

This document comprises a prospectus for the purposes of Article 3 of European Union Directive 2003/71/EC, as amended, relating to Kosmos Energy Ltd. (the “**Company**” and together with its subsidiaries, “**Kosmos**”) and has been approved by the Financial Conduct Authority of the United Kingdom (“**FCA**”) in accordance with section 87A of the Financial Services and Markets Act 2000 of England and Wales, as amended (“**FSMA**”), and prepared and made available to the public in accordance with the Prospectus Rules of the FCA made under section 73A of FSMA (the “**Prospectus Rules**”). This Prospectus is not an offer or invitation to the public to subscribe for or purchase common shares of \$0.01 par value in the capital of the Company (“**Common Shares**”) but is issued solely in connection with the admission of Common Shares to the standard listing segment of the Official List of the FCA and to the London Stock Exchange’s main market for listed securities (the “**Admission**”).

Application will be made to the FCA for all Common Shares to be admitted to the standard listing segment of the Official List of the FCA and to the London Stock Exchange for the Common Shares to be admitted to trading on the London Stock Exchange’s main market for listed securities. It is expected that the Admission will become effective, and that dealings in Common Shares will commence on the London Stock Exchange, at 8:00 a.m. on 21 August 2017 (International Security Identification Number: BMG5315B1072).

This Prospectus is issued solely in connection with the Admission. This Prospectus does not constitute or form part of an offer or invitation to sell or issue, or any solicitation of an offer to purchase or subscribe for, any securities by any person. No offer of Common Shares is being made in any jurisdiction.

The directors of the Company (the “**Directors**”), whose names appear on page 53 of this Prospectus, and the Company accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Directors and the Company (who have taken all reasonable care to ensure that such is the case) such information is in accordance with the facts and contains no omission likely to affect the import of such information.

This Prospectus should be read carefully and in its entirety. In particular, investors should take account of the section entitled “**Risk Factors**” which contains a discussion of certain risks relating to the business of Kosmos. Investors should not rely solely on the information summarised in the section entitled “**Summary**”.



Kosmos Energy Ltd.

(Incorporated and registered in Bermuda under the Companies Act 1981 (Bermuda) with Registered No. 45011)

Application for admission of 389,286,890 Common Shares to the standard listing segment of the Official List and to trading on the London Stock Exchange’s main market for listed securities

Financial Advisor

BMO Capital Markets Limited

The distribution of this Prospectus in certain jurisdictions may be restricted by law and therefore persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions in relation to Common Shares or this Prospectus, including those in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Except in the United Kingdom, no action has been taken or will be taken in any jurisdiction that would permit possession or distribution of this Prospectus in any country or jurisdiction where action for that purpose is required. Accordingly, this Prospectus may not be distributed or published in any jurisdiction where to do so would breach any securities laws or regulations of any such jurisdiction or give rise to an obligation to obtain any consent, approval or permission, or to make any application, filing or registration. Failure to comply with these restrictions may constitute a violation of the securities laws or regulations of such jurisdictions.

Consent under the Exchange Control Act 1972 (and its related regulations) has been obtained from the Bermuda Monetary Authority for the issue and transfer of the Common Shares to and between non-residents of Bermuda for exchange control purposes provided the Company’s shares remain listed on the New York Stock Exchange or another appointed stock exchange, which includes the London Stock Exchange. In granting such consent the Bermuda Monetary Authority accepts no responsibility for the Company’s financial soundness or the correctness of any of the statements made or opinions expressed in this Prospectus.

The Common Shares are and, notwithstanding the Admission, will continue to be, listed on the New York Stock Exchange (the “**NYSE**”). However, this Prospectus has not been approved by any securities regulatory authority in the United States.

Application has been made for the Common Shares to be admitted to a standard listing on the Official List. A standard listing will afford investors in Kosmos a lower level of regulatory protection than that afforded to investors in companies with premium listings on the Official List, which are subject to additional obligations under the Listing Rules.

This Prospectus is dated 16 August 2017.

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SUMMARY

Summaries are made up of disclosure requirements known as “Elements”. These elements are numbered in Sections A–E (A.1–E.7).

The summary contains all the Elements required to be included in a summary for this type of issuer and securities. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of issuer and securities, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the Element is included in the summary with the mention of the words “not applicable”.

A—Introduction and warnings		
A.1	Introduction	<p>This summary should be read as an introduction to this Prospectus.</p> <p>This Prospectus should be read in its entirety. Where a claim relating to the information contained in this Prospectus is brought before a court, a plaintiff might, under the national legislation of the European Economic Area member states, have to bear the costs of translating this Prospectus before the legal proceedings are initiated.</p> <p>Civil liability attaches to the Directors and the Company, who are responsible for this summary including any translation thereof, but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or if it does not provide, when read together with the other parts of this Prospectus, key information in order to aid in consideration of the admission of the Common Shares to the standard listing segment of the Official List of the FCA and to trading on the London Stock Exchange’s main market for listed securities.</p>
A.2	Consent for intermediaries	Not applicable. No consent has been given by the Company or any person responsible for drawing up this Prospectus to the use of this Prospectus for subsequent resale or final placement of securities by financial intermediaries.

B—Issuer		
B.1	Legal and commercial name	Kosmos Energy Ltd.
B.2	Domicile/legal form/legislation/country of incorporation	The Company is an exempted company limited by shares incorporated in Bermuda. It was incorporated and registered in Bermuda under the Companies Act 1981 (Bermuda) (the “ Bermuda Companies Act ”) on 6 January 2011 with registered number 45011. The principal legislation under which the Company operates is the Bermuda Companies Act. The liability of the shareholders of the Company is limited.
B.3	Current operations and principal activities	<p>General</p> <p>Kosmos is a leading independent oil and gas exploration and production company focused on frontier and emerging areas along the Atlantic Margins. Its assets include existing production and development projects offshore Ghana, large discoveries and significant further exploration potential offshore Mauritania and Senegal, as well as exploration licences with, Kosmos believes,</p>

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significant hydrocarbon potential offshore Sao Tome and Principe, Suriname, Morocco and Western Sahara.

Business Strategy

The business strategy focuses on achieving four key objectives: (1) maximise the value of the Ghana assets; (2) develop the discovered resources offshore Mauritania and Senegal; (3) continue to explore, appraise and develop the deepwater basin offshore Mauritania and Senegal to further grow value; and (4) increase value further through a high-impact exploration programme which is designed to unlock new petroleum systems.

Principal Activities and Markets

Kosmos currently has operations in Africa and South America. Currently, all operating revenues are generated from operations offshore Ghana.

Ghana

The West Cape Three Points (“**WCTP**”) Block and the Deepwater Tano (“**DT**”) Block are located within the Tano Basin, offshore Ghana. Discoveries to date on licence areas offshore Ghana consist of: (1) the Jubilee field, discovered by Kosmos in 2007, with first oil produced in November 2010. Appraisal activities confirmed that the Jubilee discovery straddled the WCTP and DT Blocks. Kosmos’ current unit interest is 24.1%; (2) the Tweneboa, Enyenra and Ntomme (“**TEN**”) fields. In November 2012, Kosmos submitted a declaration of commerciality and PoD over the TEN discoveries. In May 2013, the government of Ghana approved the TEN PoD. First oil came from the TEN fields in August 2016. The TEN discoveries are being jointly developed with shared infrastructure and a single floating production storage and offloading unit (“**FPSO**”). The construction and connection of a gas pipeline between the Jubilee and TEN fields to transport natural gas to the mainland for processing was completed in the first quarter of 2017; (3) the Mahogany discovery; (4) the Teak discovery; (5) the Akasa discovery; and (6) the Wawa discovery.

Mauritania and Senegal

Kosmos holds a 28% participating interest and BP (the operator) holds a 62% participating interest in four blocks offshore Mauritania. Kosmos has acquired approximately 6,300 line-kilometres of 2D seismic data and 21,750 square kilometres of 3D seismic data covering portions of blocks in Mauritania, has drilled two successful exploration wells and an appraisal well, and has identified numerous additional prospects in its blocks.

In June 2017, Kosmos entered into a farm-in agreement with Tullow Mauritania Limited, a subsidiary of Tullow Oil plc (“**Tullow**”), to acquire a 15% non-operated participating interest in Block C18 offshore Mauritania. Certain governmental approvals are still required to be completed before this agreement is effective.

Kosmos BP Senegal Limited (“**KBSL**”), a majority owned affiliate of Kosmos (owned 50.01% by Kosmos and 49.99% by BP) is the operator of two blocks offshore Senegal and owns 60% of participating interest. Kosmos has acquired approximately 11,400 square kilometres of 3D seismic data covering portions of two blocks

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		<p>in Senegal, has drilled three successful exploration wells and has identified numerous prospects in its blocks.</p> <p>Offshore Mauritania and Senegal, Kosmos has made the following discoveries: (1) the Greater Tortue discovery, a basin-opening gas discovery for the outboard Cretaceous petroleum system. The Greater Tortue discovery straddles Block C8 offshore Mauritania and Saint Louis Offshore Profond Block offshore Senegal. Kosmos has now drilled three wells within the Greater Tortue discovery; (2) the BirAllah discovery (formally known as Marsouin) in Mauritania; (3) the Terenga discovery in Senegal; and (4) the Yakaar discovery in Senegal.</p> <p><i>Suriname</i></p> <p>Kosmos is the operator for petroleum contracts covering Block 42 and Block 45 offshore Suriname, with a 33.3% and 50% participating interest respectively. The blocks are located within the Guyana Suriname Basin, along the Atlantic transform margin of northern South America. The prospectivity of the petroleum system in Suriname is supported by the presence of onshore producing fields and most recently by nearby discoveries offshore Guyana, including the Liza-1 well.</p> <p><i>Sao Tome and Principe</i></p> <p>During 2015 and 2016, Kosmos acquired acreage in Blocks 5, 6, 11 and 12 offshore Sao Tome and Principe in the Gulf of Guinea. Kosmos is the operator of Blocks 5, 11 and 12, and Galp, a wholly owned subsidiary of Petrogal, S.A., is the operator of Block 6. Kosmos has approximately 1,250 line kilometres of 2D seismic covering portions of its blocks and is currently acquiring approximately 16,000 square kilometres of 3D seismic across its position. Kosmos has identified numerous leads in its Sao Tome and Principe acreage. In December 2016, Kosmos received approval for a two-year extension of Phase 1 for Block 5 offshore Sao Tome and Principe, which now expires in May 2019.</p> <p><i>Morocco and Western Sahara</i></p> <p>Kosmos' petroleum contracts in Morocco and Western Sahara include the Boujdour Maritime Block, which is within the Aaiun Basin, and the Essaouira Offshore Block, which is within the Agadir Basin. Kosmos is the operator of these petroleum contracts.</p>
B.4a	Significant recent trends affecting Kosmos and its industry	<p>Oil and natural gas exploration, development and production activities are subject to political and economic uncertainties (including but not limited to changes in energy policies or the personnel administering them).</p> <p>The oil and gas industry as a whole is experiencing an extended decline in crude oil prices. Dated Brent crude, the benchmark for Kosmos' oil sales, ranged from approximately \$26–\$58 per barrel during 2016 and the first half of 2017. Excluding the impact of hedges, Kosmos' realised price for 2016 was \$45.94 per barrel. Lower prices will generally result in greater availability of assets and necessary equipment.</p> <p>The oil and gas industry has become increasingly dependent on digital technologies to conduct day-to-day operations including certain</p>

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exploration, development and production activities. For example, software programmes are used to interpret seismic data, manage drilling rigs, conduct reservoir modelling and reserves estimation, and to process and record financial and operating data.

Historically, Kosmos has also been affected by competition for drilling rigs and the availability of related equipment. Higher commodity prices generally increase the demand for drilling rigs, supplies, services, equipment and crews.

B.5	Group description	<p>The Company is the parent company of the group. As at the date of this Prospectus, the Company has the following significant subsidiaries, all of which are principally active in oil and gas exploration and production:</p> <table border="1"> <thead> <tr> <th data-bbox="592 651 860 682"><u>Name⁽¹⁾</u></th> <th data-bbox="860 640 1015 682"><u>Registered number</u></th> <th data-bbox="1015 640 1193 682"><u>Date of Incorporation</u></th> <th data-bbox="1193 640 1364 682"><u>Country of incorporation</u></th> </tr> </thead> <tbody> <tr> <td>Kosmos Energy Ventures</td> <td>WT-247253</td> <td>1 Nov 2010</td> <td>Cayman Islands</td> </tr> <tr> <td>Kosmos Energy Suriname</td> <td>WT-256363</td> <td>13 May 2011</td> <td>Cayman Islands</td> </tr> <tr> <td>Kosmos Energy Senegal</td> <td>WT 290078</td> <td>21 Jul 2014</td> <td>Cayman Islands</td> </tr> <tr> <td>Kosmos Energy Operating Services SARL</td> <td>98977</td> <td>16 Aug 2013</td> <td>Morocco</td> </tr> <tr> <td>Kosmos Energy Operating Morocco HC</td> <td>WT 231417</td> <td>29 Sep 2009</td> <td>Cayman Islands</td> </tr> <tr> <td>Kosmos Energy Offshore Mauritania</td> <td>HL-137299</td> <td>24 Jun 2004</td> <td>Cayman Islands</td> </tr> <tr> <td>Kosmos Energy Mauritania</td> <td>WT-266444</td> <td>20 Feb 2012</td> <td>Cayman Islands</td> </tr> <tr> <td>Kosmos Energy, LLC</td> <td>800196753</td> <td>23 Apr 2003</td> <td>US (Texas)</td> </tr> <tr> <td>Kosmos Energy International</td> <td>HL-218274</td> <td>9 Oct 2008</td> <td>Cayman Islands</td> </tr> <tr> <td>Kosmos Energy Holdings</td> <td>HL-133483</td> <td>5 Mar 2004</td> <td>Cayman Islands</td> </tr> <tr> <td>Kosmos Energy Ghana HC</td> <td>HL-135710</td> <td>13 May 2004</td> <td>Cayman Islands</td> </tr> <tr> <td>Kosmos Energy Finance International</td> <td>WT-253656</td> <td>18 Mar 2011</td> <td>Cayman Islands</td> </tr> <tr> <td>Kosmos Energy Finance</td> <td>WT-225882</td> <td>6 May 2009</td> <td>Cayman Islands</td> </tr> <tr> <td>Kosmos Energy Development</td> <td>WT-225879</td> <td>6 May 2009</td> <td>Cayman Islands</td> </tr> <tr> <td>Kosmos Energy Deepwater Morocco</td> <td>HL-214578</td> <td>15 Jul 2008</td> <td>Cayman Islands</td> </tr> <tr> <td>Kosmos Energy Credit International</td> <td>WT-256364</td> <td>13 May 2011</td> <td>Cayman Islands</td> </tr> <tr> <td>FATE Energy Services</td> <td>WT-278222</td> <td>29 May 2013</td> <td>Cayman Islands</td> </tr> <tr> <td>Kosmos Energy Sao Tome and Principe</td> <td>WT-301785</td> <td>3 Jul 2015</td> <td>Cayman Islands</td> </tr> <tr> <td>Kosmos Energy Maroc Mer Profonde</td> <td>WT-308506</td> <td>5 Feb 2016</td> <td>Cayman Islands</td> </tr> <tr> <td>Kosmos Energy Global Supply</td> <td>WT-299440</td> <td>4 May 2015</td> <td>Cayman Islands</td> </tr> <tr> <td>Kosmos BP Senegal Ltd.⁽²⁾</td> <td>10520822</td> <td>12 Dec 2016</td> <td>England & Wales</td> </tr> </tbody> </table> <p>(1) All subsidiaries are wholly owned subsidiaries unless indicated otherwise.</p> <p>(2) Owned 50.01% by Kosmos and 49.99% by BP.</p>	<u>Name⁽¹⁾</u>	<u>Registered number</u>	<u>Date of Incorporation</u>	<u>Country of incorporation</u>	Kosmos Energy Ventures	WT-247253	1 Nov 2010	Cayman Islands	Kosmos Energy Suriname	WT-256363	13 May 2011	Cayman Islands	Kosmos Energy Senegal	WT 290078	21 Jul 2014	Cayman Islands	Kosmos Energy Operating Services SARL	98977	16 Aug 2013	Morocco	Kosmos Energy Operating Morocco HC	WT 231417	29 Sep 2009	Cayman Islands	Kosmos Energy Offshore Mauritania	HL-137299	24 Jun 2004	Cayman Islands	Kosmos Energy Mauritania	WT-266444	20 Feb 2012	Cayman Islands	Kosmos Energy, LLC	800196753	23 Apr 2003	US (Texas)	Kosmos Energy International	HL-218274	9 Oct 2008	Cayman Islands	Kosmos Energy Holdings	HL-133483	5 Mar 2004	Cayman Islands	Kosmos Energy Ghana HC	HL-135710	13 May 2004	Cayman Islands	Kosmos Energy Finance International	WT-253656	18 Mar 2011	Cayman Islands	Kosmos Energy Finance	WT-225882	6 May 2009	Cayman Islands	Kosmos Energy Development	WT-225879	6 May 2009	Cayman Islands	Kosmos Energy Deepwater Morocco	HL-214578	15 Jul 2008	Cayman Islands	Kosmos Energy Credit International	WT-256364	13 May 2011	Cayman Islands	FATE Energy Services	WT-278222	29 May 2013	Cayman Islands	Kosmos Energy Sao Tome and Principe	WT-301785	3 Jul 2015	Cayman Islands	Kosmos Energy Maroc Mer Profonde	WT-308506	5 Feb 2016	Cayman Islands	Kosmos Energy Global Supply	WT-299440	4 May 2015	Cayman Islands	Kosmos BP Senegal Ltd. ⁽²⁾	10520822	12 Dec 2016	England & Wales
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B.6	Major Shareholders	<p>As at 14 August 2017, being the latest practicable date prior to the publication of this Prospectus (the “Latest Practicable Date”) or, where indicated, the date set forth in the footnotes to the table below, and so far as is known to Kosmos by virtue of the notifications made to it pursuant to the U.S. Securities Exchange Act 1934, as amended (the “Exchange Act”), the number of Common Shares held by each person (other than any Director) who, directly or indirectly, is interested in five per cent. or more of the Company’s share capital, and the amount of such person’s interest, is as follows:</p>
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B—Issuer

<u>Name</u>	<u>Number of Common Shares</u>	<u>Per cent.</u>
Warburg Pincus Funds ⁽¹⁾	91,508,651	23.51
Blackstone Funds ⁽²⁾	53,052,512	13.63
Hotchkis & Wiley Capital Management, LLC ⁽³⁾	32,868,521	8.44
Capital Global Investors ⁽⁴⁾	30,153,256	7.75
SailingStone Capital Partners LLC ⁽⁵⁾	26,170,378	6.72
Barclays Bank plc ⁽⁶⁾	26,069,448	6.70

(1) The Warburg Pincus Funds are comprised of the following entities: Warburg Pincus International Partners, L.P., a Delaware limited partnership (“**WPIP**”), and two affiliated partnerships who collectively hold 48,649,042 shares, and Warburg Pincus Private Equity VIII, L.P., a Delaware limited partnership (“**WP VIII**”), and two affiliated partnerships who collectively hold 49,185,985 shares. The total number of shares reported by WPIP does not include 2,030,177 shares that are owned by its affiliated partnership Warburg Pincus Netherlands International Partners C.V. I, a company incorporated under the laws of the Netherlands, and 75,112 shares that are owned by its affiliated partnership WP-WPIP Investors, L.P., a Delaware limited partnership. WPIP expressly disclaims beneficial ownership with respect to any common shares other than the common shares owned of record by WPIP. The total number of shares reported by WP VIII does not include 1,426,152 shares that are owned by its affiliated partnership Warburg Pincus Netherlands Private Equity VIII, C.V. I, a company incorporated under the laws of the Netherlands, and 142,183 shares that are owned by its affiliated partnership WP-WPVIII Investors, L.P., a Delaware limited partnership. WP VIII expressly disclaims beneficial ownership with respect to any shares other than the shares owned of record by WP VIII. Warburg Pincus Partners, L.P., a Delaware limited partnership (“**WP Partners LP**”), is the general partner of WPIP and WP VIII. Warburg Pincus Partners GP, LLC, a Delaware limited liability company (“**WP Partners GP**”), is the general partner of WP Partners LP. Warburg Pincus & Co., a New York general partnership (“**WP**”), is the managing member of WP Partners GP. WPIP and WP VIII are managed by Warburg Pincus, LLC, a New York limited liability company (“**WP LLC**”). Mr. Landy and Mr. Krieger are Directors of Kosmos. Mr. Landy is a Managing General Partner of WP and a Managing Member and Co-Chief Executive Officer of WP LLC. Mr. Krieger is a Partner of WP and a Managing Director and Member of WP LLC. All shares indicated as owned by Messrs. Landy and Krieger are included because of their affiliation with the Warburg Pincus Funds. Charles R. Kaye is also a Managing General Partner of WP and a Managing Member and Co-Chief Executive Officer of WP LLC and, together with Mr. Landy, may be deemed to control the Warburg Pincus Funds. Messrs. Kaye, Landy and Krieger disclaim beneficial ownership of all shares held by the Warburg Pincus Funds.

(2) The Blackstone Funds (as hereinafter defined) are comprised of the following entities: Blackstone Capital Partners (Cayman) IV L.P. (“**BCP Cayman IV**”), Blackstone Capital Partners (Cayman) IV-A L.P. (“**BCP Cayman IV-A**”), Blackstone Family Investment Partnership (Cayman) IV-A L.P. (“**BFIP**”), Blackstone Family Investment Partnership (Cayman) IV-A SMD L.P. (“**BFIP SMD**”) and Blackstone Participation Partnership (Cayman) IV L.P. (“**BPP**”), together with BCP Cayman IV, BCP Cayman IV-A, BFIP and BFIP SMD, the “**Blackstone Funds**”). The Blackstone Funds beneficially own (i) 77,781,209 shares, which are held by BCP Cayman IV, (ii) 1,268,459 shares, which are held by BCP Cayman IV-A, (iii) 2,060,103 shares, which are held by BFIP, (iv) 1,710,492 shares, which are held by BFIP SMD and (v) 232,249 shares, which are held by BPP. The general partner of BFIP SMD is Blackstone Family GP L.L.C., which is wholly owned by Blackstone’s senior managing directors and controlled by Mr. Stephen A. Schwarzman, its founder. The general partner of BCP Cayman IV and BCP Cayman IV-A is Blackstone Management Associates (Cayman) IV L.P. (“**BMA**”). BCP IV GP L.L.C. (“**BCP IV**”) is the general partner of BMA, BFIP and BPP. Blackstone Holdings III L.P. is the sole member of BCP IV. The general partner of Blackstone Holdings III L.P. is Blackstone Holdings III GP L.P. The general partner of Blackstone Holdings III GP L.P. is Blackstone Holdings III GP Management L.L.C. The sole member of Blackstone Holdings III GP Management L.L.C. is The Blackstone Group L.P. The general partner of The Blackstone Group L.P. is Blackstone Group Management L.L.C. Blackstone

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		<p>Group Management L.L.C. is wholly owned by Blackstone’s senior managing directors and controlled by its founder, Stephen A. Schwarzman. Each of such Blackstone entities and Mr. Schwarzman may be deemed to beneficially own the shares beneficially owned by the Blackstone Funds directly or indirectly controlled by it or him, but each disclaims beneficial ownership of such shares. Mr. Foley and Mr. Melwani are Senior Managing Directors of Blackstone Group Management L.L.C. and neither is deemed to beneficially own the shares beneficially owned by the Blackstone Funds.</p> <p>(3) Based on a Form 13F filed on 11 August 2017, Hotchkis & Wiley Capital Management, LLC exercises sole voting power over 24,219,699 shares and sole dispositive power over 32,868,521 shares.</p> <p>(4) Based on a Form 13F filed on 14 August 2017, Capital Research Global Investors exercises sole voting power and sole dispositive power over 30,153,256 shares.</p> <p>(5) Based on a Form 13F filed on 14 August 2017, SailingStone Capital Partners LLC exercises sole voting power and sole dispositive power over 26,170,378 shares.</p> <p>(6) Based on a Form 13F filed on 14 August 2017, Barclays Bank plc exercises sole voting power and sole dispositive power over 26,069,448 shares.</p>
B.7	Selected historical key financial information	The following selected consolidated financial information set forth below as of and for the three years ended, 31 December 2016, should be read in conjunction with Part IV (<i>Operating and Financial Review</i>) and Schedule I (<i>Historical Financial Information</i>).

Consolidated Statements of Operations Information:			
	Years Ended 31 December		
	2016	2015	2014
	(In thousands, except per share data)		
Revenues and other income:			
Oil and gas revenue	\$ 310,377	\$ 446,696	\$ 855,877
Gain on sale of assets	—	24,651	23,769
Other income	74,978	209	3,092
Total revenues and other income	385,355	471,556	882,738
Costs and expenses:			
Oil and gas production	119,367	105,336	100,122
Facilities insurance modifications, net	14,961	—	—
Exploration expenses	202,280	156,203	93,519
General and administrative	87,623	136,809	135,231
Depletion and depreciation	140,404	155,966	198,080
Interest and other financing costs, net	44,147	37,209	45,548
Derivatives, net	48,021	(210,649)	(281,853)
Restructuring charges	—	—	11,742
Other expenses, net	23,116	5,246	2,081
Total costs and expenses	679,919	386,120	304,470
Income (loss) before income taxes	(294,564)	85,436	578,268
Income tax expense (benefit)	(10,784)	155,272	298,898
Net income (loss)	<u>\$(283,780)</u>	<u>\$ (69,836)</u>	<u>\$ 279,370</u>
Net income (loss) per share:			
Basic	<u>\$ (0.74)</u>	<u>\$ (0.18)</u>	<u>\$ 0.73</u>
Diluted	<u>\$ (0.74)</u>	<u>\$ (0.18)</u>	<u>\$ 0.72</u>
Weighted average number of shares used to compute net per share:			
Basic	<u>385,402</u>	<u>382,610</u>	<u>379,195</u>
Diluted	385,402	382,610	386,119

B—Issuer

		Six Months Ended	
		30 June 2017	30 June 2016
		(In thousands, except per share data, unaudited)	
Revenues and other income:			
Oil and gas revenue		\$239,795	\$ 107,631
Gain on sale of assets		—	—
Other income		58,695	178
Total revenues and other income		298,490	107,809
Costs and expenses:			
Oil and gas production		41,490	62,073
Facilities insurance modifications, net		2,572	—
Exploration expenses		125,696	60,260
General and administrative		30,526	37,758
Depletion and depreciation		107,419	48,193
Interest and other financing costs, net		36,251	19,202
Derivatives, net		(63,268)	50,643
Other expenses, net		9,196	14,563
Total costs and expenses		289,882	292,692
Income (loss) before income taxes		8,608	(184,883)
Income tax expense (benefit)		45,916	(17,566)
Net income (loss)		<u>\$ (37,308)</u>	<u>\$(167,317)</u>
Net income (loss) per share:			
Basic		<u>\$ (0.10)</u>	<u>\$ (0.43)</u>
Diluted		<u>\$ (0.10)</u>	<u>\$ (0.43)</u>
Weighted average number of shares used to compute net per share:			
Basic		<u>387,634</u>	<u>384,676</u>
Diluted		<u>387,634</u>	<u>384,676</u>
<p>The summary below presents certain significant changes to Kosmos' financial condition and operating results during the years ending 31 December 2016, 2015 and 2014, and for the unaudited six months ended 30 June 2017, together with the comparative period (30 June 2016).</p> <p><i>Oil and gas revenue.</i> Oil and gas revenue decreased by \$545.5 million as a result of seven cargos sold during the year ended 31 December 2016 as compared to nine cargos during the year ended 31 December 2014, and as a result of a lower realised price per barrel. Oil and gas revenue increased by \$132.2 million as a result of five cargos sold during the six months ended 30 June 2017, compared to three cargos sold during the six months ended 30 June 2016 at a higher average realised price.</p> <p><i>Gain on sale of assets.</i> During the year ended 31 December 2014, Kosmos closed three farm-out agreements with BP, resulting in a gain of \$23.8 million. During the year ended 31 December 2015, Kosmos closed a farm-out agreement with Chevron, resulting in a gain of \$24.7 million.</p> <p><i>Other income.</i> During the year ended 31 December 2016, Kosmos recognised \$74.8 million of loss of production income ("LOPI") proceeds related to the turret bearing issues on the Jubilee FPSO. Other income, net increased by \$58.5 million as Kosmos recognised \$58.7 million of LOPI proceeds, net during the six months ended</p>			

B—Issuer

30 June 2017 related to the turret bearing issue on the Jubilee FPSO compared to no proceeds in the previous period.

Oil and gas production. Oil and gas production costs increased by \$19.2 million during the year ended 31 December 2016 as compared to the year ended 31 December 2014. The 2016 costs were impacted by increased costs associated with the new operating procedures related to the turret bearing issues in the Jubilee Field. Oil and gas production costs decreased by \$20.6 million during the six months ended 30 June 2017, as compared to the six months ended 30 June 2016 as a result of finalised LOPI claim insurance proceeds recognised related to increased costs due to turret issues during the six months ended 30 June 2017 as well as accrual adjustments from the Jubilee and TEN fields operator.

Facilities insurance modifications. During the year ended 31 December 2016, Kosmos incurred \$15.0 million of facilities modification costs associated with the conversion of the FPSO to a permanently spread moored facility which Kosmos expects to substantially recover from its insurance policy.

Exploration expenses. Exploration expenses increased by \$108.8 million during the year ended 31 December 2016, as compared to the year ended 31 December 2014. The increase is primarily a result of \$107.7 million of stacked rig costs in 2016. Exploration expenses increased by \$65.4 million during the six months ended 30 June 2017, as compared to the six months ended 30 June 2016. The increase is primarily a result of a \$48.1 million cancellation payment related to the Atwood Achiever drilling rig contract and an increase of \$25.7 million of stacked rig costs associated with the Atwood Achiever incurred during the six months ended 30 June 2017 as compared with the six months ended 30 June 2016. These increases were partially mitigated by a decrease of \$12.6 million in geological and geophysical costs.

General and administrative. General and administrative costs decreased by \$47.6 million during the year ended 31 December 2016, as compared to the year ended 31 December 2014. The decrease is primarily a result of a decrease in non-cash stock-based compensation and effective cost control. General and administrative costs decreased by \$7.2 million during the six months ended 30 June 2017, as compared with the six months ended 30 June 2016. The decrease is primarily a result of carried costs associated with the BP transactions, accrual adjustments from the Jubilee and TEN fields operator, and to a lesser extent a decrease in non-cash stock-based compensation.

Depletion and depreciation. Depletion and depreciation decreased \$57.7 million during the year ended 31 December 2016, as compared with the year ended 31 December 2014, primarily as a result of depletion recognised related to the sale of seven cargos of oil during 2016, as compared to nine cargos during 31 December 2014. Depletion and depreciation increased \$59.2 million during the six months ended 30 June 2017, as compared with the six months ended 30 June 2016. The increase is primarily a result of depletion recognised related to the sale of five cargos of oil during the six months ended 30 June 2017, as compared to three cargos during the six months ended 30 June 2016.

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Derivatives, net. During the years ended 31 December 2016 and 2014, Kosmos recorded a loss of \$48.0 million and a gain of \$281.9 million, respectively, on its outstanding hedge positions and during the six months ended 30 June 2017 and 2016, Kosmos recorded gain of \$63.3 million and a loss of \$50.6 million, respectively, on its outstanding hedge positions. The gains and losses recorded were a result of changes in the forward curve of oil prices during the respective periods.

Other expenses, net. Other expenses, net increased by \$21.0 million during the year ended 31 December 2016, as compared to the year ended 31 December 2014, primarily as a result of a \$14.9 million inventory write off and \$11.3 million in disputed charges and related costs offset by \$4.0 million of insurance proceeds related to a damaged water injection riser. Other expenses, net decreased \$5.4 million primarily related to a \$15.2 million impairment of inventory recorded during the six months ended 30 June 2016, compared to a \$6.4 million loss recognised on Kosmos' equity method investment in KBSL and arbitration related legal fees recorded during the six months ended 30 June 2017.

Income tax expense (benefit). Kosmos' effective tax rates for the years ended 31 December 2016 and 2014 were a tax benefit of 4% and a tax expense of 52%, respectively and for the six months ended 30 June 2017 and 2016 were 533% and 10%, respectively. The effective tax rates for the periods presented were impacted by losses, primarily related to exploration expenses, incurred in jurisdictions in which Kosmos is not subject to taxes and losses incurred in jurisdictions in which Kosmos has valuation allowances against its deferred tax assets and therefore Kosmos does not realise any tax benefit on such expenses or losses. Income tax expense increased \$63.5 million during the six months ended 30 June 2017, as compared with 30 June 2016, primarily as a result of higher oil revenue in Ghana and mark to market gains on Kosmos' oil derivatives, offset by depletion and depreciation expense associated with TEN production during the period ended 30 June 2017.

Consolidated Balance Sheets Information:

	Six Months Ended	Years Ended 31 December		
	30 June 2017 (unaudited)	2016	2015 ⁽¹⁾⁽²⁾	2014 ⁽¹⁾
		(In thousands)		
Cash and cash equivalents	\$ 162,474	\$ 194,057	\$ 275,004	\$ 554,831
Total current assets	513,475	475,187	734,148	1,010,476
Total property and equipment, net	2,297,425	2,708,892	2,322,839	1,784,846
Total other assets	265,459	157,386	146,063	131,537
Total assets	3,076,359	3,341,465	3,203,050	2,926,859
Total current liabilities	282,340	370,025	456,741	448,771
Total long-term liabilities	1,731,166	1,890,241	1,420,796	1,139,129
Total shareholders' equity	1,062,853	1,081,199	1,325,513	1,338,959
Total liabilities and shareholders' equity	3,076,359	3,341,465	3,203,050	2,926,859

(1) Effective 31 December 2015, Kosmos adopted new guidance on the presentation of debt issuance costs. This guidance was adopted retrospectively and all prior periods have been adjusted to reflect this change in accounting principle.

(2) Effective 31 December 2015, Kosmos adopted new guidance on the presentation of deferred taxes. Kosmos elected to adopt the accounting change using the prospective method. See Note 2 of Notes to the Consolidated Financial Statements.

Consolidated Statements of Cash Flows Information:

	31 December		
	2016 ⁽¹⁾	2015 ⁽¹⁾	2014 ⁽¹⁾
	(In thousands)		
Net cash provided by (used in):			
Operating activities	\$ 52,077	\$ 440,779	\$ 443,586
Investing activities	(537,763)	(796,433)	(368,603)
Financing activities	448,019	79,634	(139,184)

(1) Effective 31 December 2016, Kosmos adopted new guidance on the presentation of restricted cash. This guidance was adopted retrospectively and all prior periods have been adjusted to reflect this change in accounting principle.

	Six Months Ended	
	30 June 2017	30 June 2016 ⁽¹⁾
	(In thousands, unaudited)	
Net cash provided by (used in):		
Operating activities	\$ (17,514)	\$ (24,078)
Investing activities	177,809	(418,109)
Financing activities	(201,945)	323,202

(1) Effective 31 December 2016, Kosmos adopted new guidance on the presentation of restricted cash. This guidance was adopted retrospectively and all prior periods have been adjusted to reflect this change in accounting principle.

Net cash provided by operating activities. Net cash provided by operating activities in 2016 was \$52.1 million compared with net cash provided by operating activities of \$440.8 million in 2015 and \$443.6 million in 2014, respectively. The decrease in cash provided by operating activities in the year ended 31 December 2016 when compared to the same period in 2015 was primarily a result of a

B—Issuer		
		<p>decrease in results from operations driven by lower barrels sold related to the turret bearing issues and lower realized revenue per barrel sold. The decrease in cash provided by operating activities in 2015 when compared to 2014 was primarily as a result of a decrease in results from operations driven by lower realized revenue per barrel sold mitigated by a positive change in working capital items.</p> <p><i>Net cash provided by (used in) investing activities.</i> Net cash used in investing activities in 2016 was \$537.8 million compared with net cash used in investing activities of \$796.4 million in 2015 and \$386.6 million in 2014, respectively. Net cash provided by (used in) investing activities for the six months ended 30 June 2017 was \$177.8 million compared to (\$418.1) million for the six months ended 30 June 2016. The changes in cash provided by (used in) investing activities in is primarily related to exploration and development activity levels during the year. The six months ended 30 June 2017 was impacted by \$222.1 million of proceeds related to the BP transactions.</p> <p><i>Net cash provided by (used in) financing activities.</i> Net cash provided by financing activities in 2016 was \$448.0 million compared with net cash provided by (used in) financing activities of \$79.6 million in 2015 and (\$139.1) million in 2014, respectively. Net cash provided by (used in) financing activities for the six months ended 30 June 2017 was (\$201.9) million compared to \$323.2 million for the six months ended 30 June 2016. The changes in cash provided by (used in) financing activities was primarily a result of borrowings (repayments) under long-term debt.</p> <p>Period subsequent to the period covered by the financial information</p> <p>In the subsequent period starting from 30 June 2017 to the date of this Prospectus, production has remained steady in the Jubilee and the TEN fields. Save as disclosed above, there have not been any other significant changes to Kosmos' financial condition and operating results in the period covered by, and subsequent to, the period covered by the financial information.</p>
B.8	Key pro forma financial information	Not applicable. There is no pro forma financial information contained in this Prospectus.
B.9	Profit forecast	Not applicable. There are no profit forecasts or estimates contained in this Prospectus.
B.10	Qualifications in the audit reports	Not applicable. There are no qualifications in the accountants' report on the historical financial information.
B.11	Insufficient working capital	Not applicable. The Company is of the opinion that it has sufficient working capital for its present requirements, that is, for at least the next 12 months following the date of publication of this Prospectus.
C—Securities		
C.1	Description of class of securities	The Common Shares have an ISIN of BMG5315B1072 and SEDOL BF4S0Z9, and are currently listed on the NYSE under the ticker symbol "KOS". It is expected that the Common Shares will be traded

C—Securities		
		on the main market for listed securities of the London Stock Exchange under the ticker symbol “KOS”. The Common Shares comprise the entire issued share capital of the Company.
C.2	Currency	The Common Shares are denominated in US dollars.
C.3	Shares in issue	As at the Latest Practicable Date, the aggregate par value of the issued and outstanding share capital of the Company is \$3,892,868.90, divided into 389,286,890 Common Shares of \$0.01 each (all of which are fully paid-up).
C.4	Description of the rights attaching to the securities	<p>All Common Shares will rank <i>pari passu</i> in all respects, there being no conversion or exchange rights attaching thereto, and all Common Shares will have equal rights to participate in capital, dividend and profit distributions by the Company.</p> <p>On a show of hands every Shareholder who is present in person and every person holding a valid proxy shall have one vote and on a poll every Shareholder present in person or by proxy shall have one vote per Common Share.</p>
C.5	Restrictions on transfer	Not applicable. The Common Shares are freely transferable and there are no restrictions on transfer.
C.6	Applications for admission to trading on regulated markets	Application will be made for the Common Shares to be admitted to the standard listing segment of the Official List of the FCA and to trading on the London Stock Exchange’s main market for listed securities. The Common Shares are already listed on the NYSE.
C.7	Dividend policy	The Company has never declared or paid any dividends on the Common Shares. The Company currently intends to retain future earnings, if any, for future operations, expansion and debt repayment, if necessary. Therefore, at present, there is no intention to pay dividends and a dividend may never be paid. Any decision to declare and pay dividends will be made at the discretion of the board of directors of the Company (the “ Board ”).

D—Risks		
D.1	Key information on the key risks that are specific to the Issuer or the industry of the Issuer	<p>Kosmos has limited proved reserves and areas that Kosmos decides to drill may not yield oil and natural gas in commercial quantities or quality, or at all.</p> <p>Kosmos faces substantial uncertainties in estimating the characteristics of its unappraised discoveries and its prospects. It is possible that few or none of Kosmos’ wells to be drilled will find accumulations of hydrocarbons in commercial quality or quantity.</p> <p>Drilling wells is speculative, often involving significant costs that may be more than estimated, and may not result in any discoveries or additions to Kosmos’ future production or reserves. Any material inaccuracies in drilling costs, estimates or underlying assumptions will materially affect Kosmos’ business.</p> <p>A substantial or extended decline in both global and local oil and natural gas prices may adversely affect Kosmos’ business, financial condition and results of operations.</p>

D—Risks		
		<p>Under the terms of its various petroleum contracts, Kosmos is contractually obligated to drill wells and declare any discoveries in order to retain exploration and production rights. In the competitive market for its licence areas, failure to drill these wells or declare any discoveries may result in substantial licence renewal costs or loss of its interests in the undeveloped parts of its licence areas, which may include certain of its prospects.</p> <p>Offshore and deepwater operations involve special risks that could adversely affect results of operations as highlighted by the operational issues encountered at the Jubilee Field.</p> <p>Kosmos is not, and may not be in the future, the operator on all of its licence areas and does not, and may not in the future, hold all of the working interests in certain of its licence areas. Therefore, Kosmos may not be able to control the timing of exploration or development efforts, associated costs, or the rate of production of any non-operated and to an extent, any non-wholly owned, assets.</p> <p>Kosmos is subject to drilling and other operational and environmental risks and hazards. These risks are particularly acute in deepwater drilling and exploration and could result in loss of human life, significant damage to property, environmental or natural resource damage, impairment, delay or cessation of Kosmos' operations, lower production rates, adverse publicity, substantial losses and civil or criminal liability.</p> <p>A maritime boundary demarcation dispute between Côte d'Ivoire and Ghana may affect a portion of Kosmos' licence areas offshore Ghana, including some or all of the TEN fields.</p> <p>Kosmos may be exposed to liabilities under the U.S. Foreign Corrupt Practices Act and other anti-corruption laws, and any determination that it violated the U.S. Foreign Corrupt Practices Act or other such laws could have a material adverse effect on its business.</p>
D.3	Key information on the risks specific to the securities	<p>An application has been made for the Common Shares to be admitted to a standard listing on the Official List. A standard listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in a company with a premium listing, which is subject to additional obligations under the Listing Rules.</p> <p>There is currently no UK market for the Common Shares, notwithstanding the Company's intention to be admitted to trading on the London Stock Exchange. A UK market for the Common Shares may not develop, which would adversely affect the liquidity and price of the Common Shares.</p> <p>Upon Admission the Company's shares will be listed on two separate stock markets and investors seeking to take advantage of price differences between such markets may create unexpected volatility in the share price; in addition, investors may not be able to easily move shares for trading between such markets.</p> <p>The bye-laws of the Company (the "Bye-laws") do not contain any rights of pre-emption in favour of existing Shareholders, which means that Shareholders may be diluted if additional shares are issued.</p> <p>Anti-takeover provisions in the Bye-laws might discourage, delay or prevent a change in control of the Company or changes in the board</p>

D—Risks		
		<p>of directors of the Company from time to time (the “Board”) and, therefore, depress the trading price of the Common Shares.</p> <p>The Company does not intend to pay dividends on the Common Shares and, consequently, the only opportunity for investors to achieve a return on their investment is if the price of the Common Shares appreciates.</p>

E—Offer		
E.1	Total net proceeds of the offer and estimated expenses	Not applicable. There is no offer of the Company’s securities.
E.2a	Reasons for the offer and use of proceeds	Not applicable. There is no offer of the Company’s securities.
E.3	Terms and conditions of the offer	Not applicable. There is no offer of the Company’s securities.
E.4	Material interests in the offer	Not applicable. There is no offer of the Company’s securities.
E.5	Name of persons offering to sell the securities/lock up arrangements	Not applicable. There is no offer of the Company’s securities.
E.6	Dilution	Not applicable. There is no offer of the Company’s securities.
E.7	Expenses charged to investors	Not applicable. There are no commissions, fees or expenses to be charged directly to Shareholders in connection with the Admission. The aggregate expenses of, or incidental to, the Admission and to be borne by Kosmos are estimated to be approximately US\$2 million (inclusive of amounts in respect of VAT). Kosmos intends to pay for such expenses out of cash resources.

RISK FACTORS

The risks and uncertainties associated with the Common Shares, the business and the industry in which it operates, described below, together with all other information contained in this Prospectus, should be carefully considered in light of the Admission.

The risks relating to Kosmos, its industry and the Common Shares summarised in the section of this Prospectus headed 'Summary' are the risks that the Directors believe to be the most essential to an assessment of the Common Shares. However, as the risks which Kosmos faces relate to events and depend on circumstances that may or may not occur in the future, you should consider not only the information in the key risks summarised in the section of this Prospectus headed 'Summary' but also, among other things, the risks and uncertainties described below.

The risks and uncertainties described below represent those the Directors consider to be material as at the date of this Prospectus. However, these risks and uncertainties are not the only ones facing Kosmos. Additional risks and uncertainties not presently known to the Directors, or that the Directors currently consider to be immaterial, may individually or cumulatively also materially and adversely affect the business, results of operations, financial condition and/or prospects of Kosmos. If any or a combination of these risks actually occurs, the business, results of operations, financial condition and/or prospects of Kosmos could be materially and adversely affected. In such case, the market price of the Common Shares could decline. You should consider carefully the information in this Prospectus in light of your personal circumstances.

1. Risks Relating to the Oil and Natural Gas Industry and Kosmos' business

Kosmos has limited proved reserves and areas that Kosmos decides to drill may not yield oil and natural gas in commercial quantities or quality, or at all.

Kosmos has limited proved reserves. A portion of Kosmos' oil and natural gas assets consists of discoveries without approved PoDs and with limited well penetrations, as well as identified yet unproven prospects based on available seismic and geological information that indicates the potential presence of hydrocarbons. However, the areas Kosmos decides to drill may not yield oil or natural gas in commercial quantities or quality, or at all. Many of Kosmos' current discoveries and all of Kosmos' prospects are in various stages of evaluation that will require substantial additional analysis and interpretation. Even when properly used and interpreted, 2D and 3D seismic data and visualisation techniques are only tools used to assist geoscientists in identifying subsurface structures and hydrocarbon indicators and do not enable the interpreter to know whether hydrocarbons are, in fact, present in those structures. Accordingly, Kosmos does not know if any discoveries or prospects will contain oil or natural gas in sufficient quantities or quality to recover drilling and completion costs or to be economically viable. Even if oil or natural gas is found on Kosmos' discoveries or prospects in commercial quantities, construction costs of gathering lines, subsea infrastructure and floating production systems and transportation costs may prevent such discoveries or prospects from being economically viable, and approval of PoDs by various regulatory authorities, a necessary step in order to develop a commercial discovery, may not be forthcoming. Additionally, the analogies drawn by using available data from other wells, more fully explored discoveries or producing fields may not prove valid with respect to Kosmos' drilling prospects. Kosmos may terminate its drilling programme for a discovery or prospect if data, information, studies and previous reports indicate that the possible development of a discovery or prospect is not commercially viable and, therefore, does not merit further investment. If a significant number of Kosmos' discoveries or prospects does not prove to be successful, Kosmos' business, financial condition and results of operations will be materially adversely affected.

The deepwater offshore Ghana, an area in which Kosmos focuses a substantial amount of development efforts, has only recently been considered economically viable for hydrocarbon production due to the costs and difficulties involved in drilling for oil at such depths and the relatively recent discovery of commercial quantities of oil in the region. Likewise, Kosmos' deepwater offshore Morocco and Western Sahara, Sao Tome and Principe, Senegal, Suriname and Mauritania licences have not yet proved to be economically viable production areas. Kosmos has limited proved reserves, and may not be successful in developing additional commercially viable production from other discoveries and prospects.

Kosmos faces substantial uncertainties in estimating the characteristics of its unappraised discoveries and its prospects.

This Prospectus provides numerical and other measures of the characteristics of Kosmos' discoveries and prospects. These measures may be incorrect, as the accuracy of these measures is a function of available data, geological interpretation and judgment. To date, a limited number of Kosmos' prospects have been drilled. Any analogies drawn from other wells, discoveries or producing fields may not prove to be accurate indicators of the success of developing proved reserves from Kosmos' discoveries and prospects. Furthermore, Kosmos has no way of evaluating the accuracy of the data from analogue wells or prospects produced by other parties which Kosmos may use.

It is possible that few or none of Kosmos' wells to be drilled will find accumulations of hydrocarbons in commercial quality or quantity. Any significant variance between actual results and Kosmos' assumptions could materially affect the quantities of hydrocarbons attributable to any particular prospect.

Drilling wells is speculative, often involving significant costs that may be more than estimated, and may not result in any discoveries or additions to Kosmos' future production or reserves. Any material inaccuracies in drilling costs, estimates or underlying assumptions will materially affect Kosmos' business.

Exploring for and developing hydrocarbon reserves involves a high degree of technical, operational and financial risk, which precludes definitive statements as to the time required and costs involved in reaching certain objectives. The budgeted costs of planning, drilling, completing and operating wells are often exceeded and can increase significantly when drilling costs rise due to a tightening in the supply of various types of oilfield equipment and related services or unanticipated geologic conditions.

Before a well is spud, Kosmos incurs significant geological and geophysical (seismic) costs, which are incurred whether or not a well eventually produces commercial quantities of hydrocarbons or is drilled at all. Drilling may be unsuccessful for many reasons, including geologic conditions, weather, cost overruns, equipment or trained personnel shortages and mechanical or geological difficulties. Exploratory wells bear a much greater risk of loss than development wells. In the past Kosmos has experienced unsuccessful drilling efforts, having drilled dry holes or wells with sub-commercial quantities of hydrocarbons. Furthermore, the successful drilling of a well does not necessarily result in the commercially viable development of a field or is indicative of the potential for the development of a commercially viable field. A variety of factors, including geologic and market-related, can cause a field to become uneconomic or only marginally economic. A lack of drilling opportunities or projects that cease production may cause Kosmos to incur significant costs associated with an idle rig, particularly if rig slots cannot be contracted out to other parties. Many of Kosmos' prospects that may be developed require significant additional exploration, appraisal and development, regulatory approval and commitments of resources prior to commercial development. In addition, a successful discovery would require significant capital expenditure in order to develop and produce oil and natural gas, even if Kosmos deemed such discovery to be commercially viable. See “—Kosmos' business plan requires substantial additional capital, which it may be unable to raise on acceptable terms or at all in the future, which may in turn limit its ability to develop its exploration, appraisal, development and production activities.” In the areas in which Kosmos operates, there are higher above-ground risks necessitating higher expected returns, the requirement for increased capital expenditures due to a general lack of infrastructure and underdeveloped oil and gas industries, and increased transportation expenses due to geographic remoteness, which either require a single well to be exceptionally productive, or the existence of multiple successful wells, to allow for the development of a commercially viable field. See “—Kosmos' operations may be adversely affected by political and economic circumstances in the countries in which it operates.” Furthermore, if Kosmos' actual drilling and development costs are significantly more than its estimated costs, it may not be able to continue its business operations as proposed and could be forced to modify its plan of operation.

Development drilling may not result in commercially productive quantities of oil and gas reserves.

Kosmos' exploration success has provided major development projects on which it is moving forward, and any future exploration discoveries will also require significant development efforts to bring to production. Kosmos must successfully execute its development projects, including development

drilling, in order to generate future production and cash flow. However, development drilling is not always successful and the profitability of development projects may change over time.

For example, in new development projects available data may not allow complete knowledge of the extent of the reservoir or choice of the best locations for drilling development wells. A development well may be a dry hole or result in non-commercial quantities of hydrocarbons. All costs of development drilling and other development activities are capitalised, even if the activities do not result in commercially productive quantities of hydrocarbon reserves. This puts a property at higher risk for future impairment if commodity prices decrease or operating or development costs increase.

Kosmos' identified drilling locations are scheduled out over several years, making them susceptible to uncertainties that could materially alter the occurrence or timing of their drilling.

Kosmos' management team has identified and scheduled drilling locations on its licence areas over a multi-year period. Its ability to drill and develop these locations depends on a number of factors, including the availability of equipment and capital, approval by block partners and regulators, seasonal conditions, oil prices, assessment of risks, costs and drilling results. The final determination on whether to drill any of these locations will also be dependent upon the above factors as well as, to some degree, the results of Kosmos' drilling activities with respect to its established drilling locations. Because of these uncertainties, Kosmos does not know if the drilling locations identified will be drilled within its expected timeframe or at all or if it will be able economically to produce hydrocarbons from these or any other potential drilling locations. As such, Kosmos' actual drilling activities may be materially different from its current expectations, which could adversely affect its results of operations and financial condition.

A substantial or extended decline in both global and local oil and natural gas prices may adversely affect Kosmos' business, financial condition and results of operations.

The prices that Kosmos will receive for its oil and natural gas will significantly affect its revenue, profitability, access to capital and future growth rate. Historically, the oil and natural gas markets have been volatile and are likely to continue to be volatile in the future. Oil prices have recently experienced significant and sustained declines and are likely to continue to be volatile in the future. The prices that Kosmos will receive for its production and the levels of its production depend on numerous factors. These factors include, but are not limited to, the following:

- changes in supply and demand for oil and natural gas;
- the actions of the Organization of the Petroleum Exporting Countries;
- speculation as to the future price of oil and natural gas and the speculative trading of oil and natural gas futures contracts;
- global economic conditions;
- political and economic conditions, including embargoes in oil-producing countries or affecting other oil-producing activities, particularly in the Middle East, Africa, Russia and Central and South America;
- the continued threat of terrorism and the impact of military and other action, including U.S. military operations in the Middle East;
- the level of global oil and natural gas exploration and production activity;
- the level of global oil inventories and oil refining capacities;
- weather conditions and natural or man-made disasters;
- technological advances affecting energy consumption and production;
- governmental regulations and taxation policies;
- proximity and capacity of transportation facilities;
- the price and availability of competitors' supplies of oil and natural gas; and
- the price, availability or mandated use of alternative fuels.

Lower oil prices may not only reduce Kosmos' revenues but also may limit the amount of oil that it can produce economically. A substantial or extended decline in oil and natural gas prices may materially and adversely affect Kosmos' future business, financial condition, results of operations, liquidity or ability to finance planned capital expenditures.

Under the terms of its various petroleum contracts, Kosmos is contractually obligated to drill wells and declare any discoveries in order to retain exploration and production rights. In the competitive market for its licence areas, failure to drill these wells or declare any discoveries may result in substantial licence renewal costs or loss of its interests in the undeveloped parts of its licence areas, which may include certain of its prospects.

In order to protect its exploration and production rights in its licence areas, Kosmos must meet various drilling and declaration requirements. In general, unless Kosmos makes and declares discoveries within certain time periods specified in its various petroleum agreements and licences, its interests in the undeveloped parts of its licence areas may lapse. Should the prospects Kosmos has identified in this Prospectus under the licence agreements currently in place yield discoveries, Kosmos cannot guarantee that it will not face delays in drilling these prospects or otherwise have to relinquish these prospects. The costs to maintain petroleum contracts over such areas may fluctuate and may increase significantly since the original term, and Kosmos may not be able to renew or extend such petroleum contracts on commercially reasonable terms or at all. Kosmos' actual drilling activities may therefore materially differ from its current expectations, which could adversely affect its business.

Under these petroleum contracts, Kosmos has work commitments to perform exploration and other related activities. Failure to do so may result in loss of the licences. As of the Latest Practicable Date, Kosmos has unfulfilled drilling obligations in its Mauritania petroleum contracts. In certain other petroleum contracts, Kosmos is in the initial exploration phase, some of which have certain obligations that have yet to be fulfilled. Over the course of the next several years, Kosmos may choose to enter into the next phase of those petroleum contracts which are likely to include firm obligations to drill wells. Failure to execute its obligations may result in the incurrence of substantial financial obligations or the loss of the licences.

The exploration period of each of the WCTP and DT petroleum contracts has expired (all other petroleum contracts are in the exploration period). Pursuant to the terms of such petroleum contracts, while Kosmos and its respective block partners have certain rights to negotiate new petroleum contracts with respect to the WCTP Relinquishment Area and DT Relinquishment Area, Kosmos cannot guarantee that it will determine to enter any such new petroleum contracts. For each of its petroleum contracts, Kosmos cannot guarantee that any renewals or extensions will be granted or whether any new agreements will be available on commercially reasonable terms, or, in some cases, at all. For additional detail regarding the status of operations with respect to the various petroleum contracts, please see paragraph 16 of Part VII (*Additional Information*).

Offshore and deepwater operations involve special risks that could adversely affect results of operations as highlighted by the operational issues encountered at the Jubilee Field.

Offshore operations are subject to a variety of operating risks specific to the marine environment, such as capsizing, sinking, collisions and damage or loss to pipeline, subsea or other facilities or from weather conditions and environmental incidents. Kosmos could incur substantial expenses that could reduce or eliminate the funds available for exploration, development or licence acquisitions, or result in loss of equipment and licence interests.

Deepwater exploration generally involves greater operational and financial risks than exploration in shallower waters. Deepwater drilling generally requires more time and more advanced drilling technologies, involving a higher risk of equipment failure and usually higher drilling costs. In addition, there may be production risks of which Kosmos is currently unaware. If Kosmos participates in the development of new subsea infrastructure and uses floating production systems to transport oil from producing wells, these operations may require substantial time for installation or encounter mechanical difficulties and equipment failures that could result in loss of production, significant liabilities, cost overruns or delays. For example, Kosmos has experienced mechanical issues in the Jubilee Field, including failures of its gas and water injection facilities on the FPSO, and is currently working to remediate the turret bearing issues on the FPSO. This resulted in the need to implement new operating and offloading procedures, including the use of tug boats for heading control and a dynamically positioned ("DP") shuttle tanker and storage vessel for offloading. The equipment

downtime caused by these mechanical issues negatively impacted oil production during 2016 and the first half of 2017. Kosmos recovered the economical equivalent of approximately 2.3 million barrels of oil or approximately \$142.9 million in respect of lost production as well as \$24.6 million related to operating costs from insurers for these Jubilee Field production issues.

Kosmos and its partners have determined the preferred long-term solution to the turret bearing issues is to convert the FPSO to a permanently spread moored facility, with offloading through a new deepwater Catenary Anchor Leg Mooring (“CALM”) buoy. The Jubilee turret remediation work is progressing as planned and the FPSO spread-mooring on its current heading was completed in February 2017. This has allowed the tug boats previously required to hold the vessel on a fixed heading to be removed, significantly reducing the complexity of the current operation. The next phase of the remediation work involves modifications to the turret for long-term spread-moored operations. At present, the partnership is evaluating options to select the optimal long-term heading. The partners and the Government of Ghana have agreed on the need to stabilise the turret bearing and a shutdown is being planned in late 2017 to execute this workscope. Planning for the rotation of the vessel and the installation of a deepwater CALM buoy is ongoing and it is anticipated that this work will be executed in two stages in 2018 and 2019, subject to final decisions and government approval. The total shutdown duration, including this year’s stabilisation of the bearing, is not expected to exceed 12 weeks as previously forecast by the operator.

In addition, Kosmos and its Jubilee partners determined that the risers of the FPSO have experienced increased levels of stress compared to their original design basis, which may cause these risers to suffer operational fatigue earlier than originally anticipated. The Jubilee partnership is currently assessing the condition of the risers and, if required, plans for remediation work of this riser issue which may include instrumentation of the risers to assess further operational fatigue or replacement of all or a part of one or more risers. Such remediation efforts may negatively impact oil production, and/or result in additional expenses.

Furthermore, deepwater operations generally, and operations in Africa and South America, in particular, lack the physical and oilfield service infrastructure present in other regions. As a result, a significant amount of time may elapse between a deepwater discovery and the marketing of the associated oil and natural gas, increasing both the financial and operational risks involved with these operations. Because of the lack and high cost of this infrastructure, further discoveries Kosmos may make in Africa and South America may never be economically producible.

In addition, in the event of a well control incident, containment and, potentially, cleanup activities for offshore drilling are costly. The resulting regulatory costs or penalties, and the results of third party lawsuits, as well as associated legal and support expenses, including costs to address negative publicity, could well exceed the actual costs of containment and cleanup. As a result, a well control incident could result in substantial liabilities, and have a significant negative impact on Kosmos’ earnings, cash flows, liquidity, financial position, and stock price.

A maritime boundary demarcation dispute between Côte d’Ivoire and Ghana may affect a portion of Kosmos’ licence areas offshore Ghana, including some or all of the TEN fields.

The historical maritime boundary between Ghana and its western neighbour, the Republic of Côte d’Ivoire, forms the western boundary of the DT Block offshore Ghana. In early 2010, Côte d’Ivoire petitioned the UN to demarcate the Ivorian territorial maritime boundary with Ghana. In response to the petition, Ghana established a Boundary Commission to undertake negotiations with Côte d’Ivoire in an effort to resolve their respective maritime boundary. The Ivorian Government then issued a map in September 2011, which reflected potential petroleum licence areas that overlap with the DT Block. In September 2014, Ghana submitted the matter to arbitration under the United Nations Convention on the Law of the Sea, and in December 2014, the two parties agreed to transfer the dispute to the International Tribunal for the Law of the Sea (“ITLOS”). On 12 January 2015, the ITLOS formed a special chamber to address the maritime boundary dispute.

On 2 March 2015, Côte d’Ivoire applied to the ITLOS for a provisional measures order suspending activities in the disputed area in which the TEN fields is located until the substantive case concerning the border dispute is adjudicated. More specifically, the provisional measures application asked that Ghana be ordered to: (i) suspend all ongoing exploration and exploitation operations in the disputed area; (ii) refrain from granting any authorisations for new exploration and exploitation in the disputed area; (iii) not use any data acquired in the disputed area in any way that would be detrimental to Côte

d'Ivoire; and (iv) take any necessary action for the preservation of the continental shelf, its water, and its underground in the disputed area.

In late April 2015, the Special Chamber of ITLOS issued its order in response to Côte d'Ivoire's provisional measures application. In its order, ITLOS rejected Côte d'Ivoire's requests that Ghana suspend its ongoing exploration and development operations in the disputed area but ordered Ghana to: (i) take all necessary steps to ensure that no new drilling either by Ghana or any entity or person under its control takes place in the disputed area; (ii) take all necessary steps to prevent information resulting from past, ongoing or future exploration activities conducted by Ghana, or with its authorisation, in the disputed area that is not already in the public domain from being used in any way whatsoever to the detriment of Côte d'Ivoire; (iii) carry out strict and continuous monitoring of all activities undertaken by Ghana or with its authorisation in the disputed area with a view to ensuring the prevention of serious harm to the marine environment; (iv) take all necessary steps to prevent serious harm to the marine environment, including the continental shelf and its superjacent waters, in the disputed area and shall cooperate to that end; and (v) pursue cooperation with Côte d'Ivoire and refrain from any unilateral action that might lead to aggravating the dispute. On 11 June 2015, the Ghana Attorney General issued a letter to the DT operator, which confirmed the DT Block partners may (i) continue to drill wells that had been started but not completed prior to the ITLOS order and (ii) carry out completion work on wells that have already been drilled. The TEN fields achieved first oil in the third quarter of 2016. With respect to the Wawa discovery, in April 2016 the Ghana Ministry of Energy approved a request to enlarge the TEN fields and production area subject to continued subsurface and development concept evaluation, along with the requirement to integrate the Wawa discovery into the TEN PoD. Any future drilling activities for the Wawa discovery would be subject to resolution of the ITLOS order.

Kosmos does not know if the maritime boundary dispute will change its and its block partners' rights to undertake further development and production from within its discoveries within such areas. If Côte d'Ivoire is successful in the ITLOS proceeding, Kosmos may lose rights to certain acreage governed by its petroleum contracts for the DT Block, which may potentially include some or all of the TEN fields. Thus, in the event that the ITLOS proceedings result in an unfavourable outcome for Ghana, Kosmos' operations, production and reserves within the TEN areas could be materially impacted. However, Kosmos could have contractual recourse against Ghana under Kosmos' concession agreements if this were to occur, which could limit the effect on Kosmos' and/or the DT Block partners' financial position or profitability.

The inability of one or more third parties who contract with Kosmos to meet their obligations may adversely affect Kosmos' financial results.

Kosmos may be liable for certain costs if third parties who contract with Kosmos are unable to meet their commitments under such agreements. Kosmos is currently exposed to credit risk through joint interest receivables from its block and/or unit partners. If any of its partners in the blocks or unit in which it holds interests is unable to fund their share of the exploration and development expenses, Kosmos may be liable for such costs. In the past, certain of its WCTP and DT Block partners have not paid their share of block costs in the time frame required by the joint operating agreements for these blocks. This has resulted in such party being in default, which in return requires Kosmos and its non-defaulting block partners to pay their proportionate share of the defaulting party's costs during the default period. Should a default not be cured, Kosmos could be required to pay its share of the defaulting party's costs going forward.

In addition, Kosmos contracts with third parties to conduct drilling and related services on its development projects and exploration prospects. Such third parties may not perform the services they provide on schedule or within budget. Furthermore, the drilling equipment, facilities and infrastructure owned and operated by the third parties contracted with is highly complex and subject to malfunction and breakdown. Any malfunctions or breakdowns may be outside Kosmos' control and result in delays, which could be substantial. Any delays in a drilling campaign caused by equipment, facility or equipment malfunction or breakdown could materially increase the costs of drilling and cause an adverse effect on Kosmos' business, financial position and results of operations.

Kosmos' principal exposure to credit risk will be through receivables resulting from the sale of its oil, which is currently sold to an energy marketing company, and to cover its commodity derivatives contracts. The inability or failure of significant customers or counterparties to meet their obligations to Kosmos or their insolvency or liquidation may adversely affect Kosmos' financial results. In addition,

Kosmos' oil and natural gas derivative arrangements expose it to credit risk in the event of non-performance by counterparties. Joint interest receivables arise from Kosmos' block partners. The inability or failure of third parties contracted with to meet their obligations to Kosmos or their insolvency or liquidation may adversely affect Kosmos' financial results. Kosmos is unable to predict sudden changes in creditworthiness or ability to perform. Even if Kosmos does accurately predict sudden changes, its ability to negate the risk may be limited and significant financial losses could be incurred.

The unit partners' respective interests in the Jubilee Unit are subject to redetermination and Kosmos' interests in such unit may decrease as a result.

The interests in and development of the Jubilee Field are governed by the terms of an unitisation and unit operating agreement (the "UUAO"). The parties to the UUAO, the collective interest holders in each of the WCTP and DT Blocks, initially agreed that interests in the Jubilee Unit will be shared equally, with each block deemed to contribute 50% of the area of such unit. The respective interests in the Jubilee Unit were therefore initially determined by the respective interests in such contributed block interests. Pursuant to the terms of the UUAO, the percentage of such contributed interests is subject to a process of redetermination once sufficient development work has been completed in the unit. The initial redetermination process was completed on 14 October 2011. As a result of the initial redetermination process, the tract participation was determined to be 54.4% for the WCTP Block and 45.6% for the DT Block. Kosmos' Unit Interest (participating interest in the Jubilee Unit) was increased from 23.5% to 24.1%. An additional redetermination could occur sometime if requested by a party that holds greater than a 10% interest in the Jubilee Unit. Kosmos cannot guarantee that any redetermination pursuant to the terms of the UUAO will not negatively affect its interests in the Jubilee Unit or that such redetermination will be satisfactorily resolved.

Kosmos is not, and may not be in the future, the operator on all of its licence areas and does not, and may not in the future, hold all of the working interests in certain of its licence areas. Therefore, Kosmos may not be able to control the timing of exploration or development efforts, associated costs, or the rate of production of any non-operated and to an extent, any non-wholly owned, assets.

In carrying out its exploration and development programs, Kosmos has arrangements with respect to existing licence areas and may have agreements with respect to future licence areas that result in a greater proportion of its licence areas being operated by others. Currently, Kosmos is not the Unit Operator on the Jubilee Unit and does not hold operatorship in one of its two blocks offshore Ghana (the DT Block). In addition, the terms of the UUAO governing the unit partners' interests in the Jubilee Unit require certain actions be approved by at least 80% of the unit voting interests and the terms of Kosmos' other current or future licence or venture agreements may require at least the majority of working interests to approve certain actions. As a result, Kosmos may have limited ability to exercise influence over the operations of the discoveries or prospects operated by its block or unit partners, or which are not wholly owned by Kosmos, as the case may be. Dependence on block or unit partners could prevent Kosmos from realising its target returns for those discoveries or prospects. Further, because Kosmos does not have majority ownership in all of its properties, it may not be able to control the timing, or the scope, of exploration or development activities or the amount of capital expenditures and, therefore, may not be able to carry out one of its key business strategies of minimising the cycle time between discovery and initial production. The success and timing of exploration and development activities operated by its block partners will depend on a number of factors that will be largely outside of Kosmos' control, including:

- the timing and amount of capital expenditures;
- the operator's expertise and financial resources;
- approval of other block partners in drilling wells, developing commercial resources or in undertaking other operational objectives;
- the scheduling, pre-design, planning, design and approvals of activities and processes;
- selection of technology; and
- the rate of production of reserves, if any.

This limited ability to exercise control over the operations on some of its licence areas may cause a material adverse effect on Kosmos' financial condition and results of operations.

Kosmos' estimated proved reserves are based on many assumptions that may turn out to be inaccurate. Any significant inaccuracies in these reserve estimates or underlying assumptions will materially affect the quantities and present value of its reserves.

The process of estimating oil and natural gas reserves is technically complex. It requires interpretations of available technical data and many assumptions, including those relating to current and future economic conditions and commodity prices. Any significant inaccuracies in these interpretations or assumptions could materially affect the estimated quantities and present value of reserves shown in this Prospectus. See paragraph 6 of Part I (*Business Overview*) and Schedule II (*Competent Person's Report*) for information about Kosmos' estimated oil and natural gas reserves and the present value of Kosmos' net revenues at a 10% discount rate ("PV-10") and Standardised Measure of discounted future net revenues (as defined herein) as of 31 December 2016.

In order to prepare its estimates, Kosmos must project production rates and the timing of development expenditures. Available geological, geophysical, production and engineering data must also be analysed. The process also requires economic assumptions about matters such as oil and natural gas prices, drilling and operating expenses, capital expenditures, taxes and availability of funds and necessary equipment.

Actual future production, oil and natural gas prices, revenues, taxes, development expenditures, operating expenses and quantities of recoverable oil and natural gas reserves will vary from estimates. Any significant variance could materially affect the estimated quantities and present value of reserves shown in this Prospectus. In addition, Kosmos may adjust estimates of proved reserves to reflect production history, results of exploration and development, prevailing oil and natural gas prices and other factors, many of which are beyond Kosmos' control.

The present value of future net revenues from Kosmos' proved reserves will not necessarily be the same as the current market value of its estimated oil and natural gas reserves.

It should not be assumed that the present value of future net revenues from Kosmos' proved reserves is the current market value of its estimated oil and natural gas reserves. In accordance with the United States Securities and Exchange Commission ("SEC") requirements, Kosmos has based the estimated discounted future net revenues from its proved reserves on the 12-month unweighted arithmetic average of the first-day-of-the-month price for the preceding 12 months, adjusted for an anticipated market premium, without giving effect to derivative transactions. Actual future net revenues from its oil and natural gas assets will be affected by factors such as:

- actual prices received for oil and natural gas;
- actual cost of development and production expenditures;
- derivative transactions;
- the amount and timing of actual production; and
- changes in governmental regulations or taxation.

The timing of both Kosmos' production and its incurrence of expenses in connection with the development and production of oil and natural gas assets will affect the timing and amount of actual future net revenues from proved reserves, and thus their actual present value. In addition, the 10% discount factor used when calculating discounted future net revenues may not be the most appropriate discount factor based on interest rates in effect from time to time and risks associated with Kosmos or the oil and gas industry in general.

Actual future prices and costs may differ materially from those used in the present value estimates included in this Prospectus. If oil prices decline by \$1.00 per Bbl from prices used in calculating such estimates, then the PV-10 and the Standardised Measure as of 31 December 2016 would each decrease by approximately \$28.5 million. Oil prices have recently experienced significant declines. See Part I (*Business Overview*).

Kosmos is dependent on certain members of its management and technical team.

Kosmos' performance and success largely depend on the ability, expertise, judgment and discretion of its management and the ability of its technical team to identify, discover, evaluate and develop reserves. The loss or departure of one or more members of its management and technical team could be detrimental to its future success. Additionally, a significant amount of shares in Kosmos held by members of its management and technical team have vested. There can be no assurance that the management and technical team will remain in place. If any of these officers or other key personnel resigns or becomes unable to continue in their present roles and is not adequately replaced, Kosmos' results of operations and financial condition could be materially adversely affected. Its ability to manage growth, if any, will require Kosmos to continue to train, motivate and manage its employees and to attract, motivate and retain additional qualified personnel. Competition for these types of personnel is intense, and Kosmos may not be successful in attracting, assimilating and retaining the personnel required to grow and operate its business profitably.

Kosmos' business plan requires substantial additional capital, which it may be unable to raise on acceptable terms or at all in the future, which may in turn limit its ability to develop its exploration, appraisal, development and production activities.

Kosmos expects its capital outlays and operating expenditures to be substantial as it expands its operations. Obtaining seismic data, as well as exploration, appraisal, development and production activities, entails considerable costs, and Kosmos may need to raise substantial additional capital through additional debt financing, strategic alliances or future private or public equity offerings if its cash flows from operations, or the timing of income, are not sufficient to cover such costs.

Kosmos' future capital requirements will depend on many factors, including:

- the scope, rate of progress and cost of its exploration, appraisal, development and production activities;
- the success of its exploration, appraisal, development and production activities;
- oil and natural gas prices;
- its ability to locate and acquire hydrocarbon reserves;
- its ability to produce oil or natural gas from those reserves;
- the terms and timing of any drilling and other production-related arrangements that Kosmos may enter into;
- the cost and timing of governmental approvals and/or concessions; and
- the effects of competition by larger companies operating in the oil and gas industry.

Kosmos does not currently have any commitments for future external funding beyond the capacity of its commercial debt facility (the "**Facility**") and revolving credit facility (the "**Corporate Revolver**") and believes that it will not require additional capital to cover its commitments over the next 12 months. Additional financing may not be available on favourable terms, or at all. Even if additional equity securities are successfully sold to raise funds, at such time the ownership percentage of its existing shareholders would be diluted, and new investors may demand rights, preferences or privileges senior to those of existing shareholders. If Kosmos raises additional capital through debt financing, the financing may involve covenants that restrict its business activities. If Kosmos chooses to farm-out interests in its licences, this would dilute its ownership interest subject to the farm-out and any potential value resulting therefrom, and it may lose operating control or influence over such licence areas.

Assuming Kosmos is able to commence exploration, appraisal, development and production activities or successfully exploit its licences during the exploratory term, its interests in its licences (or the development / production area of such licences as they existed at that time, as applicable) could extend beyond the term set for the exploratory phase of the licence to a fixed period or life of production, depending on the jurisdiction. If Kosmos is unable to meet its well commitments and/or declare commerciality of the prospective areas of its licences during this time, Kosmos may be subject to significant potential forfeiture of all or part of the relevant licence interests. If Kosmos is not successful in raising additional capital, Kosmos may be unable to continue its exploration and production activities or successfully exploit its licence areas, and Kosmos may lose the rights to

develop these areas. See “—Under the terms of its various petroleum contracts, Kosmos is contractually obligated to drill wells and declare any discoveries in order to retain exploration and production rights. In the competitive market for its licence areas, failure to drill these wells or declare any discoveries may result in substantial licence renewal costs or loss of its interests in the undeveloped parts of its licence areas, which may include certain of its prospects.”

All of Kosmos’ proved reserves, oil production and cash flows from operations are currently associated with its licences offshore Ghana. Should any event occur which adversely affects such proved reserves, oil production and cash flows from these licences, including, without limitation, the issues detailed in the risk factors “—Offshore and deepwater operations involve special risks, that could adversely affect results of operations as highlighted by the operational issues encountered at the Jubilee Field.”, “—A maritime boundary demarcation dispute between Côte d’Ivoire and Ghana may affect a portion of Kosmos’ licence areas offshore Ghana, including some or all of the TEN fields.” and any other event resulting from the risks and uncertainties outlined in this “Risk Factors” section, its business, financial condition, results of operations, liquidity or ability to finance planned capital expenditures may be materially and adversely affected. For the avoidance of doubt, this risk factor does not seek to qualify the working capital statement made by Kosmos in paragraph 19 of Part VII (*Additional Information*).

Kosmos may be required to take write-downs of the carrying values of its oil and natural gas assets as a result of decreases in oil and natural gas prices, and such decreases could result in reduced availability under the Corporate Revolver and the Facility.

Kosmos capitalises costs to acquire, find and develop its oil and natural gas properties under the successful efforts accounting method. Under such method, Kosmos is required to perform impairment tests on its assets periodically and whenever events or changes in circumstances warrant a review of its assets. Based on specific market factors and circumstances at the time of prospective impairment reviews, and the continuing evaluation of appraisal and development plans, production data, oil and natural gas prices, economics and other factors, Kosmos may be required to write down the carrying value of its oil and natural gas assets. A write-down constitutes a non-cash charge to earnings. As a result of the recent drop in oil and natural gas prices, Kosmos may incur future write-downs and charges should prices remain at low levels.

In addition, Kosmos’ borrowing base under the Facility is subject to periodic redeterminations. Kosmos could be forced to repay a portion of its borrowings under the Facility due to redeterminations of its borrowing base. Redeterminations may occur as a result of a variety of factors, including oil and natural gas commodity price assumptions, assumptions regarding future production from its oil and natural gas assets, operating costs and tax burdens or assumptions concerning its future holdings of proved reserves. If Kosmos is forced to do so, it may not have sufficient funds to make such repayments. If it does not have sufficient funds and is otherwise unable to negotiate renewals of its borrowings or arrange new financing, Kosmos may have to sell significant assets. Any such sale could have a material adverse effect on its business and financial results.

Kosmos may not be able to commercialise its interests in any natural gas produced from its licence areas.

The development of the market for natural gas in Kosmos’ licence areas is in its early stages. Currently the infrastructure to transport and process natural gas on commercial terms is limited and the expenses associated with constructing such infrastructure by Kosmos itself may not be commercially viable given local prices currently paid for natural gas. Accordingly, there may be limited or no value derived from any natural gas produced from Kosmos’ licence areas.

In Ghana, Kosmos currently produces associated gas from the Jubilee and TEN Fields. A gas pipeline from the Jubilee Field has been constructed to transport such natural gas for processing and sale. However, Kosmos granted the first 200 Bcf of natural gas from the Jubilee Phase 1 to Ghana at no cost. Through 30 June 2017, Ghana has received approximately 58 Bcf. Thus, in Ghana, even if additional infrastructure was in place for natural gas processing and sales, it would still be quite some time before Kosmos would be able to commercialise its Ghana natural gas. As a result, Kosmos does not have proved gas reserves associated with future natural gas sales from Jubilee Field in Ghana. A gas pipeline from the TEN fields to the Jubilee Field was completed in Q1 2017 to transport associated natural gas as well as non-associated natural gas for processing and sale. However,

Kosmos is still finalising a gas sales agreement. As a result, it does not have proved gas reserves associated with future natural gas sales from the TEN fields in Ghana.

In Mauritania and Senegal, Kosmos plans to export the majority of its gas resource to the liquefied natural gas (“LNG”) market. However, that plan is contingent on making a final investment decision on its gas discoveries and constructing the necessary infrastructure to produce, liquefy and transport the gas to the market as well as finding an LNG purchaser. Additionally, such plans are also contingent upon receipt of required government approvals, including prior approval by the Governments of both Senegal and Mauritania of the Intergovernmental Cooperation Agreement (“ICA”) which underpins fundamental commercial and legal assurances that are necessary to proceed with the cross-border unitization of the Greater Tortue Area. There is no certainty concerning if or when the ICA will be concluded.

Kosmos’ inability to access appropriate equipment and infrastructure in a timely manner may hinder its access to oil and natural gas markets or delay its oil and natural gas production.

Kosmos’ ability to market its oil and natural gas production will depend substantially on the availability and capacity of processing facilities, oil or LNG tankers and other infrastructure, including FPSOs or gas liquefaction vessels, owned and operated by third parties. Its failure to obtain such facilities on acceptable terms could materially harm its business. Kosmos also relies on continuing access to drilling rigs suitable for the environment in which it operates. The delivery of drilling rigs may be delayed or cancelled, and Kosmos may not be able to gain continued access to suitable rigs in the future. Kosmos may be required to shut in oil wells because of the absence of a market or because access to processing facilities may be limited or unavailable. If that were to occur, then it would be unable to realise revenue from those wells until arrangements were made to deliver the production to market, which could cause a material adverse effect on Kosmos’ financial condition and results of operations. In addition, the shutting in of wells can lead to mechanical problems upon bringing the production back on line, potentially resulting in decreased production and increased remediation costs.

Additionally, the future exploitation and sale of associated and non-associated natural gas and liquids and LNG will be subject to timely commercial processing and marketing of these products, which depends on the contracting, financing, building and operating of infrastructure by third parties. The Government of Ghana completed the construction and connection of a gas pipeline from the Jubilee Field and the pipeline between the Jubilee and TEN fields to transport such natural gas to the mainland for processing and sale was completed in Q1 2017. However, the uptime of the facility in future periods is not known. In the absence of the continuous removal of large quantities of natural gas it is anticipated that Kosmos will need to flare such natural gas in order to maintain crude oil production. Currently, Kosmos has a limited permit from the Ghana Environmental Protection Agency to flare natural gas produced from the Jubilee Field. If Kosmos is unable to resolve potential issues related to the continuous removal of associated natural gas in large quantities, its oil production will be negatively impacted.

