



# 1Q 2021 Results

NYSE/LSE: KOS

May 10  
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](http://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.

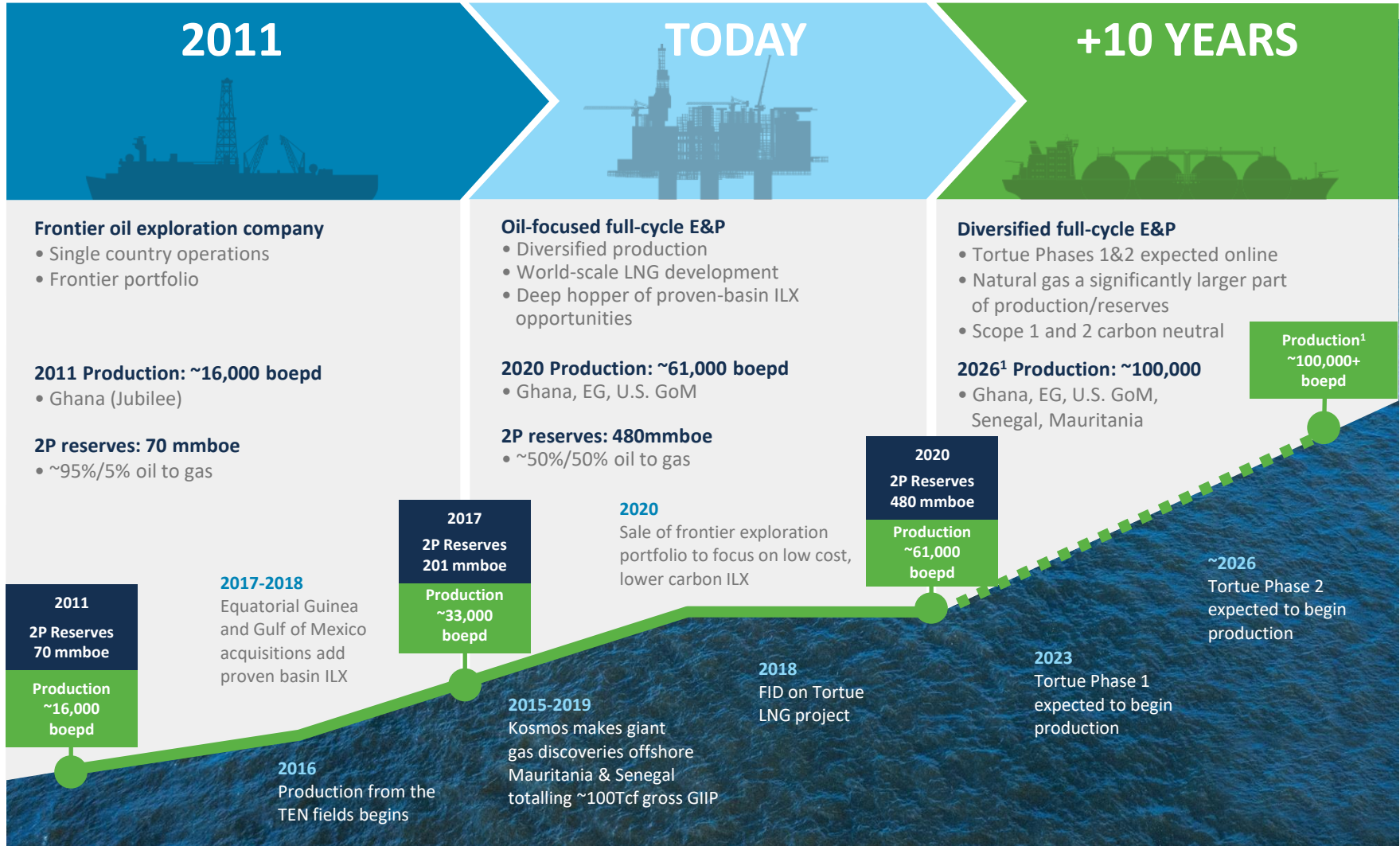
## Cautionary Statements regarding Oil and Gas Quantities

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](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.

