



## An African Success Story

*Sommet Africain du  
Pétrole et du Gaz,  
Paris,  
Juin 2010*

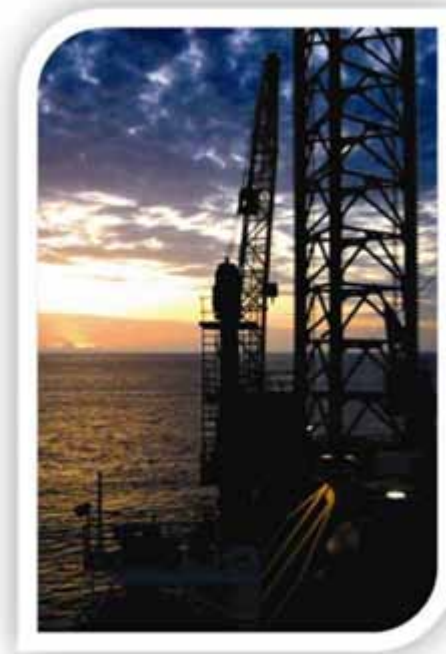
Angola  
Congo (brazzaville)  
Congo (DRC)  
Cote d'Ivoire  
Equatorial Guinée  
Gabon  
Ghana  
Liberia  
Madagascar  
Mauritania  
Namibia  
Senegal  
Sierra Leone  
Tanzania  
Uganda



## “From rags to riches” in 25 years!

### Tullow’s first 25 years of progress

- Founded in **Ireland** in 1985 by Aidan Heavey who is still CEO today
- Our very first project was in Africa - **Senegal** (1986-2001)
- Throughout the 1990’s:- Expansion across Africa and South Asia
- 2001:- Acquisition of BP’s North Sea gas fields
- 2004:- (*Velvet*) Acquisition of SA-based Energy Africa Ltd
- 2007:- Acquisition of Hardman Resources: Uganda, Mauritania, Tanzania
- Major oil discoveries in Uganda since 2006 opening up East Africa
  - Early 2010 purchased Heritage Uganda for US\$1.5 Bn
  - introducing world-class partners to Lake Albert: TOTAL and CNOOC
- Major discoveries deep offshore Ghana since 2007
  - Jubilee field with 1.2 Bn bbls expected
  - Tweneboa discovery: could have similar potential
- Tullow market value now approx. US\$ 17 Billion, London’s FTSE 30



# Tullow's Global footprint

## AFRICA

In 2009, Africa represented 2/3<sup>rd</sup> of Group working interest production, 90% of reserves and resources and over 70% of revenue. Tullow is highly focused on Africa and is a dominant player in the region.



## EUROPE

Tullow's European production comes from its gas assets in the UK Southern North Sea. Exploration licences in Portugal and the Netherlands provide longer-term growth opportunities.



## SOUTH ASIA

The Group has gas production in Bangladesh together with gas production and high-impact exploration acreage in Pakistan.



## SOUTH AMERICA

Tullow is focused on applying its West African geological expertise to similar plays in South America. The Group's portfolio has recently been extended to include acreage in Guyana.