Kosmos is subject to numerous risks inherent to the exploration and production of oil and natural gas.

Oil and natural gas exploration and production activities involve many risks that a combination of experience, knowledge and interpretation may not be able to overcome. Kosmos’ future will depend on the success of its exploration and production activities and on the development of an infrastructure that will allow it to take advantage of its discoveries. Additionally, many of Kosmos’ licence areas are located in deepwater, which generally increases the capital and operating costs, chances of delay, planning time, technical challenges and risks associated with oil and natural gas exploration and production activities. As a result, its oil and natural gas exploration and production activities are subject to numerous risks, including the risk that drilling will not result in commercially viable oil and natural gas production. Decisions to purchase, explore or develop discoveries, prospects or licences will depend in part on the evaluation of seismic data through geophysical and geological analyses, production data and engineering studies, the results of which are often inconclusive or subject to varying interpretations.

Furthermore, the marketability of expected oil and natural gas production from Kosmos’ discoveries and prospects will also be affected by numerous factors. These factors include, but are not limited to, market fluctuations of prices (such as recent significant declines in oil and LNG prices), proximity, capacity and availability of drilling rigs and related equipment, qualified personnel and support vessels,

processing and liquefaction facilities, transportation vehicles and pipelines, equipment availability, access to markets and government regulations (including, without limitation, regulations relating to prices, taxes, royalties, allowable production, domestic supply requirements, importing and exporting of oil and natural gas, the ability to flare or vent natural gas, environmental protection and climate change). The effect of these factors, individually or jointly, may result in Kosmos not receiving an adequate return on invested capital. In the event that its currently undeveloped discoveries and prospects are developed and become operational, they may not produce oil and natural gas in commercial quantities or at the costs anticipated, and Kosmos' projects may cease production, in part or entirely, in certain circumstances. Discoveries may become uneconomic as a result of an increase in operating costs to produce oil and natural gas. Actual operating costs and rates of production may differ materially from Kosmos' current estimates. Moreover, it is possible that other developments, such as increasingly strict environmental, climate change, health and safety laws and regulations and enforcement policies thereunder and claims for damages to property or persons resulting from its operations, could result in substantial costs and liabilities, delays, an inability to complete the development of its discoveries or the abandonment of such discoveries, which could cause a material adverse effect on Kosmos' financial condition and results of operations.

Kosmos is subject to drilling and other operational and environmental risks and hazards.

The oil and natural gas business involves a variety of risks, including, but not limited to:

- fires, blowouts, spills, cratering and explosions;
- mechanical and equipment problems, including unforeseen engineering complications. For example, following a February 2016 inspection of the turret area of the Jubilee Field FPSO, by SOFEC, Inc., the original turret manufacturer, an issue was identified with the turret bearing. As a precautionary measure, additional operating procedures to monitor the turret bearing and reduce the degree of rotation of the vessel have been put in place until this situation has been remediated;
- uncontrolled flows or leaks of oil, well fluids, natural gas, brine, toxic gas or other pollutants or hazardous materials;
- gas flaring operations;
- marine hazards with respect to offshore operations;
- formations with abnormal pressures;
- pollution, environmental risks, and geological problems; and
- weather conditions and natural or man-made disasters.

These risks are particularly acute in deepwater drilling and exploration. Any of these events could result in loss of human life, significant damage to property, environmental or natural resource damage, impairment, delay or cessation of Kosmos' operations, lower production rates, adverse publicity, substantial losses and civil or criminal liability. Kosmos expects to maintain insurance against some, but not all, of these risks and losses. The occurrence of any of these events, whether or not covered by insurance, could have a material adverse effect on Kosmos' financial position and results of operations.

The development schedule of oil and natural gas projects, including the availability and cost of drilling rigs, equipment, supplies, personnel and oilfield services, is subject to delays and cost overruns.

Historically, some development projects in the oil and natural gas industry have experienced delays and capital cost increases and overruns due to, among other factors, the unavailability or high cost of drilling rigs and other essential equipment, supplies, personnel and oilfield services, as well as mechanical and technical issues. The cost to develop projects has not been fixed and remains dependent upon a number of factors, including the completion of detailed cost estimates and final engineering, contracting and procurement costs and host government and partner cooperation. Construction and operation schedules may not proceed as planned and may experience delays or cost overruns. While Kosmos has not experienced material delays or capital cost increases and overruns in the past, it cannot guarantee that such issues will not occur in future. Any delays may

increase the costs of the projects, requiring additional capital, and such capital may not be available in a timely and cost-effective fashion.

Kosmos has had disagreements with the Republic of Ghana and the Ghana National Petroleum Corporation regarding certain of its rights and responsibilities under the WCTP and DT Petroleum Agreements.

Multiple discovered fields and all of Kosmos' proved reserves are located offshore Ghana. The WCTP petroleum contract, the DT petroleum contract and the UUOA cover the two blocks and the Jubilee and TEN fields that form the basis of Kosmos' current operations in Ghana. Pursuant to these petroleum contracts, most significant decisions, including plans for development and annual work programmes, must be approved by the Ghana National Petroleum Corporation ("GNPC"), the Petroleum Commission (Ghana) and/or Ghana's Ministry of Energy. Kosmos has previously had disagreements with the Ministry of Energy and GNPC regarding certain of its rights and responsibilities under these petroleum contracts, the 1984 Ghanaian Petroleum Law and the Internal Revenue Act, 2000 (Act 592) (the "**Ghanaian Tax Law**"). These included disagreements over sharing information with prospective purchasers of Kosmos' interests, pledging its interests to finance its development activities, potential liabilities arising from discharges of small quantities of drilling fluids into Ghanaian territorial waters, the failure to approve the proposed sale of its Ghanaian assets, assertions that could be read to give rise to taxes payable under the Ghanaian Tax Law, failure to approve PoDs relating to certain discoveries offshore Ghana and the relinquishment of certain exploration areas on its licensed blocks offshore Ghana. The resolution of certain of these disagreements required Kosmos to pay agreed settlement costs to GNPC and/or the Government of Ghana.

There can be no assurance that future disagreements will not arise with any host government and/or national oil companies that may have a material adverse effect on Kosmos' exploration or development activities, its ability to operate, its rights under its licences and local laws or its rights to monetise its interests.

The geographic locations of its licences in Africa and South America subject Kosmos to an increased risk of loss of revenue or curtailment of production from factors specifically affecting those areas.

Kosmos' current exploration licences are located in Africa and South America. Some or all of these licences could be affected should any region experiencing any of the following factors (among others):

- severe weather, natural or man-made disasters or acts of God;
- delays or decreases in production, the availability of equipment, facilities, personnel or services;
- delays or decreases in the availability of capacity to transport, gather or process production;
- military conflicts or civil unrest; and/or
- international border disputes (see, for example, "—A maritime boundary demarcation dispute between Côte d'Ivoire and Ghana may affect a portion of Kosmos' licence areas offshore Ghana, including some or all of the TEN fields.").

For example, oil and natural gas operations in Kosmos' licence areas in Africa and South America may be subject to higher political and security risks than those operations under the sovereignty of the United States. Kosmos plans to maintain insurance coverage for only a portion of the risks faced from doing business in these regions. There also may be certain risks covered by insurance where the policy does not reimburse for all of the costs related to a loss.

Further, as many of Kosmos' licences are concentrated in the same geographic area, a number of licences could experience the same conditions at the same time, resulting in a relatively greater impact on results of operations than they might have on other companies that have a more diversified portfolio of licences.

Kosmos' operations may be adversely affected by political and economic circumstances in the countries in which it operates.

Oil and natural gas exploration, development and production activities are subject to political and economic uncertainties (including but not limited to changes in energy policies or the personnel

administering them), changes in laws and policies governing operations of foreign-based companies, expropriation of property, cancellation or modification of contract rights, revocation of consents or approvals, obtaining various approvals from regulators, foreign exchange restrictions, currency fluctuations, royalty increases and other risks arising out of foreign governmental sovereignty, as well as risks of loss due to civil strife, acts of war, guerrilla activities, terrorism, acts of sabotage, territorial (including maritime boundary) disputes and insurrection. In addition, Kosmos is subject both to uncertainties in the application of the tax laws in the countries in which it operates and to possible changes in such tax laws (or the application thereof), each of which could result in an increase in its tax liabilities. These risks may be higher in the developing countries in which Kosmos conducts a majority of its activities.

Kosmos' operations in these areas increase its exposure to risks of war, local economic conditions, political disruption, civil disturbance, expropriation, piracy, tribal conflicts and governmental policies that may:

- disrupt its operations;
- require Kosmos to incur greater costs for security;
- restrict the movement of funds or limit repatriation of profits;
- lead to U.S. government or international sanctions; or
- limit access to markets for periods of time.

Some countries in the geographic areas where Kosmos operates have experienced political instability in the past or are currently experiencing instability. Disruptions may occur in the future, and losses caused by these disruptions may occur that will not be covered by insurance. Consequently, Kosmos' exploration, development and production activities may be substantially affected by factors which could have a material adverse effect on Kosmos' results of operations and financial condition. Furthermore, in the event of a dispute arising from non-U.S. operations, Kosmos may be subject to the exclusive jurisdiction of courts outside the United States or may not be successful in subjecting non-U.S. persons to the jurisdiction of courts in the United States, which could adversely affect the outcome of such dispute.

Kosmos' operations may also be adversely affected by laws and policies of the jurisdictions, including the jurisdictions where its oil and gas operating activities are located as well as the United States, the United Kingdom, Bermuda and the Cayman Islands and other jurisdictions in which it does business, that affect foreign trade and taxation. Changes in any of these laws or policies or the implementation thereof could materially and adversely affect Kosmos' financial position, results of operations and cash flows.

A portion of Kosmos' asset portfolio is in Western Sahara, and could be adversely affected by the political, economic and military conditions in that region. Its exploration licences in this region conflict with exploration licences issued by the Sahrawi Arab Democratic Republic ("SADR").

Morocco claims the territory of Western Sahara, where the Boujdour Maritime block is geographically located, as part of the Kingdom of Morocco, and it has *de facto* administrative control of approximately 80% of Western Sahara. However, Western Sahara is on the United Nations (the "UN") list of Non-Self-Governing territories, and the territory's sovereignty has been in dispute since 1975. The Polisario Front, representing the SADR, has a conflicting claim of sovereignty over Western Sahara. No countries have formally recognised Morocco's claim to Western Sahara, although some countries implicitly support Morocco's position. Other countries have formally recognised the SADR, but the UN has not. An UN-administered cease-fire has been in place since 1991, and while there have been intermittent UN-sponsored talks, between Morocco and SADR (represented by the Polisario Front), the dispute remains stalemated. It is uncertain when and how Western Sahara's sovereignty issues will be resolved.

Kosmos owns a 55% participating interest in the Boujdour Maritime block located geographically offshore Western Sahara. Its licence was granted by the government of Morocco; however, the SADR has issued its own offshore exploration licences which, in some areas, conflict with Kosmos' licences. As a result of SADR's conflicting claim of rights to oil and natural gas licences granted by Morocco, and the SADR's claims that Morocco's exploitation of Western Sahara's natural resources violates

international law, Kosmos' interests could decrease in value or be lost. Any political instability, terrorism, changes in government, or escalation in hostilities involving the SADR, Morocco or neighbouring states could adversely affect Kosmos' operations and assets. In addition, Morocco has recently experienced political and social disturbances that could affect its legal and administrative institutions. A change in U.S. foreign policy or the policies of other countries regarding Western Sahara could also adversely affect its operations and assets. Kosmos is not insured against political or terrorism risks because management deems the premium costs of such insurance currently to be prohibitively expensive relative to the limited coverage provided thereby.

Furthermore, various activist groups have mounted public relations campaigns to force companies to cease and divest operations in Western Sahara, and Kosmos could come under similar public pressure. Some investors have refused to invest in companies with operations in Western Sahara, and Kosmos could be subject to similar pressure. Any of these factors could have a negative impact on Kosmos' share price and a material adverse effect on Kosmos' results of operations and financial condition.

The oil and gas industry, including the acquisition of exploratory licences, is intensely competitive and many of Kosmos' competitors possess and employ substantially greater resources.

The international oil and gas industry is highly competitive in all aspects, including the exploration for, and the development of, new licence areas. Kosmos operates in a highly competitive environment for acquiring exploratory licences and hiring and retaining trained personnel. Many of Kosmos' competitors possess and employ substantially greater financial, technical and personnel resources, which can be particularly important in the areas in which Kosmos operates. These companies may be better able to withstand the financial pressures of unsuccessful drilling efforts, sustained periods of volatility in financial markets and generally adverse global and industry-wide economic conditions, and may be better able to absorb the burdens resulting from changes in relevant laws and regulations, which could adversely affect Kosmos' competitive position. Kosmos' ability to acquire additional prospects and to find and develop reserves in the future will depend on its ability to evaluate and select suitable licences and to consummate transactions in a highly competitive environment. Also, there is substantial competition for available capital for investment in the oil and gas industry. As a result of these and other factors, Kosmos may not be able to compete successfully in an intensely competitive industry, which could cause a material adverse effect on its results of operations and financial condition.

Participants in the oil and gas industry are subject to numerous laws that can affect the cost, manner or feasibility of doing business.

Exploration and production activities in the oil and gas industry are subject to local laws and regulations. Kosmos may be required to make large expenditures to comply with governmental laws and regulations, particularly in respect of the following matters:

- licences for drilling operations;
- tax increases, including retroactive claims;
- unitisation of oil accumulations;
- local content requirements (including the mandatory use of local partners and vendors); and
- environmental requirements, liabilities and obligations, including those related to remediation, investigation or permitting.

Under these and other laws and regulations, Kosmos could be liable for personal injuries, property damage and other types of damages. Failure to comply with these laws and regulations also may result in the suspension or termination of Kosmos' operations and subject Kosmos to administrative, civil and criminal penalties. Moreover, these laws and regulations could change, or their interpretations could change, in ways that could substantially increase Kosmos' costs. These risks may be higher in the developing countries in which Kosmos conducts a majority of its operations, where there could be a lack of clarity or lack of consistency in the application of these laws and regulations. Any resulting liabilities, penalties, suspensions or terminations could have a material adverse effect on Kosmos' financial condition and results of operations.

For example, Ghana's Parliament has enacted the Petroleum Revenue Management Act and the 2016 Ghanaian Petroleum Law. There can be no assurance that these laws will not seek retroactively, either on their face or as interpreted, to modify the terms of the agreements governing Kosmos' licence interests in Ghana, including the WCTP and DT petroleum contracts and the UUOA, require governmental approval for transactions that effect a direct or indirect change of control of its licence interests or otherwise affect Kosmos' current and future operations in Ghana. Any such changes may have a material adverse effect on Kosmos' business. Kosmos also cannot guarantee that government approval will not be needed for direct or indirect transfers of its petroleum agreements or interests thereunder based on existing legislation. See Part I (*Business Overview*).

Kosmos is subject to numerous environmental, health and safety laws and regulations which may result in material liabilities and costs.

Kosmos is subject to various international, foreign, federal, state and local environmental, health and safety laws and regulations governing, among other things, the emission and discharge of pollutants into the ground, air or water, the generation, storage, handling, use, transportation and disposal of regulated materials and the health and safety of its employees. Kosmos is required to obtain environmental permits from governmental authorities for its operations, including drilling permits for its wells. Kosmos has not been or may not be at all times in complete compliance with these permits and laws and regulations to which Kosmos is subject, and there is a risk such requirements could change in the future or become more stringent. If Kosmos violates or fails to comply with such requirements, it could be fined or otherwise sanctioned by regulators, including through the revocation of its permits or the suspension or termination of its operations. If Kosmos fails to obtain, maintain or renew permits in a timely manner or at all (due to opposition from partners, community or environmental interest groups, governmental delays or other reasons), or if Kosmos faces additional requirements imposed as a result of changes in or enactment of laws or regulations, such failure to obtain, maintain or renew permits or such changes in or enactment of laws or regulations could impede or affect its operations, which could have a material adverse effect on its results of operations and financial condition.

Kosmos, as an interest owner or as the designated operator of certain of its past, current and future interests, discoveries and prospects, could be held liable for some or all environmental, health and safety costs and liabilities arising out of its actions and omissions as well as those of its block partners, third-party contractors, predecessors or other operators. To the extent Kosmos does not address these costs and liabilities or if Kosmos does not otherwise satisfy its obligations, its operations could be suspended or terminated. Kosmos has contracted with and intends to continue to hire third parties to perform services related to its operations. There is a risk that Kosmos may contract with third parties with unsatisfactory environmental, health or safety records or that its contractors may be unwilling or unable to cover any losses associated with their acts and omissions. Accordingly, Kosmos could be held liable for all costs and liabilities arising out of their acts or omissions, which could have a material adverse effect on Kosmos' results of operations and financial condition.

Kosmos is not fully insured against all risks and its insurance may not cover any or all environmental, health or safety claims that might arise from its operations or at any of its licence areas. If a significant accident or other event occurs and is not covered by insurance, such accident or event could have a material adverse effect on Kosmos' results of operations and financial condition.

Releases of regulated substances may occur and can be significant. Under certain environmental laws, Kosmos could be held responsible for all of the costs relating to any contamination at its current or former facilities and at any third-party waste disposal sites used by Kosmos or on its behalf. In addition, offshore oil and natural gas exploration and production involves various hazards, including human exposure to regulated substances, which include naturally occurring radioactive, and other materials. As such, Kosmos could be held liable for any and all consequences arising out of human exposure to such substances or for other damage resulting from the release of any regulated or otherwise hazardous substances to the environment, property or to natural resources, or affecting endangered species.

In addition, Kosmos expects continued and increasing attention to climate change issues and emissions of greenhouse gases ("GHGs"), including methane (a primary component of natural gas) and carbon dioxide (a by-product of oil and natural gas combustion). For example, in April 2016, 195 nations, including Ghana, Mauritania, Morocco, Sao Tome and Principe, Senegal, Suriname and the U.S., signed and officially entered into an international climate change accord (the "**Paris**

Agreement”). The Paris Agreement calls for signatory countries to set their own GHG emissions targets, make these emissions targets more stringent over time and be transparent about the GHG emissions reporting and the measures each country will use to achieve its GHG targets. A long-term goal of the Paris Agreement is to limit global temperature increase to well below two degrees Celsius from temperatures in the pre-industrial era. The Paris Agreement is in effect a successor to the Kyoto Protocol, an international treaty aimed at reducing emissions of GHGs, to which various countries and regions, including Ghana, Mauritania, Morocco, Sao Tome and Principe, Senegal and Suriname, are parties. The Kyoto Protocol has been extended by amendment until 2020. It cannot be determined at this time what effect the Paris Agreement, and any related GHG emissions targets, regulations or other requirements, will have on Kosmos’ business, results of operations and financial condition. It also cannot be determined what effect the U.S. withdrawal from the Paris Agreement and any replacement agreement proposed by the Trump administration will have on Kosmos, which may cause regulatory uncertainty and disruption to Kosmos’ business or operations. The physical impacts of climate change in the areas in which Kosmos’ assets are located or in which Kosmos otherwise operates, including through increased severity and frequency of storms, floods and other weather events, could adversely impact its operations or disrupt transportation or other process-related services provided by its third-party contractors.

Environmental, health and safety laws are complex, change frequently and have tended to become increasingly stringent over time. Kosmos’ costs of complying with current and future climate change, environmental, health and safety laws, the actions or omissions of its block partners and third-party contractors and its liabilities arising from releases of, or exposure to, regulated substances may adversely affect its results of operations and financial condition. See Part I (*Business Overview*) for more information.

Kosmos faces various risks associated with increased activism against oil and gas exploration and development activities.

Opposition toward oil and gas drilling and development activity has been growing globally. Companies in the oil and gas industry are often the target of activist efforts from both individuals and non-governmental organisations regarding safety, human rights, environmental matters, sustainability, and business practices. Anti-development activists are working, among other things, to delay or cancel certain operations such as offshore drilling and development.

Future activist efforts could result in the following:

- delay or denial of drilling permits;
- shortening of lease terms or reduction in lease size;
- restrictions or delays on Kosmos’ ability to obtain additional seismic data;
- restrictions on installation or operation of gathering or processing facilities;
- restrictions on the use of certain operating practices;
- legal challenges or lawsuits;
- damaging publicity about Kosmos;
- increased regulation;
- increased costs of doing business;
- reduction in demand for Kosmos’ products; and
- other adverse effects on Kosmos’ ability to develop its properties.

Activism worldwide may increase if the Trump administration in the U.S. is perceived to be following, or actually follows, through on President Trump’s campaign commitments to promote increased fossil fuel exploration and production in the U.S. Kosmos’ need to incur costs associated with responding to these initiatives or complying with any resulting new legal or regulatory requirements resulting from these activities that are substantial and not adequately provided for, could have a material adverse effect on its business, financial condition and results of operations.

Kosmos may be exposed to liabilities under the U.S. Foreign Corrupt Practices Act and other anti-corruption laws, and any determination that it violated the U.S. Foreign Corrupt Practices Act or other such laws could have a material adverse effect on its business.

Kosmos is subject to the U.S. Foreign Corrupt Practices Act of 1977 (“FCPA”) and other laws that prohibit improper payments or offers of payments to foreign government officials and political parties for the purpose of obtaining or retaining business or otherwise securing an improper business advantage. In addition, the United Kingdom has enacted the Bribery Act 2010, and Kosmos may be subject to that legislation under certain circumstances. Kosmos does business and may do additional business in the future in countries and regions in which Kosmos may face, directly or indirectly, corrupt demands by officials. Kosmos faces the risk of unauthorised payments or offers of payments by one of its employees, contractors or consultants. Kosmos’ existing safeguards and any future improvements may prove to be less than effective in preventing such unauthorised payments, and its employees and consultants may engage in conduct for which it might be held responsible. Violations of the FCPA may result in severe criminal or civil sanctions, and Kosmos may be subject to other liabilities, which could negatively affect its business, operating results and financial condition. In addition, the U.S. government may seek to hold Kosmos liable for successor liability for FCPA violations committed by companies in which it invests (for example, by way of acquiring equity interests in, participating as a joint venture partner with, acquiring the assets of, or entering into certain commercial transactions with) or that it acquires.

Deterioration in the credit or equity markets could adversely affect Kosmos.

Kosmos has exposure to different counterparties. For example, Kosmos has entered or may enter into transactions with counterparties in the financial services industry, including commercial banks, investment banks, insurance companies, investment funds, and other institutions. These transactions expose Kosmos to credit risk in the event of default by its counterparty. Deterioration in the credit markets may impact the credit ratings of Kosmos’ current and potential counterparties and affect their ability to fulfil existing obligations to Kosmos and their willingness to enter into future transactions with it. Kosmos may have exposure to these financial institutions through any derivative transactions Kosmos has or may enter into. Moreover, to the extent that purchasers of its future production, if any, rely on access to the credit or equity markets to fund their operations, there is a risk that those purchasers could default in their contractual obligations to Kosmos if such purchasers were unable to access the credit or equity markets for an extended period of time.

Kosmos may incur substantial losses and become subject to liability claims as a result of future oil and natural gas operations, for which Kosmos may not have adequate insurance coverage.

Kosmos intends to maintain insurance against certain risks in the operation of the business it plans to develop and in amounts in which it believes to be reasonable. Such insurance, however, may contain exclusions and limitations on coverage or may not be available at a reasonable cost or at all. For example, Kosmos is not insured against political or terrorism risks. Kosmos may elect not to obtain insurance if it believes that the cost of available insurance is excessive relative to the risks presented. Losses and liabilities arising from uninsured and underinsured events could materially and adversely affect Kosmos’ business, financial condition and results of operations. Further, even in instances where Kosmos maintains adequate insurance coverage, potential delays related to receipt of insurance proceeds as well as delays associated with the repair or rebuilding of damaged facilities could also materially and adversely affect its business, financial condition and results of operations.

Kosmos operates in a litigious environment.

Some of the jurisdictions within which Kosmos operates have proven to be litigious environments. Oil and gas companies can be involved in various legal proceedings, such as title or contractual disputes, in the ordinary course of business.

From time to time, Kosmos may become involved in various legal and regulatory proceedings arising in the normal course of business. The occurrence or outcome of these proceedings cannot be predicted with certainty, and if Kosmos is unsuccessful in these disputes and any loss exceeds its available insurance, this could have a material adverse effect on its results of operations.

Because Kosmos maintains a diversified portfolio of assets overseas, the complexity and types of legal procedures with which Kosmos may become involved may vary, and it could incur significant legal and support expenses in different jurisdictions. If Kosmos is not able to successfully defend itself, there could be a delay or even halt in its exploration, development or production activities or other business plans, resulting in a reduction in reserves, loss of production and reduced cash flows. Legal proceedings could result in a substantial liability and/or negative publicity about Kosmos and adversely affect the price of the Common Shares. In addition, legal proceedings distract management and other personnel from their primary responsibilities.

Kosmos faces various risks associated with global populism.

Globally, certain individuals and organisations are attempting to focus public attention on income distribution, wealth distribution, and corporate taxation levels, and implement income and wealth redistribution policies. These efforts, if they gain political traction, could result in increased taxation on individuals and/or corporations, as well as, potentially, increased regulation on companies and financial institutions. Kosmos' need to incur costs associated with responding to these developments or complying with any resulting new legal or regulatory requirements, as well as any potential increased tax expense, could increase its costs of doing business, reduce its financial flexibility and otherwise have a material adverse effect on its business, financial condition and results of its operations.

Slower global economic growth rates may materially adversely impact Kosmos' operating results and financial position.

The recovery from the global economic crisis of 2008 and resulting recession has been slow and uneven. Market volatility and reduced consumer demand have increased economic uncertainty, and the current global economic growth rate is slower than in the decade preceding the crisis. Many developed countries are constrained by long term structural government budget deficits and international financial markets and credit rating agencies are pressing for budgetary reform and discipline. This need for fiscal discipline is balanced by calls for continuing government stimulus and social spending as a result of the impacts of the global economic crisis. As major countries implement government fiscal reform, such measures, if they are undertaken too rapidly, could further undermine economic recovery, reducing demand and slowing growth. Impacts of the crisis have spread to China and other emerging markets, which have fuelled global economic development in recent years, slowing their growth rates, reducing demand, and resulting in further drag on the global economy.

Global economic growth drives demand for energy from all sources, including hydrocarbons. A lower future economic growth rate is likely to result in decreased demand growth for Kosmos' crude oil and natural gas production. A decrease in demand, notwithstanding impacts from other factors, could potentially result in lower commodity prices, which would reduce Kosmos' cash flows from operations, its profitability and its liquidity and financial position.

Increased costs of capital could adversely affect Kosmos' business.

Business and operating results can be harmed by factors such as the availability, terms and cost of capital, increases in interest rates or a reduction in credit rating. Changes in any one or more of these factors could cause Kosmos' cost of doing business to increase, limit its access to capital, limit its ability to pursue acquisition opportunities, reduce its cash flows available for drilling and place Kosmos at a competitive disadvantage. Recent and continuing disruptions and volatility in the global financial markets may lead to an increase in interest rates or a contraction in credit availability impacting Kosmos' ability to finance its operations. Kosmos requires continued access to capital. A significant reduction in the availability of credit could materially and adversely affect its ability to achieve its planned growth and operating results.

Kosmos' derivative activities could result in financial losses or could reduce its income.

To achieve more predictable cash flows and to reduce its exposure to adverse fluctuations in the prices of oil and natural gas, Kosmos has, and may in the future, enter into derivative arrangements for a portion of its oil and natural gas production, including, but not limited to, puts, collars and fixed-price swaps. In addition, Kosmos currently, and may in the future, hold swaps designed to hedge its interest rate risk. Kosmos does not currently designate any of its derivative instruments as hedges for accounting purposes and records all derivative instruments on its balance sheet at fair value. Changes

in the fair value of its derivative instruments are recognised in earnings. Accordingly, Kosmos' earnings may fluctuate significantly as a result of changes in the fair value of its derivative instruments.

Derivative arrangements also expose Kosmos to the risk of financial loss in some circumstances, including when:

- production is less than the volume covered by the derivative instruments;
- the counter-party to the derivative instrument defaults on its contract obligations; or
- there is an increase in the differential between the underlying price and actual prices received in the derivative instrument.

In addition, these types of derivative arrangements may limit the benefit Kosmos could receive from increases in the prices for oil and natural gas or beneficial interest rate fluctuations and may expose Kosmos to cash margin requirements.

Kosmos' Facility, Corporate Revolver, letter of credit facility (the "LC Facility") and indenture governing the Senior Notes contain certain covenants that may inhibit its ability to make certain investments, incur additional indebtedness and engage in certain other transactions, which could adversely affect its ability to meet its future goals.

Kosmos' Facility, Corporate Revolver and indenture governing the Senior Notes include certain covenants that, among other things, restrict:

- its investments, loans and advances and certain of its subsidiaries' payment of dividends and other restricted payments;
- its incurrence of additional indebtedness;
- the granting of liens, other than liens created pursuant to the Facility, Corporate Revolver or the indenture governing the Senior Notes and certain permitted liens;
- mergers, consolidations and sales of all or a substantial part of its business or licences;
- the hedging, forward sale or swap of its production of crude oil or natural gas or other commodities;
- the sale of assets (other than production sold in the ordinary course of business); and
- in the case of the Facility and the Corporate Revolver, its capital expenditures that Kosmos can fund with the proceeds of the Facility and Corporate Revolver.

Kosmos' Facility, Corporate Revolver and LC Facility require it to maintain certain financial ratios, such as debt service coverage ratios and cash flow coverage ratios. All of these restrictive covenants may limit its ability to expand or pursue its business strategies. Kosmos' ability to comply with these and other provisions of its Facility, Corporate Revolver and indenture governing the Senior Notes may be impacted by changes in economic or business conditions, its results of operations or events beyond its control. The breach of any of these covenants could result in a default under its Facility, Corporate Revolver and indenture governing the Senior Notes, in which case, depending on the actions taken by the lenders thereunder or their successors or assignees, such lenders could elect to declare all amounts borrowed under Kosmos' Facility, Corporate Revolver and indenture governing the Senior Notes, together with accrued interest, to be due and payable. In the case of the LC Facility, the breach of any of the applicable covenants could result in a default, in which case the cash collateral Kosmos is required to maintain under the LC Facility would increase from 75% to 100% of all outstanding letters of credit, and if such additional cash is not posted, the lenders thereunder could elect to declare all amounts outstanding thereunder, together with accrued interest, to be due and payable. If Kosmos was unable to repay such borrowings or interest, its lenders, successors or assignees could proceed against their collateral. If the indebtedness under its Facility, Corporate Revolver, LC Facility and indenture governing the Senior Notes were to be accelerated, its assets may not be sufficient to repay in full such indebtedness. In addition, the limitations imposed by the Facility, Corporate Revolver, LC Facility and the indenture governing the Senior Notes on Kosmos' ability to incur additional debt and to take other actions might significantly impair its ability to obtain other financing.

Provisions of Kosmos' Senior Notes could discourage an acquisition by a third party.

Certain provisions of the indenture governing the Senior Notes could make it more difficult or more expensive for a third party to acquire Kosmos, or may even prevent a third party from acquiring Kosmos. For example, upon the occurrence of a "change of control triggering event" (as defined in the indenture governing the Senior Notes), holders of the notes will have the right, at their option, to require Kosmos to repurchase all of their notes or any portion of the principal amount of such notes. By discouraging an acquisition of Kosmos by a third party, these provisions could have the effect of depriving Shareholders of an opportunity to sell their Common Shares at a premium over prevailing market prices.

Kosmos' level of indebtedness may increase and thereby reduce its financial flexibility.

As of 30 June 2017, there was \$650.0 million borrowings outstanding and \$650.8 million of committed undrawn capacity under the Facility, subject to borrowing base availability. As of 30 June 2017, there were no borrowings outstanding under the Corporate Revolver and the undrawn availability was \$400.0 million. As of 30 June 2017, there were seven outstanding letters of credit totalling \$57.7 million under the LC Facility and \$525.0 million principal amount of Senior Notes outstanding. Kosmos also currently has, and may in the future incur, significant off-balance sheet obligations. In the future, Kosmos may incur significant indebtedness in order to make investments or acquisitions or to explore, appraise or develop its oil and natural gas assets.

Kosmos' level of indebtedness could affect its operations in several ways, including the following:

- a significant portion or all of its cash flows, when generated, could be used to service its indebtedness;
- a high level of indebtedness could increase its vulnerability to general adverse economic and industry conditions;
- the covenants contained in the agreements governing its outstanding indebtedness will limit its ability to borrow additional funds, dispose of assets, pay dividends and make certain investments;
- a high level of indebtedness may place Kosmos at a competitive disadvantage compared to its competitors that are less leveraged and therefore, may be able to take advantage of opportunities that its indebtedness could prevent it from pursuing;
- its debt covenants may also affect its flexibility in planning for, and reacting to, changes in the economy and in its industry;
- additional hedging instruments may be required as a result of its indebtedness;
- a high level of indebtedness may make it more likely that a reduction in its borrowing base following a periodic redetermination could require Kosmos to repay a portion of its then-outstanding bank borrowings; and
- a high level of indebtedness may impair its ability to obtain additional financing in the future for working capital, capital expenditures, acquisitions, general corporate or other purposes.

A high level of indebtedness increases the risk that Kosmos may default on its debt obligations. Its ability to meet its debt obligations and to reduce its level of indebtedness depends on its future performance. General economic conditions, risks associated with exploring for and producing oil and natural gas, oil and natural gas prices and financial, business and other factors affect its operations and its future performance. Many of these factors are beyond its control. In the longer term (that is, beyond the period of 12 months from the date of this Prospectus, for which Kosmos has assessed whether it has sufficient working capital for its present requirements) Kosmos may not be able to generate sufficient cash flows to pay the interest on its indebtedness and future working capital, borrowings or equity financing may not be available to pay or refinance such indebtedness. Factors that will affect its ability to raise cash through an offering of the Company's equity securities or a refinancing of its indebtedness include financial market conditions, the value of its assets and its performance at the time capital is needed. For the avoidance of doubt, this risk factor does not seek to qualify the working capital statement made by Kosmos in paragraph 19 of Part VII (*Additional Information*).

The Company is a holding company and its ability to make payments on its outstanding indebtedness, including its Senior Notes and the Corporate Revolver, is dependent upon the receipt of funds from its subsidiaries by way of dividends, fees, interest, loans or otherwise.

The Company is a holding company, and its subsidiaries own all of Kosmos' assets and conduct all of Kosmos' operations. Accordingly, the Company's ability to make payments of interest and principal on the Senior Notes and the Corporate Revolver will be dependent on the generation of cash flow by the Company's subsidiaries and the subsidiary's ability to make such cash available to the Company, by dividend, debt repayment or otherwise. Unless they are guarantors, the Company's subsidiaries will not have any obligation to pay amounts due on the Senior Notes or to make funds available for that purpose. Each subsidiary is a distinct legal entity and, under certain circumstances, legal and contractual restrictions may limit the Company's ability to obtain cash from its subsidiaries.

Furthermore, several of the Company's subsidiaries are guarantors under the indenture governing the Senior Notes. The indenture limits the ability of the guarantors to incur consensual encumbrances and restricts their ability to pay dividends or make other intercompany payments to the Company, with significant qualifications and exceptions. In addition, the terms of the Facility limit the ability of the obligors thereunder, including the Company's material operating subsidiaries that hold interests in Kosmos' assets located offshore Ghana and their intermediate parent companies (other than Kosmos Energy Holdings), to provide cash to the Company through dividend, debt repayment or intercompany lending, unless certain Ghana asset related expenses are covered and certain credit ratios are maintained.

While the Company has not experienced material issues in obtaining cash from its subsidiaries in the past, it cannot guarantee that such issues will not occur in future. In the event that the Company does not receive distributions from its subsidiaries, the Company may be unable to make required principal and interest payments on its indebtedness, including the Senior Notes and Corporate Revolver.

Kosmos may be subject to risks in connection with acquisitions and the integration of significant acquisitions may be difficult.

Kosmos periodically evaluates acquisitions of prospects and licences, reserves and other strategic transactions that appear to fit within its overall business strategy. The successful acquisition of these assets or businesses requires an assessment of several factors, including:

- recoverable reserves;
- future oil and natural gas prices and their appropriate differentials;
- development and operating costs; and
- potential environmental and other liabilities.

The accuracy of these assessments is inherently uncertain. In connection with these assessments, Kosmos performs a review of the subject assets that it believes to be generally consistent with industry practices. Its review will not reveal all existing or potential problems nor will it permit Kosmos to become sufficiently familiar with the assets to fully assess their deficiencies and potential recoverable reserves. Inspections may not always be performed on every well, and environmental problems are not necessarily observable even when an inspection is undertaken. Even when problems are identified, the seller may be unwilling or unable to provide effective contractual protection against all or part of the problems. Kosmos may not be entitled to contractual indemnification for environmental liabilities and could acquire assets on an "as is" basis. Significant acquisitions and other strategic transactions may involve other risks, including:

- diversion of Kosmos' management's attention to evaluating, negotiating and integrating significant acquisitions and strategic transactions;
- the challenge and cost of integrating acquired operations, information management and other technology systems and business cultures with those of Kosmos' while carrying on its ongoing business;
- difficulty associated with coordinating geographically separate organisations;
- the challenge of attracting and retaining personnel associated with acquired operations; and

- the seller's compliance with relevant laws and regulations, including, without limitation anti-corruption laws, in the event of successor liability.

The process of integrating operations could cause an interruption of, or loss of momentum in, the activities of Kosmos' business. Members of its senior management may be required to devote considerable amounts of time to this integration process, which will decrease the time they will have to manage its business. If senior management is not able effectively to manage the integration process, or if any significant business activities are interrupted as a result of the integration process, Kosmos' business could suffer.

If Kosmos fails to realise the anticipated benefits of a significant acquisition, its results of operations may be adversely affected.

The success of a significant acquisition will depend, in part, on Kosmos' ability to realise anticipated growth opportunities from combining the acquired assets or operations with those of Kosmos'. Even if a combination is successful, it may not be possible to realise the full benefits Kosmos may expect in estimated proved reserves, production volume, cost savings from operating synergies or other benefits anticipated from an acquisition or realise these benefits within the expected time frame. Anticipated benefits of an acquisition may be offset by operating losses relating to changes in commodity prices, increased interest expense associated with debt incurred or assumed in connection with the transaction, adverse changes in oil and gas industry conditions, or by risks and uncertainties relating to the exploratory prospects of the combined assets or operations, or an increase in operating or other costs or other difficulties, including the assumption of environmental or other liabilities in connection with the acquisition. If Kosmos fails to realise the benefits anticipated from an acquisition, its results of operations may be adversely affected.

The Bye-laws contain a provision renouncing its interest and expectancy in certain corporate opportunities, which could adversely affect its business or future prospects.

The Bye-laws provide that, to the fullest extent permitted by applicable law, it renounces any right, interest or expectancy in, or in being offered an opportunity to participate in, any business opportunity that may from time to time be presented to certain of its affiliates or any of their respective officers, directors, agents, shareholders, members, partners, affiliates and subsidiaries (other than the Company and its subsidiaries) or business opportunities that such parties participate in or desire to participate in, even if the opportunity is one that Kosmos might reasonably have pursued or had the ability or desire to pursue if granted the opportunity to do so, and no such person shall be liable to Kosmos for breach of any statutory, fiduciary, contractual or other duty, as a director or otherwise, by reason of the fact that such person pursues or acquires any such business opportunity, directs any such business opportunity to another person or fails to present any such business opportunity, or information regarding any such business opportunity, to Kosmos unless, in the case of any such person who is its director, such person fails to present any business opportunity that is expressly offered to such person solely in his or her capacity as its director.

As a result, the Directors and certain of Kosmos' affiliates and their respective affiliates may become aware, from time to time, of certain business opportunities, such as acquisition opportunities, and may direct such opportunities to other businesses in which they or their affiliates have invested, in which case Kosmos may not become aware of or otherwise have the ability to pursue such opportunity. Further, such businesses may choose to compete with Kosmos for these opportunities. As a result, Kosmos' renouncing of its interest and expectancy in any business opportunity that may be from time to time presented to the Directors and certain of Kosmos' affiliates and their respective affiliates could adversely impact its business or future prospects if attractive business opportunities are procured by such parties for their own benefit rather than for Kosmos'.

The Company receives certain beneficial tax treatment as a result of being an exempted company incorporated pursuant to the laws of Bermuda. Changes in that treatment could have a material adverse effect on its net income, cash flow and financial condition.

The Company is an exempted company incorporated pursuant to the laws of Bermuda and operates through subsidiaries in a number of countries throughout the world. Consequently, the Company is subject to changes in tax laws, treaties or regulations or the interpretation or enforcement thereof in the United States, Bermuda, Ghana, and other jurisdictions in which it or any of its subsidiaries operate or are resident. In the past, legislation has been introduced in the Congress of the United

States that would reform the U.S. tax laws as they apply to certain non-U.S. entities and operations, including legislation that would treat a foreign corporation as a U.S. corporation for U.S. federal income tax purposes if substantially all of its senior management is located in the United States. If this or similar legislation is passed that changes the Company's U.S. tax position, this could have a material adverse effect on the Company's net income, cash flow and financial condition.

The Company may become subject to taxes in Bermuda after 31 March 2035, which may have a material adverse effect on its results of operations.

The Bermuda Minister of Finance, under the Exempted Undertakings Tax Protection Act 1966 of Bermuda, as amended, has given the Company an assurance that if any legislation is enacted in Bermuda that would impose tax computed on profits or income, or computed on any capital asset, gain or appreciation, or any tax in the nature of estate duty or inheritance tax, then the imposition of any such tax will not be applicable to the Company or any of its operations, shares, debentures or other obligations until 31 March 2035, except insofar as such tax applies to persons who ordinarily reside in Bermuda or to any taxes payable by the Company in respect of real property owned or leased by it in Bermuda.

The impact of Bermuda's letter of commitment to the Organization for Economic Cooperation and Development to eliminate harmful tax practices is uncertain and could adversely affect the Company's tax status in Bermuda.

The Organization for Economic Cooperation and Development ("OECD") has published reports and launched a global initiative among member and non-member countries on measures to limit harmful tax competition. These measures are largely directed at counteracting the effects of tax havens and preferential tax regimes in countries around the world. According to the OECD, Bermuda is a jurisdiction that has substantially implemented the internationally agreed tax standard and as such is listed on the OECD "white" list. However, the Company is not able to predict whether any changes will be made to this classification or whether such changes will subject it to additional taxes.

The adoption of financial reform legislation by the United States Congress in 2010, and its implementing regulations, could have an adverse effect on Kosmos' ability to use derivative instruments to reduce the effect of commodity price and other risks associated with its business.

Kosmos uses derivative instruments to manage its commodity price and interest rate risk. The United States Congress adopted comprehensive financial reform legislation in 2010 that establishes federal oversight and regulation of the over-the-counter derivatives market and entities, such as Kosmos, that participate in that market. The Dodd-Frank Act was signed into law by the President on 21 July 2010. The Commodity Futures Trading Commission ("CFTC"), which has jurisdiction over derivatives instruments that are "swaps," has implemented many, but not all, of these provisions through regulations; the SEC, which regulates "security-based swaps" has proposed but not finalised most of its implementing regulations.

Of particular importance to Kosmos, the CFTC has the authority, under certain findings, to establish position limits for certain futures, options on futures and swap contracts. Certain *bona fide* hedging transactions or positions would be exempt from these position limits. The CFTC has proposed rules that would place limits on positions in certain core futures and equivalent swaps contracts for or linked to certain energy, metal, and agricultural physical commodities, subject to exceptions for certain *bona fide* hedging transactions. It is not possible at this time to predict when the CFTC will finalise these regulations; therefore, the impact of those provisions on Kosmos is uncertain at this time.

The CFTC has designated certain interest-rate swaps and index credit default swaps for mandatory clearing and exchange trading. The CFTC has not yet proposed rules designating any other classes of swaps, including physical commodity swaps, for mandatory clearing. The application of the mandatory clearing and trade execution requirements to other market participants, such as swap dealers, may change the cost and availability of the swaps that Kosmos uses for hedging.

Derivatives dealers that Kosmos transacts with will need to comply with new margin and segregation requirements for uncleared swaps and security-based swaps. While it is expected that its uncleared derivatives transactions will not directly be subject to those margin requirements, due to the increased

costs to dealers for transacting uncleared derivatives in general, Kosmos' costs for these transactions may increase.

The Dodd-Frank Act and its implementing regulations may also require the counterparties to its derivative instruments to register with the CFTC and become subject to substantial regulation or even spin off some of their derivatives activities to a separate entity, which may not be as creditworthy as the current counterparty. These requirements and others could significantly increase the cost of derivatives contracts (including through requirements to clear swaps and to post collateral, each of which could adversely affect Kosmos' available liquidity), materially alter the terms of derivatives contracts, reduce the availability of derivatives to protect against risks, reduce Kosmos' ability to monetise or restructure its existing derivative contracts, and increase its exposure to less creditworthy counterparties. If Kosmos reduces its use of derivatives as a result of the legislation and regulations, its results of operations may become more volatile and its cash flows may be less predictable, which could adversely affect its ability to plan for and fund capital expenditures. Kosmos' revenues could also be adversely affected if a consequence of the legislation and regulations is to lower commodity prices.

The European Union and other non-U.S. jurisdictions are also implementing regulations with respect to the derivatives market. To the extent Kosmos transacts with counterparties in foreign jurisdictions, Kosmos or its transactions may become subject to such regulations. At this time, the impact of such regulations is not clear.

Any of these consequences could have a material adverse effect on Kosmos' consolidated financial position, results of operations, or cash flows.

The Company may become a “passive foreign investment company” for U.S. federal income tax purposes, which could create adverse tax consequences for U.S. investors.

U.S. investors that hold stock in a “passive foreign investment company” (“PFIC”) are subject to special rules that can create adverse U.S. federal income tax consequences, including imputed interest charges and re-characterisation of certain gains and distributions. Based on management estimates and projections of future revenue, the Company does not believe that it will be a PFIC for the current taxable year and does not expect to become one in the foreseeable future. Because PFIC status is a factual determination that is made annually and thus is subject to change, there can be no assurance that the Company will not be a PFIC for any taxable year.

A cyber incident could result in information theft, data corruption, operational disruption, and/or financial loss.

The oil and gas industry has become increasingly dependent on digital technologies to conduct day-to-day operations including certain exploration, development and production activities. For example, software programmes are used to interpret seismic data, manage drilling rigs, conduct reservoir modelling and reserves estimation, and to process and record financial and operating data.

Kosmos depends on digital technology, including information systems and related infrastructure as well as cloud application and services, to process and record financial and operating data, communicate with its employees and business partners, analyse seismic and drilling information, estimate quantities of oil and gas reserves and for many other activities related to its business. Its business partners, including vendors, service providers, co-venturers, purchasers of its production, and financial institutions, are also dependent on digital technology. The complexity of the technologies needed to explore for and develop oil and gas in increasingly difficult physical environments, such as deepwater, and global competition for oil and gas resources make certain information more attractive to thieves.

As dependence on digital technologies has increased, cyber incidents, including deliberate attacks or unintentional events, have also increased. A cyber-attack could include gaining unauthorised access to digital systems for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption, or result in denial-of-service on websites. For example, in 2012, a wave of network attacks impacted Saudi Arabia's oil industry and breached financial institutions in the U.S. Certain countries are believed to possess cyber warfare capabilities and are credited with attacks on American companies and government agencies.

Kosmos' technologies, systems, networks, and those of its business partners may become the target of cyber-attacks or information security breaches that could result in the unauthorised release, gathering, monitoring, misuse, loss or destruction of proprietary and other information, or other disruption of its business operations. In addition, certain cyber incidents, such as surveillance, may remain undetected for an extended period. A cyber incident involving Kosmos' information systems and related infrastructure, or that of its business partners, could disrupt its business plans and negatively impact its operations. Although to date Kosmos has not experienced any significant cyber-attacks, there can be no assurance that it will not be the target of cyber-attacks in the future or suffer such losses related to any cyber incident. As cyber threats continue to evolve, Kosmos may be required to expend significant additional resources to continue to modify or enhance its protective measures or to investigate and remediate any information security vulnerabilities.

Outbreaks of disease in the geographies in which Kosmos operates may adversely affect its business operations and financial condition.

Many of Kosmos' operations are currently, and are likely to remain in the near future, in developing countries which are susceptible to outbreaks of disease and may lack the resources effectively to contain such an outbreak quickly. Such outbreaks may impact Kosmos' ability to explore for oil and gas, develop or produce its licence areas by limiting access to qualified personnel, increasing costs associated with ensuring the safety and health of its personnel, restricting transportation of personnel, equipment, supplies and oil and gas production to and from its areas of operation and diverting the time, attention and resources of government agencies which are necessary to conduct its operations. In addition, any losses experienced as a result of such outbreaks of disease which impact sales or delay production may not be covered by Kosmos' insurance policies.

An epidemic of the Ebola virus disease occurred in parts of West Africa in 2014 and continued through 2015. A substantial number of deaths were reported by the World Health Organization ("WHO") in West Africa, and the WHO declared it a global health emergency. It is impossible to predict the effect and potential spread of new outbreaks of the Ebola virus in West Africa and surrounding areas. Should another Ebola virus outbreak occur, including to the countries in which it operates, or not be satisfactorily contained, Kosmos' exploration, development and production plans for its operations could be delayed, or interrupted after commencement. Any changes to these operations could significantly increase costs of operations. Kosmos' operations require contractors and personnel to travel to and from Africa as well as the unhindered transportation of equipment and oil and gas production (in the case of its producing fields). Such operations also rely on infrastructure, contractors and personnel in Africa. If travel bans are implemented or extended to the countries in which Kosmos operates, including Ghana, or contractors or personnel refuse to travel there, Kosmos could be adversely affected. If services are obtained, costs associated with those services could be significantly higher than planned which could have a material adverse effect on Kosmos' business, results of operations, and future cash flow. In addition, should an Ebola virus outbreak spread to Ghana, access to the FPSO operating at the Jubilee Field could be restricted and/or terminated. The FPSO is potentially able to operate for a short period of time without access to the mainland, but if restrictions extended for a longer period Kosmos and the operator of the Jubilee Field are likely to be required to cease production and other operations until such restrictions were lifted.

2. Risks Relating to the Common Shares

The proposed standard listing of the Common Shares will afford investors a lower level of regulatory protection than a premium listing.

An application has been made for the Common Shares to be admitted to a standard listing on the Official List. A standard listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in a company with a premium listing, which is subject to additional obligations under the Listing Rules. A standard listing will also not permit the Company to gain a FTSE UK Index Series indexation (which includes the FTSE 100 and FTSE 250 indices), which may have an adverse effect on the price of the Common Shares.

Further details regarding the differences in the protections afforded by a premium listing as against a standard listing are set out in the section entitled "Consequences of a Standard Listing".

The Company's share price may be volatile, and purchasers of the Common Shares could incur substantial losses.

The Company's share price may be volatile. The stock market in general has experienced extreme volatility that has often been unrelated to the operating performance of particular companies. The market price for the Common Shares may be influenced by many factors, including, but not limited to:

- the price of oil and natural gas;
- the success of Kosmos' exploration and development operations, and the marketing of any oil and natural gas produced;
- operational incidents;
- regulatory developments in Bermuda, the United States, the United Kingdom and foreign countries where Kosmos operates;
- the recruitment or departure of key personnel;
- quarterly or annual variations in Kosmos' financial results or those of companies that are perceived to be similar;
- market conditions in the industries in which Kosmos competes and issuance of new or changed securities;
- analysts' reports or recommendations;
- the failure of securities analysts to cover the Common Shares or changes in financial estimates by analysts;
- the inability to meet the financial estimates of analysts who follow the Common Shares;
- the issuance or sale of any additional securities of the Company;
- investor perception of Kosmos and of the industry in which it competes; and
- general economic, political and market conditions.

There is currently no UK market for the Common Shares, notwithstanding the Company's intention to be admitted to trading on the London Stock Exchange. A UK market for the Common Shares may not develop, which would adversely affect the liquidity and price of the Common Shares.

There is currently no UK market for the Common Shares. Therefore, investors cannot benefit from information about prior market history in the UK market when making their decision to invest. Although the Company's current intention is that its securities should continue to trade on the London Stock Exchange, it cannot assure investors that it will always do so. In addition, an active UK trading market for the Common Shares may not develop or, if developed, may not be maintained. Investors may be unable to sell their Common Shares unless a market can be established and maintained, and if the Company subsequently obtains a further listing on an exchange in addition to, or in lieu of, the London Stock Exchange, the level of liquidity of the Common Shares may decline.

Upon Admission the Company's shares will be listed on two separate stock markets and investors seeking to take advantage of price differences between such markets may create unexpected volatility in the share price; in addition, investors may not be able to easily move shares for trading between such markets.

The Common Shares are already listed and traded on the NYSE and upon Admission will also be listed and traded on the London Stock Exchange. While the Common Shares are traded on both markets, price and volume levels could fluctuate significantly on either market, independent of the share price or trading volume on the other market. Investors could seek to sell or buy Common Shares to take advantage of any price differences between the two markets through a practice referred to as arbitrage. Any arbitrage activity could create unexpected volatility in both Common Share prices on either exchange and in the volumes of Common Shares available for trading on either market. In addition, holders of Common Shares in either jurisdiction will not be immediately able to transfer such shares for trading on the other market without effecting necessary procedures with the

Company's transfer agents/registrars. This could result in time delays and additional cost for Shareholders.

Shareholders will not be entitled to the takeover offer protections provided by the City Code on Takeovers and Mergers.

The City Code on Takeovers and Mergers (the "City Code") applies, inter alia, to offers for all listed public companies considered by the Panel on Takeovers and Mergers to be incorporated or resident in the United Kingdom, the Channel Islands or the Isle of Man. The Company is not presently so incorporated or resident and therefore Shareholders will not receive the benefit of the takeover offer protections provided by the City Code. For further information on the takeover regime applicable to Kosmos, see paragraph 5 of Part VII (*Additional Information*).

A substantial portion of the Company's total issued and outstanding Common Shares may be sold into the market at any time. This could cause the market price of the Common Shares to drop significantly, even if Kosmos' business is doing well.

All of the Company's outstanding shares, other than those shares held by the Company's two largest Shareholders and certain shares held by management, are freely tradable without restrictions or further registration under the federal securities laws, unless purchased by its "affiliates" as that term is defined in Rule 144 under the Securities Act of 1933, as amended (the "Securities Act"). Substantially all of the remaining Common Shares are restricted securities as defined in Rule 144 under the Securities Act (unless they have been sold pursuant to Rule 144 to date). Restricted securities may be sold in the U.S. public market only if registered or if they qualify for an exemption from registration, including by reason of Rule 144 or Rule 701 under the Securities Act. All of the Company's restricted shares are eligible for sale in the public market, subject in certain circumstances to the volume, manner of sale limitations with respect to shares held by its affiliates and other limitations under Rule 144. Additionally, the Company has registered all the Common Shares that it may issue under its employee benefit plans. These shares can be freely sold in the public market upon issuance, unless pursuant to their terms these share awards have transfer restrictions attached to them. Sales of a substantial number of Common Shares, or the perception in the market that the holders of a large number of shares intend to sell Common Shares, could reduce the market price of the Common Shares.

The concentration of the Company's share capital ownership among its largest shareholders, and their affiliates, will limit its ability to influence corporate matters.

The Company's two largest Shareholders collectively own approximately 37% of its issued and outstanding Common Shares as of the Latest Practicable Date. Consequently, these Shareholders have significant influence over all matters that require approval by the Shareholders, including the election of directors and approval of significant corporate transactions. This concentration of ownership will limit the Shareholders' ability to influence corporate matters, and as a result, actions may be taken that Shareholders may not view as beneficial.

The Bye-laws of the Company do not contain any rights of pre-emption in favour of existing Shareholders, which means that Shareholders may be diluted if additional shares are issued.

The Company may issue additional common shares, preferred shares, warrants, rights, units and debt securities for general corporate purposes, including, but not limited to, repayment or refinancing of borrowings, working capital, capital expenditures, investments and acquisitions. Kosmos continues actively to seek to expand its business through complementary or strategic acquisitions, and the Company may issue additional common shares in connection with those acquisitions. The Company also issues restricted shares to its executive officers, employees and independent directors as part of their compensation. Shareholders do not have pre-emption rights under the Bye-laws or the Bermuda Companies Act over further issues of any class of shares in the Company. Accordingly the Directors retain discretion to allot additional equity on a non-pre-emptive basis and, as a result, Shareholders may suffer dilution in their percentage ownership in the event further such allotments are made.

Anti-takeover provisions in the Bye-laws might discourage, delay or prevent a change in control of the Company or changes in the Board and, therefore, depress the trading price of the Common Shares.

Provisions in the Bye-laws may depress the market price of the Common Shares by acting to discourage, delay or prevent a merger, acquisition or other change in control that Shareholders may consider favourable, including transactions in which Shareholders might otherwise receive a premium for their Common Shares. These provisions may also prevent or frustrate attempts by Shareholders to replace or remove members of the Board. These provisions include the following:

- a classified Board with staggered three-year terms for Directors so that not all members of the Board are elected at one time;
- Directors may be removed by Shareholders only for cause;
- the Board has the right to elect Directors to fill a vacancy created by the expansion of the Board or the prohibition by law, bankruptcy (or other arrangement with the Director's creditors), resignation, death or removal of a Director, which prevents Shareholders from being able to fill vacancies on the Board;
- special meetings of the Shareholders may be called only by the Board or the chairman, which limits the ability of Shareholders to take certain actions outside an annual meeting of Shareholders;
- Shareholders must provide timely notice to nominate individuals for election to the Board or to propose matters that can be acted upon at an annual meeting of Shareholders and, as a result, these provisions may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own choice of directors or otherwise attempting to obtain control of the Company; and
- the Board may issue, without Shareholder approval, preference shares, making it possible for the Board to issue preference shares with voting or other rights or preferences that could impede the success of any attempt to acquire the Company.

The Company does not intend to pay dividends on the Common Shares and, consequently, the only opportunity for investors to achieve a return on their investment is if the price of the Common Shares appreciates.

The Company does not plan to declare dividends on the Common Shares in the foreseeable future. Additionally, the Senior Notes and Corporate Revolver contain certain restrictions on the Company's ability to pay dividends and some of the Company's subsidiaries are currently restricted in their ability to pay dividends to the Company pursuant to the terms of the Facility unless they meet certain conditions, financial and otherwise. Consequently, investors must rely on sales of their Common Shares after price appreciation, which may never occur, as the only way to realise a return on their investment.

The Company is a Bermuda company and a significant portion of its assets are located outside the United Kingdom. As a result, it may be difficult for Shareholders to enforce civil liability provisions available under English law.

The Company is a Bermuda exempted company. As a result, the rights of Shareholders will be governed by Bermuda law and the Company's memorandum of association and Bye-laws. The rights of shareholders under Bermuda law may differ from the rights of shareholders of companies incorporated in other jurisdictions. The majority of the Directors are not residents of the United Kingdom, and a substantial portion of Kosmos' assets are located outside the United Kingdom. As a result, it may be difficult for investors to effect service of process on that person or to enforce judgments obtained in English courts against the Company or that person based on the civil liability provisions available under English law. It is doubtful whether courts in Bermuda will enforce judgments obtained in other jurisdictions, including England and Wales, against the Company or the Directors under the securities laws of those jurisdictions or entertain actions in Bermuda against the Company or the Directors under the securities laws of other jurisdictions.

Bermuda law differs from the laws in effect in England and Wales and might afford less protection to shareholders.

Shareholders could have more difficulty protecting their interests than would shareholders of a corporation incorporated in England and Wales. As a Bermuda company, the Company is governed by the Bermuda Companies Act. The Bermuda Companies Act differs in some material respects from laws generally applicable to corporations and shareholders in England and Wales, including the provisions relating to interested directors, mergers and acquisitions, takeovers, shareholder lawsuits and indemnification of directors.

Holders of Depositary Interests must rely on the Depositary or the Custodian to exercise rights attaching to the underlying Common Shares for the benefit of the holders of Depositary Interests.

The Company has entered into depositary arrangements to enable investors to settle and pay for Common Shares through the CREST system. The rights of holders of Depositary Interests will be governed by, among other things, the relevant provisions of the CREST Manual and the CREST Rules (as defined in the CREST Terms and Conditions issued by Euroclear UK & Ireland Limited (“EUI”). As the registered shareholder, the Depositary will have the power to exercise voting and other rights conferred by Bermuda law and the Bye-laws on behalf of the relevant holder. Consequently, the holders of Depositary Interests must rely on the Depositary to exercise such rights for the benefit of the holders of Depositary Interests. Although the Company will enter into arrangements whereby EUI will make a copy of the register of the names and addresses of holders of Depositary Interests available to the Company to enable it to send out notices of shareholder meetings and proxy forms to its holders of Depositary Interests and pursuant to EUI’s omnibus proxy arrangements, subject to certain requirements, the Depositary will be able to give each beneficial owner of a Depositary Interest the right to vote directly in respect of such owner’s underlying Common Shares, there can be no assurance that such information, and consequently, all such rights and, entitlements, will at all times be duly and timely passed on or that such proxy arrangements will be effective.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS⁽¹⁾

	<u>2017</u>
Publication of this Prospectus	16 August
Admission and commencement of dealings in the Common Shares	8:00 a.m. on 21 August

(1) The times and dates set out in the expected timetable above and mentioned throughout this Prospectus refer to the time and date in London. The times and dates may be adjusted by Kosmos in which event details of the new times and dates will be notified to the UK Listing Authority, the London Stock Exchange and, where appropriate, to Shareholders.

CONSEQUENCES OF A STANDARD LISTING

Application has been made for the Common Shares to be admitted to listing on the Official List pursuant to Chapter 14 of the Listing Rules, which sets out the requirements for standard listings (including continuing obligations). A standard listing will afford investors in Kosmos a lower level of regulatory protection than that afforded to investors in companies with premium listings on the Official List, which are subject to additional obligations under the Listing Rules.

While the Company has a standard listing, it is not required to comply with the provisions of, among other things:

- Chapter 7 of the Listing Rules, to the extent that they refer to the Premium Listing Principles;
- Chapter 8 of the Listing Rules regarding the appointment of a listing sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. The Company has not appointed and does not intend to appoint such a sponsor in connection with the Admission;
- Chapter 9 of the Listing Rules regarding continuing obligations of a company with a premium listing including, among other things, requirements relating to further issues of shares, the ability to issue shares at a discount in excess of 10 per cent. of the market value, notifications and contents of financial information, and explanations as to how the company has complied with the UK Corporate Governance Code;
- Chapter 10 of the Listing Rules relating to significant transactions;
- Chapter 11 of the Listing Rules regarding related party transactions;
- Chapter 12 of the Listing Rules regarding purchases by the Company of its Common Shares; and
- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

Notwithstanding the Admission, the Common Shares will continue to be listed on the NYSE and the Company will continue to be subject to the NYSE rules.

IMPORTANT NOTICES

1. General

The contents of this Prospectus are not to be construed as legal, business or tax advice. Recipients of this Prospectus should consult their own lawyer, financial adviser or tax adviser for legal, financial or tax advice, as appropriate. Furthermore, the Company, the Directors and BMO Capital Markets Limited (“**BMO**”) accept no responsibility for the accuracy or completeness of any information reported by the press or other media, or the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media regarding the Admission or Kosmos. The Company, the Directors and BMO make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

Without prejudice to any obligation of the Company to publish a supplementary prospectus pursuant to section 87G of FSMA and PR 3.4.1 of the Prospectus Rules, neither the publication of this Prospectus nor any distribution of Common Shares shall, under any circumstances, create any implication that there has been no change in the business or affairs of Kosmos taken as a whole since the date of this Prospectus or that the information contained herein is correct as of any time subsequent to its date.

No person has been authorised to give any information or to make any representations in connection with the Admission other than the information and representations contained in this Prospectus and, if any other information or representations is or are given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Company, the Directors or BMO.

Recipients of this Prospectus may not reproduce or distribute this Prospectus, in whole or in part, and may not disclose any of the contents of this Prospectus or use any information herein for any purpose other than considering the Admission. Such recipients of this Prospectus agree to the foregoing by accepting delivery of this Prospectus.

This Prospectus has been approved by the FCA in accordance with section 87A of FSMA. Admission to trading on the London Stock Exchange’s main market for listed securities constitutes admission to trading on a regulated market.

The Company has engaged BMO as its financial adviser in connection with the Admission. BMO is authorised and regulated by the FCA and is acting exclusively for the Company and no one else in connection with the Admission. BMO will not regard any other person (whether or not a recipient of this Prospectus) as a client in relation to the Admission and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the Admission or any transaction or arrangement referred to in this Prospectus. BMO and its affiliates may have engaged in transactions with, and provided various investment banking, financial advisor and other services for, the Company for which they would have received customary fees.

Apart from the responsibilities and liabilities, if any, which may be imposed on BMO by the FSMA or the regulatory regime established thereunder, or under the regulatory regime of any other jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, BMO does not accept any responsibility whatsoever for, or make any representation or warranty, express or implied, as to the contents of this Prospectus or for any other statement made or purported to be made by it or on its behalf, in connection with the Company or the Common Shares and nothing in this Prospectus will be relied upon as a promise or representation in this respect, whether or not to the past or future. BMO accordingly disclaims all and any responsibility or liability, whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of this Prospectus or any such statement.

2. Financial information

Recipients of this Prospectus should consult their own professional advisers to gain an understanding of the financial information contained in this Prospectus. An overview of the basis for presentation of financial information in this Prospectus is set out below.

Presentation of financial information

The financial information for the three years ended 31 December 2016 and the six months ended 30 June 2016 and 30 June 2017 contained in this Prospectus has been prepared in accordance with U.S. generally accepted accounting principles (“**U.S. GAAP**”) and the rules and regulations of the SEC. The financial information for the six months ended 30 June 2016 and 30 June 2017 is unaudited. The financial information for the three years ended 31 December 2016 has been reported on by Ernst & Young LLP. The significant accounting policies are set out in Schedule I (*Historical Financial Information*).

As explained in Note 2 to the consolidated financial statements for the year ended 31 December 2016, effective 31 December 2016 Kosmos adopted new guidance on the presentation of restricted cash on the statement of cash flows. The cash flow information for the years ended 31 December 2015 and 31 December 2014 contained in section A of Schedule I (*Historical Financial Information*) was restated to retrospectively adopt this guidance. However, the comparative financial information contained in section B of Schedule I (*Historical Financial Information*) was produced and opined upon prior to the adoption of the new guidance and, therefore, does not reflect the new guidance.

Non-U.S. GAAP financial measures

Kosmos has included in this Prospectus certain non-GAAP financial measures, particularly in Part IV (*Operating and Financial Review*). EBITDAX, Adjusted net income (loss) and Adjusted net income (loss) per share are supplemental non-GAAP financial measures used by management and external users of Kosmos’ consolidated financial statements, such as industry analysts, investors, lenders and rating agencies. Kosmos defines EBITDAX as net income (loss) plus (i) depletion and depreciation, (ii) exploration expenses, (iii) interest and other financing costs, net, (iv) unrealised (gain) loss on commodity derivatives, (v) income tax expense, (vi) equity-based compensation, (vii) (gain) loss on sale of oil and gas properties, (viii) restructuring charges and (ix) similar other material items, which management believes affect the comparability of operating results. Kosmos defines adjusted net income (loss) as net income (loss) after adjusting for the impact of certain non-cash and non-recurring items, including non-cash changes in the fair value of derivative instruments, cash settlements on commodity derivatives, gain on sale of assets, and other similar non-cash and non-recurring charges, and then the non-cash and related tax impacts in the same period.

Kosmos believes that EBITDAX, Adjusted net income (loss), and Adjusted net income (loss) per share 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. Because EBITDAX, Adjusted net income (loss), and Adjusted net income (loss) per share excludes some, but not all, items that affect net income, these measures as presented by Kosmos may not be comparable to similarly titled measures of other companies.

3. Competent Persons’ Report

The Competent Persons’ Report, which is set out in Schedule II (*Competent Person’s Report*), has been prepared by individuals who Kosmos believes to be sufficiently independent to provide this report.

The scope of work undertaken by the Competent Person is set out in the Competent Person’s Report. No material changes have occurred since the date of the Competent Persons’ Report the omission of which would make the Competent Person’s Report misleading.

4. Forward-looking statements

This Prospectus contains estimates and forward-looking statements, principally in the section entitled “Risk Factors”, and in Part I (*Business Overview*) and Part IV (*Operating and Financial Review*). Kosmos’ estimates and forward-looking statements are mainly based on its current expectations and estimates of future events and trends, which affect or may affect Kosmos’ businesses and operations. Although Kosmos 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 Kosmos. Many important factors, in addition to the factors described

in this Prospectus, may adversely affect Kosmos' results as indicated in forward-looking statements. This Prospectus should be read completely and with the understanding that Kosmos' actual future results may be materially different from what it expects. Kosmos' estimates and forward-looking statements may be influenced by the following factors, among others:

- its ability to find, acquire or gain access to other discoveries and prospects and to successfully develop and produce from its current discoveries and prospects;
- uncertainties inherent in making estimates of its oil and natural gas data;
- the successful implementation of its and its block partners' prospect discovery and development and drilling plans;
- projected and targeted capital expenditures and other costs, commitments and revenues;
- termination of or intervention in concessions, rights or authorisations granted by the governments of Ghana, Mauritania, Morocco and Western Sahara, Sao Tome and Principe, Senegal or Suriname (or their respective national oil companies) or any other federal, state or local governments or authorities, to Kosmos;
- its dependence on key management personnel and its ability to attract and retain qualified technical personnel;
- the ability to obtain financing and to comply with the terms under which such financing may be available;
- the volatility of oil and natural gas prices;
- the availability, cost, function and reliability of developing appropriate infrastructure around and transportation to Kosmos' discoveries and prospects;
- the availability and cost of drilling rigs, production equipment, supplies, personnel and oilfield services;
- other competitive pressures;
- potential liabilities inherent in oil and natural gas operations, including drilling and production risks and other operational and environmental risks and hazards;
- current and future government regulation of the oil and gas industry or regulation of the investment in or ability to do business with certain countries or regimes;
- cost of compliance with laws and regulations;
- changes in environmental, health and safety or climate change or GHG laws and regulations or the implementation, or interpretation, of those laws and regulations;
- adverse effects of sovereign boundary disputes in the jurisdictions in which Kosmos operates, including an ongoing maritime boundary demarcation dispute between Côte d'Ivoire and Ghana impacting Kosmos' operations in the Deepwater Tano Block offshore Ghana;
- environmental liabilities;
- geological, geophysical and other technical and operations problems including drilling and oil and gas production and processing;
- military operations, civil unrest, outbreaks of disease, terrorist acts, wars or embargoes;
- the cost and availability of adequate insurance coverage and whether such coverage is enough to sufficiently mitigate potential losses and whether Kosmos' insurers comply with their obligations under Kosmos' coverage agreements;
- its vulnerability to severe weather events;
- its ability to meet its obligations under the agreements governing its indebtedness;
- the availability and cost of financing and refinancing its indebtedness;
- the amount of collateral required to be posted from time to time in its hedging transactions, letters of credit and other secured debt;

- the result of any legal proceedings, arbitrations, or investigations it may be subject to or involved in;
- its success in risk management activities, including the use of derivative financial instruments to hedge commodity and interest rate risks; and
- other risk factors discussed in the section entitled “Risk Factors”.

The words “believe,” “may,” “will,” “aim,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “plan” and similar words are intended to identify estimates and forward-looking statements. Estimates and forward-looking statements speak only as of the date they were made, and, except to the extent required by applicable law or regulation (including as may be required by the Companies Act 2006, Prospectus Rules, Listing Rules, MAR, Disclosure Guidance and Transparency Rules and FSMA), Kosmos undertakes no obligation to update or to review any estimate and/or forward-looking statement because of new information, future events or other factors. Estimates and forward-looking statements involve risks and uncertainties and are not guarantees of future performance. As a result of the risks and uncertainties described above, the estimates and forward-looking statements discussed in this Prospectus might not occur, and Kosmos’ future results and performance may differ materially from those expressed in these forward-looking statements due to, including, but not limited to, the factors mentioned above. Because of these uncertainties, undue reliance should not be placed on these forward-looking statements.

The contents of these paragraphs relating to forward-looking statements are not intended to qualify the statements made as to sufficiency of working capital in this Prospectus.

5. Currencies

Kosmos’ financial information is presented in US dollars. In this Prospectus, references to “**USD**”, “**USD \$**”, “**US dollars**”, “**dollars**”, “**US \$**”, “**cents**” or “**c**” are to the lawful currency of the United States.

The basis of translation of any foreign currency transactions and amounts in the financial information set out in Schedule I (*Historical Financial Information*) is described in that Schedule I.

6. Rounding

The financial information presented in a number of tables in this Prospectus has been rounded to the nearest whole number or the nearest decimal place. Therefore, the sum of the numbers in a column may not conform exactly to the total figure given for that column. In addition, certain percentages presented in the tables in this Prospectus reflect calculations based upon the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

7. No incorporation of websites

The contents of the websites of any member of Kosmos do not form part of this Prospectus, and no one should rely on such websites.

8. Definitions and technical terms

A list of defined terms and technical terms used in this Document is set out in Part IX (*Definitions*) and Part X (*Glossary of Technical Terms*).

DIRECTORS, COMPANY SECRETARY, REGISTERED OFFICE AND ADVISERS

Directors	Andrew G. Inglis (<i>Chairman of the Board of Directors and Chief Executive Officer</i>) Brian F. Maxted (<i>Chief Exploration Officer</i>) Yves-Louis Darricarrère Sir Richard B. Dearlove David I. Foley David B. Krieger Joseph P. Landy Adebayo O. Ogunlesi Chris Tong Christopher A. Wright
Company Secretary	Jason E. Doughty
Registered office	Clarendon House 2 Church Street Hamilton HM 11 Bermuda
Financial adviser	BMO Capital Markets Limited 4th Floor, 95 Queen Victoria Street London EC4V 4HG United Kingdom
Auditors	Ernst & Young LLP 2323 Victory Avenue Dallas Texas 75219 United States of America
Legal advisers to Kosmos as to English law	Slaughter and May One Bunhill Row London EC1Y 8YY United Kingdom
Legal advisers to Kosmos as to US law	Davis Polk & Wardwell LLP 450 Lexington Ave New York NY 10017 USA
Legal advisers to Kosmos as to Bermuda law	Conyers Dill & Pearman Limited Clarendon House 2 Church Street Hamilton HM 11 Bermuda
Legal advisers to BMO as to English and US law	Linklaters LLP One Silk Street London EC2Y 8HQ United Kingdom
Transfer agent and depository	Computershare Investor Services plc The Pavilions Bridgewater Road Bristol BS13 8AE United Kingdom

PART I

BUSINESS OVERVIEW

1. General

Kosmos is a leading independent oil and gas exploration and production company focused on frontier and emerging areas along the Atlantic Margins. Its assets include existing production and development projects offshore Ghana, large discoveries and significant further exploration potential offshore Mauritania and Senegal, as well as exploration licences with, Kosmos believes, significant hydrocarbon potential offshore Sao Tome and Principe, Suriname, Morocco and Western Sahara.

2. History

Kosmos was founded in 2003 to find oil in under-explored or overlooked parts of West Africa. Members of the founding management team—who had previously worked together making significant discoveries and developing them in Africa, the Gulf of Mexico, and other areas—established the company on a single geologic concept that previously had been disregarded by others in the industry, the Late Cretaceous play system.

Following its formation, Kosmos acquired multiple exploration licences and proved the geologic concept with the discovery of the Jubilee Field within the Tano Basin in the deep waters offshore Ghana in 2007. This was the first of its discoveries offshore Ghana. It was one of the largest oil discoveries worldwide in 2007 and is considered one of the largest finds offshore West Africa during the last decade. As technical operator of the initial phase of the Jubilee Field, Kosmos planned and executed the development phase. Oil production from the Jubilee Field began in November 2010, just 42 months after initial discovery, a record for a deepwater development in this water depth in West Africa.

In 2011, Kosmos undertook an initial public offering of its shares, with trading beginning on the NYSE on 11 May 2011. Following the initial public offering, Kosmos acquired several new exploration licences and again proved a new geologic concept with the Ahmeyim discovery (also known as Tortue) in the deepwater offshore Mauritania in 2015. The Ahmeyim discovery was one of the largest natural gas discoveries worldwide in 2015 and is believed to be the largest ever gas discovery offshore West Africa. Kosmos has since demonstrated the extension of this gas discovery into Senegal with the successful Guembeul-1 exploration well, which is collectively called the Greater Tortue resource. Kosmos has now drilled six exploration and appraisal wells offshore Mauritania and Senegal with a 100% success rate, which collectively, according to Kosmos estimates, have discovered a gross potential natural gas resource of approximately 40 trillion cubic feet (including the Greater Tortue resource). Kosmos believes these discoveries have significant follow-on potential.

In December 2016, Kosmos announced a partnership with affiliates of BP in Mauritania and Senegal following a competitive farm-down process for its interests in its blocks offshore Mauritania and Senegal. BP was selected as the partner on the basis of their strategic alignment in exploring the basin and developing the discovered resource as well as a competitive offer. In Mauritania, BP acquired a 62% participating interest in four of Kosmos' Mauritania licences (C6, C8, C12 and C13). In Senegal, BP acquired a 49.99% interest in KBSL, Kosmos' majority owned affiliate company which holds an undivided 60% participating interest in two blocks offshore Senegal. On 14 August 2017, Kosmos and BP agreed to unwind the KBSL joint venture, with BP receiving from KBSL a 30% participating interest in two blocks offshore Senegal, subject to (among other things) approval of the Senegalese government, and then surrendering its shareholding in KBSL. Upon completion of the unwind, it is expected that Kosmos' cap on exploration and appraisal carry will be increased by \$7 million. Société des Petroles du Sénégal ("**PETROSEN**") has the option to acquire up to an additional 10% paying interests in two blocks offshore Senegal upon declaration of commerciality. The interest percentage does not give effect to the exercise of such option. In consideration for these transactions, Kosmos is owed firm consideration of \$916 million, including \$162 million in cash up front, \$221 million exploration and appraisal carry, and up to \$533 million in a development carry. Kosmos is also eligible for contingent consideration of up to \$2 per barrel for up to 1 billion barrels of liquids gross, structured as a production royalty, subject to future liquids discoveries and production and prevailing oil prices. These transactions closed in the first quarter of 2017 and are expected to accelerate the development of the discovered gas resources, ensure the timely execution of an exploration programme and strengthen its balance sheet by reducing its capital expenditure

requirements and provide funding for its Mauritania and Senegal exploration and development programme over the near to medium term.

3. Background to and Reasons for Seeking the Admission

Since Kosmos listed on the NYSE in May 2011 it has remained focussed on maximising value from its assets in Ghana, whilst increasing value further through high impact exploration in frontier and emerging basins along the Atlantic Margins designed to unlock new petroleum systems, a strategy that recently led to major discoveries offshore Mauritania and Senegal. Over the same period, many of Kosmos' NYSE listed peers have refocussed their operations towards the exploitation of unconventional resource plays onshore North America. Consequently, Kosmos is one of a small number of NYSE listed independent exploration and production ("E&P") companies with a significant proportion of its assets located outside North America.

Positioning against Key Peers

Kosmos has continued to develop since its IPO in 2011 and has now become one of the few international E&Ps listed in the United States. Consequently, the Directors believe it is now the right time to obtain a secondary listing of the Common Shares.

Of the possible international listing venues, the Directors believe that the London Stock Exchange represents the most logical venue given the presence of several other independent E&P companies, with oil and gas assets and operations in similar geographies to Kosmos', which the Directors consider to be key peers.

Many of these key peers benefit from broad, international shareholder bases. The Directors believe that listing on the London Stock Exchange will enhance Kosmos' capital markets profile among the international investment community and therefore provide support for the continued development of Kosmos.

Increased Research Coverage

Kosmos is currently covered by 15 analysts that provide investment research, including independent opinions, estimates and forecasts, related to the Common Shares. The Directors anticipate that the number of analysts providing independent investment research on Kosmos will increase following Admission, in line with the level of analyst coverage that Kosmos' London listed peers currently attract. The Directors believe that an increased level of analyst coverage will enhance Kosmos' profile with potential new investors in Europe, North America and internationally and benefit Kosmos' existing Shareholders.

Broader Access to Institutional Investors

Kosmos benefits from a diverse and supportive shareholder base built over a sustained period since listing on the NYSE in 2011. However, the Directors believe there are a number of European investment funds and specialist international oil and gas investors that are currently unable to hold Common Shares due to their listing outside of a European regulated market.

The Directors therefore believe that admission to trading on the London Stock Exchange will allow Kosmos to broaden its international investor base.

Notwithstanding the Admission, the Common Shares will continue to be listed on the NYSE.

4. Business Strategy

The business strategy focuses on achieving four key objectives: (1) maximise the value of the Ghana assets; (2) develop the discovered resources offshore Mauritania and Senegal; (3) continue to explore, appraise and develop the deepwater basin offshore Mauritania and Senegal to further grow value; and (4) increase value further through a high-impact exploration programme which is designed to unlock new petroleum systems. In Ghana, Kosmos is focused on increasing production, cash flows and reserves from the Jubilee and TEN fields, and the appraisal and development of its other Ghanaian discoveries. In Mauritania and Senegal, Kosmos expects to fully appraise and develop its current Greater Tortue discovery with the objective of making a final investment decision during 2018 and producing first gas as soon as 2021, as well as continue to test its inventory of oil and gas prospects. Kosmos also has a large inventory of leads and prospects in the remainder of its

exploration portfolio which it plans to continue to mature. Kosmos plans to test the prospectivity of high impact opportunities in the coming years along the Atlantic Margins.

