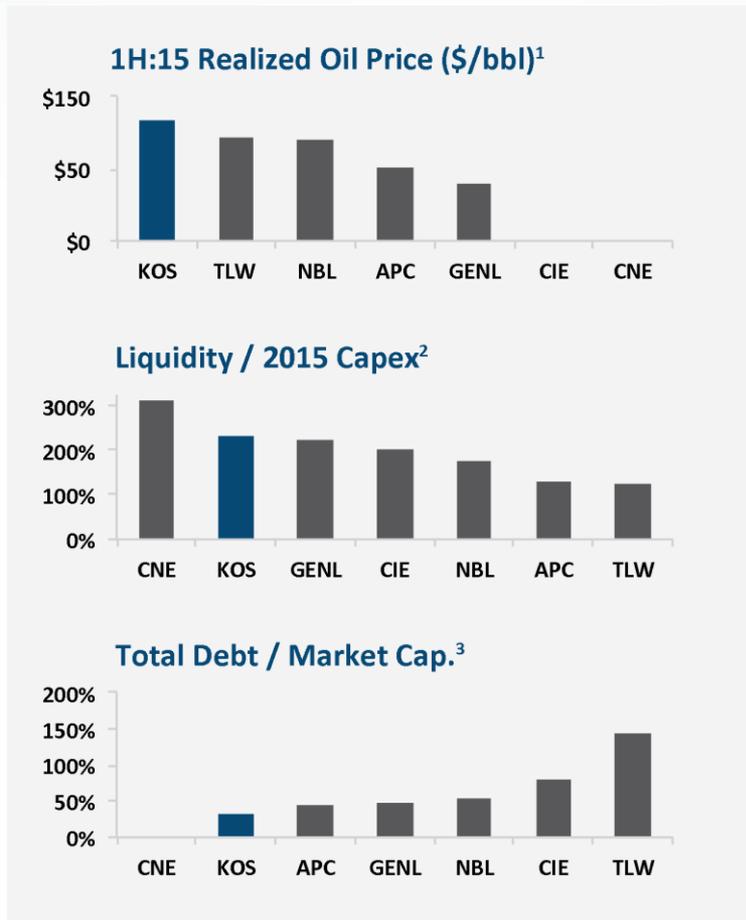
1.) As of June 30, 2015

2.) As of August 31, 2015

3.) Liquidity and net debt as of June 30, 2015

# Strong Financial Position

*High-quality, high-margin assets and financial discipline put us in a strong position to compete in a “lower-for-longer” price environment*



