



WORLD  
CLASS  
COMPANY



## **Welcome to Kosmos Energy.**

Kosmos is a pathfinding exploration and production company, focused on the frontier. We are oil finders, efficiently gauging risk and reward, as we did with our discovery of the huge Jubilee Field offshore Ghana.

We are an agile, opportunistic and integrated team. And we are a catalyst for progress where we do business, transforming natural resources into national resources.

We have the deep experience and the technical excellence to see opportunities others may not. For governments, industry partners, shareholders and our team, we are creators of value and a vehicle of substantial growth.





# CORPORATE MISSIONS

## 2011 HIGHLIGHTS

For Kosmos Energy, 2011 was a year of substantial transformation and success. Among our many accomplishments:



### Kosmos Goes Public

In May 2011, Kosmos celebrated our initial public offering on the New York Stock Exchange; under the symbol KOS. Cash proceeds received from the IPO, together with funds from crude sales and our debt facility, position us with strong financial flexibility to execute our growth strategy.



### First Year of Production

With the Jubilee field commencing production in late 2010, our first cargo of crude was sold in early 2011. Production and performance from Jubilee in 2011 confirmed field-wide pressure support, suggesting high confidence in ultimate recovery.



### Significant Exploration Discoveries

Our success offshore Ghana continued in 2011, the second best exploration year in our company's history; discoveries included the Teak, Akasa, Tweneboa Deep and Ntomme fields.



### Expanded Portfolio of Highly Prospective Opportunities

Kosmos expanded its offshore Morocco position with the Essaouira, Fout Assaka and Tarhazoute areas, totaling over 6 million gross acres. In South America, we gained exploration licenses offshore Suriname, a combined area of nearly 3 million gross acres and our first acreage acquisition outside Africa.



## KOSMOS MISSION 1

FIND AND UNLOCK  
NEW PETROLEUM  
SYSTEMS.

WE ARE A BIG 'E' COMPANY. OUR HISTORY HAS PROVEN THAT THE BEST WAY TO CREATE VALUE IS THROUGH ORGANIC EXPLORATION SUCCESS, THE RESULT OF EXECUTING ON A PREMIER ASSET PORTFOLIO.

KOSMOS TARGETS EMERGING AREAS IN AFRICA AND SOUTH AMERICA. SINCE OUR IPO IN MAY OF 2011, WE HAVE ADDED OVER NINE MILLION GROSS ACRES WITH SIGNIFICANT PROSPECTIVITY IN POSITIONS OFFSHORE MOROCCO AND SURINAME. AND WE CONTINUE TO IDENTIFY AND SEEK NEW OPPORTUNITIES, AS WE FOCUS ON DELIVERING A PROGRAM OF HIGH-IMPACT, PLAY-OPENING EXPLORATION WELLS ON AN ANNUAL BASIS.

## KOSMOS MISSION 2

GROW AND MATURE  
THE HYDROCARBONS  
SYSTEMS WE'VE  
ALREADY OPENED.

FOR US, THAT MEANS OFFSHORE GHANA, WHERE WE CONTINUE TO HAVE FOLLOW-ON EXPLORATION SUCCESS, AFTER THE DISCOVERY OF JUBILEE, A WORLD-CLASS FIELD THAT IS ONLY IN ITS EARLY LIFE. WE ARE PROGRESSING MULTIPLE ADDITIONAL OIL AND GAS CONDENSATE

DISCOVERIES, INTENT ON DELIVERING THE NEXT PHASE OF DEVELOPMENTS. AND WE ARE CONTINUING OUR ACTIVE EXPLORATION PROGRAM WITH MULTIPLE TESTS, TARGETING NEW RESOURCE POTENTIAL.

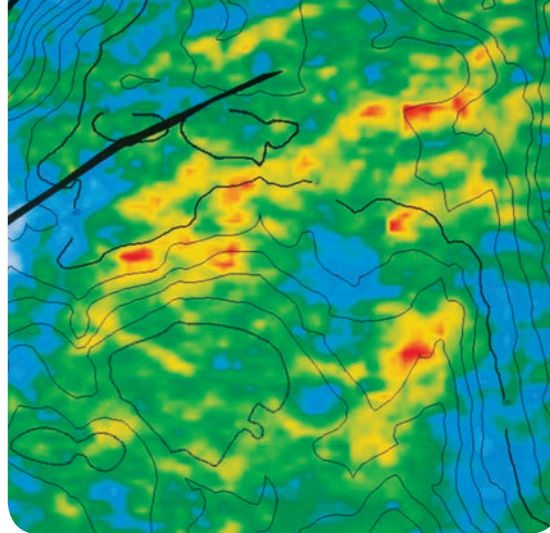
## Fellow Shareholders:

We formed Kosmos Energy in 2003 with a single purpose: to create, maximize and deliver financial value and returns for our investors. As a private entity, we achieved what we set out to do, and we intend to be even more successful as a public company.