Grow proved reserves and production primarily through exploration, appraisal and development

In the near-term Kosmos plans to grow proved reserves and production by further developing the Jubilee Field, including incorporating its Mahogany and Teak discoveries into the Greater Jubilee Full Field Development Plan (“GJFFDP”) and by increasing production at TEN through further development after delivering first oil in August 2016 through a dedicated FPSO. In the medium-term, growth could also be realised through the development of all or a portion of new discoveries in Mauritania and Senegal. Consistent with this strategy, Kosmos also evaluates potential corporate and asset acquisition opportunities to support and expand the asset portfolio.

Focus on optimally developing discoveries to initial production

The development focus is designed to accelerate production, deliver early learnings and maximise returns. In certain circumstances, a phased approach can be employed to optimise full-field development through a better understanding of dynamic reservoir behaviour and enable activities to be performed in a parallel rather than a sequential manner. A phased approach also facilitates refinement of the development plans based on experience gained in initial phases of production and by leveraging existing infrastructure as subsequent phases of development are implemented. Production and reservoir performance from the initial phase are monitored closely to determine the most efficient and effective techniques to maximise the recovery of reserves and returns. Other benefits include minimising upfront capital costs, reducing execution risks through smaller initial infrastructure requirements, and enabling cash flow from the initial phase of production to fund a portion of capital costs for subsequent phases. In contrast, a traditional development approach consists of full appraisal, conceptual engineering, preliminary engineering, detailed engineering, procurement and fabrication of facilities, development drilling and installation of facilities for the full-field development, all performed sequentially, before first production is achieved. This approach can considerably lengthen the time from discovery to first production.

For example, post-discovery in 2007, first oil production from the Jubilee Field commenced in November 2010. This development timeline from discovery to first oil was significantly less than the seven to ten year industry average and set a record for a deepwater development of this size and scale at this water depth in West Africa. This condensed timeline reflects the lessons learned by Kosmos’ experienced team while leading other large scale deepwater developments. The initial development concept for Greater Tortue also contemplates a phased development completed on an accelerated pace to first gas.

Successfully open and develop offshore exploration plays

Kosmos believes that the prospects and leads offshore Mauritania, Senegal, Sao Tome and Principe, Suriname, Morocco and Western Sahara provide favourable opportunities to create substantial value through exploration drilling. Starting in the first quarter of 2017, Kosmos resumed its exploration drilling to test this potential in Mauritania and Senegal and delivered another success at Yakaar, which is believed to be the largest discovery globally in 2017. Beginning in Q3 2017, Kosmos plans on drilling three additional exploration wells in Mauritania and Senegal and has plans to begin drilling in Suriname and in other areas beginning in 2018. Given the potential size of these prospects and leads, exploratory success in operating areas could significantly add to the growth profile of Kosmos.

Identify, access and explore emerging regions and hydrocarbon plays

The management and exploration teams have demonstrated an ability to identify regions and hydrocarbon plays that have the potential to yield multiple large commercial discoveries. Kosmos focuses on frontier and emerging areas that have been under-explored yet offer attractive commercial terms as a result of reduced competition and first-mover advantage. Kosmos expects to continue to use its systematic and proven geologically-focused approach in frontier and emerging petroleum systems where geological data suggests hydrocarbon accumulations are likely to exist, but where commercial discoveries have yet to be made. This focus on poorly understood, under-explored or otherwise overlooked hydrocarbon basins enables Kosmos to unlock significant hydrocarbon potential and create substantial value for shareholders.

This approach and focus, coupled with a first-mover advantage and the management and technical teams' discipline in execution, provide a competitive advantage in identifying and accessing new strategic growth opportunities. Kosmos expects to continue seeking new opportunities where hydrocarbons have not been discovered or produced in meaningful quantities by leveraging the reputation and relationships of its experienced technical and management teams. This includes existing areas of interest as well as selectively expanding reach into other locations.

In addition to ideas developed organically, farm-in opportunities may offer a way to participate in new venture opportunities to undertake exploration in emerging basins, new plays and fairways to enhance and optimise the portfolio.

Kosmos' Exploration Approach

Kosmos' exploration philosophy is deeply rooted in a fundamental, geologically-based approach geared toward the identification of poorly understood, under-explored or overlooked petroleum systems. This process begins with detailed geologic studies that methodically assess a particular region's subsurface, with careful consideration given to those attributes that suggest working petroleum systems. The process includes basin modelling to predict oil or gas charge and fluid migration, as well as stratigraphic and structural analysis to identify reservoir/seal pair development and trap definition. This analysis integrates data from previously drilled wells, where available, and seismic data. Importantly, this approach also takes into account a detailed analysis of geologic timing to ensure that Kosmos has an appropriate understanding of whether the sequencing of geological events could promote and preserve hydrocarbon accumulations. Once an area is high-graded based on this play/fairway analysis, geophysical analysis based on new 3D seismic is conducted to identify prospective traps of interest.

Alongside the subsurface analysis, Kosmos performs an analysis of country-specific risks to gain an understanding of the "above-ground" dynamics, which may influence a particular country's relative desirability from an overall oil and natural gas operating and risk-adjusted return perspective. This process is employed in both areas that have existing oil and natural gas production, as well as those regions that have yet to achieve commercial hydrocarbon production.

Once an area of interest has been identified, Kosmos targets licences over the particular basin or fairway to achieve an early-mover or in many cases a first-mover advantage. In terms of licence selection, Kosmos targets specific regions that have sufficient size to manage exploration risks and provide scale should the exploration concept prove successful. Kosmos also looks for long-term contract duration to enable the "right" exploration programme to be executed, play type diversity to provide multiple exploration concept options, prospect dependency to enhance the chance of replicating success and sufficiently attractive fiscal terms to maximise the commercial viability of discovered hydrocarbons.

Apply an entrepreneurial culture, which fosters innovation and creativity, to continue a successful exploration and development programme

Kosmos' geoscientists and engineers are critical to the success of its business strategy and Kosmos has created an environment that enables them to focus their knowledge, skills and experience on finding and developing new fields. Culturally, Kosmos has an open, team-oriented work environment that fosters entrepreneurial, creative and contrarian thinking. This approach enables Kosmos to fully consider and understand both risk and reward, as well as deliberately and collectively pursue strategies that create and maximise value. This philosophy and approach was successfully utilised offshore Ghana, Mauritania and Senegal, resulting in the discovery of significant new petroleum systems, which the industry previously did not consider either prospective or commercially viable.

Build the right strategic partnerships with complementary capabilities

Kosmos looks to partner with high quality, industry players with world-class complementary capabilities early in exploration projects. This strategy is designed to ensure that upon successful exploration and appraisal activities, the project can benefit from specific expertise provided by these partners, including exploration, development, production and above-ground capabilities. Kosmos has proven it can execute this with BP in Mauritania and Senegal, and Chevron and Hess Corporation ("Hess") in Suriname and Galp Energia Sao Tome E Principe, Unipessoal, LDA ("Galp") in Sao Tome and Principe. In addition, bringing in the right strategic partners early in projects, typically comes with

a financial carry on future expenditures, allowing Kosmos to reduce the cost basis and increase return on investment.

Maintain Financial Discipline

Kosmos strives to maintain a conservative financial profile and strong balance sheet with ample liquidity. Typically, Kosmos funds exploration and development activities from a combination of operating cash flows, debt or partner carries. As of 30 June 2017, Kosmos has approximately \$1.2 billion of liquidity available to fund opportunities. Starting in the fourth quarter of 2016, with growing cash flow from Ghana assets and reduced capital expenditures as the TEN fields came into production, Kosmos generated positive cash flow from operations which has continued into 2017.

Additionally, derivative instruments are used to partially limit Kosmos' exposure to fluctuations in oil prices and interest rates. Kosmos has an active commodity hedging programme where it hedges a portion of anticipated sales volumes on a two-to-three year rolling basis. As of 31 July 2017, there are hedged positions covering approximately 13 million barrels of oil in 2017 and, 2018 and 2019 oil production, which provide partial downside protection should Dated Brent oil prices remain below floor prices. It also maintains insurance to mitigate loss of production revenues from its Jubilee and TEN assets.

5. Principal Activities and Markets

Kosmos currently has operations in Africa and South America. Currently, all operating revenues are generated from operations offshore Ghana.

A breakdown of the total revenues by category of activity for years ended 31 December 2016, 2015 and 2014 extracted from the financial statements in Schedule I (*Historical Financial Information*) is set out in the following table.

	Years ended 31 December		
	2016	2015	2014
	(In thousands)		
Revenues and other income:			
Oil and gas revenue	\$310,377	\$446,696	\$855,877
Gain on sale of assets	—	24,651	23,769
Other income	74,978	209	3,092
Total revenues and other income	385,355	471,556	882,738

A breakdown of the total revenues by category of activity for the six months ended 30 June 2017 and 2016 is set out in the following table:

	Six Months Ended 30 June	
	2017	2016
Revenues and other income:		
Oil and gas revenue	\$239,795	\$107,631
Other income, net	58,695	178
Total revenues and other income	298,490	107,809

Discoveries

Information about deepwater discoveries is summarised in the following table.

Discoveries	License	Kosmos Participating Interest	Operator	Stage
Ghana				
Jubilee Field Phase 1 and Phase 1A ⁽¹⁾	WCTP/DT ⁽²⁾	24.1% ⁽⁴⁾	Tullow	Production
Jubilee Field subsequent phases	WCTP/DT ⁽²⁾	24.1% ⁽⁴⁾	Tullow	Development
TEN ⁽¹⁾	DT	17.0% ⁽⁵⁾	Tullow	Production
Mahogany	WCTP	24.1% ⁽⁶⁾	Kosmos ⁽⁶⁾	Appraisal
Teak	WCTP	24.1% ⁽⁶⁾	Kosmos ⁽⁶⁾	Appraisal
Akasa	WCTP	30.9% ⁽⁶⁾⁽⁷⁾	Kosmos	Appraisal
Wawa	DT	18.0% ⁽⁷⁾	Tullow	Appraisal
Mauritania				
Ahmeyim	Block C8 ⁽³⁾	28.0% ⁽⁸⁾	BP	Appraisal
Marsouin	Block C8	28.0% ⁽⁸⁾	BP	Appraisal
Senegal				
Guembeul	Saint Louis Offshore Profond ⁽³⁾	60.0% ⁽⁹⁾	Kosmos BP Senegal Limited ⁽⁹⁾	Appraisal
Teranga	Cayar Offshore Profond	60.0% ⁽⁹⁾	Kosmos BP Senegal Limited ⁽⁹⁾	Appraisal
Yakaar	Cayar Offshore Profond	60.0% ⁽⁹⁾	Kosmos BP Senegal Limited ⁽⁹⁾	Appraisal

(1) For information concerning estimated proved reserves as of 31 December 2016, see Schedule 2 (*Competent Person's Report*).

(2) The Jubilee Field straddles the boundary between the WCTP petroleum contract and the Deepwater Tano ("DT") petroleum contract offshore Ghana. In order to optimise resource recovery in this field, Kosmos entered into the UUOA in July 2009 with GNPC and the other block partners of each of these two blocks. The UUOA governs the interests in and development of the Jubilee Field and created the Jubilee Unit from portions of the WCTP petroleum contract and the DT petroleum contract areas.

(3) The Greater Tortue resource, which includes the Ahmeyim discovery in Mauritania Block C8 and the Guembeul discovery in the Senegal Saint Louis Offshore Profond Block, straddles the border between Mauritania and Senegal. Kosmos has entered into a Memorandum of Understanding ("MOU") signed by PETROSEN and SMHPM, the national oil companies of Senegal and Mauritania, respectively, which sets out the principles for an intergovernmental cooperation agreement for the development of the cross-border Greater Tortue resource.

(4) These interest percentages are subject to redetermination of the participating interests in the Jubilee Field pursuant to the terms of the UUOA. The paying interest on development activities in the Jubilee Field is 26.9%.

(5) Paying interest on development activities in the TEN fields is 19%.

(6) In September 2015, GNPC exercised its WCTP petroleum contract option, with respect to the Mahogany and Teak discoveries, to acquire an additional paying interest of 2.5%. Kosmos signed the Jubilee Field Unit Expansion Agreement with its partners in November 2015. This allows for the Mahogany and Teak discoveries to be included in the GJFFDP. Upon approval of the GJFFDP by Ghana's Ministry of Energy, (a) the Jubilee Unit will be expanded to include the Mahogany and Teak discoveries, (b) revenues and expenses associated with these discoveries will be at the Jubilee Unit interests, and (c) operatorship of the Mahogany and Teak discoveries will be transferred to Tullow as Jubilee Unit operator. These interest percentages give effect to the exercise of GNPC's option and approval of the GJFFDP. The paying interest on development activities in these discoveries is 26.9%. The participating interest as of 30 June 2017 is 30.0%. Additionally, the WCTP Block partners have agreed they will take the steps necessary to transfer operatorship of the remaining portions of the WCTP Block to Tullow after approval of the GJFFDP by Ghana's Ministry of Energy.

(7) GNPC has the option to acquire additional paying interests in a commercial discovery on the WCTP Block and the DT Block of 2.5% and 5.0%, respectively. These interest percentages do not give effect to the exercise of such options.

(8) SMHPM has the option to acquire up to an additional 4% paying interests in a commercial development. These interest percentages do not give effect to the exercise of such option.

(9) KBSL is a majority owned affiliate of Kosmos in which it owns a 50.01% interest and BP owns a 49.99% interest. On 14 August 2017, Kosmos and BP agreed to unwind the KBSL joint venture, with BP receiving from KBSL a 30% participating interest in two blocks offshore Senegal, subject to (among other things) approval of the Senegalese government, and then surrendering its shareholding in KBSL. Upon completion of the unwind, it is expected that Kosmos' cap on exploration and appraisal carry will be increased by \$7 million. PETROSEN has the option to acquire up to an additional 10% paying interests in a commercial development on the Saint Louis Offshore Profond and Cayar Offshore Profond blocks. The interest percentage does not give effect to the exercise of such option.

Exploration Licence Areas⁽¹⁾⁽⁵⁾

	Operator (Participating Interest)	Partners (Participating Interest)	Exploration period expiration (including any extensions)
Mauritania⁽⁴⁾			
Block C6	BP (62%) ⁽²⁾	Kosmos (28%), SMHPM (10%)	October 2026
Block C8	BP (62%) ⁽²⁾	Kosmos (28%), SMHPM (10%)	June 2022
Block C12	BP (62%) ⁽²⁾	Kosmos (28%), SMHPM (10%)	June 2022
Block C13	BP (62%) ⁽²⁾	Kosmos (28%), SMHPM (10%)	June 2022
Morocco and Western Sahara			
Boujdour Maritime	Kosmos (55%)	Cairn (20%), ONHYM (25%)	July 2024
Essaouira	Kosmos (75%)	ONHYM (25%)	November 2019
Sao Tome and Principe			
Block 5	Kosmos (45%)	Galp (20%), Equator (20%), ANP (15%),	May 2023
Block 6	Galp (45%)	Kosmos (45%), ANP (10%)	November 2023
Block 11	Kosmos (65%)	Galp (20%), ANP (15%)	July 2022
Block 12	Kosmos (45%)	Galp (20%), Equator (22.5%), ANP (12.5%),	February 2024
Senegal			
Cayar Offshore Profond . . .	Kosmos BP Senegal Limited (60%) ⁽³⁾	BP (30%), PETROSEN (10%)	December 2020
Saint Louis Offshore Profond	Kosmos BP Senegal Limited (60%) ⁽³⁾	BP (30%), PETROSEN (10%)	December 2020
Suriname			
Block 42	Kosmos (33%)	Chevron (33%), Hess (33%)	September 2023
Block 45	Kosmos (50%)	Chevron (50%)	September 2023

(1) In January 2017, Kosmos provided to its co-venturers a notice of withdrawal from the Ameijoa, Camarao, Mexilhao and Ostra Blocks offshore Portugal, where it had held a non-operated interest since March 2015 pursuant to a farm-in agreement with Repsol Exploracion, S.A.

(2) BP is the operator of record while Kosmos will provide technical exploration operator services.

(3) KBSL is a majority owned affiliate of Kosmos in which it owns a 50.01% interest and BP owns a 49.99% interest. On 14 August 2017, Kosmos and BP agreed to unwind the KBSL joint venture, with BP receiving from KBSL a 30% participating interest in two blocks offshore Senegal, subject to (among other things) approval of the Senegalese government, and then surrendering its shareholding in KBSL. Upon completion of the unwind, it is expected that Kosmos' cap on exploration and appraisal carry will be increased by \$7 million. PETROSEN has the option to acquire up to an additional 10% paying interests in a commercial development on the Saint Louis Offshore Profond and Cayar Offshore Profond blocks. The interest percentage does not give effect to the exercise of such option.

(4) In June 2017, Kosmos entered into a farm-in agreement with Tullow Mauritania Limited, a subsidiary of Tullow, to acquire a 15% non-operated participating interest in Block C18 offshore Mauritania. Based on the terms of the agreement, Kosmos will reimburse a portion of past and interim period costs and partially carry Tullow's share of a planned 3D seismic program (up to \$2.1 million net for Kosmos). Kosmos will also pay Tullow \$2.5 million by the end of the initial phase of the exploration period for additional carry of seismic and other joint account costs. Certain governmental approvals are still required to be completed before this agreement is effective. The exploration period for Block C18 (including any extensions) will expire in June 2022.

(5) All material minimum commitments for the exploration licenses have been met, other than (i) for Block C12 and Block C13, where Kosmos has a commitment to drill two exploration wells by June 2019, (ii) in Sao Tome and Principe and Western Sahara, where Kosmos has 3D seismic requirements of 4,750 square kilometers and 5,000 square kilometers, respectively and (iii) in Morocco, where Kosmos has to carry out a seabed sampling survey for geochemical and heat flow analysis. For further details about the outstanding minimum commitments, see section 5 of Part IV (*Operating and Financial Overview*).

Ghana

The WCTP Block and DT Block are located within the Tano Basin, offshore Ghana. This basin contains a proven world-class petroleum system as evidenced by the discoveries.

The Tano Basin represents the eastern extension of the Deep Ivorian Basin which resulted from the development of an extensional sedimentary basin caused by tensional forces associated with opening of the Atlantic Ocean, as South America separated from Africa in the Mid-Cretaceous period. The Tano Basin forms part of the resulting transform margin which extends from Sierra Leone to Nigeria.

The Tano Basin sediments comprise a thick Upper Cretaceous, deepwater turbidite sequence which, in combination with a modest Tertiary section, provided sufficient thickness to mature an early to Mid-Cretaceous source rock in the central part of the Tano Basin. This well-defined reservoir and charge fairway forms the play which, when draped over the South Tano high (a structural high dipping into the basin), resulted in the formation of trapping geometries.

The primary reservoir types consist of well-imaged Turonian and Campanian aged submarine fans situated along the steeply dipping shelf margin and trapped in an up dip direction by thinning of the reservoir and/or faults. Many of Kosmos' discoveries have similar trap geometries.

The following is a brief discussion of discoveries to date on licence areas offshore Ghana.

Jubilee Field

The Jubilee Field was discovered by Kosmos in 2007, with first oil produced in November 2010. Appraisal activities confirmed that the Jubilee discovery straddled the WCTP and DT Blocks. Pursuant to the terms of the UUOA, the discovery area was unitised for purposes of joint development by the WCTP and DT Block partners. Kosmos' current unit interest is 24.1%.

The Jubilee Field is a combination structural-stratigraphic trap with reservoir intervals consisting of a series of stacked Upper Cretaceous Turonian-aged, deepwater turbidite fan lobe and channel deposits.

The Jubilee Field is located approximately 37 miles offshore Ghana in water depths of approximately 3,250 to 5,800 feet, which led to the decision to implement an FPSO based development. The FPSO is designed to provide water and natural gas injection to support reservoir pressure, to process and store oil and to export gas through a pipeline to the mainland. The Jubilee Field is being developed in a phased approach. The Phase 1 development focused on partial development of certain reservoirs in the Jubilee Field. The Kosmos-led IPT successfully executed the initial 17 well development plan, which included nine producing wells that produced through subsea infrastructure to the "Kwame Nkrumah" FPSO, six water injection wells and two natural gas injection wells. This initial phase provided subsea infrastructure capacity for additional production and injection wells to be drilled in future phases of development.

The Phase 1A development plan provided further development to the currently producing Jubilee Field reservoirs. The Phase 1A development included the drilling of eight additional wells consisting of five production wells and three water injection wells. Approval was given for an additional well, a gas injector, considered as part of Phase 1A. The Phase 1A Addendum PoD was submitted to the Ministry of Energy in June 2015 and deemed approved in July 2015 to enable drilling and completion of two additional wells consisting of one production well and one water injection well.

In November 2015, Kosmos signed the Jubilee Field Unit Expansion Agreement with partners to allow for the development of the Mahogany and Teak discoveries through the Jubilee FPSO and infrastructure. The expansion of the Jubilee Unit becomes effective upon approval of the GJFFDP by Ghana's Ministry of Energy. The GJFFDP was submitted to the government of Ghana in December 2015 and is expected to be resubmitted in the second half of 2017 to address comments received from the Ministry of Energy. Kosmos currently expects the GJFFDP to be approved in 2017. The GJFFDP includes further development of the three producing reservoirs and final development of the two remaining reservoirs to maximise ultimate recovery and asset value.

The Government of Ghana completed the construction and connection of a gas pipeline from the Jubilee Field to transport natural gas to the mainland for processing and sale. In November 2014, the transportation of gas produced from the Jubilee Field commenced through the gas pipeline to the onshore gas plant. While there have been issues with the uptime of the onshore gas facilities required to export gas, recent performance has been steady and reliable. However, in the absence of the

continuous export of large quantities of natural gas from the Jubilee Field it is anticipated that the operator will need to re-inject or flare such natural gas, which could impact oil production.

In prior years, certain near wellbore productivity issues were identified, impacting several Phase 1 production wells. The Jubilee Unit partners identified a means of successfully mitigating the near wellbore productivity issues with ongoing acid stimulation treatments. Kosmos also has experienced mechanical issues in the past, including failures of its water injection facilities and gas compressor on the Jubilee FPSO, and is currently working to remediate the turret bearing issues on the Jubilee FPSO. This equipment downtime negatively impacted oil production and the Jubilee Unit partners are in the process of repairing the current mechanical issues and implementing a long-term solution for the turret issue.

Recent developments

In February 2016, the Jubilee Field operator identified an issue with the turret bearing of the FPSO Kwame Nkrumah. This was the primary cause for the FPSO to be shut down for an extended period beginning in March with production resuming in early May 2016. This resulted in the need to implement new operating and offloading procedures, including the use of tug boats for heading control and a DP shuttle tanker and storage vessel for offloading.

These new operating procedures were successfully implemented in April 2016 and are working effectively. Oil production from the Jubilee Field averaged approximately 84,200 (gross) barrels of oil per day during the first half of 2017.

Kosmos and its partners have determined the preferred long-term solution to the turret bearing issues is to convert the FPSO to a permanently spread moored facility, with offloading through a new deepwater CALM buoy. The Jubilee turret remediation work is progressing as planned and the FPSO spread-mooring on its current heading was completed in February 2017. This has allowed the tug boats previously required to hold the vessel on a fixed heading to be removed, significantly reducing the complexity of the current operation. The next phase of the remediation work involves modifications to the turret for long-term spread-moored operations. At present, the partnership is evaluating options to select the optimal long-term heading. The partners and the Government of Ghana have agreed on the need to stabilise the turret bearing and a shutdown is being planned in late 2017 to execute this workscope. Planning for the rotation of the vessel and the installation of a deepwater CALM buoy is ongoing and it is anticipated that this work will be executed in two stages in 2018 and 2019, subject to final decisions and government approval. The total shutdown duration, including this year's stabilisation of the bearing, is not expected to exceed 12 weeks as previously forecast by the operator.

The financial impact of lower Jubilee production as well as the additional expenditures associated with the damage to the turret bearing has been mitigated through a combination of the comprehensive hull and machinery ("H&M") insurance, procured by the operator, Tullow, on behalf of the Jubilee Unit partners, and, through late May 2017, the corporate LOPI insurance procured by Kosmos. Both LOPI and H&M insurance coverages have been confirmed by Kosmos' insurers and payments are being received. Kosmos' LOPI policy covered loss of production income and certain turret related operating costs incurred in respect of supporting production for a period not to exceed twelve months after a 60-day waiting period. The LOPI policy covered the period from 22 May 2016 through 21 May 2017 and no future production losses or operating costs including any future shutdowns relating to the turret bearing issue, will be covered by this LOPI insurance policy. Over the 12 month indemnity period Kosmos recovered the economical equivalent of approximately 2.3 million barrels of oil or approximately \$142.9 million in respect of lost production as well as \$24.6 million related to operating costs. The lost production amounts represent deemed lost production as a direct result of the turret related issues excluding the impact of Kosmos' 60 day waiting period deductible as well as non-turret related production restrictions.

The Jubilee operator provides the H&M insurance on behalf of the Unit partners which covers the capital costs (referred to as "Facilities insurance modifications" in the Consolidated Statements of Operations) required to reinstate the FPSO to its operating condition prior to the turret bearing issue and certain turret related operating costs taken to mitigate further damage to the FPSO. The coverage limit on the H&M policy for this claim is \$1.2 billion and there is no time limitation on reinstating the vessel to original operating condition. Kosmos expects that payments under this policy will continue to be made in relation to the turret bearing issue until all activities required to reinstate the vessel to original operating condition have been completed.

Kosmos has renewed the LOPI policy as part of its annual insurance renewals for any other future potential incidents. The costs and reimbursements related to the turret bearing issues appear on the income statement as follows: LOPI proceeds are included as other income in the revenue section, increased operating costs and reimbursement of the same are included as oil and gas production in the costs and expenses section, and costs to convert the FPSO to a permanently spread moored facility and associated insurance reimbursements will show up as facilities insurance modifications in the costs and expenses section.

As of 31 July 2017, Kosmos has claims approved of \$186.1 million from its LOPI and H&M insurers with \$180 million of cash received.

TEN Fields

The TEN fields are located in the western and central portions of the DT Block, approximately 30 miles offshore Ghana in water depths of approximately 3,300 to 5,700 feet. In November 2012, Kosmos submitted a declaration of commerciality and PoD over the TEN discoveries. In May 2013, the government of Ghana approved the TEN PoD. The discoveries are being developed with a single dedicated FPSO.

The TEN fields consist of multiple stratigraphic traps with reservoir intervals consisting of a series of stacked Upper Cretaceous Turonian-aged, deepwater fan lobes and channel deposits.

The TEN fields are being developed in a phased manner. The plan of development for TEN was designed to include an expandable subsea system that would provide for multiple phases. Phase 1 of the TEN fields includes the drilling and completion of up to 17 wells, 11 of which have been completed. Seven additional development wells are expected to be drilled during Phase 2. The remaining Phase 1 and Phase 2 wells are a combination of production wells and water or gas injection wells needed to maximise recovery. The remainder of Phase 1 and all Phase 2 drilling is dependent on the ITLOS ruling expected by September 2017.

The TEN FPSO, Prof. John Evans Atta Mills, sailed from Singapore in January 2016 and arrived in Ghanaian waters in March 2016. The 11 development wells in the initial phase of drilling were completed as of October 2016. Hook-up of the FPSO and connecting the pre-drilled wells to the vessel via the subsea infrastructure was completed in 2016. The TEN fields delivered first oil in August 2016 and averaged 14,500 Bopd in 2016.

Recent developments

In June 2017, performance trials have shown the FPSO can operate in excess of its design capacity of 80,000 bopd with short term tests of up to 100,000 bopd being achieved through the FPSO vessel production facilities. Sale and export of non-associated gas resources at the TEN fields is anticipated to begin no later than August 2018. However, no new wells can be drilled until after the previously disclosed ITLOS ruling expected in September 2017. Production from TEN in the first half of 2017 averaged approximately 48,000 bopd and is on track to achieve or exceed the operator's 2017 guidance of 50,000 bopd. After resuming drilling, the TEN fields are expected to increase production towards FPSO capacity of 80,000 bopd as development progresses, subject to the maritime boundary dispute between Côte d'Ivoire and Ghana described in further detail below.

The construction and connection of a gas pipeline between the Jubilee and TEN fields to transport natural gas to the mainland for processing was completed in the first quarter of 2017. However, the uptime of the gas processing facility in future periods is not known. In the absence of the continuous export of large quantities of natural gas from the TEN fields it is anticipated that the operator will need to re-inject or flare such natural gas, which could impact oil production.

Maritime boundary dispute between Ghana and Côte d'Ivoire

The historical maritime boundary between Ghana and its western neighbour, the Republic of Côte d'Ivoire, forms the western boundary of the DT Block offshore Ghana. In early 2010, Côte d'Ivoire petitioned the UN to demarcate the Ivorian territorial maritime boundary with Ghana and in September 2014, Ghana submitted the matter to arbitration under the United Nations Convention on the Law of the Sea. In December 2014, the two parties agreed to transfer the dispute to the ITLOS and on 12 January 2015, the ITLOS formed a special chamber to address the maritime boundary dispute. On 2 March 2015, Côte d'Ivoire applied to the ITLOS for a provisional measures order

suspending activities in the disputed area in which the TEN fields is located until the substantive case concerning the border dispute is adjudicated. The Ghana Attorney General issued a letter on 11 June 2015 to the DT operator, which confirmed the DT Block partners may (i) continue to drill wells that had been started but not completed prior to the ITLOS order and (ii) carry out completion work on wells that have already been drilled.

Kosmos does not know if the maritime boundary dispute will change its and its block partners' rights to undertake further development and production from within its discoveries within such areas. If Côte d'Ivoire is successful in the ITLOS proceeding, Kosmos may lose rights to certain acreage governed by its petroleum contracts for the DT Block, which may potentially include some or all of the TEN fields. For further details about the ITLOS dispute, see the section entitled "Risk Factors", "—A maritime boundary demarcation dispute between Côte d'Ivoire and Ghana may affect a portion of Kosmos' licence areas offshore Ghana, including some or all of the TEN fields."

Tullow arbitration

In June 2016, Kosmos Energy Ghana HC filed a Request for Arbitration with the International Chamber of Commerce against Tullow Ghana Limited in connection with a dispute arising under the DT Joint Operating Agreement. At dispute is Kosmos Energy Ghana HC's responsibility for expenditures arising from Tullow Ghana Limited's contract with Seadrill for use of the West Leo drilling rig once partner-approved 2016 work programme objectives concluded. Tullow has charged such expenditures to the DT joint account. Kosmos disputes that these expenditures are properly chargeable to the DT joint account on the basis that the Seadrill West Leo drilling rig contract was not approved by the DT operating committee pursuant to the DT Joint Operating Agreement. Kosmos expects hearings to take place and for the arbitration to be decided in 2018.

Other Ghana Discoveries

The Mahogany discovery is located within the WCTP Block, southeast of the Jubilee Field. The field is approximately 37 miles offshore Ghana in water depths of approximately 4,100 to 5,900 feet. Kosmos believes the field is a combination stratigraphic-structural trap with reservoir intervals contained in a series of stacked Upper Cretaceous Turonian-aged, deepwater fan lobe and channel deposits.

The Teak discovery is located in the western portion of the WCTP Block, northeast of the Jubilee Field. The field is approximately 31 miles offshore Ghana in water depths of approximately 650 to 3,600 feet. Kosmos believes the field is a structural-stratigraphic trap with an element of four-way closure.

The Akasa discovery is located in the western portion of the WCTP Block approximately 31 miles offshore Ghana in water depths of approximately 3,200 to 5,050 feet. The discovery is southeast of the Jubilee Field. Kosmos believes the target reservoirs are channels and lobes that are stratigraphically trapped. The Akasa-1 well intersected oil bearing reservoirs in the Turonian zones. Fluid samples recovered from the well indicate an oil gravity of 38 degrees API.

The GJFFDP incorporating the Mahogany and Teak discoveries was submitted to the Ghanaian Ministry of Energy in December 2015 and is expected to be resubmitted in the second half of 2017 to address comments received from the Ministry of Energy. While Kosmos is currently in discussions with the government of Ghana, it can give no assurance that approval by the Ministry of Energy will be forthcoming in a timely manner or at all. Kosmos signed the Jubilee Field Unit Expansion Agreement with partners in November 2015. This allows the Mahogany and Teak discoveries to be developed contemporaneously with the Jubilee Field. Upon approval of the GJFFDP by the Ministry of Energy, the Jubilee Unit will be expanded to include the Mahogany and Teak discoveries and revenues and expenses associated with these discoveries will be at the Jubilee Unit interests. Kosmos is currently in discussions with the government of Ghana regarding additional technical studies and evaluation that it wants to conduct before it is able to make a determination regarding commerciality of the Akasa discovery. Additionally, the WCTP Block partners have agreed they will take the steps necessary to transfer operatorship of the remaining portions of the WCTP Block to Tullow after approval of the GJFFDP by Ghana's Ministry of Energy.

The Wawa discovery is located within the DT Block, north of the TEN fields. The Wawa-1 exploration well intersected oil and gas-condensate in a Turonian-aged turbidite channel system. In April 2016, the Ghana Ministry of Energy approved the JV Partners' request to enlarge the TEN development and production area subject to continued subsurface and development concept evaluation, along with the

requirement to integrate the Wawa discovery into the TEN PoD. A subsequent request was made to the Ghana Ministry of Energy for an extension to the evaluation period and is currently under consideration.

Mauritania and Senegal

Kosmos holds a 28% participating interest and BP (the operator) holds a 62% participating interest in four offshore blocks, C6, C8, C12 and C13, which are located on the western margin of the Mauritania Salt Basin. These blocks are located in a proven petroleum system, with primary targets being Cretaceous sands in structural and stratigraphic traps. Kosmos believes that the Triassic salt basin formed at the onset of rifting and contains Jurassic, Cretaceous and Tertiary passive margin sequences of limestones, sandstone and shales. Interpretation of available geologic and geophysical data has identified Cretaceous slope channels and basin floor fans in trapping geometries outboard of the Salt Basin as the key exploration objective. Multiple Cretaceous source rocks penetrated by wells and typed to oils and gases in the Mauritania Salt Basin are the same age as those which charge other oil and gas fields in West Africa.

A portion of this acreage is located outboard of the Chinguetti Field and ranges in water depth from 330 to 9,800 feet. These blocks cover an aggregate area of approximately 6.0 million acres. Kosmos has acquired approximately 6,300 line-kilometres of 2D seismic data and 15,800 square kilometres of 3D seismic data covering portions of blocks in Mauritania. Based on these 2D and 3D seismic programmes, Kosmos has drilled two successful exploration wells and an appraisal well, and has identified numerous additional prospects in Kosmos' blocks. Kosmos continues to integrate the results of its successful drilling programme in Mauritania to identify and mature primary targets for drilling. Kosmos expects to commence drilling two exploration wells in Mauritania in the second half of 2017.

KBSL, a majority owned affiliate of Kosmos (owned 50.01% by Kosmos and 49.99% by BP) is the operator of two blocks offshore Senegal. The blocks are located in the Senegal River Cretaceous petroleum system and range in water depth from 980 to 10,200 feet. The area is an extension of the working petroleum system in the Mauritania Salt Basin. Kosmos believes that the area has multiple Cretaceous source rocks with Albo-Cenomanian reservoir sands providing exploration targets. Kosmos acquired approximately 7,000 square kilometres of 3D seismic data over the central and eastern portions of the Cayar Offshore Profond and Saint Louis Offshore Profond blocks in January 2015. In February 2016, Kosmos completed a 4,500 square kilometre survey over the western portions of both blocks to fully evaluate the prospectivity. Kosmos has drilled three successful exploration wells and has identified numerous prospects in Kosmos' blocks. Kosmos plans to drill one additional exploration well in Senegal in late 2017.

Mauritania and Senegal Partnership with BP

In December 2016, Kosmos announced a partnership with affiliates of BP in Mauritania and Senegal following a competitive farm-out process for its interests in its blocks offshore Mauritania and Senegal. BP was selected as the partner on the basis of their strategic alignment in exploring the basin and developing the discovered resource as well as their competitive offer. In Mauritania, BP acquired a 62% participating interest in Kosmos' four Mauritania licences (C6, C8, C12 and C13). In Senegal, BP acquired a 49.99% interest in KBSL, Kosmos' majority owned affiliate company which holds an undivided 60% participating interest in two blocks offshore Senegal. On 14 August 2017, Kosmos and BP agreed to unwind the KBSL joint venture, with BP receiving from KBSL a 30% participating interest in two blocks offshore Senegal, subject to (among other things) approval of the Senegalese government, and then surrendering its shareholding in KBSL. Upon completion of the unwind, it is expected that Kosmos' cap on exploration and appraisal carry will be increased by \$7 million. PETROSEN has the option to acquire up to an additional 10% paying interests in two blocks offshore Senegal upon declaration of commerciality. The interest percentage does not give effect to the exercise of such option. In consideration for these transactions, Kosmos is owed firm consideration of \$916 million, including \$162 million in cash up front, \$221 million exploration and appraisal carry, and up to \$533 million in a development carry. Kosmos is also eligible for contingent consideration of up to \$2 per barrel for up to 1 billion barrels of liquids gross, structured as a production royalty, subject to future liquids discoveries and production and prevailing oil prices. These transactions closed in the first quarter of 2017.

During the second quarter of 2017, Kosmos and BP formed the Kosmos-BP Strategic Exploration Alliance (the "**Alliance**") that expands the exclusive exploration partnership previously announced in

December 2016. This Alliance broadens the relationship that previously covered new venture opportunities in Mauritania, Senegal and The Gambia to create an Atlantic Margin explorer-developer partnership. The Alliance will leverage Kosmos' regional exploration knowledge and capability together with BP's deepwater development expertise to execute a selective, joint frontier and emerging basin exploration strategy in the Atlantic Margin.

Greater Tortue Discovery

The Ahmeyim and Guembeul discoveries ("**Greater Tortue**") are significant, play-opening gas discoveries for the outboard Cretaceous petroleum system and are located approximately 75 miles offshore Mauritania and Senegal. The Greater Tortue discovery straddles Block C8 offshore Mauritania and Saint Louis Offshore Profond offshore Senegal.

Kosmos has now drilled three wells within the Greater Tortue discovery. The wells penetrated multiple excellent quality gas reservoirs, including the Lower Cenomanian, Upper Cenomanian and underlying Albian. The wells successfully delineated the Ahmeyim and Guembeul gas discoveries and demonstrated reservoir continuity, as well as static pressure communication between the three wells drilled within the Lower Cenomanian reservoir. The discovery ranges in water depths from 8,850 feet to 9,200 feet, with total depths drilled ranging from 16,700 feet to 17,200 feet.

The Tortue-1 discovery well, located in Block C8 offshore Mauritania, intersected approximately 117 meters (383 feet) of net hydrocarbon pay. A single gas pool was encountered in the Lower Cenomanian objective, which is comprised of three reservoirs totalling 88 meters (288 feet) in thickness over a gross hydrocarbon interval of 160 meters (528 feet). A fourth reservoir totalling 19 meters (62 feet) was penetrated within the Upper Cenomanian target over a gross hydrocarbon interval of 150 meters (492 feet). The exploration well also intersected an additional 10 meters (32 feet) of net hydrocarbon pay in the lower Albian section, which is interpreted to be gas.

The Guembeul-1 discovery well, located in the northern part of the Saint Louis Offshore Profond area in Senegal, is located approximately three miles south of the Tortue-1 exploration well in Mauritania. The well encountered 101 meters (331 feet) of net gas pay in two excellent quality reservoirs, including 56 meters (184 feet) in the Lower Cenomanian and 45 meters (148 feet) in the underlying Albian, with no water encountered.

The Ahmeyim-2 appraisal well is located in Block C8 offshore Mauritania, approximately three miles northwest, and 200 meters down-dip of the basin-opening Tortue-1 discovery. The well confirmed significant thickening of the gross reservoir sequences down-dip. The Ahmeyim-2 well encountered 78 meters (256 feet) of net gas pay in two excellent quality reservoirs, including 46 meters (151 feet) in the Lower Cenomanian and 32 meters (105 feet) in the underlying Albian.

Kosmos is currently performing a drill stem test on the Tortue-1 well location. The drill stem test is intended to confirm Kosmos' view of reservoir connectivity, well deliverability, and gas composition and is critical to advance the project into the front end engineering and design, or FEED, stage.

Other Mauritania discoveries and developments

The BirAllah discovery (formally known as Marsouin), located in Block C8 offshore Mauritania, is a significant, play-extending gas discovery, building on Kosmos' successful exploration programme in the outboard Cretaceous petroleum system offshore Mauritania. The Marsouin-1 well is located approximately 37 miles north of the Ahmeyim discovery and was drilled to a total depth of 16,900 feet in nearly 7,900 feet of water. Based on analysis of drilling results and logging data, Marsouin-1 encountered at least 70 meters (230 feet) of net gas pay in Upper and Lower Cenomanian intervals comprised of excellent quality reservoir sands.

In June 2016, Kosmos received approval from the Ministry of Petroleum, Energy and Mines for its application to enter the second phase of the exploration period for Blocks C8, C12 and C13. In conjunction with its entry into the second phase of the exploration period, Kosmos relinquished 25% of the surface area of each block. The second phase of the exploration period carries a 3D seismic requirement of 1,000 square kilometers and a one well drilling obligation for Block C13 and a one well drilling obligation for Block C12. Kosmos completed the 3D seismic obligation as well as the drilling obligation for Block C8 and the 3D seismic obligations for Blocks C12 and C13 during the first exploration period.

In October 2016, Kosmos entered into a petroleum contract covering Block C6 with the Islamic Republic of Mauritania. Block C6 currently comprises approximately 1.1 million acres (4,300 square kilometers), with a first exploration period of four years from the effective date (28 October 2016). The first exploration phase includes a 2,000 square kilometer 3D seismic requirement, which was completed in March 2017.

In June 2017, Kosmos entered into a farm-in agreement with Tullow Mauritania Limited, a subsidiary of Tullow, to acquire a 15% non-operated participating interest in Block C18 offshore Mauritania. Based on the terms of the agreement, Kosmos will reimburse a portion of past and interim period costs and partially carry Tullow's share of a planned 3D seismic program (up to \$2.1 million net for Kosmos). Kosmos will also pay Tullow \$2.5 million by the end of the initial phase of the exploration period for additional carry of seismic and other joint account costs. Certain governmental approvals are still required to be completed before this agreement is effective.

Other Senegal discoveries and developments

In February 2016, Kosmos completed a 3D seismic survey of approximately 4,500 square kilometers in the western portions of the Cayar Offshore Profond and Saint Louis Offshore Profond licence areas.

The Teranga discovery is located in the Cayar Offshore Profond block approximately 40 miles northwest of Dakar, and was Kosmos' second exploration well offshore Senegal. The Teranga-1 discovery well is located in nearly 5,900 feet of water and was drilled to a total depth of 15,900 feet. The well encountered 31 meters (102 feet) of net gas pay in good quality reservoir in the Lower Cenomanian objective. Well results confirm that a prolific inboard gas fairway extends approximately 125 miles south from the Marsouin-1 well in Mauritania through the Greater Tortue area on the maritime boundary to the Teranga-1 well in Senegal.

The Yakaar discovery is located in the Cayar Offshore Profond block approximately 60 miles northwest of Dakar, and was Kosmos' third exploration well offshore Senegal. The Yakaar-1 discovery well is located in nearly 8,400 feet of water and was drilled to a total depth of 15,500 feet. The well intersected a gross hydrocarbon column of 120 meters (394 feet) in three pools and encountered 45 meters (148 feet) of net gas pay in good quality reservoir in the Lower Cenomanian objective. Well results confirm that the basin floor fan systems where the largest prospects have been identified, outboard of the proven slope channel trend opened with the Tortue-1 well, are working and are further de-risked.

Kosmos has now drilled six exploration and appraisal wells offshore Mauritania and Senegal with a 100% success rate, which collectively, according to Kosmos estimates, have discovered a gross potential natural gas resource of approximately 40 trillion cubic feet (including the Greater Tortue resource). Kosmos believes these discoveries have significant follow-on potential.

Suriname

Kosmos is the operator for petroleum contracts covering Block 42 and Block 45 offshore Suriname, which are located within the Guyana Suriname Basin, along the Atlantic transform margin of northern South America. Suriname lies between Guyana to the north and French Guyana to the south. The Guyana Suriname Basin was formed by tensional forces associated with the opening of the Atlantic Ocean as South America separated from Africa in the Mid Cretaceous period. The Guyana Suriname basin is considered similar to the working petroleum systems of the West African transform margin. The prospectivity of the petroleum system in Suriname is supported by the presence of onshore producing fields and most recently by nearby discoveries offshore Guyana, including the Liza-1 well.

Suriname Block 42 and Block 45 are positioned centrally in the Guyana Suriname Basin, and located to the southeast of the recent play opening Liza-1 oil discovery. Likewise, the blocks are also positioned to the northwest of the French Guyana Basins' Zaedyus oil discovery.

There are several independent play types of interest on Kosmos' operated blocks. Of note are the listric faulted structural stratigraphic play of the lower Cretaceous and the stratigraphically trapped Upper Cretaceous plays similar to those discovered in the Jubilee Field offshore West Africa. The recent oil discoveries in Guyana (i.e. Liza-1) in the same geologic basin provides support for the Upper Cretaceous stratigraphic play in Suriname.

Target reservoirs in Kosmos' blocks are similar Upper and Middle Cretaceous age basin floor fans and mid slope channel sands. Seismic evidence suggests thick Late Cretaceous and Tertiary reservoir systems may be present in the deep water area demonstrated by Liza-1.

The Tambaredjo and Calcutta Fields onshore Suriname as well as the Guyana discoveries demonstrate that a working petroleum system exists, and geological and geochemical studies suggest the hydrocarbons in these fields were generated from source rocks located in the offshore basin. The source rocks are believed to be similar in age to those which charged some of the fields offshore West Africa.

During 2012, Kosmos completed a 3D seismic data acquisition programme which covered approximately 3,900 square kilometres over portions of Block 42 and Block 45 offshore Suriname. In August 2013, Kosmos completed a 2D seismic programme of approximately 1,400 line kilometres over a portion of Block 42, outside of the existing 3D seismic survey. The processing of the seismic data was completed during 2014.

In December 2015, Kosmos received an extension of Phase 1 of the exploration period for Block 42 offshore Suriname which now expires in September 2018.

Recent developments

In April 2016, Kosmos closed a farm-out agreement with Hess Suriname Exploration Limited, a wholly-owned subsidiary of Hess, covering the Block 42 contract area offshore Suriname. Under the terms of the agreement, Hess acquired a one-third non-operated interest in Block 42 from both Chevron and Kosmos collectively. As part of the agreement, Hess fully funded the cost of acquiring and processing a 6,500 square kilometre 3D seismic survey, subject to an agreed maximum limit, inclusive of Hess' share, which was completed in the first quarter of 2017. Additionally, Hess will disproportionately fund a portion of the first exploration well in the Block 42 contract area, subject to an agreed maximum limit, inclusive of Hess' share, contingent upon the partnership entering the next phase of the exploration period. The new participating interests are one-third to each of Kosmos, Chevron and Hess, respectively. Kosmos remains the operator.

In April 2016, Kosmos received an extension of Phase 1 of the exploration period for Block 45 offshore Suriname which now expires in September 2018. Kosmos has recently acquired an additional 340 square kilometers of 3D seismic.

In January 2017, Kosmos completed a 3D seismic survey of approximately 6,500 square kilometres over Block 42 and Block 45 offshore Suriname. Processing of this data is currently underway. Kosmos has compiled an initial inventory of prospects on the licence areas in Suriname and will continue to refine and assess the prospectivity, integrating this new 3D seismic data, during 2017 and expects to drill up to two wells in 2018.

Sao Tome and Principe

During 2015 and 2016, Kosmos acquired acreage in Blocks 5, 6, 11 and 12 offshore Sao Tome and Principe in the Gulf of Guinea. Kosmos is the operator of Blocks 5, 11 and 12, and Galp, a wholly owned subsidiary of Petrogal, S.A., is the operator of Block 6. These blocks cover an area of approximately 5.8 million acres in water depth ranging from 7,380 to 9,840 feet and provide an opportunity to pursue the same core Cretaceous theme that was successful for Kosmos in Ghana and Mauritania / Senegal.

Kosmos' blocks are adjacent to, and represent an extension of a proven and prolific petroleum system offshore Equatorial Guinea and northern Gabon comprising Early Cretaceous post-rift source rocks and Late Cretaceous reservoirs.

Kosmos believes that the southern extent of the West African transform margin in Sao Tome and Principe comprises a series of Albian pull-apart basins formed during the separation of Africa from South America and provides the necessary conditions for the generation, migration and entrapment of hydrocarbons. Early in the basin history, restricted marine conditions prevailed allowing rich source rocks to be deposited. Large sandstone depo-centres were developed at the structural junctions of rift and shear fault trends resulting in the deposition of deep-water slope channels and basin floor fans draping over and around anticlinal highs adjacent to fracture zones. These constitute the main play in the acreage.

Kosmos has approximately 1,250 line kilometres of 2D seismic covering portions of its blocks and has identified numerous leads in its Sao Tome and Principe acreage. Kosmos intends to further delineate this prospectivity with a 3D seismic acquisition programme of approximately 16,000 square kilometres offshore Sao Tome and Principe, during 2017, which will facilitate a detailed geologic evaluation.

Recent developments

In January and February 2016, Kosmos closed farm-in agreements with Equator Exploration Limited (“**Equator**”), an affiliate of Oando Energy Resources (“**Oando**”), for Block 5 and Block 12, respectively, offshore Sao Tome and Principe, and whereby it acquired a 65% participating interest and operatorship in each block, effective as of February and March 2016, respectively. The national petroleum agency, Agencia Nacional Do Petroleo De Sao Tome E Principe (“**ANP STP**”), has a 15% and 12.5% carried interest in Block 5 and Block 12, respectively.

In December 2016, Kosmos received approval for a two-year extension of Phase 1 for Block 5 offshore Sao Tome and Principe, which now expires in May 2019. Additionally, during the same month Kosmos assigned 20% participating interest to Galp in each of Blocks 5, 11 and 12 offshore Sao Tome and Principe. Based on the terms of the agreement, Galp will pay a proportionate share of Kosmos’ past costs in the form of a partial carry on the 3D seismic survey which began in the first quarter of 2017.

Morocco and Western Sahara

Kosmos’ petroleum contracts in Morocco and Western Sahara include the Boujdour Maritime block, which is within the Aaiun Basin, and the Essaouira Offshore Block, which is within the Agadir Basin. Kosmos is the operator of these petroleum contracts.

Aaiun Basin

In May 2016, Kosmos and Capricorn Exploration and Development Company Limited, a wholly owned subsidiary of Cairn Energy PLC (“**Cairn**”) executed a petroleum contract with the Office National des Hydrocarbures et des Mines (“**ONHYM**”), the national oil company of the Kingdom of Morocco, for the Boujdour Maritime block. The Boujdour Maritime petroleum contract largely replaces the acreage covered by the Cap Boujdour petroleum contract which expired in March 2016. Government approval was received in July 2016, making the contract effective. The first phase requires 5,000–7,000 square kilometres of 3D seismic and expires in July 2020.

The Boujdour Maritime block is located within the Aaiun Basin, along the Atlantic passive margin and covers a high-graded area. Detailed seismic sequence analysis suggests the possible existence of stacked deepwater turbidite systems throughout the region. The scale of the licence area has allowed Kosmos to identify distinct exploration fairways in this block. The main play elements of the prospectivity within the Boujdour Maritime block consist of a Late Jurassic source rock, potentially charging Early to Mid-Cretaceous deepwater sandstones trapped in a number of different structural trends. In the inboard area a number of three-way fault closures are present which contain Early to Mid-Cretaceous sandstone sequences some of which have been penetrated in wells on the continental shelf. Outboard of these fault trap trends, large four-way closure and combination structural stratigraphic traps are potentially present in discrete northeast to southwest trending structurally defined fairways.

Drilling of the CB-1 exploration well on the Cap Boujdour Offshore Block was completed in March 2015. The well penetrated approximately 14 meters of net gas and condensate pay in clastic reservoirs over a gross hydrocarbon bearing interval of approximately 500 meters. The discovery was sub-commercial, and the well was plugged and abandoned. However, the well demonstrated a working petroleum system including the presence of a hydrocarbon charge. The results are being integrated with the ongoing geological evaluation to determine future exploration activity.

In February 2017, Kosmos began a 3D seismic survey of approximately 9,600 square kilometers over the Boujdour Maritime block in the Aaiun Basin. The results of this survey will be integrated with prior surveys and well results to further develop and delineate prospectivity in the basin.

Agadir Basin

The Essaouira Offshore block is located in the Agadir Basin. A working petroleum system has been established in the onshore area of the Agadir Basin based on onshore and shallow offshore wells. Existing well data and geological and geochemical studies have demonstrated the presence of Cretaceous source rocks in the acreage. Onshore production suggests that possible Jurassic source rocks are also present in the offshore Agadir Basin.

In September 2016, Kosmos entered into an agreement by which BP agreed to pay Kosmos \$30 million in lieu of fulfilling their obligation to fund an exploration well and assigned its 45% participating interest in the Essaouira Offshore Block back to Kosmos, and the Moroccan government issued joint ministerial orders approving the assignment in October 2016, making it effective. During the same month, Kosmos received an extension of the first Extension Period of exploration for the Essaouira Offshore petroleum contract, which now expires in November 2018. This extension included the modification of the minimum work programme to replace an exploration well with acquisition and PSTM processing of 3,000 square-kilometers of 3D seismic and a seabed sampling survey for geochemical and heat flow analysis. The \$30 million received from BP in January 2017 will be utilised to fund the modified work programme.

In June 2017, Kosmos completed a 3D seismic survey of approximately 3,000 square kilometres over the Essaouira Offshore block in the Agadir Basin.

Portugal

In January 2017, Kosmos provided to its co-venturers a notice of withdrawal from the Ameijoa, Camarao, Mexilhao and Ostra Blocks offshore Portugal, where it had held a non-operated interest since March 2015 pursuant to a farm-in agreement with Repsol Exploracion, S.A.

6. Reserves

The following section sets forth summary information about estimated proved, probable and possible reserves and contingent resources of Kosmos as of 31 December 2016. Further information about Kosmos' reserves is set out in Schedule 2 (*Competent Person's Report*) of this Prospectus.

Proved, probable and possible reserves

The following table summarises the estimated proved, probable and possible reserves as of 31 December 2016.

SPE-PRMS PARAMETERS
 Estimated Net Reserves
 Derived Through Certain Interest in the Jubilee and TEN Project Area
Kosmos Energy Ltd
 As of 31 December 2016

	<u>Total 1P Reserves</u>	<u>Total 2P Reserves</u>	<u>Total 3P Reserves</u>
Jubilee Project Area			
Net Remaining Reserves			
Oil/Condensate—MBBL	46,885	99,840	135,965
Sales Gas—MMCF	0	0	0
Fuel Gas—MMCF	11,645	15,037	15,037
Total Oil Equivalent—MBOE ^(*)	48,893	102,432	138,558
TEN Project Area			
Net Remaining Reserves			
Oil/Condensate—MBBL	31,876	37,792	43,530
Sales Gas—MMCF	12,535	20,208	32,985
Fuel Gas—MMCF	6,914	8,431	9,033
Total Oil Equivalent—MBOE ^(*)	35,229	42,730	50,774
Total			
Net Remaining Reserves			
Oil/Condensate—MBBL	78,761	137,632	179,495
Sales Gas—MMCF	12,535	20,208	32,985
Fuel Gas—MMCF	18,559	23,468	24,070
Total Oil Equivalent—MBOE ^(*)	84,122	145,162	189,332
Volumetric Data (Gross (100%))			
Jubilee Project Area			
Original Oil In Place (OOIP)—MBBL	1,095,399	1,425,829	1,805,493
TEN Project Area			
Original Oil In Place (OOIP)—MBBL	597,209	686,414	718,957
Total			
Original Oil In Place (OOIP)—MBBL	1,692,608	2,112,243	2,524,450

(*) The remaining reserves are also shown herein on an equivalent unit basis wherein natural gas is converted to oil equivalent using a factor of 5,800 cubic feet of natural gas per one barrel of oil equivalent, which includes fuel gas. MBOE means thousand barrels of oil equivalent.

Contingent resources

The following table summarises the estimated contingent resources as of 31 December 2016.

SPE-PRMS PARAMETERS

Estimated Gross Contingent Resource (Development Pending)* Technical Volumes
in the Mahogany and Teak Project Areas
Kosmos Energy Ltd
As of 31 December 2016

	<u>Total 1C Resources</u>	<u>Total 2C Resources</u>	<u>Total 3C Resources</u>
Mahogany Project Area			
Gross Contingent Resources			
Oil—MBBL	21,202	60,385	171,732
Gas—MMCF	26,842	83,952	199,588
Condensate—MBBL	0	0	0
Teak Project Area			
Gross Contingent Resources			
Oil—MBBL	0	0	0
Gas—MMCF	32,395	59,864	72,120
Condensate—MBBL	1,380	2,550	3,072
Total			
Gross Contingent Resources			
Oil—MBBL	21,202	60,385	171,732
Gas—MMCF	59,237	143,816	271,708
Condensate—MBBL	1,380	2,550	3,072

(*) includes only resources having a development plan and classified as development pending

7. Outlook

As Kosmos executes its strategy, it is committed to maintaining the strength of its balance sheet and creating value for its shareholders through the cycle. Kosmos remains in a strong financial position, and will continue to focus on the disciplined implementation of its strategy, both from an operational and a capital allocation perspective.

During 2017, Kosmos anticipates selling eleven cargos (net) including eight cargos from Jubilee and three from TEN, with five cargoes sold to date. This reflects Kosmos' view that there will be a significant reduction in required field downtime for the second phase of the Jubilee FPSO turret remediation work. For each of the remaining quarters in 2017, Kosmos anticipates lifting two cargoes from Jubilee and one from TEN. Cargo sizes are expected to be approximately 950,000 barrels.

There is no certainty as to the commodity prices which will ultimately be achieved for the remainder of the 2017 financial year.

Kosmos' 2017 hedging programme mitigates commodity price exposure for approximately 65% of 2017 production, with average floor prices of approximately \$59 per barrel of Brent (leaving approximately 35% unhedged).

Kosmos anticipates total production operating expense for 2017 to average approximately \$13 per barrel, which includes the Jubilee and TEN fields as well as the revised operating procedures at Jubilee and the impact of anticipated insurance reimbursements for Jubilee.

General and administrative costs for 2017 are expected to be approximately \$95 million with approximately 55% cash-based, and 45% allocated to non-cash, stock-based compensation expense.

Kosmos expects that depreciation, depletion and amortisation should average around \$25 per barrel, an increase from 2016 levels, as Kosmos depletes more TEN barrels, which have a higher per-barrel cost, and move the blended rate higher. On a regular quarterly basis, Kosmos expects to have approximately \$25 million per quarter of ongoing non dry-hole exploration expense related to seismic and geophysical and geological work.

During the year, Kosmos also expects net interest expense to increase as a result of less interest capitalisation, after TEN commenced production last year.

Assuming Brent remains at \$50 per barrel, and taking into the account the challenge of giving guidance on taxes, Kosmos expects taxes to be approximately \$6 per barrel on average for 2017, of which approximately 60% is current and 40% is deferred. This excludes any deferred taxes associated with the mark-to-market position of its hedges.

Kosmos' 2017 budget for its net capital programme is approximately \$100 million. \$25 million is earmarked for Ghana; and \$75 million is earmarked for planned exploration activities, including new ventures, seismic acquisition and geological and geophysical technical fees.

This guidance reflects Kosmos' current expectations, but Kosmos can give no assurance that its actual results will meet these expectations. In this respect, please note the section entitled "Important Notices" of this Prospectus and in particular paragraph 4 of that section relating to forward-looking statements.

8. Significant Licence Agreements

Kosmos' business depends to a high degree on certain petroleum contracts governing its current drilling and production operations. Further information on these contracts is set out in section 16 of Part VII (*Additional Information*).

9. Dividend Policy

At the present time, Kosmos intends to retain all of its future earnings, if any, generated by its operations for the development and growth of its business. Additionally, the Company is subject to Bermuda legal constraints that may affect its ability to pay dividends on its common shares and make other payments. Under the Bermuda Companies Act, the Company may not declare or pay a dividend if there are reasonable grounds for believing that it is, or would after the payment be, unable to pay its liabilities as they become due or that the realisable value of its assets would thereafter be less than the aggregate of its liabilities. Pursuant to the terms of certain of its debt agreements, the Company is restricted in its ability to pay dividends, and certain of its subsidiaries are restricted in their ability to pay dividends to the Company, unless certain conditions, financial and otherwise are met. Any decision to pay dividends in the future is at the discretion of the Board of the Company and depends on the Company's financial condition, results of operations, capital requirements and other factors that the Board deems relevant.

10. Sales and Marketing

As provided under the UUOA and the WCTP and DT petroleum contracts, Kosmos is entitled to lift and sell its share of the Jubilee and TEN production in conjunction with the Jubilee Unit and TEN partners. Kosmos has entered into an agreement with an oil marketing agent to market its share of the Jubilee and TEN fields oil, and it approves the terms of each sale proposed by such agent. Kosmos does not anticipate entering into any long term sales agreements at this time.

There are a variety of factors which affect the market for oil, including the proximity and capacity of transportation facilities, demand for oil, the marketing of competitive fuels and the effects of government regulations on oil production and sales. Revenue can be materially affected by current economic conditions and the price of oil. However, based on the current demand for crude oil and the fact that alternative purchasers are available, Kosmos believes that the loss of its marketing agent and/or any of the purchasers identified by its marketing agent would not have a long-term material adverse effect on its financial position or results of operations.

11. Competition

The oil and gas industry is competitive. Kosmos encounters strong competition from other independent operators and from major oil companies in acquiring licences. Many of these competitors have financial and technical resources and staff that are substantially larger than Kosmos'. As a result, its competitors may be able to pay more for desirable oil and natural gas assets, or to evaluate, bid for and purchase a greater number of licences than Kosmos' financial or personnel resources will permit. Furthermore, these companies may also be better able to withstand the financial pressures of lower commodity prices, unsuccessful wells, volatility in financial markets and generally

adverse global and industry-wide economic conditions. These companies may also be better able to absorb the burdens resulting from changes in relevant laws and regulations, which may adversely affect its competitive position.

Historically, Kosmos has also been affected by competition for drilling rigs and the availability of related equipment. Higher commodity prices generally increase the demand for drilling rigs, supplies, services, equipment and crews. Shortages of, or increasing costs for, experienced drilling crews and equipment and services may restrict its ability to drill wells and conduct its operations.

The oil and gas industry as a whole experienced an extended decline in crude oil prices. Dated Brent crude, the benchmark for Kosmos' oil sales, ranged from approximately \$26-\$58 per barrel during 2016 and the first half of 2017. Excluding the impact of hedges, Kosmos' realised price for 2016 was \$45.94 per barrel. Lower prices will generally result in greater availability of assets and necessary equipment. However the impacts on the industry from a competitive perspective are not entirely known at this point.

12. Title to Property

Other than as specified in this Prospectus, Kosmos has satisfactory title to its oil and natural gas assets in accordance with standards generally accepted in the international oil and gas industry. Kosmos' licences are subject to customary royalty and other interests, liens under operating agreements and other burdens, restrictions and encumbrances customary in the oil and gas industry that do not materially interfere with the use of, or affect the carrying value of, its interests.

13. Environmental Matters

General

Kosmos is subject to various stringent and complex international, foreign, federal, state and local environmental, health and safety laws and regulations governing matters including the emission and discharge of pollutants into the ground, air or water; the generation, storage, handling, use and transportation of regulated materials; and the health and safety its employees. These laws and regulations may, among other things:

- require the acquisition of various permits before operations commence;
- enjoin some or all of the operations or facilities deemed not in compliance with permits;
- restrict the types, quantities and concentration of various substances that can be released into the environment in connection with oil and natural gas drilling, production and transportation activities;
- limit, cap, tax or otherwise restrict emissions of GHG and other air pollutants or otherwise seek to address or minimise the effects of climate change;
- limit or prohibit drilling activities in certain locations lying within protected or otherwise sensitive areas; and
- require measures to mitigate or remediate pollution, including pollution resulting from Kosmos' block partners' or contractors' operations.

These laws and regulations may also restrict the rate of oil and natural gas production below the rate that would otherwise be possible. Compliance with these laws can be costly; the regulatory burden on the oil and natural gas industry increases the cost of doing business in the industry and consequently affects profitability. There can be no assurance that Kosmos has been or will be at all times in compliance with such laws, or that environmental laws and regulations will not change or become more stringent in the future in a manner that could have a material adverse effect on its financial condition and results of operations.

Moreover, public interest in the protection of the environment continues to increase. Offshore drilling in some areas has been opposed by environmental groups and, in other areas, has been restricted. Kosmos' operations could be adversely affected to the extent laws or regulations are enacted or other governmental action is taken that prohibits or restricts offshore drilling or imposes environmental requirements that increase costs to the oil and gas industry in general, such as more stringent or costly waste handling, disposal or cleanup requirements or financial responsibility and assurance requirements.

Capping and Containment

Kosmos entered into an agreement with a third party service provider for it to supply subsea capping and containment equipment on a global basis. The equipment includes capping stacks, debris removal, subsea dispersant and auxiliary equipment. The equipment meets industry accepted standards and can be deployed by air cargo and other conventional means to suit multiple application scenarios. Kosmos also developed an emergency response plan and response organisation to prepare and demonstrate its readiness to respond to a subsea well control incident.

Oil Spill Response

To complement the agreement discussed above for subsea capping and containment equipment, Kosmos became a charter member of the Global Dispersant Stockpile. The dispersant stockpile, which is managed by OSRL of Southampton, UK, an oil spill response contractor, consists of 5,000 cubic meters of dispersant strategically located at OSRL bases around the world. The total volume of the stockpile located at the OSRL bases is calculated to provide members with the ability to respond to a major spill incident.

Operated

Kosmos maintains Oil Spill Contingency Plans (“**OSCP**”) to support its drilling operations in countries where it operates. The plans are based on the principle of “Tiered Response” to oil spills (“Guide to Tiered Response and Preparedness”, IPIECA Report Series, Volume 14, 2007). A Tier 1 spill is defined as a small-scale operational incident which can be addressed with resources that are immediately available to us. A Tier 2 spill is a larger incident which would need to be addressed with regionally based shared resources. A Tier 3 spill is a large incident which would require assistance from national or world-wide spill co-operatives. Under OSCP, emergency response teams may be activated to respond to oil spill incidents. The OSCP call for Tier 1 spill equipment at Kosmos’ shorebases to respond to a harbour or shoreline incident in the area. Kosmos also maintains dispersant spraying capabilities in the field to respond to an offshore incident. Kosmos has access to additional Tier 2 and Tier 3 equipment from OSRL’s Southampton, UK location.

Non-operated

Tullow, Kosmos’ partner and the operator of the Jubilee Unit and the TEN fields, maintains an OSCP covering the Jubilee Field and Deepwater Tano Block. Under the OSCP, emergency response teams may be activated to respond to oil spill incidents. Tullow has access to OSRL’s oil spill response services comprising technical expertise and assistance, including access to response equipment and dispersant spraying systems. Tullow maintains lease agreements with OSRL for Tier 1 and Tier 2 packages of oil spill response equipment. Tier 1 equipment, which is stored in “ready to go trailers” for effective mobilisation and deployment, includes booms and ancillaries, recovery systems, pumps and delivery systems, oil storage containers, personal protection equipment, sorbent materials, hand tools, containers and first aid equipment. Tier 2 equipment consists of larger boom and oil recovery systems, pump and delivery systems and auxiliary equipment such as generators and lighting sets, and is also containerised and pre-packed in trailers and ready for mobilisation.

Tullow has additional response capability to handle an offshore Tier 1 response. Further, Kosmos’ membership in the West and Central Africa Aerial Surveillance and Dispersant Spraying Service (“**WACAF**”) gives it access to aircraft for surveillance and spraying of dispersant, which is administered by OSRL for a Tier 2 offshore response. The aircraft is based at the Kotoka International Airport in Accra, Ghana with a contractual response time, loaded with dispersant, of six hours. Additional stockpiles of dispersant are maintained in Takoradi, Ghana. Although the above arrangement is in place, there can be no assurance that these resources will be available or respond in a timely manner as intended, perform as designed or be able to fully contain or cap any oil spill, blow-out or uncontrolled flow of hydrocarbons. While a Tier 3 incident is not expected in Ghana, in the case of a Tier 3 incident, Tullow would engage the services of OSRL.

Per common industry practice, under agreements governing the terms of use of the drilling rigs contracted by Kosmos or its block partners, the drilling rig contractors indemnify Kosmos and its block partners in respect of pollution and environmental damage originating above the surface of the water and from such drilling rig contractor’s property, including their drilling rig and other related equipment. Furthermore, pursuant to the terms of the operating agreements for blocks in which Kosmos or its

block partners are currently drilling, except in certain circumstances, each block partner is responsible for its share of liabilities in proportion to its participating interest incurred as a result of pollution and environmental damage, containment and clean-up activities, loss or damage to any well, loss of oil or natural gas resulting from a blowout, crater, fire, or uncontrolled well, loss of stored oil and natural gas, as well as for plugging or bringing under control any well. Kosmos maintains insurance coverage typical of the industry in the areas Kosmos operates in; these include property damage insurance, loss of production insurance, wreck removal insurance, control of well insurance, general liability including pollution liability to cover pollution from wells and other operations. Kosmos also participates in an insurance coverage programme for the Jubilee FPSO. Kosmos' insurance is carried in amounts typical for the industry relative to its size and operations and in accordance with its contractual and regulatory obligations.

PART II

DIRECTORS, SENIOR MANAGERS AND CORPORATE GOVERNANCE

1. Directors

The Directors and their principal functions within Kosmos, together with a brief description of their business experience and principal business activities outside Kosmos, are set out below. The address for each Director listed is: Kosmos Energy Ltd., c/o Kosmos Energy LLC, 8176 Park Lane, Suite 500, Dallas, Texas 75231. Directors identified as “independent” in this Part II are independent as per the NYSE rules and Rule 10A-3 of the Exchange Act.

Executive directors

Andrew G. Inglis—*Chief Executive Officer and Chairman of the Board of Directors*

Mr Inglis has served as Kosmos’ Chairman and Chief Executive Officer since 1 March 2014. Mr Inglis joined Kosmos from Petrofac Ltd, a leading provider of oilfield services to the international oil and gas industry, who are principally engaged in: the design of oil and gas infrastructure; the operation, maintenance and management of oil and gas assets; and the training of personnel on a worldwide basis. At Petrofac Ltd, Mr Inglis held the position of Chief Executive, Integrated Energy Services and was a member of the Petrofac Ltd board of directors. Prior to joining Petrofac Ltd in January 2011, Mr Inglis served British Petroleum Plc for 30 years in a number of positions, including most recently as Executive Director on the British Petroleum Plc board of directors from 2007 to 2010 and as Executive Vice President and Deputy Chief Executive of exploration and production from 2004 to 2007.

Mr Inglis received a master’s degree in Engineering from Pembroke College, University of Cambridge. He is a Chartered Mechanical Engineer, a Fellow of the Institution of Mechanical Engineers and a Fellow of the Royal Academy of Engineering.

Brian F. Maxted—*Chief Exploration Officer, Director and Founding Partner*

Mr Maxted is one of the founding partners of Kosmos and has been its Chief Exploration Officer since March 2014. From January 2011 to March 2014, Mr Maxted served as Kosmos’ Chief Executive Officer. Prior to this, he served Kosmos’ predecessor Kosmos Energy Holdings (“KEH”) as Senior Vice President, Exploration from 2003 to 2008 and as Chief Operating Officer from 2008 to 2011. He is currently a Director of Venari Resources LLC and also served as a Director of Broad Oak Energy from February 2008 until its sale in July 2011. Before co-founding Kosmos in 2003, Mr Maxted was the Senior Vice President of Exploration of Triton Energy Limited prior to its sale to Hess Corporation.

Mr Maxted holds a Master of Organic Geochemistry degree from the University of Newcastle-upon-Tyne and a Bachelor of Science degree in Geology from the University of Sheffield.

Non-executive directors

Yves-Louis Darricarrère—*Independent Director*

Mr Darricarrère is currently a Senior Advisor to Lazard Frères Bank. Prior to joining Lazard Frères Bank in 2015, Mr Darricarrère was Chief Executive Officer of Total S.A.’s Upstream business, a position he held from 2012 until 2015. Before this, Mr Darricarrère was President of Total Gas & Power from 2003 to 2007 and of Total Exploration & Production from 2007 to 2012. Mr Darricarrère currently serves as Chairman of the Board of Total S.A.’s Corporate Foundation, and from 2003 until 2015, he served on the Total Group’s Executive Committee. Mr Darricarrère is a director, either in a personal capacity or indirectly through his wholly-owned company YLD Conseil, of Catering International & Services, Ortec Expansion and NHV.

Mr Darricarrère is a graduate of the École Nationale Supérieure des Mines and the Institut d’Études Politiques in Paris and holds a master’s degree in Economic Science. He is also Chevalier de la Légion d’Honneur (Knight of the French Legion of Honour). Since 2015, Mr Darricarrère has been a Senior Lecturer in Energy Geopolitics at the Institut d’Études Politiques de Paris.

Sir Richard B. Dearlove—*Independent Director*

Sir Richard Dearlove is Chairman of the Trustees of London University. He was Master of Pembroke College at the University of Cambridge from 2004 to 2015, and the Head of the British Secret

Intelligence Service (MI6) from 1999 to 2004. During his 38-year tenure with MI6, Sir Richard served in multiple international locations before returning to the U.K. as Director of Personnel and Administration in 1993. He also served as Director of Operations and Assistant Chief in advance of his appointment as Head of MI6 in 1999. In 1984, Sir Richard was awarded an OBE (Officer of the Most Excellent Order of the British Empire), and in 2001 he was appointed a KCMG (Knight Commander of St Michael and St George) for his service.

Sir Richard has held several trustee and advisory positions, including serving as a Trustee of Kent School in Connecticut, Honorary Fellow of Queens' College, University of Cambridge, Member of the International Advisory Board of AIG, Senior Advisor to the Monitor Group, Chairman of Ascot Underwriting, Member of the Advisory Board of IrisGuard, Member of the Advisory Board of New Venture Partners and Member of the Strategic Advisory Board of TimeSight Systems. He has been Non-Executive Chairman of Crossword Cybersecurity Plc since 2016. He received a Master of Arts degree in History from Queens' College, University of Cambridge.

David I. Foley—Independent Director

David I. Foley is a Senior Managing Director in the Private Equity Group and Chief Executive Officer of Blackstone Energy Partners. Mr. Foley is based in New York and is responsible for overseeing Blackstone's private equity investment activities in the energy & natural resource sector on a global basis. Since joining Blackstone in 1995, Mr. Foley has been responsible for building the Blackstone energy & natural resources practice and has played an integral role in every private equity energy deal that the firm has invested in, including: Premcor, Kosmos Energy, Foundation Coal, Texas Genco, Sithe Global Power, PBF Energy, Global Offshore Wind, GeoSouthern, Alta Resources, Royal Resources, Cheniere and LLOG Exploration.

Mr. Foley received a BA and an MA in Economics, with honors, Phi Beta Kappa, from Northwestern University and received an MBA with distinction from Harvard Business School. Mr. Foley was nominated to the Board by Blackstone pursuant to the Shareholders Agreement (see "4. Shareholders Agreement" below) and served as a Director of Kosmos' predecessor KEH since 2004.

David B. Krieger—Independent Director

Mr. Krieger is a Partner of Warburg Pincus & Co. ("**Warburg Pincus**") and a Managing Director of Warburg Pincus LLC and has been with Warburg Pincus since 2000. Mr. Krieger is a member of the firm's Executive Management Group and is involved primarily with Warburg Pincus' investment activities in the energy sector. Mr. Krieger is currently a Director of MEG Energy Corp. and several private companies. From 2004 to 2009, Mr. Krieger was a Director of ElectroMagnetic GeoServices ASA. Mr. Krieger also serves as a Trustee of the Kaufman Center for the Performing Arts.

He received a Bachelor of Science degree in Economics from the Wharton School at the University of Pennsylvania, a Master of Science degree from the Georgia Institute of Technology and a Master of Business Administration degree from Harvard Business School. Mr. Krieger was nominated to the Board by Warburg Pincus pursuant to the Shareholders Agreement (see "4. Shareholders Agreement" below) and served as a Director of Kosmos' predecessor KEH since 2004.

Joseph P. Landy—Independent Director

Mr. Landy is Co-Chief Executive Officer of Warburg Pincus, where he has been engaged in all aspects of private equity investing since 1985. He has been jointly responsible for the management of the firm since 2000, including the formulation of strategy, oversight of investment policy and decisions, leadership of the firm's Executive Management Group and the coordination of limited partner communications. During his tenure at the firm, Mr. Landy's principal areas of investment focus have been information technology, Internet applications and infrastructure, communications applications and structured investments. Mr. Landy currently serves as a Director of CrowdStrike. He also serves as Treasurer of the Boy Scouts of America and a Member of its National Executive Board. Mr. Landy is also on the Board of Trustees of New York University.

Mr. Landy received a Bachelor of Science degree in Economics from the Wharton School at the University of Pennsylvania and a Master of Business Administration degree from the Leonard N. Stern School of Business at New York University. Mr. Landy was nominated to the Board by Warburg Pincus pursuant to the Shareholders Agreement (see "4. Shareholders Agreement" below).

Adebayo O. Ogunlesi—Independent Director

Since 2006, Mr Ogunlesi has been Chairman and Managing Partner of Global Infrastructure Partners, a private equity firm that invests in infrastructure assets in the energy, transport and water sectors, in both OECD and select emerging market countries. Mr Ogunlesi previously served as Executive Vice Chairman and Chief Client Officer of Credit Suisse's Investment Banking Division with senior responsibility for Credit Suisse's corporate and sovereign investment banking clients. From 2002 to 2004, he was Head of Credit Suisse's Global Investment Banking Department. Mr Ogunlesi is a Director of Callaway Golf Company and the Goldman Sachs Group, Inc.

Mr Ogunlesi holds a Bachelor of Arts in Politics, Philosophy and Economics with First Class Honours from the University of Oxford, a Juris Doctor (*magna cum laude*) from Harvard Law School and a Master of Business Administration degree from Harvard Business School. From 1980 to 1981, he served as a Law Clerk to the Honorable Thurgood Marshall, Associate Justice of the United States Supreme Court. Mr Ogunlesi served as a Director of Kosmos' predecessor KEH since 2004.

Chris Tong—Independent Director

Mr Tong currently serves as a Director and Chairman of the Audit Committee of Targa Resources Corp. From 2009 to 2012, Mr Tong also served on the board of directors of Cloud Peak Energy Inc. He served as Senior Vice President and Chief Financial Officer of Noble Energy, Inc. from January 2005 until August 2009. He also served as Senior Vice President and Chief Financial Officer of Magnum Hunter Resources, Inc. from August 1997 to December 2004. Before this, he was Senior Vice President of Finance of Tejas Acadian Holding Company and its subsidiaries, including Tejas Gas Corp., Acadian Gas Corporation and Transok, Inc., all of which were wholly-owned subsidiaries of Tejas Gas Corporation. Mr Tong held these positions from August 1996 until August 1997, and had served in other treasury positions with Tejas since August 1989.

Mr Tong holds a Bachelor of Arts degree in Economics from the University of Louisiana Lafayette (formerly the University of Southwestern Louisiana).

Christopher A. Wright—Independent Director

Dr Wright was an Independent Director of Delonex Energy Ltd from June 2013 to November 2016 and Explora Petroleum AS from January 2014 to February 2016. From November 2005 to January 2011, Dr Wright was the Executive Chairman of Fairfield Energy Limited before being appointed Chief Executive Officer in January 2011, a position he retired from in March 2013. From July 2004 to June 2010, he was a Director of ElectroMagnetic GeoServices ASA. From 2001 to 2004, Dr Wright was Senior Vice President, Global Exploration and Technology, for Unocal based in Houston. From 1997 to 1999, he was first Director, New Business and then Chief Operating Officer for Lasmo Plc in London. From 1996 to 1997, Dr Wright led the Asia-Pacific and Middle East new business development efforts for the Mobil Oil Corporation, based in Dallas and London. The major part of his career was with British Petroleum Plc, where he spent over 20 years in various technical and managerial roles of increasing seniority in locations both in the United States and the United Kingdom. His final position with the company was Chief Executive, Frontier and International, from 1991 to 1995.

Dr Wright holds both a Bachelor of Science degree and a Doctor of Philosophy in Geology from the University of Bristol, and has also completed the Advanced Management Program at Harvard University. Dr Wright served as a Director of Kosmos' predecessor KEH since 2004.

2. Executive Officers

In addition to Mr Inglis and Mr Maxted, the current members of the senior executive team with responsibility for the day-to-day management of Kosmos' business (the "**Executive Officers**") are set out below. The business address of each of the Executive Officers (in such capacity) listed is: Kosmos Energy Ltd., c/o Kosmos Energy LLC, 8176 Park Lane, Suite 500, Dallas, Texas 75231.