- Priced off of Dated Brent
- Cash flow protected with prudent hedging program
  
- Strong balance sheet and capital discipline
  
- Financial resilience, low debt level relative to our peers

Source: Company data, FactSet

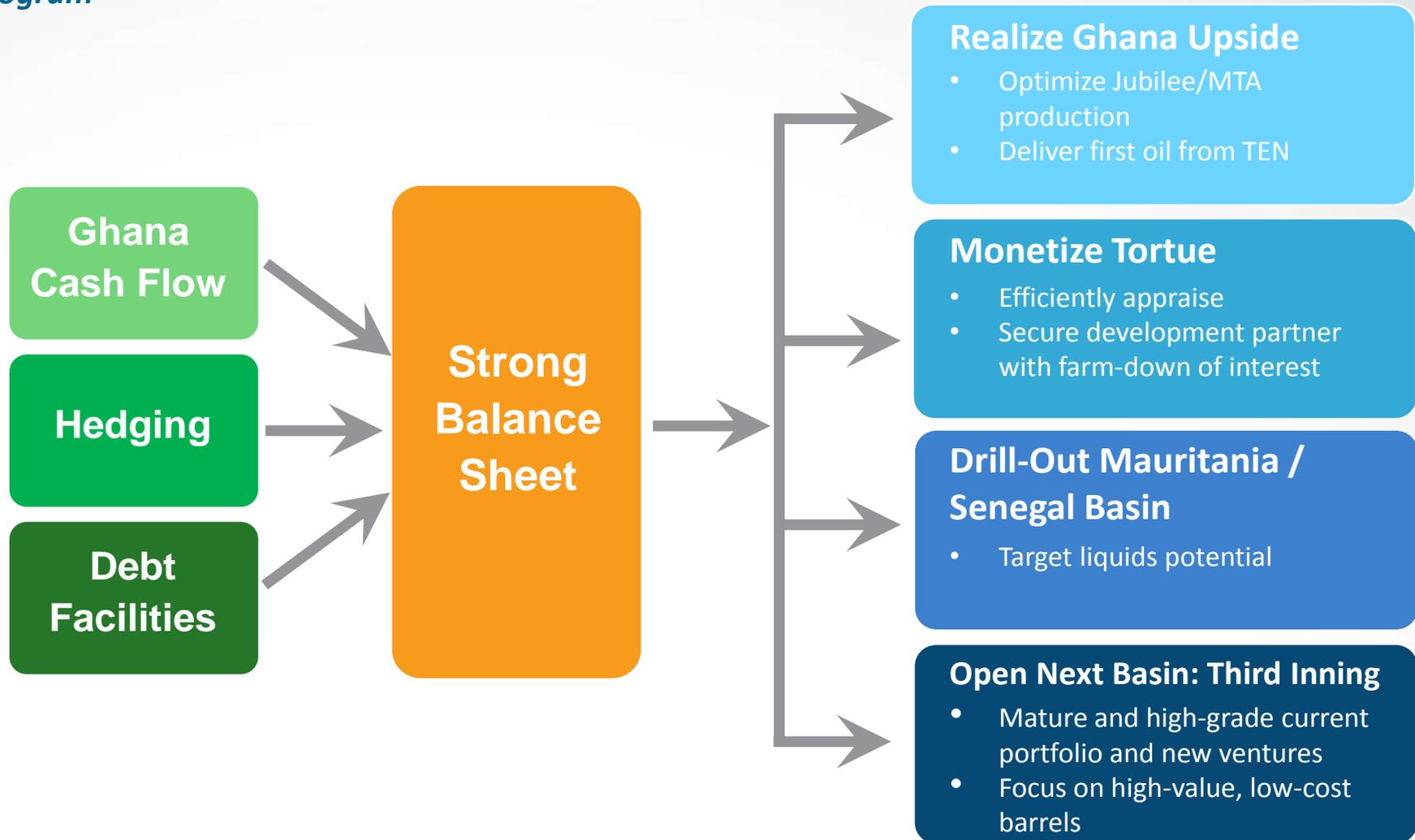
1.) 1H:15 Realized Oil Price includes the effect of cash settled hedges

2.) Liquidity as of June 30, 2015

3.) Market Cap as of August 28, 2015

# Utilizing Our Financial Strength

*Strong balance sheet organically funds development and transformational exploration program*



# Second Inning: Mauritania / Senegal

*Tortue-1 has opened a new petroleum system with significant follow-on potential*

## Entry:

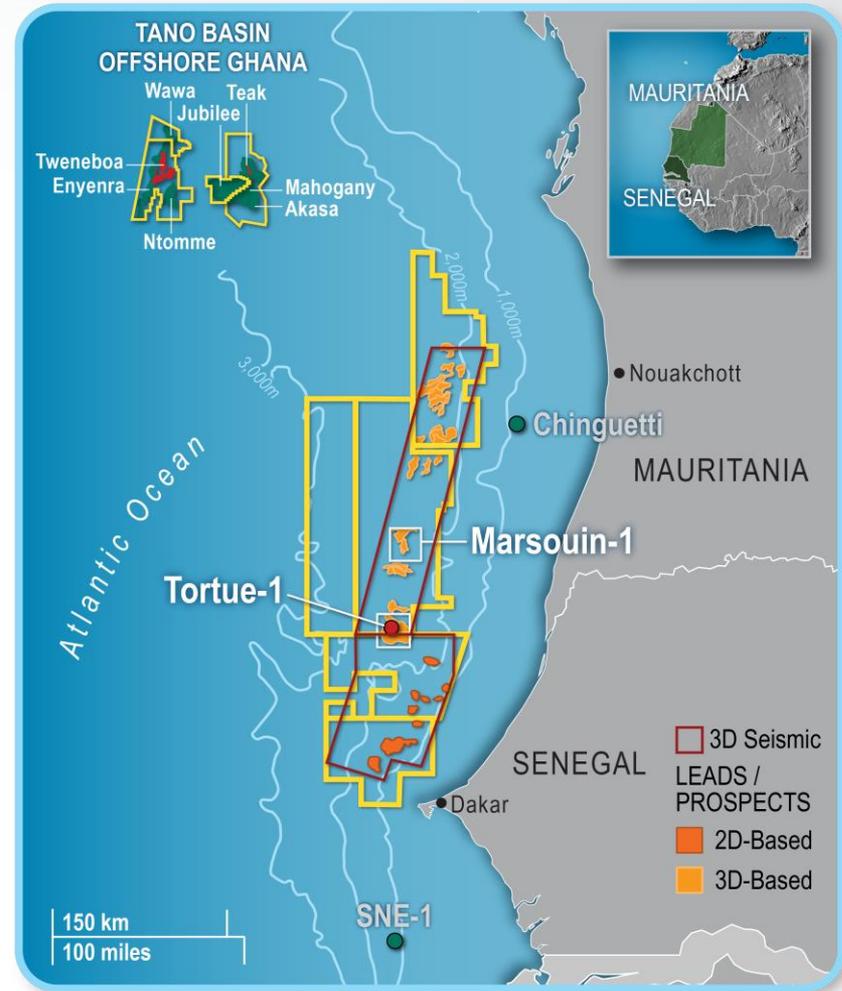
- Exported core Cretaceous theme
- Conceived contrarian concept to create first-mover advantage

