



2Q 2019 Results

NYSE/LSE: KOS

5 August
2019

Forward-Looking Statements

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Non-GAAP Financial Measures

EBITDAX, Adjusted net income (loss), Adjusted net income (loss) per share, free cash flow, and net debt are supplemental non-GAAP financial measures used by management and external users of the Company’s consolidated financial statements, such as industry analysts, investors, lenders and rating agencies. The Company defines EBITDAX as Net income (loss) plus (i) exploration expense, (ii) depletion, depreciation and amortization expense, (iii) equity based compensation expense, (iv) unrealized (gain) loss on commodity derivatives (realized losses are deducted and realized gains are added back), (v) (gain) loss on sale of oil and gas properties, (vi) interest (income) expense, (vii) income taxes, (viii) loss on extinguishment of debt, (ix) doubtful accounts expense and (x) similar other material items which management believes affect the comparability of operating results. The Company defines Adjusted net income (loss) as Net income (loss) adjusted for certain items that impact the comparability of results. The Company defines free cash flow as net cash provided by operating activities less Oil and gas assets, Other property, Change in restricted cash, and certain other items that may affect the comparability of results. The Company defines net debt as the sum of notes outstanding issued at par and borrowings on the Facility and Corporate revolver less cash and cash equivalents and restricted cash.

We believe that EBITDAX, Adjusted net income (loss), Adjusted net income (loss) per share, free cash flow, Net debt and other similar measures are useful to investors because they are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in the oil and gas sector and will provide investors with a useful tool for assessing the comparability between periods, among securities analysts, as well as company by company. EBITDAX, Adjusted net income (loss), Adjusted net income (loss) per share, free cash flow, and net debt as presented by us may not be comparable to similarly titled measures of other companies.

Any non-GAAP financial measures included herein will be accompanied by a reconciliation to the nearest corresponding GAAP measure either within the presentation or within our most recently issued Earnings Release (available on our website at <http://investors.kosmosenergy.com>).

This presentation also contains certain forward-looking non-GAAP financial measures, including free cash flow. Due to the forward-looking nature of the aforementioned non-GAAP financial measures, management cannot reliably or reasonably predict certain of the necessary components of the most directly comparable forward-looking GAAP measures, such as future impairments and future changes in working capital. Accordingly, we are unable to present a quantitative reconciliation of such forward-looking non-GAAP financial measures to their most directly comparable forward-looking GAAP financial measures. Amounts excluded from these non-GAAP measures in future periods could be significant.

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 “discovered resources,” “potential,” “significant resource upside,” “resource,” “net resources,” “recoverable resources,” “discovered resource,” “world-class discovered resource,” “significant defined resource,” “gross unrisks resource potential,” “defined growth resources,” “recovery potential” and similar terms or 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.

**Cash
Generation**

- Strong 2Q 2019 FCF of ~\$136 million
- On track to deliver > \$200 million FCF in 2019 at current prices

**Infrastructure Led
Exploration (ILX)**

- First success in 2Q 2019
- Four well ILX program in 2H 2019 targeting ~125 MMboe net

Mauritania / Senegal

- Tortue appraisal well further expands significant resource base
- Sell down to 10% on track

**Basin Opening
Exploration**

- Orca well to commence drilling in 4Q 2019
- Targeting 2 wells per year in 2020 onwards

Balance Sheet

- Bond refinancing pushes maturity to 2026
- Balance sheet strength underpins strategy execution

Maintained Momentum in 2Q:19 – Numerous Catalysts In 2H:19

Cash Generation

- **Record production of 71,100 boepd in 2Q:19; anticipate 2019 volumes to be at low end of the guidance range due to operational issues at TEN, mitigated by outperformance in Gulf of Mexico**
 - **Ghana**
 - Jubilee – ~97,100 bopd gross in 2Q:19: Working with operator to enhance gas throughput to above 180,000 mmcf/d in 4Q:19, facilitating increased oil production in 2020
 - TEN – ~59,100 bopd gross in 2Q:19: EN-14 not completed and potentially no further drilling this year results in 4 cargoes for 2019
 - **Gulf of Mexico**
 - Above high end of guidance range ~26,400 boepd net in 2Q:19; record quarter
 - Tornado-3 well brought online in April (~3,150 boepd net working interest)
 - Gladden Deep and Nearly Headless Nick expected online in 4Q:19
 - **Equatorial Guinea**
 - Delivering as expected, ~13,100 boepd net in 2Q:19
 - Electrical submersible pump (ESP) program ongoing – installation of next two ESPs in 3Q:19
 - Okume – stimulation program commenced, facilities upgrade supporting 2020/2021 ESP program (up to 9 additional)
- **Free cash flow**
 - Strong 2Q 2019 FCF of ~\$136 million
 - On track to deliver > \$200 million FCF in 2019 at current prices
 - 2Q:19 capex of ~\$101 million; remain on track for \$425-\$475 million range for 2019
 - Declared 3Q:19 dividend of \$0.045, full year 2019 dividend of \$0.18/share