Thomas P. Chambers—Senior Vice President and Chief Financial Officer

Mr Chambers has served as Kosmos' Senior Vice President and Chief Financial Officer since 5 November 2014. Mr Chambers joined Kosmos in 2014 after serving as Senior Vice President, Finance at Apache Corporation, an oil and gas exploration and production company with domestic

and international operations. Mr Chambers previously served as Apache Corporation's Executive Vice President and Chief Financial Officer since November 2010, their Vice President—Corporate Planning and Investor Relations since March 2009, their Vice President—Corporate Planning since September 2001 and their Director of Corporate Planning since March 1995. Prior to joining Apache Corporation, Mr Chambers was in the international business development group at Pennzoil Exploration and Production, having held a variety of management positions with the British Petroleum Plc group of companies from 1981 to 1992.

Mr Chambers is a member of the Society of Petroleum Engineers and is a member of the Board of Trustees of Notre Dame College of Ohio. Mr Chambers received a Bachelor of Science degree in Chemical Engineering from the University of Notre Dame.

Michael J. Anderson—Senior Vice President of External Affairs, Government Relations, and Security

Mr Anderson joined Kosmos on 5 March 2015 and serves as Kosmos' Senior Vice President, Government and External Affairs. Prior to joining Kosmos, Mr Anderson served as Director General for the International and Immigration Policy Group in the Home Office of the United Kingdom since 2011. Mr Anderson previously served as Director General for Strategy, Green Economy, Corporate Services at the United Kingdom Department for Environment, Food and Rural Affairs ("DEFRA") from 2009 to 2011, Director General of the Climate Change Group and a Member of the Management Board at DEFRA and the United Kingdom Department of Energy and Climate Change from 2007 to 2009, and Principal Private Secretary to the Lord Chancellor and Secretary of State and Director of Strategy and Communication at the Ministry of Justice from 2003 to 2007. Prior to 2003, Mr Anderson worked as Senior Political Officer in the UK Mission to the United Nations, as Principal Private Secretary to Chiefs of the British Secret Intelligence Service (MI6) and as Political Officer in the UK Delegation to the Conference on Disarmament in Geneva.

He earned a Bachelor of Arts degree from Trinity College, University of Cambridge.

Christopher J. Ball—Senior Vice President, Planning and Business Development

Mr Ball has served as Kosmos' Senior Vice President, Planning and Business Development since August 2013. Mr Ball joined Kosmos in July 2013 after serving as Vice President, Business Development for the upstream unit of Mubadala Development Company PJSC, a company based in Abu Dhabi, United Arab Emirates. Previously, he was Senior Vice President of Occidental Development Company and President and General Manager of Occidental Middle East Development Company, where he was responsible for business development activities in the Caspian, the Middle East, and North Africa. During his tenure at Occidental, Mr Ball led and facilitated numerous successful new business activities including the company's acquisition of concessions in Angola, Nigeria, and Suriname. He also worked in the commercial and mergers & acquisitions arena at Texaco in Houston, London, and New York and in upstream asset development and management at Amoco Corporation in London.

Mr Ball earned a Bachelor of Science degree in Mechanical Engineering from Brunel University in London.

Jason E. Doughty—Senior Vice President, General Counsel and Company Secretary

Mr Doughty has served as Kosmos' General Counsel since September 2011. Mr Doughty spent more than 11 years with ConocoPhillips in various leadership roles, including serving as Deputy General Counsel, Americas Exploration and Production. During his tenure with ConocoPhillips, he was responsible for the company's commercial litigation and international arbitration efforts, the Lower 48 and Latin America E&P legal group and the Indonesia legal group. Previously, Mr Doughty was an attorney with ExxonMobil in Houston and a commercial litigation attorney in private practice in Santa Fe, New Mexico.

He earned a Juris Doctor from the University of Houston Law Center, a master's degree in Business Administration from the University of Texas at Austin and a Bachelor of Science degree in Finance from Louisiana Tech University. He is a member of the State Bar of Texas.

Eric J. Haas—Senior Vice President, Production and Development

Mr Haas has served as Kosmos' Senior Vice President, Production and Development, since January 2014 and as Senior Vice President, Production and Technical Services from January 2013 to January 2014. Mr Haas joined Kosmos in February 2008 to lead a team in the appraisal and development of the Jubilee Field in Ghana. Prior to joining Kosmos, he spent nearly 25 years at Hess Corporation, a global integrated energy company involved in exploring and developing crude oil and natural gas, manufacturing refined petroleum products and marketing and trading refined petroleum products, natural gas and electricity where he held various positions and was responsible for numerous production and development projects in the Gulf of Mexico, Northwest Europe, Russia, North Africa and West Africa.

Mr Haas received a Bachelor of Science degree in Petroleum Engineering from the New Mexico Institute of Mining and Technology.

Paul M. Nobel—Senior Vice President and Chief Accounting Officer

Mr Nobel has served as Kosmos' Senior Vice President and Chief Accounting Officer since July 2012. From June 2006 to July 2012, Mr Nobel held the position of Senior Vice President, Chief Accounting Officer of World Fuel Services Corporation, a multi-billion dollar global fuel logistics company, and also concurrently held multiple other financial leadership positions at World Fuel Services, including Senior Vice President, Finance—EMEA, Senior Vice President, Finance, of the company's land segment, Senior Vice President, Audit and Business Controls, Senior Vice President—Treasurer and Senior Vice President—Corporate Finance. From July 2005 to June 2006, Mr Nobel held the position of Senior Vice President, Corporate Finance of World Fuel Services Corporation.

He received a Bachelor of Science degree from Florida State University and is a certified public accountant.

3. Corporate governance and Board committees

The Board has an Audit Committee, Compensation Committee, Nominating and Corporate Governance Committee, Health, Safety and Environmental Committee, External Affairs and Political Risk Committee and Exploration Assurance Committee, (the "**Committees**") and may have such other committees as the Board shall determine from time to time.

As a result of the January Offering, the Company no longer qualifies as a "controlled company" for purposes of certain exemptions from NYSE corporate governance standards. Consequently, the Company has made adjustments to the Compensation and Nominating and Corporate Governance Committees to ensure that all of the Directors on those committees are independent.

Furthermore, the Company is required to perform an annual performance evaluation of its Compensation and Nominating and Corporate Governance Committees (although it has historically been conducting such an evaluation voluntarily for the Compensation Committee).

As of the date hereof, the Company is in compliance with these additional requirements.

The following table outlines the composition of each of the Committees:

	<u>Audit</u>	<u>Compensation</u>	<u>Nominating and Corporate Governance</u>	<u>Exploration Assurance</u>	<u>External Affairs and Political Risk</u>	<u>Health, Safety and Environment</u>
Andrew G. Inglis Yves-Louis Darricarrère ^(*)	X		Chair		X	
Sir Richard B. Dearlove	X				Chair	
David I. Foley		X	X			
David B. Krieger		X	X			
Joseph P. Landy Brian F. Maxted Adebayo O. Ogunlesi		Chair				
Chris Tong ^(*)	Chair			X		X
Christopher A. Wright				Chair		Chair

(*) Denotes financial expert

Audit Committee

The Audit Committee is a separately designated standing Committee of the Board established in accordance with Section 3(a)(58)(A) of the Exchange Act. The members of the Audit Committee are Mr Tong, Mr Darricarrère and Sir Richard Dearlove, each of whom the Board has determined is financially literate. Mr Tong is the Chairman of this Committee. The Board has determined that each of Mr Tong and Mr Darricarrère is an “audit committee financial expert” as described in Item 407(d)(5) of Regulation S-K, and that Mr Tong, Mr Darricarrère and Sir Richard Dearlove are “independent directors” as defined by the NYSE rules and Rule 10A-3 of the Exchange Act. The Audit Committee is authorised to:

- recommend, through the Board, to the shareholders on the appointment and termination (subject to Bermuda law) of the Company’s independent auditors;
- review the proposed scope and results of the independent auditors’ audit;
- review and pre-approve the independent auditors’ audit and non-audit services rendered;
- approve the audit fees to be paid (subject to authorisation by Shareholders to do so);
- review accounting and financial controls with the independent auditors and the Company’s financial and accounting staff;
- review and approve transactions between the Company and its directors, officers and affiliates;
- recognise and prevent prohibited non-audit services;
- establish procedures for complaints received by the Company regarding accounting matters;
- oversee internal audit functions;
- oversee the resource and reserve process, including the external reporting of resource and reserve information; and
- prepare the report of the Audit Committee that SEC rules require.

The Audit Committee’s responsibilities are set forth in its charter, which was approved by the Board on 9 May 2011 (as amended on 3 April 2012) and is reviewed annually. The charter is available under the Corporate Governance link on the Investors’ page of Kosmos’ website at www.kosmosenergy.com. The information on the website is not incorporated by reference into this Prospectus.

Compensation Committee

The members of the Compensation Committee are Mr Ogunlesi, Mr Krieger and Mr Foley, with Mr Ogunlesi serving as the Chairman of this Committee. The Compensation Committee is authorised, among other things, to:

- review and approve the compensation arrangements for the Executive Officers, including the compensation for the Company’s Chief Executive Officer;

- review and approve compensation for the Directors;
- review periodically, in consultation with the Company's Chief Executive Officer, the Company's management succession planning;
- review and evaluate the Company's executive compensation and benefits policies generally, including review and recommendation of any incentive compensation and equity-based plans;
- prepare the report of the Compensation Committee that SEC rules require to be included in the Proxy Statement or Annual Report on Form 10-K, review and discuss the Company's Compensation Discussion and Analysis with management and provide a recommendation to the Board regarding the inclusion of the Compensation Discussion and Analysis in the Proxy Statement or Form 10-K;
- retain and terminate any advisors, including any compensation consultants, and approve any such advisors' fees and other retention terms; and
- delegate its authority to subcommittees or the Chairman of the Compensation Committee when it deems it appropriate and in the best interests of the Company.

The Compensation Committee's responsibilities are set forth in its charter, which was approved by the Board on 9 May 2011 and is reviewed annually. The charter is available under the Corporate Governance link on the Investors' page of Kosmos' website at www.kosmosenergy.com. The information on the website is not incorporated by reference into this Prospectus.

Nominating and Corporate Governance Committee

The members of the Nominating and Corporate Governance Committee are Mr Krieger, Mr Darricarrère and Mr Foley. Mr Darricarrère is the Chairman of this Committee. The Nominating and Corporate Governance Committee is authorised to:

- identify and nominate members for election to the Board;
- develop and recommend to the Board a set of corporate governance principles applicable to the Company; and
- oversee the evaluation of the Board.

The Nominating and Corporate Governance Committee's responsibilities are set forth in its charter, which was approved by the Board on 9 May 2011, and is reviewed periodically. The charter is available under the Corporate Governance link on the Investors' page of Kosmos' website at www.kosmosenergy.com. The information on the website is not incorporated by reference into this Prospectus.

Health, Safety and Environment Committee

The members of the Health, Safety and Environment Committee are Mr Tong and Dr Wright. Dr Wright is the Chairman of this Committee. The principal responsibilities of this Committee are to:

- monitor the establishment of goals and targets for health, safety and environmental performance;
- monitor medium- and long-term performance versus targets and objectives and work with management to review health, safety and environmental standards, policies and procedures and make improvements accordingly;
- review emergency and incident response plans; and
- monitor the identification, management and mitigation of major health, safety and environmental risks.

The Health, Safety and Environment Committee's responsibilities are set forth in its charter, which was approved by the Board on 11 May 2012 and is reviewed periodically. The charter is available under the Corporate Governance link on the Investors' page of Kosmos' website at www.kosmosenergy.com. The information on the website is not incorporated by reference into this Prospectus.

External Affairs and Political Risk Committee

The members of the External Affairs and Political Risk Committee are Mr Darricarrère and Sir Richard Dearlove. Sir Richard Dearlove is the Chairman of this Committee. The principal responsibilities of this Committee are to:

- monitor Kosmos' process of analysing social, political, reputational and security risk and assess Kosmos' efforts to manage or mitigate such risk at key milestones in the business cycle, including new country entry;
- review, consider revisions to and monitor the conduct and performance relating to Kosmos' corporate responsibility policies;
- monitor engagement with external corporate responsibility organisations and public policy initiatives;
- review Kosmos' external affairs contingency plans in place for material social, political and reputational risk events;
- annually monitor the corporate social investment programs in which Kosmos is currently engaged; and
- annually receive and review Kosmos' corporate responsibility report and recommend the approval of such report to the Board.

The External Affairs and Political Risk Committee's responsibilities are set forth in its charter, which was approved by the Board on 14 April 2014 and is reviewed periodically. The charter is available under the Corporate Governance link on the Investors' page of Kosmos' website at www.kosmosenergy.com. The information on the website is not incorporated by reference into this Prospectus.

Exploration Assurance Committee

The members of the Exploration Assurance Committee are Mr Tong and Dr Wright. Dr Wright is the Chairman of this Committee. The principal responsibilities of this Committee are to:

- review the overall objectives of Kosmos' exploration business in the context of Kosmos' long range plan, as well as the exploration strategy and related plans and annual exploration plan, and evaluate the inherent subsurface and commercial risks therein;
- regularly evaluate the implementation of the annual exploration business plans and review the identification and evaluation of business risks / threats to exploration plan delivery and the mitigating actions proposed by Kosmos;
- review all potential significant exploration and new ventures business transactions; and
- review the evaluation of Kosmos' operated and non-operated exploration assets and monitor the exploration organisation and new ventures technical and commercial workflows and processes.

The Exploration Assurance Committee's responsibilities are set forth in its charter, which was approved by the Board on 14 April 2014 and is reviewed periodically. The charter is available under the Corporate Governance link on the Investors' page of Kosmos' website at www.kosmosenergy.com. The information on the website is not incorporated by reference into this Prospectus.

Corporate governance

The Company follows and complies with the NYSE Listed Company Manual, which is the comprehensive rulebook for listed companies, including publishing an annual confirmation statement. Section 303A.09 of the NYSE Listed Company Manual requires issuers to adopt and disclose corporate governance guidelines covering certain issues including director qualifications and responsibilities, director compensation, responsibilities of key board committees, management succession and evaluation of the board's performance. In accordance with this provision, Corporate Governance Guidelines are available under the Corporate Governance link on the Investors' page of Kosmos' website at www.kosmosenergy.com. The information on the website is not incorporated by reference into this Prospectus. The Company will disclose any amendments to the Corporate Governance Guidelines on its website at www.kosmosenergy.com.

4. Shareholders Agreement

In 2011, the Company entered into a shareholders agreement (the “**Shareholders Agreement**”) with affiliates of its former financial sponsors, Warburg Pincus and Blackstone (the “**Financial Sponsors**”), pursuant to which each Financial Sponsor has the right to designate:

- (i) up to three directors (or 25% of the Board, rounded to the nearest whole number) if it owns 20% or more of the issued and outstanding Common Shares eligible to vote at an annual general meeting of shareholders and 50% or more of the Common Shares owned by such Financial Sponsor immediately prior to the consummation of the IPO; and
- (ii) one director (or 12.5% of the Board, rounded to the nearest whole number) if it owns 7.5% or more, but less than 20%, of the issued and outstanding Common Shares eligible to vote at an annual general meeting of shareholders.

Following the January Offering, after the Financial Sponsors no longer constituted a group beneficially owning more than 50% of the Company’s voting power, each Financial Sponsor entitled to designate a director has the right to nominate one of its director designees to each of the Compensation Committee and the Nominating and Corporate Governance Committee. A Financial Sponsor will cease to have the right to designate committee members in the event that the Financial Sponsor holds less than 7.5% of the issued and outstanding Common Shares eligible to vote at an annual general meeting of Shareholders.

Following a further offering in May 2017, Blackstone reduced its holding of Common Shares below 20% of the issued and outstanding Common Shares. Consequently, the number of directors Blackstone could nominate to the Board was reduced from three to one. As Blackstone had nominated two directors to the Board prior to the offering in May 2017, one of the directors, Prakash Melwani, resigned from his position on the Board with effect from 26 May 2017.

Consequently, Blackstone currently has the right to nominate one director and Warburg Pincus has the right to nominate up to three directors to the Board.

PART III
SELECTED FINANCIAL INFORMATION

The following selected consolidated financial information set forth below as of and for the three years ended, 31 December 2016, should be read in conjunction with Part IV (*Operating and Financial Review*) and Schedule I (*Historical Financial Information*).

Consolidated Statements of Operations Information:

	<u>Years Ended 31 December</u>		
	<u>2016</u>	<u>2015</u>	<u>2014</u>
	(In thousands, except per share data)		
Revenues and other income:			
Oil and gas revenue	\$ 310,377	\$ 446,696	\$ 855,877
Gain on sale of assets	—	24,651	23,769
Other income	<u>74,978</u>	<u>209</u>	<u>3,092</u>
Total revenues and other income	385,355	471,556	882,738
Costs and expenses:			
Oil and gas production	119,367	105,336	100,122
Facilities insurance modifications, net	14,961	—	—
Exploration expenses	202,280	156,203	93,519
General and administrative	87,623	136,809	135,231
Depletion and depreciation	140,404	155,966	198,080
Interest and other financing costs, net	44,147	37,209	45,548
Derivatives, net	48,021	(210,649)	(281,853)
Restructuring charges	—	—	11,742
Other expenses, net	<u>23,116</u>	<u>5,246</u>	<u>2,081</u>
Total costs and expenses	<u>679,919</u>	<u>386,120</u>	<u>304,470</u>
Income (loss) before income taxes	(294,564)	85,436	578,268
Income tax expense (benefit)	<u>(10,784)</u>	<u>155,272</u>	<u>298,898</u>
Net income (loss)	<u><u>\$(283,780)</u></u>	<u><u>\$ (69,836)</u></u>	<u><u>\$ 279,370</u></u>
Net income (loss) per share:			
Basic	<u><u>\$ (0.74)</u></u>	<u><u>\$ (0.18)</u></u>	<u><u>\$ 0.73</u></u>
Diluted	<u><u>\$ (0.74)</u></u>	<u><u>\$ (0.18)</u></u>	<u><u>\$ 0.72</u></u>
Weighted average number of shares used to compute net per share:			
Basic	<u><u>385,402</u></u>	<u><u>382,610</u></u>	<u><u>379,195</u></u>
Diluted	<u><u>385,402</u></u>	<u><u>382,610</u></u>	<u><u>386,119</u></u>

	Six Months Ended	
	30 June 2017	30 June 2016
	(In thousands, except per share data, unaudited)	
Revenues and other income:		
Oil and gas revenue	\$239,795	\$ 107,631
Gain on sale of assets	—	—
Other income	58,695	178
Total revenues and other income	298,490	107,809
Costs and expenses:		
Oil and gas production	41,490	62,073
Facilities insurance modifications, net	2,572	—
Exploration expenses	125,696	60,260
General and administrative	30,526	37,758
Depletion and depreciation	107,419	48,193
Interest and other financing costs, net	36,251	19,202
Derivatives, net	(63,268)	50,643
Other expenses, net	9,196	14,563
Total costs and expenses	289,882	292,692
Income (loss) before income taxes	8,608	(184,883)
Income tax expense (benefit)	45,916	(17,566)
Net income (loss)	<u>\$ (37,308)</u>	<u>\$ (167,317)</u>
Net income (loss) per share:		
Basic	<u>\$ (0.10)</u>	<u>\$ (0.43)</u>
Diluted	<u>\$ (0.10)</u>	<u>\$ (0.43)</u>
Weighted average number of shares used to compute net per share:		
Basic	<u>387,634</u>	<u>384,676</u>
Diluted	<u>387,634</u>	<u>384,676</u>

Consolidated Balance Sheets Information:

	Six Months Ended 30 June 2017 (unaudited)	Years Ended 31 December		
		2016	2015 ⁽¹⁾⁽²⁾	2014 ⁽¹⁾
		(In thousands)		
Cash and cash equivalents	\$ 162,474	\$ 194,057	\$ 275,004	\$ 554,831
Total current assets	513,475	475,187	734,148	1,010,476
Total property and equipment, net	2,297,425	2,708,892	2,322,839	1,784,846
Total other assets	265,459	157,386	146,063	131,537
Total assets	3,076,359	3,341,465	3,203,050	2,926,859
Total current liabilities	282,340	370,025	456,741	448,771
Total long-term liabilities	1,731,166	1,890,241	1,420,796	1,139,129
Total shareholders' equity	1,062,853	1,081,199	1,325,513	1,338,959
Total liabilities and shareholders' equity	3,076,359	3,341,465	3,203,050	2,926,859

(1) Effective 31 December 2015, Kosmos adopted new guidance on the presentation of debt issuance costs. This guidance was adopted retrospectively and all prior periods have been adjusted to reflect this change in accounting principle.

(2) Effective 31 December 2015, Kosmos adopted new guidance on the presentation of deferred taxes. Kosmos elected to adopt the accounting change using the prospective method. See Note 2 of Notes to the Consolidated Financial Statements.

Consolidated Statements of Cash Flows Information:

	31 December		
	<u>2016⁽¹⁾</u>	<u>2015⁽¹⁾</u>	<u>2014⁽¹⁾</u>
	(In thousands)		
Net cash provided by (used in):			
Operating activities	\$ 52,077	\$ 440,779	\$ 443,586
Investing activities	(537,763)	(796,433)	(368,603)
Financing activities	448,019	79,634	(139,184)

(1) Effective December 31, 2016, Kosmos adopted new guidance on the presentation of restricted cash. This guidance was adopted retrospectively and all prior periods have been adjusted to reflect this change in accounting principle.

	Six Months Ended	
	<u>30 June 2017</u>	<u>30 June 2016⁽¹⁾</u>
	(In thousands, unaudited)	
Net cash provided by (used in):		
Operating activities	\$ (17,514)	\$ (24,078)
Investing activities	177,809	(418,109)
Financing activities	(201,945)	323,202

(1) Effective December 31, 2016, Kosmos adopted new guidance on the presentation of restricted cash. This guidance was adopted retrospectively and all prior periods have been adjusted to reflect this change in accounting principle.

PART IV

OPERATING AND FINANCIAL REVIEW

This Part IV should be read in conjunction with the rest of this Prospectus, including, in particular, the section of this Prospectus entitled "Important Notices", Part III (Selected Financial Information) and Schedule I (Historical Financial Information). The financial information considered in this Part IV is extracted from the financial information set out in Schedule I (Historical Financial Information) unless otherwise stated.

The following discussion and analysis of Kosmos' results of operations and financial condition contains forward-looking statements that reflect Kosmos' plans, estimates and beliefs and involve risks and uncertainties. Kosmos' actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to these differences include, but are not limited to, those discussed below and elsewhere in this Prospectus, particularly in the sections of this Prospectus entitled "Risk Factors" and "Important Notices".

1. Overview

Kosmos is a leading independent oil and gas exploration and production company focused on frontier and emerging areas along the Atlantic Margins. Its assets include existing production and development projects offshore Ghana, large discoveries and significant further exploration potential offshore Mauritania and Senegal, as well as exploration licences with, Kosmos believes, significant hydrocarbon potential offshore Sao Tome and Principe, Suriname, Morocco and Western Sahara.

2. Recent Developments

Corporate

In July 2016, Kosmos amended and restated the LC Facility, extending the maturity date to July 2019. The LC Facility size remains at \$75.0 million, as amended in July 2015, with additional commitments up to \$50.0 million being available if the existing lender increases its commitment or if commitments from new financial institutions are added. Other amendments include increasing the margin from 0.5% to 0.8% per annum on amounts outstanding, adding a commitment fee payable quarterly in arrears at an annual rate equal to 0.65% on the available commitment amount and providing for issuance fees to be payable to the lender per new issuance of a letter of credit. During the first quarter of 2017, the LC Facility size was increased to \$115.0 million. In April 2017, Kosmos elected to reduce the size of its LC Facility to \$70 million.

In March 2017, following the lender's semi-annual redetermination, the borrowing base under the Facility was \$1.3 billion (effective 1 April 2017). The borrowing base calculation includes value related to the Jubilee and TEN fields.

Rig Agreement

In 2014, Kosmos took delivery of the new build 6th generation drillship "Atwood Achiever" from Atwood Oceanics, Inc. The rig agreement, which commenced in November 2014, covers an initial period of three years at a day rate of \$0.6 million, with an option to extend the agreement for an additional three-year term.

In September 2015, Kosmos Energy Ventures ("KEV"), a subsidiary of the Company, amended the rig agreement effective 1 October 2015 to extend the contract end date by one year and reduce the rate to \$0.5 million per day, with an option to revert to the original day rate of \$0.6 million and original end date of November 2017. In January 2017, KEV exercised its option to cancel the fourth year and revert to the original day rate of \$0.6 million per day and original agreement end date of November 2017. KEV was required to make a rate recovery payment of approximately \$48.1 million based on this election.

As of July 2017, Kosmos is utilising the Atwood Achiever offshore Mauritania and Senegal. However, Kosmos has the flexibility to use the rig elsewhere if required.

Operations

For recent developments relating to Kosmos' operations, see section 5 in Part I (*Business Overview*) of this Prospectus.

3. Results of Operations

All of the results, as presented in the tables in this section 3, represent operations from the Jubilee Field, except (i) the results for the twelve months ended 31 December 2016 and the six months ended 30 June 2017, which also include operations from the TEN fields and (ii) the EBITDAX and Adjusted Net Income tables which also include exploration costs related to other assets and general corporate expenses.

Certain operating results and statistics for the six months ended 30 June 2017 and 2016 are included in the following table:

	30 June 2017	30 June 2016
	(In thousands, except per barrel data, unaudited)	
Sales volumes:		
MBbl	4,891	2,844
Revenues:		
Oil sales	\$239,795	\$107,631
Average sales price per Bbl	49.03	37.84
Costs:		
Oil production, excluding workovers	\$ 40,992	\$ 62,062
Oil production, workovers	498	11
Total oil production costs	\$ 41,490	\$ 62,073
Depletion and depreciation	\$107,419	\$ 48,193
Average cost per Bbl:		
Oil production, excluding workovers	\$ 8.38	\$ 21.82
Oil production, workovers	0.10	—
Total oil production costs	8.48	21.82
Depletion and depreciation	21.96	16.95
Oil production cost and depletion costs	<u>\$ 30.44</u>	<u>\$ 38.77</u>

Certain operating results and statistics for the years ended 31 December 2016, 2015 and 2014 are included in the following table:

	31 December 2016	2015	2014
	(In thousands, except per barrel data)		
Sales volumes:			
MBbl	6,756	8,538	8,728
Revenues:			
Oil sales	\$310,377	\$446,696	\$855,877
Average sales price per Bbl	45.94	52.32	98.06
Costs:			
Oil production, excluding workovers	\$119,758	\$ 92,994	\$ 79,648
Oil production, workovers	(391)	12,342	20,474
Total oil production costs	\$119,367	\$105,336	\$100,122
Depletion and depreciation	\$140,404	\$155,966	\$198,080
Average cost per Bbl:			
Oil production, excluding workovers	\$ 17.73	\$ 10.89	\$ 9.13
Oil production, workovers	(0.06)	1.45	2.35
Total oil production costs	17.67	12.34	11.48
Depletion and depreciation	20.78	18.27	22.69
Oil production cost and depletion costs	<u>\$ 38.45</u>	<u>\$ 30.61</u>	<u>\$ 34.17</u>

Kosmos also reports certain non-GAAP financial measures. These measures for the six months ended 30 June 2017 and 2016 and for the years ended 31 December 2016, 2015 and 2014 are included in the following tables:

EBITDAX (in thousands, unaudited)

	Six Months Ended 30 June	
	2017	2016
Net loss	\$ (37,308)	\$(167,317)
Exploration expenses	125,696	60,260
Facilities insurance modifications, net	2,572	—
Depletion and depreciation	107,419	48,193
Equity-based compensation	20,329	21,162
Derivatives, net	(63,268)	50,643
Cash settlements on commodity derivatives	24,348	101,766
Inventory impairment and other	84	14,746
Disputed charges and related costs	2,439	—
Loss on equity method investment	6,426	—
Interest and other financing costs, net	36,251	19,202
Income tax expense (benefit)	45,916	(17,566)
EBITDAX	\$270,904	\$ 131,089

	Year Ended 31 December		
	2016	2015	2014
Net income (loss)	\$(283,780)	\$ (69,836)	\$ 279,370
Exploration expenses	202,280	156,203	93,519
Facilities insurance modifications	14,961	—	—
Depletion and depreciation	140,404	155,966	198,080
Equity-based compensation	40,084	75,057	74,587
Derivatives, net	48,021	(210,649)	(281,853)
Cash settlements on commodity derivatives	187,950	225,493	18,353
Inventory impairment and other	10,718	—	—
Disputed charges and related costs	11,299	—	—
Gain on sale of assets	—	(24,651)	(23,769)
Interest and other financing costs, net	44,147	37,209	45,548
Income tax expense (benefit)	(10,784)	155,272	298,898
Restructuring charges	—	—	11,742
EBITDAX	\$ 405,300	\$ 500,064	\$ 714,475

Adjusted Net Income (in thousands, except per share amounts, unaudited)

	Six Months Ended 30 June	
	2017	2016
Net loss	\$ (37,308)	\$(167,317)
Derivatives, net	(63,268)	50,643
Cash settlements on commodity derivatives	24,348	101,766
Facilities insurance modifications, net	2,572	—
Inventory impairment and other	84	14,044
Disputed charges and related costs	2,439	—
Loss on equity method investment	6,426	—
Total selected items before tax	(27,399)	166,453
Income tax expense on adjustments ⁽¹⁾	13,622	(57,447)
Income tax expense related to tax shortfall associated with IPO equity awards	—	—
Adjusted net loss	<u>\$ (51,085)</u>	<u>\$ (58,311)</u>
Net loss per diluted share	\$ (0.10)	\$ (0.43)
Derivatives, net	(0.16)	0.13
Cash settlements on commodity derivatives	0.06	0.26
Facilities insurance modifications, net	—	—
Inventory impairment and other	—	0.04
Disputed charges and related costs	0.01	—
Loss on equity method investment	0.02	—
Total selected items before tax	(0.07)	0.43
Income tax expense on adjustments ⁽¹⁾	0.04	(0.15)
Income tax expense related to tax shortfall associated with IPO equity awards	—	—
Adjusted net loss per diluted share	<u>\$ (0.13)</u>	<u>\$ (0.15)</u>
Weighted average number of diluted shares	387,634	384,676

(1) Income tax expense is calculated at the statutory rate in which such item(s) reside. Statutory rate for Ghana is 35%

	Year Ended 31 December		
	2016	2015	2014 ⁽²⁾
Net income (loss)	\$(283,780)	\$ (69,836)	\$ 279,370
Derivatives, net	48,021	(210,649)	(281,853)
Cash settlements on commodity derivatives	187,950	225,493	18,353
Gain on sale of assets	—	(24,651)	(23,769)
Facilities insurance modifications	14,961	—	—
Restructuring charges	—	—	11,742
Inventory impairment and other	10,718	4,316	2,898
Disputed charges and related costs	11,299	—	—
Total selected items before tax	272,949	(5,491)	(272,629)
Income tax expense on adjustments ⁽¹⁾	(89,581)	(6,648)	82,817
Income tax expense related to tax shortfall associated with IPO equity awards	—	16,371	6,265
Adjusted net loss	\$(100,412)	\$ (65,604)	\$ 95,823
Net loss per diluted share	\$ (0.74)	\$ (0.18)	\$ —
Derivatives, net	0.12	(0.56)	—
Cash settlements on commodity derivatives	0.49	0.59	—
Gain on sale of assets	—	(0.06)	—
Facilities insurance modifications	0.04	—	—
Inventory impairment and other	0.03	0.01	—
Disputed charges and related costs	0.03	—	—
Total selected items before tax	0.71	(0.02)	—
Income tax expense on adjustments ⁽¹⁾	(0.23)	(0.01)	—
Income tax expense related to tax shortfall associated with IPO equity awards	—	0.04	—
Adjusted net loss per diluted share	\$ (0.26)	\$ (0.17)	\$ —
Weighted average number of diluted shares	385,402	382,610	—

(1) Income tax expense is calculated at the statutory rate in which such item(s) reside. Statutory rate for Ghana is 35%

(2) Adjusted Net Income data was not prepared on a per share basis in the financial year ended 31 December 2014

The discussion of the results of operations and the period-to-period comparisons presented below analyse Kosmos' historical results. The following discussion may not be indicative of future results.

Six months ended 30 June 2017 vs. 2016

	Six months ended 30 June		Increase (Decrease)
	2017	2016	
	(In thousands)		
Revenues and other income:			
Oil and gas revenue	\$239,795	\$ 107,631	\$ 132,164
Gain on sale of assets	—	—	—
Other income	58,695	178	58,517
Total revenues and other income	298,490	107,809	190,681
Costs and expenses:			
Oil and gas production	41,490	62,073	(20,583)
Facilities insurance modifications	2,572	—	2,572
Exploration expenses	125,696	60,260	65,426
General and administrative	30,526	37,758	(7,232)
Depletion and depreciation	107,419	48,193	59,226
Interest and other financing costs, net	36,251	19,202	17,049
Derivatives, net	(63,268)	50,643	(113,911)
Other expenses, net	9,196	14,563	(5,367)
Total costs and expenses	289,882	292,692	(2,810)
Income (loss) before income taxes	8,608	(184,883)	193,491
Income tax expense (benefit)	45,916	(17,566)	63,482
Net loss	<u>\$ (37,308)</u>	<u>\$ (167,317)</u>	<u>\$ 130,009</u>

Oil and gas revenue. Oil and gas revenue increased by \$132.2 million as a result of five cargos sold during the six months ended 30 June 2017, compared to three cargos sold during the six months ended 30 June 2016 at a higher average realised price. Kosmos lifted and sold 4,891 MBbl at an average realised price per barrel of \$49.03 during the six months ended 30 June 2017 and 2,844 MBbl at an average realized price per barrel of \$37.84 during the six months ended 30 June 2016.

Other income, net. Other income, net increased by \$58.5 million as Kosmos recognised \$58.7 million of LOPI proceeds, net during the six months ended 30 June 2017 related to the turret bearing issue on the Jubilee FPSO compared to no proceeds in the previous period. The LOPI claim was finalised in June 2017.

Oil and gas production. Oil and gas production costs decreased by \$20.6 million during the six months ended 30 June 2017, as compared to the six months ended 30 June 2016 as a result of finalised LOPI claim insurance proceeds recognised related to increased costs due to turret issues during the six months ended 30 June 2017 as well as accrual adjustments from the Jubilee and TEN fields operator.

Facilities insurance modifications, net. During the six months ended 30 June 2017, Kosmos incurred \$10.2 million of facilities insurance modifications costs associated with the long-term solution to the turret bearing issue. These costs were mitigated by \$7.6 million of hull and machinery insurance proceeds received during the six months ended 30 June 2017.

Exploration expenses. Exploration expenses increased by \$65.4 million during the six months ended 30 June 2017, as compared to the six months ended 30 June 2016. The increase is primarily a result of a \$48.1 million cancellation payment related to the exercise of Kosmos' election to cancel the fourth year option of the Atwood Achiever drilling rig contract and an increase of \$25.7 million of stacked rig costs associated with the Atwood Achiever incurred during the six months ended 30 June 2017 as compared with the six months ended 30 June 2016. These increases were partially mitigated by a decrease of \$12.6 million in geological and geophysical costs.

General and administrative. General and administrative costs decreased by \$7.2 million during the six months ended 30 June 2017, as compared with the six months ended 30 June 2016. The decrease is primarily a result of carried costs associated with the BP transactions, accrual adjustments from the Jubilee and TEN fields operator, and to a lesser extent a decrease in non-cash stock-based compensation.

Depletion and depreciation. Depletion and depreciation increased \$59.2 million during the six months ended 30 June 2017, as compared with the six months ended 30 June 2016. The increase is primarily a result of depletion recognised related to the sale of five cargos of oil during the six months ended 30 June 2017, as compared to three cargos during the six months ended 30 June 2016. In addition, the depletion rate is higher as a result of a decrease in recognised proved reserves associated with the Jubilee Field in the fourth quarter of 2016 and a higher depletion rate for the TEN fields.

Interest and other financing costs, net. Interest and other financing costs, net increased \$17.0 million primarily a result of the TEN fields coming online in August 2016, which resulted in a \$17.1 million decrease in capitalised interest.

Derivatives, net. During the six months ended 30 June 2017 and 2016, Kosmos recorded gain of \$63.3 million and a loss of \$50.6 million, respectively, on its outstanding hedge positions. The gain and loss recorded were a result of changes in the forward curve of oil prices during the respective periods.

Other expenses, net. Other expenses, net decreased \$5.4 million primarily related to a \$15.2 million impairment of inventory recorded during the six months ended 30 June 2016, compared to a \$6.4 million loss recognised on Kosmos' equity method investment in KBSL and arbitration related legal fees recorded during the six months ended 30 June 2017.

Income tax expense (benefit). Kosmos' effective tax rates for the six months ended 30 June 2017 and 2016 were 533% and 10%, respectively. The effective tax rates for the periods presented were impacted by losses, primarily related to exploration expenses, incurred in jurisdictions in which Kosmos is not subject to taxes and losses incurred in jurisdictions in which Kosmos have valuation allowances against its deferred tax assets and therefore Kosmos does not realise any tax benefit on such expenses or losses. The effective tax rate in Ghana is impacted by the timing of non-deductible expenditures incurred associated with the damage to the turret bearing which Kosmos expects to recover from insurance proceeds. Any such insurance recoveries would not be subject to income tax. Income tax expense increased \$63.5 million during the six months ended 30 June 2017, as compared with 30 June 2016, primarily as a result of higher oil revenue in Ghana and mark to market gains on Kosmos' oil derivatives, offset by depletion and depreciation expense associated with TEN production during the period ended 30 June 2017.

Year Ended 31 December 2016 vs. 2015

	Years Ended 31 December		Increase (Decrease)
	2016	2015	
	(In thousands)		
Revenues and other income:			
Oil and gas revenue	\$ 310,377	\$ 446,696	\$(136,319)
Gain on sale of assets	—	24,651	(24,651)
Other income	74,978	209	74,769
Total revenues and other income	<u>385,355</u>	<u>471,556</u>	<u>(86,201)</u>
Costs and expenses:			
Oil and gas production	119,367	105,336	14,031
Facilities insurance modifications	14,961	—	14,961
Exploration expenses	202,280	156,203	46,077
General and administrative	87,623	136,809	(49,186)
Depletion and depreciation	140,404	155,966	(15,562)
Interest and other financing costs, net	44,147	37,209	6,938
Derivatives, net	48,021	(210,649)	258,670
Other expenses, net	23,116	5,246	17,870
Total costs and expenses	<u>679,919</u>	<u>386,120</u>	<u>293,799</u>
Income (loss) before income taxes	(294,564)	85,436	(380,000)
Income tax expense (benefit)	(10,784)	155,272	(166,056)
Net loss	<u>\$(283,780)</u>	<u>\$ (69,836)</u>	<u>\$(213,944)</u>

Oil and gas revenue. Oil and gas revenue decreased by \$136.3 million as a result of seven cargos sold during the year ended 31 December 2016 as compared to nine cargos during the year ended

31 December 2015, and as a result of a lower realised price per barrel. Kosmos lifted and sold 6,756 MBbl at an average realised price per barrel of \$45.94 in 2016 and 8,538 MBbl at an average realised price per barrel of \$52.32 in 2015.

Gain on sale of assets. During the year ended 31 December 2015, Kosmos closed a farm-out agreement with Chevron. As part of the transaction, Kosmos received proceeds in excess of its book basis, resulting in a gain of \$24.7 million.

Other income. During the year ended 31 December 2016, Kosmos recognised \$74.8 million of LOPI proceeds related to the turret bearing issues on the Jubilee FPSO.

Oil and gas production. Oil and gas production costs increased by \$14.0 million during the year ended 31 December 2016 as compared to the year ended 31 December 2015. The 2016 costs were impacted by increased costs associated with the new operating procedures related to the turret bearing issues while the 2015 costs were impacted by higher workover costs in the Jubilee Field.

Facilities insurance modifications. During the year ended 31 December 2016, Kosmos incurred \$15.0 million of facilities modification costs associated with the long-term solution to convert the FPSO to a permanently spread moored facility which it expects to substantially recover from its insurance policy.

Exploration expenses. Exploration expenses increased by \$46.1 million during the year ended 31 December 2016, as compared to the year ended 31 December 2015. The increase is primarily a result of \$107.7 million of stacked rig costs in 2016 and an increase of \$31.5 million in seismic and geological and geophysical costs partially mitigated by \$94.0 million of unsuccessful well costs in 2015 primarily for the Western Sahara CB-1 exploration well.

General and administrative. General and administrative costs decreased by \$49.2 million during the year ended 31 December 2016, as compared to the year ended 31 December 2015. The decrease is primarily a result of a decrease in non-cash stock-based compensation and effective cost control.

Depletion and depreciation. Depletion and depreciation decreased \$15.6 million during the year ended 31 December 2016, as compared with the year ended 31 December 2015, primarily as a result of depletion recognised related to the sale of seven cargos of oil during 2016, as compared to nine cargos during the prior year.

Interest and other financing costs, net. Interest expense increased by \$6.9 million during the year ended 31 December 2016, as compared to the year ended 31 December 2015. Higher gross interest costs on a larger debt balance and a full year of interest in 2016 on the 2021 Senior Notes totaling \$14.2 million were partially offset by \$7.4 million of higher capitalised interest during the current year as compared to the prior year.

Derivatives, net. During the years ended 31 December 2016 and 2015, Kosmos recorded a loss of \$48.0 million and a gain of \$210.6 million, respectively, on its outstanding hedge positions. The loss recorded in 2016 was a result of increases in the forward oil price curve and the gain recorded in 2015 was a result of decreases in the forward oil price curve.

Other expenses, net. Other expenses, net increased by \$17.9 million during the year ended 31 December 2016, as compared to the year ended 31 December 2015, primarily as a result of a \$14.9 million inventory write off and \$11.3 million in disputed charges and related costs offset by \$4.0 million of insurance proceeds related to the damaged riser.

Income tax expense (benefit). Kosmos' effective tax rates for the years ended 31 December 2016 and 2015 were a tax benefit of 4% and a tax expense of 182%, respectively. The effective tax rates for the periods presented were impacted by losses, primarily related to exploration expenses, incurred in jurisdictions in which Kosmos is not subject to taxes and losses incurred in jurisdictions in which it has valuation allowances against its deferred tax assets and therefore does not realise any tax benefit on such expenses or losses. The effective tax rate in Ghana is impacted by non-deductible expenditures associated with the damage to the turret bearing which Kosmos expects to be mitigated by insurance proceeds. Any such insurance recoveries would not be subject to income tax. Income tax expense decreased by \$166.1 million during the year ended 31 December 2016, as compared with the year ended 31 December 2015, primarily as a result of lower revenue in Ghana.

Year Ended 31 December 2015 vs. 2014

	Years Ended 31 December		Increase (Decrease)
	2015	2014	
	(In thousands)		
Revenues and other income:			
Oil and gas revenue	\$ 446,696	\$ 855,877	\$(409,181)
Gain on sale of assets	24,651	23,769	882
Other income	209	3,092	(2,883)
Total revenues and other income	471,556	882,738	(411,182)
Costs and expenses:			
Oil and gas production	105,336	100,122	5,214
Exploration expenses	156,203	93,519	62,684
General and administrative	136,809	135,231	1,578
Depletion and depreciation	155,966	198,080	(42,114)
Interest and other financing costs, net	37,209	45,548	(8,339)
Derivatives, net	(210,649)	(281,853)	71,204
Restructuring charges	—	11,742	(11,742)
Other expenses, net	5,246	2,081	3,165
Total costs and expenses	386,120	304,470	81,650
Income before income taxes	85,436	578,268	(492,832)
Income tax expense	155,272	298,898	143,626
Net income (loss)	<u>\$ (69,836)</u>	<u>\$ 279,370</u>	<u>\$(349,206)</u>

Oil and gas revenue. Oil and gas revenue decreased by \$409.2 million during the year ended 31 December 2015 as compared to the year ended 31 December 2014, as a result of a significantly lower realised price per barrel and a slight decrease in sales volumes. Kosmos lifted and sold 8,538 MBbl at an average realised price per barrel of \$52.32 in 2015 and 8,728 MBbl at an average realised price per barrel of \$98.06 in 2014.

Oil and gas production. Oil and gas production costs increased by \$5.2 million during the year ended 31 December 2015 as compared to the year ended 31 December 2014 primarily as a result of an increase in routine operating expenses, including \$2.8 million related to repairs to the gas compressor and costs to remove the damaged water injection riser, partially mitigated by a reduction in well workover costs.

Exploration expenses. Exploration expenses increased by \$62.7 million during the year ended 31 December 2015, as compared to the year ended 31 December 2014. The increase is primarily a result of \$86.8 million of unsuccessful well costs for the Western Sahara CB-1 exploration well in 2015 partially mitigated by a decrease in seismic costs of \$28.6 million.

Depletion and depreciation. Depletion and depreciation decreased \$42.1 million during the year ended 31 December 2015, as compared with the year ended 31 December 2014, primarily as a result of a lower depletion rate in 2015 as a result of an increase in Kosmos' proved reserves associated with the Jubilee Field.

Interest and other financing costs, net. Interest expense decreased by \$8.3 million during the year ended 31 December 2015, as compared to the year ended 31 December 2014, primarily as a result of higher gross interest costs driven by a larger debt balance offset by higher capitalised interest during the year ended 31 December 2015, as compared to the year ended 31 December 2014.

Derivatives, net. During the years ended 31 December 2015 and 2014, Kosmos recorded a gain of \$210.6 million and \$281.9 million, respectively, on its outstanding hedge positions. The gains recorded were a result of decreases in the forward oil price curve during the respective periods.

Restructuring charges. During the year ended 31 December 2015, Kosmos had no restructuring charges; however, during the year ended 31 December 2014, Kosmos recognised \$11.7 million in restructuring charges for employee severance and related benefit costs incurred as part of a corporate reorganisation, which includes \$5.0 million of non-cash expense related to awards granted under its Long Term Incentive Plan.

Income tax expense. Kosmos' effective tax rates for the years ended 31 December 2015 and 2014 were 182% and 52%, respectively. The effective tax rates for the periods presented were impacted by losses, primarily related to exploration expenses, incurred in jurisdictions in which Kosmos is not subject to taxes and losses incurred in jurisdictions in which it has valuation allowances against its deferred tax assets and therefore does not realise any tax benefit on such expenses or losses. Income tax expense decreased by \$143.6 million during the year ended 31 December 2015, as compared with the year ended 31 December 2014, primarily as a result of lower revenue in Ghana.

4. Liquidity and Capital Resources

Kosmos is actively engaged in an ongoing process of anticipating and meeting its funding requirements related to exploring for and developing oil and natural gas resources along the Atlantic Margins. It has historically met its funding requirements through cash flows generated from its operating activities and obtained additional funding from issuances of equity and debt. In relation to cash flow generated from its operating activities, if Kosmos is unable to continuously export associated natural gas in large quantities, which causes potential production restraints, then Kosmos' cash flows from operations will be adversely affected. Kosmos also has experienced mechanical issues in the past, including failures of its water injection facilities and gas compressor on the Jubilee FPSO, and is currently working to remediate the turret bearing issues on the Jubilee FPSO. This equipment downtime negatively impacted oil production and the Jubilee Unit partners are in the process of repairing the current mechanical issues and implementing a long-term solution for the turret issue.

While Kosmos is presently in a strong financial position, a future decline in oil prices, if prolonged, could negatively impact its ability to generate sufficient operating cash flows to meet its funding requirements. It could also impact the borrowing base available under the Facility or the related debt covenants. Commodity prices are volatile and future prices cannot be accurately predicted. Kosmos maintains a hedging programme to partially mitigate the price volatility. Its investment decisions are based on longer-term commodity prices based on the long-term nature of its projects and development plans. Current commodity prices, its hedging programme and its current liquidity position support its capital programme for 2017.

As such, Kosmos' 2017 capital budget is based on its development plans for Ghana and its exploration and appraisal programme for 2017.

Kosmos' future financial condition and liquidity can be impacted by, among other factors, the success of its exploration and appraisal drilling programme, the number of commercially viable oil and natural gas discoveries made and the quantities of oil and natural gas discovered, the speed with which Kosmos can bring such discoveries to production, the reliability of its oil and gas production facilities, its ability to continuously export oil and gas, its ability to secure and maintain partners and their alignment with respect to capital plans, the actual cost of exploration, appraisal and development of its oil and natural gas assets, and coverage of any claims under its insurance policies.

In March 2017, following the lender's semi-annual redetermination, the borrowing base under the Facility was \$1.3 billion (effective 1 April 2017). The borrowing base calculation includes value related to the Jubilee and TEN fields.

Cash flows information

The following tables present the cash flows of Kosmos for the six months ended 30 June 2017 and 2016 and for the years ended 31 December 2016, 2015 and 2014.

	31 December		
	2016 ⁽¹⁾	2015 ⁽¹⁾	2014 ⁽¹⁾
	(In thousands)		
Net cash provided by (used in):			
Operating activities	\$ 52,077	\$ 440,779	\$ 443,586
Investing activities	(537,763)	(796,433)	(368,603)
Financing activities	448,019	79,634	(139,184)

(1) Effective December 31, 2016, Kosmos adopted new guidance on the presentation of restricted cash. This guidance was adopted retrospectively and all prior periods have been adjusted to reflect this change in accounting principle.

	Six Months Ended	
	30 June 2017	30 June 2016 ⁽¹⁾
	(In thousands, unaudited)	
Net cash provided by (used in):		
Operating activities	\$ (17,514)	\$ (24,078)
Investing activities	177,809	(418,109)
Financing activities	(201,945)	323,202

(1) Effective December 31, 2016, Kosmos adopted new guidance on the presentation of restricted cash. This guidance was adopted retrospectively and all prior periods have been adjusted to reflect this change in accounting principle

Net cash provided by (used in) operating activities. Net cash provided by operating activities in 2016 was \$52.1 million compared with net cash provided by operating activities of \$440.8 million in 2015 and \$443.6 million in 2014, respectively. The decrease in cash provided by operating activities in the year ended 31 December 2016 when compared to the same period in 2015 was primarily a result of a decrease in results from operations driven by lower barrels sold related to the turret bearing issues and lower realized revenue per barrel sold. The decrease in cash provided by operating activities in 2015 when compared to 2014 was primarily as a result of a decrease in results from operations driven by lower realized revenue per barrel sold mitigated by a positive change in working capital items. Net cash used in operating activities for the six months ended 30 June 2017 was \$17.5 million compared with net cash used in operating activities for the six months ended 30 June 2016 of \$24.1 million. The decrease in cash used in operating activities in the six months ended 30 June 2017 when compared to the same period in 2016 is primarily a result of an increase in oil and gas revenue and LOPI proceeds, net partially offset by an increase in exploration expense related to the stacked rig costs and rig option cancellation payment as well as a decrease in derivative cash settlements.

Net cash provided by (used in) investing activities. Net cash used in investing activities in 2016 was \$537.8 million compared with net cash used in investing activities of \$796.4 million in 2015 and \$386.6 million in 2014, respectively. The decrease in cash used in investing activities in the year ended 31 December 2016 when compared to the same period in 2015 was primarily a result of a decrease in capital spending on exploration and development assets as the TEN fields came online in the third quarter of 2016. The increase in cash used in investing activities in 2015 when compared to 2014 was primarily as a result of an increase in TEN development spending as well as exploration spend in Mauritania and Senegal. Net cash provided by (used in) investing activities for the six months ended 30 June 2017 was \$177.8 million compared to (\$418.1) million for the six months ended 30 June 2016. The increase in cash provided by investing activities in the six months ended 30 June 2017 when compared to the same period in 2016 is primarily a result of \$222.1 million of proceeds related to the BP transaction compared to \$417.7 million of oil and gas additions during the first six months ended 30 June 2016 primarily related to exploration activities and development of the TEN fields.

Net cash provided by (used in) financing activities. Net cash provided by financing activities in 2016 was \$448.0 million compared with net cash provided by (used in) financing activities of \$79.6 million in 2015 and (\$139.1) million in 2014, respectively. The increase in cash provided by financing activities in the year ended 31 December 2016 when compared to the same period in 2015 was primarily a result of an increase in borrowings under long-term debt. The increase in cash provided by financing activities in 2015 when compared to 2014 was primarily as a result of an increase in net borrowings under long-term debt of \$106.8 million compared to net payments on long-term debt of \$106.0 million in 2014. Net cash provided by (used in) financing activities for the six months ended 30 June 2017 was (\$201.9) million compared to \$323.2 million for the six months ended 30 June 2016. The increase in cash used in investing activities in the six months ended 30 June 2017 when compared to the same period in 2016 is primarily a result of \$200 million of repayments on the Facility during 2017 compared to \$325 million of borrowings during 2016.

Sources and Uses of Cash

The following table presents the sources and uses of Kosmos' cash and cash equivalents for the six months ended 30 June 2017 and 2016 and for the years ended 31 December 2016, 2015 and 2014:

	Six Months Ended 30 June		Years Ended 31 December		
	2017	2016	2016	2015	2014
(In thousands)					
Sources of cash, cash equivalents and restricted cash:					
Net cash provided by (used in)					
operating activities	\$ (17,514)	\$ (24,078)	\$ 52,077	\$ 440,779	\$ 443,586
Net proceeds from issuance of senior secured notes	—	—	—	206,774	294,000
Borrowings under long-term debt	—	325,000	450,000	100,000	—
Proceeds on sale of assets	222,068	196	210	28,692	58,315
	<u>204,554</u>	<u>301,118</u>	<u>502,287</u>	<u>776,245</u>	<u>795,901</u>
Uses of cash, cash equivalents and restricted cash:					
Oil and gas assets	42,805	417,704	535,975	823,642	424,535
Other property	1,454	601	1,998	1,483	2,383
Payments on long-term debt	200,000	—	—	200,000	400,000
Purchase of treasury stock	1,945	1,798	1,981	18,110	11,096
Deferred financing costs	—	—	—	9,030	22,088
	<u>246,204</u>	<u>420,103</u>	<u>539,954</u>	<u>1,052,265</u>	<u>860,102</u>
Decrease in cash, cash equivalents and restricted cash	<u>\$ (41,650)</u>	<u>\$ (118,985)</u>	<u>\$ (37,667)</u>	<u>\$ (276,020)</u>	<u>\$ (64,201)</u>

The following table presents Kosmos' liquidity and net debt as of 30 June 2017 and as of 31 December 2016:

	30 June 2017 (In thousands)	31 December 2016 (In thousands)
Cash and cash equivalents	\$ 162,474	\$ 194,057
Restricted cash	69,071	79,138
Senior Notes at par	525,000	525,000
Drawings under the Facility	650,000	850,000
Net debt	\$ 943,455	\$ 1,101,805
Availability under the Facility	\$ 650,800	\$ 616,900
Availability under the Corporate Revolver	\$ 400,000	\$ 400,000
Available borrowings plus cash and cash equivalents (Liquidity) . .	\$ 1,213,274	\$ 1,210,957

Capital Expenditures and Investments

Kosmos expects to incur capital costs as it:

- funds asset integrity projects at Jubilee;
- executes exploration and appraisal activities in its Senegal and Mauritania licence areas; and
- acquires and analyses seismic, performs new ventures and manages its rig activities.

Kosmos has relied on a number of assumptions in budgeting for its future activities. These include the number of wells it plans to drill, its participating interests in its prospects including disproportionate payment amounts, the costs involved in developing or participating in the development of a prospect, the timing of third-party projects, its ability to utilise its available drilling rig capacity, the availability of suitable equipment and qualified personnel and its cash flows from operations. These assumptions are inherently subject to significant business, political, economic, regulatory, environmental and competitive uncertainties, contingencies and risks, all of which are difficult to predict and many of which are beyond Kosmos' control. Kosmos may need to raise additional funds more quickly if market conditions deteriorate; or one or more of its assumptions proves to be incorrect or if it chooses to expand its acquisition, exploration, appraisal, development efforts or any other activity more rapidly than it presently anticipates. Kosmos may decide to raise additional funds before it needs them if the conditions for raising capital are favorable. It may seek to sell equity or debt securities or obtain additional bank credit facilities. The sale of equity securities could result in dilution to its shareholders.

The incurrence of additional indebtedness could result in increased fixed obligations and additional covenants that could restrict its operations.

2017 Capital Programme

Kosmos estimates it will spend approximately \$100 million of capital, net of carry amounts related to the Mauritania and Senegal transactions with BP, for the year ending 31 December 2017. Through 30 June 2017, Kosmos has spent approximately \$156 million which was offset by the initial proceeds from the BP transaction of \$222 million, including the \$162 million in cash upfront and interim costs, resulting in credit to its capital budget of \$66 million. The majority of the \$100 million of capital Kosmos estimates it will spend in the year ending 31 December 2017 is committed under the various work programs and budgets Kosmos has agreed with its license partners, subject to any mutually agreed or government directed decreases or increases to the approved budgets. For more information on Kosmos' commitments under its exploration licenses, see section 5 of this Part IV (*Operating and Financial Overview*).

This positions Kosmos to achieve its objectives and invest counter-cyclically while maintaining a strong balance sheet. The ultimate amount of capital Kosmos will spend may fluctuate materially based on market conditions and the success of its drilling results among other factors. Kosmos resumed its previously suspended drilling programme during the first quarter of 2017. Kosmos' future financial condition and liquidity will be impacted by, among other factors, its level of production of oil and the prices it receives from the sale of oil, its ability to effectively hedge future production volumes, the success of its exploration and appraisal drilling programme, the number of commercially viable oil and natural gas discoveries made and the quantities of oil and natural gas discovered, the speed with which it can bring such discoveries to production, its partners' alignment with respect to capital plans, the actual cost of exploration, appraisal and development of its oil and natural gas assets, and coverage of any claims under its insurance policies.

Significant Sources of Capital

Facility

In March 2014, Kosmos amended and restated the Facility with a total commitment of \$1.5 billion from a number of financial institutions. The Facility supports its oil and gas exploration, appraisal and development programs and corporate activities.

In March 2017, following the lender's semi-annual redetermination, the borrowing base under the Facility was \$1.3 billion (effective 1 April 2016). The borrowing base calculation includes value related to the Jubilee and TEN fields.

As part of the debt refinancing in March 2014, the repayment of borrowings under the existing facility attributable to financial institutions that did not participate in the amended Facility was accounted for as an extinguishment of debt, and existing unamortised debt issuance costs attributable to those participants were expensed. As a result, Kosmos recorded a \$2.9 million loss on the extinguishment of debt for the year ended 31 December 2014. As of 30 June 2017, Kosmos has \$26.8 million of unamortised issuance costs related to the Facility, which will be amortised over the remaining term of the Facility, including certain costs related to the amendment.

As of 30 June 2017, borrowings under the Facility totaled \$650.0 million and the undrawn availability under the Facility was \$650.8 million.

Interest is the aggregate of the applicable margin (3.25% to 4.50%, depending on the length of time that has passed from the date the Facility was entered into); LIBOR; and mandatory cost (if any, as defined in the Facility). Interest is payable on the last day of each interest period (and, if the interest period is longer than six months, on the dates falling at six-month intervals after the first day of the interest period). Kosmos pays commitment fees on the undrawn and unavailable portion of the total commitments, if any. Commitment fees are equal to 40% per annum of the then-applicable respective margin when a commitment is available for utilisation and, equal to 20% per annum of the then-applicable respective margin when a commitment is not available for utilisation. Kosmos recognises interest expense in accordance with ASC 835—Interest, which requires interest expense to be recognised using the effective interest method. As part of the March 2014 amendment, the Facility's estimated effective interest rate was changed and, accordingly, Kosmos adjusted its estimate of

deferred interest previously recorded during prior years by \$4.5 million, which was recorded as a reduction to interest expense for the year ended 31 December 2014.

The Facility provides a revolving-credit and letter of credit facility. The availability period for the revolving-credit facility, as amended in March 2014 expires on 31 March 2018; however the Facility has a revolving-credit sublimit, which will be the lesser of \$500.0 million and the total available facility at that time that will be available for drawing until the date falling one month prior to the final maturity date. The letter of credit sublimit expires on the final maturity date. The available facility amount is subject to borrowing base constraints and, beginning on 31 March 2018, outstanding borrowings will be constrained by an amortisation schedule. The Facility has a final maturity date of 31 March 2021. As of 30 June 2017, Kosmos had no letters of credit issued under the Facility.

Kosmos has the right to cancel all the undrawn commitments under the Facility. The amount of funds available to be borrowed under the Facility, also known as the borrowing base amount, is determined each year on 31 March and 30 September. The borrowing base amount is based on the sum of the net present values of net cash flows and relevant capital expenditures reduced by certain percentages as well as value attributable to certain assets' reserves and/or resources in Ghana.

If an event of default exists under the Facility, the lenders can accelerate the maturity and exercise other rights and remedies, including the enforcement of security granted pursuant to the Facility over certain assets held by the Company's subsidiaries. The Facility contains customary cross default provisions.

Kosmos was in compliance with the financial covenants contained in the Facility as of 31 March 2017 (the most recent assessment date), which requires the maintenance of:

- the field life cover ratio, not less than 1.30x;
- the loan life cover ratio, not less than 1.10x;
- the debt cover ratio, not more than 3.5x; and
- the interest cover ratio, not less than 2.25x.

Corporate Revolver

In November 2012, Kosmos secured the Corporate Revolver from a number of financial institutions which, as amended in June 2015, has an availability of \$400.0 million. The Corporate Revolver is available for all subsidiaries for general corporate purposes and for oil and gas exploration, appraisal and development programs.

As of 30 June 2017, there were no borrowings outstanding under the Corporate Revolver and the undrawn availability under the Corporate Revolver was \$400.0 million.

Interest is the aggregate of the applicable margin (6.0%), LIBOR and mandatory cost (if any, as defined in the Corporate Revolver). Interest is payable on the last day of each interest period (and, if the interest period is longer than six months, on the dates falling at six-month intervals after the first day of the interest period). Kosmos pays commitment fees on the undrawn portion of the total commitments. Commitment fees, as amended in June 2015, for the lenders are equal to 30% per annum of the respective margin when a commitment is available for utilisation.

The Corporate Revolver, as amended in June 2015, expires on 23 November 2018. The available amount is not subject to borrowing base constraints. Kosmos has the right to cancel all the undrawn commitments under the Corporate Revolver. Kosmos is required to repay certain amounts due under the Corporate Revolver with sales of certain subsidiaries or sales of certain assets. If an event of default exists under the Corporate Revolver, the lenders can accelerate the maturity and exercise other rights and remedies, including the enforcement of security granted pursuant to the Corporate Revolver over certain assets held by Kosmos. The Corporate Revolver contains customary cross default provisions.

Kosmos was in compliance with the financial covenants contained in the Corporate Revolver as of 31 March 2017 (the most recent assessment date), which requires the maintenance of:

- the debt cover ratio, not more than 3.5x; and
- the interest cover ratio, not less than 2.25x.

The U.S. and many foreign economies continue to experience uncertainty driven by varying macroeconomic conditions. Although some of these economies have shown signs of improvement, macroeconomic recovery remains uneven. Uncertainty in the macroeconomic environment and associated global economic conditions have resulted in extreme volatility in credit, equity, and foreign currency markets, including the European sovereign debt markets and volatility in various other markets. If any of the financial institutions within the Facility or Corporate Revolver are unable to perform on their commitments, Kosmos' liquidity could be impacted. Kosmos actively monitors all of the financial institutions participating in its Facility and Corporate Revolver. None of the financial institutions have indicated to Kosmos that they may be unable to perform on their commitments. In addition, Kosmos periodically reviews its banking and financing relationships, considering the stability of the institutions and other aspects of the relationships. Based on its monitoring activities, Kosmos currently believes its banks will be able to perform on their commitments.

LC Facility

In July 2013, Kosmos entered into the LC Facility. The size of the LC Facility is \$75.0 million, as amended in July 2015, with additional commitments up to \$50.0 million being available if the existing lender increases its commitments or if commitments from new financial institutions are added. The LC Facility provides that Kosmos shall maintain cash collateral in an amount equal to at least 75% of all outstanding letters of credit under the LC Facility, provided that during the period of any breach of certain financial covenants, the required cash collateral amount shall increase to 100%.

In July 2016, Kosmos amended and restated the LC Facility, extending the maturity date to July 2019. The LC Facility size remains at \$75.0 million, with additional commitments up to \$50.0 million being available if the existing lender increases its commitment or if commitments from new financial institutions are added. Other amendments included increasing the margin from 0.5% to 0.8% per annum on amounts outstanding, adding a commitment fee payable quarterly in arrears at an annual rate equal to 0.65% on the available commitment amount and providing for issuance fees to be payable to the lender per new issuance of a letter of credit. Kosmos may voluntarily cancel any commitments available under the LC Facility at any time. As of 30 June 2017, there were seven letters of credit totaling \$57.7 million under the LC Facility. The LC Facility contains customary cross default provisions.

During the first quarter of 2017, the LC Facility size was increased to \$115.0 million. In April 2017, Kosmos elected to reduce the size of its LC Facility to \$70 million.

7.875% Senior Secured Notes due 2021

During August 2014, Kosmos issued \$300.0 million of Senior Notes and received net proceeds of approximately \$292.5 million after deducting discounts, commissions and deferred financing costs. Kosmos used the net proceeds to repay a portion of the outstanding indebtedness under the Facility and for general corporate purposes.

During April 2015, Kosmos issued an additional \$225.0 million Senior Notes and received net proceeds of \$206.8 million after deducting discounts, commissions and other expenses. Kosmos used the net proceeds to repay a portion of the outstanding indebtedness under the Facility and for general corporate purposes. The additional \$225.0 million of Senior Notes have identical terms to the initial \$300.0 million Senior Notes, other than the date of issue, the initial price, the first interest payment date and the first date from which interest accrued.

The Senior Notes mature on 1 August 2021. Interest is payable semi-annually in arrears each 1 February and 1 August commencing on 1 February 2015 for the initial \$300.0 million Senior Notes and 1 August 2015 for the additional \$225.0 million Senior Notes. The Senior Notes are secured (subject to certain exceptions and permitted liens) by a first ranking fixed equitable charge on all shares held by the Company in the Company's direct subsidiary, Kosmos Energy Holdings. The Senior Notes are currently guaranteed on a subordinated, unsecured basis by the Company's existing restricted subsidiaries that guarantee the Facility and the Corporate Revolver, and, in certain circumstances, the Senior Notes will become guaranteed by certain of its other existing or future restricted subsidiaries (the "**Guarantees**").

Redemption and Repurchase. At any time prior to 1 August 2017 and subject to certain conditions, Kosmos may, on any one or more occasions, redeem up to 35% of the aggregate principal amount of Senior Notes issued under the indenture dated 1 August 2014 related to the Senior Notes (the

“**Indenture**”) at a redemption price of 107.875%, plus accrued and unpaid interest, with the cash proceeds of certain eligible equity offerings. Additionally, at any time prior to 1 August 2017, Kosmos may, on any one or more occasions, redeem all or a part of the Senior Notes at a redemption price equal to 100%, plus any accrued and unpaid interest, and a make-whole premium. On or after 1 August 2017, Kosmos may redeem all or a part of the Senior Notes at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest:

<u>Year</u>	<u>Percentage</u>
On or after 1 August 2017, but before 1 August 2018	103.9%
On or after 1 August 2018, but before 1 August 2019	102.0%
On or after 1 August 2019 and thereafter	100.0%

Kosmos may also redeem the Senior Notes in whole, but not in part, at any time if changes in tax laws impose certain withholding taxes on amounts payable on the Senior Notes at a price equal to the principal amount of the Senior Notes plus accrued interest and additional amounts, if any, as may be necessary so that the net amount received by each holder after any withholding or deduction on payments of the Senior Notes will not be less than the amount such holder would have received if such taxes had not been withheld or deducted.

Upon the occurrence of a change of control triggering event as defined under the Indenture, Kosmos will be required to make an offer to repurchase the Senior Notes at a repurchase price equal to 101% of the principal amount, plus accrued and unpaid interest to, but excluding, the date of repurchase.

If Kosmos sells assets, under certain circumstances outlined in the Indenture, it will be required to use the net proceeds to make an offer to purchase the Senior Notes at an offer price in cash in an amount equal to 100% of the principal amount of the Senior Notes, plus accrued and unpaid interest to, but excluding, the repurchase date.

Covenants. The Indenture restricts Kosmos’ ability and the ability of its restricted subsidiaries to, among other things: incur or guarantee additional indebtedness, create liens, pay dividends or make distributions in respect of capital stock, purchase or redeem capital stock, make investments or certain other restricted payments, sell assets, enter into agreements that restrict the ability of its subsidiaries to make dividends or other payments to it, enter into transactions with affiliates, or effect certain consolidations, mergers or amalgamations. These covenants are subject to a number of important qualifications and exceptions. Certain of these covenants will be terminated if the Senior Notes are assigned an investment grade rating by both Standard & Poor’s Rating Services and Fitch Ratings Inc. and no default or event of default has occurred and is continuing.

Collateral. The Senior Notes are secured (subject to certain exceptions and permitted liens) by a first ranking fixed equitable charge on all currently outstanding shares, additional shares, dividends or other distributions paid in respect of such shares or any other property derived from such shares, in each case held by the Company in relation to its direct subsidiary, Kosmos Energy Holdings, pursuant to the terms of the Charge over Shares of Kosmos Energy Holdings dated 23 November 2012, as amended and restated on 14 March 2014, between the Company and BNP Paribas as Security and Intercreditor Agent. The Senior Notes share *pari passu* in the benefit of such equitable charge based on the respective amounts of the obligations under the Indenture and the amount of obligations under the Corporate Revolver. The Guarantees are not secured.

Debt obligations

The following table presents maturities by expected debt maturity dates, the weighted average interest rates expected to be paid on the Facility given current contractual terms and market conditions, and the debt's estimated fair value. Weighted-average interest rates are based on implied forward rates in the yield curve at the reporting date. This table does not take into account amortisation of deferred financing costs.

	Years Ending 31 December						Asset (Liability) Fair Value at 30 June 2017
	2017 ⁽⁵⁾	2018	2019	2020	2021	Thereafter	
	(In thousands, except percentages)						
Fixed rate debt:							
Senior Notes	\$ —	\$ —	\$ —	\$ —	\$525,000	\$—	\$(536,356)
Fixed interest rate	7.88%	7.88%	7.88%	7.88%	7.88%	—%	
Variable rate debt:							
Facility ⁽¹⁾	\$ —	\$ —	\$50,377	\$404,971	\$194,652	\$—	\$(650,000)
Weighted average interest rate ⁽²⁾	4.50%	5.16%	5.55%	6.19%	6.62%	—%	
Capped interest rate swaps:							
Notional debt amount	\$200,000	\$200,000	\$ —	\$ —	\$ —	\$—	\$ 628
Cap	3.00%	3.00%	—	—	—	—	
Average fixed rate payable ⁽³⁾	1.23%	1.23%	—	—	—	—	
Variable rate receivable ⁽⁴⁾	1.27%	1.54%	—	—	—	—	

(1) The amounts included in the table represent principal maturities only. The scheduled maturities of debt are based on the level of borrowings and the available borrowing base as of 30 June 2017. Any increases or decreases in the level of borrowings or increases or decreases in the available borrowing base would impact the scheduled maturities of debt during the next five years and thereafter. As of 30 June 2017, there were no borrowings under the Corporate Revolver.

(2) Based on outstanding borrowings as noted in (1) above and the LIBOR yield curves plus applicable margin at the reporting date. Excludes commitment fees related to the Facility and Corporate Revolver.

(3) Kosmos expects to pay the fixed rate if 1-month LIBOR is below the cap, and pay the market rate less the spread between the cap and the fixed rate if LIBOR is above the cap, net of the capped interest rate swaps.

(4) Based on implied forward rates in the yield curve at the reporting date.

(5) Represents the period from 1 July 2017 through 31 December 2017.

6. Off-Balance Sheet Arrangements

Kosmos may enter into off-balance sheet arrangements and transactions that can give rise to material off-balance sheet obligations. As of 30 June 2017, Kosmos' material off-balance sheet arrangements and transactions include operating leases and undrawn letters of credit. There are no other transactions, arrangements, or other relationships with unconsolidated entities or other persons that are reasonably likely to materially affect Kosmos' liquidity or availability of or requirements for capital resources.

7. Critical Accounting Policies

This discussion of financial condition and results of operations is based upon the information reported in Kosmos' consolidated financial statements, which have been prepared in accordance with generally accepted accounting principles in the United States. The preparation of Kosmos' financial statements requires it to make assumptions and estimates that affect the reported amounts of assets, liabilities, revenues and expenses, as well as the disclosure of contingent assets and liabilities as of the date the financial statements are available to be issued. Kosmos bases its assumptions and estimates on historical experience and other sources that it believes to be reasonable at the time. Actual results may vary from its estimates. Kosmos' significant accounting policies are detailed in Schedule I (*Historical Financial Information*) Kosmos has outlined below certain accounting policies that are of particular importance to the presentation of its financial position and results of operations and require the application of significant judgment or estimates by its management.

Revenue Recognition. Kosmos uses the sales method of accounting for oil and gas revenues. Under this method, it recognises revenues on the volumes sold based on the provisional sales prices. The volumes sold may be more or less than the volumes to which Kosmos is entitled based on its ownership interest in the property. These differences result in a condition known in the industry as a production imbalance. A receivable or liability is recognised only to the extent that Kosmos has an imbalance on a specific property greater than the expected remaining proved reserves on such property. As of 31 December 2016 and 2015, Kosmos had no oil and gas imbalances recorded in its consolidated financial statements.

Kosmos' oil and gas revenues are based on provisional price contracts which contain an embedded derivative that is required to be separated from the host contract for accounting purposes. The host contract is the receivable from oil sales at the spot price on the date of sale. The embedded derivative, which is not designated as a hedge for accounting purposes, is marked to market through oil and gas revenue each period until the final settlement occurs, which generally is limited to the month after the sale occurs.

Exploration and Development Costs. Kosmos follows the successful efforts method of accounting for its oil and gas properties. Acquisition costs for proved and unproved properties are capitalised when incurred. Costs of unproved properties are transferred to proved properties when a determination that proved reserves have been found. Exploration costs, including geological and geophysical costs and costs of carrying unproved properties, are charged to expense as incurred. Exploratory drilling costs are capitalised when incurred. If exploratory wells are determined to be commercially unsuccessful or dry holes, the applicable costs are expensed. Costs incurred to drill and equip development wells, including unsuccessful development wells, are capitalised. Costs incurred to operate and maintain wells and equipment and to lift crude oil and natural gas to the surface are expensed.

Receivables. Kosmos' receivables consist of joint interest billings, oil sales and other receivables. For its oil sales receivable, Kosmos requires a letter of credit to be posted to secure the outstanding receivable. Receivables from joint interest owners are stated at amounts due, net of any allowances for doubtful accounts. Kosmos determines its allowance by considering the length of time past due, future net revenues of the debtor's ownership interest in oil and natural gas properties it operates, and the owner's ability to pay its obligation, among other things.

Income Taxes. Kosmos accounts for income taxes as required by the ASC 740. Kosmos makes certain estimates and judgments in determining its income tax expense for financial reporting purposes. These estimates and judgments occur in the calculation of certain tax assets and liabilities that arise from differences in the timing and recognition of revenue and expense for tax and financial reporting purposes. Kosmos' federal, state and international tax returns are generally not prepared or filed before the consolidated financial statements are prepared; therefore, it estimates the tax basis of its assets and liabilities at the end of each period as well as the effects of tax rate changes, tax credits, and net operating loss carryforwards. Adjustments related to these estimates are recorded in Kosmos' tax provision in the period in which it file its income tax returns. Further, Kosmos must assess the likelihood that it will be able to realise or utilise its deferred tax assets. If realisation is not more likely than not, Kosmos must record a valuation allowance against such deferred tax assets for the amount it would not expect to recover, which would result in no benefit for the deferred tax amounts. As of 31 December 2016 and 2015, Kosmos has a valuation allowance to reduce certain deferred tax assets to amounts that are more likely than not to be realised. If Kosmos' estimates and judgments regarding its ability to realise its deferred tax assets change, the benefits associated with those deferred tax assets may increase or decrease in the period its estimates and judgments change. On a quarterly basis, management evaluates the need for and adequacy of valuation allowances based on the expected realisability of the deferred tax assets and adjusts the amount of such allowances, if necessary.

ASC 740 provides a more-likely-than-not standard in evaluating whether a valuation allowance is necessary after weighing all of the available evidence. When evaluating the need for a valuation allowance, Kosmos considers all available positive and negative evidence, including the following:

- the status of its operations in the particular taxing jurisdiction including whether it has commenced production from a commercial discovery;
- whether a commercial discovery has resulted in significant proved reserves that have been independently verified;

- the amounts and history of taxable income or losses in a particular jurisdiction;
- projections of future income, including the sensitivity of such projections to changes in production volumes and prices;
- the existence, or lack thereof, of statutory limitations on the period that net operating losses may be carried forward in a jurisdiction; and
- the creation and timing of future income associated with the turnaround of deferred tax liabilities in excess of deferred tax assets.

Derivative Instruments and Hedging Activities. Kosmos utilises oil derivative contracts to mitigate its exposure to commodity price risk associated with its anticipated future oil production. These derivative contracts primarily consist of three-way collars, put options, call options and swaps. Kosmos also uses interest rate derivative contracts to mitigate its exposure to interest rate fluctuations related to its long-term debt. Kosmos' derivative financial instruments are recorded on the balance sheet as either assets or a liabilities measured at fair value. Kosmos does not apply hedge accounting to its oil derivative contracts. Effective 1 June 2010, Kosmos discontinued hedge accounting on its interest rate swap contracts and accordingly the changes in the fair value of the instruments are recognised in earnings in the period of change. The effective portions of the discontinued hedges as of 31 May 2010, were included in accumulated other comprehensive income or loss ("AOCI") in the equity section of the accompanying consolidated balance sheets, and were transferred to earnings when the hedged transactions settled.

Estimates of Proved Oil and Natural Gas Reserves. Reserve quantities and the related estimates of future net cash flows affect Kosmos' periodic calculations of depletion and assessment of impairment of its oil and natural gas properties. Proved oil and natural gas reserves are the estimated quantities of crude oil, natural gas and natural gas liquids which geological and engineering data demonstrate with reasonable certainty to be recoverable in future periods from known reservoirs under existing economic and operating conditions. As additional proved reserves are discovered, reserve quantities and future cash flows will be estimated by independent petroleum consultants and prepared in accordance with guidelines established by the SEC and the Financial Accounting Standards Board. The accuracy of these reserve estimates is a function of:

- the engineering and geological interpretation of available data;
- estimates of the amount and timing of future operating cost, production taxes, development cost and workover cost;
- the accuracy of various mandated economic assumptions; and
- the judgments of the persons preparing the estimates.

Asset Retirement Obligations. Kosmos accounts for asset retirement obligations as required by the ASC 410—Asset Retirement and Environmental Obligations. Under these standards, the fair value of a liability for an asset retirement obligation is recognised in the period in which it is incurred if a reasonable estimate of fair value can be made. If a reasonable estimate of fair value cannot be made in the period the asset retirement obligation is incurred, the liability is recognised when a reasonable estimate of fair value can be made. If a tangible long-lived asset with an existing asset retirement obligation is acquired, a liability for that obligation shall be recognised at the asset's acquisition date as if that obligation were incurred on that date. In addition, a liability for the fair value of a conditional asset retirement obligation is recorded if the fair value of the liability can be reasonably estimated. Kosmos capitalises the asset retirement costs by increasing the carrying amount of the related long-lived asset by the same amount as the liability. Kosmos records increases in the discounted abandonment liability resulting from the passage of time in depletion and depreciation in the consolidated statement of operations. Estimating the future restoration and removal costs requires management to make estimates and judgments because most of the removal obligations are many years in the future and contracts and regulations often have vague descriptions of what constitutes removal. Additionally, asset removal technologies and costs are constantly changing, as are regulatory, political, environmental, safety and public relations considerations.

Inherent in the present value calculation are numerous assumptions and judgments including the ultimate settlement amounts, inflation factors, credit adjusted discount rates, timing of settlement and changes in the legal, regulatory, environmental and political environments. To the extent future

revisions to these assumptions impact the present value of the existing asset retirement obligations, a corresponding adjustment is made to the oil and gas property balance.

Impairment of Long-Lived Assets. Kosmos reviews its long-lived assets for impairment when changes in circumstances indicate that the carrying amount of an asset may not be recoverable. ASC 360—Property, Plant and Equipment requires an impairment loss to be recognised if the carrying amount of a long-lived asset is not recoverable and exceeds its fair value. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. That assessment shall be based on the carrying amount of the asset at the date it is tested for recoverability, whether in use or under development. An impairment loss shall be measured as the amount by which the carrying amount of a long-lived asset exceeds its fair value. Assets to be disposed of and assets not expected to provide any future service potential to Kosmos are recorded at the lower of carrying amount or fair value less cost to sell.