# Tullow's African footprint

## AFRICA

### Group Highlights

~40,000 boepd net

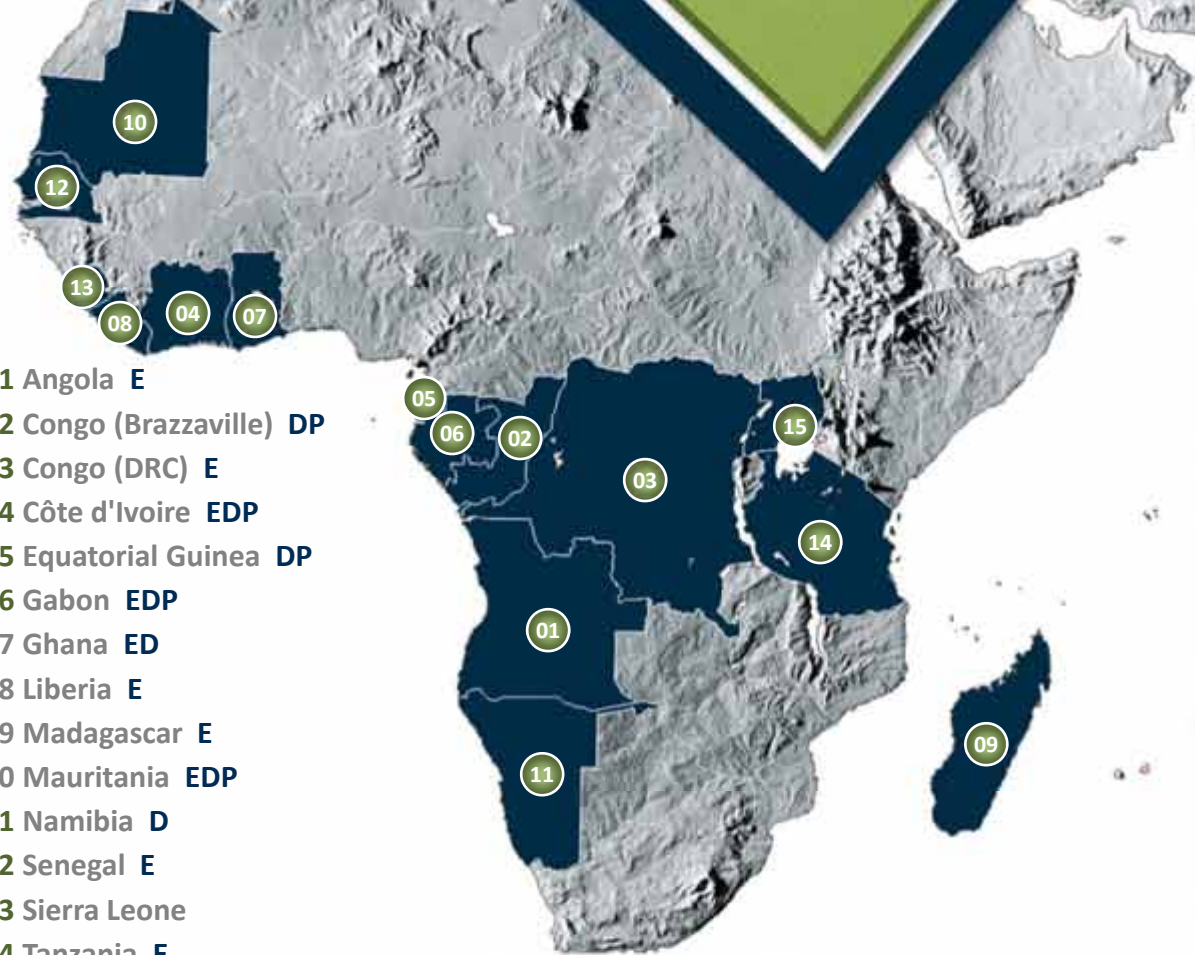
15 countries

47 licences

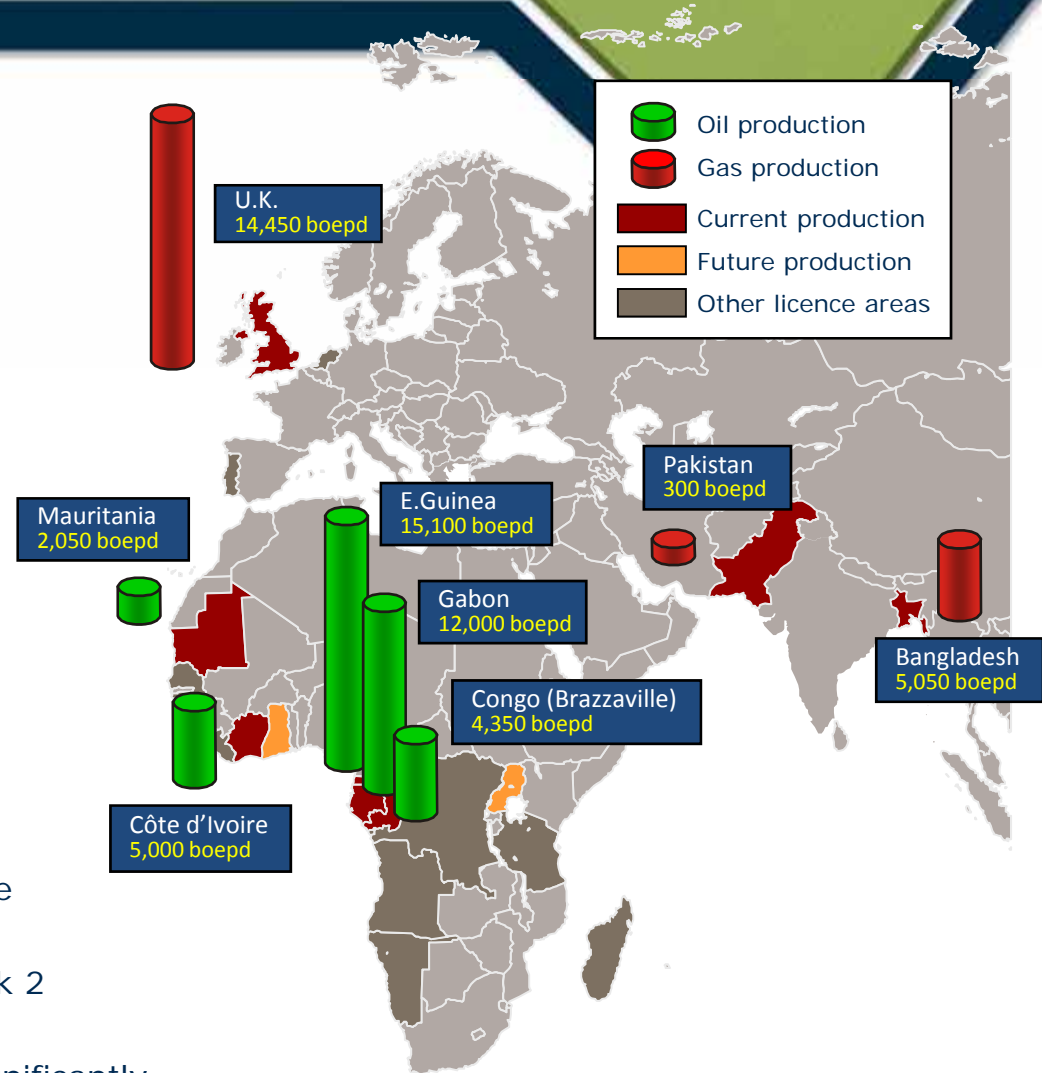
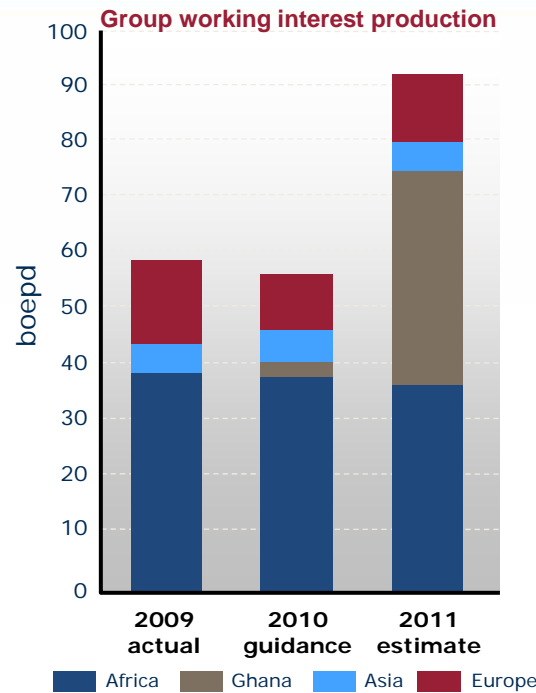
17 producing fields



- 01 Angola E
- 02 Congo (Brazzaville) DP
- 03 Congo (DRC) E
- 04 Côte d'Ivoire EDP
- 05 Equatorial Guinea DP
- 06 Gabon EDP
- 07 Ghana ED
- 08 Liberia E
- 09 Madagascar E
- 10 Mauritania EDP
- 11 Namibia D
- 12 Senegal E
- 13 Sierra Leone
- 14 Tanzania E
- 15 Uganda ED

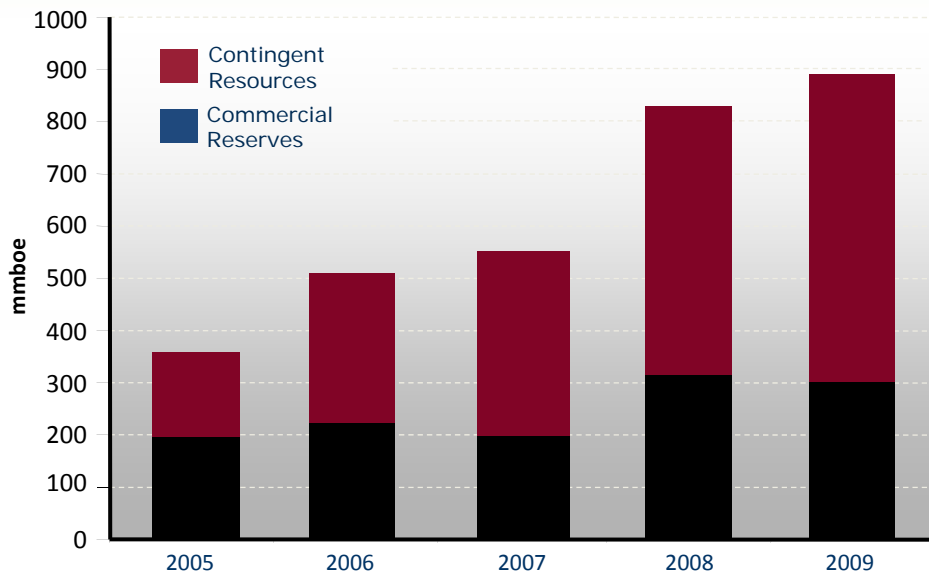


# 2009 Group production – 58,300 boepd



- 2009 production 58,300 boepd net
- Good geographical spread and balance between oil and gas
- Jubilee first oil Q4 2010; Uganda block 2 development 2010 onwards
- 2011+ Group's production to grow significantly