# Well-Positioned For The Energy Transition

10<sup>th</sup> anniversary of NYSE listing – a decade of significant change that has built a platform to create value



1: Company estimate

Strong start in the first quarter

<b>Production</b>	<ul style="list-style-type: none"><li>• Production enhancement activity ramping up</li><li>• Drilling started in Ghana, GoM and shortly in EG</li></ul>
<b>Development</b>	<ul style="list-style-type: none"><li>• Tortue Phase 1: 58% complete at quarter-end</li><li>• FPSO sale and lease-back: Gov. approval underway</li></ul>
<b>Exploration</b>	<ul style="list-style-type: none"><li>• Winterfell discovery: Appraisal plan developed</li><li>• Zora: Permit received, drilling expected 3Q</li></ul>
<b>Finance</b>	<ul style="list-style-type: none"><li>• Balance sheet strengthened, maturities extended</li><li>• HY bond and RBL re-determination/extension</li></ul>

**FY 2021: Base Business FCF<sup>1</sup> at \$55 Brent of \$100-200 million on track**

Comprehensive activity set underpins planned production growth in 2021

## Ghana

1Q net production  
22,400 boepd

### Facilities enhancement/higher reliability

- High reliability (Jubilee facility 98%/TEN facility 99% uptime)
- Consistent water injection (highest levels since 2012)
- Increased gas offtake: ~110mmscf/d (~2x 2019 levels)
- CALM buoy commissioned in 1Q, resulting in lower opex

### New infill wells

- First Jubilee well finished drilling, commenced second well
- Expected impact of ~15,000-20,000 boepd gross from first 2 wells

## Equatorial Guinea

1Q net production  
10,200 bopd

### Facilities enhancement/higher reliability

- Okume upgrade project 90% complete (adding additional power, water injection and gas lift capacity)
- First of three ESPs in 2021 completed in April
- G-19 flowline upgraded

### New infill wells

- Jack-up rig contracted
- Rig arriving end-2Q for planned three infill well program

## Gulf of Mexico

1Q net production  
20,500 boepd

### Higher reliability

- Kodiak-2 back online in 1Q

### New infill wells

- Kodiak-3 online in April
- Tornado-5 infill well planned in 2Q; expected online in 3Q

1Q Production: ~53,000 boepd | Expect year-end exit rate of ~60,000 boepd

Strong 4Q 2020 progress carried into 1Q 2021

## End-1Q 2021: Phase One 58% Complete

### Phase 1 on track for first gas in 1H 2023

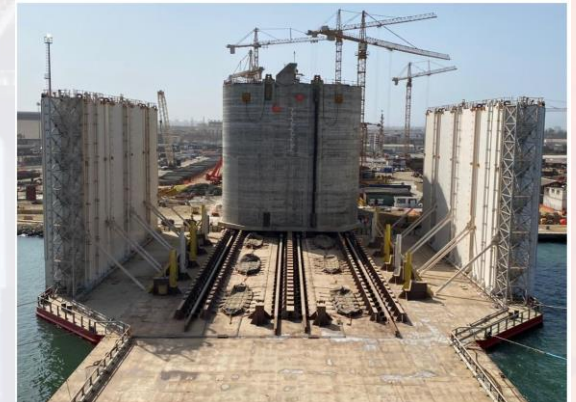
- Subsea: All 310km of line pipe built and coated
- FPSO: Hull launched in April
- FLNG: Gimi entering fifth drydock, which will integrate the final 8 sponsons
- Breakwater: 5 caissons constructed