We will accomplish this as a “Big E” exploration company by pursuing a strategy of organic growth, seeking significant hydrocarbon discoveries that unlock new petroleum systems. Our strategy is simple and our execution is disciplined, diligent and determined. We invest in high-impact frontier and emerging basins often overlooked by the industry. Once we discover a new petroleum system, we then grow and mature these assets through follow-on exploration, development and production.

Our investment in Ghana successfully demonstrates the results our strategy delivers. Since discovering the Jubilee Field in 2007 on the West Cape Three Points Block and opening up the Tano Basin, we have continued to grow and develop the hydrocarbon resource base. We commenced production from Jubilee and have made several additional oil and gas condensate discoveries, progressing them toward development.

We sold our first cargo of Jubilee crude in early 2011, the result of our integrated development team's remarkable efforts of discovery to first oil in 42 months. The Jubilee reservoir is performing well with production to date confirming field-wide pressure support. Our phased development has proven to be the right approach as we resolve well productivity issues that we encountered in 2011 during the first phase of production, and the next phase of



development is underway. Kosmos and our partners are focused on achieving plateau production from Jubilee and maintaining it for as long as possible.

The results of our 2011 exploration and appraisal programs offshore Ghana were extremely positive, and we are now positioned with a number of discoveries that are planned to deliver future reserve and production growth to Kosmos. Our Tweneboa, Enyenra and Ntomme discoveries are being progressed to support a planned second FPSO project in Ghana, and we expect to submit the plan of development in 2012. A third potential development encompasses our Mahogany, Teak, Akasa and Banda discoveries, with an integrated development plan expected to be finalized in 2013.

We are pursuing an active drilling program in 2012, with plans to participate in a significant number of exploration and appraisal wells during the year. These wells are designed to move our existing discoveries forward and test substantial new resource potential in Ghana's Tano Basin.

We are also aggressively but selectively expanding our exploration portfolio, positioning ourselves to drill multiple new basin and play-opening wells annually beginning in late 2012. We have captured multi-billion barrels of unrisks hydrocarbon potential in our current



assets, and our new ventures team continues to identify and access additional exploration opportunities.

In Cameroon, we look forward to drilling our first operated prospect at the Sipo well on the Ndian River Block beginning in late 2012, testing a concept that extends a productive deepwater Tertiary play onshore. The Ndian River and recently-added Fako Blocks cover a substantial area with several drillable prospects.

During 2011, we established a leading acreage position with significant prospectivity in two basins offshore Morocco. We have licensed four areas covering nearly fourteen million gross acres, an opportunity set with multiple play types, including our core Upper Cretaceous structural-stratigraphic exploration theme. It is also one of the few unexplored salt basins along the Atlantic margin. Starting in late 2011, we commenced a 4,800-square-kilometer 3D seismic shoot on our acreage in the Agadir Basin, the largest seismic acquisition in our company's history. We are targeting multiple new basin-opening wells beginning in 2013 in the Agadir Basin and in the nearby Aaiun Basin where our Cap Boujdour Block is located.

In late 2011, we captured a large exploration opportunity on trend with a recently proven hydrocarbon system in South America, our first acreage acquisition beyond Africa. We exported our proven Upper Cretaceous play concept to a new area when we licensed two blocks offshore Suriname, covering nearly three million gross acres. This provides the opportunity to explore for "mirror image" Jubilee play types along South America's Northeast Margin, which is conjugate to the West African Transform Margin. We plan to acquire 3D seismic data during the initial exploration phase and anticipate drilling our first well in 2014.

No matter where we work, safe operations are an inherent part of our strategy, as is the commitment to environmental and social responsibility. We support and invest in local communities where we do business, making progress and enhancing lives.

Cash proceeds from our highly successful IPO in May 2011, together with funds from our Jubilee crude sales and a reserve-based debt facility, position us with a strong balance sheet and the financial runway that is critical to executing our forward growth strategy.