# End 2009 Reserves and Resources - 894 mmboe

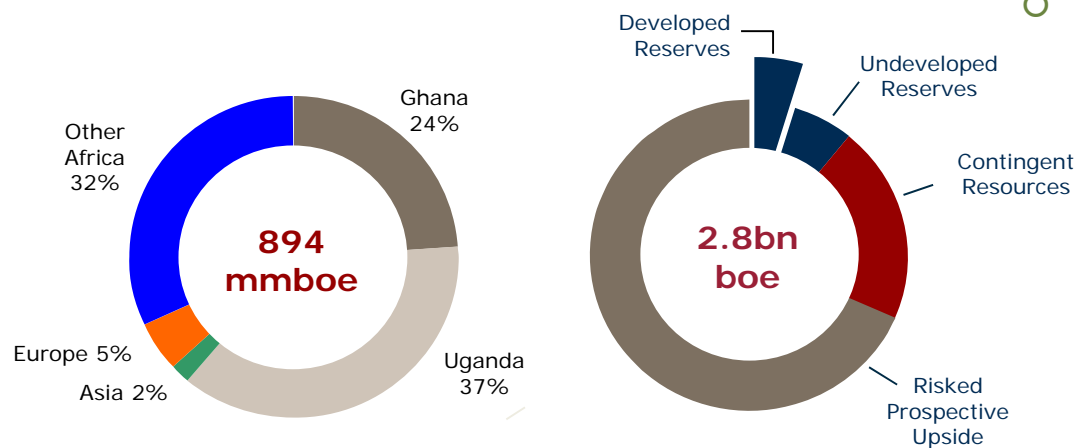


## Reserves and Resources 894 mmboe

- Commercial reserves 300 mmboe
- Contingent resources 594 mmboe
- Potential to migrate significant Ghana & Uganda resources to Commercial Reserves in short term

## Total resource potential ~2.8 billion boe

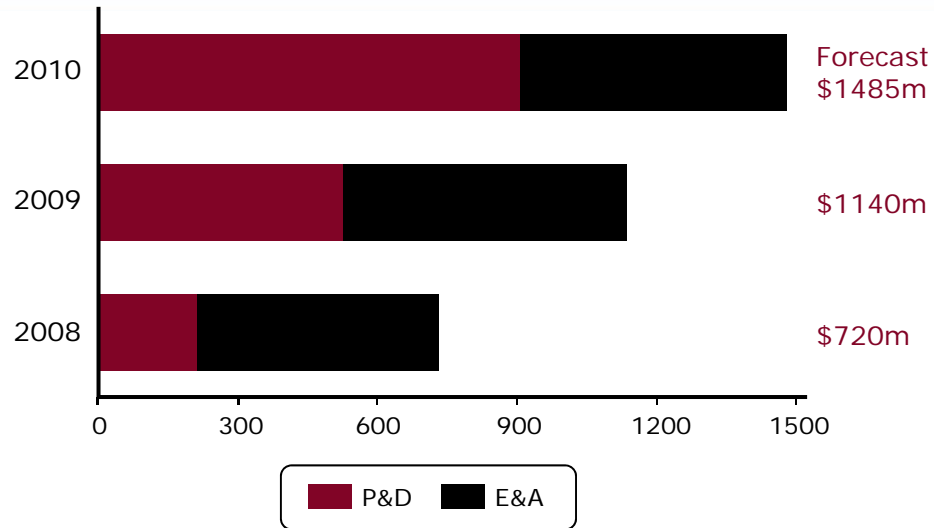
- Developed reserves - 5 % of total
- Reserve and Resource life - > 40 years
- Risked prospective upside ~1.9 billion boe



**Three year reserves replacement – 220%**

***“Majority of Tullow’s production and vast majority of Tullow’s reserves are in Africa”***

# In 2010, more than 90% of Tullow's spending will be in Africa



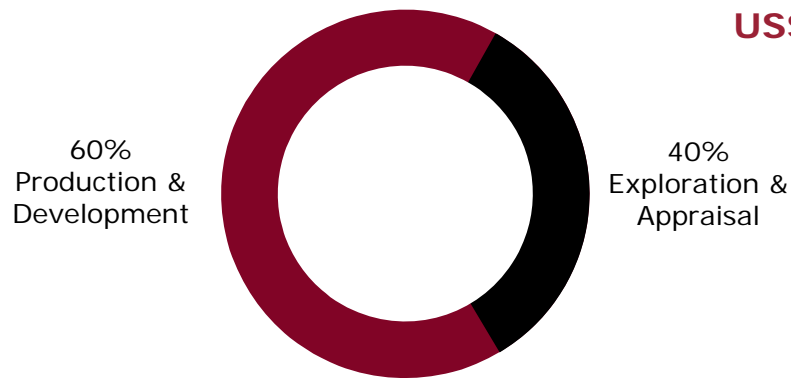
## \$1.5 Bn forecast for 2010

- Ghana: Jubilee phase 1 development & Tweneboa appraisal
- Uganda: exploration and basin development
- High-impact exploration: Africa & South America

## 2010 capital split:

- 60:40 between P&D and E&A
- >60% Ghana & Uganda; >85% Africa

## 2010 Current forecast capex US\$1.5 Billion



## Tullow's African portfolio in 2010!

Angola	Madagascar
Congo (Brazzaville)	Mauritania
Congo (DRC)	Namibia
Côte d'Ivoire	Senegal
Equatorial Guinea	Sierra Leone
Gabon	Tanzania
<u>Ghana</u>	<u>Uganda</u>
Liberia	



### Extensive portfolio

- Interests in 15 countries, 47 licences and 17 producing fields
- Major projects with multi-billion barrel potential in both Ghana and Uganda
- Current African production of c.40,000 boepd
- Continually evaluating new venture opportunities