Kosmos believes the assumptions used in its undiscounted cash flow analysis to test for impairment are appropriate and result in a reasonable estimate of future cash flows. The undiscounted cash flows from the analysis exceeded the carrying amount of Kosmos' long-lived assets. The most significant assumptions are the pricing and production estimates used in undiscounted cash flow analysis. Where unproved reserves exist, an appropriately risk-adjusted amount of these reserves may be included in the evaluation. In order to evaluate the sensitivity of the assumptions, Kosmos assumed a hypothetical reduction in its production profile and lower pricing during the early years which still showed no impairment. If Kosmos experiences further declines in oil pricing, increases in its estimated future expenditures or a decrease in its estimated production profile its long-lived assets could be at risk for impairment.

Consolidations / Equity Method of Accounting

The consolidated financial statements include the accounts of the Company's wholly-owned subsidiaries. They also include Kosmos' share of the undivided interest in certain assets, liabilities, revenues and expenses. Investments in corporate joint ventures, which Kosmos exercises significant influence over, are accounted for using the equity method of accounting.

Equity method investments are integral to Kosmos' operations. The other parties, who also have an equity interest in these companies, are independent third parties. Kosmos does not invest in these companies in order to remove liabilities from its balance sheet.

PART V
CAPITALISATION AND INDEBTEDNESS

1. Capitalisation and indebtedness

The following table shows the unaudited capitalisation and indebtedness of Kosmos as at 30 June 2017, extracted without material adjustment from Kosmos' unaudited financial statements as at 30 June 2017.

	<u>US\$</u> <u>(thousands,</u> <u>unaudited)</u>
Current debt	
Guaranteed	—
Secured	—
Unguaranteed/ Unsecured	—
Total	—
Non-Current debt	
Guaranteed ⁽¹⁾	1,175,000
Secured	—
Unguaranteed/ Unsecured	—
Total (excluding current portion of long-term debt)	1,175,000
Shareholders' equity	
Share capital	1,998,768
Legal Reserve	—
Other Reserves	(935,915)
Total	1,062,853

2. Net indebtedness

The following table shows the unaudited net indebtedness of Kosmos as at 30 June 2017, extracted without material adjustment from Kosmos' unaudited financial statements as at 30 June 2017.

	<u>US\$</u> <u>(thousands,</u> <u>unaudited)</u>
Cash	162,474
Cash equivalents (Detail)	—
Trading securities	—
Liquidity	162,474
Current Financial Receivables	—
Current Bank debt	—
Current portion of non-current debt	—
Other current financial debt	—
Current Financial Debt	—
Net Current Financial Indebtedness	(162,474)
Non-current Bank loans	650,000
Bonds Issued	525,000
Other non-current loans	—
Non-current Financial Indebtedness	1,175,000
Net Financial Indebtedness	1,012,526

(1) This comprises obligations under the Senior Notes and Facility.

PART VI TAXATION

1. UK Taxation

The following statements are based upon current UK tax law and the current published practice of HM Revenue & Customs, both of which are subject to change, possibly with retrospective effect. The statements are intended only as a general guide and do not constitute legal or tax advice. The statements may not apply to certain Shareholders, such as dealers in securities, insurance companies, trustees, collective investment schemes or Shareholders who have (or are deemed to have) acquired their Common Shares by virtue of an office or employment, who may be subject to special rules. They apply only to Shareholders who are resident and, if individuals, also domiciled for UK tax purposes in the UK (except in so far as express reference is made to the treatment of non-UK residents), who hold Common Shares as an investment rather than trading stock and who are the absolute beneficial owners of those Common Shares.

There may be other tax consequences of subscribing for, purchasing, holding or disposing of Common Shares, and all prospective Shareholders, in particular those who are in any doubt about their tax position, or who are resident or otherwise subject to taxation in a jurisdiction outside the UK, should consult their own professional advisers on the potential tax consequences of subscribing for, purchasing, holding or disposing of Common Shares under the laws of their country and/or state of citizenship, domicile or residence.

Taxation of dividends

The Company will not be required to withhold UK tax at source from dividend payments it makes to either individual or corporate Shareholders (whether or not they are resident and/or domiciled in the UK).

(i) Individual Shareholders

The following statements summarise the expected UK tax treatment for individual Shareholders who receive dividends from the Company. A nil rate of income tax will currently apply to the first £5,000 of dividend income received in a tax year (the “**Nil Rate Amount**”), regardless of what tax rate would otherwise apply to that dividend income. The Finance Bill 2017 published in March 2017 included a clause which, if enacted, would reduce the Nil Rate Amount to £2,000 for dividends received from 6 April 2018. The relevant clause was, removed to ensure the passage of the Finance Act 2017 before the dissolution of Parliament on 27 April 2017, but the government has since announced that provisions excluded from that Act will be reintroduced in a new Finance Bill.

Any taxable dividend income received by an individual shareholder in a tax year in excess of the Nil Rate Amount will be subject to income tax at dividend rates determined by thresholds of income, as follows:

- at the rate of 7.5 per cent., to the extent that the relevant dividend income falls above the personal allowance but below the threshold for the higher rate of income tax;
- at the rate of 32.5 per cent., to the extent that the relevant dividend income falls above the threshold for the higher rate of income tax but below the threshold for the additional rate of income tax; and
- at the rate of 38.1 per cent., to the extent that the relevant dividend income falls above the threshold for the additional rate of income tax.

Dividend income that is within the Nil Rate Amount counts towards an individual's basic or higher rate limit and will therefore potentially affect the level of savings allowance to which an individual is entitled and the rate of tax that is due on any dividend income in excess of the Nil Rate Amount. In calculating which tax band any dividend income over the Nil Rate Amount falls into, savings and dividend income are treated as the highest part of an individual's income. Where an individual has both savings and dividend income, the dividend income is treated as the top slice.

(ii) Corporate Shareholders

Shareholders within the charge to UK corporation tax which are “small companies” for the purposes of Chapter 2 of Part 9A of the Corporation Tax Act 2009 will be subject to UK corporation tax on any dividend received from the Company.

Other Shareholders within the charge to UK corporation tax will not be subject to UK corporation tax on dividends received from the Company so long as the dividends fall within an exempt class and certain conditions are met. The following are examples of dividends that generally fall within an exempt class: (a) dividends paid on shares that are not redeemable and do not carry any present or future preferential rights to dividends or to a company’s assets on its winding up; and (b) dividends paid to a person holding less than 10 per cent. of the issued share capital of the payer (or any class of that share capital in respect of which the dividend is paid).

Taxation of disposals

If a Shareholder sells or otherwise disposes of all or some of their Common Shares, they may, depending on their circumstances, incur a liability to UK taxation on any chargeable gain realised.

(i) Individual Shareholders

For an individual Shareholder within the charge to UK capital gains tax, a disposal or deemed disposal of their Common Shares may give rise to a chargeable gain or an allowable loss for the purposes of UK capital gains tax, depending upon the Shareholder’s circumstances and subject to any available exemption or relief. The rate of capital gains tax on share disposals is currently 10 per cent. (2017/18) for individuals who are subject to income tax at the basic rate and 20 per cent. (2017/18) for individuals who are subject to income tax at the higher or additional rates. An individual Shareholder is entitled to realise a certain amount of gains (currently £11,300 (2017/18)) in each tax year without being liable to tax.

(ii) Corporate Shareholders

For a Shareholder within the charge to UK corporation tax, a disposal or deemed disposal of Common Shares may give rise to a chargeable gain or an allowable loss for the purposes of UK corporation tax, subject to the application or availability of any reliefs or exemptions. An indexation allowance on the cost of acquiring the Common Shares may be available to reduce the amount of the chargeable gain which would otherwise arise on the disposal, but may not create or increase an allowable loss. The rate of corporation tax is currently 19 per cent. (2017/18).

(iii) Non-UK resident Shareholders

An individual who has been resident in the UK and who then ceases to be resident in the UK only temporarily may, in certain circumstances, be subject to tax in respect of gains realised while they are not resident in the UK.

UK stamp duty and stamp duty reserve tax (“SDRT”)

Admission of the Common Shares to the standard segment of the Official List will not give rise to a liability to stamp duty or SDRT.

No SDRT will be chargeable on any agreement to transfer Depositary Interests so long as Common Shares continue to be so admitted and it continues to be the case that (i) those interests can only be transferred through the CREST system, (ii) the central management and control of the Company is exercised outside the UK and (iii) the shareholders’ register is maintained outside the UK.

No SDRT will be chargeable on any agreement to transfer the Common Shares themselves so long as the shareholders’ register continues to be maintained outside the UK.

Stamp duty could in certain circumstances be payable if title to Common Shares were transferred by written instrument, for stampable consideration greater than £1,000. If the instrument were executed in the UK or related to any matter or thing done or to be done in the UK, a party wishing to rely on the instrument in civil proceedings in the UK would have to submit it to HM Revenue & Customs for stamping (at 0.5% of the consideration, rounded to the nearest £5).

2. US Taxation

The following is a summary of certain U.S. federal income tax consequences to a U.S. Holder (as defined below) of owning and disposing of the Common Shares, but it does not purport to be a comprehensive description of all tax considerations that may be relevant to a particular person's decision to acquire the Common Shares. This summary does not discuss any state, local or foreign tax considerations. This discussion applies only to a U.S. Holder that acquires the Common Shares pursuant to this offering and holds them as capital assets for tax purposes. In addition, it does not describe: all of the tax consequences that may be relevant in light of the U.S. Holder's particular circumstances, including alternative minimum tax consequences, Medicare contribution tax consequences and tax consequences applicable to U.S. Holders subject to special rules, such as:

- certain financial institutions;
- dealers or traders in securities who use a mark to market method of tax accounting;
- persons holding the Common Shares as part of a hedging transaction, straddle, wash sale, conversion transaction or integrated transaction or persons entering into a constructive sale with respect to the Common Shares;
- persons whose functional currency for U.S. federal income tax purposes is not the U.S. dollar;
- entities classified as partnerships for U.S. federal income tax purposes;
- tax exempt entities, including "individual retirement accounts"; or
- persons that own or are deemed to own ten percent or more of the Common Shares.

If an entity that is classified as a partnership for U.S. federal income tax purposes holds the Common Shares, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the activities of the partnership. Partnerships holding the Common Shares and partners in such partnerships should consult their tax advisers as to the particular U.S. federal income tax consequences of holding and disposing of the Common Shares.

This discussion is based on the Internal Revenue Code of 1986, as amended (the "**Code**"), administrative pronouncements, judicial decisions, and final, temporary and proposed Treasury regulations, all as of the date of this Prospectus, any of which is subject to change, possibly with retroactive effect. U.S. Holders should consult their tax advisers concerning the U.S. federal, state, local and foreign tax consequences of owning and disposing of the Common Shares in their particular circumstances.

A "**U.S. Holder**" is a holder who, for U.S. federal income tax purposes, is a beneficial owner of the Common Shares and is:

- a citizen or individual resident of the United States;
- a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state therein or the District of Columbia; or
- an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

This discussion assumes that the Company is not, and will not become, a PFIC, as described below.

Taxation of Distributions

As discussed in paragraph 8 of Part I (*Business Overview*), the Company does not currently intend to pay dividends. In the event that the Company does pay dividends, distributions paid on the Common Shares, other than certain pro rata distributions of Common Shares, will be treated as dividends to the extent paid out of the Company's current or accumulated earnings and profits (as determined under U.S. federal income tax principles). The amount of the dividend will be treated as foreign source dividend income to U.S. Holders and will not be eligible for the dividends received deduction generally available to U.S. corporations under the Code. Subject to certain holding period and other requirements, dividends on the Common Shares that are paid to non-corporate U.S. Holders will be eligible for reduced tax rates so long as the Common Shares continue to trade on the NYSE.

Sale or Other Disposition of Common Shares

For U.S. federal income tax purposes, a gain or loss realized on the sale or other disposition of the Common Shares will be a capital gain or loss, and generally will be a long term capital gain or loss if the U.S. Holder held its Common Shares for more than one year. The amount of the gain or loss will equal the difference between the U.S. Holder's tax basis in the Common Shares disposed of and the amount realized on the disposition, in each case as determined in U.S. dollars. This gain or loss will generally be a U.S. source gain or loss for foreign tax credit purposes. Non corporate U.S. Holders are generally eligible for reduced tax rates on long term capital gains. The deductibility of capital losses is subject to certain limitations.

Passive Foreign Investment Company Rules

Based on management estimates and projections of future operations and revenue, it is thought the Company will not be a PFIC for U.S. federal income tax purposes for the current taxable year and it is not expected that the Company will become a PFIC in the foreseeable future. In general, a non U.S. corporation is a PFIC for any taxable year in which (i) 75% or more of its gross income consists of passive income (such as dividends, interest, rents and royalties) or (ii) 50% or more of the average quarterly value of its assets consists of assets that produce, or are held for the production of, passive income. Because the Company's PFIC status is a factual determination that is made annually and depends on the composition of the Company's income and the composition and value of the Company's assets from time to time, there can be no assurance that the Company will not be a PFIC for any taxable year.

If the Company was a PFIC for any taxable year during which a U.S. Holder held the Common Shares, gain recognised by a U.S. Holder on a sale or other disposition (including certain pledges) of the Common Shares would be allocated ratably over the U.S. Holder's holding period for the Common Shares. The amounts allocated to the taxable year of the sale or other disposition and to any year before the Company became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for individuals or corporations, as appropriate, for that taxable year, and an interest charge would be imposed on the tax on such amount allocated to that taxable year. In addition, similar rules would apply to the extent that any distribution received by a U.S. Holder on its Common Shares exceeds 125% of the average of the annual distributions on the Common Shares received during the preceding three years or the U.S. Holder's holding period, whichever is shorter. Certain elections may be available that would result in alternative treatments (such as mark to market treatment) of the Common Shares. U.S. Holders should consult their tax advisers to determine whether any of these elections would be available and, if so, what the consequences of the alternative treatments would be in their particular circumstances. If the Company was a PFIC for any year during which a U.S. Holder held the Common Shares, the Company would generally continue to be treated as a PFIC with respect to that U.S. Holder for all succeeding years during which the U.S. Holder held the Common Shares, even if the Company subsequently ceased to meet the requirements for PFIC status. U.S. Holders should consult their tax advisers regarding the potential availability of a "deemed sale" election that would allow them to eliminate the continuation of PFIC status under these circumstances.

Dividends on the Common Shares that the Company pays to non-corporate U.S. Holders will not be eligible for the reduced tax rates described above if the Company is a PFIC in the taxable year in which the dividends are paid or the prior taxable year. In addition, if a U.S. Holder owns the Common Shares during any year in which the Company is a PFIC, that U.S. Holder must generally file annual reports containing such information as the U.S. Treasury may require on Internal Revenue Service ("IRS") Form 8621 (or any successor form) with respect to the Company, generally with that U.S. Holder's federal income tax return for that year.

U.S. Holders should consult their tax advisers regarding whether the Company is or may become a PFIC and the potential application of the PFIC rules.

Information Reporting and Backup Withholding

Payments of dividends and sales proceeds that are made within the United States or through certain U.S. related financial intermediaries generally are subject to information reporting, and may be subject to backup withholding, unless (i) the U.S. Holder is a corporation or other exempt recipient or (ii) in the case of backup withholding, the U.S. Holder provides a correct taxpayer identification number and

certifies that it is not subject to backup withholding. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against that U.S. Holder's U.S. federal income tax liability and may entitle it to a refund, provided that the required information is timely furnished to the IRS.

3. Bermuda Taxation

At the present time, there is no Bermuda income or profits tax, withholding tax, capital gains tax, capital transfer tax, estate duty or inheritance tax payable by the Company or by its shareholders in respect of the Company's shares. The Company has obtained an assurance from the Minister of Finance of Bermuda under the Exempted Undertakings Tax Protection Act 1966 that, in the event that any legislation is enacted in Bermuda imposing any tax computed on profits or income, or computed on any capital asset, gain or appreciation or any tax in the nature of estate duty or inheritance tax, such tax shall not, until 31 March 2035, be applicable to the Company or to any of its operations or to its shares, debentures or other obligations except insofar as such tax applies to persons ordinarily resident in Bermuda or is payable by the Company in respect of real property owned or leased by the Company in Bermuda.

PART VII
ADDITIONAL INFORMATION

1. Responsibility Statement

- 1.1 The Directors, whose names appear on page 53 of this Prospectus, and the Company accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Directors and the Company, each having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 Ryder Scott, whose registered office is at 1100 Louisiana, Suite 4600 Houston, Texas 77002-5294 USA, accepts responsibility for the Competent Person's Report set out in Schedule II (*Competent Person's Report*), and for any information sourced from the Competent Person's Report in this Prospectus. To the best of the knowledge of Ryder Scott, who has taken all reasonable care to ensure that such is the case, the information contained in the Competent Person's Report is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Incorporation and activity of the Company

- 2.1 The Company was incorporated and registered in Bermuda under the Bermuda Companies Act on 6 January 2011 as an exempted company limited by shares with registered number 45011. The principal legislation under which the Company operates is the Bermuda Companies Act. The liability of the shareholders of the Company is limited.
- 2.2 The Company is incorporated in Bermuda with its registered office at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The telephone number of the Company's registered office is +1 (441) 295-5950. The Company's U.S. subsidiary maintains its headquarters at 8176 Park Lane, Suite 500, Dallas, Texas 75231 and its telephone number is +1 (214) 445-9600.
- 2.3 The Company is regulated by the SEC as its principal regulator but it is not regulated by the FCA or any financial services regulator. With effect from the Admission, the Company will be subject to the Listing Rules and the Disclosure Guidance and Transparency Rules (and the resulting jurisdiction of the UK Listing Authority), to the extent such rules apply to companies with a standard listing pursuant to Chapter 14 of the Listing Rules.
- 2.4 The Company is the parent company of the group. As at the date of this Prospectus, the Company has the following significant subsidiaries, all of which are principally active in oil and gas exploration and production:

Name ⁽¹⁾	Registered number	Date of Incorporation	Country of incorporation
Kosmos Energy Ventures	WT-247253	1 Nov 2010	Cayman Islands
Kosmos Energy Suriname	WT-256363	13 May 2011	Cayman Islands
Kosmos Energy Senegal	WT 290078	21 Jul 2014	Cayman Islands
Kosmos Energy Operating Services SARL	98977	16 Aug 2013	Morocco
Kosmos Energy Operating	WT 231417	29 Sep 2009	Cayman Islands
Kosmos Energy Offshore Morocco HC . .	HL-137299	24 Jun 2004	Cayman Islands
Kosmos Energy Mauritania	WT-266444	20 Feb 2012	Cayman Islands
Kosmos Energy, LLC	800196753	23 Apr 2003	US (Texas)
Kosmos Energy International	HL-218274	9 Oct 2008	Cayman Islands
Kosmos Energy Holdings	HL-133483	5 Mar 2004	Cayman Islands
Kosmos Energy Ghana HC	HL-135710	13 May 2004	Cayman Islands
Kosmos Energy Finance International . .	WT-253656	18 Mar 2011	Cayman Islands
Kosmos Energy Finance	WT-225882	6 May 2009	Cayman Islands
Kosmos Energy Development	WT-225879	6 May 2009	Cayman Islands
Kosmos Energy Deepwater Morocco . . .	HL-214578	15 Jul 2008	Cayman Islands
Kosmos Energy Credit International . . .	WT-256364	13 May 2011	Cayman Islands
FATE Energy Services	WT-278222	29 May 2013	Cayman Islands
Kosmos Energy Sao Tome and Principe .	WT-301785	3 Jul 2015	Cayman Islands

Name ⁽¹⁾	Registered number	Date of Incorporation	Country of incorporation
Kosmos Energy Maroc Mer Profonde . . .	WT-308506	5 Feb 2016	Cayman Islands
Kosmos Energy Global Supply	WT-299440	4 May 2015	Cayman Islands
Kosmos BP Senegal Ltd. ⁽²⁾	10520822	12 Dec 2016	England & Wales

(1) All subsidiaries are wholly owned subsidiaries unless indicated otherwise.

(2) Owned 50.01% by Kosmos and 49.99% by BP.

3. Share capital of the Company

Issued share capital of the Company

3.1 The issued and fully paid share capital of the Company as at the Latest Practicable Date is as follows:

	Par value	Number of shares issued and outstanding	Aggregate par value
Common Shares	\$0.01	389,286,890	\$3,892,868.90

3.2 The Common Shares are created under the Bermuda Companies Act and denominated in US dollars. They have an ISIN of BMG5315B1072 and SEDOL BF4S0Z9, and are currently listed on the NYSE under the ticker symbol “KOS”. Save for the foregoing, the Common Shares are not listed or traded on, and no application has been or is being made for the admission of the Common Shares to listing or trading on any other stock exchange or securities market.

3.3 All Common Shares will rank *pari passu* in all respects, there being no conversion or exchange rights attaching thereto, and all Common Shares will have equal rights to participate in capital, dividend and profit distributions by the Company. On a show of hands every Shareholder who is present in person and every person holding a valid proxy shall have one vote and on a poll every Shareholder present in person or by proxy shall have one vote per Common Share.

3.4 The Common Shares are freely transferable and there are no restrictions on transfer.

3.5 As at the Latest Practicable Date, the Company held 9,175,328 Common Shares in treasury with a par value of \$0.01 each, which amounts to 2.30 per cent. of the issued common share capital (including treasury shares). No Common Shares have been issued other than fully paid.

History of the Common Shares

3.6 The Company was incorporated with an issued share capital of \$0.01, consisting of one Common Share of par value \$0.01.

3.7 The following changes have occurred in the share capital of the Company for the period covered by the historical financial information:

Period of issue	Class	Number of shares issued/(repurchased)	Aggregate nominal value
Q1 2014	Common Shares	24,290	\$3,875,984.42
Q2 2014	Common Shares	(803,394)	\$3,867,950.48
Q3 2014	Common Shares	50,367	\$3,868,454.15
Q4 2014	Common Shares	42,545	\$3,868,879.60
Q1 2015	Common Shares	700,776	\$3,875,887.36
Q2 2015	Common Shares	(2,650,735)	\$3,849,380.01
Q3 2015	Common Shares	123,230	\$3,850,612.31
Q4 2015	Common Shares	29,358	\$3,850,905.89
Q1 2016	Common Shares	62,891	\$3,851,534.80
Q2 2016	Common Shares	1,040,941	\$3,861,944.21
Q3 2016	Common Shares	447,189	\$3,866,416.10
Q4 2016	Common Shares	116,056	\$3,867,576.66
TOTALS		(816,486)	\$3,867,576.66

3.8 Other than the Common Shares held in treasury as described in paragraph 3.4 of this Part VII, no Common Shares are held by or on behalf of Kosmos.

History of transactions in the Common Shares by the Financial Sponsors

3.9 When the Common Shares were listed on the NYSE in 2011, Warburg Pincus held 155,099,918 Common Shares and Blackstone held 126,899,910 Common Shares. The Financial Sponsors have undertaken certain sales of their Common Shares over the last few years. The following table outlines the material transactions in the Common Shares undertaken by the Financial Sponsors since the listing of the Common Shares on the NYSE.

<u>Date transaction closed</u>	<u>Financial Sponsor</u>	<u>Number of Common Shares sold⁽¹⁾</u>	<u>Number of Common Shares held after transaction⁽¹⁾</u>
21 February 2013	Warburg Pincus	15,077,261	139,301,876
	Blackstone	12,325,939	113,974,239
15 March 2013	Warburg Pincus	2,290,725	137,011,151
	Blackstone	1,874,229	112,100,010
15 July 2014	Warburg Pincus	10,752,500	126,258,651
	Blackstone	8,797,500	103,302,512
10 October 2014	Warburg Pincus	8,250,000	118,008,651
	Blackstone	6,750,000	96,552,512
18 January 2017	Warburg Pincus	16,500,000	101,508,651
	Blackstone	13,500,000	83,052,512
26 May 2017	Warburg Pincus	10,000,000	91,508,651
	Blackstone	30,000,000	53,052,512

(1) Shareholdings based on SEC Form 4 (*Statement of Changes in Beneficial Ownership*) filings.

4. Summary of the memorandum of association and Bye-laws of the Company

4.1 The following description of certain provisions of the Company’s memorandum of association and Bye-laws does not purport to be complete and is subject to, and qualified by reference to, all of the provisions of the memorandum of association and Bye-laws.

Restrictions on objects

4.2 The memorandum of association and Bye-laws contain no restrictions on the Company’s principal objects or the type of business that may be carried out by the Company.

Share Capital

4.3 The Company’s authorised share capital consists of 2,000,000,000 Common Shares, par value \$0.01 per share, and 200,000,000 preference shares, par value \$0.01 per share. Pursuant to the Bye-laws, subject to the requirements of the NYSE, the Board is authorised to issue any of the Company’s authorised but unissued shares.

Common Shares

4.4 Shareholders are entitled to one vote per share on all matters submitted to a vote of Shareholders. Subject to preferences that may be applicable to any issued and outstanding preference shares, Shareholders are entitled to receive such dividends, if any, as may be declared from time to time by the Board out of funds legally available for dividend payments. Shareholders have no redemption, sinking fund, conversion, exchange, pre-emption or other subscription rights. In the event of the Company’s liquidation, dissolution or winding up, the Shareholders are entitled to share equally and rateably in the Company’s assets, if any, remaining after the payment of all of debts and liabilities, subject to any liquidation preference on any outstanding preference shares.

Preference Shares

4.5 The Board is authorised to provide for the issuance of one or more series of preference shares having such number of shares, designations, dividend rates, voting rights, conversion or exchange rights, redemption rights, liquidation rights and other powers, preferences and rights as may be determined by the Board without any further Shareholder approval. Preference shares, if

issued, would have priority over the Common Shares with respect to dividends and other distributions, including the distribution of the Company's assets upon liquidation.

Variation of rights attaching to shares

- 4.6 The Bye-laws provide that the rights attaching to any class of shares in the Company may be varied by approval of the Board and holders owning a majority of the issued and outstanding shares of that class.

Board of directors

- 4.7 The Bye-laws provides that the Board determines the size of the Board, provided that it shall be at least five and no more than 15 individuals. The composition of the Board is also affected by the Shareholders Agreement described in paragraph 4 of Part II (*Directors, Senior Managers and Corporate Governance*).

Election and removal of Directors

- 4.8 The Bye-laws provide that the Board is a classified board divided into three classes, with one class coming up for election each year. The election of the Directors will be determined by a plurality of the votes cast at the general meeting of Shareholders at which the relevant Directors are to be elected. The Shareholders do not have cumulative voting rights and accordingly the holders of a plurality of the shares voted can elect all of the Directors then standing for election. The Bye-laws require advance notice for Shareholders to nominate a director or present proposals for shareholder action at an annual general meeting of Shareholders.
- 4.9 Under the Bye-laws, a Director may be removed only for cause by the affirmative vote of a majority of the issued and outstanding shares entitled to vote. Any vacancy created by the removal of a Director at a special general meeting may be filled at that meeting by the election of another Director in his or her place or, in the absence of any such election, by the Board. Any other vacancy, including newly created directorships, may be filled by the Board.

Proceedings of Board

- 4.10 The Bye-laws provide that the Company's business shall be managed by or under the direction of the Board. The Board may act by the affirmative vote of a majority of the Directors present at a meeting at which a quorum is present. A majority of the total number of Directors then in office shall constitute a quorum; provided that, in the case of non-regularly scheduled Board meetings and Board meetings conducted annually in connection with the annual general meeting, for as long as the Financial Sponsors collectively beneficially own more than 25% of the issued and outstanding Common Shares, if at least one Director designated by each Financial Sponsor then entitled to designate a Director is not present at a special meeting, such meeting will be postponed for at least 24 hours, after which it may be held as long as a quorum consisting of a majority of the total number of Directors is present. The Board may also act by unanimous written consent.

Interested Directors

- 4.11 Under Bermuda law and the Bye-laws, as long as a Director discloses a direct or indirect interest in any contract or arrangement with the Company as required by law, such Director is entitled to vote in respect of any such contract or arrangement in which he or she is interested, unless disqualified from doing so by the chairman of the meeting, and such a contract or arrangement will not be voidable solely as a result of the interested Director's participation in its approval. In addition, the Director will not be liable to the Company for any profit realised from the transaction.

Indemnification of Directors and officers

- 4.12 The Bye-laws provide that the Company shall indemnify its officers and Directors in respect of their actions and omissions, except in respect of their fraud or dishonesty, and that the Company shall advance funds to its officers and Directors for expenses incurred in their defence upon receipt of an undertaking to repay the funds if any allegation of fraud or dishonesty is proved. The Bye-laws provide that the Company and the Shareholders waive all claims or rights of action that they might have, individually or in right of the company, against any of the Directors or officers for

any act or failure to act in the performance of such Director's or officer's duties, except in respect of any fraud or dishonesty.

Meetings of Shareholders

- 4.13 Under the Bye-laws, a special general meeting of Shareholders may be called by the Board or the chairman and must be called upon the request of Shareholders holding not less than 10% of the paid-up capital of the Company carrying the right to vote at general meetings of Shareholders.
- 4.14 Unless otherwise provided in the Bye-laws, at any general meeting of Shareholders the presence at the start of the general meeting in person or by proxy of Shareholders representing a majority of the issued and outstanding shares entitled to vote shall constitute a quorum for the transaction of business. Unless otherwise required by law or the Bye-laws, shareholder action requires the affirmative vote of a majority of the votes cast at a meeting at which a quorum is present.

Amendment of Memorandum of Association and Bye-laws

- 4.15 The Bye-laws provide that the Bye-laws may not be rescinded, altered or amended except with the approval of the Board and Shareholders owning a majority of the issued and outstanding shares entitled to vote. The memorandum of association may be amended by approval of the Board and by the affirmative vote of the majority of the votes cast at a general meeting of the Shareholders.

Dividends and repurchase of shares

- 4.16 Pursuant to the Bye-laws, the Board has the authority to declare dividends and authorise the repurchase of shares subject to applicable law. Under Bermuda law, a company may not declare or pay a dividend if there are reasonable grounds for believing that the company is, or would after the payment be, unable to pay its liabilities as they become due or the realisable value of its assets would thereby be less than its liabilities. Under Bermuda law, a company cannot purchase its own shares if there are reasonable grounds for believing that the company is, or after the repurchase would be, unable to pay its liabilities as they become due.

Corporate Opportunities

- 4.17 The Bye-laws provide that, to the fullest extent permitted by applicable law, the Company renounces any interest or expectancy in, or in being offered an opportunity to participate in, any business opportunity that may from time to time be presented to the Financial Sponsors or any of their respective officers, directors, agents, shareholders, members, partners, affiliates and subsidiaries (other than the Company and its subsidiaries) or business opportunities that such parties participate in or desire to participate in, even if the opportunity is one that the Company might reasonably have pursued or had the ability or desire to pursue if granted the opportunity to do so, and no such person shall be liable to the Company for breach of any fiduciary or other duty, as a director or controlling shareholder or otherwise, by reason of the fact that such person pursues or acquires any such business opportunity, directs any such business opportunity to another person or fails to present any such business opportunity to the Company unless, in the case of any such person who is one of the Directors, such person fails to present any business opportunity that is expressly offered to such person solely in his or her capacity as a Director.

Change in control provisions

- 4.18 The Bye-laws contain a number of provisions which may act to delay, defer or prevent a change in control in the Company. For a summary of these provisions, see the section entitled "Risk Factors", "—Anti-takeover provisions in the Bye-laws might discourage, delay or prevent a change in control of the Company or changes in the Board and, therefore, depress the trading price of the Common Shares."

5. Takeovers and compulsory acquisition rules relating to the Common Shares

- 5.1 A Bermuda company may engage in a business combination pursuant to a tender offer, scheme of arrangement, amalgamation, merger or sale of assets.

- 5.2 The amalgamation or merger of a Bermuda company with another company requires the amalgamation or merger agreement to be approved by the company's board of directors and by its shareholders. Pursuant to the Bermuda Companies Act, unless the company's bye-laws provide otherwise, the approval of 75% of the shareholders voting at a meeting is required to approve the amalgamation or merger agreement, and the quorum for such meeting must be two persons holding or representing more than one-third of the issued shares of the company. The Bye-laws provide that an amalgamation must be approved by the Board and by Shareholders owning a majority of the issued and outstanding shares entitled to vote. As the Bye-laws do not refer to mergers, approval for a merger will be as set out in the Bermuda Companies Act. Shareholders who did not vote in favour of the amalgamation or merger may apply to court for an appraisal within one month of notice of the shareholders meeting.
- 5.3 Under the Bermuda Companies Act, the Company is not required to seek the approval of the Shareholders for the sale of all or substantially all of its assets. However, the Bye-laws provide that for so long as any of the Financial Sponsors or their respective affiliates continue to retain the right to designate at least one Director of the Board any sale by the Company of all or substantially all of its assets will require the approval of either (i) the Board, acting by a majority (including at least one Director designated by each Financial Sponsor then entitled to designate a Director) or (ii) the Board and Shareholders owning a majority of the outstanding shares entitled to vote.
- 5.4 Under Bermuda law, where an offer is made for shares of a company and, within four months of the offer, the holders of not less than 90% of the shares not owned by the offeror, its subsidiaries or their nominees accept such offer, the offeror may by notice require the non-tendering shareholders to transfer their shares on the terms of the offer. Dissenting shareholders do not have express appraisal rights but are entitled to seek relief (within one month of the compulsory acquisition notice) from the court, which has power to make such orders as it thinks fit. Additionally, where one or more parties hold not less than 95% of the shares of a company, such parties may, pursuant to a notice given to the remaining shareholders, acquire the shares of such remaining shareholders. Dissenting shareholders have a right to apply to the court for appraisal of the value of their shares within one month of the compulsory acquisition notice. If a dissenting shareholder is successful in obtaining a higher valuation, that valuation must be paid to all shareholders being squeezed out.
- 5.5 An acquiring party is generally able to acquire compulsorily the common shares of minority holders by a procedure under the Bermuda Companies Act known as a "scheme of arrangement". A scheme of arrangement could be effected by obtaining the agreement of the Company and of holders of common shares, representing in the aggregate a majority in number and at least 75% in value of the common shareholders present and voting at a court ordered meeting held to consider the scheme or arrangement. The scheme of arrangement must then be sanctioned by the Bermuda Supreme Court. If a scheme of arrangement receives all necessary agreements and sanctions, upon the filing of the court order with the Registrar of Companies in Bermuda, all holders of common shares could be compelled to sell their shares under the terms of the scheme or arrangement.

6. Major Shareholders

- 6.1 As at the Latest Practicable Date or, where indicated, the date set forth in the footnotes to the table below and so far as is known to the Company by virtue of the notifications made to it pursuant to the Exchange Act, the number of Common Shares held by each person (other than

any Director) who, directly or indirectly, is interested in five per cent. or more of the Company's share capital, and the amount of such person's interest, is as follows:

<u>Name</u>	<u>Number of Common Shares</u>	<u>Per cent.</u>
Warburg Pincus Funds ⁽¹⁾	91,508,651	23.51
Blackstone Funds ⁽²⁾	53,052,512	13.63
Hotchkis & Wiley Capital Management, LLC ⁽³⁾	32,868,521	8.44
Capital Global Investors ⁽⁴⁾	30,153,256	7.75
SailingStone Capital Partners LLC ⁽⁵⁾	26,170,378	6.72
Barclays Bank plc ⁽⁶⁾	26,069,448	6.70

(1) The Warburg Pincus Funds are comprised of the following entities: Warburg Pincus International Partners, L.P., a Delaware limited partnership ("**WPIP**"), and two affiliated partnerships who collectively hold 48,649,042 shares, and Warburg Pincus Private Equity VIII, L.P., a Delaware limited partnership ("**WP VIII**"), and two affiliated partnerships who collectively hold 49,185,985 shares. The total number of shares reported by WPIP does not include 2,030,177 shares that are owned by its affiliated partnership Warburg Pincus Netherlands International Partners C.V. I, a company incorporated under the laws of the Netherlands, and 75,112 shares that are owned by its affiliated partnership WP-WPIP Investors, L.P., a Delaware limited partnership. WPIP expressly disclaims beneficial ownership with respect to any common shares other than the common shares owned of record by WPIP. The total number of shares reported by WP VIII does not include 1,426,152 shares that are owned by its affiliated partnership Warburg Pincus Netherlands Private Equity VIII, C.V. I, a company incorporated under the laws of the Netherlands, and 142,183 shares that are owned by its affiliated partnership WP-WPVIII Investors, L.P., a Delaware limited partnership. WP VIII expressly disclaims beneficial ownership with respect to any shares other than the shares owned of record by WP VIII. Warburg Pincus Partners, L.P., a Delaware limited partnership ("**WP Partners LP**"), is the general partner of WPIP and WP VIII. Warburg Pincus Partners GP, LLC, a Delaware limited liability company ("**WP Partners GP**"), is the general partner of WP Partners LP. Warburg Pincus & Co., a New York general partnership ("**WP**"), is the managing member of WP Partners GP. WPIP and WP VIII are managed by Warburg Pincus, LLC, a New York limited liability company ("**WP LLC**"). Mr. Landy and Mr. Krieger are Directors of Kosmos. Mr. Landy is a Managing General Partner of WP and a Managing Member and Co-Chief Executive Officer of WP LLC. Mr. Krieger is a Partner of WP and a Managing Director and Member of WP LLC. All shares indicated as owned by Messrs. Landy and Krieger are included because of their affiliation with the Warburg Pincus Funds. Charles R. Kaye is also a Managing General Partner of WP and a Managing Member and Co-Chief Executive Officer of WP LLC and, together with Mr. Landy, may be deemed to control the Warburg Pincus Funds. Messrs. Kaye, Landy and Krieger disclaim beneficial ownership of all shares held by the Warburg Pincus Funds.

(2) The Blackstone Funds (as hereinafter defined) are comprised of the following entities: Blackstone Capital Partners (Cayman) IV L.P. ("**BCP Cayman IV**"), Blackstone Capital Partners (Cayman) IV-A L.P. ("**BCP Cayman IV-A**"), Blackstone Family Investment Partnership (Cayman) IV-A L.P. ("**BFIP**"), Blackstone Family Investment Partnership (Cayman) IV-A SMD L.P. ("**BFIP SMD**") and Blackstone Participation Partnership (Cayman) IV L.P. ("**BPP**", together with BCP Cayman IV, BCP Cayman IV-A, BFIP and BFIP SMD, the "**Blackstone Funds**"). The Blackstone Funds beneficially own (i) 77,781,209 shares, which are held by BCP Cayman IV, (ii) 1,268,459 shares, which are held by BCP Cayman IV-A, (iii) 2,060,103 shares, which are held by BFIP, (iv) 1,710,492 shares, which are held by BFIP SMD and (v) 232,249 shares, which are held by BPP. The general partner of BFIP SMD is Blackstone Family GP L.L.C., which is wholly owned by Blackstone's senior managing directors and controlled by Mr. Stephen A. Schwarzman, its founder. The general partner of BCP Cayman IV and BCP Cayman IV-A is Blackstone Management Associates (Cayman) IV L.P. ("**BMA**"). BCP IV GP L.L.C ("**BCP IV**") is the general partner of BMA, BFIP and BPP. Blackstone Holdings III L.P. is the sole member of BCP IV. The general partner of Blackstone Holdings III L.P. is Blackstone Holdings III GP L.P. The general partner of Blackstone Holdings III GP L.P. is Blackstone Holdings III GP Management L.L.C. The sole member of Blackstone Holdings III GP Management L.L.C. is The Blackstone Group L.P. The general partner of The Blackstone Group L.P. is Blackstone Group Management L.L.C. Blackstone Group Management L.L.C. is wholly owned by Blackstone's senior managing directors and controlled by its founder, Stephen A. Schwarzman. Each of such Blackstone entities and Mr. Schwarzman may be deemed to beneficially own the shares beneficially owned by the Blackstone Funds directly or indirectly controlled by it or him, but each disclaims beneficial ownership of such shares. Mr. Foley and Mr. Melwani are Senior Managing Directors of Blackstone Group Management L.L.C. and neither is deemed to beneficially own the shares beneficially owned by the Blackstone Funds.

(3) Based on a Form 13F filed on 11 August 2017, Hotchkis & Wiley Capital Management, LLC exercises sole voting power over 24,219,699 shares and sole dispositive power over 32,868,521 shares.

(4) Based on a Form 13F filed on 14 August 2017, Capital Research Global Investors exercises sole voting power and sole dispositive power over 30,153,256 shares.

(5) Based on a Form 13F filed on 14 August 2017, SailingStone Capital Partners LLC exercises sole voting power and sole dispositive power over 26,170,378 shares.

(6) Based on a Form 13F filed on 14 August 2017, Barclays Bank plc exercises sole voting power and sole dispositive power over 26,069,448 shares.

6.2 None of the major Shareholders in the Company have different voting rights.

6.3 As at the Latest Practicable Date, the Company is not aware of any person who, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.

7. Directorships and partnerships

In addition to their directorships of the Company, as at the date of this Prospectus, Mr Chambers, Mr Ball and Mr Anderson (together with Mr Inglis and Mr Maxted, the senior managers who are relevant to establishing that the Company has the appropriate expertise and experience for the management of the Company's business, the "Named Executive Officers") and the Directors are, or have been, members of the administrative, management or supervisory bodies ("Directorships") or partners of the following companies or partnerships, at any time in the five years prior to the date of this Prospectus:

Named Executive Officers

Andrew G. Inglis

Current directorships and partnerships

None

Previous directorships and partnerships Petrofac Limited

Brian F. Maxted

Current directorships and partnerships Venari Resources LLC

Previous directorships and partnerships
None

Thomas P. Chambers

Current directorships and partnerships
Board of Trustees of Notre Dame College of Ohio

Previous directorships and partnerships
None

Michael J. Anderson

Current directorships and partnerships
None

Previous directorships and partnerships UK Home Office

Christopher J. Ball

Current directorships and partnerships
None

Previous directorships and partnerships
None

Non-executive directors

Yves-Louis Darricarrère

Current directorships and partnerships
Catering International & Services S.A.
Ortec Expansion
YLD Conseil

Noordzee Helikopters Vlaanderen VN
Total Foundation

Previous directorships and partnerships
Total Gas & Power Ltd

Total S.A

Sir Richard B. Dearlove

Current directorships and partnerships
Ascot Underwriting Ltd
Trustee of Kent School

Crossword Cybersecurity Plc
Trustees of London University

Previous directorships and partnerships

Trustee of the Cambridge Union Society

David I. Foley

Current directorships and partnerships
American Petroleum Tankers Parent LLC
Blackstone Energy Partners L.P.
Cheniere Energy Partners LP Holdings, LLC
NRG Texas, LLC
Royal Resources Partners GP, LLC
Siccar Point Energy Ltd
Transmission Developers Inc.
Vine Resources Inc.

Previous directorships and partnerships
Cheniere Energy Partners GP LLC
PBF Energy Inc.

David B. Krieger

Current directorships and partnerships
Black Swan Energy Ltd
MainSail Energy
Osum Oil Sands Corp
Rubicon Oilfield International Holdings LP
Warburg Pincus & Co.
Velvet Energy Ltd

Previous directorships and partnerships
Canbriam Energy Inc

Joseph P. Landy

Current directorships and partnerships
Beyondly, Inc
CrowdStrike Inc.
Warburg Pincus & Co
Warburg Pincus X (E&P) Partners, Inc.
Warburg Pincus XI (E&P) Partners, Inc.
Warburg Pincus (Bermuda) XI, Ltd.
(Bermuda) Real Estate 1 Ltd.
WP Private Equity X, Inc.
WP Ventures, LLC
WPS Production Partners II Inc
WPX, Inc.

Previous directorships and partnerships
AmRest Holdings SE

Adebayo O. Ogunlesi

Current directorships and partnerships
Americans for Oxford, Inc.
Freeport LNG Development, L.P.
Global Infrastructure Management LLC
Naacp Legal Defense & Educational Fund, Inc.

Previous directorships and partnerships
New York City Investment Fund LLC

Chris Tong

Current directorships and partnerships
Everything is Possible Foundation

Previous directorships and partnerships
None

Christopher A. Wright

Current directorships and partnerships

Blackstone Group L.P.
Cheniere Energy Inc.
Hindustan Powerprojects Pvt Ltd
Port Arthur Finance Corp.
Sabine River Holding Corp.
Sithe Global Power, LLC
Vine Oil & Gas LP

PBF Energy Co. LLC
Osum Oil Sands Corp.

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MEG Energy Corp
Sheridan Production Company LLC
Kaufman Center for Performing Arts
Warburg Pincus LLC

Ceres Inc.

Boy Scouts of America
Warburg Pincus LLC
Warburg Pincus (Bermuda) Private
Equity GP Ltd.
Warburg Pincus (Bermuda) X, Ltd.
WP (Bermuda) Private Equity IX Ltd. WP
WP (Bermuda) XSL Partner Ltd.
WP Private Equity XI, Inc.
WPS Production Partners Inc.
WPS Production Partners III Inc.

Bausch & Lomb Inc.

Callaway Golf Company
Global Infrastructure Partners L.P.
Goldman Sachs Group, Inc.
Terminal Investments Limited

Targa Resources Corp.

None

Previous directorships and partnerships

Explora Petroleum AS
Fairfield Energy Ltd

Delonex Energy Ltd

8. Directors' confirmations

As at the date of this Prospectus, no Director or Named Executive Officer has during the last five years:

- (i) been convicted in relation to fraudulent offences;
- (ii) been associated with any bankruptcy, receivership or liquidation while acting in the capacity of a member of the administrative, management or supervisory body or of senior manager of any company;
- (iii) been subject to any official public incrimination and/or sanctions by any statutory or regulatory authorities (including designated professional bodies); or
- (iv) been disqualified by a court from acting as a member of the administrative, management or supervisory body of a company or from acting in the management or conduct of the affairs of any company.

No Director was selected to act in such capacity pursuant to any arrangement or understanding with any shareholder, consumer, supplier or any other person having a business connection with the Company, except as has been disclosed in paragraph 4 of Part II (*Directors, Senior Managers and Corporate Governance*).

There are no family relationships between any of the Directors and Named Executive Officers.

There are no outstanding loans or guarantees granted or provided by any member of Kosmos for the benefit of any of the Directors or Named Executive Officers.

None of the Directors has any potential conflicts of interest between their duties to the Company and their private interests and/or other duties they may also have.

9. Directors' and Named Executive Officers' interests in shares

The following table sets out certain information with respect to the beneficial ownership of the Common Shares, on a fully-diluted basis, as of the Latest Practicable Date, for:

- each of the Named Executive Officers;
- each of the Directors;
- each of the Company's director nominees; and
- all of the Executive Officers and Directors as a group.

The Company determines the beneficial ownership of the Common Shares in accordance with the rules of the SEC. As such, beneficial ownership includes any person who directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or shares:

- (i) voting power which includes the power to vote, or to direct the voting of, such security; and/or
- (ii) investment power which includes the power to dispose, or to direct the disposition of, such security.

The percentage of ownership is based on 389,160,107 Common Shares issued and outstanding on the Latest Practicable Date. The information in the table below concerning security ownership of beneficial owners is based on filings made by such persons with the SEC.

Except as indicated in the footnotes to this table, it is believed that the Shareholders named in this table have sole voting and investment power with respect to all Common Shares shown to be beneficially owned by them, based on information provided by such Shareholders.

<u>Name of beneficial owner</u>	<u>Number of shares beneficially owned</u>	<u>Percentage of shares beneficially owned</u>
Named Executive Officers		
Andrew G. Inglis ⁽¹⁾	213,164	*
Thomas P. Chambers ⁽²⁾	139,217	*
Brian F. Maxted ⁽³⁾	10,001,305	2.57%
Christopher J. Ball ⁽⁴⁾	192,682	*
Michael J. Anderson ⁽⁵⁾	33,846	*
Directors		
Yves-Louis Darricarrère ⁽⁶⁾	58,295	*
Sir Richard Dearlove ⁽⁷⁾	68,500	*
David I. Foley ⁽¹²⁾	—	—
David Krieger ⁽¹³⁾	—	—
Joseph P. Landy ⁽¹³⁾	—	—
Adebayo O. Ogunlesi ⁽⁸⁾	1,439,101	*
Chris Tong ⁽⁹⁾	142,888	*
Christopher A. Wright ⁽¹⁰⁾	737,292	*
All Executive Officers and Directors as a group (16 individuals) ⁽¹¹⁾	13,841,509	3.56%

* Less than one percent.

(1) Includes 41,500 restricted shares held by Mr Inglis. Excludes restricted share units held by Mr Inglis.

(2) Includes 34,375 restricted shares held by Mr Chambers. Excludes restricted share units held by Mr Chambers.

(3) Includes (i) 29,833 restricted shares held by Mr Maxted; (ii) 6,729,864 common shares held by Maxted Family Investments, Ltd, an entity of which Mr Maxted is a beneficial owner; (iii) 474,625 shares held by Maxted Holdings, LLC, an entity of which Mr Maxted is a beneficial owner; and (iv) 1,175,397 shares held by Mr Maxted's spouse. Excludes restricted share units held by Mr Maxted.

(4) Includes (i) 10,985 restricted share units held by Mr Ball that are scheduled to vest within 60 days of 2 June 2017 (on 1 August 2017); (ii) 43,941 performance restricted share units held by Mr Ball that are scheduled to vest within 60 days of 2 June 2017 (on 1 August 2017), reflected assuming achievement of the applicable performance measures at the target performance level; and (iii) 21,457 restricted shares held by Mr Ball.

(5) Excludes restricted share units held by Mr Anderson.

(6) Excludes restricted share units held by Mr Darricarrère.

(7) Excludes restricted share units held by Sir Richard Dearlove.

(8) Excludes restricted share units held by Mr Ogunlesi.

(9) Includes 1,000 common shares held by Mr Tong's spouse. Excludes restricted share units held by Mr Tong.

(10) Excludes restricted share units held by Dr Wright.

(11) Includes restricted shares held by four of the Company's other Executive Officers who are not Named Executive Officers, as follows: (i) 7,000 restricted shares held by Mr Nobel; (ii) 6,374 restricted shares held by Mr Haas and (iii) 21,869 restricted shares held by Mr Doughty. Excludes restricted share units held by the Company's other Executive Officers who are not Named Executive Officers.

(12) Mr Foley is a Senior Managing Director of Blackstone Group Management LLC and is not deemed beneficially to own the shares beneficially owned by the Blackstone Funds.

(13) Mr Landy and Mr Krieger are Directors of the Company. Mr Landy is a Managing General Partner of WP and a Managing Member and Co-Chief Executive Officer of WP LLC. Mr Krieger is a Partner of WP and a Managing Director and Member of WP LLC. All shares indicated as owned by Mr Landy and Mr Krieger are included because of their affiliation with the Warburg Pincus Funds. Charles R. Kaye is also a Managing General Partner of WP and a Managing Member and Co-Chief Executive Officer of WP LLC and, together with Mr Landy, may be deemed to control the Warburg Pincus Funds. Mr Kaye, Mr Landy and Mr Krieger disclaim beneficial ownership of all shares held by the Warburg Pincus Funds. The address of the Warburg Pincus Funds, Mr Kaye and each of the other Warburg Pincus entities listed in this footnote is 450 Lexington Avenue, New York, New York 10017.

The following table provides information on the outstanding equity awards held by the Named Executive Officers as of 31 December 2016.

Name	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$) ⁽¹⁾	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#) ⁽²⁾	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$) ⁽¹⁾⁽²⁾
Andrew G. Inglis	316,912 ⁽³⁾	2,221,553	1,638,738 ⁽³⁾	11,487,553
Thomas P. Chambers	188,910 ⁽⁴⁾	1,324,259	467,517 ⁽⁴⁾	3,277,294
Brian F. Maxted	196,786 ⁽⁵⁾	1,379,470	859,270 ⁽⁵⁾	6,023,483
Christopher J. Ball	149,339 ⁽⁶⁾	1,046,866	693,174 ⁽⁶⁾	4,859,150
Michael J. Anderson	84,578 ⁽⁷⁾	592,892	168,426 ⁽⁷⁾	1,180,666

(1) The market values of the awards were calculated by multiplying the number of shares underlying the awards by \$7.01, which was the closing price of a Common Share on 30 December 2016.

(2) The number of shares underlying performance awards reflected in this table assumes maximum attainment of the specified relative total shareholder return ("TSR") goal, except for the performance awards granted to the Named Executive Officers in 2016, which are reflected in this table assuming attainment of the specified relative TSR goal at the target performance level. The actual number of shares, if any, that will vest will be based on (i) the level of achievement of the relative TSR goal as of the actual end of the performance period and (ii) satisfaction of the applicable service condition, in each case, as indicated in the footnotes below, plus the amount of any dividends or distributions that are declared on the shares during the applicable performance period.

(3) For Mr Inglis, consists of: (a) 45,126 shares underlying service awards that are scheduled to vest rateably on 1 April of each of 2017 and 2018; (b) 64,286 shares underlying service awards that are scheduled to vest rateably on 1 June of each of 2017 and 2018; (c) 83,000 shares underlying service awards that are scheduled to vest rateably on 1 January of each of 2017 and 2018; (d) 124,500 shares underlying service awards that are scheduled to vest rateably on 1 January of each of 2017, 2018 and 2019; (e) 451,264 shares underlying performance awards (with a performance period scheduled to end on 2 January 2018 and a service condition that is scheduled to be met rateably on 1 April of each of 2017 and 2018); (f) 805,832 shares underlying performance awards (with a performance period scheduled to end on 2 January 2018 and a service condition that is scheduled to be met rateably on 1 January of each of 2017 and 2018); (g) 257,142 shares underlying performance awards (with a performance period scheduled to end on 2 January 2018 and a service condition that is scheduled to be met rateably on 1 June of each of 2017 and 2018); and (h) 124,500 shares underlying performance awards (with a performance period scheduled to end on 4 January 2019 and a service condition that is scheduled to be met rateably on 1 January of each of 2017, 2018 and 2019).

(4) For Mr Chambers, consists of: (a) 47,035 shares underlying service awards that are scheduled to vest rateably on 1 December of each of 2017 and 2018; (b) 68,750 shares underlying service awards that are scheduled to vest rateably on 1 January of each of 2017 and 2018; (c) 73,125 shares underlying service awards that are scheduled to vest rateably on 1 January of each of 2017, 2018 and 2019; (d) 206,250 shares underlying performance awards (with a performance period that is scheduled to end on 2 January 2018 and a service condition that is scheduled to be met rateably on 1 January of each of 2017 and 2018); (e) 188,142 shares underlying performance awards (with a performance period that is scheduled to end on 2 January 2019 and a service condition that is scheduled to be met rateably on 1 December of each of 2017 and 2018); and (f) 73,125 shares underlying performance awards (with a performance period scheduled to end on 4 January 2019 and a service condition that is scheduled to be met rateably on 1 January of each of 2017, 2018 and 2019).

(5) For Mr Maxted, consists of: (a) 47,619 shares underlying service awards that are scheduled to vest rateably on June 1 of each of 2017 and 2018; (b) 59,667 shares underlying service awards that are scheduled to vest rateably on 1 January of each of 2017 and 2018; (c) 89,500 shares underlying service awards that are scheduled to vest rateably on 1 January of each of 2017, 2018 and 2018; (d) 579,294 shares underlying performance awards (with a performance period that is scheduled to end on 2 January 2018 and a service condition that is scheduled to be met rateably on 1 January of each of 2017 and 2018); (e) 190,476 shares underlying performance awards (with a performance period that is scheduled to end on 2 January 2018 and a service condition that is scheduled to be met rateably on June 1 of each of 2017 and 2018); and (f) 89,500 shares underlying performance awards (with a performance period scheduled to end on 4 January 2019 and a service condition that is scheduled to be met rateably on 1 January of each of 2017, 2018 and 2019).

(6) For Mr Ball, consists of: (a) 10,985 shares underlying service awards that are scheduled to vest on 1 August 2017; (b) 31,071 shares underlying service awards that are scheduled to vest rateably on June 1 of each of 2017 and 2018; (c) 42,913 shares underlying service awards that are scheduled to vest rateably on 1 January of each of 2017 and 2018; (d) 64,370 shares underlying service awards that are scheduled to vest rateably on 1 January of each of 2017, 2018 and 2019; (e) 87,882 shares underlying performance awards (with a performance period scheduled to end on 3 January 2017 and a service condition that is scheduled to be met on 1 August 2017); (f) 416,636 shares underlying performance awards (with a performance condition that is scheduled to end on 2 January 2018 and a service condition that is scheduled to be met rateably on 1 January of each of 2017 and 2018); (g) 124,286 shares underlying performance awards (with a performance period that is scheduled to end on 2 January 2018 and a service condition that is scheduled to be met rateably on June 1 of each of 2017 and 2018); and (h) 64,370 shares underlying performance awards (with a performance

period scheduled to end on 4 January 2019 and a service condition that is scheduled to be met rateably on 1 January of each of 2017, 2018 and 2019).

- (7) For Mr Anderson, consists of: (a) 29,578 shares underlying service awards that are scheduled to vest rateably on 1 April of each of 2017 and 2018; (b) 55,000 shares underlying service awards that are scheduled to vest rateably on 1 January of each of 2017, 2018 and 2019; (c) 113,426 shares underlying performance awards (with a performance period that is scheduled to end on 2 January 2018 and a service condition that is scheduled to be met rateably on 1 April of each of 2017 and 2018); and (d) 55,000 shares underlying performance awards (with a performance period scheduled to end on January 4, 2019 and a service condition that is scheduled to be met rateably on 1 January of each of 2017, 2018 and 2019).

10. Directors' and Named Executive Officers' interests in options

The Company has not granted share options to its Directors, Named Executive Officers or other employees. However, the Named Executive Officers have outstanding equity awards as detailed in paragraph 9 of this Part VII.

11. Directors' benefits upon termination of employment

Offer Letter

The Company has entered into an offer letter agreement with Mr Inglis, which provides for termination payments and benefits. On termination of Mr Inglis' employment by the Company without "cause" or by him for "good reason", Mr Inglis is entitled to (i) cash severance in an amount equal to two times the sum of his base salary and target bonus (payable in equal monthly instalments over 24 months), (ii) continued medical and dental coverage for him and his dependents for 24 months and (iii) accelerated vesting of the service awards granted to him on 1 April 2014. The entitlement of Mr Inglis to these payments is conditioned on his execution and non-revocation of a general release of claims against the Company.

Severance Policy

The Company's change in control severance policy, for regular full-time U.S. employees (including Mr Inglis (however, Mr Inglis' offer letter, as described above, currently provides for severance pay and benefits in an amount greater than the severance policy, which means that Mr Inglis will receive severance pay and benefits under his offer letter) and Mr Maxted), provides for the following termination benefits in the event the employee is terminated in connection with a change in control:

- a lump-sum cash severance payment in an amount determined based on the employee's title, years of service and base salary (for Mr Maxted, this amount equals 24 months of base salary plus four additional weeks of base salary for each year of service);
- a prorated portion of the employee's target bonus for the current year, if not paid prior to the date of termination;
- a cash payment in an amount equal to the premium cost of continued healthcare coverage for a specified period (24 months for Mr Maxted);
- outplacement services for a specified period (18 months for Mr Maxted); and
- payout of unused vacation time.

Employees, including the Named Executive Officers, who have a separate severance agreement, may receive benefits under that agreement or the severance policy, but not both. To receive severance benefits under the severance policy, an employee must sign and not revoke a separation and release agreement in the form prescribed by the Company.

There are no other benefits upon termination of employment for any other Directors.

12. Directors' and Named Executive Officers' remuneration

The following table sets out information with respect to the amount of remuneration and benefits in kind paid to the Named Executive Officers during the financial year ended 31 December 2016.

Name	Salary (\$) ⁽¹⁾	Non-equity incentive compensation (\$) ⁽²⁾	Stock awards (\$) ⁽³⁾	All other compensation (\$)	Total (\$)
Andrew G. Inglis	950,000	1,900,000	1,064,475	53,369 ⁽⁴⁾	3,967,844
Thomas P. Chambers	569,000	1,138,000	625,219	69,915 ⁽⁵⁾	2,402,134
Brian F. Maxted	676,194	1,352,388	765,225	17,818 ⁽⁶⁾	2,811,625
Christopher J. Ball	514,731	722,096	550,363	40,528 ⁽⁷⁾	1,877,718
Michael J. Anderson	425,000	637,500	470,250	31,004 ⁽⁸⁾	1,563,754

(1) The amounts in this column reflect the actual amounts of salary paid to the Named Executive Officers in the financial year ended 31 December 2016.

(2) The amounts in this column reflect the annual bonuses that the Named Executive Officers received in January 2017 for performance during 2016 pursuant to the Company's annual incentive plan, based on achievement of the applicable KPIs and the Compensation Committee's assessment of overall company and individual performance.

(3) The amounts in this column reflect the aggregate grant date fair values of the service and performance awards granted under the LTIP in 2016 to the Named Executive Officers, in each case, calculated in accordance with FASB ASC Topic 718, excluding the effect of estimated forfeitures. The actual value, if any, that the Named Executive Officers will realise for these awards is a function of the value of the underlying shares if and when these awards vest and, for performance awards, the level of attainment of the applicable performance goal. The amounts for the performance awards were calculated based on the probable outcome of the performance condition as of the grant date, consistent with the estimate of aggregate compensation cost to be recognised over the service period determined as of the grant date under FASB ASC Topic 718, excluding the effect of estimated forfeitures. The following are the values of the performance awards as of the grant date assuming attainment of the maximum level of performance: Mr Inglis (\$926,280), Mr Chambers (\$544,050), Mr Maxted (\$665,880), Mr Ball (\$478,912) and Mr Anderson (\$409,200).

(4) The amounts reported in this row for Mr Inglis includes: (i) matching contributions under the Company's 401(k) plan (\$21,200); (ii) reimbursement for financial planning services (\$5,000); (iii) payment of premiums for (a) executive life insurance (\$12,291), (b) executive supplemental disability income insurance (\$5,504) and (c) executive long-term care insurance (\$3,707); (iv) the cost of an annual executive physical (\$3,877); and (v) reimbursement for the cost of reasonable travel expenses related to Mr Inglis' family accompanying him on a business trip (\$1,790).

(5) The amount reported in this row for Mr Chambers includes: (i) matching contributions under the Company's 401(k) plan (\$21,200); (ii) reimbursement for financial planning services (\$5,000); (iii) payment of premiums for (a) executive life insurance (\$29,370), (b) executive supplemental disability income insurance (\$5,753) and (c) executive long-term care insurance (\$4,466); and (iv) the cost of an annual executive physical (\$4,126).

(6) The amount reported in this row for Mr Maxted includes: (i) reimbursement for financial planning services (\$5,000); (ii) payment of premiums for (a) executive supplemental disability income insurance (\$5,504) and (b) executive long-term care insurance (\$3,707); and (iii) the cost of an annual executive physical (\$3,607).

(7) The amount reported in this row for Mr Ball includes: (i) matching contributions under the Company's 401(k) plan (\$18,000); (ii) reimbursement for financial planning services (\$2,683); (iii) payment of premiums for (a) executive life insurance (\$4,532), (b) executive supplemental disability income insurance (\$5,430) and (c) executive long-term care insurance (\$3,262); (iv) the cost of an annual executive physical (\$6,154); and (v) reimbursement for the cost of travel visas for Mr Ball's family members (\$467).

(8) The amount reported in this row for Mr Anderson includes: (i) reimbursement for financial planning services (\$1,325); (ii) payment of premiums for (a) executive supplemental disability income insurance (\$5,365) and (b) executive long-term care insurance (\$3,524); (iii) the cost of an annual executive physical (\$250); and (iv) reimbursement of reasonable and customary expenses for temporary housing and travel in connection with his relocation to the Dallas/Fort Worth area pursuant to the terms of his offer letter (\$20,540).

The following table lists the individuals who served as the Company's non-executive Directors in 2016 and summarises their compensation during the financial year ended 31 December 2016. Mr Inglis and

Mr Maxted did not receive any compensation for their services as Directors in the financial year ended 31 December 2016.

<u>Name</u>	<u>Fees earned or paid in cash (\$) ⁽¹⁾</u>	<u>Stock awards (\$) ⁽²⁾⁽³⁾</u>	<u>Total (\$)</u>
Yves-Louis Darricarrère	60,000	280,000	340,000
Sir Richard Dearlove	120,000	140,000	260,000
David I. Foley	60,000	140,000	200,000
Joseph P. Landy	68,324	140,000	208,324
Prakash A. Melwani	60,000	140,000	200,000
Adebayo O. Ogunlesi	61,676	140,000	201,676
Chris Tong	125,000	140,000	265,000
Christopher A. Wright	145,000	140,000	285,000

(1) Each of the Company's non-employee Directors is entitled to (i) an annual cash retainer for service on the Board and (ii) an additional cash retainer if the director chairs a Board committee or serves on the Exploration Assurance Committee, in each case, paid quarterly and, if applicable, prorated for the portion of the year that the director serves on the Board or committee. For 2016, the amounts of such retainers were as follows:

<u>Type of retainer</u>	<u>Retainer (annualised) (\$)</u>
Board member	60,000
Audit Committee chair	25,000
Compensation Committee chair	25,000
Nominating and Corporate Governance Committee chair	10,000
Health, Safety and Environment Committee chair	15,000
External Affairs and Political Risk Committee chair	60,000
Exploration Assurance Committee chair	70,000
Exploration Assurance Committee non-chair member	40,000

(2) The Compensation Committee and the Board approved annual equity grants to the Company's non-employee Directors in 2016 who are not affiliated with the Company's significant Shareholders. These grants are made annually on the date of the Company's annual general meeting of shareholders (or, for new Directors who begin serving on the Board on a different date, on such date). The vesting of the service awards granted in 2016 will accelerate on death or disability.

The amounts in this column reflect the aggregate grant date fair values of such service awards, calculated in accordance with FASB ASC Topic 718, excluding the effect of estimated forfeitures. The actual value, if any, realised by the Directors for these awards is a function of the value of the shares if and when they vest.

The following table sets forth the total number of service awards held by the Company's non-executive directors who held such awards as of 31 December 2016, which vested on 10 May 2017, the date of the Company's 2017 annual general meeting of shareholders:

<u>Name</u>	<u>Total RSUs (#)</u>
Yves-Louis Darricarrère	26,975
Sir Richard Dearlove	26,975
Adebayo O. Ogunlesi	26,975
Chris Tong	26,975
Christopher A. Wright	26,975

(3) In connection with his appointment to the Board, Mr Darricarrère was granted an annual equity award on 16 February 2016 with a grant date value of \$140,000 that vested on the date of the Company's 2016 annual general meeting of shareholders.

The Company does not maintain any defined benefit pension plans.

13. Employees

As at 30 June 2017, Kosmos had approximately 280 employees. None of these employees are represented by labour unions or covered by any collective bargaining agreement. The approximate number of employees employed by Kosmos for the years ended 31 December 2016, 2015 and 2014 was 270, 260 and 230 respectively.

Summary of equity based remuneration

Kosmos grants equity awards to all of its U.S.-based employees to align their interests with those of the Shareholders and to expose them to the same upside and downside risks as the Shareholders.

Kosmos has historically granted equity awards under its LTIP in the form of service-vesting restricted shares or units (which Kosmos refers to as “service awards”) and performance-vesting restricted shares or units (which Kosmos refers to as “performance awards”). Kosmos believes that these equity awards incentivises its employees to work toward its continued success, and motivate their retention with Kosmos. The awards align the interests of Kosmos’ employees with those of the Shareholders, as the ultimate value received depends on the share price on the vesting date and, in the case of the performance awards, the level of attainment of the specified relative total shareholder return goal. In addition, while grants of service awards do not have explicit performance-vesting conditions, due to the nature of Kosmos’ industry and the high-risk environment in which it operates, the ultimate value realised from service awards depends significantly on Kosmos’ future operating performance.

Kosmos typically grants equity awards as part of its annual and new hire equity grant process. Kosmos expects to continue to grant annual equity awards each January, which is consistent with prevailing industry practice and is intended to enable the Company’s Compensation Committee to make comprehensive compensation decisions for its executives after the end of each year (contemporaneous with decisions regarding the payment of annual bonuses and any base salary adjustments).

All of the outstanding equity awards held by the Named Executive Officers are subject to Kosmos’ compensation clawback policy.

14. Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or have had during the 12 months preceding the date of this Prospectus, a significant effect on the Company’s and/or the group’s financial position or profitability.

15. Related party transactions

There were no related party transactions entered into by Kosmos during the period between the start of the period covered by the historical financial information to the Latest Practicable Date.

16. Exploration agreements

The following is a summary of significant exploration agreements which have been entered into by Kosmos.

West Cape Three Points Block

Effective 22 July 2004, Kosmos, the E.O. Group Ltd. and GNPC entered into the WCTP petroleum contract covering the WCTP Block offshore Ghana in the Tano Basin. As a result of farm out agreements and other sales of partners’ interests for the WCTP Block, Kosmos, Anadarko WCTP Company (“**Anadarko**”), Tullow Ghana Limited, a subsidiary of Tullow and PetroSA Ghana Limited (“**PetroSA**”), a wholly owned subsidiary of Petro S.A., participating interests are 30.9%, 30.9%, 26.4% and 1.8%, respectively. Kosmos is the operator; however, a letter agreement has been executed that obligates the WCTP partners to take the necessary steps to transfer operatorship of the WCTP Block to Tullow after approval of the GJFFDP by the Ministry of Energy. Upon approval of the GJFFDP, participating interest in Mahogany and Teak will be at the Jubilee Unit interests. GNPC has a 10% participating interest and will be carried through the exploration and development phases. GNPC has the option to acquire additional paying interests in a commercial discovery on the WCTP Block of 2.5%. Under the WCTP petroleum contract, GNPC exercised its option to acquire an additional paying interest of 2.5% in the Jubilee Field development, the Mahogany discovery and the Teak discovery. GNPC is obligated to pay its 2.5% share of all future petroleum costs as well as certain historical development and production costs attributable to its 2.5% additional paying interests in the Jubilee Unit, Mahogany discovery and Teak discovery. Furthermore, it is obligated to pay 10% of the production costs of the Jubilee Field development allocated to the WCTP Block. In August 2009, GNPC notified Kosmos and its unit partners of GNPC’s request for the contractor group to pay its 2.5% WCTP Block share of the Jubilee Field development costs and be reimbursed for such costs plus interest out of GNPC’s production revenues under the terms of the WCTP petroleum contract. Kosmos is required to pay a fixed royalty of 5% and a sliding scale royalty (“additional oil entitlement”) which escalates as the nominal project rate of return increases. These royalties are to be paid in kind

or, at the election of the government of Ghana, in cash. A corporate tax rate of 35% is applied to profits at a country level.

The WCTP petroleum contract has a duration of 30 years from its effective date (July 2004). However, in July 2011, at the end of the seven year exploration period, parts of the WCTP Block on which Kosmos had not declared a discovery area, were not in a development and production area, or were not in the Jubilee Unit, were relinquished ("**WCTP Relinquishment Area**"). Kosmos maintains rights to three existing discoveries within the WCTP Block (Akasa, Mahogany and Teak) as the WCTP petroleum contract remains in effect after the end of the exploration period. Kosmos and its WCTP Block partners have certain rights to negotiate a new petroleum contract with respect to the WCTP Relinquishment Area. Kosmos and its WCTP Block partners, the Ghana Ministry of Energy and GNPC have agreed such WCTP petroleum contract rights to negotiate extend from 21 July 2011 until such time as either a new petroleum contract is negotiated and entered into with Kosmos or Kosmos declines to match a bona fide third party offer GNPC may receive for the WCTP Relinquishment Area.

Deepwater Tano Block

Effective July 2006, Kosmos, Tullow and PetroSA's predecessor, Sabre Oil and Gas Holdings Ltd., entered into the DT petroleum contract with GNPC covering the DT Block offshore Ghana in the Tano Basin. The DT petroleum contract has a duration of 30 years from its effective date of 19 July 2006. As a result of farm out agreements and other sales of partners' interests for the DT Block, Kosmos, Anadarko, Tullow and PetroSA's participating interests are 18%, 18%, 50% and 4%, respectively. Tullow is the operator. GNPC has a 10% participating interest and will be carried through the exploration and development phases. GNPC has the option to acquire additional paying interests in a commercial discovery on the DT Block of 5%. Under the DT petroleum contract, GNPC exercised its option to acquire an additional paying interest of 5% in the commercial discovery with respect to the Jubilee Field development and the TEN Fields development. GNPC is obligated to pay its 5% of all future petroleum costs, including development and production costs attributable to its 5% additional paying interest. Furthermore, it is obligated to pay 10% of the production costs of the Jubilee Field development allocated to the DT Block. In August 2009, GNPC notified Kosmos and its unit partners of GNPC's request for the contractor group to pay its 5% DT Block share of the Jubilee Field development costs and be reimbursed for such costs plus interest out of a portion of GNPC's production revenues under the terms of the DT petroleum contract. Kosmos is required to pay a fixed royalty of 5% and an additional oil entitlement which escalates as the nominal project rate of return increases. These royalties are to be paid in kind or, at the election of the government of Ghana, in cash. A corporate tax rate of 35% is applied to profits at a country level.

In January 2013, at the end of the seven year exploration period, parts of the DT Block on which Kosmos had not declared a discovery area, were not in a development and production area, or were not in the Jubilee Unit, were relinquished ("**DT Relinquishment Area**"). Kosmos' existing Wawa discovery within the DT Block was not subject to relinquishment upon expiration of the exploration period of the DT petroleum contract, as the DT petroleum contract remains in effect after the end of the exploration period while commerciality is being determined. Pursuant to a DT petroleum contract, Kosmos and its DT Block partners have certain rights to negotiate a new petroleum contract with respect to the DT Relinquishment Area until such time as either a new petroleum contract is negotiated and entered into with Kosmos or Kosmos declines to match a bona fide third party offer GNPC may receive for the DT Relinquishment Area.

The Ghanaian Petroleum Exploration and Production Law of 1984 (PNDCL 84) (the "**1984 Ghanaian Petroleum Law**") and the WCTP and DT petroleum contracts form the basis of exploration, development and production operations on the WCTP and DT blocks. Pursuant to these petroleum contracts, most significant decisions, including PoDs and annual work programmes, for operations other than exploration and appraisal, must be approved by a joint management committee, consisting of representatives of certain block partners and GNPC. Certain decisions require unanimity.

Jubilee Field Unitisation

The Jubilee Field, discovered by the Mahogany 1 well in June 2007, covers an area within both the WCTP and DT Blocks. It was agreed the Jubilee Field would be unitised for optimal resource recovery. A Pre Unit Agreement was agreed to between the contractors groups of the WCTP and DT Blocks in 2008, with a more comprehensive unit agreement, the UUOA, agreed to in 2009 which govern each party's respective rights and duties in the Jubilee Unit. Tullow is the Unit Operator, while

Kosmos was the Technical Operator for the initial development of the Jubilee Field. The Jubilee Unit holders' interests are subject to redetermination in accordance with the terms of the UUOA. As a result of the initial redetermination process completed in October 2011, the tract participation was determined to be 54.4% for the WCTP Block and 45.6% for the DT Block. Unit Interest was increased from 23.5% to 24.1%. The accounting for the Jubilee Unit is in accordance with the redetermined tract participation stated. Although the Jubilee Field is unitised, Kosmos' participating interests in each block outside the boundary of the Jubilee Unit remain the same. Kosmos remains operator of the WCTP Block outside the Jubilee Unit area.

Morocco and Western Sahara Exploration Agreements

In May 2016, Kosmos and Capricorn Exploration and Development Company Limited, a wholly owned subsidiary of Cairn Energy PLC ("**Cairn**") executed a petroleum agreement with ONHYM for the Boujdour Maritime block. The Boujdour Maritime petroleum agreement largely replaces the acreage covered by the Cap Boujdour petroleum agreement which expired in March 2016. Under the terms of the petroleum agreement, Kosmos is the operator of the Boujdour Maritime block and has a 55% participating interest, Cairn has a 20% participating interest, and ONHYM holds a 25% carried interest in the block through the exploration period. The Boujdour Maritime block is currently in the initial exploration period, which is for four years from its effective date (18 July 2016) ending in July 2020. The initial exploration period carries a 3D seismic obligation of 5,000 square kilometres. The exploration phase may be extended twice for two years each, for a total duration of eight years at Kosmos' election and subject to fulfilling specific work obligations, which includes drilling an exploration well in each of the subsequent periods. In the event of commercial success, Kosmos has the right to develop and produce oil and/or gas for a period of 25 years from the grant of an exploitation concession from the Government of Morocco, which may be extended for an additional period of 10 years under certain circumstances.

Effective 2 April 2012, Kosmos entered into the Essaouria Offshore Petroleum Agreement as operator. During 2016, Kosmos' partner BP, relinquished their participating interest in the petroleum contract. Kosmos' participating interest is 75%. The Moroccan national oil company, ONHYM, has a 25% participating interest and is carried by the block partners proportionately during the exploration phase. Kosmos is required to pay a 10% royalty on oil produced in water depths of 200 meters or less (the first 300,000 tons produced are exempt from royalty) and 7% royalty on oil produced in water depths deeper than 200 meters (the first 500,000 tons produced are exempt from royalty). These royalties are to be paid in kind or, at the election of the government of Morocco, in cash. A corporate tax rate of 30% is applied to profits at the licence level following a 10 year tax holiday post first production. The term of the Essaouria Offshore Permits, beginning 8 November 2011, is eight years and includes an initial exploration period of two years and six months followed by the first extension period of four years and six months and the second extension period of one year. Kosmos is currently in the first extension period of the exploration permit, which as a result of an amendment in October 2016, ends in November 2018. As a result of the same amendment, approved in October 2016, the work programme for the first extension period now includes acquisition, pre-stack time migration processing and interpretation of a minimum of 3,000 square kilometres of 3D seismic data and a seabed sampling survey for geochemical and heat flow analysis over the block, replacing the prior exploration well obligation. The extension of the exploration phases are subject to fulfilment of specific work obligations. In the event of commercial success, Kosmos has the right to develop and produce oil and/or gas for a period of 25 years from the grant of an exploitation authorisation from the government, which may be extended for an additional period of 10 years under certain circumstances.

Suriname Exploration Agreements

On 13 December 2011, Kosmos signed a petroleum contract covering Offshore Block 42 located offshore Suriname. As a result of farm-out agreements Kosmos has a one-third participating interest in the block and are the operator. Staatsolie Maatschappij Suriname N.V. ("**Staatsolie**"), Suriname's national oil company, has the option to back into the contract with an interest of not more than 10% upon approval of a development plan. In November 2012, Kosmos closed an agreement with Chevron under which Kosmos assigned half of its interest in Block 42, offshore Suriname, to Chevron. Each party had a 50% participating interest in Block 42 and Kosmos remained the operator. In April 2016, Kosmos entered into a farm-out agreement with Hess Suriname Exploration Limited, a wholly-owned subsidiary of the Hess, covering the Block 42 contract area offshore Suriname. Under the terms of the agreement, Hess acquired a one-third non-operated interest in Block 42 from both Chevron and

Kosmos. As part of the agreement, Hess fully funded the cost of acquiring and processing a 6,500 square kilometre 3D seismic survey, subject to an agreed maximum limit, inclusive of Hess' share, which was completed in the first quarter of 2017. Additionally, Hess will disproportionately fund a portion of the first exploration well in the Block 42 contract area, subject to a maximum spend, contingent upon the partnership entering the next phase of the exploration period. The participating interests are one-third to each of Kosmos, Chevron and Hess, respectively. Kosmos will remain the operator. The Block 42 petroleum contract provides for Kosmos to recover its share of expenses incurred ("cost recovery oil") and its share of remaining oil ("profit oil"). Cost recovery oil is apportioned to the contractor from up to 80% of gross production prior to profit oil being split between the government of Suriname and the contractor. Profit oil is then apportioned based upon "R factor" tranches, where the R factor is cumulative net revenues divided by cumulative net investment. A corporate tax rate of 36% is applied to profits. Kosmos is in the initial period of the exploration phase, which has been extended and ends in September 2018. There are two renewal periods consisting of three years for the first renewal period and two years for the second renewal period. Each renewal period carries a one well drilling obligation. In the event of commercial success, the duration of the contract will be 30 years from the effective date or 25 years from governmental approval of a plan of development, whichever is longer. Block 42 comprises approximately 1.5 million acres (approximately 6,176 square kilometres).

On 13 December 2011, Kosmos signed a petroleum contract covering Offshore Block 45 located offshore Suriname. Kosmos has a 50% participating interest in the block and are the operator. Staatsolie will be carried through the exploration and appraisal phases and has the option to back into the petroleum contract with an interest of not more than 15% upon approval of a development plan. In November 2012, Kosmos closed an agreement with Chevron under which Kosmos assigned half of its interest in Block 45, offshore Suriname, to Chevron. Each party now has a 50% participating interest in Block 45 and Kosmos remains the operator. The Block 45 petroleum contract provides for Kosmos to recover its share of expenses incurred ("cost recovery oil") and its share of remaining oil ("profit oil"). Cost recovery oil is apportioned to the contractor from up to 80% of gross production prior to profit oil being split between the government of Suriname and the contractor. Profit oil is then apportioned based upon "R factor" tranches, where the R factor is cumulative net revenues divided by cumulative net investment. A corporate tax rate of 36% is applied to profits. Kosmos is currently in the initial period of the exploration phase, which has been extended and ends in September 2018. Following the initial period, there are two renewal periods consisting of two years each. Each renewal period carries a one well drilling obligation. In the event of commercial success, the duration of the contract will be 30 years from the effective date or 25 years from governmental approval of a plan of development, whichever is longer.