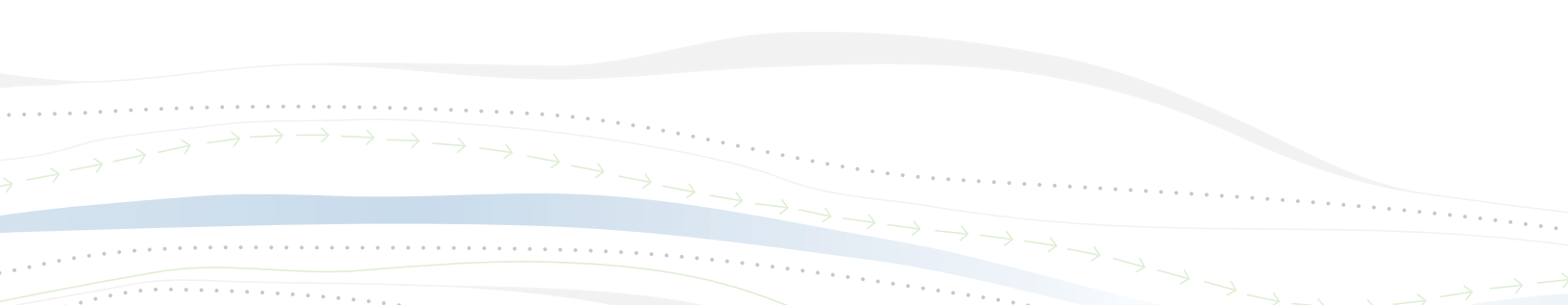
We are building a best-in-class team at Kosmos, possessing excellent technical abilities and outstanding business acumen. We are enthusiastic entrepreneurs with a relentless drive, passion for what we do and an extraordinary spirit. I want to thank everyone in Kosmos for their hard work and commitment. I also want to thank our Board of Directors for their solid leadership and sound guidance, and our investors, shareholders and other stakeholders for their support and confidence.

At Kosmos, we've built a strong platform for growth. As we begin our "second inning," I'm most excited about our future as a pre-eminent upstream oil and gas exploration franchise. We look forward to executing our business plan to grow value and deliver best-in-class performance.



**BRIAN F. MAXTED**

Chief Executive Officer



# Delivering Oil, Delivering Value

## A ROUNDTABLE DISCUSSION WITH KOSMOS MANAGEMENT

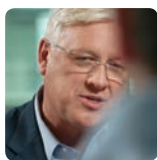
**B.M. BRIAN F. MAXTED**  
CHIEF EXECUTIVE OFFICER

**G.D. W. GREG DUNLEVY**  
EXECUTIVE VICE PRESIDENT  
AND CHIEF FINANCIAL OFFICER

**D.M. DARRELL McKENNA**  
CHIEF OPERATING OFFICER

**P.D. PAUL DAILLY**  
SENIOR VICE PRESIDENT,  
EXPLORATION

**B.M.** Compared to the majority of exploration and production companies, Kosmos adopts a contrarian approach. While many in the industry are following the footsteps of previous successes, we are pathfinders, often the first



to discover oil in frontier and emerging areas; areas others have undervalued or overlooked. Let's talk a bit about why our strategy toward unlocking new hydrocarbon provinces results in delivery of great value for our stakeholders.

**P.D.** Well, probably the key here is that we have a smart, differentiated strategy, which has resulted in the discovery of resources at better-than-industry rates. Kosmos was the architect of the "Upper Cretaceous" play in West Africa,



focusing on a previously overlooked stratigraphic concept. We weren't the first company to look for oil offshore Ghana. More than 40 exploration wells had been drilled there before we arrived, and a number of companies had

walked away. The oil was there, but we were the first, with the right insight, to look in the right place.

**G.D.** In order to deliver value, it isn't enough to just look for oil; we actually find oil in places others have overlooked with a repeatable strategy that we're very disciplined about following. The Jubilee discovery is a testament to the efficacy of our exploration strategy and processes. We sold our first Jubilee cargo in



2011. Clearly, the Jubilee field is already delivering value for us and for Ghana and it will continue to deliver value for years to come.

**B.M.** We focus in frontier areas to unlock new hydrocarbon provinces, taking on what some perceive to be higher risk in unproven areas. But frontier areas offer a great recipe for not only finding lots of barrels, but finding high-value barrels for our stakeholders. Our contrarian perspective typically provides an early mover advantage: enabling us to acquire strategic acreage opportunities, large equity stakes, and good financial terms.

## Timeline

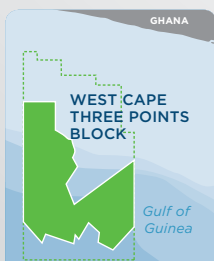
**2003**

KOSMOS ENERGY  
IS FOUNDED.