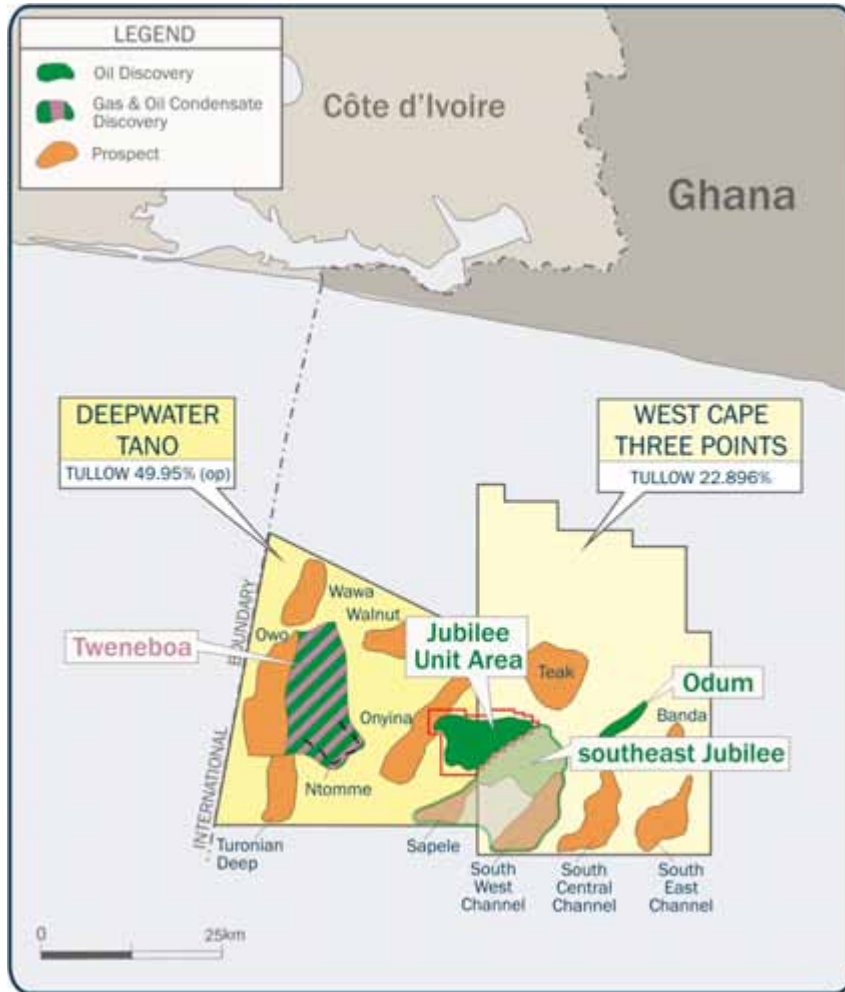


## Gulf of Guinea

*Investing for  
the long term*



# Tullow's world-class discoveries offshore Ghana



## Fields discovered since 2007

- Jubilee, Odum & Tweneboa

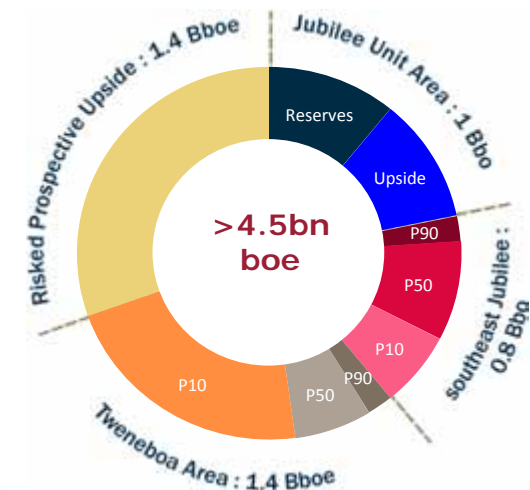
## 2009 Appraisal – 100% Success

- Mahogany-4, Mahogany Deep-2, Odum-2
- Confirms extension of Upper Cretaceous oil plays

## 2010 Activity

- Tweneboa-2 finds major oil & gas-condensate field
- Dahoma-1 drilling area southeast of Jubilee
- Deepwater Tano High equity accelerated E&A
- Realising more value in West Cape Three Points

## Ghana Total Gross Reserves & Resources



# Jubilee Phase 1 – a new deepwater benchmark (Tullow Operator)

## On schedule and within budget

- First oil on schedule for Q4 2010
- Costs remain within original budget of \$3.1bn
- EIA approved in December 2009
- Local infrastructure and resources on track
- EHS performance exceeding targets

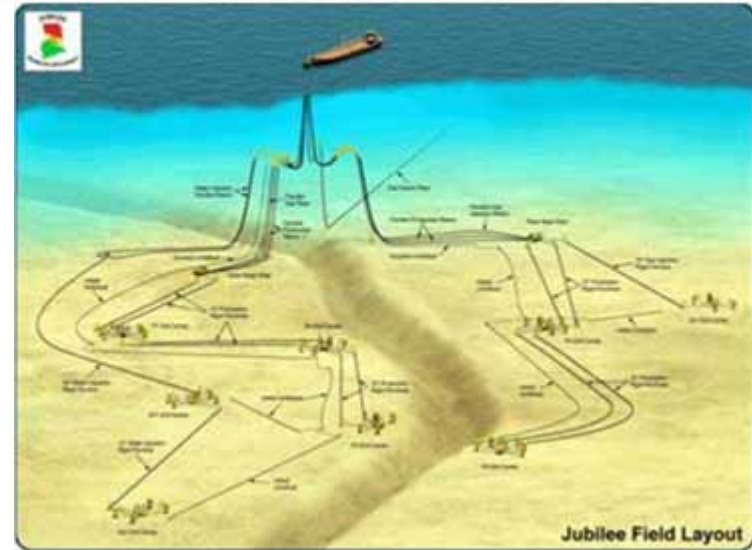
## Production ramp up

- Production expected to start in Q4 2010
- Ramp up to 120,000 bopd within 6 Months
- First cargo expected in Dec '10 –Jan '11

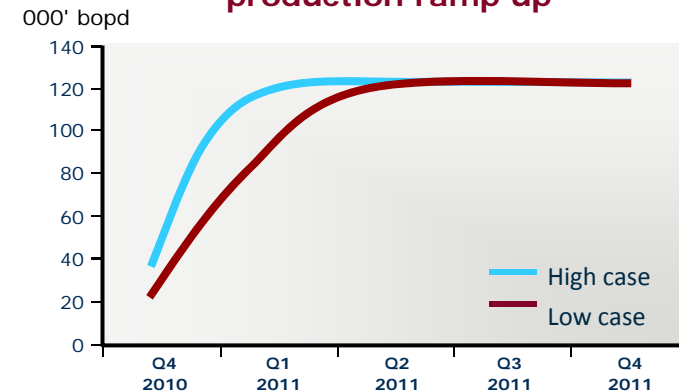
## New deepwater benchmarks being set

- Top drilling performance in West Africa
- FPSO conversion within 20 months, including engineering
- Subsea equipment fabrication in only 18 Months
- Local employee staffing at 85% with target of 90%+

**Discovery to first oil in ~ 40 months**



## Jubilee Phase 1 production ramp up



# Jubilee Phase 1 – project delivery on schedule

## DRILLING

- 13 new wells now drilled & 3 wells will be re-used
- >20 kbwpd injection test; communication seen over 6 km
- ~70% of drilling & completion schedule complete
- Well completion activities commenced March 2010
- Drilling performance “best-in-class” for West Africa



## FPSO

- FPSO complete
- Turret fabricated and installed in February 2010
- FPSO on her way to Jubilee
- FPSO & riser installation forecast by Q3 2010



## SUBSEA

- Subsea fabrication and load out to Ghana complete
- Exceptional performance by fabrication contractors
- Subsea installation commenced January 2010
- Completion within 9 months

# Jubilee Phase 1 – Significant progress within Ghana

## REGULATORY

- Installation & commissioning EIA approved – December 2009
- Emergency response, oil spill and security plans upgraded
- Safety Case undergoing independent design verification



## INFRASTRUCTURE

- New Tullow Ghana office currently being completed
- New aviation (helicopters/fixed wing) infrastructure in place
- Major upgrades to Takoradi and Sekondi ports complete
- Drilling and subsea installation being supported locally
- Further upgrades for production operations ongoing