## Scale:

- Acquired ~40,000 gross km<sup>2</sup> position with competitive fiscal terms (including for gas)
  - Equivalent in size to ~1,700 GoM blocks
- 60% working interest

## Value Realization:

- Delineating our Tortue discovery with an efficient appraisal plan
- Drill-out the Mauritania / Senegal basin with a focus on liquids

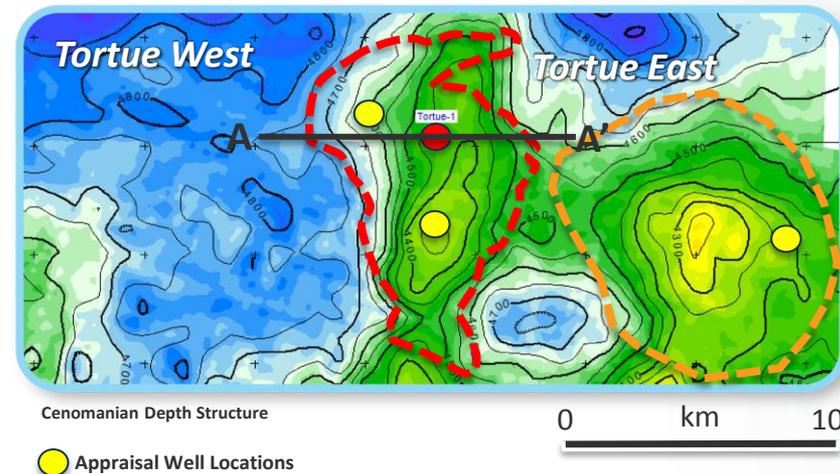
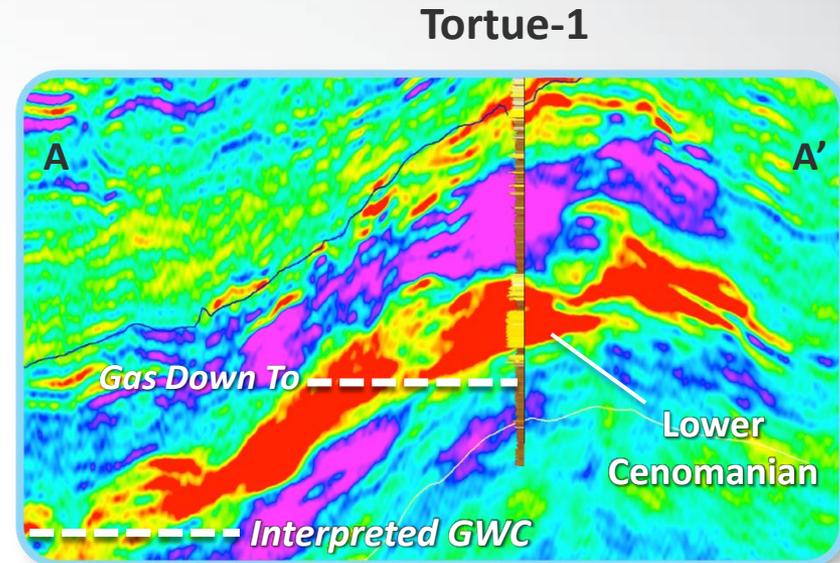