**2004**

KOSMOS ACQUIRES  
THE WEST CAPE  
THREE POINTS BLOCK  
OFFSHORE GHANA.



**2006**

KOSMOS CAPTURES  
THE NDIAN RIVER  
BLOCK ONSHORE  
CAMEROON.

**2006**

KOSMOS ENTERS  
THE DEEPWATER  
TANO BLOCK  
OFFSHORE GHANA.







**D.M.** Though we are a pioneering company, we partner well with industry companies, governments, entrepreneurs and others. In that sense, we're not contrarian at all. At Jubilee, we were the technical operator for development, forming an integrated project team amongst multiple companies to bring the first phase of the project online in record time.

**P.D.** The exploration strategy worked very well offshore Ghana, where we followed Jubilee with a number of additional oil and natural gas condensate discoveries that we and our partners are progressing for development.



We expect that there are still discoveries to be made; still value to be created in Ghana and elsewhere. Our new position offshore Suriname, for example, gives us access to the same Late Cretaceous geologic play, but in a new geography.

**G.D.** In Suriname, Kosmos has built a substantial leasehold position, nearly three million gross acres. Offshore Morocco is an even more dramatic example of being the first mover, where during 2011, we acquired more than six million additional acres offshore in the northern part of the country for our exploration. That's



on top of the over seven million acres we have further south in the Cap Boujdour area. Each of these areas is more than fifteen times the size of our total

position in Ghana, which points to the vastness of the scale we're working with.

**B.M.** And we are continuing to build our portfolio through a structured new ventures strategy. Finding the next great hydrocarbon system with spectacular prospectivity is what we're passionate about. It's great to work with people who share that passion and have the deep technical expertise, the commercial understanding, and the business acumen and risk appetite to make it pay off.



**D.M.** A high priority is to develop what we find safely and efficiently, which is very good for the host governments – and the people – of the areas in which we operate. In addition, Kosmos is committed to making a tangible, positive impact on the local communities and countries where we do business. We have quite a lineup of development projects in front of us, with a significant amount of value to be created. I know it's been extremely rewarding for Kosmos to help build the energy industry of Ghana so that many will enjoy the benefits of success for decades to come. We look forward to doing the same wherever we operate.



## 2007

KOSMOS DISCOVERS THE MASSIVE JUBILEE FIELD OFFSHORE GHANA.



## 2008

KOSMOS CAPTURES FIRST ACREAGE POSITION OFFSHORE MOROCCO WITH THE CAP BOUJDOUR BLOCK.



## 2008-2010

KOSMOS DISCOVERS MAHOGANY, TWENEBOA, AND ENYENRA FIELDS OFFSHORE GHANA.

## 2010

KOSMOS PRODUCES FIRST OIL FROM JUBILEE FIELD IN RECORD 42 MONTHS.



# Advancing Progress, Enhancing Lives

A key component to the success of Kosmos is our commitment to safety, the environment and the stakeholders where we operate. We manage a proactive safety culture, focused on continuous improvement and best-in-class processes. We respect and protect the environment by carefully analyzing the potential impacts from our proposed projects and crafting mitigation measures designed to minimize impacts. Kosmos is a caring corporate citizen, committed to partnering with communities in our operational areas. We initiate and support efforts to improve lives in those communities by developing programs targeting health care, education and capacity development. For further information about the Kosmos commitment to safety, the environment and the welfare of local communities, please see the Responsibility section of the Kosmos website, at [www.kosmosenergy.com/responsibility](http://www.kosmosenergy.com/responsibility).



## 2011 Operating and Financial Data

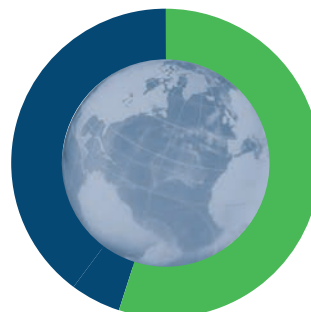
(in thousands, except per share and volume data)

Year ended December 31, 2011

Total revenue	\$ 676,780
Net income (loss) attributable to common shareholders/unit holders	\$ (2,085)
Pro forma net income (loss) per diluted share attributable to common shareholders	\$ 0.06
Pro forma weighted average diluted shares outstanding	354,810
Total common shares outstanding	390,531
Shareholders' equity	\$ 1,020,726
Total assets	\$ 2,551,934
Sales volumes (MMbbl)	5.97
Proved reserves (MMboe)	51
Net cash provided by operating activities	\$ 364,909

### 2012 ORGANIC CAPITAL PROGRAM

Approximately \$600 MM



**Exploration & Appraisal 55%**  
**Development 45%**

#### 2011

KOSMOS DISCOVERS TEAK, TWENEBOA DEEP, NTOMME, AND AKASA FIELDS OFFSHORE GHANA.