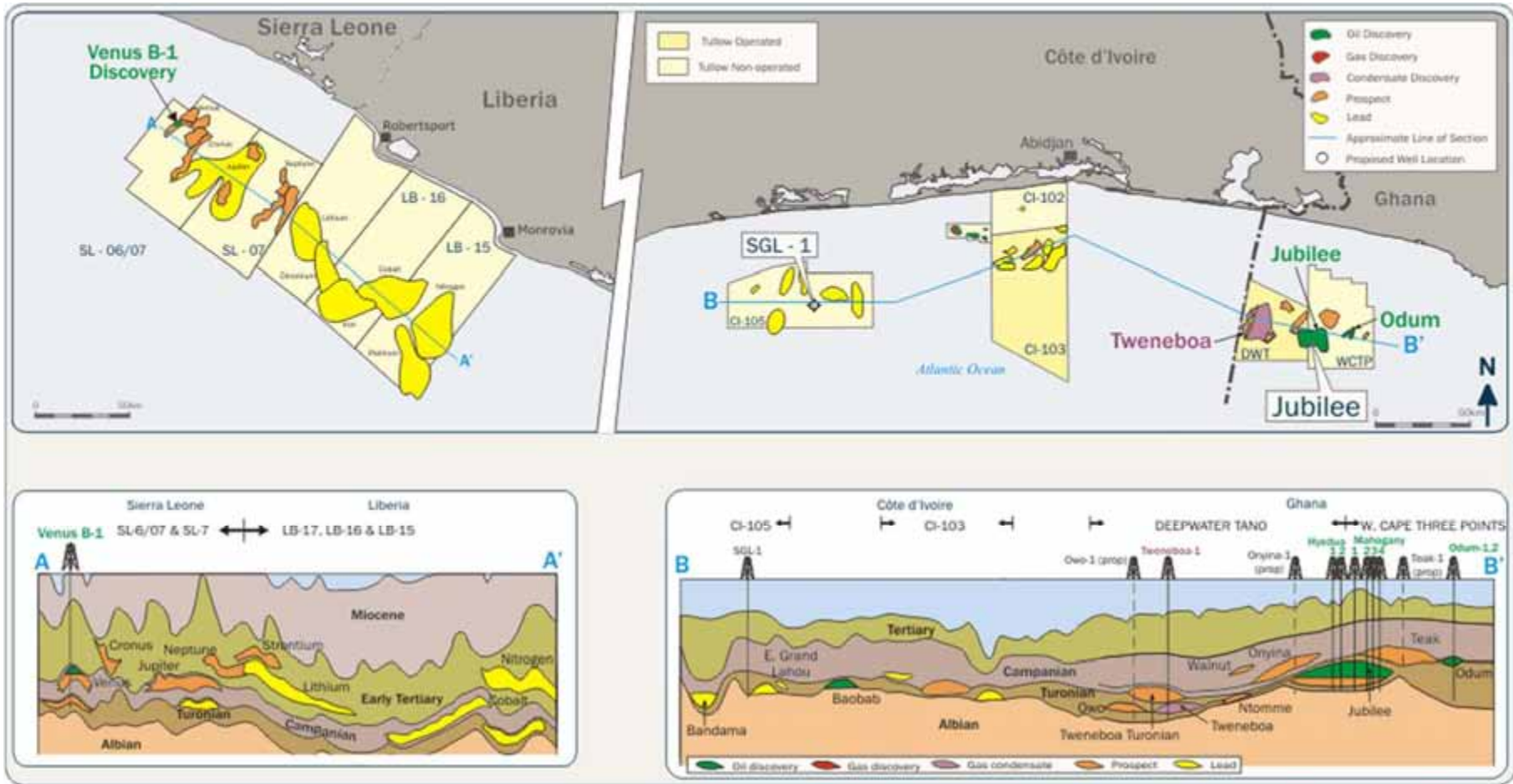


## RESOURCES

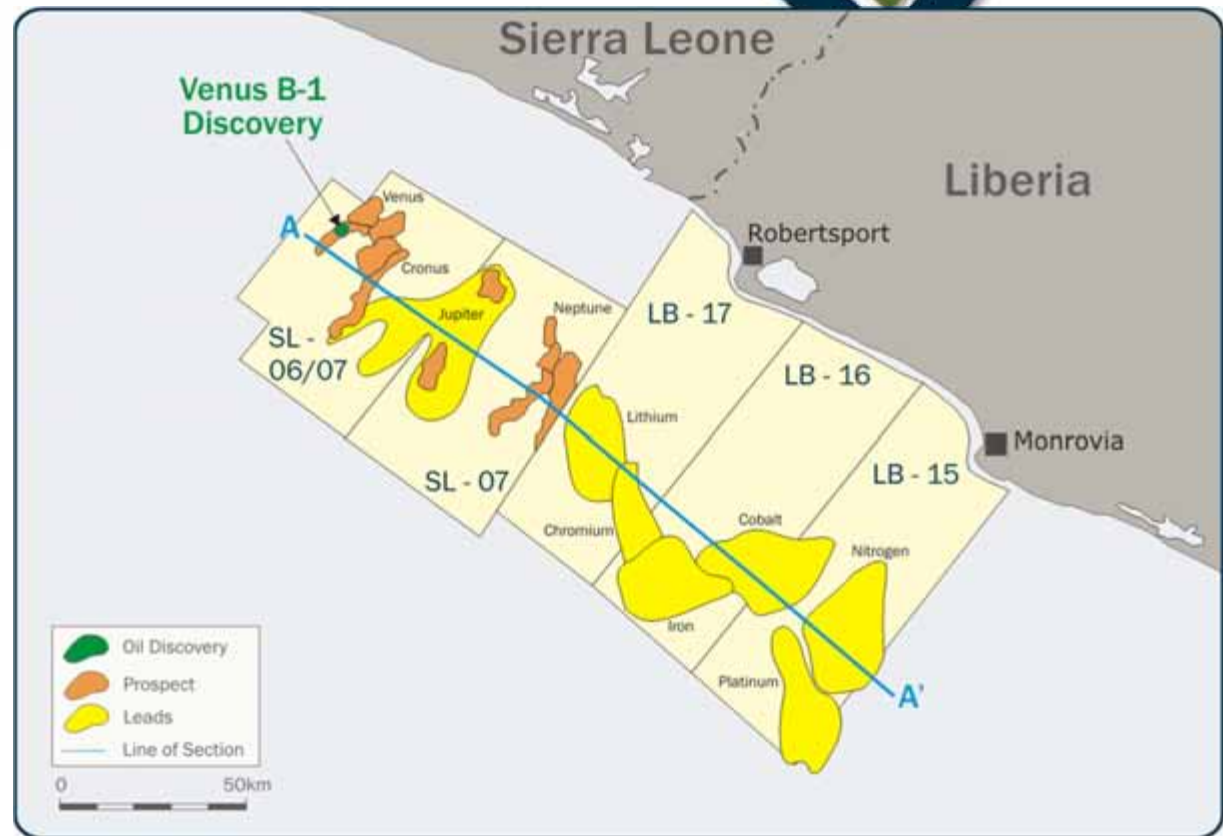
- In-country organisation build of over 200 personnel
- In-country project installation team integrated into organisation
- Ghanaian nationalisation now >80%; final target on track
- Significant local training; 10 Ghanaian technical grads at UK universities