# Greater Tortue – Delivering Value

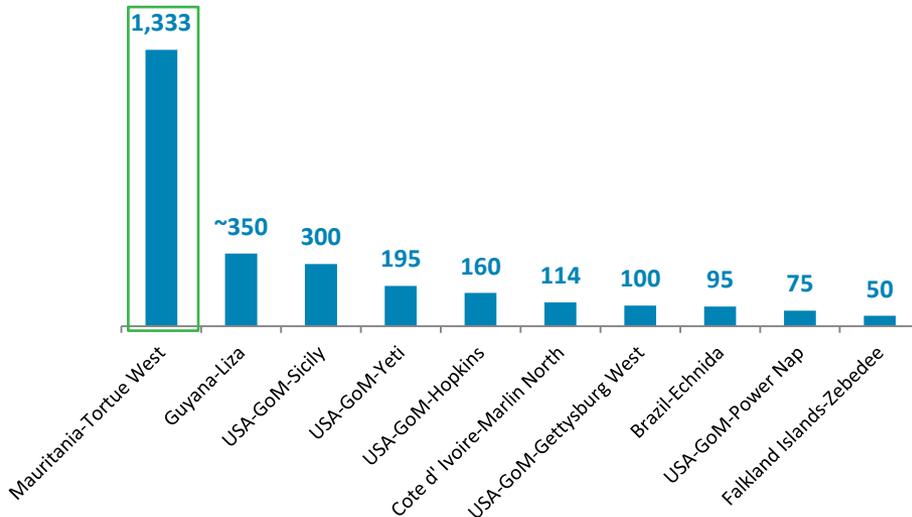
*Greater Tortue is well positioned to be a competitive, world-scale LNG project given size and quality*

## Near Term Focus for Greater Tortue

- Deliver a credible, competitive LNG project
  - Confirm 15+ tcf resource to underpin project with minimal appraisal program (potentially 3 wells)
  - Establish cross-border cooperation agreement
  - Create a simple, aligned partnership with capable developer
- Timely project execution to capture increasing global LNG demand beyond 2020



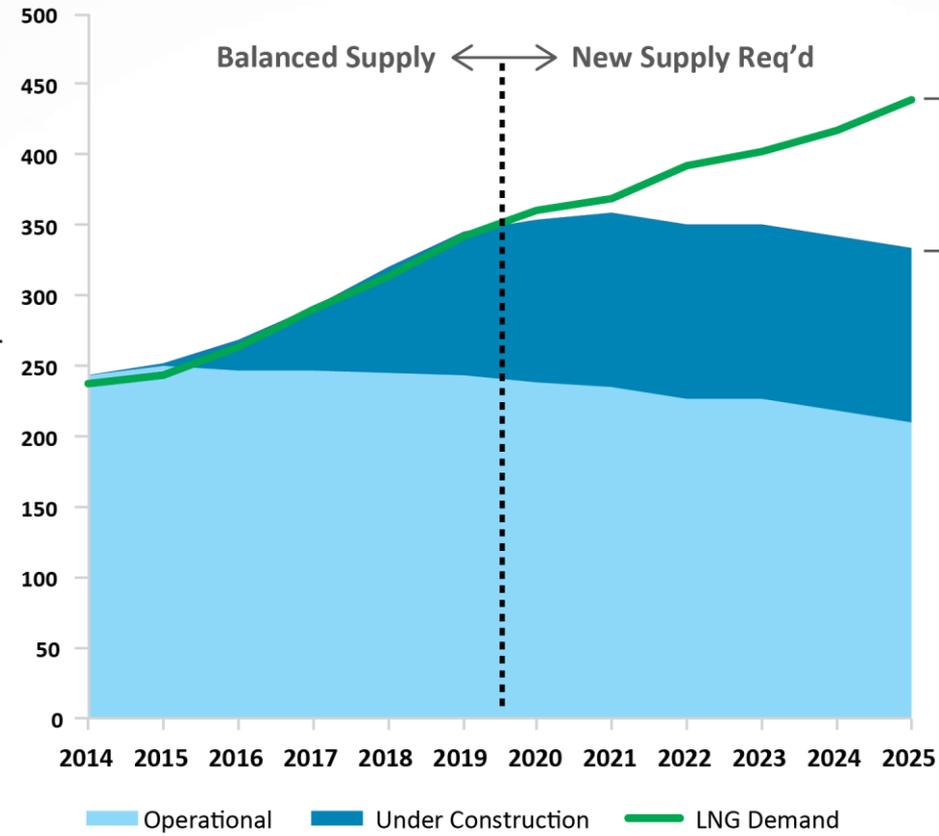
**Top 10 Atlantic Basin Discoveries 2015 YTD (MMBoe)<sup>1</sup>**



