



2Q 2021 Results

NYSE/LSE: KOS

August 9
2021

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 the impact of the COVID-19 pandemic on the Company and the overall business environment, 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. Management does not provide a reconciliation for forward-looking non-GAAP financial measures where it is unable to provide a meaningful or accurate calculation or estimation of reconciling items and the information is not available without unreasonable effort. This is due to the inherent difficulty of forecasting the occurrence and the financial impact of various items that have not yet occurred, are out of our control or cannot be reasonably predicted. For the same reasons, management is unable to address the probable significance of the unavailable information. Forward-looking non-GAAP financial measures provided without the most directly comparable GAAP financial measures may vary materially from the corresponding GAAP financial measures.

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, 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.

Strong Cash Generation

- 2Q free cash flow delivery of ~\$115 million
- Strong 2021 forecast exit production of ~60,000 boepd expected to drive significant cash flow in 2022
- Targeting significant reduction in leverage at year-end 2021 and through 2022 at current prices

Financial Position Strengthened

- FPSO sale and lease back transaction funds remaining 2021 Greater Tortue Ahmeyim (GTA) capex net to KOS
 - The balance of the sale proceeds, as well as the additional savings from the transfer of future FPSO payments, largely expected in 2022
- RBL amendment and extension results in no material debt maturities until 2024

Operational Delivery On Track

- New wells from the 9 well infill drilling campaign in 2021 driving higher production
 - Jubilee ~80,000 bopd gross
- GTA progress across all major workstreams
- Winterfell appraisal well in 3Q

Significant deleveraging expected at current oil prices with no near-term debt maturities

Strong 2Q FCF Generation

- Reduces net debt by ~\$100m in the quarter
 - Targeting significant reduction in leverage at year-end 2021 and through 2022 at current prices
- Liquidity at end-2Q of ~\$785 million

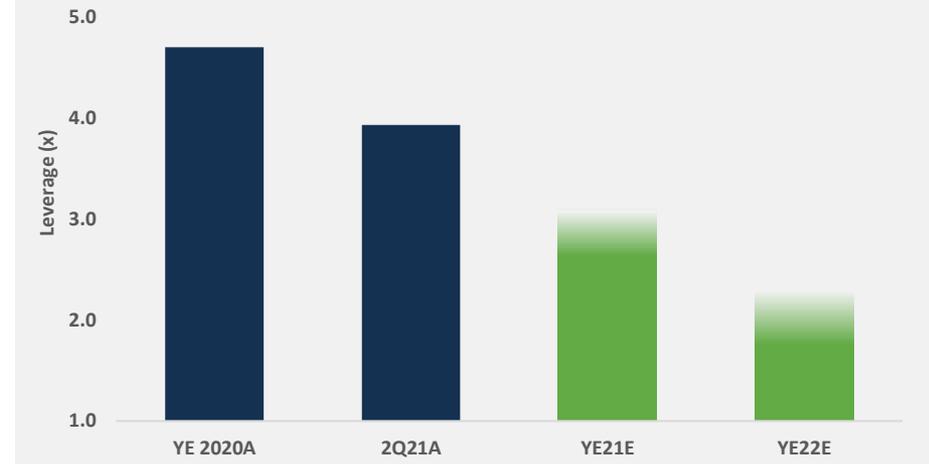
GTA FPSO Sale & Lease Back Transaction Complete

- Funds outstanding 2021 Tortue capex net to Kosmos
- The balance of the sale proceeds, as well as the additional savings from the transfer of remaining FPSO construction, largely expected in 2022

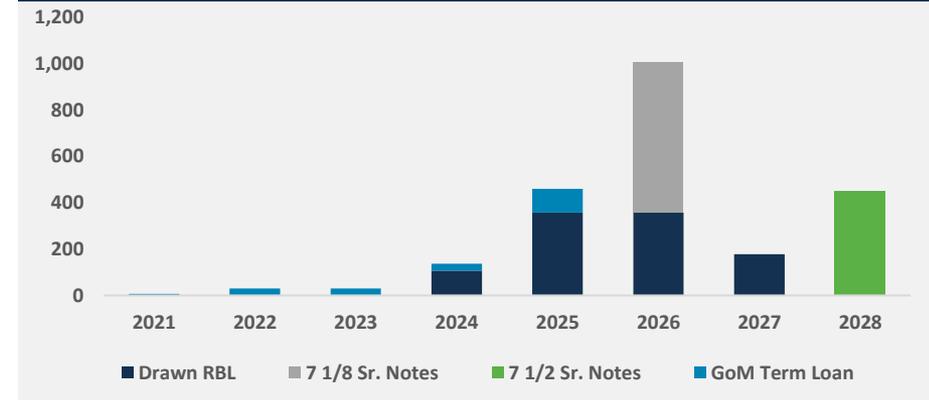
RBL Amendment and Extension Complete

- No material maturities until 2024
- Facility size of \$1.25bn (\$1bn drawn¹)