**Subsea:**  
~45% complete

**FPSO:**  
~67% complete

**FLNG:**  
~68% complete

**Breakwater:**  
~51% complete



### FPSO sale and lease-back on track for completion in 2Q 2021

- Documentation being finalized
- Government approval process underway

**Year End 2021: Phase One Expected to be ~80% Complete**

Appraisal well planned for later this year

## Winterfell ILX success in the U.S. Gulf of Mexico

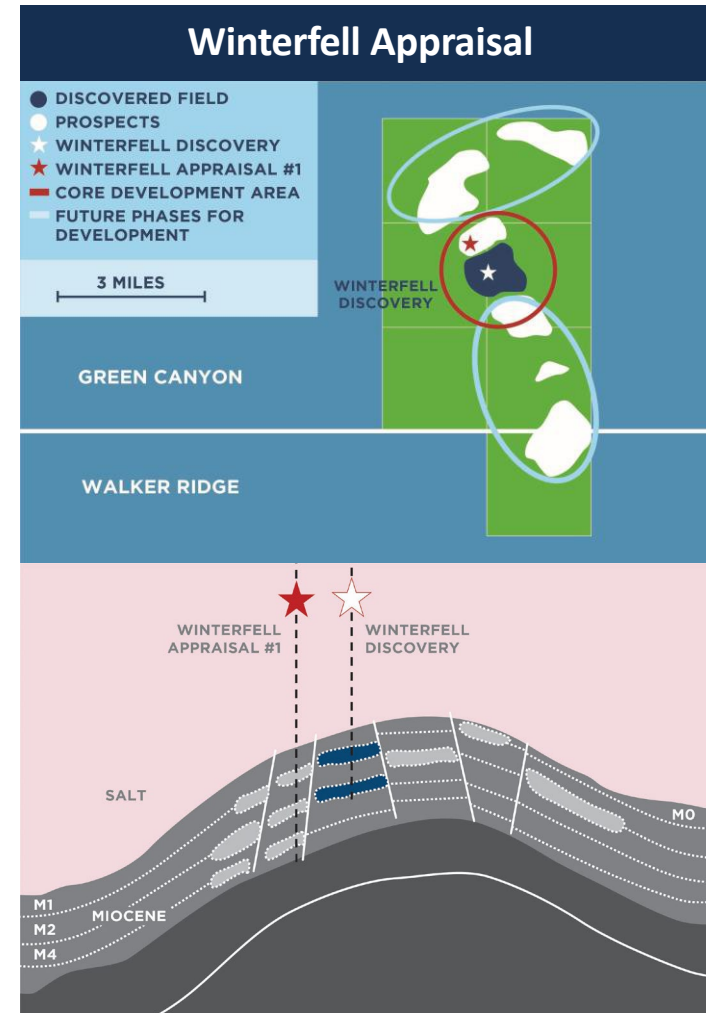
- Miocene subsalt opportunity
- Concept tested by drilling one fault block, penetrating two reservoir sections
- Seismic response calibrated by well data
- De-risks over 100 million barrels of gross resource potential within Kosmos' acreage position across multiple fault blocks and reservoir sections

## First appraisal well expected in 3Q 2021

- Plan to drill second fault block in core development area
- Same seismic signature as discovery well
- Plan to test additional deeper horizon

## Tie-back to nearby host infrastructure

- Phased development with up to three drill centers envisaged
- Low cost, lower carbon development scheme



# Zora: The Next Potential Hub

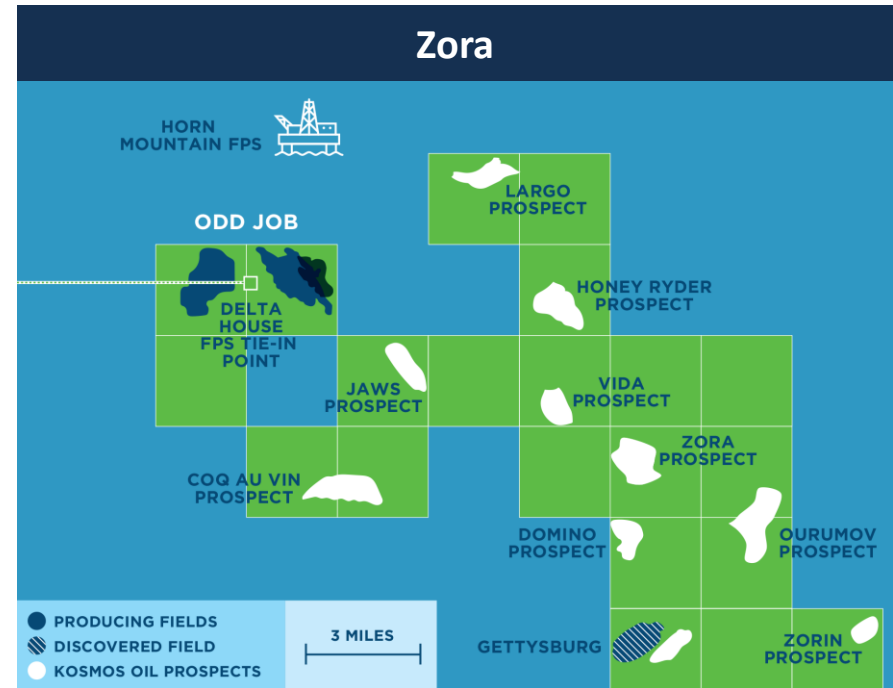
~200 million barrels of gross resource potential in mini basin near existing infrastructure