Maintained Momentum in 2Q:19 – Numerous Catalysts In 2H 2019

Infrastructure-Led Exploration

- **Gulf of Mexico**
 - Gladden Deep success, first oil expected in 4Q:19
 - Awarded all 9 leases of which we were deemed “apparent high bidder” in OCS Lease Sale 252
 - 3 well ILX program in 2H 2019 – rigs contracted
- **Equatorial Guinea**
 - G-13 ILX prospect expected to spud in late 3Q:19 – rig contracted

Mauritania / Senegal

- **Greater Tortue Ahmeyim**
 - Phase 1 remains on track
 - Pre-FEED work ongoing for Phases 2&3
 - Successful GTA-1 well further expands the resource base
- Sell down process progressing well
 - Targeting transaction announcement by year-end
- Orca-1 prospect expected to spud in October 2019

Share Register

- Founding PE shareholders have exited the register

Subsea Tieback Close To Existing Infrastructure – Quick To Production

Medusa Spar / Gladden Deep



ILX Strategy Paying Dividends

- Initial success in first of four well program in 2019
- Short-cycle – first oil expected in 4Q:19, 6 months from discovery
- Incremental net production of ~1,100 boepd

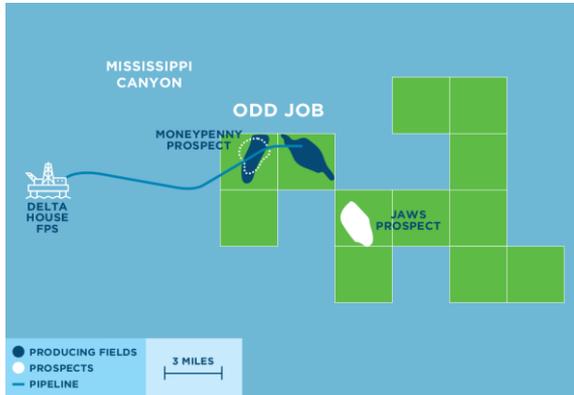
Strong Economics

- IRR: ~70%¹
- F&D: ~\$10.50 / boe
- Lifting Cost: ~\$7.30 / boe

¹. Based on \$58 HLS / \$60 Brent per barrel

Three Kosmos Operated ILX Wells To Be Drilled In 2H 2019 Targeting ~100 MMboe of Net Resource

Money Penny



Estimated Gross Resources: ~17 MMboe

Working Interest: ~61%

Planned Spud Date: October 2019

Hub Area: Delta House

Resolution



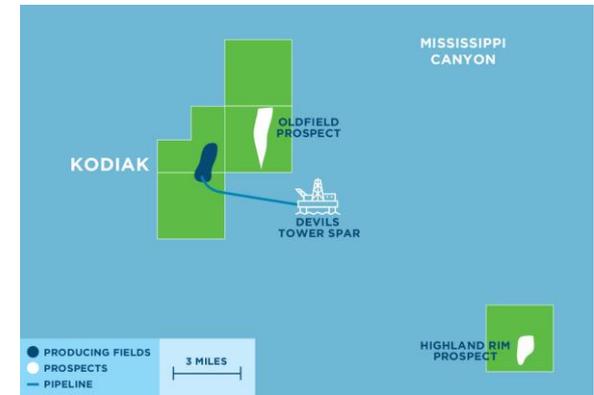
Estimated Gross Resources: 100 – 200 MMboe