Significant De-Leveraging Expected



Debt Maturities Extended¹



1. As at 30 June 2021

Targeting a year-end exit rate of ~60,000 / boepd

Ghana

2Q net production
~21,900 boepd

Production / Infill Drilling

- Jubilee production currently ~80,000 boepd gross post Jubilee J-56 producer coming online in July
- TEN production currently ~31,500 boepd gross

H2 2021

- Jubilee J-55 water injector drilled and completed. Hook up ongoing
 - Expected online 3Q21
- TEN gas injector well expected to commence drilling 3Q21, online 4Q21
- Second Jubilee producer well drilling 4Q21 – expected online around year end

Equatorial Guinea

2Q net production
~9,400 boepd

Production / Infill Drilling

- Ceiba reliability projects complete
- Okume upgrade project expected 4Q
- Okume OG-01 infill producer spud in June with positive initial results

H2 2021

- Two additional infill wells planned
- All wells expected online by 4Q21

Gulf of Mexico

2Q net production
~20,400 boepd

Production / Infill Drilling

- Tornado-5 producer well online in July

H2 2021

- Winterfell appraisal well expected 3Q21

Mauritania & Senegal

GTA - Progress across all key workstreams

- **FLNG:** The four remaining sponsons integrated in the final dry dock
- **FPSO:** Living quarters installed
- **Breakwater:** seven caissons transported offshore with three caissons installed
- **Subsea:** All subsea trees have been constructed

Higher sales volumes drive strong free cash flow in 2Q

	1Q 2021A	2Q 2021A
Net Production	~53,100 boe/day	~51,600 boe/day
Realized Price¹	\$45.0/boe	~\$54.0/boe
Opex	\$13.9/boe	~\$19.2/boe
DD&A	\$23.3/boe	~\$25.1/boe
G&A²	\$22 million	\$22 million
Exploration Expense³	\$7 million	\$6 million
Net Interest⁴	\$25 million	\$39 million
Tax Exp. / (Benefit)	\$(5.1)/boe	\$(1.1) /boe
Base Business Capex⁵	\$48 million	\$68 million

1. Includes derivatives cash settlements

2. Approximately 60% cash

3. Excludes dry hole costs and leasehold impairments (Approximately \$3 million primarily associated with Zora in 2Q)

4. 2Q21 includes one-time loss on extinguishment of debt of approximately \$15 million associated with the amendment and restatement of the RBL

5. Excludes Mauritania & Senegal

	3Q 2021	FY 2021
Production^{1,2}	52,000 – 54,000 boe/day	53,000 – 57,000 boe/day
Opex	\$15.00 – \$17.00/boe	\$15.50 – \$17.50/boe
DD&A	\$22.00 – \$24.00/boe	\$23.00 – \$25.00/boe
G&A (~60% cash)	\$23 – \$25 million	\$85 – \$95 million
Exploration Expense³	\$18 – \$20 million	\$35 – \$45 million
Net Interest	~\$30 million/quarter	
Tax	\$1.00 – \$3.00/boe	
Base Business Capex⁴	\$225 – \$275 million for FY21	

Note: Ghana / Equatorial Guinea revenue calculated by number of cargos

1. 3Q 2021 cargo forecast – Ghana: 1 cargo / Equatorial Guinea 0.5 cargos. FY 2021 Ghana: 8 cargos / Equatorial Guinea 4.0 cargos. Average cargo sizes 950,000 barrels of oil.

2. GoM production: 3Q 2021 – 20,000-22,000 boepd / FY 2021 20,000-22,000 boepd. Oil/Gas/NGL split for 2021: GoM: ~80% / ~15% / ~5%

3. Excludes dry hole costs (Approximately \$11 million of dry hole costs associated with Zora expected in 3Q). 3Q includes Gulf of Mexico seismic acquisition deferred from 2Q

4. Excludes Mauritania & Senegal capex

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