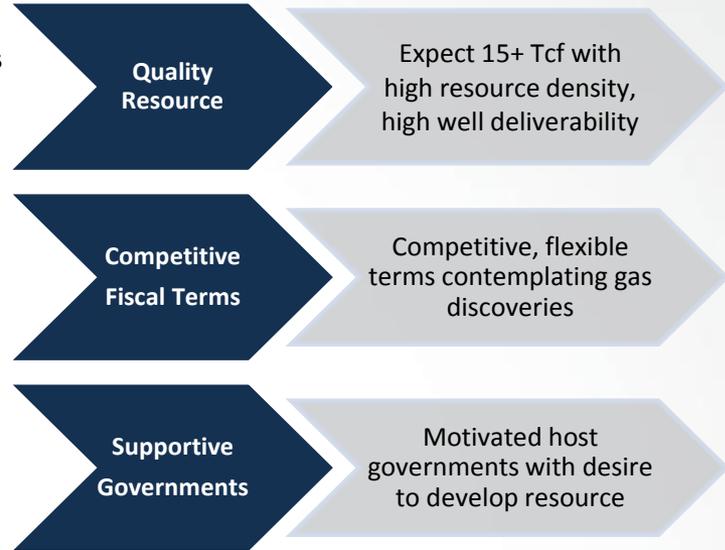
1.) Produced from REP data through August 1, 2015

# Greater Tortue – Positioned to be Competitive **KOSMOS ENERGY.**

*Greater Tortue is well positioned to compete with US and East African gas projects to supply increased global demand beyond 2020*



## Key LNG Success Factors



Source: Produced from Wood Mackenzie LNG Tool Q1 2015

# Mauritania / Senegal Oil Potential



*Tortue-1 has unlocked a large-scale Cretaceous petroleum system outboard Mauritania / Senegal, demonstrating a substantial gas resource with follow-on oil potential*

**Plays:**

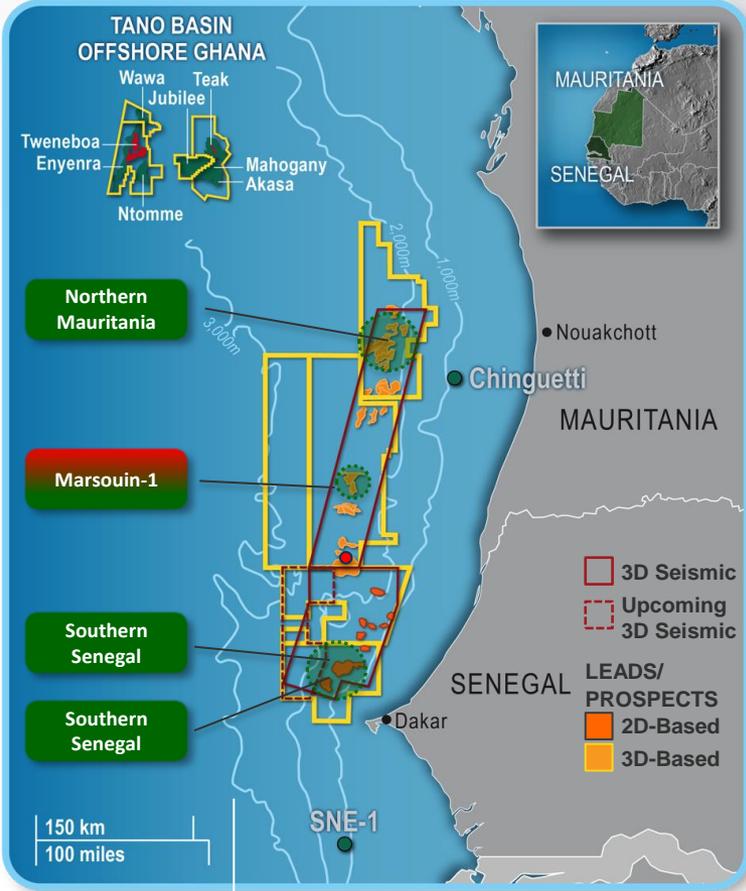
- Charge: Several oil prone source rocks with oil mature kitchens
- Reservoir: Two principle fairways with depositional systems providing stacked exploration targets
- Trap: Robust structural trends offering numerous combination closures