Working Interest: ~50%

Planned Spud Date: October 2019

Hub Area: Resolution Hub

Oldfield



Estimated Gross Resources: 30+ MMboe

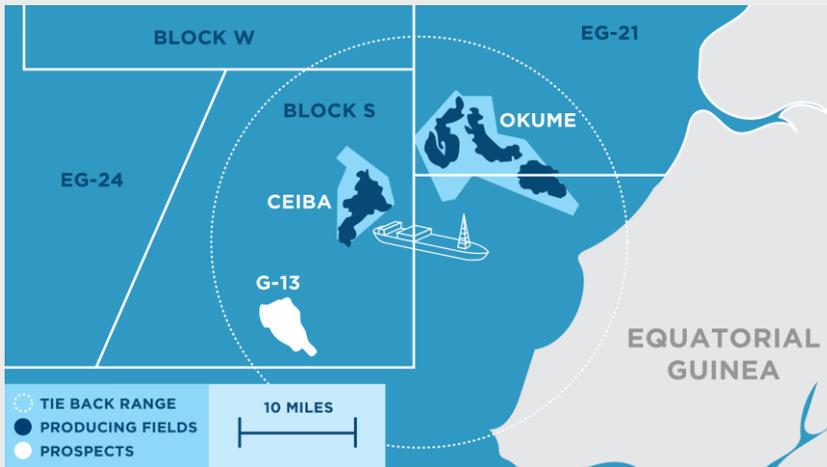
Working Interest: ~40%

Planned Spud Date: November 2019

Hub Area: Central MS Canyon

ILX Drilling To Commence In 2H:19

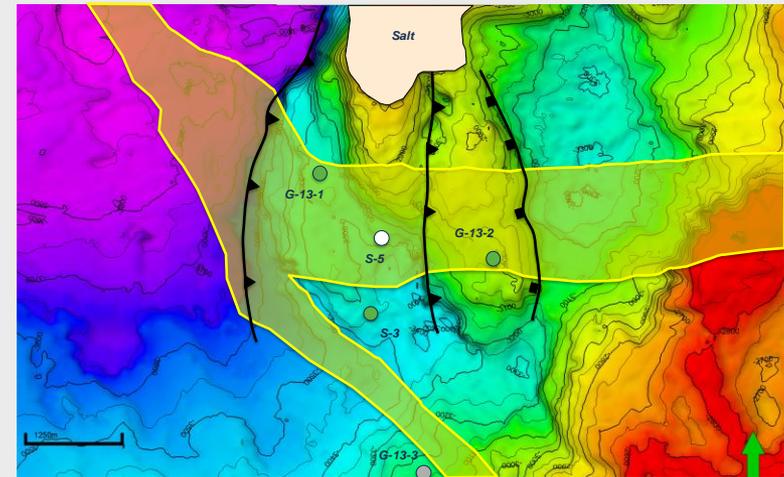
G-13 Area



Exploitation Strategy

- Discovered Oil (500m Oil Column)
- Undeveloped due to appraisal failure to find main fairway
- New seismic and newly calibrated well database indicates material upside
- Estimated gross area resource range: 25 – 200 MMboe