#### 2011

KOSMOS IPO, WITH SHARES TRADED ON THE NYSE UNDER KOS SYMBOL.

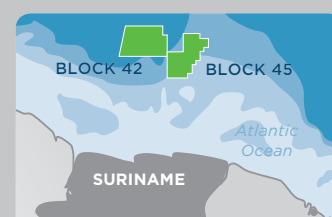
#### 2011

KOSMOS EXPANDS OFFSHORE MOROCCO POSITION WITH ESSAQOIRA, FOUM ASSAKA AND TARHAZOUTE AREAS.



#### 2011

KOSMOS CAPTURES POSITION OFFSHORE SURINAME, THE COMPANY'S FIRST ACREAGE ACQUISITION OUTSIDE AFRICA.





## BOARD OF DIRECTORS

### **John R. Kemp III**

Chairman of the Board

Compensation Committee Member

Nominating and Corporate  
Governance Committee Member

### **Brian F. Maxted**

Chief Executive Officer

Health, Safety and Environment  
Committee Member

### **David I. Foley**

### **Jeffrey A. Harris**

Compensation Committee Member

Nominating and Corporate  
Governance Committee Member

### **David B. Krieger**

Audit Committee Member

### **Prakash A. Melwani**

Compensation Committee Chairman

Nominating and Corporate  
Governance Committee Member

### **Adebayo O. Ogunlesi**

Nominating and Corporate  
Governance Committee Chairman

Audit Committee Member

### **Chris Tong**

Audit Committee Chairman

Health, Safety and Environment  
Committee Member

### **Christopher A. Wright**

Health, Safety and Environment  
Chairman

## SENIOR LEADERSHIP

### **Brian F. Maxted**

Chief Executive Officer

### **W. Greg Dunlevy**

Executive Vice President and  
Chief Financial Officer

### **Darrell McKenna**

Chief Operating Officer

### **Paul Dailly**

Senior Vice President,  
Exploration

### **Marvin M. Garrett**

Senior Vice President,  
Production and Operations

### **Ty Gaston**

Senior Vice President,  
Global Human Resources

### **William S. Hayes**

Senior Vice President,  
Legal and External Affairs

### **Dennis C. McLaughlin**

Senior Vice President,  
Development

### **Ryan Turner**

Vice President,  
Strategy and Business Development

## CORPORATE OFFICE

Clarendon House  
2 Church Street  
Hamilton, Bermuda

## DALLAS OFFICE

Kosmos Energy Ltd.  
c/o Kosmos Energy LLC  
8176 Park Lane  
Suite 500  
Dallas, Texas 75231



## WEB SITE

[www.kosmosenergy.com](http://www.kosmosenergy.com)

## STOCK EXCHANGE LISTING

New York Stock Exchange  
Symbol: KOS



## ANNUAL MEETING

May 11, 2012  
8 A.M. A.S.T.  
The Fairmont Southampton  
101 South Shore Road  
Southampton, Bermuda HM FX

## FORM 10-K

Copies of the Corporation's  
Form 10-K are available from:

Kosmos Energy Ltd.  
c/o Kosmos Energy LLC  
Investor Relations  
8176 Park Lane, Suite 500  
Dallas, TX 75231

## AUDITORS

Ernst & Young LLP  
Dallas, TX

## SHAREHOLDER SERVICES

Computershare  
250 Royall St.  
Canton, MA 02021  
Phone: 1-800-962-4284

## INVESTOR RELATIONS

Additional corporate information  
is available from our website at  
[www.kosmosenergy.com](http://www.kosmosenergy.com) or by  
contacting:

Brad Whitmarsh  
Vice President, Investor Relations  
214-445-9772  
[bwhitmarsh@kosmosenergy.com](mailto:bwhitmarsh@kosmosenergy.com)

## FORWARD-LOOKING STATEMENTS

This Annual Report contains forward-looking statements that the Company expects, believes or anticipates will or may occur in the future. 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. 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 10-K included in this Annual Report and the Company's other filings with the Securities and Exchange Commission.