Mauritania Exploration Agreements

Effective 15 June 2012, Kosmos entered into three petroleum contracts covering offshore Mauritania blocks C8, C12 and C13 with the Islamic Republic of Mauritania. As a result of farm-out agreements Kosmos has a 28% participating interest and provide technical exploration services to BP, the operator. The Mauritanian national oil company, SMHPM, currently has a 10% carried participating interest during the exploration period only. Should a commercial discovery be made, SMHPM's 10% carried interest is extinguished and SMHPM will have an option to acquire a participating interest between 10% and 14%. SMHPM will pay its portion of development and production costs in a commercial development. Cost recovery oil is apportioned to the contractor from up to 55% of total production prior to profit oil being split between the government of Mauritania and the contractor. Profit oil is then apportioned based upon "R factor" tranches, where the R factor is cumulative net revenues divided by the cumulative investment. At the election of the government of Mauritania, the government may receive its share of production in cash or in kind. A corporate tax rate of 27% is applied to profits at the licence level. The terms of exploration periods of these Offshore Blocks are all ten years and include an initial exploration period of four years followed by the first extension period of three years and the second extension period of three years. Kosmos is currently in the first extension period of the blocks, expiring in June 2019. The first extension period carries a seismic obligation and a one well drilling obligation and the second extension period for each block carries an additional one well drilling obligation for each block. Both of these obligations have been met for Block C8 and the seismic obligation has been met for Block C12 with work completed during the initial exploration period. Seismic acquisition to meet the obligation for the current phase for Block C13 was completed in December 2016 as part of an ongoing multi-block 3D seismic survey. In the event of commercial

success, Kosmos has the right to develop and produce oil for 25 years and gas for 30 years from the grant of an exploitation authorisation from the government, which may be extended for an additional period of 10 years under certain circumstances.

In March 2015, Kosmos closed a farm out agreement with Chevron covering the C8, C12 and C13 petroleum contracts offshore Mauritania. Under the terms of the farm out agreement, Chevron acquired a 30% non operated participating interest in each of the contract areas. As partial consideration for the farm-out, Chevron paid a disproportionate share of the costs of one exploration well, the Marsouin-1 exploration well, as well as its proportionate share of certain previously incurred exploration costs. As a further component of the consideration for the farm-out, Chevron was required to make an election by 1 February 2016, to either farm-in to the Tortue-1 exploration well by paying a disproportionate share of the costs incurred in drilling of the well or, alternatively elect to not farm-in to the Tortue-1 exploration well and pay a disproportionate share of the costs of a second contingent exploration or appraisal well in the contract areas, subject to maximum expenditure caps. Chevron failed to make this mandatory election by the required date. Consequently, pursuant to the terms of the farm-out agreement, Chevron has withdrawn from Kosmos' Mauritania blocks. Chevron's 30% non-operated participating interest was reassigned to Kosmos.

In October 2016, Kosmos entered into a petroleum contract covering Block C6 with the Islamic Republic of Mauritania. As a result of farm-out agreements with BP, Kosmos has a 28% participating interest and provide technical exploration services to BP the operator. The Mauritanian national oil company, SMHPM, currently has a 10% carried participating interest during the exploration period. Should a commercial discovery be made, SMHPM's 10% carried interest is extinguished and SMHPM will have an option to acquire a participating interest between 10% and 18%. SMHPM will pay its portion of development and production costs in a commercial development. The terms of exploration periods are ten years and include an initial exploration period of four years from the effective date (28 October 2016) followed by the first extension period of three years and the second extension period of three years. The first exploration phase includes a 2,000 square kilometre 3D seismic requirement, which is currently being acquired.

In January 2017, Kosmos closed a farm-out agreement with BP covering blocks C6, C8, C12 and C13 offshore Mauritania.

In June 2017, Kosmos entered into a farm-in agreement with Tullow Mauritania Limited, a subsidiary of Tullow, to acquire a 15% non-operated participating interest in Block C18 offshore Mauritania. Based on the terms of the agreement, Kosmos will reimburse a portion of past and interim period costs and partially carry Tullow's share of a planned 3D seismic program (up to \$2.1 million net for Kosmos). Kosmos will also pay Tullow \$2.5 million by the end of the initial phase of the exploration period for additional carry of seismic and other joint account costs. Certain governmental approvals are still required to be completed before this agreement is effective.

Senegal Exploration Agreements

In August 2014, Kosmos entered into a farm-in agreement with Timis Corporation Limited ("**Timis**"), whereby it acquired a 60% participating interest and operatorship, covering the Cayar Offshore Profond and Saint Louis Offshore Profond Contract Areas offshore Senegal. In September 2014, the Senegal government issued the requisite approvals for the assignment to Kosmos. As part of the agreement, Kosmos carried the full costs of a 3D seismic programme which was completed in January 2015. Additionally, Kosmos carried the full costs of the Guembeul-1 exploration well in the Saint Louis Offshore Profond area and the full costs of the Teranga-1 well in the Cayar Offshore Profond area, subject to a maximum gross cost per well of \$120.0 million.

In June 2015, Kosmos entered the first renewal of the exploration period for the Cayar Offshore Profond and Saint Louis Offshore Profond Contract Areas, which lasts for three years. The exploration phase of each contract area may be extended to December 2020 at Kosmos' election subject to fulfilling specific work obligations including an exploration well in the final period of two and one half years. In the event of commercial success, Kosmos has the right to develop and produce oil and/or gas for a period of 25 years from the grant of an exploitation authorisation from the government, which may be extended for at least one additional period of 10 years under certain circumstances.

In February 2016, Kosmos completed a 3D seismic survey of approximately 4,500 square kilometres in the western portions of the Cayar Offshore Profond and Saint Louis Offshore Profond licence areas.

In February 2017, Kosmos completed a Sale and Purchase Agreement with BP which resulted in BP acquiring a 49.99% interest in Kosmos BP Senegal Limited, which is a controlled affiliate of Kosmos in which it owns a 50.01% interest. Kosmos BP Senegal Limited owns a 65% participating interest in the Cayar Offshore Profond and Saint Louis Offshore Profond blocks. This participating interest gives effect to the completion of the exercise in December 2016 of an option to increase equity in each contract area from 60% to 65% in exchange for carrying Timis' paying interest share of a third well in either contract area, subject to a maximum gross cost of \$120.0 million.

Sao Tome and Principe Exploration Agreements

In October 2015, Kosmos closed a sale and purchase agreement with ERHC Energy EEZ, LDA. As a result of subsequent farm-outs, Kosmos currently has a 65% participating interest and operatorship in Block 11 offshore Sao Tome and Principe. The ANP STP has a carried 15% participating interest. The production sharing contract was awarded in July 2014, and provides for an initial exploration period of eight years with possible extensions and includes a first phase exploration period of four years followed by the second phase of two years and the third phase of two years. The block is currently in the first phase, expiring in July 2018. The work programme for the first phase includes a 2D seismic acquisition obligation and the next exploration phases are subject to fulfilment of specific work obligations. In the event of commercial success, Kosmos has the right to develop and produce oil and/or gas for a period of 20 years from the approval of a field development programme from ANP STP, which may be extended for additional periods of five years until all hydrocarbons have been economically depleted.

In November 2015, Kosmos closed a farm-in agreement with Galp to acquire a non-operated 45% participating interest in Block 6 offshore Sao Tome and Principe. The ANP STP has a carried 10% participating interest. The production sharing contract was awarded in October 2015, and provides for an initial exploration period of eight years with possible extensions and includes a first phase exploration period of four years followed by the second phase of two years and the third phase of two years. The block is currently in the first phase, expiring in November 2019. The work programme for the first phase includes a 2D or 3D seismic acquisition obligation and the next exploration phases are subject to fulfilment of specific work obligations. In the event of commercial success, Kosmos has the right to develop and produce oil and/or gas for a period of 20 years from the approval of a field development programme from ANP STP, which may be extended for additional periods of five years until all hydrocarbons have been economically depleted.

In January and February 2016, Kosmos closed farm-in agreements with Equator, an affiliate of Oando, for Block 5 and Block 12 offshore Sao Tome and Principe. As a result of subsequent farm-outs Kosmos currently has a 45% participating interest and operatorship in each block. The national petroleum agency, ANP STP, has a 15% and 12.5% carried interest in Block 5 and Block 12, respectively. The production sharing contracts were awarded in May 2012 and February 2016, respectively, and they provide for an initial exploration period of eight years with possible extensions and include a first phase exploration period of four years followed by the second phase of two years and the third phase of two years. The blocks are currently in the first phase, expiring in May of 2019 and February 2020, respectively (the first phase of Block 5 has been extended twice for a total of 3 years). The work programme for the first phases include 2D or 3D seismic acquisition obligations and the next exploration phases are subject to fulfilment of specific work obligations. In the event of commercial success, Kosmos has the right to develop and produce oil and/or gas for a period of 20 years from the approval of a field development programme from ANP STP, which may be extended for additional periods of five years until all hydrocarbons have been economically depleted.

In September 2016, Kosmos reached an agreement with a subsidiary of Galp to farm-out a 20% non-operated stake of Kosmos' interest in Blocks 5, 11, and 12 offshore Sao Tome and Principe. Based on the terms of the agreement, Galp will pay a proportionate share of Kosmos' past costs in the form of a partial carry on the 3D seismic survey expected to begin in the first quarter of 2017. Government approval was received and the transaction closed in December 2016.

17. Material contracts

The following is a summary of contracts (not being entered into in the ordinary course of business) which have been entered into by Kosmos: (i) within the two years immediately preceding the date of this Prospectus and are, or may be material; or (ii) which contains any provision under which Kosmos has any obligation or entitlement which is material to Kosmos as at the date of this Prospectus:

Mauritania and Senegal Partnership with BP

In December 2016, Kosmos announced a partnership with affiliates of BP in Mauritania and Senegal following a competitive farm-down process for its interests in its blocks offshore Mauritania and Senegal. BP was selected as the partner on the basis of their strategic alignment in exploring the basin and developing the discovered resource as well as their competitive offer. In Mauritania, BP acquired a 62% participating interest in four of Kosmos' Mauritania licences (C6, C8, C12 and C13). In Senegal, BP acquired a 49.99% interest in Kosmos BP Senegal Limited, a majority owned affiliate company which holds an undivided 60% participating interest in two blocks offshore Senegal. On 14 August 2017, Kosmos and BP agreed to unwind the KBSL joint venture, with BP receiving from KBSL a 30% participating interest in two blocks offshore Senegal, subject to (among other things) approval of the Senegalese government, and then surrendering its shareholding in KBSL. Upon completion of the unwind, it is expected that Kosmos' cap on exploration and appraisal carry will be increased by \$7 million. PETROSEN has the option to acquire up to an additional 10% paying interests in two blocks offshore Senegal upon declaration of commerciality. The interest percentage does not give effect to the exercise of such option. In consideration for these transactions, Kosmos is owed firm consideration of \$916 million, including \$162 million in cash up front, \$221 million exploration and appraisal carry, and up to \$533 million in a development carry. Kosmos is also eligible for contingent consideration of up to \$2 per barrel for up to 1 billion barrels of liquids gross, structured as a production royalty, subject to future liquids discoveries and production and prevailing oil prices. These transactions closed in the first quarter of 2017 and are expected to accelerate the development of the discovered gas resources, ensure the timely execution of an exploration programme and strengthen its balance sheet by reducing its capital expenditure requirements and provide funding for its Mauritania and Senegal exploration and development programme over the near to medium term.

18. No significant change

There has been no significant change in the financial or trading position of Kosmos since 30 June 2017, the date to which the latest unaudited financial statements were prepared.

19. Working capital statement

The Company is of the opinion that the working capital available to Kosmos is sufficient for its present requirements, that is for at least the 12 months following the date of this Prospectus.

20. General

20.1 The transfer agent and depository of the Company is Computershare Investor Services plc.

20.2 Documents to be sent to Shareholders will be posted to their registered addresses and, in the case of joint holders, will be posted to the registered address of the first-named holder. In addition, appropriate public announcements and advertisements will be made in accordance with the Listing Rules.

Consents

20.3 Ryder Scott have given and have not withdrawn their consent to the inclusion in this Prospectus of their Competent Person's Report (as reproduced in Schedule II (*Competent Person's Report*) of this Prospectus) and the references thereto and to their name in the form and context in which they are included and have authorised the contents of that part of this Prospectus which comprises their report for the purposes of paragraph 5.5.3R(2)(f) of the Prospectus Rules.

Expenses of Admission

20.4 The total costs, charges and expenses of the Admission are estimated to amount to approximately US\$2 million (excluding any amounts in respect of Value Added Tax thereon).

Auditor

20.5 The auditors of Kosmos are Ernst & Young LLP of 2323 Victory Avenue, Dallas, Texas 75219, United States of America, who are registered with the Public Company Accounting Oversight Board (United States), who have audited the accounts of Kosmos for the years ended 31 December 2016, 31 December 2015 and 31 December 2014.

21. Documents available for inspection

Copies of the following documents will be available for inspection during normal business hours on any weekday (Saturdays and public holidays excepted) at the registered office of the Company and at the offices of Slaughter and May, One Bunhill Row, London EC1Y 8YY, United Kingdom for a period of 28 days from the date of publication of this Prospectus:

- (A) this Prospectus;
- (B) the Company's memorandum and Bye-laws;
- (C) the material contracts referred to in paragraph 17 of this Part VII;
- (D) the consent letter referred to in paragraph 20.3 of this Part VII;
- (E) the offer letters referred to in paragraph 11 of this Part VII; and
- (F) the financial statements which are set out in Schedule I (*Historical Financial Information*).

Copies of the documents described above will be made available free of charge upon request.

PART VIII
CREST AND DEPOSITARY INTERESTS

1. CREST and Depositary Arrangements

Kosmos has established arrangements to enable investors to settle interests in the Common Shares through the CREST system. CREST is a paperless settlement system allowing securities to be transferred from one person's CREST account to another without the need to use share certificates or written instruments of transfer. Securities issued by non-UK companies, such as the Company, cannot be held or transferred electronically in the CREST system. However, depositary interests allow such securities to be dematerialised and settled electronically through CREST. Where investors choose to settle interests in the Common Shares through the CREST system, and pursuant to depositary arrangements established by Kosmos, Computershare Investor Services plc (the "**Depositary**") will hold the Common Shares and issue dematerialised depositary interests (the "**Depositary Interests**") representing the underlying Common Shares held in custody in the DTC participant account of Computershare Trust Co., N.A. (the "**Custodian**"). The Depositary Interests will be independent securities constituted under English law which may be held and transferred through the CREST system. Investors should note that it is the Depositary Interests which will be admitted to and settled through CREST and not the Common Shares.

The Depositary Interests will be created pursuant to and issued on the terms of a deed poll dated 8 August 2017 and executed by the Depositary in favour of the holders of the Depositary Interests from time to time (the "**Deed Poll**"). Prospective holders of Depositary Interests should note that they will have no rights against EUI or its subsidiaries in respect of the underlying Common Shares or the Depositary Interests representing them.

The Common Shares will be transferred to the Custodian and the Depositary will issue Depositary Interests to participating members and provide the necessary custodial services.

In relation to those Common Shares held by Shareholders in uncertificated form, although the Company's register of members shows the Custodian as the legal holder of the Common Shares, the beneficial interest in the Common Shares remains with the holder of Depositary Interests, who has the benefit of all the rights attaching to the Common Shares as if the holder of Depositary Interests were named on the certificated Common Share register itself.

Each Depositary Interest will be represented as one Common Share, for the purposes of determining, for example, in the case of Common Shares, eligibility for any dividends. The Depositary Interests will have the same ISIN number as the underlying Common Shares and will not require a separate listing on the Official List. The Depositary Interests can then be traded and settlement will be within the CREST system in the same way as any other CREST securities.

Application has been made for the Depositary Interests to be admitted to CREST with effect from Admission.

2. Deed Poll

In summary, the Deed Poll contains provisions to the following effect, which are binding on holders of Depositary Interests:

Holders of Depositary Interests warrant, inter alia, that Common Shares held by the Depositary or the Custodian (on behalf of the Depositary) are free and clear of all liens, charges, encumbrances or third party interests and that such transfers or issues are not in contravention of the Company's constitutional documents or any contractual obligation, law or regulation. Each holder of Depositary Interests indemnifies the Depositary for any losses the Depositary incurs as a result of a breach of this warranty.

The Depositary and any Custodian must pass on to holders of Depositary Interests and, so far as they are reasonably able, exercise on behalf of holders of Depositary Interests all rights and entitlements received or to which they are entitled in respect of the underlying Common Shares which are capable of being passed on or exercised. Rights and entitlements to cash distributions, to information, to make choices and elections and to attend and vote at meetings shall, subject to the Deed Poll, be passed on in the form in which they are received together with amendments and additional documentation necessary to effect such passing-on, or, as the case may be, exercised in accordance with the Deed Poll.

The Depositary will be entitled to cancel Depositary Interests and withdraw the underlying Common Shares in certain circumstances including where a holder of Depositary Interests has failed to perform any obligation under the Deed Poll or any other agreement or instrument with respect to the Depositary Interests.

The Deed Poll contains provisions excluding and limiting the Depositary's liability. For example, the Depositary shall not be liable to any holder of Depositary Interests or any other person for liabilities in connection with the performance or non-performance of obligations under the Deed Poll or otherwise except as may result from its negligence or wilful default or fraud. Furthermore, except in the case of personal injury or death, the Depositary's liability to a holder of Depositary Interests will be limited to the lesser of:

- (i) the value of the Common Shares and other deposited property properly attributable to the Depositary Interests to which the liability relates; and
- (ii) that proportion of £5 million which corresponds to the proportion which the amount the Depositary would otherwise be liable to pay to the holder of Depositary Interests bear to the aggregate of the amounts the Depositary would otherwise be liable to pay to all such holders in respect of the same act, omission or event which gave rise to such liability or, if there are no such amounts, £5 million.

The Depositary is not liable for any losses attributable to or resulting from Kosmos' negligence or wilful default or fraud or that of the CREST operator.

The Depositary is entitled to charge holders of Depositary Interests fees and expenses for the provision of its services under the Deed Poll.

Each holder of Depositary Interests is liable to indemnify the Depositary and any Custodian (and their agents, officers and employees) against all liabilities arising from or incurred in connection with, or arising from any act related to, the Deed Poll so far as they relate to the property held for the account of Depositary Interests held by that holder, other than those resulting from the wilful default, negligence or fraud of the Depositary, or the Custodian or any agent, if such Custodian or agent is a member of the Depositary's group, or, if not being a member of the same group, the Depositary shall have failed to exercise reasonable care in the appointment and continued use of such Custodian or agent.

The Depositary may terminate the Deed Poll by giving not less than 30 days' prior notice. During such notice period, holders may cancel their Depositary Interests and withdraw their deposited property and, if any Depositary Interests remain outstanding after termination, the Depositary must as soon as reasonably practicable, among other things, deliver the deposited property in respect of the Depositary Interests to the relevant holder of Depositary Interests or, at its discretion sell all or part of such deposited property. It shall, as soon as reasonably practicable deliver the net proceeds of any such sale, after deducting any sums due to the Depositary, together with any other cash held by it under the Deed Poll pro rata to holders of Depositary Interests in respect of their Depositary Interests.

The Depositary or the Custodian may require from any holder, or former or prospective holder, information as to the capacity in which Depositary Interests are owned or held and the identity of any other person with any interest of any kind in such Depositary Interests or the underlying Common Shares and holders are bound to provide such information requested. Furthermore, to the extent that the Company's constitutional documents require disclosure to the Company of, or limitations in relation to, beneficial or other ownership of, or interests of any kind whatsoever, in the Common Shares, the holders of Depositary Interests are to comply with such provisions and with Kosmos' instructions with respect thereto.

It should also be noted that holders of Depositary Interests may not have the opportunity to exercise all of the rights and entitlements available to holders of Common Shares in the Company, including, for example, in the case of Shareholders, the ability to vote on a show of hands. In relation to voting, it will be important for holders of Depositary Interests to give prompt instructions to the Depositary or its nominated Custodian, in accordance with any voting arrangements made available to them, to vote the underlying Common Shares on their behalf or, to the extent possible, to take advantage of any arrangements enabling holders of Depositary Interests to vote such Common Shares as a proxy of the Depositary or its nominated Custodian.

A copy of the Deed Poll can be obtained on request in writing to the Depositary.

3. Depositary Agreement

The Depositary Agreement between the Company and the Depositary under which the Company appoints the Depositary to constitute and issue from time to time, upon the terms of the Deed Poll, a series of Depositary Interests representing securities issued by the Company and to provide certain other services in connection with such Depositary Interests with a view to facilitating the indirect holding by participants in CREST. The Depositary agrees that it will comply with the terms of the Deed Poll and that it will perform its obligations in good faith and with reasonable skill, diligence and care. The Depositary assumes certain specific obligations, including the obligation to issue to a CREST member Depositary Interests in uncertificated form and to maintain the register of Depositary Interests. The Depositary undertakes to provide the depositary services in compliance with the requirements of the FSMA.

Computershare will either itself or through its appointed Custodian as bare trustee hold the deposited property (which includes, inter alia, the securities represented by the Depositary Interests) as may be designated from time to time by the Depositary. The Company agrees to provide all information, data and documentation (to the extent available to the Company) required by the Depositary to properly carry out the services, including information, which concerns or relates to the Depositary's obligations under the Depositary Agreement. The agreement sets out the procedures to be followed where the Company is to pay or make a dividend or other distribution.

The Company is to indemnify the Depositary for any loss it may suffer as a result of the performance of the Depositary Agreement except to the extent that any losses result from the Depositary's own negligence, fraud or wilful default. The Depositary is to indemnify the Company for any loss the Company may suffer as a result of or in connection with the Depositary's fraud, negligence or wilful default save that the aggregate liability of the Depositary to the Company over any 12 month period shall in no circumstances whatsoever exceed twice the amount of the fees payable to the Depositary in any 12 month period in respect of a single claim or in the aggregate. Subject to earlier termination, the Depositary is appointed for a fixed term of three years and thereafter until terminated by either party giving not less than six months' notice. In the event of termination, the parties agree to phase out the Depositary's operations in an efficient manner without adverse effect on the members of the Company and the Depositary shall deliver to the Company (or as it may direct) all documents, papers and other records relating to the Depositary Interests which are in its possession and which is the property of the Company. The Company is to pay certain fees and charges, including an annual fee, a fee based on the number of Depositary Interests per year and certain CREST related fees. The Depositary is also entitled to recover reasonable out of pocket fees and expenses.

PART IX
DEFINITIONS

The definitions set out below apply throughout this Prospectus, unless the context requires otherwise.

“Admission”	admission of the Common Shares to the Official List and to trading on the main market for listed securities of the London Stock Exchange;
“Alliance”	Kosmos-BP Strategic Exploration Alliance;
“Anadarko”	Anadarko WCTP Company;
“ANO STP”	Agencia Nacional Do Petroleo De Sao Tome E Principe;
“Bermuda Companies Act”	the Companies Act 1981 (Bermuda), as amended;
“Blackstone”	Blackstone Group L.P. or, where the context requires, another entity within the Blackstone group;
“Board”	the board of directors of the Company from time to time;
“BP”	British Petroleum Plc;
“Business Day”	any day on which banks are generally open in London for the transaction of business other than a Saturday or Sunday or public holiday;
“Bye-laws”	the bye-laws of the Company;
“CALM”	Catenary Anchor Leg Mooring buoy;
“certificated” or “in certificated form”	a share or other security which is not in uncertificated form (that is, not in CREST);
“Chevron”	the Chevron Corporation;
“City Code”	the UK City Code on Takeovers and Mergers;
“Company”	Kosmos Energy Ltd, a company incorporated in Bermuda with registered number 45011, whose registered office is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda;
“Committees”	the Company’s Audit Committee, Compensation Committee, Nominating and Corporate Governance Committee, Health, Safety and Environmental Committee, External Affairs and Political Risk Committee and Exploration Assurance Committee;
“Common Shares”	the common shares of \$0.01 par value each in the share capital of the Company to be admitted to trading on the London Stock Exchange’s main market for listed securities pursuant to the Admission;
“Competent Person’s Report”	the independent technical report on the oil and gas assets (or mineral assets) of Kosmos drafted by Ryder Scott as set out in Schedule II (<i>Competent Person’s Report</i>);
“Corporate Governance Guidelines”	the Company’s guidelines on corporate governance available under the Corporate Governance link on the Investors’ page of Kosmos’ website at www.kosmosenergy.com (the information on the website is not incorporated by reference into this Prospectus);
“Corporate Revolver”	the corporate revolver arranged by Kosmos from a number of financial institutions in November 2012 and amended in June 2015, with an availability of \$400.0 million;

“CREST Manual”	the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, CREST CCSS Operations Manual and CREST Glossary of Terms (all defined in the CREST Glossary of Terms promulgated by Euroclear on 15 July 1996, as amended);
“CREST Member”	a person who has been admitted by Euroclear as a system-member (as defined in the CREST Regulations);
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended;
“Custodian”	the legal holder of the Common Shares as shown on the Company’s register;
“Deed Poll”	the deed poll pursuant to which the Depositary Interests are issued dated 8 August 2017 and executed by the Depositary in favour of the holders of the Depositary Interests from time to time;
“Depositary”	Computershare Investor Services plc;
“Depositary Agreement”	the Depositary Agreement between the Company and the Depositary;
“Depositary Interest”	the beneficial shareholder of shares held by the Depositary;
“Directors”	the directors of the Company at the date of this Prospectus and “Director” means one of them;
“DT”	Deepwater Tano;
“EU”	the European Union;
“EUI”	Euroclear UK & Ireland Limited;
“euro” or “€”	the single currency of the member states of the European Communities that adopt or have adopted the euro as their lawful currency under the legislation of the EU or European Monetary Union;
“Exchange Act”	the US Securities Exchange Act of 1934, as amended;
“Executive Officers”	the Company’s senior executive team with responsibility for the day-to-day management of Kosmos’ business and “Executive Officer” means one of them;
“Facility”	the facility entered into by the Company and redetermined in September 2016 with a borrowing base of \$1.467 billion;
“FCA” or “Financial Conduct Authority”	the Financial Conduct Authority and, where applicable, includes any successor body or bodies carrying out the functions currently carried out by the Financial Conduct Authority;
“FCPA”	the U.S. Foreign Corrupt Practices Act of 1977, as amended;
“Financial Sponsors”	Warburg Pincus and Blackstone;
“FSMA”	the Financial Services and Markets Act 2000;
“Ghanaian Petroleum Income Tax Law”	the Petroleum Income Tax Law, 1987 (PNDCL 188) of Ghana;
“Ghanaian Petroleum Law 2016”	the Petroleum (Exploration & Production) Act, 2016 (Act 919) of Ghana;
“Ghanaian Tax Law”	the 1984 Ghanaian Petroleum Law and the Internal Revenue Act, 2000 (Act 592);
“GHG”	greenhouse gas;
“GNPC”	the Ghana National Petroleum Corporation;

“GJFFDP”	the Greater Jubilee Full Field Development Plan;
“Guarantees”	the guarantees for the Senior Notes;
“H&M”	hull and machinery;
“Hess”	the Hess Corporation;
“Indenture”	the indenture dated 1 August 2014 related to the Senior Notes;
“IPT”	Integrated Project Team;
“ITLOS”	the International Tribunal for the Law of the Sea;
“January Offering”	the offering of Common Shares by the Financial Sponsors on the NYSE in January 2017;
“Jubilee Field” or “Jubilee”	the Jubilee oil field, an oil field offshore Ghana’s Western Region in the South Atlantic Ocean, discovered in 2007 by Kosmos and developed by Tullow Oil and straddling the WCTP and DT Blocks;
“Kosmos”	the Company and its subsidiaries;
“Kosmos’ Unit Interest”	Kosmos’ participating interest in the Jubilee Unit;
“Latest Practicable Date”	14 August 2017, being the latest practicable date prior to the publication of this Prospectus;
“LC Facility”	the revolving letter of credit facility agreement entered into by the Company in July 2013, as amended, for \$70.0 million;
“LIBOR”	the London Interbank Offered Rate;
“Listing Rules”	the listing rules made under Part VI of FSMA (as set out in the FCA Handbook), as amended;
“London Stock Exchange”	London Stock Exchange plc or its successor(s);
“LTIP”	Kosmos’ long term incentive plan;
“LOPI”	loss of production income;
“MAR”	the Market Abuse Regulations which came into force across the EU on 3 July 2016;
“MOU”	Kosmos’ memorandum of understanding (the “ Memorandum of Understanding ”);
“Named Executive Officers”	Mr Inglis, Mr Chambers, Mr Maxted, Mr Ball and Mr Anderson;
“NYSE”	the New York Stock Exchange;
“NYSE Listed Company Manual”	the comprehensive rulebook for listed companies on the NYSE;
“Official List”	the official list of the UK Listing Authority;
“Oando”	Oando Energy Resources;
“OSRL”	Oil Spill Response Limited, a UK company;
“Paris Agreement”	the international climate change accord signed by 195 nations in April 2016;
“PD Regulation”	the Prospectus Directive Regulation (2004/809/EC);
“Petroleum Commission”	the Petroleum Commission Ghana, the upstream petroleum regulator;

“Petroleum Revenue Management Act” . . .	the Petroleum Revenue Management Act, 2011 (Act 815) of Ghana;
“PETROSEN”	Société des Petroles du Sénégal, the national oil company of Senegal;
“Prospectus Rules” . . .	the prospectus rules made under Part VI of FSMA (as set out in the FCA Handbook), as amended;
“Prospectus”	this document dated 16 August 2017, comprising a prospectus relating to the Company for the purpose of the Admission and the listing of the Common Shares on the London Stock Exchange (together with any supplements or amendments thereto);
“Proxy Statement”	the annual statement required to be filed with the SEC as a Form DEF 14A no later than the date proxy materials are first sent or given to shareholders, filed pursuant to Section 14(a) of the Exchange Act;
“Regulatory Information Service”	one of the regulatory information services authorised by the UK Listing Authority to receive, process and disseminate regulatory information from listed companies;
“Ryder Scott”	Ryder Scott Company LP;
“Seadrill”	Seadrill Limited;
“SEC”	the United States Securities and Exchange Commission;
“Securities Act”	the US Securities Act of 1933, as amended;
“Senior Notes”	\$300.0 million of senior notes issued by the Company in August 2014 and an additional \$225.0 million of senior notes issued in April 2015 on identical terms and maturing on 1 August 2021;
“Shareholders”	holders of Common Shares and “Shareholder” means one of them;
“Shareholders Agreement”	the shareholders agreement which the Company entered into in 2011 with affiliates of its Financial Sponsors;
“SMHPM”	Société Mauritanienne des Hydrocarbures et du Patrimoine Minier, the national oil company of Mauritania;
“stock account”	an account within a member account in CREST to which a holding of a particular share or other security in CREST is credited;
“Takeover Panel”	the UK Panel on Takeovers and Mergers;
“TEN”	Tweneboa, Enyenra and Ntomme;
“Timis”	Timis Corporation Limited;
“TSR”	total shareholder return;
“Tullow”	Tullow Oil plc;
“UK Listing Authority” . .	the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of FSMA;
“UK Corporate Governance Code” . .	the UK Corporate Governance Code of the Financial Reporting Council dated September 2014;
“UN”	the United Nations;
“uncertificated” or “in uncertificated form” . .	a share or other security recorded on the UK register as being held in uncertificated form in CREST and title to which by virtue of the CREST Regulations, may be transferred by means of CREST;

“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland;
“United States” or “US”	the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
“US\$”, “US dollars” or “\$”	the lawful currency of the United States;
“UUAO”	a unitisation and unit operating agreement in relation to the Jubilee field;
“Warburg Pincus”	Warburg Pincus LLC, Warburg Pincus & Co. or, where the context requires, another entity within the Warburg Pincus group; and
“WCTP”	West Cape Three Points.

PART X

GLOSSARY OF TECHNICAL TERMS

“API”	American Petroleum Institute, the major United States trade association for the oil and natural gas industry, and which sets the method used for measuring the density of petroleum; this standard is called the “API gravity” or “degrees API”;
“Bcf”	billion cubic feet (of natural gas);
“Bopd”	barrels of oil per day;
“Campanian”	the fifth of six ages of the Late Cretaceous epoch, spanning the time from 83.6 ± 0.7 Ma to 72.1 ± 0.6 Ma;
“FPSO”	floating production storage and offloading unit, a floating vessel used by the offshore oil and gas industry for the production and processing of hydrocarbons, and for the storage of oil;
“Global Dispersant Stockpile”	a readily accessible and easily mobilised global stockpile of dispersants for industry use. The dispersants chosen are those with the widest worldwide approvals. Subscription to GDS provides critical, immediate access to substantial amounts of dispersant enabling work to be conducted at the site of the well incident and permitting the safe deployment of the capping devices;
“Jurassic”	geologic period and system that spans 56.3 million years from the end of the Triassic Period 201.3 Ma to the beginning of the Cretaceous Period 145 Ma;
“Late Cretaceous”	the Late Cretaceous (100.5–66 Ma) is the younger of two epochs into which the Cretaceous period is divided in the geologic timescale;
“LNG”	liquefied natural gas;
“Ma”	million years ago—unit of time for geological eras;
“Mid-Cretaceous”	layer of sediments between the Upper and Early Cretaceous;
“MMBbl”	million barrels (of oil);
“MMBoe”	million barrels of oil equivalents;
“OSCP”	Oil Spill Contingency Plans, which are plans based on the principle of “Tiered Response” to oil spills (“Guide to Tiered Response and Preparedness”, IPIECA Report Series, Volume 14, 2007);
“PoD”	plan of development;
“R factor”	cumulative net revenues divided by cumulative net investment (R factor tranches are used to apportion profit oil);
“Turonian”	the second age in the Late Cretaceous epoch, or a stage in the Upper Cretaceous series; it spans the time between 93.9 ± 0.8 Ma and 89.8 ± 1 Ma; and
“Upper Cretaceous”	the Upper Cretaceous is the last geological epoch in the Cretaceous; it began 100.5 Ma, and ended 66 Ma.

SCHEDULE I
HISTORICAL FINANCIAL INFORMATION

Section A: Financial statements for the year ended 31 December 2016

Item 8. Financial Statements and Supplementary Data

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Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders
Kosmos Energy Ltd.

We have audited the accompanying consolidated balance sheets of Kosmos Energy Ltd. as of December 31, 2016 and 2015, and the related consolidated statements of operations, comprehensive income (loss), shareholders' equity and cash flows for each of the three years in the period ended December 31, 2016. Our audits also included the financial statement schedules included at Item 15(a). These financial statements and schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedules based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Kosmos Energy Ltd. at December 31, 2016 and 2015, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2016, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedules, when considered in relation to the basic financial statements taken as a whole, present fairly, in all material respects, the financial information set forth therein.

As discussed in Note 2 to the consolidated financial statements, Kosmos Energy Ltd. adopted ASU 2016-09, Improvements to Employee Share-based Payment Accounting.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Kosmos Energy Ltd.'s internal control over financial reporting as of December 31, 2016, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 27, 2017 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Dallas, Texas
February 27, 2017

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders
Kosmos Energy Ltd.

We have audited Kosmos Energy Ltd.'s internal control over financial reporting as of December 31, 2016, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). Kosmos Energy Ltd.'s management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Annual Report on Internal Control over Financial Reporting appearing in Item 9A. Our responsibility is to express an opinion on the company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Kosmos Energy Ltd. maintained, in all material respects, effective internal control over financial reporting as of December 31, 2016, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Kosmos Energy Ltd. as of December 31, 2016 and 2015, and the related consolidated statements of operations, comprehensive income (loss), shareholders' equity and cash flows for each of the three years in the period ended December 31, 2016 of Kosmos Energy Ltd. and our report dated February 27, 2017 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Dallas, Texas
February 27, 2017

KOSMOS ENERGY LTD.
CONSOLIDATED BALANCE SHEETS
(In thousands, except share data)

	December 31,	
	2016	2015
Assets		
Current assets:		
Cash and cash equivalents	\$ 194,057	\$ 275,004
Restricted cash	24,506	28,533
Receivables:		
Joint interest billings, net	63,249	67,200
Oil sales	54,195	35,950
Other	25,893	34,882
Inventories	74,380	85,173
Prepaid expenses and other	7,209	24,766
Derivatives	31,698	182,640
Total current assets	475,187	734,148
Property and equipment:		
Oil and gas properties, net	2,700,889	2,314,226
Other property, net	8,003	8,613
Property and equipment, net	2,708,892	2,322,839
Other assets:		
Restricted cash	54,632	7,325
Long-term receivables—joint interest billings	45,663	37,687
Deferred financing costs, net of accumulated amortization of \$11,213 and \$8,475 at December 31, 2016 and December 31, 2015, respectively	5,248	7,986
Long-term deferred tax assets	37,827	33,209
Derivatives	3,808	59,856
Other	10,208	—
Total assets	\$3,341,465	\$3,203,050
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable	\$ 220,627	\$ 295,689
Accrued liabilities	129,706	159,897
Derivatives	19,692	1,155
Total current liabilities	370,025	456,741
Long-term liabilities:		
Long-term debt	1,321,874	860,878
Derivatives	14,123	4,196
Asset retirement obligations	63,574	43,938
Deferred tax liabilities	482,221	502,189
Other long-term liabilities	8,449	9,595
Total long-term liabilities	1,890,241	1,420,796
Shareholders' equity:		
Preference shares, \$0.01 par value; 200,000,000 authorized shares; zero issued at December 31, 2016 and December 31, 2015	—	—
Common shares, \$0.01 par value; 2,000,000,000 authorized shares; 395,859,061 and 393,902,643 issued at December 31, 2016 and 2015, respectively	3,959	3,939
Additional paid-in capital	1,975,247	1,933,189
Accumulated deficit	(850,410)	(564,686)
Treasury stock, at cost, 9,101,395 and 8,812,054 shares at December 31, 2016 and 2015, respectively	(47,597)	(46,929)
Total shareholders' equity	1,081,199	1,325,513
Total liabilities and shareholders' equity	\$3,341,465	\$3,203,050

See accompanying notes.

KOSMOS ENERGY LTD.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)

	Years Ended December 31,		
	2016	2015	2014
Revenues and other income:			
Oil and gas revenue	\$ 310,377	\$ 446,696	\$ 855,877
Gain on sale of assets	—	24,651	23,769
Other income	74,978	209	3,092
Total revenues and other income	385,355	471,556	882,738
Costs and expenses:			
Oil and gas production	119,367	105,336	100,122
Facilities insurance modifications	14,961	—	—
Exploration expenses	202,280	156,203	93,519
General and administrative	87,623	136,809	135,231
Depletion and depreciation	140,404	155,966	198,080
Interest and other financing costs, net	44,147	37,209	45,548
Derivatives, net	48,021	(210,649)	(281,853)
Restructuring charges	—	—	11,742
Other expenses, net	23,116	5,246	2,081
Total costs and expenses	679,919	386,120	304,470
Income (loss) before income taxes	(294,564)	85,436	578,268
Income tax expense (benefit)	(10,784)	155,272	298,898
Net income (loss)	\$(283,780)	\$ (69,836)	\$ 279,370
Net income (loss) per share:			
Basic	\$ (0.74)	\$ (0.18)	\$ 0.73
Diluted	\$ (0.74)	\$ (0.18)	\$ 0.72
Weighted average number of shares used to compute net income (loss) per share:			
Basic	385,402	382,610	379,195
Diluted	385,402	382,610	386,119

See accompanying notes.

KOSMOS ENERGY LTD.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands)

	Years Ended December 31,		
	2016	2015	2014
Net income (loss)	\$(283,780)	\$(69,836)	\$279,370
Other comprehensive loss:			
Reclassification adjustments for derivative gains included in net income (loss)	—	(767)	(1,391)
Other comprehensive loss	—	(767)	(1,391)
Comprehensive income (loss)	<u>\$(283,780)</u>	<u>\$(70,603)</u>	<u>\$277,979</u>

See accompanying notes.

KOSMOS ENERGY LTD.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(In thousands)

	Common Shares		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Treasury Stock	Total
	Shares	Amount					
Balance as of December 31, 2013	391,974	\$3,920	\$1,781,535	\$(774,220)	\$ 2,158	\$(21,058)	\$ 992,335
Equity-based compensation	—	—	79,741	—	—	—	79,741
Derivatives, net	—	—	—	—	(1,391)	—	(1,391)
Restricted stock awards and units	469	4	(4)	—	—	—	—
Restricted stock forfeitures	—	—	2	—	—	(2)	—
Purchase of treasury stock	—	—	(1,084)	—	—	(10,012)	(11,096)
Net income	—	—	—	279,370	—	—	279,370
Balance as of December 31, 2014	392,443	3,924	1,860,190	(494,850)	767	(31,072)	1,338,959
Equity-based compensation	—	—	75,267	—	—	—	75,267
Derivatives, net	—	—	—	—	(767)	—	(767)
Restricted stock awards and units	1,460	15	(15)	—	—	—	—
Restricted stock forfeitures	—	—	16	—	—	(16)	—
Purchase of treasury stock	—	—	(2,269)	—	—	(15,841)	(18,110)
Net loss	—	—	—	(69,836)	—	—	(69,836)
Balance as of December 31, 2015	393,903	3,939	1,933,189	(564,686)	—	(46,929)	\$1,325,513
Equity-based compensation	—	—	43,391	(1,944)	—	—	41,447
Restricted stock awards and units	1,956	20	(20)	—	—	—	—
Restricted stock forfeitures	—	—	2	—	—	(2)	—
Purchase of treasury stock	—	—	(1,315)	—	—	(666)	(1,981)
Net loss	—	—	—	(283,780)	—	—	(283,780)
Balance as of December 31, 2016	<u>395,859</u>	<u>\$3,959</u>	<u>\$1,975,247</u>	<u>\$(850,410)</u>	<u>\$ —</u>	<u>\$(47,597)</u>	<u>\$1,081,199</u>

See accompanying notes.

KOSMOS ENERGY LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	<u>Years Ended December 31,</u>		
	<u>2016</u>	<u>2015</u>	<u>2014</u>
Operating activities			
Net income (loss)	\$(283,780)	\$ (69,836)	\$ 279,370
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depletion, depreciation and amortization	150,608	166,290	208,628
Deferred income taxes	(23,561)	110,786	216,409
Unsuccessful well costs	6,079	94,910	1,105
Change in fair value of derivatives	46,559	(210,957)	(271,298)
Cash settlements on derivatives, net (including \$187.9 million, \$225.5 million and \$18.4 million on commodity hedges during 2016, 2015 and 2014	188,895	224,741	4,460
Equity-based compensation	40,084	75,057	79,541
Gain on sale of assets	—	(24,651)	(23,769)
Loss on extinguishment of debt	—	165	2,898
Other	13,355	7,875	(3,875)
Changes in assets and liabilities:			
(Increase) decrease in receivables	(20,558)	2,209	(156,192)
Increase in inventories	(4,107)	(29,855)	(8,100)
Decrease in prepaid expenses and other	17,557	512	1,732
Increase (decrease) in accounts payable	(75,487)	111,289	90,228
Increase (decrease) in accrued liabilities	(3,567)	(17,756)	22,449
Net cash provided by operating activities	<u>52,077</u>	<u>440,779</u>	<u>443,586</u>
Investing activities			
Oil and gas assets	(535,975)	(823,642)	(424,535)
Other property	(1,998)	(1,483)	(2,383)
Proceeds on sale of assets	210	28,692	58,315
Net cash used in investing activities	<u>(537,763)</u>	<u>(796,433)</u>	<u>(368,603)</u>
Financing activities			
Borrowings under long-term debt	450,000	100,000	—
Payments on long-term debt	—	(200,000)	(400,000)
Net proceeds from issuance of senior secured notes	—	206,774	294,000
Purchase of treasury stock	(1,981)	(18,110)	(11,096)
Deferred financing costs	—	(9,030)	(22,088)
Net cash provided by (used in) financing activities	<u>448,019</u>	<u>79,634</u>	<u>(139,184)</u>
Net decrease in cash, cash equivalents and restricted cash	(37,667)	(276,020)	(64,201)
Cash, cash equivalents and restricted cash at beginning of period	310,862	586,882	651,083
Cash, cash equivalents and restricted cash at end of period	<u>\$ 273,195</u>	<u>\$ 310,862</u>	<u>\$ 586,882</u>
Supplemental cash flow information			
Cash paid for:			
Interest	<u>\$ 27,860</u>	<u>\$ 33,315</u>	<u>\$ 23,182</u>
Income taxes	<u>\$ 13,997</u>	<u>\$ 35,857</u>	<u>\$ 108,068</u>
Non-cash activity:			
Conversion of joint interest billings receivable to long-term note receivable	<u>\$ 9,814</u>	<u>\$ —</u>	<u>\$ —</u>

See accompanying notes.

KOSMOS ENERGY LTD.
Notes to Consolidated Financial Statements

1. Organization

Kosmos Energy Ltd. was incorporated pursuant to the laws of Bermuda in January 2011 to become a holding company for Kosmos Energy Holdings. Kosmos Energy Holdings is a privately held Cayman Islands company that was formed in March 2004. As a holding company, Kosmos Energy Ltd.'s management operations are conducted through a wholly owned subsidiary, Kosmos Energy, LLC. The terms "Kosmos," the "Company," "we," "us," "our," "ours," and similar terms refer to Kosmos Energy Ltd. and its wholly owned subsidiaries, unless the context indicates otherwise.

Kosmos is a leading independent oil and gas exploration and production company focused on frontier and emerging areas along the Atlantic Margins. Our assets include existing production and development projects offshore Ghana, large discoveries and significant further hydrocarbon exploration potential offshore Mauritania and Senegal, as well as exploration licenses with significant hydrocarbon potential offshore Sao Tome and Principe, Suriname, Morocco and Western Sahara. Kosmos is listed on the New York Stock Exchange and is traded under the ticker symbol KOS.

We have one reportable segment, which is the exploration and production of oil and natural gas. Substantially all of our long-lived assets and all of our product sales are related to production located offshore Ghana.

2. Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Kosmos Energy Ltd. and its wholly owned subsidiaries. All intercompany transactions have been eliminated.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosures of contingent assets and liabilities. Actual results could differ from these estimates.

Reclassifications

Certain prior period amounts have been reclassified to conform with the current year presentation. Such reclassifications had no material impact on our reported net income (loss), current assets, total assets, current liabilities, total liabilities, shareholders' equity or cash flows, except as disclosed related to the adoption of recent accounting pronouncements.

Cash, Cash Equivalents and Restricted Cash

	December 31,		
	2016	2015	2014
	(In thousands)		
Cash and cash equivalents	\$194,057	\$275,004	\$554,831
Restricted cash—current	24,506	28,533	15,926
Restricted cash—long-term	54,632	7,325	16,125
Total cash, cash equivalents and restricted cash shown in the consolidated statements of cash flows	\$273,195	\$310,862	\$586,882

Cash and cash equivalents includes demand deposits and funds invested in highly liquid instruments with original maturities of three months or less at the date of purchase.

In accordance with our commercial debt facility (the "Facility"), we are required to maintain a restricted cash balance that is sufficient to meet the payment of interest and fees for the next six-month

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

2. Accounting Policies (Continued)

period on the 7.875% Senior Secured Notes due 2021 ("Senior Notes") plus the Corporate Revolver or the Facility, whichever is greater. As of December 31, 2016 and 2015, we had \$24.5 million and \$24.4 million, respectively, in current restricted cash to meet this requirement.

In addition, in accordance with certain of our petroleum contracts, we have posted letters of credit related to performance guarantees for our minimum work obligations. These letters of credit are cash collateralized in accounts held by us and as such are classified as restricted cash. Upon completion of the minimum work obligations and/or entering into the next phase of the petroleum contract, the requirement to post the existing letters of credit will be satisfied and the cash collateral will be released. However, additional letters of credit may be required should we choose to move into the next phase of certain of our petroleum contracts. As of December 31, 2016 and 2015, we had zero and \$4.1 million, respectively, of short-term restricted cash and \$54.6 million and \$7.3 million, respectively, of long-term restricted cash used to cash collateralize performance guarantees related to our petroleum contracts.

Receivables

Our receivables consist of joint interest billings, oil sales and other receivables. For our oil sales receivable, we require a letter of credit to be posted to secure the outstanding receivable. Receivables from joint interest owners are stated at amounts due, net of any allowances for doubtful accounts. We determine our allowance by considering the length of time past due, future net revenues of the debtor's ownership interest in oil and natural gas properties we operate, and the owner's ability to pay its obligation, among other things. We had an allowance for doubtful accounts of \$0.6 million and zero in current joint interest billings receivables as of December 31, 2016 and 2015, respectively.

Inventories

Inventories consisted of \$68.1 million and \$84.4 million of materials and supplies and \$6.3 million and \$0.8 million of hydrocarbons as of December 31, 2016 and 2015, respectively. The Company's materials and supplies inventory primarily consists of casing and wellheads and is stated at the lower of cost, using the weighted average cost method, or net realizable value. We recorded a write down of \$14.9 million during the year ended December 31, 2016 for materials and supplies inventories as other expenses, net in the consolidated statements of operations and other in the consolidated statements of cash flows.

Hydrocarbon inventory is carried at the lower of cost, using the weighted average cost method, or net realizable value. Hydrocarbon inventory costs include expenditures and other charges incurred in bringing the inventory to its existing condition. Selling expenses and general and administrative expenses are reported as period costs and excluded from inventory costs.

Exploration and Development Costs

The Company follows the successful efforts method of accounting for its oil and gas properties. Acquisition costs for proved and unproved properties are capitalized when incurred. Costs of unproved properties are transferred to proved properties when a determination that proved reserves have been found. Exploration costs, including geological and geophysical costs and costs of carrying unproved properties, are expensed as incurred. Exploratory drilling costs are capitalized when incurred. If exploratory wells are determined to be commercially unsuccessful or dry holes, the applicable costs are expensed and recorded in exploration expense on the consolidated statement of operations. Costs incurred to drill and equip development wells, including unsuccessful development wells, are capitalized. Costs incurred to operate and maintain wells and equipment and to lift oil and natural gas to the surface are expensed as oil and gas production expense.

The Company evaluates unproved property periodically for impairment. The impairment assessment considers results of exploration activities, commodity price outlooks, planned future sales or expiration of all or a portion of such projects. If the quantity of potential future reserves determined by such evaluations

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

2. Accounting Policies (Continued)

is not sufficient to fully recover the cost invested in each project, the Company will recognize an impairment loss at that time.

Depletion, Depreciation and Amortization

Proved properties and support equipment and facilities are depleted using the unit-of-production method based on estimated proved oil and natural gas reserves. Capitalized exploratory drilling costs that result in a discovery of proved reserves and development costs are amortized using the unit-of-production method based on estimated proved developed oil and natural gas reserves for the related field.

Depreciation and amortization of other property is computed using the straight-line method over the assets' estimated useful lives (not to exceed the lease term for leasehold improvements), ranging from one to eight years.

	<u>Years Depreciated</u>
Leasehold improvements	1 to 8
Office furniture, fixtures and computer equipment	3 to 7
Vehicles	5

Amortization of deferred financing costs is computed using the straight-line method over the life of the related debt.

Capitalized Interest

Interest costs from external borrowings are capitalized on major projects with an expected construction period of one year or longer. Capitalized interest is added to the cost of the underlying asset and is depleted on the unit-of-production method in the same manner as the underlying assets.

Asset Retirement Obligations

The Company accounts for asset retirement obligations as required by ASC 410—Asset Retirement and Environmental Obligations. Under these standards, the fair value of a liability for an asset retirement obligation is recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. If a reasonable estimate of fair value cannot be made in the period the asset retirement obligation is incurred, the liability is recognized when a reasonable estimate of fair value can be made. If a tangible long-lived asset with an existing asset retirement obligation is acquired, a liability for that obligation is recognized at the asset's acquisition date. In addition, a liability for the fair value of a conditional asset retirement obligation is recorded if the fair value of the liability can be reasonably estimated. We capitalize the asset retirement costs by increasing the carrying amount of the related long-lived asset by the same amount as the liability. We record increases in the discounted abandonment liability resulting from the passage of time in depletion and depreciation in the consolidated statement of operations.

Impairment of Long-lived Assets

The Company reviews its long-lived assets for impairment when changes in circumstances indicate that the carrying amount of an asset may not be recoverable, or at least annually. ASC 360—Property, Plant and Equipment requires an impairment loss to be recognized if the carrying amount of a long-lived asset is not recoverable and exceeds its fair value. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. That assessment shall be based on the carrying amount of the asset at the date it is tested for recoverability, whether in use or under development. An impairment loss shall be measured as the amount by which the carrying amount of a long-lived asset exceeds its fair value. Assets to be disposed of and assets not expected to provide any future service potential to the Company are recorded at the lower of carrying amount or fair value less cost to sell.

KOSMOS ENERGY LTD.
Notes to Consolidated Financial Statements (Continued)

2. Accounting Policies (Continued)

We believe the assumptions used in our undiscounted cash flow analysis to test for impairment are appropriate and result in a reasonable estimate of future cash flows. The undiscounted cash flows from the analysis exceeded the carrying amount of our long-lived assets. The most significant assumptions are the pricing and production estimates used in undiscounted cash flow analysis. Where unproved reserves exist, an appropriately risk-adjusted amount of these reserves may be included in the evaluation. In order to evaluate the sensitivity of the assumptions, we assumed a hypothetical reduction in our production profile which still showed no impairment. If we experience declines in oil pricing, increases in our estimated future expenditures or a decrease in our estimated production profile our long-lived assets could be at risk for impairment.

Derivative Instruments and Hedging Activities

We utilize oil derivative contracts to mitigate our exposure to commodity price risk associated with our anticipated future oil production. These derivative contracts consist of three-way collars, put options, call options and swaps. We also use interest rate derivative contracts to mitigate our exposure to interest rate fluctuations related to our long-term debt. Our derivative financial instruments are recorded on the balance sheet as either assets or liabilities and are measured at fair value. We do not apply hedge accounting to our oil derivative contracts. Effective June 1, 2010, we discontinued hedge accounting on our interest rate swap contracts. Therefore, from that date forward, the changes in the fair value of the instruments were recognized in earnings during the period of change. The effective portions of the discontinued hedges as of May 31, 2010, were included in accumulated other comprehensive income or loss ("AOCI") in the equity section of the accompanying consolidated balance sheets, and were transferred to earnings when the hedged transactions settled. As of December 31, 2015 all instruments previously designated as hedges have settled and there is no balance remaining in AOCI. See Note 8—Derivative Financial Instruments.

Estimates of Proved Oil and Natural Gas Reserves

Reserve quantities and the related estimates of future net cash flows affect our periodic calculations of depletion and assessment of impairment of our oil and natural gas properties. Proved oil and natural gas reserves are the estimated quantities of crude oil, natural gas and natural gas liquids that geological and engineering data demonstrate with reasonable certainty to be recoverable in future periods from known reservoirs under existing economic and operating conditions. As additional proved reserves are discovered, reserve quantities and future cash flows will be estimated by independent petroleum consultants and prepared in accordance with guidelines established by the Securities and Exchange Commission ("SEC") and the Financial Accounting Standards Board ("FASB"). The accuracy of these reserve estimates is a function of:

- the engineering and geological interpretation of available data;
- estimates of the amount and timing of future operating cost, production taxes, development cost and workover cost;
- the accuracy of various mandated economic assumptions; and
- the judgments of the persons preparing the estimates.

Revenue Recognition

We use the sales method of accounting for oil and gas revenues. Under this method, we recognize revenues on the volumes sold based on the provisional sales prices. The volumes sold may be more or less than the volumes to which we are entitled based on our ownership interest in the property. These differences result in a condition known in the industry as a production imbalance. A receivable or liability is recognized only to the extent that we have an imbalance on a specific property greater than the expected remaining proved reserves on such property. As of December 31, 2016 and 2015, we had no oil and gas imbalances recorded in our consolidated financial statements.

KOSMOS ENERGY LTD.
Notes to Consolidated Financial Statements (Continued)

2. Accounting Policies (Continued)

Our oil and gas revenues are based on provisional price contracts which contain an embedded derivative that is required to be separated from the host contract for accounting purposes. The host contract is the receivable from oil sales at the spot price on the date of sale. The embedded derivative, which is not designated as a hedge, is marked to market through oil and gas revenue each period until the final settlement occurs, which generally is limited to the month after the sale.

Equity-based Compensation

For equity-based compensation awards, compensation expense is recognized in the Company's financial statements over the awards' vesting periods based on their grant date fair value. The Company utilizes (i) the closing stock price on the date of grant to determine the fair value of service vesting restricted stock awards and restricted stock units and (ii) a Monte Carlo simulation to determine the fair value of restricted stock awards and restricted stock units with a combination of market and service vesting criteria. Forfeitures are recognized in the period in which they occur.

Restructuring Charges

The Company accounts for restructuring charges in accordance with ASC 420-Exit or Disposal Cost Obligations. Under these standards, the costs associated with restructuring charges are recorded during the period in which the liability is incurred. During the year ended December 31, 2014, we recognized \$11.7 million in restructuring charges for employee severance and related benefit costs incurred as part of a corporate reorganization, which includes \$5.0 million of accelerated non-cash expense related to awards previously granted under our Long-Term Incentive Plan (the "LTIP").

Treasury Stock

We record treasury stock purchases at cost. The majority of our treasury stock purchases are from our employees that surrendered shares to the Company to satisfy their minimum statutory tax withholding requirements and were not part of a formal stock repurchase plan. The remainder of our treasury stock is forfeited restricted stock awards granted under our long-term incentive plan.

Income Taxes

The Company accounts for income taxes as required by ASC 740—Income Taxes. Under this method, deferred income taxes are determined based on the difference between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts expected to be realized. On a quarterly basis, management evaluates the need for and adequacy of valuation allowances based on the expected realizability of the deferred tax assets and adjusts the amount of such allowances, if necessary.

We recognize tax benefits from uncertain tax positions only if it is more likely than not that the tax position will be sustained upon examination by the tax authorities, based on the technical merits of the position. Accordingly, we measure tax benefits from such positions based on the most likely outcome to be realized.

Foreign Currency Translation

The U.S. dollar is the functional currency for all of the Company's material foreign operations. Foreign currency transaction gains and losses and adjustments resulting from translating monetary assets and liabilities denominated in foreign currencies are included in other expenses. Cash balances held in foreign currencies are not significant, and as such, the effect of exchange rate changes is not material to any reporting period.

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

2. Accounting Policies (Continued)

Concentration of Credit Risk

Our revenue can be materially affected by current economic conditions and the price of oil. However, based on the current demand for crude oil and the fact that alternative purchasers are readily available, we believe that the loss of our marketing agent and/or any of the purchasers identified by our marketing agent would not have a long-term material adverse effect on our financial position or results of operations.

Recent Accounting Standards

Recently Adopted

In July 2015, the FASB issued ASU 2015-11, "Simplifying the Measurement of Inventory." ASU 2015-11 changes the measurement principle for entities that do not measure inventory using the last-in, first-out (LIFO) or retail inventory method from the lower of cost or market to lower of cost and net realizable value. The ASU also eliminates the requirement for these entities to consider replacement cost or net realizable value less an approximately normal profit margin when measuring inventory. The standard requires prospective application upon adoption. The Company has elected to early adopt ASU 2015-11 during the first quarter of 2016. The adoption of this standard did not have a material impact on the Company's consolidated financial statements.

The Company adopted ASU 2016-09, "Improvements to Employee Share-based Payment Accounting" during the year using an effective date of January 1, 2016. The change in accounting for forfeitures associated with share-based payment transactions was adopted using the modified retrospective method and resulted in a \$1.9 million increase to opening accumulated deficit, a \$3.0 million increase to opening additional paid-in capital and a \$1.1 million increase to opening long-term deferred tax assets in the consolidated balance sheets. The changes in accounting for the recognition of excess tax benefits and tax shortfalls were adopted prospectively.

In August 2016, the FASB issued ASU 2016-15, "Classification of Certain Cash Receipts and Cash Payments." ASU 2016-15 clarifies current GAAP or provides specific guidance on eight cash flow classification issues to reduce current and potential future diversity in practice. The Company has elected to early adopt this standard using the retrospective method as prescribed by the standard. The adoption of this standard did not have a material impact on the Company's consolidated financial statements.

In November 2016, the FASB issued ASU 2016-18, "Restricted Cash (a consensus of the FASB Emerging Issues Task Force)." ASU 2016-18 requires that a statement of cash flows explain the change during the period in total of cash, cash equivalents, and amounts generally described as restricted cash and restricted cash equivalents. The ASU is effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years with early adoption permitted. The Company has elected to early adopt this standard using the retrospective method as prescribed by the standard. The consolidated statements of cash flows have been reclassified to conform with the presentation required by ASU 2016-18, and the changes in restricted cash are now presented as part of the change in total cash, cash equivalents and restricted cash rather than as changes in investing activities as previously presented.

Not Yet Adopted

In May 2014, the FASB issued ASU 2014-09, "Revenue from Contracts with Customers (Topic 606)," which supersedes the revenue recognition requirements in ASC Topic 605, "Revenue Recognition," and most industry-specific guidance. ASU 2014-09 is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASU 2014-09 also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts. ASU 2014-09 applies to all contracts with customers except those that are within the scope of other topics in the FASB ASC. The new guidance is effective for annual reporting periods beginning after December 15, 2017 for public companies. Early

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

2. Accounting Policies (Continued)

adoption is not permitted. Entities have the option of using either a full retrospective or modified retrospective approach to adopt ASU 2014-09. As of December 31, 2016, the Company does not expect the adoption of this standard to have a material impact to our revenue recognition based on our existing contracts with customers.

In February 2016, the FASB issued ASU 2016-02, "Leases (Topic 842)." ASU 2016-02 was issued to increase transparency and comparability across organizations by recognizing substantially all leases on the balance sheet through the concept of right-of-use lease assets and liabilities. Under current accounting guidance, lessees do not recognize lease assets or liabilities for leases classified as operating leases. The ASU is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years with early adoption permitted. The new leasing standard requires the modified retrospective adoption method. The Company is in the process of evaluating the impact of this accounting standard on its consolidated financial statements.

In October 2016, the FASB issued ASU 2016-16, "Intra-Entity Transfers of Assets Other Than Inventory." ASU 2016-16 requires the company to recognize income tax consequences, if any, on intercompany asset transfers, other than inventory, when the transfer occurs. The ASU is effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years with early adoption permitted. The Company is in the process of evaluating the impact of this accounting standard on its consolidated financial statements.

3. Acquisitions and Divestitures

2016 Transactions

In January and February 2016, we closed farm-in agreements with Equator Exploration Limited ("Equator"), an affiliate of Oando Energy Resources, for Block 5 and Block 12 offshore Sao Tome and Principe. As a result of subsequent farm-outs we currently have a 45% participating interest and operatorship in each block. The national petroleum agency, ANP STP, has a 15% and 12.5% carried interest in Block 5 and Block 12, respectively.

In April 2016, we closed a farm-out agreement with Hess Suriname Exploration Limited, a wholly-owned subsidiary of the Hess Corporation ("Hess"), covering the Block 42 contract area offshore Suriname. Under the terms of the agreement, Hess acquired a one-third non-operated interest in Block 42 from both Chevron and Kosmos. As part of the agreement, Hess is funding the cost of acquiring and processing a 6,500 square kilometer 3D seismic survey, subject to a maximum spend. Additionally, Hess will disproportionately fund a portion of the first exploration well in the Block 42 contract area, subject to a maximum spend, contingent upon the partnership entering the next phase of the exploration period. The new participating interests are one-third to each of Kosmos, Chevron and Hess, respectively. Kosmos remains the operator. Staatsolie Maatschappij Suriname N.V. ("Staatsolie"), Suriname's national oil company, has the option to back into the contract with an interest of not more than 10% upon approval of a development plan.

In May 2016, Kosmos and Capricorn Exploration and Development Company Limited, a wholly owned subsidiary of Cairn Energy PLC ("Cairn") executed a petroleum agreement with the Office National des Hydrocarbures et des Mines ("ONHYM"), the national oil company of the Kingdom of Morocco, for the Boujdour Maritime block. The Boujdour Maritime petroleum agreement largely replaces the acreage covered by the Cap Boujdour petroleum agreement which expired in March 2016. Under the terms of the petroleum agreement, Kosmos is the operator of the Boujdour Maritime block and has a 55% participating interest, Cairn has a 20% participating interest, and ONHYM holds a 25% carried interest in the block through the exploration period.

In September 2016, we entered into an agreement by which BP agreed to pay Kosmos \$30 million in lieu of drilling an exploration well and assigned its 45% participating interest in the Essaouira Offshore Block back to us, and the Moroccan government issued joint ministerial orders approving the assignment in October 2016, making it effective. After giving effect to the assignment, our participating interest is 75%

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

3. Acquisitions and Divestitures (Continued)

in the Essaouria Offshore block and we remain the operator. The \$30 million payment was received from BP in January 2017.

In October 2016, we entered into a petroleum contract covering Block C6 with the Islamic Republic of Mauritania. As a result of a subsequent farm-out we have a 28% participating interest and provide technical exploration services to BP, the operator. The Mauritanian national oil company, Societe Mauritanienne des Hydrocarbures et de Patrimoine Minier ("SMHPM"), currently has a 10% carried participating interest during the exploration period. Block C6 currently comprises approximately 1.1 million acres (4,300 square kilometers), with a first exploration period of four years from the effective date (October 28, 2016). The first exploration phase includes a 2,000 square kilometer 3D seismic requirement.

In December 2016, Kosmos closed a farm-out agreement with a subsidiary of Galp Energia SGPS S.A. ("Galp") to farm-out a 20% non-operated stake of the Company's interest in Blocks 5, 11, and 12 offshore Sao Tome and Principe. Based on the terms of the agreement, Galp will pay a proportionate share of Kosmos' past costs in the form of a partial carry on the 3D seismic survey which began in the first quarter of 2017.

In December 2016, we announced a partnership with affiliates of BP p.l.c. ("BP") in Mauritania and Senegal following a competitive farm-out process for our interests in our blocks offshore Mauritania and Senegal. In Mauritania, BP acquired a 62% participating interest in our four Mauritania licenses (C6, C8, C12 and C13). In Senegal, BP acquired a 49.99% interest in Kosmos BP Senegal Limited, our controlled affiliate company which holds a 65% participating interest in the Cayar Offshore Profond and the Saint Louis Offshore Profond blocks offshore Senegal. The participating interest gives effect to the completion of our exercise in December 2016 of an option to increase our equity in each contract area from 60% to 65% in exchange for carrying Timis Corporation's paying interest share of a third well in either contract area, subject to a maximum gross cost of \$120.0 million. In consideration for these transactions, Kosmos will receive \$162 million in cash up front, \$221 million exploration and appraisal carry, up to \$533 million in a development carry and variable consideration up to \$2 per barrel for up to 1 billion barrels of liquids, structured as a production royalty, subject to future liquids discovery and prevailing oil prices. The effective date of these transactions is July 1, 2016, with BP paying interim costs from the effective date to the closing date.

2015 Transactions

In March 2015, we closed a farm-in agreement with Repsol Exploracion, S.A. ("Repsol"), acquiring a non-operated interest in the Camarao, Ameijoa, Mexilhao and Ostra blocks in the Peniche Basin offshore Portugal. As part of the agreement, we reimbursed a portion of Repsol's previously incurred exploration costs, as well as partially carried Repsol's share of the costs of a planned 3D seismic program. After giving effect to the farm-in agreement, our participating interest is 31% in each of the blocks.

In March 2015, we closed a farm-out agreement with Chevron Corporation ("Chevron") covering the C8, C12 and C13 petroleum contracts offshore Mauritania. As partial consideration for the farm-out, Chevron paid a disproportionate share of the costs of one exploration well, the Marsouin-1 exploration well, as well as its proportionate share of certain previously incurred exploration costs. The final allocation resulted in sales proceeds of \$28.7 million, which exceeded our book basis in the assets, resulting in a \$24.7 million gain on the transaction. As a further component of the consideration for the farm-out, Chevron was required to make an election by February 1, 2016, to either farm-in to the Tortue-1 exploration well by paying a disproportionate share of the costs incurred in drilling of the well or, alternatively elect to not farm-in to the Tortue-1 exploration well and pay a disproportionate share of the costs of a second contingent exploration or appraisal well in the contract areas, subject to maximum expenditure caps. Chevron failed to make this mandatory election by the required date. Consequently, pursuant to the terms of the farm-out agreement, Chevron has withdrawn from our Mauritania blocks. Chevron's 30% non-operated participating interest was reassigned to us.

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

3. Acquisitions and Divestitures (Continued)

In September 2015, we notified the government of Ireland and our partners that we are withdrawing from all of our blocks offshore Ireland. These blocks were acquired during 2013.

In October 2015, we closed a sale and purchase agreement with ERHC Energy EEZ, LDA, whereby we acquired an 85% participating interest and operatorship in Block 11 offshore Sao Tome and Principe. The National Petroleum Agency, Agencia Nacional Do Petroleo De Sao Tome E Principe (“ANP STP”), has a 15% carried interest.

In November 2015, we closed a farm-in agreement with Galp Energia Sao Tome E Principe, Unipessoal, LDA (“Galp”), a wholly owned subsidiary of Petrogal, S.A. to acquire a 45% non-operated participating interest in Block 6 offshore Sao Tome and Principe.

2014 Transactions

In the first quarter of 2014, we closed three farm-out agreements with BP Exploration (Morocco) Limited, a wholly owned subsidiary of BP plc (“BP”), covering our three blocks in the Agadir Basin, offshore Morocco. The sales proceeds of the farm-outs were \$56.9 million. The proceeds on the sale of the interests exceeded our book basis in the assets, resulting in a \$23.8 million gain on the transaction. The petroleum agreements for Tarhazoute Offshore and Fom Assaka Offshore expired in June 2016 and July 2016, respectively.

In the first quarter of 2014, we closed a farm-out agreement with Capricorn Exploration and Development Company Limited, a wholly owned subsidiary of Cairn Energy PLC (“Cairn”), covering the Cap Boujdour Offshore block, offshore Western Sahara. Cairn paid \$1.5 million for their share of costs incurred from the effective date of the farm-out agreement through the closing date, which was recorded as a reduction in our basis. The Cap Boujdour petroleum agreement expired in March 2016.

In August 2014, we entered into a farm-in agreement with Timis Corporation Limited (“Timis”), whereby we acquired a 60% participating interest and operatorship, covering the Cayar Offshore Profond and Saint Louis Offshore Profond blocks offshore Senegal. As part of the agreement, we carried the full costs of a 3D seismic program. Additionally, we carried the full costs of the Guembeul-1 exploration well and will fund Timis’ share of the costs of a second contingent exploration well in either contract area, subject to a maximum gross cost per well of \$120.0 million, should Kosmos elect to drill such well. In December 2016, we exercised our option to increase our equity to 65% in exchange for carrying the full cost of a third contingent exploration or appraisal well, subject to a maximum gross cost of \$120.0 million.

4. Joint Interest Billings

The Company’s joint interest billings consist of receivables from partners with interests in common oil and gas properties operated by the Company. Joint interest billings are classified on the face of the consolidated balance sheets as current and long-term receivables based on when collection is expected to occur.

In 2014, the Ghana National Petroleum Corporation (“GNPC”) notified us and our block partners of its request for the contractor group to pay GNPC’s 5% share of the Tweneboa, Enyenra and Ntomme (“TEN”) development costs. The block partners will be reimbursed for such costs plus interest out of a portion of GNPC’s TEN production revenues under the terms of the Deepwater Tano (“DT”) petroleum contract. As of December 31, 2016 and 2015, the joint interest billing receivables due from GNPC for the TEN fields development costs were \$44.0 million and \$35.3 million, respectively, which were classified as long-term on the consolidated balance sheets.

KOSMOS ENERGY LTD.
Notes to Consolidated Financial Statements (Continued)

5. Property and Equipment

Property and equipment is stated at cost and consisted of the following:

	December 31,	
	2016	2015
	(In thousands)	
Oil and gas properties:		
Proved properties	\$1,385,331	\$1,337,215
Unproved properties	919,056	593,510
Support equipment and facilities	1,386,448	1,241,943
Total oil and gas properties	3,690,835	3,172,668
Accumulated depletion	(989,946)	(858,442)
Oil and gas properties, net	2,700,889	2,314,226
Other property	37,186	34,807
Accumulated depreciation	(29,183)	(26,194)
Other property, net	8,003	8,613
Property and equipment, net	<u>\$2,708,892</u>	<u>\$2,322,839</u>

We recorded depletion expense of \$131.5 million, \$146.6 million and \$188.3 million for the years ended December 31, 2016, 2015 and 2014, respectively.

6. Suspended Well Costs

The Company capitalizes exploratory well costs as unproved properties within oil and gas properties until a determination is made that the well has either found proved reserves or is impaired. If proved reserves are found, the capitalized exploratory well costs are reclassified to proved properties. Well costs are charged to exploration expense if the exploratory well is determined to be impaired.

The following table reflects the Company's capitalized exploratory well costs on completed wells as of and during the years ended December 31, 2016, 2015 and 2014. The table excludes \$2.4 million, \$70.3 million and \$1.1 million in costs that were capitalized and subsequently expensed during the same year for the years ended December 31, 2016, 2015 and 2014, respectively. During 2014, the exploratory well costs associated with the TEN fields were reclassified to proved property.

	Years Ended December 31,		
	2016	2015	2014
	(In thousands)		
Beginning balance	\$426,881	\$226,714	\$ 376,166
Additions to capitalized exploratory well costs pending the determination of proved reserves	307,582	223,542	71,039
Reclassification due to determination of proved reserves	—	—	(220,491)
Capitalized exploratory well costs charged to expense	—	(23,375)	—
Ending balance	<u>\$734,463</u>	<u>\$426,881</u>	<u>\$ 226,714</u>

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

6. Suspended Well Costs (Continued)

The following table provides aging of capitalized exploratory well costs based on the date drilling was completed and the number of projects for which exploratory well costs have been capitalized for more than one year since the completion of drilling:

	Years Ended December 31,		
	2016	2015	2014
	(In thousands, except well counts)		
Exploratory well costs capitalized for a period of one year or less	\$279,809	\$199,486	\$ 16,814
Exploratory well costs capitalized for a period of one to two years	244,804	17,702	40,865
Exploratory well costs capitalized for a period of three to seven years	209,850	209,693	169,035
Ending balance	<u>\$734,463</u>	<u>\$426,881</u>	<u>\$226,714</u>
Number of projects that have exploratory well costs that have been capitalized for a period greater than one year	<u>5</u>	<u>3</u>	<u>5</u>

As of December 31, 2016, the projects with exploratory well costs capitalized for more than one year since the completion of drilling are related to Mahogany, Teak (formerly Teak-1 and Teak-2) and Akasa discoveries in the West Cape Three Points (“WCTP”) Block and the Wawa discovery in the DT Block, which are all located offshore Ghana, the Greater Tortue discovery which crosses the Mauritania and Senegal maritime border and the Marsouin discovery in Block C8 offshore Mauritania.

Mahogany and Teak Discoveries—In November 2015, we signed the Jubilee Field Unit Expansion Agreement with our partners to allow for the development of the Mahogany and Teak discoveries through the Jubilee FPSO and infrastructure. The expansion of the Jubilee Unit becomes effective upon approval by Ghana’s Ministry of Energy of the Greater Jubilee Full Field Development Plan (“GJFFDP”), which was submitted to the government of Ghana in December 2015. The GJFFDP encompasses future development of the Jubilee Field, in addition to future development of the Mahogany and Teak discoveries, which were declared commercial during 2015. We are currently in discussions with the government of Ghana concerning the GJFFDP. Upon approval of the GJFFDP by the Ministry of Energy, the Jubilee Unit will be expanded to include the Mahogany and Teak discoveries and revenues and expenses associated with these discoveries will be at the Jubilee Unit interests. The WCTP Block partners have agreed they will take the steps necessary to transfer operatorship of the remaining portions of the WCTP Block to Tullow after approval of the GJFFDP by Ghana’s Ministry of Energy.

Akasa Discovery—We are currently in discussions with the government of Ghana regarding additional technical studies and evaluation that we want to conduct before we are able to make a determination regarding commerciality of the discovery. If we determine the discovery to be commercial, a declaration of commerciality would be provided and a PoD would be prepared and submitted to Ghana’s Ministry of Energy, as required under the WCTP petroleum contract. The WCTP Block partners have agreed they will take the steps necessary to transfer operatorship of the remaining portions of the WCTP Block, including the Akasa Discovery, to Tullow after approval of the GJFFDP by Ghana’s Ministry of Energy.

Wawa Discovery—In February 2016, we requested the Ghana Ministry of Energy to approve the enlargement of the areal extent of the TEN fields and production area to capture the resource accumulation located in the Wawa Discovery Area for a potential future integrated development with the TEN fields. In April 2016, the Ghana Ministry of Energy approved our request to enlarge the TEN development and production area subject to continued subsurface and development concept evaluation, along with the requirement to integrate the Wawa Discovery into the TEN PoD.

Greater Tortue Discovery—In May 2015, we completed the Tortue-1 exploration well in Block C8 offshore Mauritania which encountered hydrocarbon pay. Two additional wells have been drilled. Following additional evaluation, a decision regarding commerciality will be made.

KOSMOS ENERGY LTD.
Notes to Consolidated Financial Statements (Continued)

6. Suspended Well Costs (Continued)

Marsouin Discovery—In November 2015, we completed the Marsouin-1 exploration well in the northern part of Block C8 offshore Mauritania which encountered hydrocarbon pay. Following additional evaluation, a decision regarding commerciality will be made.

7. Debt

	December 31,	
	2016	2015
	(In thousands)	
Outstanding debt principal balances:		
Facility	\$ 850,000	\$400,000
Senior Notes	525,000	525,000
Total	1,375,000	925,000
Unamortized deferred financing costs and discounts(1) . .	(53,126)	(64,122)
Long-term debt	\$1,321,874	\$860,878

(1) Includes \$30.3 million and \$37.5 million of unamortized deferred financing costs related to the Facility and \$22.8 million and \$26.6 million of unamortized deferred financing costs and discounts related to the Senior Notes as of December 31, 2016 and December 31, 2015, respectively.

Facility

In March 2014, the Company amended and restated the Facility with a total commitment of \$1.5 billion from a number of financial institutions. The Facility supports our oil and gas exploration, appraisal and development programs and corporate activities. As part of the debt refinancing in March 2014, the repayment of borrowings under the existing facility attributable to financial institutions that did not participate in the amended Facility was accounted for as an extinguishment of debt, and existing unamortized debt issuance costs attributable to those participants were expensed. As a result, we recorded a \$2.9 million loss on the extinguishment of debt. As of December 31, 2016, we have \$30.3 million of unamortized issuance costs related to the Facility, which will be amortized over the remaining term of the Facility, including certain costs related to the amendment.

In September 2016, following the lender's semi-annual redetermination, the borrowing base under our Facility was \$1.467 billion (effective October 1, 2016). The borrowing base calculation includes value related to the Jubilee and TEN fields.

As of December 31, 2016, borrowings under the Facility totaled \$850.0 million and the undrawn availability under the Facility was \$616.9 million. Interest is the aggregate of the applicable margin (3.25% to 4.50%, depending on the length of time that has passed from the date the Facility was entered into); LIBOR; and mandatory cost (if any, as defined in the Facility). Interest is payable on the last day of each interest period (and, if the interest period is longer than six months, on the dates falling at six-month intervals after the first day of the interest period). We pay commitment fees on the undrawn and unavailable portion of the total commitments, if any. Commitment fees are equal to 40% per annum of the then-applicable respective margin when a commitment is available for utilization and, equal to 20% per annum of the then-applicable respective margin when a commitment is not available for utilization. We recognize interest expense in accordance with ASC 835—Interest, which requires interest expense to be recognized using the effective interest method. We determined the effective interest rate based on the estimated level of borrowings under the Facility. As part of the March 2014 amendment, the Facility's estimated effective interest rate was changed and, accordingly, we adjusted our estimate of deferred interest previously recorded during prior years by \$4.5 million, which was recorded as a reduction to interest expense for the year ended December 31, 2014.

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Notes to Consolidated Financial Statements (Continued)

7. Debt (Continued)

The Facility provides a revolving credit and letter of credit facility. The availability period for the revolving-credit facility, as amended in March 2014 expires on March 31, 2018, however the Facility has a revolving-credit sublimit, which will be the lesser of \$500.0 million and the total available facility at that time, that will be available for drawing until the date falling one month prior to the final maturity date. The letter of credit facility expires on the final maturity date. The available facility amount is subject to borrowing base constraints and, beginning on March 31, 2018, outstanding borrowings will be constrained by an amortization schedule. The Facility has a final maturity date of March 31, 2021. As of December 31, 2016, we had no letters of credit issued under the Facility.

Kosmos has the right to cancel all the undrawn commitments under the Facility. The amount of funds available to be borrowed under the Facility, also known as the borrowing base amount, is determined each year on March 31 and September 30. The borrowing base amount is based on the sum of the net present values of net cash flows and relevant capital expenditures reduced by certain percentages as well as value attributable to certain assets' reserves and/or resources in Ghana.

If an event of default exists under the Facility, the lenders can accelerate the maturity and exercise other rights and remedies, including the enforcement of security granted pursuant to the Facility over certain assets held by our subsidiaries. The Facility contains customary cross default provisions.

We were in compliance with the financial covenants contained in the Facility as of the September 30, 2016 (the most recent assessment date).