Well Location



ILX Strategy – S-5 Well

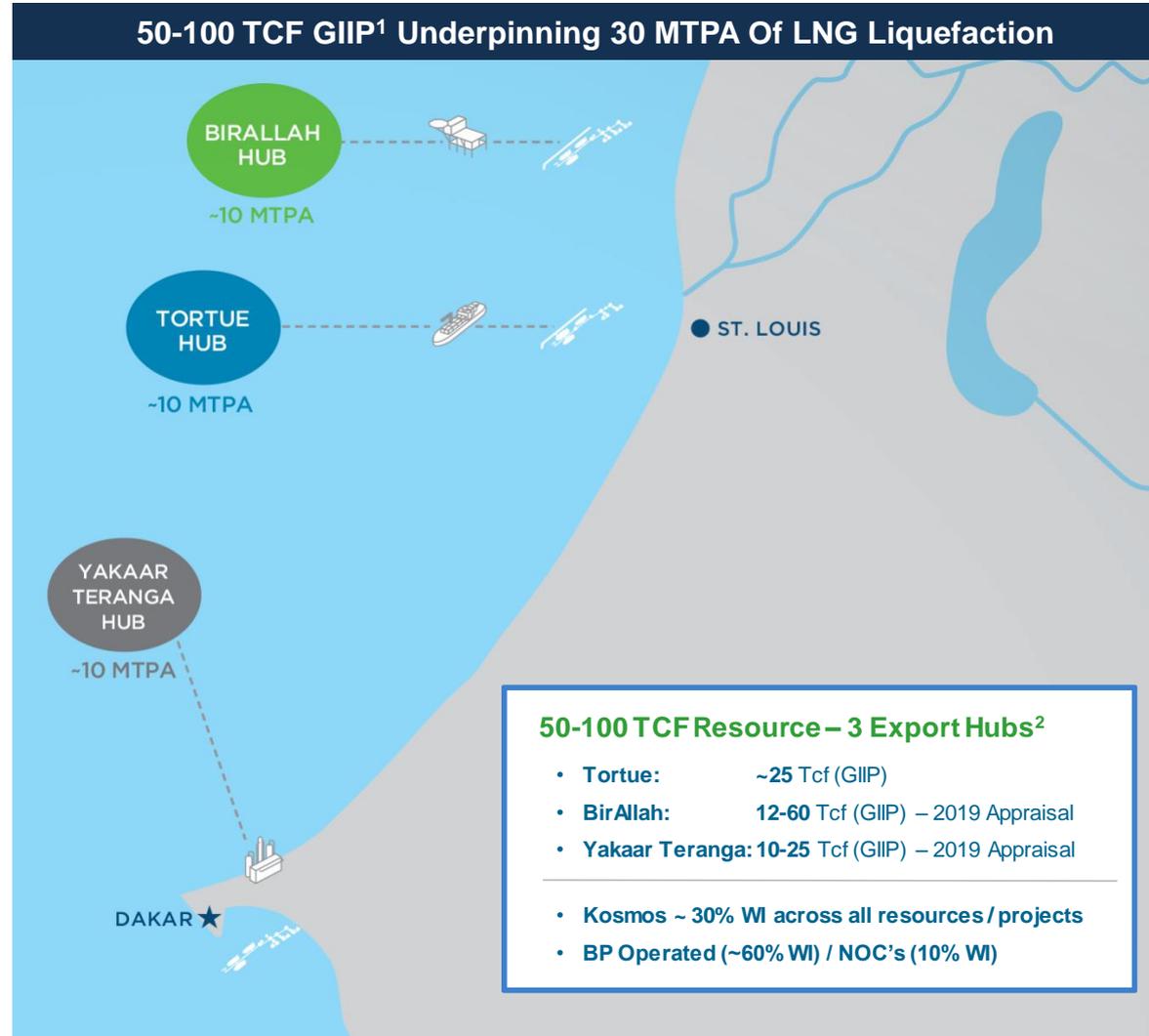
- First well in EG ILX program
- Estimated Gross Resources (S-5 well): ~50 MMboe
- Working Interest: ~40%
- Spud Date: Late 3Q:19

Building A 30 MTPA LNG Business – 3 Exploration/Appraisal Wells in 2019

- **Greater Tortue Ahmeyim-1 Appraisal Well**
 - Further expanded Tortue resource base
 - Encountered ~30 meters of net gas pay in high-quality Albian reservoir