**Prospectivity:**

- ~6 Bnboe total inventory with multiple 500+ MMBoe prospects <sup>1</sup>

**Program:**

- Four top-ranked prospects to be tested (2 in Mauritania, 2 in Senegal)



	2015		2016				2017
	3Q	4Q	1Q	2Q	3Q	4Q	1Q
<b>Testing Plan</b>	Marsouin-1 Mauritania	Senegal 3D Seismic					
			Northern Mauritania and Southern Senegal				

1.) Gross, unrisksed

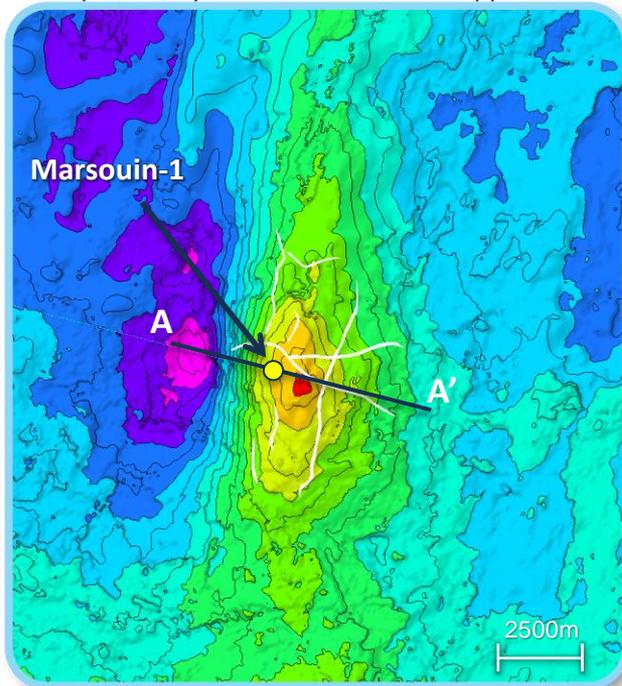
# Marsouin Prospect

*Marsouin-1 tests a top-ranked prospect and provides further petroleum system calibration*

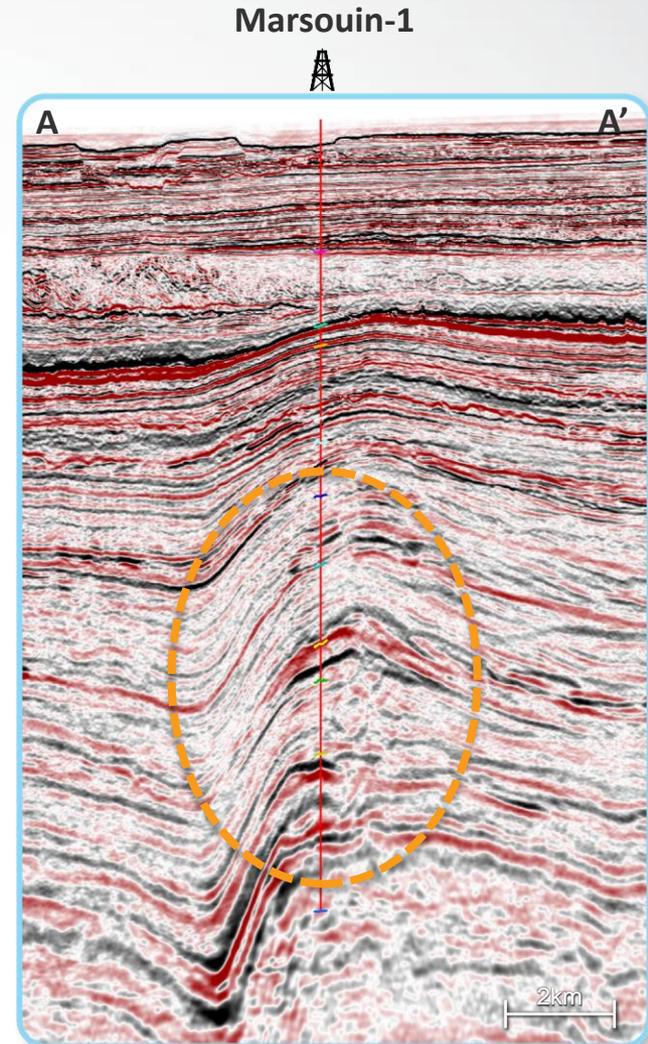
- Deep well to test multiple reservoir objectives on northern flank of Senegal River fairway
- Will evaluate multiple potential source horizons
- Tortue-type trap (four-way, dip-closed structure)