Corporate Revolver

In November 2012, we secured a Corporate Revolver from a number of financial institutions which, as amended in June 2015, has an availability of \$400.0 million. The Corporate Revolver is available for all subsidiaries for general corporate purposes and for oil and gas exploration; appraisal and development programs. As of December 31, 2016, we have \$5.2 million of net deferred financing costs related to the Corporate Revolver, which will be amortized over the remaining term, which as amended expires in November 2018. These deferred financing costs are included in the Other assets section of the consolidated balance sheet.

As of December 31, 2016, there were no borrowings outstanding under the Corporate Revolver and the undrawn availability under the Corporate Revolver was \$400.0 million.

Interest is the aggregate of the applicable margin (6.0%); LIBOR; and mandatory cost (if any, as defined in the Corporate Revolver). Interest is payable on the last day of each interest period (and, if the interest period is longer than six months, on the dates falling at six-month intervals after the first day of the interest period). We pay commitment fees on the undrawn portion of the total commitments. Commitment fees, as amended in June 2015, for the lenders are equal to 30% per annum of the respective margin when a commitment is available for utilization.

The Corporate Revolver, as amended in June 2015, expires on November 23, 2018. The available amount is not subject to borrowing base constraints. Kosmos has the right to cancel all the undrawn commitments under the Corporate Revolver. The Company is required to repay certain amounts due under the Corporate Revolver with sales of certain subsidiaries or sales of certain assets. If an event of default exists under the Corporate Revolver, the lenders can accelerate the maturity and exercise other rights and remedies, including the enforcement of security granted pursuant to the Corporate Revolver over certain assets held by us.

We were in compliance with the financial covenants contained in the Corporate Revolver as of September 30, 2016 (the most recent assessment date). The Corporate Revolver contains customary cross default provisions.

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

7. Debt (Continued)

Revolving Letter of Credit Facility

In July 2013, we entered into a revolving letter of credit facility agreement (“LC Facility”). The size of the LC Facility is \$75.0 million, as amended in July 2015, with additional commitments up to \$50.0 million being available if the existing lender increases its commitment or if commitments from new financial institutions are added. The LC Facility provides that we maintain cash collateral in an amount equal to at least 75% of all outstanding letters of credit under the LC Facility, provided that during the period of any breach of certain financial covenants, the required cash collateral amount shall increase to 100%.

In July 2016, we amended and restated the LC Facility, extending the maturity date to July 2019. The LC Facility size remains at \$75.0 million, as amended in July 2015, with additional commitments up to \$50.0 million being available if the existing lender increases its commitment or if commitments from new financial institutions are added. Other amendments include increasing the margin from 0.5% to 0.8% per annum on amounts outstanding, adding a commitment fee payable quarterly in arrears at an annual rate equal to 0.65% on the available commitment amount and providing for issuance fees to be payable to the lender per new issuance of a letter of credit. We may voluntarily cancel any commitments available under the LC Facility at any time. As of December 31, 2016, there were nine outstanding letters of credit totaling \$72.8 million under the LC Facility. The LC Facility contains customary cross default provisions.

In February 2017, we exercised an option to increase the size of the LC Facility to \$125.0 million to facilitate the issuance of additional letters of credit.

7.875% Senior Secured Notes due 2021

During August 2014, the Company issued \$300.0 million of Senior Notes and received net proceeds of approximately \$292.5 million after deducting discounts, commissions and deferred financing costs. The Company used the net proceeds to repay a portion of the outstanding indebtedness under the Facility and for general corporate purposes.

During April 2015, we issued an additional \$225.0 million of Senior Notes and received net proceeds of \$206.8 million after deducting discounts, commissions and other expenses. We used the net proceeds to repay a portion of the outstanding indebtedness under the Facility and for general corporate purposes. The additional \$225.0 million of Senior Notes have identical terms to the initial \$300.0 million Senior Notes, other than the date of issue, the initial price, the first interest payment date and the first date from which interest accrued.

The Senior Notes mature on August 1, 2021. Interest is payable semi-annually in arrears each February 1 and August 1 commencing on February 1, 2015 for the initial \$300.0 million Senior Notes and August 1, 2015 for the additional \$225.0 million Senior Notes. The Senior Notes are secured (subject to certain exceptions and permitted liens) by a first ranking fixed equitable charge on all shares held by us in our direct subsidiary, Kosmos Energy Holdings. The Senior Notes are currently guaranteed on a subordinated, unsecured basis by our existing restricted subsidiaries that guarantee the Facility and the Corporate Revolver, and, in certain circumstances, the Senior Notes will become guaranteed by certain of our other existing or future restricted subsidiaries (the “Guarantees”).

Redemption and Repurchase. At any time prior to August 1, 2017 and subject to certain conditions, the Company may, on any one or more occasions, redeem up to 35% of the aggregate principal amount of Senior Notes issued under the indenture dated August 1, 2014 related to the Senior Notes (the “Indenture”) at a redemption price of 107.875%, plus accrued and unpaid interest, with the cash proceeds of certain eligible equity offerings. Additionally, at any time prior to August 1, 2017, the Company may, on any one or more occasions, redeem all or a part of the Senior Notes at a redemption price equal to 100%, plus any accrued and unpaid interest, and a make-whole premium. On or after

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Notes to Consolidated Financial Statements (Continued)

7. Debt (Continued)

August 1, 2017, the Company may redeem all or a part of the Senior Notes at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest:

<u>Year</u>	<u>Percentage</u>
On or after August 1, 2017, but before August 1, 2018	103.9%
On or after August 1, 2018, but before August 1, 2019	102.0%
On or after August 1, 2019 and thereafter	100.0%

We may also redeem the Senior Notes in whole, but not in part, at any time if changes in tax laws impose certain withholding taxes on amounts payable on the Senior Notes at a price equal to the principal amount of the Senior Notes plus accrued interest and additional amounts, if any, as may be necessary so that the net amount received by each holder after any withholding or deduction on payments of the Senior Notes will not be less than the amount such holder would have received if such taxes had not been withheld or deducted.

Upon the occurrence of a change of control triggering event as defined under the Indenture, the Company will be required to make an offer to repurchase the Senior Notes at a repurchase price equal to 101% of the principal amount, plus accrued and unpaid interest to, but excluding, the date of repurchase.

If we sell assets, under certain circumstances outlined in the Indenture, we will be required to use the net proceeds to make an offer to purchase the Senior Notes at an offer price in cash in an amount equal to 100% of the principal amount of the Senior Notes, plus accrued and unpaid interest to, but excluding, the repurchase date.

Covenants. The Indenture restricts our ability and the ability of our restricted subsidiaries to, among other things: incur or guarantee additional indebtedness, create liens, pay dividends or make distributions in respect of capital stock, purchase or redeem capital stock, make investments or certain other restricted payments, sell assets, enter into agreements that restrict the ability of our subsidiaries to make dividends or other payments to us, enter into transactions with affiliates, or effect certain consolidations, mergers or amalgamations. These covenants are subject to a number of important qualifications and exceptions. Certain of these covenants will be terminated if the Senior Notes are assigned an investment grade rating by both Standard & Poor's Rating Services and Fitch Ratings Inc. and no default or event of default has occurred and is continuing.

Collateral. The Senior Notes are secured (subject to certain exceptions and permitted liens) by a first ranking fixed equitable charge on all currently outstanding shares, additional shares, dividends or other distributions paid in respect of such shares or any other property derived from such shares, in each case held by us in relation to the Company's direct subsidiary, Kosmos Energy Holdings, pursuant to the terms of the Charge over Shares of Kosmos Energy Holdings dated November 23, 2012, as amended and restated on March 14, 2014, between the Company and BNP Paribas as Security and Intercreditor Agent. The Senior Notes share *pari passu* in the benefit of such equitable charge based on the respective amounts of the obligations under the Indenture and the amount of obligations under the Corporate Revolver. The Guarantees are not secured.

At December 31, 2016, the estimated repayments of debt during the five years and thereafter are as follows:

	<u>Payments Due by Year</u>						
	<u>Total</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>Thereafter</u>
	(In thousands)						
Principal debt							
repayments(1)	\$1,375,000	\$ —	\$ —	\$268,823	\$395,166	\$711,011	\$ —

(1) Includes the scheduled principal maturities for the \$525.0 million aggregate principal amount of Senior Notes issued in August 2014 and April 2015 and the Facility. The scheduled maturities of debt related to the Facility are based on the level of borrowings and the estimated future available

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

7. Debt (Continued)

borrowing base as of December 31, 2016. Any increases or decreases in the level of borrowings or increases or decreases in the available borrowing base would impact the scheduled maturities of debt during the next five years and thereafter. As of December 31, 2016, there were no borrowings under the Corporate Revolver.

Interest and other financing costs, net

Interest and other financing costs, net incurred during the period comprised of the following:

	Years Ended December 31,		
	2016	2015	2014
	(In thousands)		
Interest expense	\$ 89,029	\$ 74,897	\$ 57,876
Amortization—deferred financing costs	10,204	10,324	10,548
Loss on extinguishment of debt	—	165	2,898
Capitalized interest	(59,803)	(52,392)	(20,577)
Deferred interest	(581)	1,770	(3,562)
Interest income	(1,954)	(844)	(529)
Other, net	7,252	3,289	(1,106)
Interest and other financing costs, net	\$ 44,147	\$ 37,209	\$ 45,548

8. Derivative Financial Instruments

We use financial derivative contracts to manage exposures to commodity price and interest rate fluctuations. We do not hold or issue derivative financial instruments for trading purposes.

We manage market and counterparty credit risk in accordance with our policies and guidelines. In accordance with these policies and guidelines, our management determines the appropriate timing and extent of derivative transactions. We have included an estimate of nonperformance risk in the fair value measurement of our derivative contracts as required by ASC 820—Fair Value Measurements and Disclosures.

Oil Derivative Contracts

The following table sets forth the volumes in barrels underlying the Company's outstanding oil derivative contracts and the weighted average Dated Brent prices per Bbl for those contracts as of December 31, 2016. Volumes are net of any offsetting derivative contracts entered into.

Term	Type of Contract	MBbl	Weighted Average Dated Brent Price per Bbl					Call
			Net Deferred Premium Payable	Swap	Sold Put	Floor	Ceiling	
2017:								
January—December	Swap with puts/calls	2,000	\$2.13	\$72.50	\$55.00	\$ —	\$ —	\$90.00
January—December	Swap with puts	2,000	—	64.95	50.00	—	—	—
January—December	Three-way collars	3,002	2.29	—	30.00	45.00	57.50	—
January—December	Sold calls(1)	2,000	—	—	—	—	85.00	—
2018:								
January—December	Three-way collars	2,913	\$0.74	\$ —	\$41.57	\$56.57	\$65.90	\$ —
January—December	Sold calls(1)	2,000	—	—	—	—	65.00	—
2019:								
January—December	Sold calls(1)	913	\$ —	\$ —	\$ —	\$ —	\$80.00	\$ —

(1) Represents call option contracts sold to counterparties to enhance other derivative positions.

In February 2017, we entered into three-way collar contracts for 1.0 MMBbl from January 2018 through December 2018 with a floor price of \$50.00 per barrel, a ceiling price of \$62.00 per barrel and a

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Notes to Consolidated Financial Statements (Continued)

8. Derivative Financial Instruments (Continued)

purchased call price of \$70.00 per barrel. The contracts are indexed to Dated Brent prices and have a weighted average deferred premium payable of \$2.32 per barrel.

Interest Rate Derivative Contracts

The following table summarizes our capped interest rate swaps whereby we pay a fixed rate of interest if LIBOR is below the cap, and pay the market rate less the spread between the cap (sold call) and the fixed rate of interest if LIBOR is above the cap as of December 31, 2016:

Term	Type of Contract	Floating Rate	Weighted Average		
			Notional (In thousands)	Swap	Sold Call
January 2017—December 2018	Capped swap	1-month LIBOR	\$200,000	1.23%	3.00%

Effective June 1, 2010, we discontinued hedge accounting on all interest rate derivative instruments. Therefore, from that date forward, changes in the fair value of the instruments have been recognized in earnings during the period of change. The effective portions of the discontinued hedges as of May 31, 2010, were included in AOCI in the equity section of the accompanying consolidated balance sheets, and were transferred to earnings when the hedged transaction settled. As of December 31, 2015 all instruments previously designated as hedges have settled and there is no balance remaining in AOCI. See Note 9—Fair Value Measurements for additional information regarding the Company's derivative instruments.

The following tables disclose the Company's derivative instruments as of December 31, 2016 and 2015 and gain/(loss) from derivatives during the years ended December 31, 2016, 2015 and 2014

Type of Contract	Balance Sheet Location	Estimated Fair Value Asset (Liability)	
		December 31,	
		2016	2015
(In thousands)			
Derivatives not designated as hedging instruments:			
Derivative assets:			
Commodity(1)	Derivatives assets—current	\$ 31,698	\$182,640
Commodity(2)	Derivatives assets—long-term	3,226	59,197
Interest rate	Derivatives assets—long-term	582	659
Derivative liabilities:			
Commodity(3)	Derivatives liabilities—current	(19,163)	—
Interest rate	Derivatives liabilities—current	(529)	(1,155)
Commodity(4)	Derivatives liabilities—long-term	(14,123)	(4,196)
Total derivatives not designated as hedging instruments		\$ 1,691	\$237,145

(1) Includes net deferred premiums payable of \$3.9 million and \$6.2 million related to commodity derivative contracts as of December 31, 2016 and 2015, respectively.

(2) Includes net deferred premiums payable of \$2.5 million and \$6.9 million related to commodity derivative contracts as of December 31, 2016 and 2015, respectively.

(3) Includes \$30.9 thousand and zero as of December 31, 2016 and December 31, 2015, respectively which represents our provisional oil sales contract. Also, includes net deferred premiums payable of \$6.2 million and zero related to commodity derivative contracts as of December 31, 2016 and 2015, respectively.

(4) Includes net deferred premiums payable of \$0.6 million and zero related to commodity derivative contracts as of December 31, 2016 and 2015, respectively.

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Notes to Consolidated Financial Statements (Continued)

8. Derivative Financial Instruments (Continued)

<u>Type of Contract</u>	<u>Location of Gain/(Loss)</u>	<u>Amount of Gain/(Loss)</u> <u>Years Ended December 31,</u>		
		<u>2016</u>	<u>2015</u>	<u>2014</u>
(In thousands)				
Derivatives in cash flow hedging relationships:				
Interest rate(1)	Interest expense	\$ —	\$ 767	\$ 1,391
Total derivatives in cash flow hedging relationships		<u>\$ —</u>	<u>\$ 767</u>	<u>\$ 1,391</u>
Derivatives not designated as hedging instruments:				
Commodity(2)	Oil and gas revenue	\$ 2,538	\$ 3	\$ (11,661)
Commodity	Derivatives, net	(48,021)	210,649	281,853
Interest rate	Interest expense	(1,076)	(462)	(285)
Total derivatives not designated as hedging instruments		<u>\$(46,559)</u>	<u>\$210,190</u>	<u>\$269,907</u>

(1) Amounts were reclassified from AOCI into earnings upon settlement.

(2) Amounts represent the change in fair value of our provisional oil sales contracts.

Offsetting of Derivative Assets and Derivative Liabilities

Our derivative instruments which are subject to master netting arrangements with our counterparties only have the right of offset when there is an event of default. As of December 31, 2016 and 2015, there was not an event of default and, therefore, the associated gross asset or gross liability amounts related to these arrangements are presented on the consolidated balance sheets.

9. Fair Value Measurements

In accordance with ASC 820—Fair Value Measurements and Disclosures, fair value measurements are based upon inputs that market participants use in pricing an asset or liability, which are classified into two categories: observable inputs and unobservable inputs. Observable inputs represent market data obtained from independent sources, whereas unobservable inputs reflect a company's own market assumptions, which are used if observable inputs are not reasonably available without undue cost and effort. We prioritize the inputs used in measuring fair value into the following fair value hierarchy:

- Level 1—quoted prices for identical assets or liabilities in active markets.
- Level 2—quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability and inputs derived principally from or corroborated by observable market data by correlation or other means.
- Level 3—unobservable inputs for the asset or liability. The fair value input hierarchy level to which an asset or liability measurement in its entirety falls is determined based on the lowest level input that is significant to the measurement in its entirety.

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Notes to Consolidated Financial Statements (Continued)

9. Fair Value Measurements (Continued)

The following tables present the Company's assets and liabilities that are measured at fair value on a recurring basis as of December 31, 2016 and 2015, for each fair value hierarchy level:

	Fair Value Measurements Using:			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
	(In thousands)			
December 31, 2016				
Assets:				
Commodity derivatives	\$ —	\$ 34,924	\$ —	\$ 34,924
Interest rate derivatives	—	582	—	582
Liabilities:				
Commodity derivatives	—	(33,286)	—	(33,286)
Interest rate derivatives	—	(529)	—	(529)
Total	<u>\$ —</u>	<u>\$ 1,691</u>	<u>\$ —</u>	<u>\$ 1,691</u>
December 31, 2015				
Assets:				
Commodity derivatives	\$ —	\$ 241,837	\$ —	\$ 241,837
Interest rate derivatives	—	659	—	659
Liabilities:				
Commodity derivatives	—	(4,196)	—	(4,196)
Interest rate derivatives	—	(1,155)	—	(1,155)
Total	<u>\$ —</u>	<u>\$ 237,145</u>	<u>\$ —</u>	<u>\$ 237,145</u>

The book values of cash and cash equivalents and restricted cash approximate fair value based on Level 1 inputs. Joint interest billings, oil sales and other receivables, and accounts payable and accrued liabilities approximate fair value due to the short-term nature of these instruments. Our long-term receivables, after any allowances for doubtful accounts, and other long-term assets approximate fair value. The estimates of fair value of these items are based on Level 2 inputs.

Commodity Derivatives

Our commodity derivatives represent crude oil three-way collars, put options, call options and swaps for notional barrels of oil at fixed Dated Brent oil prices. The values attributable to our oil derivatives are based on (i) the contracted notional volumes, (ii) independent active futures price quotes for Dated Brent, (iii) a credit-adjusted yield curve applicable to each counterparty by reference to the credit default swap ("CDS") market and (iv) an independently sourced estimate of volatility for Dated Brent. The volatility estimate was provided by certain independent brokers who are active in buying and selling oil options and was corroborated by market-quoted volatility factors. The deferred premium is included in the fair market value of the commodity derivatives. See Note 8—Derivative Financial Instruments for additional information regarding the Company's derivative instruments.

Provisional Oil Sales

The value attributable to the provisional oil sales derivative is based on (i) the sales volumes and (ii) the difference in the independent active futures price quotes for Dated Brent over the term of the pricing period designated in the sales contract and the spot price on the lifting date.

Interest Rate Derivatives

We enter into interest rate swaps, whereby the Company pays a fixed rate of interest and the counterparty pays a variable LIBOR-based rate. We also enter into capped interest rate swaps, whereby the Company pays a fixed rate of interest if LIBOR is below the cap, and pays the market rate less the spread between the cap and the fixed rate of interest if LIBOR is above the cap. The values attributable to

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

9. Fair Value Measurements (Continued)

the Company's interest rate derivative contracts are based on (i) the contracted notional amounts, (ii) LIBOR yield curves provided by independent third parties and corroborated with forward active market-quoted LIBOR yield curves and (iii) a credit-adjusted yield curve as applicable to each counterparty by reference to the CDS market.

Debt

The following table presents the carrying values and fair values at December 31, 2016 and 2015:

	December 31, 2016		December 31, 2015	
	Carrying Value	Fair Value	Carrying Value	Fair Value
	(In thousands)			
Senior Notes	\$ 503,716	\$ 528,938	\$500,186	\$423,612
Facility	850,000	850,000	400,000	400,000
Total	<u>\$1,353,716</u>	<u>\$1,378,938</u>	<u>\$900,186</u>	<u>\$823,612</u>

The carrying value of our Senior Notes represents the principal amounts outstanding less unamortized discounts. The fair value of our Senior Notes is based on quoted market prices, which results in a Level 1 fair value measurement. The carrying value of the Facility approximates fair value since it is subject to short-term floating interest rates that approximate the rates available to us for those periods.

10. Asset Retirement Obligations

The following table summarizes the changes in the Company's asset retirement obligations:

	December 31,	
	2016	2015
	(In thousands)	
Asset retirement obligations:		
Beginning asset retirement obligations	\$43,938	\$44,023
Liabilities incurred during period	14,235	3,818
Revisions in estimated retirement obligations	—	(9,023)
Accretion expense	5,401	5,120
Ending asset retirement obligations	<u>\$63,574</u>	<u>\$43,938</u>

The Ghanaian legal and regulatory regime regarding oil field abandonment and other environmental matters is evolving. Currently, no Ghanaian environmental regulations expressly require that companies abandon or remove offshore assets. Under the Environmental Permit for the Jubilee Field, a decommissioning plan will be prepared and submitted to the Ghana Environmental Protection Agency. ASC 410—Asset Retirement and Environmental Obligations requires the Company to recognize this liability in the period in which the liability was incurred. The TEN fields commenced production during the third quarter and an asset retirement obligation was recorded for the facilities and wells that came online during 2016. Additional asset retirement obligations will be recorded in the period in which additional wells within our producing fields are commissioned.

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Notes to Consolidated Financial Statements (Continued)

11. Equity-based Compensation

Restricted Stock Awards and Restricted Stock Units

Prior to our corporate reorganization, Kosmos Energy Holdings issued common units designated as profit units with a threshold value ranging from \$0.85 to \$90 to employees, management and directors. Profit units were equity awards that were measured on the grant date and expensed over a vesting period of four years. Founding management and directors vested 20% as of the date of issuance and an additional 20% on the anniversary date for each of the next four years. Profit units issued to employees vested 50% on the second and fourth anniversaries of the issuance date.

As part of the corporate reorganization in May 2011, vested profit units were exchanged for 31.7 million common shares of Kosmos Energy Ltd., unvested profit units were exchanged for 10.0 million restricted stock awards and the \$90 profit units were cancelled. These restricted stock awards ultimately vested during 2015. Based on the terms and conditions of the corporate reorganization, the exchange of profit units for common shares of Kosmos Energy Ltd. resulted in no incremental compensation costs.

In April 2011, the Board of Directors approved the LTIP, which provides for the granting of incentive awards in the form of stock options, stock appreciation rights, restricted stock awards, restricted stock units, among other award types. In January 2015, the board of directors approved an amendment to the plan to add 15.0 million shares to the plan which was approved at the Annual General Meeting in June 2015. The LTIP provides for the issuance of 39.5 million shares pursuant to awards under the plan, in addition to the 10.0 million restricted stock awards exchanged for unvested profit units. As of December 31, 2016, the Company had approximately 8.3 million shares that remain available for issuance under the LTIP.

The Company adopted ASU 2016-09, "Improvements to Employee Share-based Payment Accounting" during the second quarter of 2016 using an effective date of January 1, 2016. Prior period compensation expense disclosed below includes estimated forfeitures and has not been adjusted.

We record equity-based compensation expense equal to the fair value of share-based payments over the vesting periods of the LTIP awards. We recorded compensation expense from awards granted under our LTIP of \$40.1 million, \$75.1 million and \$74.5 million during the years ended December 31, 2016, 2015 and 2014, respectively. During the year ended December 31, 2014, an additional \$5.0 million of equity-based compensation was recorded as restructuring charges. The total tax benefit for the years ended December 31, 2016, 2015 and 2014 was \$13.0 million, \$25.7 million and \$25.7 million, respectively. Additionally, we expensed a tax shortfall related to equity-based compensation of \$5.5 million, \$18.6 million and \$6.5 million for the years ended December 31, 2016, 2015 and 2014, respectively. The fair value of awards vested during 2016, 2015 and 2014 was approximately \$14.4 million, \$52.2 million, and \$37.0 million, respectively. The Company granted both restricted stock awards and restricted stock units with service vesting criteria and granted both restricted stock awards and restricted stock units with a combination of market and service vesting criteria under the LTIP. Substantially, all of these awards vest over three or four year periods. Restricted stock awards are issued and included in the number of outstanding shares upon the date of grant and, if such awards are forfeited, they become treasury stock. Upon vesting, restricted stock units become issued and outstanding stock.

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Notes to Consolidated Financial Statements (Continued)

11. Equity-based Compensation (Continued)

The following table reflects the outstanding restricted stock awards as of December 31, 2016:

	Service Vesting Restricted Stock Awards	Weighted- Average Grant-Date Fair Value	Market / Service Vesting Restricted Stock Awards	Weighted- Average Grant-Date Fair Value
	(In thousands)		(In thousands)	
Outstanding at December 31,				
2013	6,384	\$ 16.48	3,438	\$ 12.95
Granted	—	—	—	—
Forfeited	(122)	15.20	(77)	10.74
Vested	(3,022)	16.02	—	—
Outstanding at December 31,				
2014	3,240	16.95	3,361	13.00
Granted	660	8.64	—	—
Forfeited	(2)	12.84	(1,554)	13.29
Vested	(3,088)	17.21	(1,546)	13.30
Outstanding at December 31,				
2015	810	9.20	261	9.44
Granted	—	—	—	—
Forfeited	—	—	(162)	9.44
Vested	(322)	9.77	(99)	9.44
Outstanding at December 31,				
2016	488	8.83	—	—

The following table reflects the outstanding restricted stock units as of December 31, 2016:

	Service Vesting Restricted Stock Units	Weighted- Average Grant-Date Fair Value	Market / Service Vesting Restricted Stock Units	Weighted- Average Grant-Date Fair Value
	(In thousands)		(In thousands)	
Outstanding at December 31,				
2013	2,238	\$ 10.74	1,858	\$ 15.59
Granted	2,113	10.80	1,572	15.71
Forfeited	(412)	10.90	(184)	15.48
Vested	(572)	10.74	—	—
Outstanding at December 31,				
2014	3,367	10.76	3,246	15.66
Granted	1,539	8.37	3,544	12.96
Forfeited	(254)	10.14	(212)	14.48
Vested	(1,060)	10.71	—	—
Outstanding at December 31,				
2015	3,592	\$ 9.79	6,578	\$ 14.24
Granted	2,158	4.05	1,379	4.88
Forfeited	(134)	8.87	(70)	14.49
Vested	(1,456)	9.61	(693)	15.81
Outstanding at December 31,				
2016	4,160	6.91	7,194	12.29

As of December 31, 2016, total equity-based compensation to be recognized on unvested restricted stock awards and restricted stock units is \$31.6 million over a weighted average period of 1.3 years.

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Notes to Consolidated Financial Statements (Continued)

11. Equity-based Compensation (Continued)

For restricted stock awards and restricted stock units with a combination of market and service vesting criteria, the number of common shares to be issued is determined by comparing the Company's total shareholder return with the total shareholder return of a predetermined group of peer companies over the performance period and can vest in up to 100% of the awards granted for restricted stock awards and up to 200% of the awards granted for restricted stock units. The grant date fair value of these awards ranged from \$6.70 to \$13.57 per award for restricted stock awards and \$4.83 to \$15.81 per award for restricted stock units. The Monte Carlo simulation model utilizes multiple input variables that determine the probability of satisfying the market condition stipulated in the award grant and calculates the fair value of the award. The expected volatility utilized in the model was estimated using our historical volatility and the historical volatilities of our peer companies and ranged from 41.3% to 56.7% for restricted stock awards and 44.0% to 54.0% for restricted stock units. The risk-free interest rate was based on the U.S. treasury rate for a term commensurate with the expected life of the grant and ranged from 0.5% to 1.1% for restricted stock awards and 0.5% to 1.2% for restricted stock units.

For profit units that were exchanged for restricted stock awards, the significant assumptions used to calculate the fair values of the profit units granted as calculated using a binomial tree, were as follows: no dividend yield, expected volatility ranging from approximately 25% to 66%; risk-free interest rate ranging from 1.3% to 5.1%; expected life ranging from 1.2 to 8.1 years; and projected turnover rates ranging from 7.0% to 27.0% for employees and none for management. For profit units granted immediately prior to our initial public offering, we utilized the midpoint of the range of the estimated offering price, or \$17.00 per share.

In January 2017, we granted 1.8 million service vesting restricted stock units and 2.1 million market and service vesting restricted stock units to our employees under our long-term incentive plan. We expect to recognize approximately \$34.1 million of non-cash compensation expense related to these grants over the next three years.

12. Income Taxes

Kosmos Energy Ltd. is a Bermuda company that is not subject to taxation at the corporate level. We provide for income taxes based on the laws and rates in effect in the countries in which our operations are conducted. The relationship between our pre-tax income or loss from continuing operations and our income tax expense or benefit varies from period to period as a result of various factors which include changes in total pre-tax income or loss, the jurisdictions in which our income (loss) is earned and the tax laws in those jurisdictions.

The components of income (loss) before income taxes were as follows:

	Years Ended December 31,		
	2016	2015	2014
	(In thousands)		
Bermuda	\$ (63,749)	\$ (62,372)	\$(31,787)
United States	5,083	10,652	15,684
Foreign—other	(235,898)	137,156	594,371
Income (loss) before income taxes	<u>\$(294,564)</u>	<u>\$ 85,436</u>	<u>\$578,268</u>

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

12. Income Taxes (Continued)

The components of the provision for income taxes attributable to our income (loss) before income taxes consist of the following:

	Years Ended December 31,		
	2016	2015	2014
	(In thousands)		
Current:			
Bermuda	\$ —	\$ —	\$ —
United States	12,675	15,199	27,167
Foreign—other	102	29,287	55,322
Total current	12,777	44,486	82,489
Deferred:			
Bermuda	—	—	—
United States	(3,594)	8,241	(14,403)
Foreign—other	(19,967)	102,545	230,812
Total deferred	(23,561)	110,786	216,409
Income tax expense (benefit)	\$ (10,784)	\$155,272	\$298,898

Our reconciliation of income tax expense (benefit) computed by applying our Bermuda statutory rate and the reported effective tax rate on income (loss) from continuing operations is as follows:

	Years Ended December 31,		
	2016	2015	2014
	(In thousands)		
Tax at Bermuda statutory rate	\$ —	\$ —	\$ —
Foreign income (loss) taxed at different rates	(57,898)	94,184	266,993
Change in valuation allowance and the expiration of fully valued deferred tax assets	29,263	40,600	16,401
Non-deductible and other items	12,347	1,885	8,957
Tax shortfall on equity-based compensation	5,504	18,603	6,547
Total tax expense (benefit)	\$ (10,784)	\$155,272	\$298,898
Effective tax rate(1)	4%	182%	52%

(1) The effective tax rate during the years ended December 31, 2016, 2015 and 2014 were impacted by losses of \$121.4 million, \$153.5 million and \$159.9 million, respectively, incurred in jurisdictions in which we are not subject to taxes and therefore do not generate any income tax benefits.

The effective tax rate for the United States is approximately 179%, 220% and 81% for the years ended December 31, 2016, 2015 and 2014, respectively. The effective tax rate in the United States is impacted by the effect of equity-based compensation tax shortfalls equal to the excess income tax benefit recognized for financial statement purposes over the income tax benefit realized for tax return purposes. The effective tax rate for Ghana is approximately 23%, 35% and 36% for the years ended December 31, 2016, 2015 and 2014, respectively. The effective tax rate in Ghana is impacted by non-deductible expenditures associated with the damage to the turret bearing, which we expect to recover from insurance proceeds. Any such insurance recoveries would not be subject to income tax. Our operations in other foreign jurisdictions have a 0% effective tax rate because they reside in countries with a 0% statutory rate or we have incurred losses in those countries and have full valuation allowances against the corresponding net deferred tax assets.

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

12. Income Taxes (Continued)

Deferred tax assets and liabilities, which are computed on the estimated income tax effect of temporary differences between financial and tax bases in assets and liabilities, are determined using the tax rates expected to be in effect when taxes are actually paid or recovered. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. The tax effects of significant temporary differences giving rise to deferred tax assets and liabilities are as follows:

	December 31,	
	2016	2015
	(In thousands)	
Deferred tax assets:		
Foreign capitalized operating expenses	\$ 69,804	\$ 101,823
Foreign net operating losses	36,352	14,719
Equity compensation	30,752	26,095
Other	33,744	22,656
Total deferred tax assets	170,652	165,293
Valuation allowance	(87,517)	(116,541)
Total deferred tax assets, net	83,135	48,752
Deferred tax liabilities:		
Depletion, depreciation and amortization related to property and equipment	(526,945)	(425,183)
Unrealized derivative gains	(584)	(92,549)
Total deferred tax liabilities	(527,529)	(517,732)
Net deferred tax liability	\$(444,394)	\$(468,980)

The Company has recorded a full valuation allowance against the net deferred tax assets in countries where we only have exploration operations. The net decrease in the valuation allowance of \$29.0 million is due to the write-off of previously capitalized foreign operating expenses and tax losses in Morocco related to the relinquishment of three licenses and the utilization of deferred tax assets to offset the tax impact of a payment from a joint license holder related to their withdrawal from three licenses, together totaling \$58.2 million. The decrease in valuation allowance was partially offset by the tax effect of 2016 losses and foreign capitalized operating expenses of \$29.2 million.

The Company has entered into various petroleum contracts in Morocco. These petroleum contracts provide for a tax holiday, at a 0% tax rate, for a period of 10 years beginning on the date of first production, if any.

The Company has foreign net operating loss carryforwards of \$116.7 million. Of these losses, we expect \$0.9 million, \$13.4 million, \$0.5 million, \$0.5 million and \$0.6 million to expire in 2019, 2020, 2021, 2022 and 2023, respectively, and \$100.8 million do not expire. The Ghana tax loss of \$53.3 million is expected to be fully utilized in 2017. The remaining \$63.4 million in tax losses currently have offsetting valuation allowances.

A subsidiary of the Company files a U.S. federal income tax return and a Texas margin tax return. In addition to the United States, the Company files income tax returns in the countries in which we operate. The Company is open to U.S. federal income tax examinations for tax years 2013 through 2016 and to Texas margin tax examinations for the tax years 2011 through 2016. In addition, the Company is open to income tax examinations for years 2011 through 2016 in its significant other foreign jurisdictions, primarily Ghana.

As of December 31, 2016, the Company had no material uncertain tax positions. The Company's policy is to recognize potential interest and penalties related to income tax matters in income tax expense.

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Notes to Consolidated Financial Statements (Continued)

13. Net Income (Loss) Per Share

In the calculation of basic net income per share, participating securities are allocated earnings based on actual dividend distributions received plus a proportionate share of undistributed net income, if any. We calculate basic net income per share under the two-class method. Diluted net income (loss) per share is calculated under both the two-class method and the treasury stock method and the more dilutive of the two calculations is presented. The computation of diluted net income (loss) per share reflects the potential dilution that could occur if all outstanding awards under our LTIP were converted into common shares or resulted in the issuance of common shares that would then share in the earnings of the Company. During periods in which the Company realizes a loss from continuing operations securities would not be dilutive to net loss per share and conversion into common shares is assumed not to occur.

Basic net income (loss) per share is computed as (i) net income (loss), (ii) less income allocable to participating securities (iii) divided by weighted average basic shares outstanding. The Company's diluted net income (loss) per share is computed as (i) basic net income (loss), (ii) plus diluted adjustments to income allocable to participating securities (iii) divided by weighted average diluted shares outstanding.

	Years Ended December 31,		
	2016	2015	2014
	(In thousands, except per share data)		
Numerator:			
Net income (loss)	\$(283,780)	\$ (69,836)	\$279,370
Basic income allocable to participating securities(1)	—	—	(3,286)
Basic net income (loss) allocable to common shareholders . . .	(283,780)	(69,836)	276,084
Diluted adjustments to income allocable to participating securities(1)	—	—	58
Diluted net income (loss) allocable to common shareholders . .	\$(283,780)	\$ (69,836)	\$276,142
Denominator:			
Weighted average number of shares outstanding:			
Basic	385,402	382,610	379,195
Restricted stock awards and units(1)(2)	—	—	6,924
Diluted	385,402	382,610	386,119
Net income (loss) per share:			
Basic	\$ (0.74)	\$ (0.18)	\$ 0.73
Diluted	\$ (0.74)	\$ (0.18)	\$ 0.72

(1) Our service vesting restricted stock awards represent participating securities because they participate in non-forfeitable dividends with common equity owners. Income allocable to participating securities represents the distributed and undistributed earnings attributable to the participating securities. Our restricted stock awards with market and service vesting criteria and all restricted stock units are not considered to be participating securities and, therefore, are excluded from the basic net income (loss) per common share calculation. Our service vesting restricted stock awards do not participate in undistributed net losses because they are not contractually obligated to do so and, therefore, are excluded from the basic net income (loss) per common share calculation in periods we are in a net loss position.

(2) For the years ended December 31, 2016, 2015 and 2014, we excluded 11.8 million, 11.2 million and 4.4 million outstanding restricted stock awards and restricted stock units, respectively, from the computations of diluted net income per share because the effect would have been anti-dilutive.

14. Commitments and Contingencies

From time to time, we are involved in litigation, regulatory examinations and administrative proceedings primarily arising in the ordinary course of our business in jurisdictions in which we do

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

14. Commitments and Contingencies (Continued)

business. Although the outcome of these matters cannot be predicted with certainty, management believes none of these matters, either individually or in the aggregate, would have a material effect upon the Company's financial position; however, an unfavorable outcome could have a material adverse effect on our results from operations for a specific interim period or year.

The Jubilee Field in Ghana covers an area within both the WCTP and DT petroleum contract areas. It was agreed the Jubilee Field would be unitized for optimal resource recovery. Kosmos and its partners executed a comprehensive unitization and unit operating agreement, the Jubilee UUOA, to unitize the Jubilee Field and govern each party's respective rights and duties in the Jubilee Unit, which was effective July 16, 2009. Pursuant to the terms of the Jubilee UUOA, the tract participations are subject to a process of redetermination. The initial redetermination process was completed on October 14, 2011. As a result of the initial redetermination process, our Unit Interest is 24.1%. These consolidated financial statements are based on these re determined tract participations. Our unit interest may change in the future should another redetermination occur.

The Company leases facilities under various operating leases that expire through 2019, including our office space. Rent expense under these agreements, was \$3.3 million, \$4.7 million and \$4.6 million for the years ended December 31, 2016, 2015 and 2014, respectively.

We currently have a commitment to drill two exploration wells in Mauritania. In Mauritania, our partner is obligated to fund our share of the cost of the exploration wells, subject to their maximum \$221 million cumulative exploration and appraisal carry covering both our Mauritania and Senegal blocks. Additionally, in Sao Tome and Principe we have 2D and 3D seismic requirements of 1,200 square kilometers and 4,000 square kilometers, respectively, and we have 3D seismic requirements in Mauritania and Western Sahara of 3,000 square kilometers and 5,000 square kilometers, respectively.

In January 2017, Kosmos Energy Ventures ("KEV"), a subsidiary of Kosmos Energy Ltd., elected to cancel the fourth year option of the Atwood Achiever drilling rig contract and revert to the original day rate of approximately \$0.6 million per day and original agreement end date of November 2017. KEV is required to make a rate recovery payment of approximately \$48.1 million representing the difference between the original day rate and the amended day rate multiplied by the number of days from the amendment effective date to the date the election is exercised plus certain administrative costs. This amount will be charged to exploration expense in the first quarter of 2017.

In November 2015, we entered into a line of credit agreement with one of our block partners, whereby, our partner may draw up to \$30 million on the line of credit to pay their portion of costs under the petroleum agreement. Interest accrues on drawn balances at 7.875%. The agreement matures on December 31, 2017, or earlier if certain conditions are met. As of December 31, 2016, there was \$10.2 outstanding under the agreement, which is included in other long-term assets.

Future minimum rental commitments under these leases at December 31, 2016, are as follows:

	Payments Due By Year(1)						
	Total	2017	2018	2019	2020	2021	Thereafter
	(In thousands)						
Operating leases(2)	\$ 11,171	\$ 4,190	\$ 3,820	\$ 3,161	\$ —	\$ —	\$ —
Atwood Achiever drilling rig contract(3)	229,482	229,482	—	—	—	—	—

- (1) Does not include purchase commitments for jointly owned fields and facilities where we are not the operator and excludes commitments for exploration activities, including well commitments, in our petroleum contracts.
- (2) Primarily relates to corporate office and foreign office leases.
- (3) In January 2017, KEV exercised its option to cancel the fourth year and revert to the original day rate of approximately \$0.6 million per day and original agreement end date of November 2017.

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

14. Commitments and Contingencies (Continued)

Commitments calculated using the original day rate of \$0.6 million effective February 1, 2017, excluding applicable taxes. The commitments also include a \$48.1 million rate recovery payment equal to the difference between the original day rate and the amended day rate.

15. Additional Financial Information

Accrued Liabilities

Accrued liabilities consisted of the following:

	December 31,	
	2016	2015
	(In thousands)	
Accrued liabilities:		
Exploration, development and production	\$ 76,194	\$111,064
General and administrative expenses	31,243	24,839
Interest	17,247	17,512
Income taxes	2,579	3,418
Taxes other than income	1,914	3,064
Other	529	—
	\$129,706	\$159,897

Other Income

Other income consisted of \$74.8 million of Loss of Production Income (“LOPI”) proceeds related to the turret bearing issue on the Jubilee FPSO for the year ended December 31, 2016.

Facilities Insurance Modifications

Facilities insurance modifications consist of costs associated with the long-term solution to convert the FPSO to a permanently spread moored facility which we expect to recover from our insurance policy. Insurance reimbursement of these costs, if any, will also be recorded to this line.

Other Expenses, Net

Other expenses, net incurred during the period is comprised of the following:

	Years Ended December 31,		
	2016	2015	2014
	(In thousands)		
Inventory write-off	\$14,900	\$ 36	\$ 170
(Gain) loss on insurance settlements—riser	(4,003)	4,151	—
Disputed charges and related costs	11,299	—	—
Other, net	920	1,059	1,911
Other expenses, net	\$23,116	\$5,246	\$2,081

The disputed charges and related costs are expenditures arising from Tullow Ghana Limited’s contract with Seadrill for use of the West Leo drilling rig once partner-approved 2016 work program objectives were concluded. Tullow has charged such expenditures to the Deepwater Tano (“DT”) joint account. Kosmos disputes that these expenditures are chargeable to the DT joint account on the basis that the Seadrill West Leo drilling rig contract was not approved by the DT operating committee pursuant to the DT Joint Operating Agreement.

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Supplemental Oil and Gas Data (Unaudited)

Net proved oil and gas reserve estimates presented were prepared by Ryder Scott Company, L.P. (“RSC”) for the years ended December 31, 2016, 2015 and 2014. RSC are independent petroleum engineers located in Houston, Texas. RSC has prepared the reserve estimates presented herein and meet the requirements regarding qualifications, independence, objectivity and confidentiality set forth in the Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information promulgated by the Society of Petroleum Engineers. We maintain an internal staff of petroleum engineers and geoscience professionals who work closely with our independent reserve engineers to ensure the integrity, accuracy and timeliness of data furnished to independent reserve engineers for their reserves estimation process.

Net Proved Developed and Undeveloped Reserves

The following table is a summary of net proved developed and undeveloped oil and gas reserves to Kosmos’ interest in the Jubilee and TEN fields in Ghana.

	Oil (MMBbl)	Gas (Bcf)	Total (MMBoe)
Net proved developed and undeveloped reserves at			
December 31, 2013(1)	45	11	47
Extensions and discoveries(2)	26	6	27
Production	(9)	(1)	(9)
Revision in estimate(3)	11	(2)	10
Purchases of minerals-in-place	—	—	—
Net proved developed and undeveloped reserves at			
December 31, 2014(1)	73	14	75
Extensions and discoveries	—	—	—
Production	(9)	(1)	(9)
Revision in estimate(4)	10	1	10
Purchases of minerals-in-place	—	—	—
Net proved developed and undeveloped reserves at			
December 31, 2015(1)	74	14	76
Extensions and discoveries	—	—	—
Production	(7)	(1)	(7)
Revision in estimate(5)	7	2	8
Purchases of minerals-in-place	—	—	—
Net proved developed and undeveloped reserves at			
December 31, 2016(1)	74	15	77
Proved developed reserves(1)			
December 31, 2014	43	9	45
December 31, 2015	50	10	52
December 31, 2016	64	13	66
Proved undeveloped reserves(1)			
December 31, 2014	30	6	31
December 31, 2015	24	4	25
December 31, 2016	10	2	11

- (1) The sum of proved developed reserves and proved undeveloped reserves may not add to net proved developed and undeveloped reserves as a result of rounding.
- (2) Discoveries are related to the TEN fields being moved from unproved to proved during 2014.
- (3) The increase in proved reserves is a result of a 3 MMBbl increase associated with in-fill drilling results and an 8 MMBbl increase associated with field performance.
- (4) The increase in proved reserves is a result of a 2 MMBbl increase associated with in-fill drilling results and a 10 MMBbl increase associated with field performance for Jubilee partially offset by 2 MMBbl of negative revisions to the TEN fields due to decreased pricing.

- (5) The increase in proved reserves is a result of an 8 MMBbl increase associated with positive revisions to the TEN fields as a result of the completion of seven wells along with the initiation of TEN production partially offset by 1 MMBbl of negative revisions to the Jubilee Field due to decreased pricing.

Net proved reserves were calculated utilizing the twelve month unweighted arithmetic average of the first-day-of-the-month oil price for each month for Brent crude in the period January through December 2016. The average 2016 Brent crude price of \$42.90 per barrel is adjusted for crude handling, transportation fees, quality, and a regional price differential. Based on the crude quality, these adjustments are estimated to be \$0.06 per barrel for Jubilee; therefore, the adjusted oil price is \$42.96 per barrel for Jubilee. TEN was not adjusted as it does not currently have any production to estimate a differential. This oil price is held constant throughout the lives of the properties. There is no gas price used because gas reserves are consumed in operations as fuel.

Proved oil and gas reserves are defined by the SEC Rule 4.10(a) of Regulation S-X as those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recovered under current economic conditions, operating methods, and government regulations. Inherent uncertainties exist in estimating proved reserve quantities, projecting future production rates and timing of development expenditures.

Capitalized Costs Related to Oil and Gas Activities

The following table presents aggregate capitalized costs related to oil and gas activities:

	Ghana	Other(1)	Total
	(In thousands)		
As of December 31, 2016			
Unproved properties	\$ 347,950	\$571,106	\$ 919,056
Proved properties	2,771,779	—	2,771,779
	<u>3,119,729</u>	<u>571,106</u>	<u>3,690,835</u>
Accumulated depletion	(989,946)	—	(989,946)
Net capitalized costs	<u>\$2,129,783</u>	<u>\$571,106</u>	<u>\$2,700,889</u>
As of December 31, 2015			
Unproved properties	\$ 264,460	\$329,050	\$ 593,510
Proved properties	2,579,158	—	2,579,158
	<u>2,843,618</u>	<u>329,050</u>	<u>3,172,668</u>
Accumulated depletion	(858,442)	—	(858,442)
Net capitalized costs	<u>\$1,985,176</u>	<u>\$329,050</u>	<u>\$2,314,226</u>

(1) Includes Africa, excluding Ghana, Europe and South America.

Costs Incurred in Oil and Gas Activities

The following table reflects total costs incurred, both capitalized and expensed, for oil and gas property acquisition, exploration, and development activities for the year.

	<u>Ghana</u>	<u>Other(1)</u>	<u>Total</u>
	(In thousands)		
Year ended December 31, 2016			
Property acquisition:			
Unproved	\$ —	\$ 17,322	\$ 17,322
Proved	—	—	—
Exploration	11,871	425,229	437,100
Development	265,451	—	265,451
Total costs incurred	<u>\$277,322</u>	<u>\$442,551</u>	<u>\$719,873</u>
Year ended December 31, 2015			
Property acquisition:			
Unproved	\$ —	\$ 6,250	\$ 6,250
Proved	—	—	—
Exploration(2)	12,441	367,196	379,637
Development	462,066	—	462,066
Total costs incurred	<u>\$474,507</u>	<u>\$373,446</u>	<u>\$847,953</u>
Year ended December 31, 2014			
Property acquisition:			
Unproved	\$ —	\$ —	\$ —
Proved	—	—	—
Exploration(3)	62,813	167,381	230,194
Development	316,738	—	316,738
Total costs incurred	<u>\$379,551</u>	<u>\$167,381</u>	<u>\$546,932</u>

(1) Includes Africa, excluding Ghana, Europe and South America.

(2) Does not include reimbursement of costs associated with exploration expenses incurred in prior years which resulted in a \$24.7 million gain on sale in 2015.

(3) Does not include reimbursement of costs associated with exploration expenses incurred in prior years which resulted in a \$23.8 million gain on sale in 2014.

Standardized Measure for Discounted Future Net Cash Flows

The following table provides projected future net cash flows based on the twelve month unweighted arithmetic average of the first-day-of-the-month oil price for Brent crude in the period January through December 2016. The average 2016 Brent crude price of \$42.90 per barrel is adjusted for crude handling, transportation fees, quality, and a regional price differential. Based on the crude quality, these adjustments are estimated to be \$0.06 per barrel for the Jubilee Field; therefore, the adjusted oil price is \$42.96 per barrel for Jubilee. As the TEN fields recently started production, we do not have sufficient historical information to estimate the differential. However, we expect the differential to be consistent with the Jubilee Field. Since the Jubilee Field is currently at a premium, we elected to use a \$0.00 differential to be conservative for the TEN fields, therefore the price utilized for the TEN fields is \$42.90.

Because prices used in the calculation are average prices for that year, the standardized measure could vary significantly from year to year based on market conditions that occur.

The projection should not be interpreted as representing the current value to Kosmos. Material revisions to estimates of proved reserves may occur in the future; development and production of the reserves may not occur in the periods assumed; actual prices realized are expected to vary significantly from those used; and actual costs may vary. Kosmos' investment and operating decisions are not based on the information presented, but on a wide range of reserve estimates that include probable as well as proved reserves and on a wide range of different price and cost assumptions.

The standardized measure is intended to provide a better means to compare the value of Kosmos' proved reserves at a given time with those of other oil producing companies than is provided by comparing raw proved reserve quantities.

	<u>Ghana</u> <u>(In millions)</u>
At December 31, 2016	
Future cash inflows	\$ 3,204
Future production costs	(1,437)
Future development costs	(428)
Future Ghanaian tax expenses(1)	<u>(228)</u>
Future net cash flows	1,111
10% annual discount for estimated timing of cash flows	<u>(265)</u>
Standardized measure of discounted future net cash flows	<u>\$ 846</u>
At December 31, 2015	
Future cash inflows	\$ 3,998
Future production costs	(1,362)
Future development costs	(679)
Future Ghanaian tax expenses(1)	<u>(411)</u>
Future net cash flows	1,546
10% annual discount for estimated timing of cash flows	<u>(377)</u>
Standardized measure of discounted future net cash flows	<u>\$ 1,169</u>
At December 31, 2014	
Future cash inflows	\$ 7,412
Future production costs	(1,466)
Future development costs	(1,051)
Future Ghanaian tax expenses(1)	<u>(1,543)</u>
Future net cash flows	3,352
10% annual discount for estimated timing of cash flows	<u>(969)</u>
Standardized measure of discounted future net cash flows	<u>\$ 2,383</u>

(1) The Company is a tax exempted company incorporated pursuant to the laws of Bermuda. The Company has not been and does not expect to be subject to future income tax expense related to its proved oil and gas reserves levied at a corporate parent level. Accordingly, the Company's Standardized Measure for the years ended December 31, 2016, 2015 and 2014, respectively, only reflect the effects of future tax expense levied at an asset level (in the Company's case, future Ghanaian tax expense).

Changes in the Standardized Measure for Discounted Cash Flows

	<u>Ghana</u>
	<u>(In millions)</u>
Balance at December 31, 2013	\$ 2,237
Sales and transfers 2014	(756)
Net changes in prices and costs	451
Previously estimated development costs incurred during the period . . .	(291)
Net changes in development costs	115
Revisions of previous quantity estimates	(151)
Changes in production timing	690
Net changes in Ghanaian tax expenses(1)	(44)
Accretion of discount	306
Changes in timing and other	(174)
Balance at December 31, 2014	\$ 2,383
Sales and transfers 2015	(341)
Net changes in prices and costs	(2,842)
Previously estimated development costs incurred during the period . . .	417
Net changes in development costs	6
Revisions of previous quantity estimates	375
Net changes in Ghanaian tax expenses(1)	802
Accretion of discount	341
Changes in timing and other	28
Balance at December 31, 2015	\$ 1,169
Sales and transfers 2016	(191)
Net changes in prices and costs	(653)
Previously estimated development costs incurred during the period . . .	225
Net changes in development costs	4
Revisions of previous quantity estimates	65
Net changes in Ghanaian tax expenses(1)	143
Accretion of discount	145
Changes in timing and other	(61)
Balance at December 31, 2016	<u>\$ 846</u>

(1) The Company is a tax exempted company incorporated pursuant to the laws of Bermuda. The Company has not been and does not expect to be subject to future income tax expense related to its proved oil and gas reserves levied at a corporate parent level. Accordingly, the Company's Standardized Measure for the years ended December 31, 2016, 2015 and 2014, respectively, only reflect the effects of future tax expense levied at an asset level (in the Company's case, future Ghanaian tax expense).

KOSMOS ENERGY LTD.

Supplemental Quarterly Financial Information (Unaudited)

	Quarter Ended			
	March 31,	June 30,	September 30,	December 31,
	(In thousands, except per share data)			
2016				
Revenues and other income	\$ 62,133	\$ 45,676	\$ 66,629	\$210,917
Costs and expenses	123,148	169,544	118,890	268,337
Net loss	(58,993)	(108,324)	(59,763)	(56,700)
Net loss per share:				
Basic(1)	(0.15)	(0.28)	(0.15)	(0.15)
Diluted(1)	(0.15)	(0.28)	(0.15)	(0.15)
2015				
Revenues and other income	\$132,557	\$ 121,813	\$ 95,318	\$121,868
Costs and expenses	185,767	171,615	(27,165)	55,903
Net income (loss)	(78,909)	(75,192)	60,265	24,000
Net income (loss) per share:				
Basic(1)	(0.21)	(0.20)	0.16	0.06
Diluted(1)	(0.21)	(0.20)	0.15	0.06

(1) The sum of the quarterly earnings per share information may not add to the annual earnings per share information as a result of rounding.

Section B: Financial statements for the year ended 31 December 2015

Item 8. Financial Statements and Supplementary Data

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Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders
Kosmos Energy Ltd.

We have audited the accompanying consolidated balance sheets of Kosmos Energy Ltd. as of December 31, 2015 and 2014, and the related consolidated statements of operations, comprehensive income (loss), shareholders' equity and cash flows for each of the three years in the period ended December 31, 2015. Our audits also included the financial statement schedules included at Item 15(a). These financial statements and schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedules based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Kosmos Energy Ltd. at December 31, 2015 and 2014, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2015, in conformity with U.S. generally accepted accounting principles. Also, in our opinion, the related financial statement schedules, when considered in relation to the basic financial statements taken as a whole, present fairly, in all material respects, the financial information set forth therein.

As discussed in Note 2 to the consolidated financial statements, Kosmos Energy Ltd. adopted FASB ASU 2015-03, Simplifying the Presentation of Debt Issuance Costs and FASB ASU 2015-17, Balance Sheet Classification of Deferred Taxes.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Kosmos Energy Ltd.'s internal control over financial reporting as of December 31, 2015, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 22, 2016 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Dallas, Texas
February 22, 2016

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders
Kosmos Energy Ltd.

We have audited Kosmos Energy Ltd.'s internal control over financial reporting as of December 31, 2015, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). Kosmos Energy Ltd.'s management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Annual Report on Internal Control over Financial Reporting appearing in Item 9A. Our responsibility is to express an opinion on the company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Kosmos Energy Ltd. maintained, in all material respects, effective internal control over financial reporting as of December 31, 2015, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Kosmos Energy Ltd. as of December 31, 2015 and 2014, and the related consolidated statements of operations, comprehensive income (loss), shareholders' equity and cash flows for each of the three years in the period ended December 31, 2015 of Kosmos Energy Ltd. and our report dated February 22, 2016 expressed an unqualified opinion thereon.

/s/ Ernst & Young LLP

Dallas, Texas
February 22, 2016

KOSMOS ENERGY LTD.
CONSOLIDATED BALANCE SHEETS
(In thousands, except share data)

	December 31,	
	2015	2014
Assets		
Current assets:		
Cash and cash equivalents	\$ 275,004	\$ 554,831
Restricted cash	28,533	15,926
Receivables:		
Joint interest billings	67,200	60,592
Oil sales	35,950	61,731
Other	34,882	41,221
Inventories	85,173	55,354
Prepaid expenses and other	24,766	25,278
Deferred tax assets	—	32,268
Derivatives	182,640	163,275
Total current assets	734,148	1,010,476
Property and equipment:		
Oil and gas properties, net	2,314,226	1,773,186
Other property, net	8,613	11,660
Property and equipment, net	2,322,839	1,784,846
Other assets:		
Restricted cash	7,325	16,125
Long-term receivables—joint interest billings	37,687	14,174
Deferred financing costs, net of accumulated amortization of \$8,475 and \$6,404 at December 31, 2015 and December 31, 2014, respectively	7,986	2,846
Long-term deferred tax assets	33,209	9,182
Derivatives	59,856	89,210
Total assets	\$3,203,050	\$2,926,859
Liabilities and shareholders' equity		
Current liabilities:		
Accounts payable	\$ 295,689	\$ 184,400
Accrued liabilities	159,897	201,967
Deferred tax liabilities	—	61,683
Derivatives	1,155	721
Total current liabilities	456,741	448,771
Long-term liabilities:		
Long-term debt	860,878	748,362
Derivatives	4,196	68
Asset retirement obligations	43,938	44,023
Deferred tax liabilities	502,189	337,961
Other long-term liabilities	9,595	8,715
Total long-term liabilities	1,420,796	1,139,129
Shareholders' equity:		
Preference shares, \$0.01 par value; 200,000,000 authorized shares; zero issued at December 31, 2015 and December 31, 2014	—	—
Common shares, \$0.01 par value; 2,000,000,000 authorized shares; 393,902,643 and 392,443,048 issued at December 31, 2015 and 2014, respectively	3,939	3,924
Additional paid-in capital	1,933,189	1,860,190
Accumulated deficit	(564,686)	(494,850)
Accumulated other comprehensive income	—	767
Treasury stock, at cost, 8,812,054 and 5,555,088 shares at December 31, 2015 and 2014, respectively	(46,929)	(31,072)
Total shareholders' equity	1,325,513	1,338,959
Total liabilities and shareholders' equity	\$3,203,050	\$2,926,859

See accompanying notes.

KOSMOS ENERGY LTD.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)

	Years Ended December 31,		
	2015	2014	2013
Revenues and other income:			
Oil and gas revenue	\$ 446,696	\$ 855,877	\$851,212
Gain on sale of assets	24,651	23,769	—
Other income	209	3,092	941
Total revenues and other income	<u>471,556</u>	<u>882,738</u>	<u>852,153</u>
Costs and expenses:			
Oil and gas production	105,336	100,122	96,791
Exploration expenses	156,203	93,519	230,314
General and administrative	136,809	135,231	158,421
Depletion and depreciation	155,966	198,080	222,544
Interest and other financing costs, net	37,209	45,548	47,590
Derivatives, net	(210,649)	(281,853)	17,027
Restructuring charges	—	11,742	—
Other expenses, net	5,246	2,081	3,512
Total costs and expenses	<u>386,120</u>	<u>304,470</u>	<u>776,199</u>
Income before income taxes	85,436	578,268	75,954
Income tax expense	155,272	298,898	166,998
Net income (loss)	<u>\$ (69,836)</u>	<u>\$ 279,370</u>	<u>\$ (91,044)</u>
Net income (loss) per share:			
Basic	<u>\$ (0.18)</u>	<u>\$ 0.73</u>	<u>\$ (0.24)</u>
Diluted	<u>\$ (0.18)</u>	<u>\$ 0.72</u>	<u>\$ (0.24)</u>
Weighted average number of shares used to compute net income (loss) per share:			
Basic	<u>382,610</u>	<u>379,195</u>	<u>376,819</u>
Diluted	<u>382,610</u>	<u>386,119</u>	<u>376,819</u>

See accompanying notes.

KOSMOS ENERGY LTD.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands)

	<u>Years Ended December 31,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
Net income (loss)	\$(69,836)	\$279,370	\$(91,044)
Other comprehensive loss:			
Reclassification adjustments for derivative gains included in net income (loss)	<u>(767)</u>	<u>(1,391)</u>	<u>(1,527)</u>
Other comprehensive loss	<u>(767)</u>	<u>(1,391)</u>	<u>(1,527)</u>
Comprehensive income (loss)	<u>\$(70,603)</u>	<u>\$277,979</u>	<u>\$(92,571)</u>

See accompanying notes.

KOSMOS ENERGY LTD.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(In thousands)

	Common Shares		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Treasury Stock	Total
	Shares	Amount					
Balance as of December 31, 2012	391,424	\$3,914	\$1,712,880	\$(683,176)	\$ 3,685	\$ (8,397)	\$1,028,906
Equity-based compensation	—	—	69,101	—	—	—	69,101
Derivatives, net	—	—	—	—	(1,527)	—	(1,527)
Restricted stock awards and units	550	6	(6)	—	—	—	—
Restricted stock forfeitures	—	—	6	—	—	(6)	—
Purchase of treasury stock	—	—	(446)	—	—	(12,655)	(13,101)
Net loss	—	—	—	(91,044)	—	—	(91,044)
Balance as of December 31, 2013	391,974	3,920	1,781,535	(774,220)	2,158	(21,058)	992,335
Equity-based compensation	—	—	79,741	—	—	—	79,741
Derivatives, net	—	—	—	—	(1,391)	—	(1,391)
Restricted stock awards and units	469	4	(4)	—	—	—	—
Restricted stock forfeitures	—	—	2	—	—	(2)	—
Purchase of treasury stock	—	—	(1,084)	—	—	(10,012)	(11,096)
Net income	—	—	—	279,370	—	—	279,370
Balance as of December 31, 2014	392,443	3,924	1,860,190	(494,850)	767	(31,072)	1,338,959
Equity-based compensation	—	—	75,267	—	—	—	75,267
Derivatives, net	—	—	—	—	(767)	—	(767)
Restricted stock awards and units	1,460	15	(15)	—	—	—	—
Restricted stock forfeitures	—	—	16	—	—	(16)	—
Purchase of treasury stock	—	—	(2,269)	—	—	(15,841)	(18,110)
Net loss	—	—	—	(69,836)	—	—	(69,836)
Balance as of December 31, 2015	<u>393,903</u>	<u>\$3,939</u>	<u>\$1,933,189</u>	<u>\$(564,686)</u>	<u>\$ —</u>	<u>\$(46,929)</u>	<u>\$1,325,513</u>

See accompanying notes.

KOSMOS ENERGY LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Years Ended December 31,		
	2015	2014	2013
Operating activities			
Net income (loss)	\$ (69,836)	\$ 279,370	\$ (91,044)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depletion, depreciation and amortization	166,290	208,628	233,598
Deferred income taxes	110,786	216,409	82,380
Unsuccessful well costs	94,910	1,105	107,565
Change in fair value of derivatives	(210,957)	(271,298)	23,093
Cash settlements on derivatives (including \$225.5 million, \$18.4 million and \$(22.3) million on commodity hedges during 2015, 2014 and 2013)	224,741	4,460	(33,411)
Equity-based compensation	75,057	79,541	69,026
Gain on sale of assets	(24,651)	(23,769)	—
Loss on extinguishment of debt	165	2,898	—
Other	7,875	(3,875)	4,916
Changes in assets and liabilities:			
(Increase) decrease in receivables	2,209	(156,192)	111,677
Increase in inventories	(29,855)	(8,100)	(16,763)
(Increase) decrease in prepaid expenses and other	512	1,732	(16,540)
Increase (decrease) in accounts payable	111,289	90,228	(34,683)
Increase (decrease) in accrued liabilities	(17,756)	22,449	82,590
Net cash provided by operating activities	440,779	443,586	522,404
Investing activities			
Oil and gas assets	(823,642)	(424,535)	(317,413)
Other property	(1,483)	(2,383)	(4,970)
Proceeds on sale of assets	28,692	58,315	—
Restricted cash	(3,807)	20,924	(1,750)
Net cash used in investing activities	(800,240)	(347,679)	(324,133)
Financing activities			
Borrowings under long-term debt	100,000	—	—
Payments on long-term debt	(200,000)	(400,000)	(100,000)
Net proceeds from issuance of senior secured notes	206,774	294,000	—
Purchase of treasury stock	(18,110)	(11,096)	(13,101)
Deferred financing costs	(9,030)	(22,088)	(2,226)
Net cash provided by (used in) financing activities	79,634	(139,184)	(115,327)
Net increase (decrease) in cash and cash equivalents	(279,827)	(43,277)	82,944
Cash and cash equivalents at beginning of period	554,831	598,108	515,164
Cash and cash equivalents at end of period	<u>\$ 275,004</u>	<u>\$ 554,831</u>	<u>\$ 598,108</u>
Supplemental cash flow information			
Cash paid for:			
Interest	<u>\$ 33,315</u>	<u>\$ 23,182</u>	<u>\$ 36,313</u>
Income taxes	<u>\$ 35,857</u>	<u>\$ 108,068</u>	<u>\$ 68,437</u>

See accompanying notes.

KOSMOS ENERGY LTD.
Notes to Consolidated Financial Statements

1. Organization

Kosmos Energy Ltd. was incorporated pursuant to the laws of Bermuda in January 2011 to become a holding company for Kosmos Energy Holdings. Kosmos Energy Holdings is a privately held Cayman Islands company that was formed in March 2004. As a holding company, Kosmos Energy Ltd.'s management operations are conducted through a wholly owned subsidiary, Kosmos Energy, LLC. The terms "Kosmos," the "Company," "we," "us," "our," "ours," and similar terms refer to Kosmos Energy Ltd. and its wholly owned subsidiaries, unless the context indicates otherwise.

Kosmos is a leading independent oil and gas exploration and production company focused on frontier and emerging areas along the Atlantic Margin. Our assets include existing production and development projects offshore Ghana, large discoveries offshore Mauritania and Senegal, as well as exploration licenses with significant hydrocarbon potential offshore Portugal, Sao Tome and Principe, Suriname, Morocco and Western Sahara. Kosmos is listed on the New York Stock Exchange and is traded under the ticker symbol KOS.

We have one reportable segment, which is the exploration and production of oil and natural gas. Substantially all of our long-lived assets and product sales are related to production located offshore Ghana.

2. Accounting Policies

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Kosmos Energy Ltd. and its wholly owned subsidiaries. All intercompany transactions have been eliminated.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosures of contingent assets and liabilities. Actual results could differ from these estimates.

Reclassifications

Certain prior period amounts have been reclassified to conform with the current year presentation. Such reclassifications had no material impact on our reported net income, current assets, total assets, current liabilities, total liabilities or shareholders' equity, except as disclosed related to the adoption of recent accounting pronouncements.

Cash and Cash Equivalents

Cash and cash equivalents includes demand deposits and funds invested in highly liquid instruments with original maturities of three months or less at the date of purchase.

Restricted Cash

In accordance with our commercial debt facility (the "Facility"), we are required to maintain a restricted cash balance that is sufficient to meet the payment of interest and fees for the next six-month period on the 7.875% Senior Secured Notes due 2021 ("Senior Notes") plus the Corporate Revolver or the Facility, whichever is greater. As of December 31, 2015 and 2014, we had \$24.4 million and \$15.9 million, respectively, in current restricted cash to meet this requirement.

In addition, in accordance with certain of our petroleum contracts, we have posted letters of credit related to performance guarantees for our minimum work obligations. These letters of credit are cash collateralized in accounts held by us and as such are classified as restricted cash. Upon completion of the minimum work obligations and/or entering into the next phase of the petroleum contract, the requirement to post letters of credit will be satisfied and the cash collateral will be released. However, additional letters

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

2. Accounting Policies (Continued)

of credit may be required should we choose to move into the next phase of certain of our petroleum contracts. As of December 31, 2015 and 2014, we had \$4.1 million and zero, respectively, of short-term restricted cash and \$7.3 million and \$16.1 million, respectively, of long-term restricted cash used to cash collateralize performance guarantees related to our petroleum contracts.

Receivables

Our receivables consist of joint interest billings, oil sales and other receivables. For our oil sales receivable, we require a letter of credit to be posted to secure the outstanding receivable. Receivables from joint interest owners are stated at amounts due, net of any allowances for doubtful accounts. We determine our allowance by considering the length of time past due, future net revenues of the debtor's ownership interest in oil and natural gas properties we operate, and the owner's ability to pay its obligation, among other things. We did not have any allowance for doubtful accounts as of December 31, 2015 and 2014.

Inventories

Inventories consisted of \$84.4 million and \$55.3 million of materials and supplies and \$0.8 million and \$0.1 million of hydrocarbons as of December 31, 2015 and 2014, respectively. The Company's materials and supplies inventory primarily consists of casing and wellheads and is stated at the lower of cost, using the weighted average cost method, or market.

Hydrocarbon inventory is carried at the lower of cost, using the weighted average cost method, or market. Hydrocarbon inventory costs include expenditures and other charges incurred in bringing the inventory to its existing condition. Selling expenses and general and administrative expenses are reported as period costs and excluded from inventory costs.

Exploration and Development Costs

The Company follows the successful efforts method of accounting for its oil and gas properties. Acquisition costs for proved and unproved properties are capitalized when incurred. Costs of unproved properties are transferred to proved properties when a determination that proved reserves have been found. Exploration costs, including geological and geophysical costs and costs of carrying unproved properties, are expensed as incurred. Exploratory drilling costs are capitalized when incurred. If exploratory wells are determined to be commercially unsuccessful or dry holes, the applicable costs are expensed and recorded in exploration expense on the consolidated statement of operations. Costs incurred to drill and equip development wells, including unsuccessful development wells, are capitalized. Costs incurred to operate and maintain wells and equipment and to lift oil and natural gas to the surface are expensed as oil and gas production expense.

The Company evaluates unproved property periodically for impairment. The impairment assessment considers results of exploration activities, commodity price outlooks, planned future sales or expiration of all or a portion of such projects. If the quantity of potential future reserves determined by such evaluations is not sufficient to fully recover the cost invested in each project, the Company will recognize an impairment loss at that time.

Depletion, Depreciation and Amortization

Proved properties and support equipment and facilities are depleted using the unit-of-production method based on estimated proved oil and natural gas reserves. Capitalized exploratory drilling costs that result in a discovery of proved reserves and development costs are amortized using the unit-of-production method based on estimated proved developed oil and natural gas reserves for the related field.

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

2. Accounting Policies (Continued)

Depreciation and amortization of other property is computed using the straight-line method over the assets' estimated useful lives (not to exceed the lease term for leasehold improvements), ranging from one to eight years.

	<u>Years Depreciated</u>
Leasehold improvements	1 to 8
Office furniture, fixtures and computer equipment	3 to 7
Vehicles	5

Amortization of deferred financing costs is computed using the straight-line method over the life of the related debt.

Capitalized Interest

Interest costs from external borrowings are capitalized on major projects with an expected construction period of one year or longer. Capitalized interest is added to the cost of the underlying asset and is depleted on the unit-of-production method in the same manner as the underlying assets.

Asset Retirement Obligations

The Company accounts for asset retirement obligations as required by ASC 410—Asset Retirement and Environmental Obligations. Under these standards, the fair value of a liability for an asset retirement obligation is recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. If a reasonable estimate of fair value cannot be made in the period the asset retirement obligation is incurred, the liability is recognized when a reasonable estimate of fair value can be made. If a tangible long-lived asset with an existing asset retirement obligation is acquired, a liability for that obligation is recognized at the asset's acquisition date. In addition, a liability for the fair value of a conditional asset retirement obligation is recorded if the fair value of the liability can be reasonably estimated. We capitalize the asset retirement costs by increasing the carrying amount of the related long-lived asset by the same amount as the liability. We record increases in the discounted abandonment liability resulting from the passage of time in depletion and depreciation in the consolidated statement of operations.

Impairment of Long-lived Assets

The Company reviews its long-lived assets for impairment when changes in circumstances indicate that the carrying amount of an asset may not be recoverable, or at least annually. ASC 360—Property, Plant and Equipment requires an impairment loss to be recognized if the carrying amount of a long-lived asset is not recoverable and exceeds its fair value. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. That assessment shall be based on the carrying amount of the asset at the date it is tested for recoverability, whether in use or under development. An impairment loss shall be measured as the amount by which the carrying amount of a long-lived asset exceeds its fair value. Assets to be disposed of and assets not expected to provide any future service potential to the Company are recorded at the lower of carrying amount or fair value less cost to sell.

We believe the assumptions used in our undiscounted cash flow analysis to test for impairment are appropriate and result in a reasonable estimate of future cash flows. The undiscounted cash flows from the analysis exceeded the carrying amount of our long-lived assets. The most significant assumptions are the pricing and production estimates used in undiscounted cash flow analysis. In order to evaluate the sensitivity of the assumptions, we assumed a hypothetical reduction in our production profile and lower pricing during the early years which still showed no impairment. If we experience further declines in oil pricing, increases in our estimated future expenditures or a decrease in our estimated production profile our long-lived assets could be at risk for impairment.

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

2. Accounting Policies (Continued)

Derivative Instruments and Hedging Activities

We utilize oil derivative contracts to mitigate our exposure to commodity price risk associated with our anticipated future oil production. These derivative contracts consist of three-way collars, put options, call options and swaps. We also use interest rate derivative contracts to mitigate our exposure to interest rate fluctuations related to our long-term debt. Our derivative financial instruments are recorded on the balance sheet as either assets or liabilities and are measured at fair value. We do not apply hedge accounting to our oil derivative contracts. Effective June 1, 2010, we discontinued hedge accounting on our interest rate swap contracts. Therefore, from that date forward, the changes in the fair value of the instruments are recognized in earnings during the period of change. The effective portions of the discontinued hedges as of May 31, 2010, were included in accumulated other comprehensive income or loss ("AOCI") in the equity section of the accompanying consolidated balance sheets, and were transferred to earnings when the hedged transactions settled. As of December 31, 2015 all instruments previously designated as hedges have settled and there is no balance remaining in AOCI. See Note 9—Derivative Financial Instruments.

Estimates of Proved Oil and Natural Gas Reserves

Reserve quantities and the related estimates of future net cash flows affect our periodic calculations of depletion and assessment of impairment of our oil and natural gas properties. Proved oil and natural gas reserves are the estimated quantities of crude oil, natural gas and natural gas liquids that geological and engineering data demonstrate with reasonable certainty to be recoverable in future periods from known reservoirs under existing economic and operating conditions. As additional proved reserves are discovered, reserve quantities and future cash flows will be estimated by independent petroleum consultants and prepared in accordance with guidelines established by the Securities and Exchange Commission ("SEC") and the Financial Accounting Standards Board ("FASB"). The accuracy of these reserve estimates is a function of:

- the engineering and geological interpretation of available data;
- estimates of the amount and timing of future operating cost, production taxes, development cost and workover cost;
- the accuracy of various mandated economic assumptions; and
- the judgments of the persons preparing the estimates.

Revenue Recognition

We use the sales method of accounting for oil and gas revenues. Under this method, we recognize revenues on the volumes sold based on the provisional sales prices. The volumes sold may be more or less than the volumes to which we are entitled based on our ownership interest in the property. These differences result in a condition known in the industry as a production imbalance. A receivable or liability is recognized only to the extent that we have an imbalance on a specific property greater than the expected remaining proved reserves on such property. As of December 31, 2015 and 2014, we had no oil and gas imbalances recorded in our consolidated financial statements.

Our oil and gas revenues are based on provisional price contracts which contain an embedded derivative that is required to be separated from the host contract for accounting purposes. The host contract is the receivable from oil sales at the spot price on the date of sale. The embedded derivative, which is not designated as a hedge, is marked to market through oil and gas revenue each period until the final settlement occurs, which generally is limited to the month after the sale.

Equity-based Compensation

For equity-based compensation awards, compensation expense is recognized in the Company's financial statements over the awards' vesting periods based on their grant date fair value. The Company

KOSMOS ENERGY LTD.
Notes to Consolidated Financial Statements (Continued)

2. Accounting Policies (Continued)

utilizes (i) the closing stock price on the date of grant to determine the fair value of service vesting restricted stock awards and restricted stock units and (ii) a Monte Carlo simulation to determine the fair value of restricted stock awards and restricted stock units with a combination of market and service vesting criteria.

Restructuring Charges

The Company accounts for restructuring charges in accordance with ASC 420-Exit or Disposal Cost Obligations. Under these standards, the costs associated with restructuring charges are recorded during the period in which the liability is incurred. During the year ended December 31, 2014, we recognized \$11.7 million in restructuring charges for employee severance and related benefit costs incurred as part of a corporate reorganization, which includes \$5.0 million of accelerated non-cash expense related to awards previously granted under our Long-Term Incentive Plan (the "LTIP").

Treasury Stock

We record treasury stock purchases at cost. The majority of our treasury stock purchases are from our employees that surrendered shares to the Company to satisfy their minimum statutory tax withholding requirements and were not part of a formal stock repurchase plan. The remainder of our treasury stock is forfeited restricted stock awards granted under our long-term incentive plan.

Income Taxes

The Company accounts for income taxes as required by ASC 740—Income Taxes. Under this method, deferred income taxes are determined based on the difference between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts expected to be realized. On a quarterly basis, management evaluates the need for and adequacy of valuation allowances based on the expected realizability of the deferred tax assets and adjusts the amount of such allowances, if necessary.

We recognize tax benefits from uncertain tax positions only if it is more likely than not that the tax position will be sustained upon examination by the tax authorities, based on the technical merits of the position. Accordingly, we measure tax benefits from such positions based on the most likely outcome to be realized.

Foreign Currency Translation

The U.S. dollar is the functional currency for all of the Company's material foreign operations. Foreign currency transaction gains and losses and adjustments resulting from translating monetary assets and liabilities denominated in foreign currencies are included in other expenses. Cash balances held in foreign currencies are not significant, and as such, the effect of exchange rate changes is not material to any reporting period.

Concentration of Credit Risk

Our revenue can be materially affected by current economic conditions and the price of oil. However, based on the current demand for crude oil and the fact that alternative purchasers are readily available, we believe that the loss of our marketing agent and/or any of the purchasers identified by our marketing agent would not have a long-term material adverse effect on our financial position or results of operations.

Recent Accounting Standards

In February 2015, the FASB issued ASU 2015-02, "Consolidation (Topic 810)—Amendments to the Consolidation Analysis." ASU 2015-02 modifies existing consolidation guidance related to limited partnerships and similar legal entities, eliminates the presumption that a general partner should

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

2. Accounting Policies (Continued)

consolidate a limited partnership, affects the consolidation analysis of reporting entities that are involved with Variable Interest Entities, particularly those that have fee arrangements and related party relationships, and provides a scope exception from consolidation guidance for reporting entities with interests in legal entities that are required to comply with or operate in accordance with requirements that are similar to those in Rule 2a-7 of the Investment Company Act of 1940 for registered money market funds. This guidance is effective for public companies for fiscal years beginning after December 15, 2015 with early adoption permitted. The adoption of this standard is not expected to have a material impact on the Company's consolidated financial statements.

In April 2015, the FASB issued ASU 2015-03, "Interest—Imputation of Interest (Subtopic 835-30)—Simplifying the Presentation of Debt Issuance Costs." ASU 2015-03 modifies existing guidance related to the presentation of debt issuance costs which are currently capitalized and presented on the balance sheet as an asset. ASU 2015-03 requires these costs to be presented as a direct deduction from the face amount of the related debt. In August 2015, the FASB issued ASU 2015-15, "Interest—Imputation of Interest (Subtopic 835-30)—Presentation and Subsequent Measurement of Debt Issuance Costs Associated with the Line-of-Credit Arrangements." ASU 2015-15 clarifies the guidance regarding line-of-credit arrangements with regards to the recently issued ASU 2015-03 to incorporate statements made by the SEC Staff during their June 18, 2015 Emerging Issues Task Force meeting. The SEC Staff has clarified they would not object to an entity deferring and presenting debt issue costs as an asset and subsequently amortizing the deferred debt issue costs ratably over the term of the line-of-credit arrangement, regardless of whether there are any outstanding borrowings on the line-of-credit arrangement. This guidance is effective for public companies for fiscal years beginning after December 15, 2015 with early adoption permitted. The Company early adopted ASU 2015-03 and ASU 2015-15 as of December 31, 2015 and applied retrospectively for all periods presented. The adoption of this standard resulted in \$39.3 million and \$45.9 million of net deferred financing costs as of December 31, 2015 and 2014, respectively, being reclassified as a direct reduction of long-term debt on the balance sheet.

In July 2015, the FASB issued ASU 2015-11, "Inventory (Topic 330)—Simplifying the Measurement of Inventory." ASU 2015-11 changes the measurement principle for entities that do not measure inventory using the last-in, first-out (LIFO) or retail inventory method from the lower of cost or market to lower of cost and net realizable value. The ASU also eliminates the requirement for these entities to consider replacement cost or net realizable value less an approximately normal profit margin when measuring inventory. The ASU is effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods. The adoption of this standard is not expected to have a material impact on the Company's consolidated financial statements.

In August 2015, the FASB issued ASU 2015-14, "Revenue from Contracts with Customers (Topic 606)—Deferral of the Effective Date." ASU 2015-14 defers the effective date of ASU 2014-09 by one year to annual reporting periods beginning after December 15, 2017 with early adoption permitted for periods beginning after December 15, 2016. The adoption of this standard is not expected to have a material impact on the Company's consolidated financial statements.