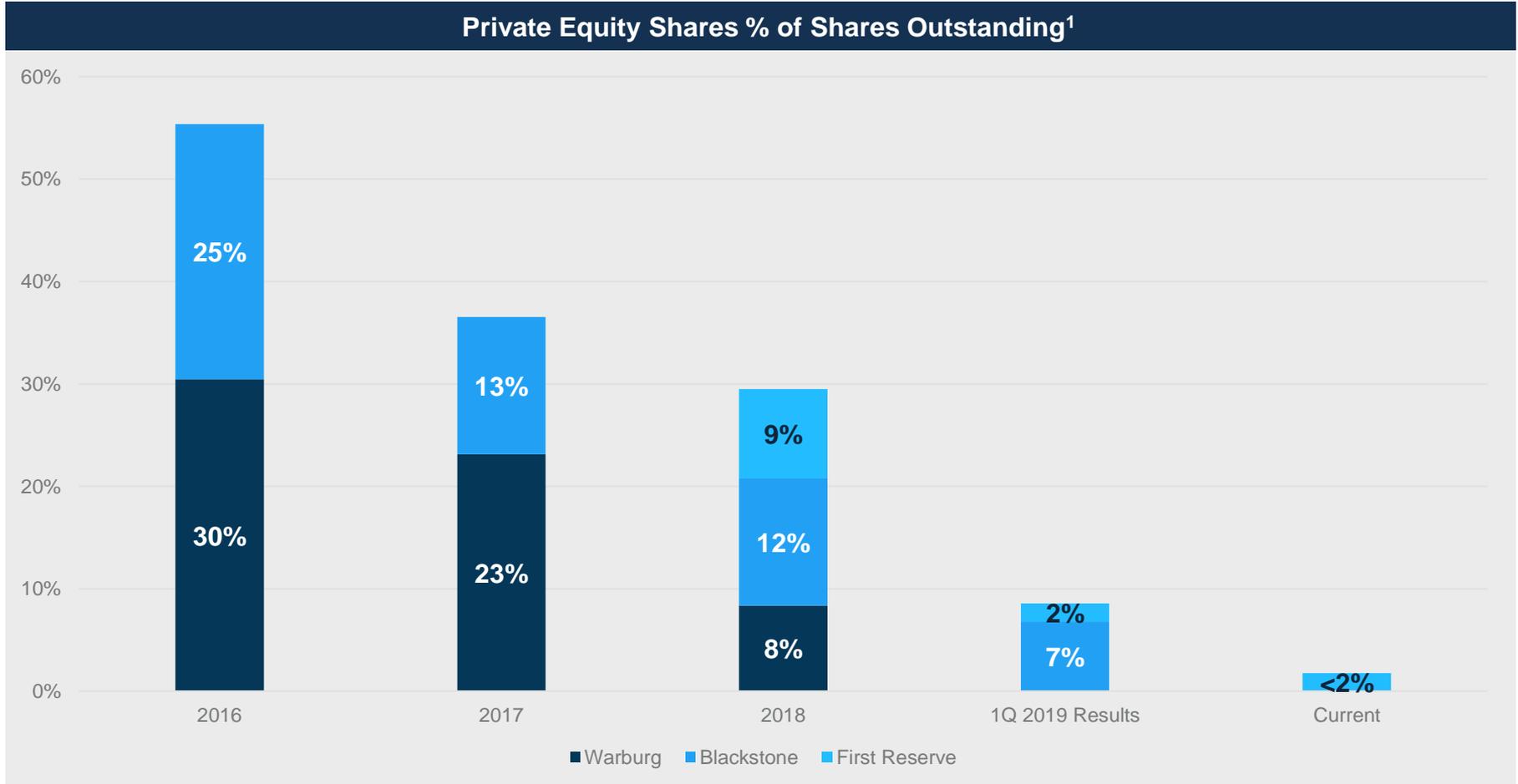
- **Yakaar-2 Appraisal Well**
 - Defines development area and secures Senegal LNG hub
 - Plan to spud September 2019

- **Orca-1 Exploration Well**
 - Underpinning Birallah LNG hub
 - Plan to spud October 2019



1. Gas Initially In Place
 2. BP Resource Estimates

Founding Private Equity Shareholders Have Exited The Register



Total private equity shareholding = ~7 million shares (1.8%)

1. Positions as disclosed: First Reserve (7.1 million shares, 11 April)

Record Production And Strong Free Cash Flow. Significant Growth With Minimal Shareholder Dilution

	2Q:19	2Q:18	Change
PRODUCTION	~71 mboepd ¹	~43 mboepd ¹	+65%
REVENUE	\$396 million	\$284 million	+39%
EBITDAX	\$277 million	\$177 million	+56%
LEVERAGE	~2.0x	~1.6x	+0.4x
SHARE COUNT	401 million shares	397 million shares	+1%

Appendix



	FY 2019
Production^{1,2}	69,000 – 73,000 boe/day
Opex	\$12.00-\$15.00/boe
DD&A	\$22.00-\$25.00/boe
G&A³	\$115-\$125 million
Exploration Expense	~\$30 million average/quarter
Net Interest	\$35-37 million/quarter
Tax	\$3.00-\$5.00/boe
Capex	\$425-\$475 million in FY 2019

Note: Ghana/EG revenue calculated by number of cargos

1. 3Q 2019 - Ghana: 3 cargos / Equatorial Guinea 1 cargo. FY 2019 Ghana: 12 cargos / Equatorial Guinea 5.5 cargos. Average cargo sizes 950,000 barrels of oil.

2. GoM Production - 3Q 2019: 22,000-24,000 boe per day. FY 2019 22,000-24,000 boe per day. Oil/Gas/NGL split for 2019: U.S. Gulf of Mexico: 80%/12%/8%.

3. G&A – Approximately 70% cash

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