## Marsouin Prospect

Simple, 4-way structure with AVO support



*Top Albian Depth Structure*



Targeted Intervals

# Third Inning: Opening the Next Petroleum System

*Continue to execute our strategy through first-cycle exploration of Atlantic Margin and second-cycle exploration of the Transform Margin*

## Two Primary Themes

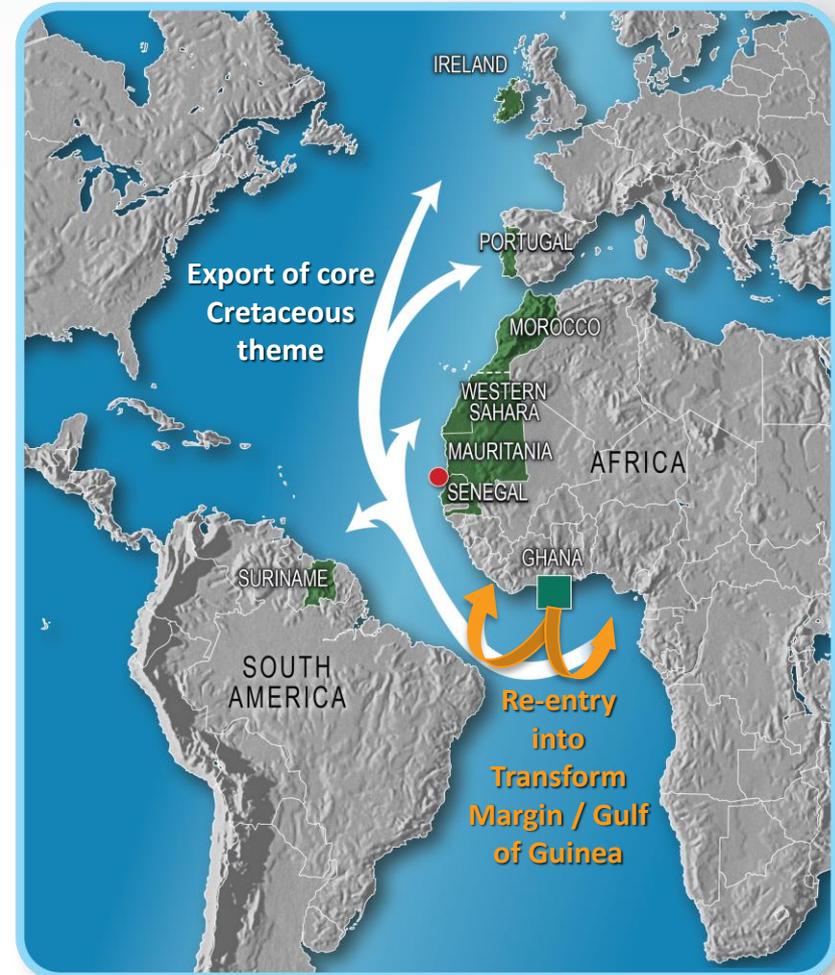
- Export of core Cretaceous theme
  - Northwest Africa
  - Northeast Latin America
  - Europe
- Re-entry into Transform Margin / Gulf of Guinea

