



NEWS RELEASE

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KOSMOS ENERGY SIGNS PETROLEUM AGREEMENT FOR WEST CAPE THREE POINTS BLOCK OFFSHORE GHANA

Company Gains First Major Contract for West African Acreage

DALLAS, Texas, July 28, 2004 – Kosmos Energy announces today that its Ghanaian affiliate, Kosmos Energy Ghana HC, has signed a petroleum agreement covering the West Cape Three Points Block offshore the Republic of Ghana in the Gulf of Guinea's Tano Basin. Kosmos has an 86.5% interest in the block and is the operator. This is the first acreage contract Kosmos has signed since its formation in 2003.

With a 10% participating interest in the project, the Ghana National Petroleum Corporation (GNPC) will be carried through the exploration and development phases. The E.O. Group, a Ghanaian oil and gas company, holds a 3.5% working interest in the block.

The West Cape Three Points Block comprises 1,957 square kilometers (483,600 acres) in water depths ranging from 50 meters to 1,800 meters (approximately 165 feet to 5,900 feet).

Kosmos and its partners will conduct a 1,000-square-kilometer 3D seismic survey later this year, part of the initial phase of a seven-year exploration agreement. After processing and interpreting the seismic data, Kosmos plans to drill an exploratory well on the block, which is located about eight kilometers (five miles) from the Ghanaian coastline and 95 kilometers (59 miles) southwest of the port city of Takoradi.

“The promising venue of the Tano Basin offers the kind of high-potential, high-reward oil prospects that will enable us to build value and success through the drill bit,” said James C. Musselman, Kosmos Chairman and Chief Executive Officer. “It is an underexplored but highly prospective region of West Africa.

“We are delighted to be teaming up with the Ghana National Petroleum Corporation, an organization that has extensive oil and gas experience and is regionally well known and respected for its superior technical abilities, and the E.O. Group to pursue this exploration opportunity. And we look forward to developing a long-term working relationship with the Ghanaian government,” Musselman added.

“We are pleased to have entered into this venture with Kosmos Energy, an agile, independent oil and gas company that has a proven track record in West Africa. We believe Kosmos has outstanding technical and commercial expertise, and will provide valuable assistance in helping us explore for and develop our natural resources,” said Stephen Sekyere-Abankwa, Chairman of the Board of GNPC.

About Kosmos Energy:

Kosmos Energy is a privately held international oil exploration and production company with a focus in West Africa. Kosmos is led by a seasoned management and technical team with extensive international and West Africa experience, and a proven record of finding and developing significant oil reserves. With the financial backing of international private equity investors Warburg Pincus and Blackstone Capital Partners, the company possesses significant financial and operational capability to generate and participate in multiple high-impact upstream projects. For additional information, visit www.kosmosenergy.com.

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