## Plan to drill Zora in 3Q 2021 – First prospect test in a mini basin with hub-scale development potential

- Miocene supra-salt amplitude
- Same play as nearby analogue fields (Odd Job, Horn Mountain, Marmalard)
- Kosmos planned working interest: 37.5% (Operator)
- Permits received and rig contracted
- Close proximity to nearby host facilities
  - Low cost, lower carbon development scheme

## Success lowers risk on several nearby prospects where Kosmos has a material interest

- Potential to create a new production hub
- ~200 million barrels of gross resource potential





# 1Q Financials In Line With Guidance

Delivering cost reductions as planned

	1Q 2020	1Q 2021	YoY Change
<b>Net Production</b>	~66,300 boe/day	~53,100 boe/day	<b>-20%</b>
<b>Realized Price<sup>1</sup></b>	~\$47.8/boe	~\$45.0/boe	-6%
<b>Opex</b>	~\$15.5/boe	~\$13.9/boe	<b>-10%</b>
<b>DD&amp;A</b>	~\$23.5/boe	~\$23.3/boe	-1%
<b>G&amp;A<sup>2</sup></b>	\$21 million	\$22 million	+5%
<b>Exploration Expense<sup>3</sup></b>	\$25 million	\$7 million	<b>-72%</b>
<b>Net Interest</b>	\$28 million	\$25 million	<b>-11%</b>
<b>Tax Exp. / (Benefit)</b>	\$16.50/boe	\$(5.1) /boe	N/A
<b>Base Business Capex<sup>4</sup></b>	\$81 million	\$44 million	<b>-46%</b>

1. Includes derivatives cash settlements

2. Approximately 60% cash

3. Excludes dry hole costs and leasehold impairments

4. Excludes Mauritania & Senegal

# Balance Sheet Strengthened By Recent Financing Activity

New notes issuance and RBL extension enhance liquidity and push out maturities

## Upsized Senior Notes Issuance

- \$450 million following strong investor demand
- Paid down RBL/RCF and funded working capital

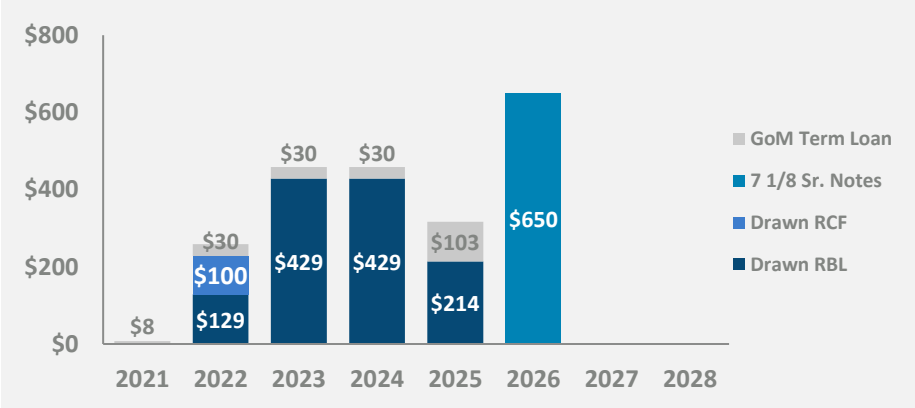
## Successful RBL Re-determination/Extension

- Two-year extension to March 2027
- Facility size reduced to \$1.25 billion with borrowing base of \$1.24 billion<sup>1</sup>
  - \$1.0 billion currently drawn

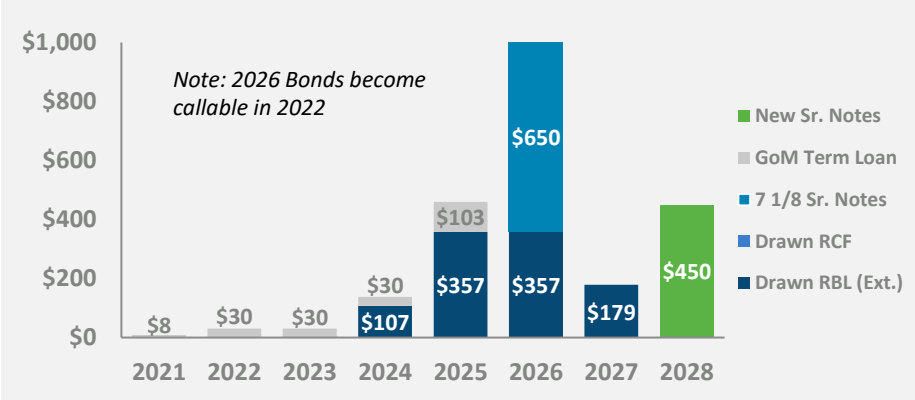
## Liquidity Enhanced

- Ended 1Q21 with liquidity<sup>2</sup> of ~\$0.8 billion
- No material near-term debt maturities