## Existing Portfolio

- Suriname, Portugal, Morocco, Western Sahara, Ireland

## Selective New Ventures

- Strategic new opportunities identified and being accessed
  - Low initial commitment, long exploration period



# Suriname – Guyana Basin



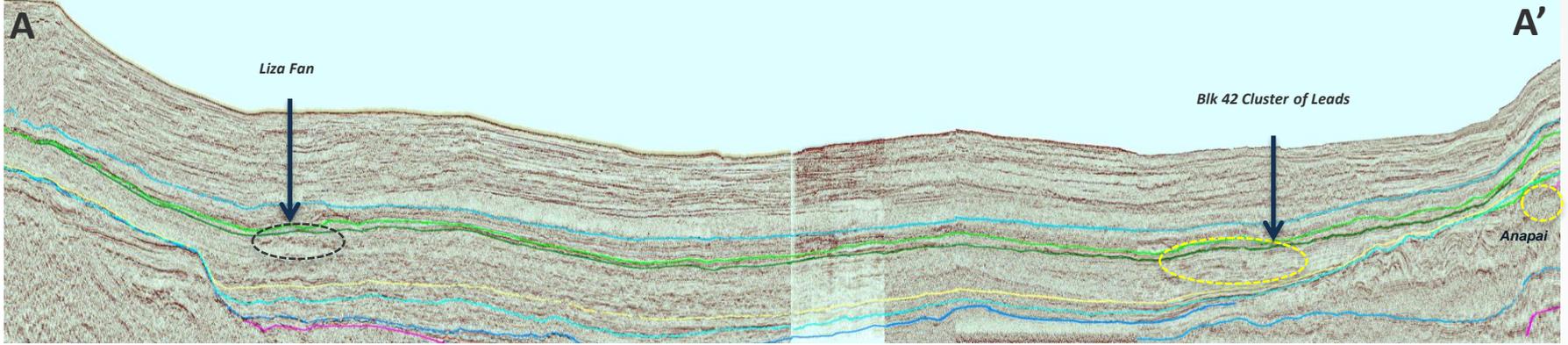
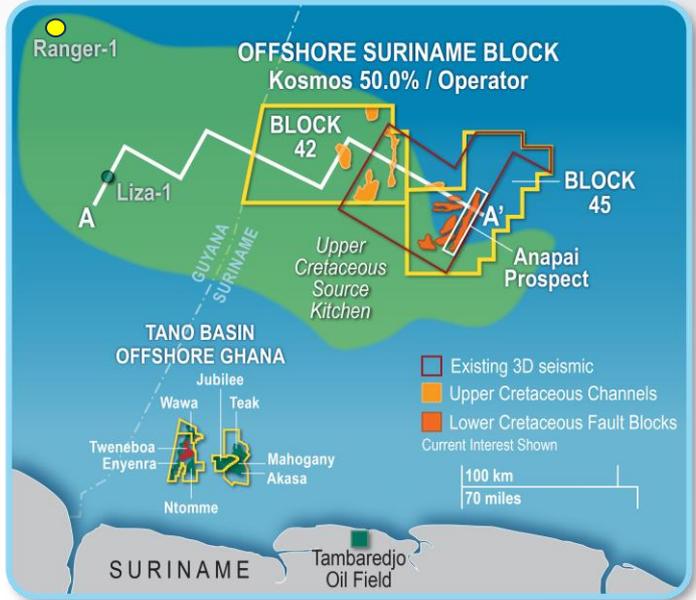
High-graded basin ready for late 2016 / 2017 drilling

~11,000 km<sup>2</sup> position captures Cretaceous-age, outboard Guyana petroleum system (~475 GoM blocks)

- 1+ BBoe currently identified potential in multiple Deepwater plays / fairways
- Recent oil discovery at Liza-1 validates Upper Cretaceous charge model and partially de-risks analog prospectivity

### Key Prospect – Anapai

- Cretaceous reservoirs trapped in large, structural trap with AVO support



# Forward Program

Active drilling calendar with multiple value creation catalysts into 2017+

	2015		2016				2017			
	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Greater Tortue E&A										
Mauritania / Senegal	 Marsouin									
Suriname, Morocco / Western Sahara										



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