# What's next ? Moving towards North West

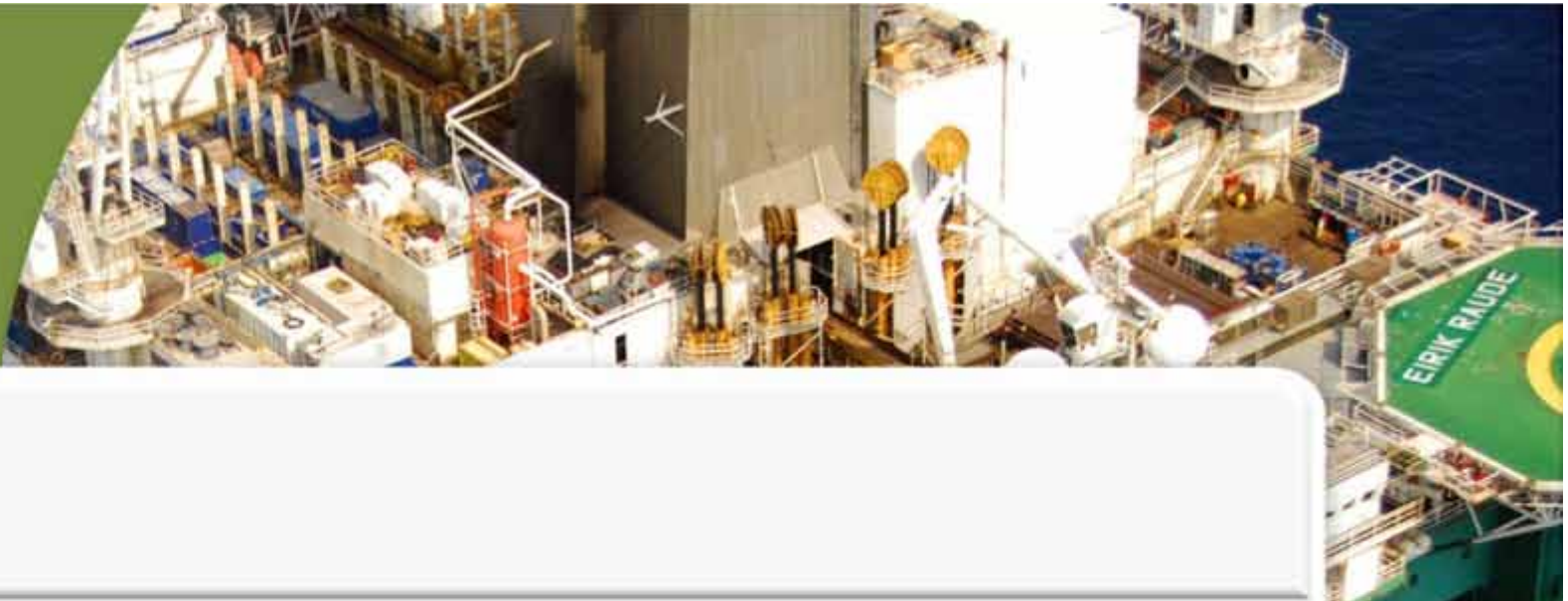


# Liberia – Sierra Leone



# What's next ? Moving Westward across Atlantic





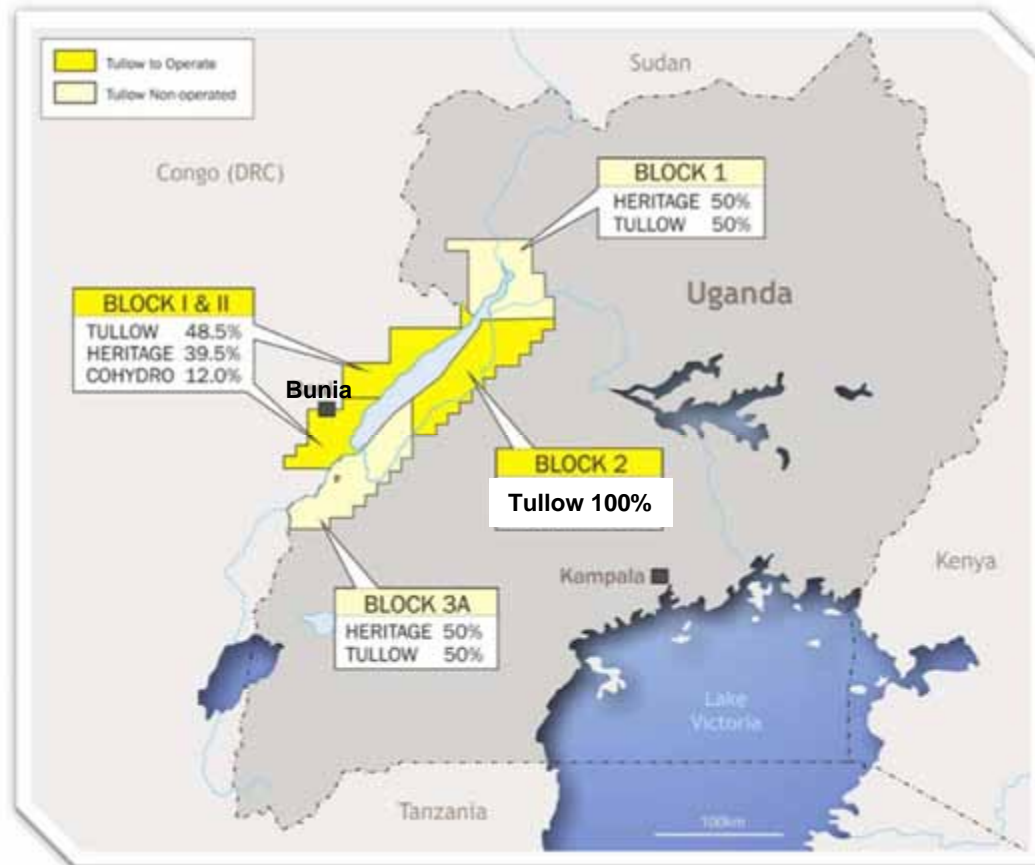
## Uganda



*Investing for  
the long term*

## Uganda (and DRC): - Bold risks leading to success

### Tullow's Lake Albert Project



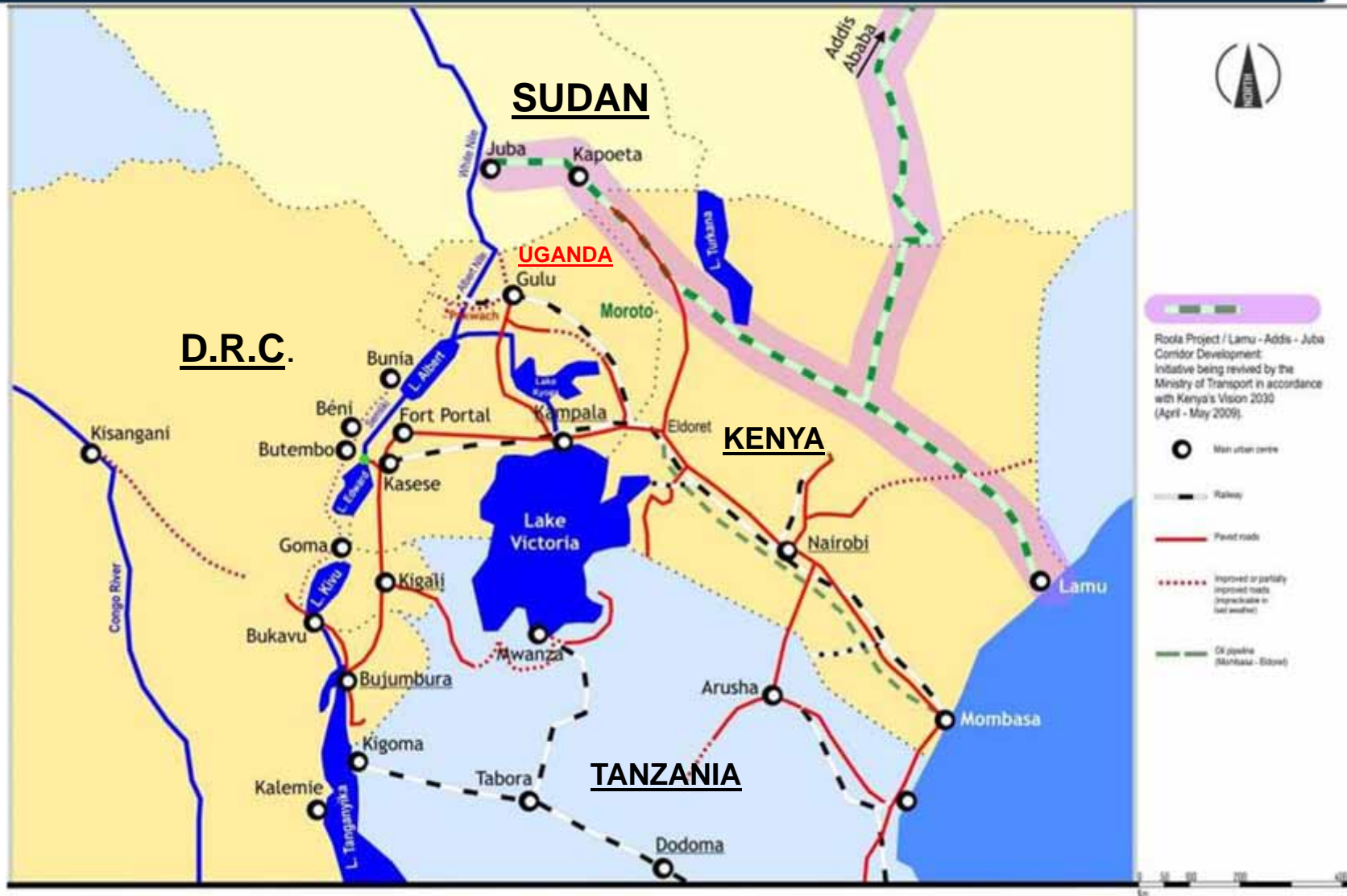
#### Basin-wide strategy

- Tullow operates both sides of Lake Albert
- Leverage knowledge and influence

#### Huge potential but this comes with significant challenges

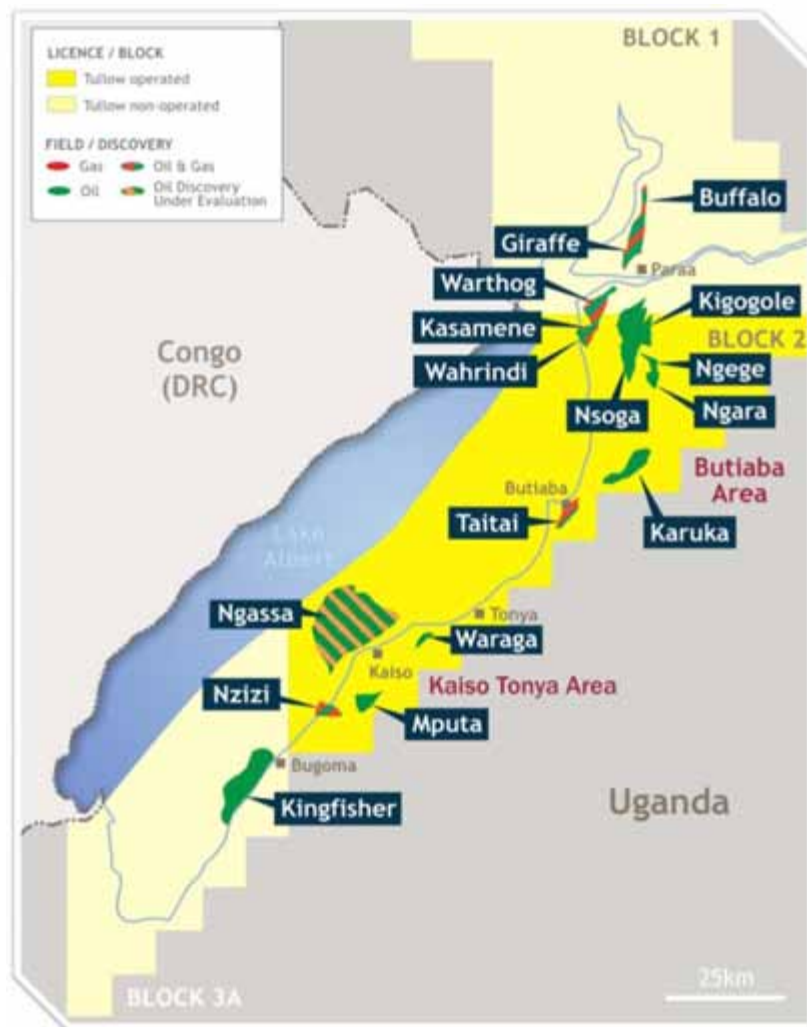
- Landlocked and 1,300 km from ocean
- Establish reserves threshold for export (already achieved)
- Balancing long & short term goals
- Political issues but privileged role to be catalyst for good in a troubled region

# Existing infrastructure (also showing Kenya's "Lamu corridor" idea)



# Uganda - commercial threshold already reached

Exceptional  
Exploration  
Success



## World class Basin potential

- Near 100% exploration success to date
- 900 million barrels discovered in 15 separate fields
- Potential for over 2 bn barrels
- Thick, highly productive reservoirs, 33<sup>rd</sup> API and up to 14,000 BOPD
- Giraffe-Buffero – 300 mmbo discovery
- Kingfisher confirmed as 200 mmbo field
- Ngassa needs appraisal but 100-300 mmbo
- Over USD 750 million invested in the project
- Wealth of over USD 50 billion has already been established for Uganda