### Debt Maturities as of 12/31/2020 (\$ million)



### Pro Forma Debt Maturities as of 3/31/2021 (\$ million)<sup>3</sup>



1. Total commitments as of May 7, 2021 were \$1.21 billion, with the Company expecting to increase total commitments to \$1.25 billion in the second quarter of 2021 as additional lenders complete their final credit approval process

2. Liquidity excludes restricted cash

3. Pro forma RBL extension and \$50 million RCF repayment in 2Q

Significant activity set planned in 2021

<b>Production</b>	<ul style="list-style-type: none"><li>• Expected to increase with 9 infill wells across all three proven basins</li></ul>
<b>Development</b>	<ul style="list-style-type: none"><li>• Tortue Phase 1: ~80% complete by year-end</li><li>• Complete FPSO sale and lease-back (2Q)</li></ul>
<b>Exploration</b>	<ul style="list-style-type: none"><li>• Commence Winterfell appraisal (3Q)</li><li>• Drill Zora ILX well (3Q)</li></ul>
<b>Finance</b>	<ul style="list-style-type: none"><li>• Mauritania &amp; Senegal National Oil Company financing (2H)</li></ul>

**Targeting ~60,000 boepd exit rate at year-end**  
**FY 2021: Base Business FCF<sup>1</sup> at \$55 Brent of \$100-200 million on track**

1. Excludes working capital and Mauritania/Senegal capital expenditure/financing

**KOSMOS**  **S**  
ENERGY.

# Sustainability Focus Across the Company

Strong environmental, social, and governance performance

## Environment

- Scenario analysis in *Climate Risk and Resilience Report* contributed to decision to focus on ILX
- Gas weighting of portfolio set to increase significantly as Tortue comes online
- Carbon neutrality target for Scope 1 and Scope 2 emissions by 2030 or sooner

## Social Performance

- Award-winning **Kosmos Innovation Center** nurtures young entrepreneurs in Africa, creating sustainable jobs beyond our industry
- 100% local employees in all our countries of operation
- Supported COVID-19 and hunger relief efforts in host countries

## Governance

- Leading industry position on transparency
- Publication of all our contracts with host governments a clear differentiator from the rest of the industry
- NYSE and LSE listed



Top quartile peer group performance

AMERICA'S Most Responsible Companies  
**2021**

As recognized by Newsweek and Statista

	2Q 2021	FY 2021
<b>Production<sup>1,2</sup></b>	52,500 – 54,000 boe/day	53,000 – 57,000 boe/day
<b>Opex</b>	\$16.00 – \$18.00/boe	\$14.50 – \$16.50/boe
<b>DD&amp;A</b>	\$23.00 – \$25.00/boe	\$21.00 – \$23.00/boe
<b>G&amp;A (~60% cash)</b>	\$22 – 24 million	\$85 – \$95 million
<b>Exploration Expense<sup>3</sup></b>	~\$20 million	~\$35 – \$45 million
<b>Net Interest<sup>4</sup></b>	~\$30 million/quarter	
<b>Tax</b>	\$1.00 – \$3.00/boe	
<b>Base Business Capex<sup>5</sup></b>	\$225 – \$275 million for FY21	

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

1. 2Q 2021 cargo forecast – Ghana: 3 cargos / Equatorial Guinea 1.5 cargos. FY 2021 Ghana: 8 cargos / Equatorial Guinea 4.5 cargos. Average cargo sizes 950,000 barrels of oil.

2. GoM production: 2Q 2021 – 20,500-22,000 boepd / FY 2021 21,000-23,000 boepd. Oil/Gas/NGL split for 2021: GoM: ~80% / ~15% / ~5%

3. Excludes dry hole costs. 2Q includes Gulf of Mexico seismic acquisition

4. Excludes one-off loss on extinguishment of debt of approximately \$15 million in the second quarter 2021 associated with the amendment and restatement of the RBL

5. Excludes Mauritania & Senegal capex