## The next phase for Lake Albert is already under way

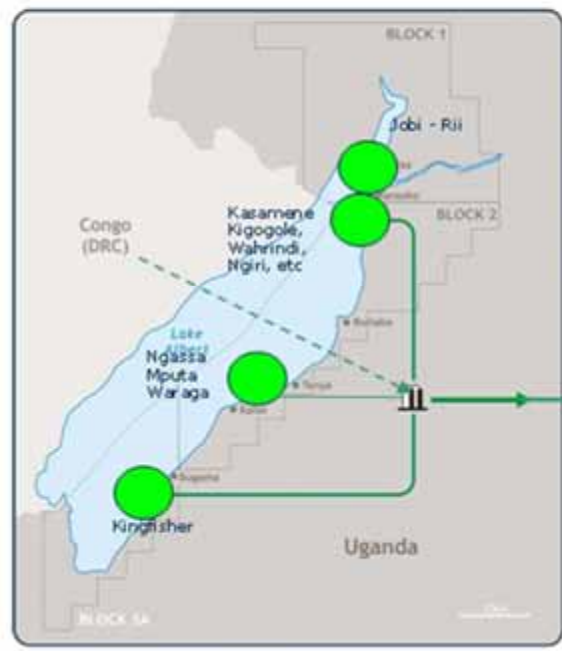
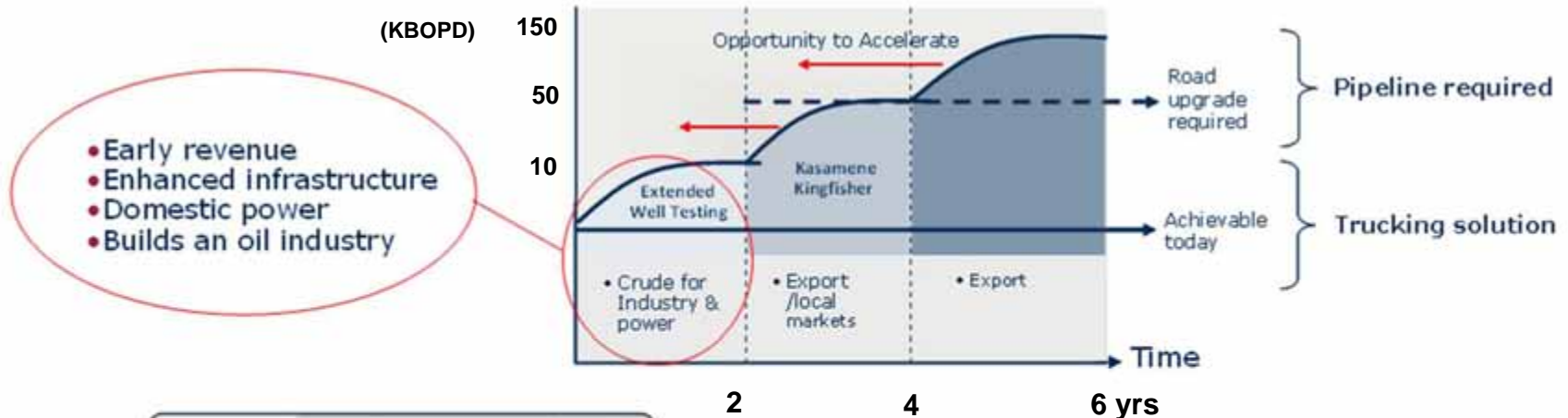
### Requirement for new partnership identified early by Tullow

- Focus on a basin exploration strategy has delivered world-class results
- Transparent partnering process pursued with Govt. of Uganda (GoU) support
- Heritage purchase by Tullow (2010) gave opportunity to optimize partnering across project
- **And the resulting partnership?**
- ***1/3 TULLOW - 1/3 CNOOC – 1/3 TOTAL partnership recommended to GoU (Mar 10)***
- Government of Uganda (GoU) approvals anticipated in the coming weeks

### This New balanced Lake Albert partnership will now target

- |  |          |
|--|----------|
| ○ Commitment to offshore drilling infrastructure   | Q2 2010  |
| ○ Accelerated exploration and appraisal programme  | Q2 2010  |
| ○ Deliver basinwide development plan               | end 2010 |
| ○ First commercial gas production – Nzizi Field    | Q4 2011  |
| ○ First commercial oil production – Kasamene Field | Q4 2011  |
| ○ First locally refined oil products               | 2013/14  |
| ○ Greater than 200,000 bopd and export pipeline    | 2014/15  |

# Basin-wide Lake Albert development concept



From S. Sudan

- Refinery**
  - Local security of supply, but exceeds Uganda demand
  - Regional export of products
- Domestic use**
  - Power generation
  - Industrial consumption
- Export**
  - Maximise \$ value for Uganda

# Support services

## ○ Camps

- Kasio Tonya - Kyehoro
- Buliisa - Ngege

## ○ Medical

- Paramedics at main camps
- Ambulances
- Support Doctor in Kampala

## ○ Air Transport

- Cessna Caravan full time
- Back-up planes

## ○ Materials

- Pipe yards in field
- Magazines in field



*Nzizi-1 Camp*



*Kyehoro Camp*



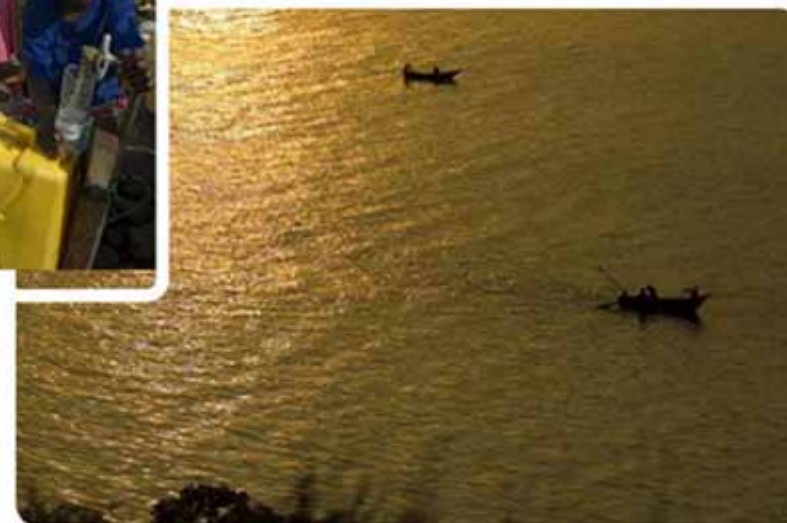
*Explosives magazine at Bulissa*



*Main airstrip at Kasio*

# Local Communities

- **Relatively undeveloped area**
  - Traditionally fishing, cattle, small farms
  - Early signs of development
    - Mobile phones
    - Fuel stations
- **Needs**
  - Health
  - Education
  - Employment
- **Tullow CSR programmes**
  - Good relationship



# Environmental sensitivities

## KT Operational area

- Kabwoya wildlife reserve
  - Flora, fauna, animals
- KT community wildlife reserve
  - People, animals

## Butiaba Operational area

- North – Murchison Park
  - Animals
- South – Open country
  - People, animals

## Environmental impact assessments

- General area / specific location depending on sensitivity
- International and local consultants
- Specialist studies
- Approval by NEMA
- Environmental management plans



*Thank You !*

**Let Tullow Oil repeat its  
Ugandan success in the DRC**