In November 2015, the FASB issued ASU 2015-17, "Income Taxes (Topic 740)—Balance Sheet Classification of Deferred Taxes." ASU 2015-17 eliminates the requirement to classify deferred tax assets and liabilities as current or long-term based on how the related assets or liabilities are classified. All deferred taxes are now required to be classified as long-term including any associated valuation allowances. This guidance is effective for public companies for fiscal years beginning after December 15, 2016 with early adoption permitted on either a prospective or retrospective basis. The Company has early adopted this guidance as of December 31, 2015 on a prospective basis and prior periods presented have not been retrospectively adjusted. Had we elected to adopt retrospectively, the December 31, 2014 balance sheet would have reflected \$41.5 million and \$399.6 million in long-term deferred tax assets and long-term deferred tax liabilities, respectively and zero for current deferred tax assets and current deferred tax liabilities.

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

3. Acquisitions and Divestitures

In the first quarter of 2014, we closed three farm-out agreements with BP Exploration (Morocco) Limited, a wholly owned subsidiary of BP plc ("BP"), covering our three blocks in the Agadir Basin, offshore Morocco. Under the terms of the agreements, BP acquired a non-operating interest in each of the Essaouira Offshore, Fom Assaka Offshore and Tarhazoute Offshore blocks. BP is obligated to fund Kosmos' share of the cost of one exploration well in each of the three blocks, subject to a maximum spend of \$120.0 million per well and pay its proportionate share of any well costs above the maximum spend (which included the FA-1 exploration well drilled during 2014). In the event a second exploration well is drilled in any block, BP will pay 150% of its share of costs subject to a maximum spend of \$120.0 million per well. The sales proceeds of the farm-outs were \$56.9 million. After giving effect to these farm-outs, our participating interests are 30.0%, 29.9% and 30.0% in the Essaouira Offshore, Fom Assaka Offshore and Tarhazoute Offshore blocks, respectively, and we remain the operator. The proceeds on the sale of the interests exceeded our book basis in the assets, resulting in a \$23.8 million gain on the transaction.

In the first quarter of 2014, we closed a farm-out agreement with Capricorn Exploration and Development Company Limited, a wholly owned subsidiary of Cairn Energy PLC ("Cairn"), covering the Cap Boujdour Offshore block, offshore Western Sahara. Under the terms of the agreement, Cairn acquired a 20% non-operated interest in the exploration permits comprising the Cap Boujdour Offshore block. Under the terms of the agreement, Cairn paid 150% of its share of costs of a 3D seismic survey capped at \$25.0 million and the CB-1 exploration well capped at \$100.0 million. Additionally, Cairn paid \$12.3 million towards our future costs. Cairn paid \$1.5 million for their share of costs incurred from the effective date of the farm-out agreement through the closing date, which was recorded as a reduction in our basis. After giving effect to the farm-out, our participating interest in the Cap Boujdour Offshore block is 55.0% and we remain the operator.

In August 2014, we entered into a farm-in agreement with Timis Corporation Limited ("Timis"), whereby we acquired a 60% participating interest and operatorship, covering the Cayar Offshore Profond and Saint Louis Offshore Profond blocks offshore Senegal. As part of the agreement, we carried the full costs of a 3D seismic program. Additionally, we carried the full costs of the Guembeul-1 exploration well and will fund Timis' share of the costs of a second contingent exploration well in either contract area, subject to a maximum gross cost per well of \$120.0 million, should Kosmos elect to drill such well. We also retain the option to increase our equity to 65% in exchange for carrying the full cost of a third contingent exploration or appraisal well, subject to a maximum gross cost of \$120.0 million.

In March 2015, we closed a farm-in agreement with Repsol Exploracion, S.A. ("Repsol"), acquiring a non-operated interest in the Camarao, Ameijoa, Mexilhao and Ostra blocks in the Peniche Basin offshore Portugal. As part of the agreement, we reimbursed a portion of Repsol's previously incurred exploration costs, as well as partially carried Repsol's share of the costs of a planned 3D seismic program. After giving effect to the farm-in agreement, our participating interest is 31% in each of the blocks.

In March 2015, we closed a farm-out agreement with Chevron Corporation ("Chevron") covering the C8, C12 and C13 petroleum contracts offshore Mauritania. Under the terms of the farm-out agreement, Chevron acquired a 30% non-operated working interest in each of the contract areas. As partial consideration for the farm-out, Chevron paid a disproportionate share of the costs of one exploration well, the Marsouin-1 exploration well, as well as its proportionate share of certain previously incurred exploration costs. The final allocation resulted in sales proceeds of \$28.7 million, which exceeded our book basis in the assets, resulting in a \$24.7 million gain on the transaction. As a further component of the consideration for the farm-out, Chevron was required to make an election by February 1, 2016, to either farm-in to the Tortue-1 exploration well by paying a disproportionate share of the costs incurred in drilling of the well or, alternatively elect to not farm-in to the Tortue-1 exploration well and pay a disproportionate share of the costs of a second contingent exploration or appraisal well in the contract areas, subject to maximum expenditure caps. Chevron failed to make this mandatory election by the required date. Consequently, pursuant to the terms of the farm-out agreement, Chevron has withdrawn from our Mauritania blocks. Subsequently, Chevron requested that we engage in discussions related to the possible reinstatement of Chevron's interests in our Mauritania blocks and such discussions are ongoing.

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

3. Acquisitions and Divestitures (Continued)

However, if no such agreement is reached in these discussions, Chevron's 30% non-operated participating interest will be reassigned to us (subject to requisite government approvals), and our participating interests in the Block C8, C12 and C13 petroleum contracts will be 90%.

In September 2015, we notified the government of Ireland and our partners that we are withdrawing from all of our blocks offshore Ireland. These blocks were acquired during 2013.

In October 2015, we closed a sale and purchase agreement with ERHC Energy EEZ, LDA, whereby we acquired an 85% participating interest and operatorship in Block 11 offshore Sao Tome and Principe. The National Petroleum Agency, Agencia Nacional Do Petroleo De Sao Tome E Principe ("ANP"), has a 15% carried interest.

In November 2015, we closed a farm-in agreement with Galp Energia Sao Tome E Principe, Unipessoal, LDA ("Galp"), a wholly owned subsidiary of Petrogal, S.A. to acquire a 45% non-operated participating interest in Block 6 offshore Sao Tome and Principe.

In January 2016, we closed a farm-in agreement with Equator, an affiliate of Oando, for Block 5 offshore Sao Tome and Principe, whereby we acquired a 65% participating interest and operatorship in the block. Certain governmental approvals and processes are still required to be completed before this acquisition is effective.

4. Joint Interest Billings

The Company's joint interest billings consist of receivables from partners with interests in common oil and gas properties operated by the Company. Joint interest billings are classified on the face of the consolidated balance sheets as current and long-term receivables based on when collection is expected to occur.

In 2014, the Ghana National Petroleum Corporation ("GNPC") notified us and our block partners that it would exercise its right for the contractor group to pay its 5% share of the Tweneboa, Enyenra and Ntomme ("TEN") development costs. The block partners will be reimbursed for such costs plus interest out of a portion of GNPC's TEN production revenues under the terms of the Deepwater Tano ("DT") petroleum contract. As of December 31, 2015 and 2014, the joint interest billing receivables due from GNPC for the TEN development costs were \$35.3 million and \$14.2 million, respectively, which were classified as long-term on the consolidated balance sheets.

5. Property and Equipment

Property and equipment is stated at cost and consisted of the following:

	December 31,	
	2015	2014
	(In thousands)	
Oil and gas properties:		
Proved properties	\$1,337,215	\$1,156,868
Unproved properties	593,510	363,717
Support equipment and facilities	1,241,943	968,722
Total oil and gas properties	3,172,668	2,489,307
Accumulated depletion	(858,442)	(716,121)
Oil and gas properties, net	2,314,226	1,773,186
Other property	34,807	33,718
Accumulated depreciation	(26,194)	(22,058)
Other property, net	8,613	11,660
Property and equipment, net	<u>\$2,322,839</u>	<u>\$1,784,846</u>

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

5. Property and Equipment (Continued)

We recorded depletion expense of \$146.6 million, \$188.3 million and \$213.7 million for the years ended December 31, 2015, 2014 and 2013, respectively.

6. Suspended Well Costs

The Company capitalizes exploratory well costs as unproved properties within oil and gas properties until a determination is made that the well has either found proved reserves or is impaired. If proved reserves are found, the capitalized exploratory well costs are reclassified to proved properties. Well costs are charged to exploration expense if the exploratory well is determined to be impaired.

The following table reflects the Company's capitalized exploratory well costs on completed wells as of and during the years ended December 31, 2015, 2014 and 2013. The table excludes \$70.3 million, \$1.1 million and \$78.5 million in costs that were capitalized and subsequently expensed during the same year for the years ended December 31, 2015, 2014 and 2013, respectively. During 2014, the exploratory well costs associated with the TEN development were reclassified to proved property.

	Years Ended December 31,		
	2015	2014	2013
	(In thousands)		
Beginning balance	\$226,714	\$ 376,166	\$372,492
Additions to capitalized exploratory well costs pending the determination of proved reserves	223,542	71,039	32,804
Reclassification due to determination of proved reserves	—	(220,491)	—
Capitalized exploratory well costs charged to expense	(23,375)	—	(29,130)
Ending balance	<u>\$426,881</u>	<u>\$ 226,714</u>	<u>\$376,166</u>

The following table provides aging of capitalized exploratory well costs based on the date drilling was completed and the number of projects for which exploratory well costs have been capitalized for more than one year since the completion of drilling:

	Years Ended December 31,		
	2015	2014	2013
	(In thousands, except well counts)		
Exploratory well costs capitalized for a period of one year or less	\$199,486	\$ 16,814	\$ 11,426
Exploratory well costs capitalized for a period of one to two years	17,702	40,865	229,140
Exploratory well costs capitalized for a period of three to six years	209,693	169,035	135,600
Ending balance	<u>\$426,881</u>	<u>\$226,714</u>	<u>\$376,166</u>
Number of projects that have exploratory well costs that have been capitalized for a period greater than one year	<u>3</u>	<u>5</u>	<u>8</u>

As of December 31, 2015, the projects with exploratory well costs capitalized for more than one year since the completion of drilling are related to Mahogany, Teak (formerly Teak-1 and Teak-2) and Akasa discoveries in the West Cape Three Points ("WCTP") Block and the Wawa discovery in the DT Block, which are all in Ghana.

Mahogany and Teak Discoveries—In November 2015, we signed the Jubilee Field Unit Expansion Agreement with our partners to allow for the development of the Mahogany and Teak discoveries through

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

6. Suspended Well Costs (Continued)

the Jubilee FPSO and infrastructure. The expansion of the Jubilee Unit becomes effective upon approval by Ghana's Ministry of Petroleum of the Greater Jubilee Full Field Development Plan ("GJFFDP"), which was submitted to the government of Ghana in December 2015. The GJFFDP encompasses future development of the Jubilee Field, in addition to future development of the Mahogany and Teak discoveries, which were declared commercial during 2015. We are currently in discussions with the government of Ghana concerning the GJFFDP. Upon approval of the GJFFDP by the Ministry of Petroleum, the Jubilee Unit will be expanded to include the Mahogany and Teak discoveries and revenues and expenses associated with these discoveries will be at the Jubilee Unit interests. The WCTP Block partners have agreed they will take the steps necessary to transfer operatorship of the remaining portions of the WCTP Block to Tullow after approval of the GJFFDP by Ghana's Ministry of Petroleum.

Akasa Discovery—We are currently in discussions with the government of Ghana regarding additional technical studies and evaluation that we want to conduct before we are able to make a determination regarding commerciality of the discovery. If we determine the discovery to be commercial, a declaration of commerciality would be provided and a PoD would be prepared and submitted to Ghana's Ministry of Petroleum, as required under the WCTP petroleum contract. The WCTP Block partners have agreed they will take the steps necessary to transfer operatorship of the remaining portions of the WCTP Block to Tullow after approval of the GJFFDP by Ghana's Ministry of Petroleum.

Wawa Discovery—In April 2015, the Special Chamber of the International Tribunal of the Law of the Sea ("ITLOS") issued an order in response to the provisional measures sought by the government of Cote d'Ivoire in its pending maritime boundary dispute with the government of Ghana. ITLOS rejected the request that Ghana suspend all ongoing exploration and development operations in the disputed area in which the Wawa Discovery is situated until ITLOS gives its decision on the maritime boundary dispute, which is expected by late 2017. ITLOS did order Ghana to suspend new drilling in the disputed area. We plan to discuss with the government of Ghana the effects of the ITLOS order on the proposed Wawa appraisal activities so that we can more clearly define our future plans and corresponding timeline. In the meantime, we continue to reprocess seismic data and have acquired a high resolution seismic survey over the discovery area. Following additional evaluation and potential appraisal activities, a decision regarding commerciality of the Wawa discovery will be made by the DT Block partners. Under the petroleum contract, we currently have until May 2016 to make a decision regarding a declaration of commerciality. Within nine months of a declaration of commerciality, a PoD would be prepared and submitted to Ghana's Ministry of Petroleum, as required under the DT petroleum contract.

7. Accrued Liabilities

Accrued liabilities consisted of the following:

	December 31,	
	2015	2014
	(In thousands)	
Accrued liabilities:		
Exploration, development and production	\$111,064	\$139,393
General and administrative expenses	24,839	21,926
Interest	17,512	10,271
Income taxes	3,418	9,233
Taxes other than income	3,064	20,315
Other	—	829
	\$159,897	\$201,967

KOSMOS ENERGY LTD.
Notes to Consolidated Financial Statements (Continued)

8. Debt

Debt consisted of the following:

	December 31,	
	2015	2014
	(In thousands)	
Outstanding debt principal balances:		
Facility	\$400,000	\$500,000
Senior Notes	525,000	300,000
Total	925,000	800,000
Unamortized issuance costs and discounts	(64,122)	(51,638)
Long-term debt	\$860,878	\$748,362

Facility

In March 2014, the Company amended and restated the Facility with a total commitment of \$1.5 billion from a number of financial institutions. The Facility supports our oil and gas exploration, appraisal and development programs and corporate activities. As part of the debt refinancing in March 2014, the repayment of borrowings under the existing facility attributable to financial institutions that did not participate in the amended Facility was accounted for as an extinguishment of debt, and existing unamortized debt issuance costs attributable to those participants were expensed. As a result, we recorded a \$2.9 million loss on the extinguishment of debt. As of December 31, 2015, we have \$37.5 million of unamortized issuance costs related to the Facility, which will be amortized over the remaining term of the Facility, including certain costs related to the amendment.

As of December 31, 2015, borrowings under the Facility totaled \$400.0 million and the undrawn availability under the Facility was \$1.1 billion. Interest is the aggregate of the applicable margin (3.25% to 4.50%, depending on the length of time that has passed from the date the Facility was entered into); LIBOR; and mandatory cost (if any, as defined in the Facility). Interest is payable on the last day of each interest period (and, if the interest period is longer than six months, on the dates falling at six-month intervals after the first day of the interest period). We pay commitment fees on the undrawn and unavailable portion of the total commitments, if any. Commitment fees are equal to 40% per annum of the then-applicable respective margin when a commitment is available for utilization and, equal to 20% per annum of the then-applicable respective margin when a commitment is not available for utilization. We recognize interest expense in accordance with ASC 835—Interest, which requires interest expense to be recognized using the effective interest method. We determined the effective interest rate based on the estimated level of borrowings under the Facility. As part of the March 2014 amendment, the Facility's estimated effective interest rate was changed and, accordingly, we adjusted our estimate of deferred interest previously recorded during prior years by \$4.5 million, which was recorded as a reduction to interest expense for the year ended December 31, 2014.

The Facility provides a revolving credit and letter of credit facility. The availability period for the revolving-credit facility, as amended in March 2014 expires on March 31, 2018, however the Facility has a revolving-credit sublimit, which will be the lesser of \$500.0 million and the total available facility at that time, that will be available for drawing until the date falling one month prior to the final maturity date. The letter of credit sublimit expires on the final maturity date. The available facility amount is subject to borrowing base constraints and, beginning on March 31, 2018, outstanding borrowings will be constrained by an amortization schedule. The Facility has a final maturity date of March 31, 2021. As of December 31, 2015, we had no letters of credit issued under the Facility.

Kosmos has the right to cancel all the undrawn commitments under the Facility. The amount of funds available to be borrowed under the Facility, also known as the borrowing base amount, is determined each year on March 31 and September 30. The borrowing base amount is based on the sum of the net present values of net cash flows and relevant capital expenditures reduced by certain percentages as well as value attributable to certain assets' reserves and/or resources in Ghana.

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

8. Debt (Continued)

If an event of default exists under the Facility, the lenders can accelerate the maturity and exercise other rights and remedies, including the enforcement of security granted pursuant to the Facility over certain assets held by our subsidiaries. The Facility contains customary cross default provisions.

We were in compliance with the financial covenants contained in the Facility as of the September 30, 2015 (the most recent assessment date).

Corporate Revolver

In November 2012, we secured a Corporate Revolver from a number of financial institutions which, as amended in June 2015, has an availability of \$400.0 million. The Corporate Revolver is available for all subsidiaries for general corporate purposes and for oil and gas exploration; appraisal and development programs. As of December 31, 2015, we have \$8.0 million of net deferred financing costs related to the Corporate Revolver, which will be amortized over the remaining term, which as amended expires in November 2018.

As of December 31, 2015, there were no borrowings outstanding under the Corporate Revolver and the undrawn availability under the Corporate Revolver was \$400.0 million.

Interest is the aggregate of the applicable margin (6.0%); LIBOR; and mandatory cost (if any, as defined in the Corporate Revolver). Interest is payable on the last day of each interest period (and, if the interest period is longer than six months, on the dates falling at six-month intervals after the first day of the interest period). We pay commitment fees on the undrawn portion of the total commitments. Commitment fees, as amended in June 2015, for the lenders are equal to 30% per annum of the respective margin when a commitment is available for utilization.

The Corporate Revolver, as amended in June 2015, expires on November 23, 2018. The available amount is not subject to borrowing base constraints. Kosmos has the right to cancel all the undrawn commitments under the Corporate Revolver. The Company is required to repay certain amounts due under the Corporate Revolver with sales of certain subsidiaries or sales of certain assets. If an event of default exists under the Corporate Revolver, the lenders can accelerate the maturity and exercise other rights and remedies, including the enforcement of security granted pursuant to the Corporate Revolver over certain assets held by us.

We were in compliance with the financial covenants contained in the Corporate Revolver as of September 30, 2015 (the most recent assessment date). The Corporate Revolver contains customary cross default provisions.

Revolving Letter of Credit Facility

In July 2013, we entered into a revolving letter of credit facility agreement ("LC Facility"). The size of the LC Facility is \$75.0 million, as amended in July 2015, with additional commitments up to \$50.0 million being available if the existing lender increases its commitment or if commitments from new financial institutions are added. The LC Facility provides that we maintain cash collateral in an amount equal to at least 75% of all outstanding letters of credit under the LC Facility, provided that during the period of any breach of certain financial covenants, the required cash collateral amount shall increase to 100%. The fees associated with outstanding letters of credit issued will be 0.5% per annum. The LC Facility has an availability period which expires on June 1, 2016. We may voluntarily cancel any commitments available under the LC Facility at any time. As of December 31, 2015, there were nine outstanding letters of credit totaling \$15.3 million under the LC Facility. The LC Facility contains customary cross default provisions.

7.875% Senior Secured Notes due 2021

During August 2014, the Company issued \$300.0 million of Senior Notes and received net proceeds of approximately \$292.5 million after deducting discounts, commissions and deferred financing costs. The Company used the net proceeds to repay a portion of the outstanding indebtedness under the Facility and for general corporate purposes.

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

8. Debt (Continued)

During April 2015, we issued an additional \$225.0 million of Senior Notes and received net proceeds of \$206.8 million after deducting discounts, commissions and other expenses. We used the net proceeds to repay a portion of the outstanding indebtedness under the Facility and for general corporate purposes. The additional \$225.0 million of Senior Notes have identical terms to the initial \$300.0 million Senior Notes, other than the date of issue, the initial price, the first interest payment date and the first date from which interest accrued.

The Senior Notes mature on August 1, 2021. Interest is payable semi-annually in arrears each February 1 and August 1 commencing on February 1, 2015 for the initial \$300.0 million Senior Notes and August 1, 2015 for the additional \$225.0 million Senior Notes. The Senior Notes are secured (subject to certain exceptions and permitted liens) by a first ranking fixed equitable charge on all shares held by us in our direct subsidiary, Kosmos Energy Holdings. The Senior Notes are currently guaranteed on a subordinated, unsecured basis by our existing restricted subsidiaries that guarantee the Facility and the Corporate Revolver, and, in certain circumstances, the Senior Notes will become guaranteed by certain of our other existing or future restricted subsidiaries (the "Guarantees").

Redemption and Repurchase. At any time prior to August 1, 2017 and subject to certain conditions, the Company may, on any one or more occasions, redeem up to 35% of the aggregate principal amount of Senior Notes issued under the indenture dated August 1, 2014 related to the Senior Notes (the "Indenture") at a redemption price of 107.875%, plus accrued and unpaid interest, with the cash proceeds of certain eligible equity offerings. Additionally, at any time prior to August 1, 2017, the Company may, on any one or more occasions, redeem all or a part of the Senior Notes at a redemption price equal to 100%, plus any accrued and unpaid interest, and a make-whole premium. On or after August 1, 2017, the Company may redeem all or a part of the Senior Notes at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest:

<u>Year</u>	<u>Percentage</u>
On or after August 1, 2017, but before August 1, 2018	103.9%
On or after August 1, 2018, but before August 1, 2019	102.0%
On or after August 1, 2019 and thereafter	100.0%

We may also redeem the Senior Notes in whole, but not in part, at any time if changes in tax laws impose certain withholding taxes on amounts payable on the Senior Notes at a price equal to the principal amount of the Senior Notes plus accrued interest and additional amounts, if any, as may be necessary so that the net amount received by each holder after any withholding or deduction on payments of the Senior Notes will not be less than the amount such holder would have received if such taxes had not been withheld or deducted.

Upon the occurrence of a change of control triggering event as defined under the Indenture, the Company will be required to make an offer to repurchase the Senior Notes at a repurchase price equal to 101% of the principal amount, plus accrued and unpaid interest to, but excluding, the date of repurchase.

If we sell assets, under certain circumstances outlined in the Indenture, we will be required to use the net proceeds to make an offer to purchase the Senior Notes at an offer price in cash in an amount equal to 100% of the principal amount of the Senior Notes, plus accrued and unpaid interest to, but excluding, the repurchase date.

Covenants. The Indenture restricts our ability and the ability of our restricted subsidiaries to, among other things: incur or guarantee additional indebtedness, create liens, pay dividends or make distributions in respect of capital stock, purchase or redeem capital stock, make investments or certain other restricted payments, sell assets, enter into agreements that restrict the ability of our subsidiaries to make dividends or other payments to us, enter into transactions with affiliates, or effect certain consolidations, mergers or amalgamations. These covenants are subject to a number of important qualifications and exceptions. Certain of these covenants will be terminated if the Senior Notes are assigned an investment grade rating

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

8. Debt (Continued)

by both Standard & Poor's Rating Services and Fitch Ratings Inc. and no default or event of default has occurred and is continuing.

Collateral. The Senior Notes are secured (subject to certain exceptions and permitted liens) by a first ranking fixed equitable charge on all currently outstanding shares, additional shares, dividends or other distributions paid in respect of such shares or any other property derived from such shares, in each case held by us in relation to the Company's direct subsidiary, Kosmos Energy Holdings, pursuant to the terms of the Charge over Shares of Kosmos Energy Holdings dated November 23, 2012, as amended and restated on March 14, 2014, between the Company and BNP Paribas as Security and Intercreditor Agent. The Senior Notes share *pari passu* in the benefit of such equitable charge based on the respective amounts of the obligations under the Indenture and the amount of obligations under the Corporate Revolver. The Guarantees are not secured.

At December 31, 2015, the estimated repayments of debt during the five years and thereafter are as follows:

	Payments Due by Year					
	2016	2017	2018	2019	2020	Thereafter
	(In thousands)					
Principal debt repayments(1).	\$ —	\$ —	\$ —	\$ —	\$ 185,714	\$ 739,286

(1) Includes the scheduled principal maturities for the \$525.0 million aggregate principal amount of Senior Notes issued in August 2014 and April 2015 and the Facility. The scheduled maturities of debt related to the Facility are based on the level of borrowings and the estimated future available borrowing base as of December 31, 2015. Any increases or decreases in the level of borrowings or increases or decreases in the available borrowing base would impact the scheduled maturities of debt during the next five years and thereafter. As of December 31, 2015, there were no borrowings under the Corporate Revolver.

Interest and other financing costs, net

Interest and other financing costs, net incurred during the period comprised of the following:

	Years Ended December 31,		
	2015	2014	2013
	(In thousands)		
Interest expense	\$ 74,897	\$ 57,876	\$ 49,317
Amortization—deferred financing costs	10,324	10,548	11,054
Loss on extinguishment of debt	165	2,898	—
Capitalized interest	(52,392)	(20,577)	(13,074)
Deferred interest	1,770	(3,562)	1,658
Interest income	(844)	(529)	(275)
Other, net	3,289	(1,106)	(1,090)
Interest and other financing costs, net	\$ 37,209	\$ 45,548	\$ 47,590

9. Derivative Financial Instruments

We use financial derivative contracts to manage exposures to commodity price and interest rate fluctuations. We do not hold or issue derivative financial instruments for trading purposes.

We manage market and counterparty credit risk in accordance with our policies and guidelines. In accordance with these policies and guidelines, our management determines the appropriate timing and extent of derivative transactions. We have included an estimate of nonperformance risk in the fair value measurement of our derivative contracts as required by ASC 820—Fair Value Measurements and Disclosures.

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

9. Derivative Financial Instruments (Continued)

Oil Derivative Contracts

The following table sets forth the volumes in barrels underlying the Company's outstanding oil derivative contracts and the weighted average Dated Brent prices per Bbl for those contracts as of December 31, 2015.

Term	Type of Contract	MBbl	Weighted Average Dated Brent Price per Bbl					
			Net Deferred Premium Payable	Swap	Put	Floor	Ceiling	Call
2016:								
January—								
December	Purchased puts	2,000	\$3.41	\$ —	\$ —	\$85.00	\$ —	\$ —
January—								
December	Three-way collars	2,000	—	—	—	85.00	110.00	135.00
January—								
December	Swaps with puts	2,000	—	75.00	60.00	—	—	—
2017:								
January—								
December	Swap with puts/calls	2,000	\$2.13	\$72.50	\$55.00	\$ —	\$ —	\$ 90.00
January—								
December	Swap with puts	2,000	—	64.95	50.00	—	—	—
January—								
December	Sold calls(1)	2,000	—	—	—	—	85.00	—
2018:								
January—								
December	Three-way collars	913	\$2.37	\$ —	\$45.00	\$60.00	\$ 75.00	\$ —
2019:								
January—								
December	Sold calls(1)	913	\$ —	\$ —	\$ —	\$ —	\$ 80.00	\$ —

(1) Represents call option contracts sold to counterparties to enhance other derivative positions.

In February 2016, we entered into three-way collar contracts for 2.0 MMBbl from January 2017 through December 2017 with a floor price of \$45.00 per barrel, a ceiling price of \$60 per barrel and a sold put price of \$30.00 per barrel. In addition, we sold call contracts for 2.0 MMBbl from January 2018 through December 2018 with a strike price of \$65.00 per barrel. The contracts are indexed to Dated Brent prices and have a weighted average deferred premium payable of \$1.68 per barrel.

Interest Rate Derivative Contracts

The following table summarizes our open interest rate swaps, whereby we pay a fixed rate of interest and the counterparty pays a variable LIBOR-based rate, and our capped interest rate swaps whereby we pay a fixed rate of interest if LIBOR is below the cap, and pay the market rate less the spread between the cap (sold call) and the fixed rate of interest if LIBOR is above the cap as of December 31, 2015:

Term	Type of Contract	Floating Rate	Weighted Average		
			Notional	Swap	Sold Call
(In thousands)					
January 2016—June 2016	Swap	6-month LIBOR	\$ 12,500	2.27%	—
January 2016—December 2018	Capped swap	1-month LIBOR	200,000	1.23%	3.00%

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

9. Derivative Financial Instruments (Continued)

Effective June 1, 2010, we discontinued hedge accounting on all interest rate derivative instruments. Therefore, from that date forward, changes in the fair value of the instruments have been recognized in earnings during the period of change. The effective portions of the discontinued hedges as of May 31, 2010, were included in AOCI in the equity section of the accompanying consolidated balance sheets, and were transferred to earnings when the hedged transaction settled. As of December 31, 2015 all instruments previously designated as hedges have settled and there is no balance remaining in AOCI. See Note 10—Fair Value Measurements for additional information regarding the Company’s derivative instruments.

The following tables disclose the Company’s derivative instruments as of December 31, 2015 and 2014 and gain/(loss) from derivatives during the years ended December 31, 2015, 2014 and 2013

<u>Type of Contract</u>	<u>Balance Sheet Location</u>	<u>Estimated Fair Value Asset (Liability)</u>	
		<u>December 31,</u>	
		<u>2015</u>	<u>2014</u>
(In thousands)			
Derivatives not designated as hedging instruments:			
Derivative assets:			
Commodity(1)	Derivatives assets—current	\$182,640	\$163,275
Commodity(2)	Derivatives assets—long-term	59,197	89,210
Interest rate	Derivatives assets—long-term	659	—
Derivative liabilities:			
Interest rate	Derivatives liabilities—current	(1,155)	(721)
Commodity	Derivatives liabilities—long-term	(4,196)	—
Interest rate	Derivatives liabilities—long-term	—	(68)
Total derivatives not designated as hedging instruments		<u>\$237,145</u>	<u>\$251,696</u>

- (1) Includes net deferred premiums payable of \$6.2 million and \$1.8 million related to commodity derivative contracts as of December 31, 2015 and 2014, respectively.
- (2) Includes net deferred premiums payable of \$6.9 million related to commodity derivative contracts as of December 31, 2015 and 2014.

KOSMOS ENERGY LTD.
Notes to Consolidated Financial Statements (Continued)

9. Derivative Financial Instruments (Continued)

<u>Type of Contract</u>	<u>Location of Gain/(Loss)</u>	<u>Amount of Gain/(Loss)</u> <u>Years Ended December 31,</u>		
		<u>2015</u>	<u>2014</u>	<u>2013</u>
(In thousands)				
Derivatives in cash flow hedging relationships:				
Interest rate(1)	Interest expense	\$ 767	\$ 1,391	\$ 1,527
Total derivatives in cash flow hedging relationships		<u>\$ 767</u>	<u>\$ 1,391</u>	<u>\$ 1,527</u>
Derivatives not designated as hedging instruments:				
Commodity(2)	Oil and gas revenue	\$ 3	\$ (11,661)	\$ (7,156)
Commodity	Derivatives, net	210,649	281,853	(17,027)
Interest rate	Interest expense	(462)	(285)	(437)
Total derivatives not designated as hedging instruments		<u>\$210,190</u>	<u>\$269,907</u>	<u>\$(24,620)</u>

(1) Amounts were reclassified from AOCI into earnings upon settlement.

(2) Amounts represent the change in fair value of our provisional oil sales contracts.

Offsetting of Derivative Assets and Derivative Liabilities

Our derivative instruments which are subject to master netting arrangements with our counterparties only have the right of offset when there is an event of default. As of December 31, 2015 and 2014, there was not an event of default and, therefore, the associated gross asset or gross liability amounts related to these arrangements are presented on the consolidated balance sheets. Additionally, if an event of default occurred the offsetting amounts would be immaterial as of December 31, 2015 and 2014.

10. Fair Value Measurements

In accordance with ASC 820—Fair Value Measurements and Disclosures, fair value measurements are based upon inputs that market participants use in pricing an asset or liability, which are classified into two categories: observable inputs and unobservable inputs. Observable inputs represent market data obtained from independent sources, whereas unobservable inputs reflect a company's own market assumptions, which are used if observable inputs are not reasonably available without undue cost and effort. We prioritize the inputs used in measuring fair value into the following fair value hierarchy:

- Level 1—quoted prices for identical assets or liabilities in active markets.
- Level 2—quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability and inputs derived principally from or corroborated by observable market data by correlation or other means.
- Level 3—unobservable inputs for the asset or liability. The fair value input hierarchy level to which an asset or liability measurement in its entirety falls is determined based on the lowest level input that is significant to the measurement in its entirety.

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

10. Fair Value Measurements (Continued)

The following tables present the Company's assets and liabilities that are measured at fair value on a recurring basis as of December 31, 2015 and 2014, for each fair value hierarchy level:

	Fair Value Measurements Using:			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
	(In thousands)			
December 31, 2015				
Assets:				
Commodity derivatives	\$ —	\$ 241,837	\$ —	\$241,837
Interest rate derivatives	—	659	—	659
Liabilities:				
Commodity derivatives	—	(4,196)	—	(4,196)
Interest rate derivatives	—	(1,155)	—	(1,155)
Total	<u>\$ —</u>	<u>\$ 237,145</u>	<u>\$ —</u>	<u>\$237,145</u>
December 31, 2014				
Assets:				
Commodity derivatives	\$ —	\$ 252,485	\$ —	\$252,485
Liabilities:				
Interest rate derivatives	—	(789)	—	(789)
Total	<u>\$ —</u>	<u>\$ 251,696</u>	<u>\$ —</u>	<u>\$251,696</u>

The book values of cash and cash equivalents and restricted cash approximate fair value based on Level 1 inputs. Joint interest billings, oil sales and other receivables, and accounts payable and accrued liabilities approximate fair value due to the short-term nature of these instruments. Our long-term receivables, if any, after any allowances for doubtful accounts approximate fair value. The estimates of fair value of these items are based on Level 2 inputs.

Commodity Derivatives

Our commodity derivatives represent crude oil three-way collars, put options, call options and swaps for notional barrels of oil at fixed Dated Brent oil prices. The values attributable to our oil derivatives are based on (i) the contracted notional volumes, (ii) independent active futures price quotes for Dated Brent, (iii) a credit-adjusted yield curve applicable to each counterparty by reference to the credit default swap ("CDS") market and (iv) an independently sourced estimate of volatility for Dated Brent. The volatility estimate was provided by certain independent brokers who are active in buying and selling oil options and was corroborated by market-quoted volatility factors. The deferred premium is included in the fair market value of the commodity derivatives. See Note 9—Derivative Financial Instruments for additional information regarding the Company's derivative instruments.

Provisional Oil Sales

The value attributable to the provisional oil sales derivative is based on (i) the sales volumes and (ii) the difference in the independent active futures price quotes for Dated Brent over the term of the pricing period designated in the sales contract and the spot price on the lifting date.

Interest Rate Derivatives

We have interest rate swaps, whereby the Company pays a fixed rate of interest and the counterparty pays a variable LIBOR-based rate. We also have capped interest rate swaps, whereby the Company pays a fixed rate of interest if LIBOR is below the cap, and pays the market rate less the spread between the cap and the fixed rate of interest if LIBOR is above the cap. The values attributable to the Company's interest rate derivative contracts are based on (i) the contracted notional amounts, (ii) LIBOR yield curves provided by independent third parties and corroborated with forward active market-quoted

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

10. Fair Value Measurements (Continued)

LIBOR yield curves and (iii) a credit-adjusted yield curve as applicable to each counterparty by reference to the CDS market.

Debt

The following table presents the carrying values and fair values of financial instruments that are not carried at fair value in the consolidated balance sheets:

	December 31, 2015		December 31, 2014	
	Carrying Value	Fair Value	Carrying Value	Fair Value
	(In thousands)			
Long-term debt	\$900,186	\$823,612	\$794,269	\$755,000

The carrying value of the Facility approximates fair value since it is subject to short-term floating interest rates that approximate the rates available to us for those periods. The carrying value of long-term debt represents the principal amounts outstanding and does not include any unamortized issuance costs. The fair value of our Senior Notes is based on quoted market prices, which results in a Level 1 fair value measurement.

11. Asset Retirement Obligations

The following table summarizes the changes in the Company's asset retirement obligations:

	December 31,	
	2015	2014
	(In thousands)	
Asset retirement obligations:		
Beginning asset retirement obligations	\$44,023	\$39,596
Liabilities incurred during period	3,818	—
Revisions in estimated retirement obligations	(9,023)	—
Accretion expense	5,120	4,427
Ending asset retirement obligations	\$43,938	\$44,023

The Ghanaian legal and regulatory regime regarding oil field abandonment and other environmental matters is evolving. Currently, no Ghanaian environmental regulations expressly require that companies abandon or remove offshore assets. Under the Environmental Permit for the Jubilee Field, a decommissioning plan will be prepared and submitted to the Ghana Environmental Protection Agency. ASC 410—Asset Retirement and Environmental Obligations requires the Company to recognize this liability in the period in which the liability was incurred. We have recorded an asset retirement obligation for fields that have commenced production. Additional asset retirement obligations will be recorded in the period in which wells within such producing fields are commissioned.

12. Equity-based Compensation

Restricted Stock Awards and Restricted Stock Units

Prior to our corporate reorganization, Kosmos Energy Holdings issued common units designated as profit units with a threshold value ranging from \$0.85 to \$90 to employees, management and directors. Profit units were equity awards that were measured on the grant date and expensed over a vesting period of four years. Founding management and directors vested 20% as of the date of issuance and an additional 20% on the anniversary date for each of the next four years. Profit units issued to employees vested 50% on the second and fourth anniversaries of the issuance date.

As part of the corporate reorganization in May 2011, vested profit units were exchanged for 31.7 million common shares of Kosmos Energy Ltd., unvested profit units were exchanged for 10.0 million restricted stock awards and the \$90 profit units were cancelled. Based on the terms and conditions of the

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

12. Equity-based Compensation (Continued)

corporate reorganization, the exchange of profit units for common shares of Kosmos Energy Ltd. resulted in no incremental compensation costs.

In April 2011, the Board of Directors approved the LTIP, which provides for the granting of incentive awards in the form of stock options, stock appreciation rights, restricted stock awards, restricted stock units, among other award types. In January 2015, the board of directors approved an amendment to the plan to add 15.0 million shares to the plan which was approved at the Annual General Meeting in June 2015. The LTIP provides for the issuance of 39.5 million shares pursuant to awards under the plan, in addition to the 10.0 million restricted stock awards exchanged for unvested profit units. As of December 31, 2015, the Company had approximately 11.8 million shares that remain available for issuance under the LTIP.

We record compensation expense equal to the fair value of share-based payments over the vesting periods of the LTIP awards. We recorded compensation expense from awards granted under our LTIP of \$75.1 million, \$74.5 million and \$69.0 million during the years ended December 31, 2015, 2014 and 2013, respectively. During the year ended December 31, 2014, an additional \$5.0 million of equity-based compensation was recorded as restructuring charges. The total tax benefit for the years ended December 31, 2015, 2014 and 2013 was \$25.7 million, \$25.7 million and \$23.5 million, respectively. We expensed a tax shortfall related to equity-based compensation of \$18.6 million, \$6.5 million and \$7.0 million for the years ended December 31, 2015, 2014 and 2013, respectively. The fair value of awards vested during 2015, 2014 and 2013 was approximately \$52.2 million, \$37.0 million, and \$41.1 million, respectively. The Company granted both restricted stock awards and restricted stock units with service vesting criteria and granted both restricted stock awards and restricted stock units with a combination of market and service vesting criteria under the LTIP. Substantially, all of these awards vest over three or four year periods. Restricted stock awards are issued and included in the number of outstanding shares upon the date of grant and, if such awards are forfeited, they become treasury stock. Upon vesting, restricted stock units become issued and outstanding stock.

The following table reflects the outstanding restricted stock awards as of December 31, 2015:

	Service Vesting Restricted Stock Awards	Weighted- Average Grant-Date Fair Value	Market / Service Vesting Restricted Stock Awards	Weighted- Average Grant-Date Fair Value
	(In thousands)		(In thousands)	
Outstanding at December 31,				
2012	9,898	\$ 16.92	3,534	\$ 12.93
Granted	351	10.73	—	—
Forfeited	(462)	16.51	(96)	12.35
Vested	(3,403)	17.18	—	—
Outstanding at December 31,				
2013	6,384	16.48	3,438	12.95
Granted	—	—	—	—
Forfeited	(122)	15.20	(77)	10.74
Vested	(3,022)	16.02	—	—
Outstanding at December 31,				
2014	3,240	16.95	3,361	13.00
Granted	660	8.64	—	—
Forfeited	(2)	12.84	(1,554)	13.29
Vested	(3,088)	17.21	(1,546)	13.30
Outstanding at December 31,				
2015	810	9.20	261	9.44

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

12. Equity-based Compensation (Continued)

The following table reflects the outstanding restricted stock units as of December 31, 2015:

	Service Vesting Restricted Stock Units	Weighted- Average Grant-Date Fair Value	Market / Service Vesting Restricted Stock Units	Weighted- Average Grant-Date Fair Value
	(In thousands)		(In thousands)	
Outstanding at December 31,				
2012	1,023	\$ 10.59	825	\$ 15.81
Granted	1,591	10.79	1,105	15.44
Forfeited	(133)	10.51	(72)	15.74
Vested	(243)	10.59	—	—
Outstanding at December 31,				
2013	2,238	10.74	1,858	15.59
Granted	2,113	10.80	1,572	15.71
Forfeited	(412)	10.90	(184)	15.48
Vested	(572)	10.74	—	—
Outstanding at December 31,				
2014	3,367	10.76	3,246	15.66
Granted	1,539	8.37	3,544	12.96
Forfeited	(254)	10.14	(212)	14.48
Vested	(1,060)	10.71	—	—
Outstanding at December 31,				
2015	<u>3,592</u>	9.79	<u>6,578</u>	14.24

As of December 31, 2015, total equity-based compensation to be recognized on unvested restricted stock awards and restricted stock units is \$51.3 million over a weighted average period of 1.8 years.

For restricted stock awards and restricted stock units with a combination of market and service vesting criteria, the number of common shares to be issued is determined by comparing the Company's total shareholder return with the total shareholder return of a predetermined group of peer companies over the performance period and can vest in up to 100% of the awards granted for restricted stock awards and up to 200% of the awards granted for restricted stock units. The grant date fair value of these awards ranged from \$6.70 to \$13.57 per award for restricted stock awards and \$12.96 to \$15.81 per award for restricted stock units. The Monte Carlo simulation model utilizes multiple input variables that determine the probability of satisfying the market condition stipulated in the award grant and calculates the fair value of the award. The expected volatility utilized in the model was estimated using our historical volatility and the historical volatilities of our peer companies and ranged from 41.3% to 56.7% for restricted stock awards and 44.0% to 54.0% for restricted stock units. The risk-free interest rate was based on the U.S. treasury rate for a term commensurate with the expected life of the grant and ranged from 0.5% to 1.1% for restricted stock awards and 0.5% to 1.2% for restricted stock units.

For profit units that were exchanged for restricted stock awards, the significant assumptions used to calculate the fair values of the profit units granted as calculated using a binomial tree, were as follows: no dividend yield, expected volatility ranging from approximately 25% to 66%; risk-free interest rate ranging from 1.3% to 5.1%; expected life ranging from 1.2 to 8.1 years; and projected turnover rates ranging from 7.0% to 27.0% for employees and none for management. For profit units granted immediately prior to our initial public offering, we utilized the midpoint of the range of the estimated offering price, or \$17.00 per share.

In January 2016, we granted 1.7 million service vesting restricted stock units and 1.3 million market and service vesting restricted stock units to our employees under our long-term incentive plan. We expect to recognize approximately \$10.6 million of non-cash compensation expense related to these grants over the next three years.

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

13. Income Taxes

Kosmos Energy Ltd. is a Bermuda company that is not subject to taxation at the corporate level. We provide for income taxes based on the laws and rates in effect in the countries in which our operations are conducted. The relationship between our pre-tax income or loss from continuing operations and our income tax expense or benefit varies from period to period as a result of various factors which include changes in total pre-tax income or loss, the jurisdictions in which our income is earned and the tax laws in those jurisdictions.

The components of income before income taxes were as follows:

	Years Ended December 31,		
	2015	2014	2013
	(In thousands)		
Bermuda	\$ (62,372)	\$ (31,787)	\$ (26,492)
United States	10,652	15,684	11,872
Foreign—other	137,156	594,371	90,574
Income before income taxes	\$ 85,436	\$578,268	\$ 75,954

The components of the provision for income taxes attributable to our income before income taxes consist of the following:

	Years Ended December 31,		
	2015	2014	2013
	(In thousands)		
Current:			
Bermuda	\$ —	\$ —	\$ —
United States	15,199	27,167	14,182
Foreign—other	29,287	55,322	70,436
Total current	44,486	82,489	84,618
Deferred:			
Bermuda	—	—	—
United States	8,241	(14,403)	(2,665)
Foreign—other	102,545	230,812	85,045
Total deferred	110,786	216,409	82,380
Income tax expense	\$155,272	\$298,898	\$166,998

Our reconciliation of income tax expense computed by applying our Bermuda statutory rate and the reported effective tax rate on income from continuing operations is as follows:

	Years Ended December 31,		
	2015	2014	2013
	(In thousands)		
Tax at Bermuda statutory rate	\$ —	\$ —	\$ —
Foreign income taxed at different rates	94,184	266,993	127,301
Change in valuation allowance(1)	40,600	16,401	(4,065)
Non-deductible and other items(1)	1,885	8,957	36,664
Tax shortfall on equity-based compensation	18,603	6,547	7,098
Total tax expense	\$155,272	\$298,898	\$166,998
Effective tax rate(2)	182%	52%	220%

(1) We took all actions required to voluntarily relinquish the N'dian River Block and Fako Block in Cameroon; therefore, the deferred tax asset and its corresponding valuation allowance

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

13. Income Taxes (Continued)

were written off in 2013. As of December 31, 2012, we had a \$40.1 million deferred tax asset and related valuation allowance, which were written off during 2013. The write off of the deferred tax asset and the related valuation allowance does not have an impact on the income tax expense.

- (2) The effective tax rate during the years ended December 31, 2015, 2014 and 2013 was also impacted by losses of \$153.5 million, \$159.9 million and \$178.8 million, respectively, incurred in jurisdictions in which we are not subject to taxes and, therefore, do not generate any income tax benefits.

As of December 31, 2013, our Ghana operations were in a net deferred tax liability position. The Ghana net operating loss carryforward existing as of December 2012 was utilized during 2013.

The effective tax rate for the United States is approximately 220%, 81% and 97% for the years ended December 31, 2015, 2014 and 2013, respectively. The effective tax rate in the United States is impacted by the effect of tax shortfalls related to equity-based compensation. The effective tax rate for Ghana is approximately 35%, 36% and 36% for the years ended December 31, 2015, 2014 and 2013, respectively. Our other foreign jurisdictions have a 0% effective tax rate because they reside in countries with a 0% statutory rate or we have experienced losses in those countries and have a full valuation allowance reserved against the corresponding net deferred tax assets.

As discussed above in Note 2—Accounting Policies, we elected the prospective early adoption of ASU 2015-17, which requires all deferred taxes to be classified as long-term, including any associated valuation allowances. Had we elected to adopt retrospectively, the December 31, 2014 balance sheet would have reflected \$41.5 million and \$399.6 million in long-term deferred tax assets and long-term deferred tax liabilities, respectively and zero for current deferred tax assets and current deferred tax liabilities.

Deferred tax assets and liabilities, which are computed on the estimated income tax effect of temporary differences between financial and tax bases in assets and liabilities, are determined using the tax rate expected to be in effect when taxes are actually paid or recovered. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

13. Income Taxes (Continued)

become deductible. The tax effects of significant temporary differences giving rise to deferred tax assets and liabilities are as follows:

	December 31,	
	2015	2014
	(In thousands)	
Deferred tax assets:		
Foreign capitalized operating expenses	\$ 101,823	\$ 60,401
Foreign net operating losses	14,719	15,548
Equity compensation	26,095	36,711
Other	22,656	20,657
Total deferred tax assets	165,293	133,317
Valuation allowance	(116,541)	(75,941)
Total deferred tax assets, net	48,752	57,376
Deferred tax liabilities:		
Depletion, depreciation and amortization related to property and equipment	(425,183)	(322,895)
Unrealized derivative gains	(92,549)	(92,675)
Total deferred tax liabilities	(517,732)	(415,570)
Net deferred tax asset (liability)	\$(468,980)	\$(358,194)

The Company has recorded a full valuation allowance against the net deferred tax assets in Ireland, Mauritania, Morocco, Portugal, Senegal and Suriname. The net change in the valuation allowance of \$40.6 million is due to additional losses generated in these countries.

The Company has entered into various petroleum contracts in Morocco. These petroleum contracts provide for a tax holiday, at a 0% tax rate, for a period of 10 years beginning on the date of first production, if any. The Company currently has recorded deferred tax assets of \$57.6 million, recorded at the Moroccan statutory rate of 30%, which has a full valuation allowance. We will re-evaluate our deferred tax position upon entering the tax holiday period and at such time may reduce the statutory rate applied to the deferred tax assets in Morocco to the extent those deferred tax assets are realized within the tax holiday period.

The Company has foreign net operating loss carryforwards of \$53.6 million. Of these losses, we expect \$9.4 million, \$35.5 million, \$1.5 million, \$0.6 million and \$0.5 million to expire in 2015, 2016, 2019, 2021 and 2022, respectively, and \$6.1 million do not expire. All of these losses currently have offsetting valuation allowances.

A subsidiary of the Company files a U.S. federal income tax return and a Texas margin tax return. In addition to the United States, the Company files income tax returns in the countries in which the Company operates. The Company is open to U.S. federal income tax examinations for tax years 2012 through 2015 and to Texas margin tax examinations for the tax years 2010 through 2015. In addition, the Company is open to income tax examinations for years 2011 through 2015 in its significant other foreign jurisdictions, primarily Ghana.

As of December 31, 2015, the Company had no material uncertain tax positions. The Company's policy is to recognize potential interest and penalties related to income tax matters in income tax expense.

14. Net Income (Loss) Per Share

In the calculation of basic net income per share, participating securities are allocated earnings based on actual dividend distributions received plus a proportionate share of undistributed net income, if any. We calculate basic net income per share under the two-class method. Diluted net income (loss) per share is calculated under both the two-class method and the treasury stock method and the more dilutive of the

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

14. Net Income (Loss) Per Share (Continued)

two calculations is presented. The computation of diluted net income (loss) per share reflects the potential dilution that could occur if all outstanding awards under our LTIP were converted into common shares or resulted in the issuance of common shares that would then share in the earnings of the Company. During periods in which the Company realizes a loss from continuing operations securities would not be dilutive to net loss per share and conversion into common shares is assumed not to occur.

Basic net income (loss) per share is computed as (i) net income (loss), (ii) less income allocable to participating securities (iii) divided by weighted average basic shares outstanding. The Company's diluted net income (loss) per share is computed as (i) basic net income (loss), (ii) plus diluted adjustments to income allocable to participating securities (iii) divided by weighted average diluted shares outstanding.

	Years Ended December 31,		
	2015	2014	2013
	(In thousands, except per share data)		
Numerator:			
Net income (loss)	\$ (69,836)	\$279,370	\$ (91,044)
Basic income allocable to participating securities(1)	—	(3,286)	—
Basic net income (loss) allocable to common shareholders	(69,836)	276,084	(91,044)
Diluted adjustments to income allocable to participating securities(1)	—	58	—
Diluted net income (loss) allocable to common shareholders . . .	\$ (69,836)	\$276,142	\$ (91,044)
Denominator:			
Weighted average number of shares outstanding:			
Basic	382,610	379,195	376,819
Restricted stock awards and units(1)(2)	—	6,924	—
Diluted	382,610	386,119	376,819
Net income (loss) per share:			
Basic	\$ (0.18)	\$ 0.73	\$ (0.24)
Diluted	\$ (0.18)	\$ 0.72	\$ (0.24)

(1) Our service vesting restricted stock awards represent participating securities because they participate in non-forfeitable dividends with common equity owners. Income allocable to participating securities represents the distributed and undistributed earnings attributable to the participating securities. Our restricted stock awards with market and service vesting criteria and all restricted stock units are not considered to be participating securities and, therefore, are excluded from the basic net income (loss) per common share calculation. Our service vesting restricted stock awards do not participate in undistributed net losses because they are not contractually obligated to do so and, therefore, are excluded from the basic net income (loss) per common share calculation in periods we are in a net loss position.

(2) For the years ended December 31, 2015, 2014 and 2013, we excluded 11.2 million, 4.4 million and 13.9 million outstanding restricted stock awards and restricted stock units, respectively, from the computations of diluted net income per share because the effect would have been anti-dilutive.

15. Commitments and Contingencies

From time to time, we are involved in litigation, regulatory examinations and administrative proceedings primarily arising in the ordinary course of our business in jurisdictions in which we do business. Although the outcome of these matters cannot be predicted with certainty, management believes none of these matters, either individually or in the aggregate, would have a material effect upon the Company's financial position; however, an unfavorable outcome could have a material adverse effect on our results from operations for a specific interim period or year.

KOSMOS ENERGY LTD.

Notes to Consolidated Financial Statements (Continued)

15. Commitments and Contingencies (Continued)

The Jubilee Field in Ghana covers an area within both the WCTP and DT petroleum contract areas. Consistent with the Ghanaian Petroleum Law, the WCTP and DT petroleum contracts and as required by Ghana's Ministry of Petroleum, it was agreed the Jubilee Field would be unitized for optimal resource recovery. Kosmos and its partners executed a comprehensive unitization and unit operating agreement, the Jubilee UUOA, to unitize the Jubilee Field and govern each party's respective rights and duties in the Jubilee Unit, which was effective July 16, 2009. Pursuant to the terms of the Jubilee UUOA, the tract participations are subject to a process of redetermination. The initial redetermination process was completed on October 14, 2011. As a result of the initial redetermination process, our Unit Interest is 24.1%. These consolidated financial statements are based on these re determined tract participations. Our unit interest may change in the future should another redetermination occur.

The Company leases facilities under various operating leases that expire through 2019, including our office space. Rent expense under these agreements, was \$4.7 million, \$4.6 million and \$4.1 million for the years ended December 31, 2015, 2014 and 2013, respectively.

We currently have a commitment to drill one exploration well in Morocco and Senegal. In Morocco, our partner is obligated to fund our share of the cost of the exploration well, subject to a maximum spend of \$120.0 million. Additionally, we have 3D seismic requirements in Sao Tome and Morocco of 2,750 square kilometers and 1,200 square kilometers, respectively.

In June 2013, Kosmos Energy Ventures ("KEV"), a subsidiary of Kosmos Energy Ltd., signed a long term rig agreement with a subsidiary of Atwood Oceanics, Inc. for the new build 6th generation drillship "Atwood Achiever." KEV took delivery of the Atwood Achiever in September 2014. The rig agreement originally covered an initial period of three years at a day rate of approximately \$0.6 million, with an option to extend the agreement for an additional three year term. In September 2015, KEV amended the rig agreement effective October 1, 2015 to extend the contract end date by one year and reduce the rate to approximately \$0.5 million per day. KEV is currently evaluating its option to revert to the original day rate of approximately \$0.6 million per day and original agreement end date of November 2017. If KEV exercises the option, KEV would be required to make a rate recovery payment equal to the difference between the original day rate and the amended day rate multiplied by the number of days from the amendment effective date to the date the option is exercised plus certain administrative costs..

In November 2015, we entered into a line of credit agreement with one of our block partners, whereby, our partner may draw up to \$30 million on the line of credit to pay their portion of costs under the petroleum agreement. Interest accrues on drawn balances at 7.875%. The agreement matures on December 31, 2017, or earlier if certain conditions are met. As of December 31, 2015, there were no amounts outstanding under the agreement.

Future minimum rental commitments under these leases at December 31, 2015, are as follows:

	Total	Payments Due By Year(1)					
		2016	2017	2018	2019	2020	Thereafter
(In thousands)							
Operating leases(2)	\$ 12,970	\$ 3,230	\$ 3,286	\$ 3,323	\$3,131	\$ —	\$ —
Atwood Achiever drilling rig contract(3)	518,862	181,379	180,883	156,600	—	—	—

(1) Does not include purchase commitments for jointly owned fields and facilities where we are not the operator and excludes commitments for exploration activities, including well commitments, in our petroleum contracts.

(2) Primarily relates to corporate office and foreign office leases.

(3) Commitments calculated using the amended day rate of \$0.5 million effective October 1, 2015, excluding applicable taxes.

KOSMOS ENERGY LTD.

Supplemental Oil and Gas Data (Unaudited)

Net proved oil and gas reserve estimates presented were prepared by Ryder Scott Company, L.P. (“RSC”) for the years ended December 31, 2015 and 2014 and Netherland, Sewell & Associates, Inc. (“NSAI”) for the year ended December 31, 2013. RSC and NSAI are independent petroleum engineers located in Houston, Texas and Dallas, Texas, respectively. RSC and NSAI have prepared the reserve estimates presented herein and meet the requirements regarding qualifications, independence, objectivity and confidentiality set forth in the Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information promulgated by the Society of Petroleum Engineers. We maintain an internal staff of petroleum engineers and geoscience professionals who work closely with our independent reserve engineers to ensure the integrity, accuracy and timeliness of data furnished to independent reserve engineers for their reserves estimation process.

Net Proved Developed and Undeveloped Reserves

The following table is a summary of net proved developed and undeveloped oil and gas reserves to Kosmos’ interest in the Jubilee Field and TEN development in Ghana.

	Oil (MMBbl)	Gas (Bcf)	Total (MMBoe)
Net proved developed and undeveloped reserves at			
December 31, 2012(1)	42	9	43
Extensions and discoveries	—	—	—
Production	(8)	(1)	(8)
Revision in estimate(2)	11	3	12
Purchases of minerals-in-place	—	—	—
Net proved developed and undeveloped reserves at			
December 31, 2013(1)	45	11	47
Extensions and discoveries(3)	26	6	27
Production	(9)	(1)	(9)
Revision in estimate(4)	11	(2)	10
Purchases of minerals-in-place	—	—	—
Net proved developed and undeveloped reserves at			
December 31, 2014(1)	73	14	75
Extensions and discoveries	—	—	—
Production	(9)	(1)	(9)
Revision in estimate(5)	10	1	10
Purchases of minerals-in-place	—	—	—
Net proved developed and undeveloped reserves at			
December 31, 2015(1)	74	14	76
Proved developed reserves(1)			
December 31, 2013	36	10	38
December 31, 2014	43	9	45
December 31, 2015	50	10	52
Proved undeveloped reserves(1)			
December 31, 2013	9	1	9
December 31, 2014	30	6	31
December 31, 2015	24	4	25

- (1) The sum of proved developed reserves and proved undeveloped reserves may not add to net proved developed and undeveloped reserves as a result of rounding.
- (2) The increase in proved reserves is a result of a 2.5 MMBbl increase associated with improved reservoir properties substantiated by drilling results and an 8.5 MMBbl increase associated with improved reservoir performance.
- (3) Discoveries are related to the TEN development being moved from unproved to proved during 2014.
- (4) The increase in proved reserves is a result of a 3 MMBbl increase associated with in-fill drilling results and an 8 MMBbl increase associated with field performance.

- (5) The increase in proved reserves is a result of a 2 MMBbl increase associated with in-fill drilling results and a 10 MMBbl increase associated with field performance for Jubilee partially offset by 2 MMBbl of negative revisions to the TEN development due to decreased pricing.

Net proved reserves were calculated utilizing the twelve month unweighted arithmetic average of the first-day-of-the-month oil price for each month for Brent crude in the period January through December 2015. The average 2015 Brent crude price of \$54.13 per barrel is adjusted for crude handling, transportation fees, quality, and a regional price differential. Based on the crude quality, these adjustments are estimated to be \$(0.41) per barrel for Jubilee; therefore, the adjusted oil price is \$53.72 per barrel for Jubilee. TEN was not adjusted as it does not currently have any production to estimate a differential. This oil price is held constant throughout the lives of the properties. There is no gas price used because gas reserves are consumed in operations as fuel.

Proved oil and gas reserves are defined by the SEC Rule 4.10(a) of Regulation S-X as those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recovered under current economic conditions, operating methods, and government regulations. Inherent uncertainties exist in estimating proved reserve quantities, projecting future production rates and timing of development expenditures.

Capitalized Costs Related to Oil and Gas Activities

The following table presents aggregate capitalized costs related to oil and gas activities:

	<u>Ghana</u>	<u>Other(1)</u>	<u>Total</u>
	(In thousands)		
As of December 31, 2015			
Unproved properties	\$ 264,460	\$329,050	\$ 593,510
Proved properties	2,579,158	—	2,579,158
	<u>2,843,618</u>	<u>329,050</u>	<u>3,172,668</u>
Accumulated depletion	(858,442)	—	(858,442)
Net capitalized costs	<u>\$1,985,176</u>	<u>\$329,050</u>	<u>\$2,314,226</u>
As of December 31, 2014			
Unproved properties	\$ 252,051	\$111,666	\$ 363,717
Proved properties	2,125,590	—	2,125,590
	<u>2,377,641</u>	<u>111,666</u>	<u>2,489,307</u>
Accumulated depletion	(716,121)	—	(716,121)
Net capitalized costs	<u>\$1,661,520</u>	<u>\$111,666</u>	<u>\$1,773,186</u>

(1) Includes Africa, excluding Ghana, Europe and South America.

Costs Incurred in Oil and Gas Activities

The following table reflects total costs incurred, both capitalized and expensed, for oil and gas property acquisition, exploration, and development activities for the year.

	<u>Ghana</u>	<u>Other(1)</u>	<u>Total</u>
	(In thousands)		
Year ended December 31, 2015			
Property acquisition:			
Unproved	\$ —	\$ 6,250	\$ 6,250
Proved	—	—	—
Exploration(2)	12,441	367,196	379,637
Development	<u>462,066</u>	<u>—</u>	<u>462,066</u>
Total costs incurred	<u>\$474,507</u>	<u>\$373,446</u>	<u>\$847,953</u>
Year ended December 31, 2014			
Property acquisition:			
Unproved	\$ —	\$ —	\$ —
Proved	—	—	—
Exploration(3)	62,813	167,381	230,194
Development	<u>316,738</u>	<u>—</u>	<u>316,738</u>
Total costs incurred	<u>\$379,551</u>	<u>\$167,381</u>	<u>\$546,932</u>
Year ended December 31, 2013			
Property acquisition:			
Unproved	\$ —	\$ 13,787	\$ 13,787
Proved	—	—	—
Exploration	61,071	183,213	244,284
Development	<u>183,635</u>	<u>—</u>	<u>183,635</u>
Total costs incurred	<u>\$244,706</u>	<u>\$197,000</u>	<u>\$441,706</u>

(1) Includes Africa, excluding Ghana, Europe and South America.

(2) Does not include reimbursement of costs associated with exploration expenses incurred in prior years which resulted in a \$24.7 million gain on sale in 2015.

(3) Does not include reimbursement of costs associated with exploration expenses incurred in prior years which resulted in a \$23.8 million gain on sale in 2014.

Standardized Measure for Discounted Future Net Cash Flows

The following table provides projected future net cash flows based on the twelve month unweighted arithmetic average of the first-day-of-the-month oil price for Brent crude in the period January through December 2015. The average 2015 Brent crude price of \$54.13 per barrel is adjusted for crude handling, transportation fees, quality, and a regional price differential. Based on the crude quality, these adjustments are estimated to be \$(0.41) per barrel for the Jubilee Field; therefore, the adjusted oil price is \$53.72 per barrel for Jubilee. TEN was not adjusted as it does not currently have any production to estimate a differential. Because prices used in the calculation are average prices for that year, the standardized measure could vary significantly from year to year based on market conditions that occur.

The projection should not be interpreted as representing the current value to Kosmos. Material revisions to estimates of proved reserves may occur in the future; development and production of the reserves may not occur in the periods assumed; actual prices realized are expected to vary significantly from those used; and actual costs may vary. Kosmos' investment and operating decisions are not based on the information presented, but on a wide range of reserve estimates that include probable as well as proved reserves and on a wide range of different price and cost assumptions.

The standardized measure is intended to provide a better means to compare the value of Kosmos' proved reserves at a given time with those of other oil producing companies than is provided by comparing raw proved reserve quantities.

	<u>Ghana</u> <u>(In millions)</u>
At December 31, 2015	
Future cash inflows	\$ 3,998
Future production costs	(1,362)
Future development costs	(679)
Future Ghanaian tax expenses(1)	<u>(411)</u>
Future net cash flows	1,546
10% annual discount for estimated timing of cash flows	<u>(377)</u>
Standardized measure of discounted future net cash flows	<u>\$ 1,169</u>
At December 31, 2014	
Future cash inflows	\$ 7,412
Future production costs	(1,466)
Future development costs	(1,051)
Future Ghanaian tax expenses(1)	<u>(1,543)</u>
Future net cash flows	3,352
10% annual discount for estimated timing of cash flows	<u>(969)</u>
Standardized measure of discounted future net cash flows	<u>\$ 2,383</u>
At December 31, 2013	
Future cash inflows	\$ 4,921
Future production costs	(617)
Future development costs	(300)
Future Ghanaian tax expenses(1)	<u>(1,168)</u>
Future net cash flows	2,836
10% annual discount for estimated timing of cash flows	<u>(599)</u>
Standardized measure of discounted future net cash flows	<u>\$ 2,237</u>

(1) The Company is a tax exempted company incorporated pursuant to the laws of Bermuda. The Company has not been and does not expect to be subject to future income tax expense related to its proved oil and gas reserves levied at a corporate parent level. Accordingly, the Company's Standardized Measure for the years ended December 31, 2015, 2014 and 2013, respectively, only reflect the effects of future tax expense levied at an asset level (in the Company's case, future Ghanaian tax expense).

Changes in the Standardized Measure for Discounted Cash Flows

	<u>Ghana</u>
	<u>(In millions)</u>
Balance at December 31, 2012	\$ 2,072
Sales and Transfers 2013	(754)
Net changes in prices and costs	(95)
Previously estimated development costs incurred during the period . . .	123
Net changes in development costs	53
Revisions of previous quantity estimates	804
Changes in production timing	(41)
Net changes in Ghanaian tax expenses(1)	(32)
Accretion of discount	289
Changes in timing and other	(182)
Balance at December 31, 2013	<u>\$ 2,237</u>
Sales and Transfers 2014	(756)
Extensions and discoveries	451
Net changes in prices and costs	(291)
Previously estimated development costs incurred during the period . . .	115
Net changes in development costs	(151)
Revisions of previous quantity estimates	690
Net changes in Ghanaian tax expenses(1)	(44)
Accretion of discount	306
Changes in timing and other	(174)
Balance at December 31, 2014	<u>\$ 2,383</u>
Sales and Transfers 2015	(341)
Net changes in prices and costs	(2,842)
Previously estimated development costs incurred during the period . . .	417
Net changes in development costs	6
Revisions of previous quantity estimates	375
Net changes in Ghanaian tax expenses(1)	802
Accretion of discount	341
Changes in timing and other	28
Balance at December 31, 2015	<u><u>\$ 1,169</u></u>

(1) The Company is a tax exempted company incorporated pursuant to the laws of Bermuda. The Company has not been and does not expect to be subject to future income tax expense related to its proved oil and gas reserves levied at a corporate parent level. Accordingly, the Company's Standardized Measure for the years ended December 31, 2015, 2014 and 2013, respectively, only reflect the effects of future tax expense levied at an asset level (in the Company's case, future Ghanaian tax expense).

KOSMOS ENERGY LTD.

Supplemental Quarterly Financial Information (Unaudited)

	Quarter Ended			
	March 31,	June 30,	September 30,	December 31,
	(In thousands, except per share data)			
2015				
Revenues and other income	\$132,557	\$121,813	\$ 95,318	\$121,868
Costs and expenses	185,767	171,615	(27,165)	55,903
Net income (loss)	(78,909)	(75,192)	60,265	24,000
Net income (loss) per share:				
Basic(1)	(0.21)	(0.20)	0.16	0.06
Diluted(1)	(0.21)	(0.20)	0.15	0.06
2014				
Revenues and other income	\$237,061	\$329,166	\$138,367	\$178,144
Costs and expenses	111,309	191,875	80,776	(79,490)
Net income	74,969	56,507	19,123	128,771
Net income per share:				
Basic(1)	0.20	0.15	0.05	0.34
Diluted(1)	0.19	0.15	0.05	0.33

(1) The sum of the quarterly earnings per share information may not add to the annual earnings per share information as a result of rounding.

SCHEDULE II
COMPETENT PERSON'S REPORT

COMPETENT PERSON'S REPORT

Prepared on August 16, 2017 for

KOSMOS ENERGY LTD.

Estimated

Future Reserves and Income and Contingent Resource Volumes

Attributable to Certain Interests

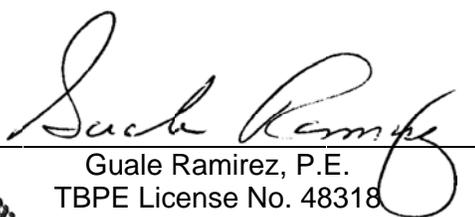
In the Jubilee, TEN and MTA Project Areas

Offshore, Ghana

SPE-PRMS Pricing & Cost Parameters

As of

December 31, 2016



Guale Ramirez, P.E.
TBPE License No. 48318
Executive Vice President



Tosin Famurewa, P.E., S.P.E.C.
TBPE License No. 100569
Senior Vice President – International



Victor Abu
Senior Petroleum Engineer

RYDER SCOTT COMPANY, L.P.
TBPE Firm Registration No. F-1580

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August 16, 2017

Kosmos Energy Ltd.
8176 Park Lane, Suite 500
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1. Introduction

Gentlemen:

At your request, Ryder Scott Company, L.P. (Ryder Scott) has prepared this Competent Person's Report (CPR), completed on August 16, 2017, highlighting the details of our geological, numerical simulation and reservoir engineering analyses, and the methodology and supporting material that were employed to estimate the 1P, 2P and 3P reserves, future production and income, and an estimate of the 1C, 2C and 3C contingent resources attributable to certain interests of Kosmos Energy Ltd. (Kosmos) as of December 31, 2016. These analyses are based on the definitions and disclosure guidelines contained in the Society of Petroleum Engineers (SPE), World Petroleum Council (WPC), American Association of Petroleum Geologists (AAPG), and Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management System (SPE-PRMS).

In this evaluation, we have included the following properties located offshore Ghana in which Kosmos owns an interest: the Jubilee Project Area, the Tweneboa-Enyenra-Ntomme (TEN) Project Area and the Mahogany-Teak-Akasa (MTA) Project Area. Kosmos has interests in other assets located in Ghana, Mauritania and Senegal, Suriname, Sao Tome and Principe, Morocco and Western Sahara, which we have not fully evaluated and are not included in this report. However, we provide a general description of the discoveries located offshore Mauritania and Senegal.

To the extent applicable, this CPR includes a discussion of any changes to the assets that might reasonably be expected to materially affect the Company's reserves and value thereof between December 31, 2016 and the date of this CPR.

This report was prepared to meet the requirements of the European Securities and Markets Authority (ESMA) as published in the ESMA update of the CESR recommendations – The consistent implementation of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive (2003/71/EC) dated March 20, 2013 (ESMA/2013/319), as well as the Prospectus Rules of the UK Financial Conduct Authority made under section 73A of Financial Services and Markets Act 2000 of England and Wales, as amended (FSMA) and the Listing Rules made under Part VI of FSMA.

This report includes an Executive Summary that summarizes the results of our evaluation along with discussions pertaining to reserves and resources, methodology, assumptions, future prices and costs and material changes since the date of our reserve and resource estimates. Following our Executive Summary is a detailed presentation of the properties included in this report and the work that we performed. Finally, we present our Standards of Independence and Professional Qualifications followed by a detailed Appendices highlighting our geological maps, cross-sections, volumetric tables, well level and summary production forecasts for the 1P, 2P and 3P reserve projections, a table summarizing our estimates of contingent resources and detailed results of our economic modeling.

This report was prepared for the exclusive use and sole benefit of Kosmos Energy Ltd. and may not be put to other use without our prior written consent for such use. It is our understanding that this report will be included in a prospectus for the admission of Kosmos’ common shares to the standard listing segment of the Official List and to trading on the London Stock Exchange’s main market for listed securities (the Admission). We consent to the issuing of this report in the form and content in which it is to be included in such prospectus and any supplementary prospectus or other document issued or published in connection with the Admission. Ryder Scott has reviewed the information contained in the Prospectus, which relates to information contained in the CPR. We confirm that the information presented is accurate, balanced, complete, and consistent with the Report.

Please contact us if we can be of further service.

Very truly yours

RYDER SCOTT COMPANY, L. P.
TBPE Firm Registration No. F-1580



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GR-TF-VA (DPR)/pl

2. Executive Summary

At the request of Kosmos Energy Ltd. (Kosmos), we have prepared this Competent Person’s Report (CPR) in order to present our estimates of the 1P, 2P and 3P reserves, future production and income, and the 1C, 2C and 3C contingent resources attributable to certain interests of Kosmos Energy Ltd. (Kosmos) as of December 31, 2016. The subject properties are located in the country of Ghana, offshore West Africa in the West Cape Three Points (WCTP) and Deep Water Tano (DWT) blocks. The Jubilee, TEN and MTA Project Areas are comprised of three adjacent areas, each having independent exploitation projects. These projects are designated as the Jubilee Project Area, TEN Project Area, and MTA project Area. The reserves and contingent resources volumes included herein were estimated based on the definitions and disclosure guidelines contained in the Society of Petroleum Engineers (SPE), World Petroleum Council (WPC), American Association of Petroleum Geologists (AAPG), and Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management System (SPE-PRMS) based on escalated price and unescalated cost parameters provided by Kosmos. The income data were estimated using future price and cost parameters as noted herein. The results of our third party study, completed on June 23, 2017, are presented herein.

The properties evaluated by Ryder Scott represent 100 percent of the total net 1P, 2P and 3P liquid hydrocarbon reserves and 100 percent of the total net 1P, 2P and 3P gas reserves of Kosmos as of December 31, 2016. Additionally, the properties evaluated by Ryder Scott represent 100 percent of the total 1C, 2C and 3C liquid hydrocarbon contingent resource volumes and 100 percent of the total 1C, 2C and 3C gas contingent resource volumes of Kosmos as of December 31, 2016 in offshore Ghana.

Kosmos has interests in other assets located in Ghana, Mauritania and Senegal, Suriname, Sao Tome and Principe, Morocco and Western Sahara, which have not been fully evaluated and are not included in this report. However, we provide a general description of the discoveries located offshore Mauritania and Senegal.

The base case estimated reserves and income data presented in this report, as of December 31, 2016, are related to the base hydrocarbon price assumptions using escalated parameters as shown in Tables 3 and 4 of this report. Additionally, low and high case scenarios were evaluated using the corresponding price sensitivities in Tables 5a and 5b. These results are presented in Table 1 below. As a result of both economic and political forces, there is significant uncertainty regarding the forecasting of future hydrocarbon prices. The recoverable reserves and the income attributable thereto have a direct relationship to the hydrocarbon prices actually received; therefore, volumes of reserves actually recovered and amounts of income actually received may differ significantly from the estimated quantities presented in this report. The results of this study are summarized as follows.

SPE-PRMS PARAMETERS
 Estimated Net Reserves and Income Data
 Derived Through Certain Interest in the Jubilee and TEN Project Area
Kosmos Energy Ltd.
 As of December 31, 2016

	Low Case			Base Case			High Case		
	Total 1P Reserves	Total 2P Reserves	Total 3P Reserves	Total 1P Reserves	Total 2P Reserves	Total 3P Reserves	Total 1P Reserves	Total 2P Reserves	Total 3P Reserves
Jubilee Project Area									
<u>Net Remaining Reserves</u>									
Oil/Condensate – MBBL	46,885	99,840	135,965	46,885	99,840	135,965	46,885	99,840	135,965
Sales Gas – MMCF	0	0	0	0	0	0	0	0	0
Fuel Gas – MMCF	11,645	15,037	15,037	11,645	15,037	15,037	11,645	15,037	15,037
Total Oil Equivalent – MBOE*	48,893	102,432	138,558	48,893	102,432	138,558	48,893	102,432	138,558
TEN Project Area									
<u>Net Remaining Reserves</u>									
Oil/Condensate – MBBL	31,876	37,792	42,804	31,876	37,792	43,530	31,876	37,792	43,530
Sales Gas – MMCF	12,535	20,208	29,785	12,535	20,208	32,985	12,535	20,208	32,985
Fuel Gas – MMCF	6,914	8,431	8,431	6,914	8,431	9,033	6,914	8,431	9,033
Total Oil Equivalent – MBOE*	35,229	42,730	49,393	35,229	42,730	50,774	35,229	42,730	50,774
Total									
<u>Net Remaining Reserves</u>									
Oil/Condensate – MBBL	78,761	137,632	178,769	78,761	137,632	179,495	78,761	137,632	179,495
Sales Gas – MMCF	12,535	20,208	29,785	12,535	20,208	32,985	12,535	20,208	32,985
Fuel Gas – MMCF	18,559	23,468	23,468	18,559	23,468	24,070	18,559	23,468	24,070
Total Oil Equivalent – MBOE*	84,122	145,162	187,951	84,122	145,162	189,332	84,122	145,162	189,332
<u>Income Data (M\$)</u>									
Future Gross Revenue	\$3,957,090	\$6,916,474	\$8,993,174	\$4,598,667	\$8,136,580	\$10,657,283	\$5,340,570	\$9,464,681	\$12,401,881
Deductions	2,027,505	3,025,066	3,165,423	2,027,505	3,025,066	3,206,492	2,027,505	3,025,066	3,206,493
Future Net Income (FNI)	\$1,929,585	\$3,891,408	\$5,827,751	\$2,571,162	\$5,111,514	\$7,450,791	\$3,313,065	\$6,439,615	\$9,195,388
Discounted** FNI Before Taxes	\$1,390,214	\$2,353,174	\$3,254,528	\$1,765,761	\$3,022,358	\$4,101,542	\$2,232,230	\$3,789,328	\$5,055,689
Discounted** FNI After Taxes	\$1,107,794	\$1,711,601	\$2,287,573	\$1,352,681	\$2,141,811	\$2,821,904	\$1,655,887	\$2,625,536	\$3,425,790

Table 1: Net Reserves and Income Data

(*) The remaining reserves are also shown herein on an equivalent unit basis wherein natural gas is converted to oil equivalent using a factor of 5,800 cubic feet of natural gas per one barrel of oil equivalent, which includes fuel gas. MBOE means thousand barrels of oil equivalent.

(**) Discounted at 10%

The resource evaluation encompasses only the primary hydrocarbon pools in the Mahogany and Teak fields. Akasa, the third field in the MTA Project Area has not matured technically and commercially to a level that justifies its potentially recoverable volumes as contingent resources, and is thus not included in the development plan as of December 31, 2016. The oil, condensate, and gas contingent resource volumes presented in this report are technically recoverable estimates. Production forecasting and economic modelling of the contingent resource volumes presented were not conducted by Ryder Scott. The estimated contingent resources presented in this report under the SPE-PRMS guidelines, as of December 31, 2016, are based on our interpretation of data made available to us by Kosmos. As the aforementioned properties become more technically and commercially mature and new data is analyzed, the future recoverable volumes may vary from those presented in this report and the classification of these volumes may also be revised. The results of this study are summarized below.

SPE-PRMS PARAMETERS
 Estimated Gross Contingent Resource Volumes
 in the MTA Project Area
 Kosmos Energy Ltd.

ORIGINAL HYDROCARBONS IN PLACE

FIELD	OIL (MBBL)			GAS (MMCF)			CONDENSATE (MBBL)		
	Low	Mid	High	Low	Mid	High	Low	Mid	High
MAHOGANY	214,946	353,634	425,907	257,214	394,302	476,192	0	0	0
TEAK	28,067	53,013	61,917	71,563	126,553	150,954	2,123	3,643	4,389
TOTAL	243,013	406,647	487,824	328,777	520,855	627,146	2,123	3,643	4,389

**CONTINGENT RESOURCES (DEVELOPMENT PENDING)*
 TECHNICAL VOLUMES**

FIELD	OIL (MBBL)			GAS (MMCF)			CONDENSATE (MBBL)		
	1C	2C	3C	1C	2C	3C	1C	2C	3C
MAHOGANY	21,202	60,385	171,732	26,842	83,952	199,588	0	0	0
TEAK	0	0	0	32,395	59,864	72,120	1,380	2,550	3,072
TOTAL	21,202	60,385	171,732	59,237	143,816	271,708	1,380	2,550	3,072

CONTINGENT RESOURCES (TOTAL RECOVERABLE)
 TECHNICAL VOLUMES**

FIELD	OIL (MBBL)			GAS (MMCF)			CONDENSATE (MBBL)		
	1C	2C	3C	1C	2C	3C	1C	2C	3C
MAHOGANY	46,367	101,472	171,732	56,494	116,626	199,588	0	0	0
TEAK	5,052	12,723	20,433	36,305	69,711	87,934	1,380	2,550	3,072
TOTAL	51,419	114,195	192,165	92,799	186,337	287,522	1,380	2,550	3,072

Table 2: Gross Contingent Resource Volumes

(*) includes only resources having a development plan and classified as development pending

(**) also includes resources with no development plan

Liquid hydrocarbons are expressed in standard 42 gallon barrels and shown herein as thousands of barrels (MBBL). All gas volumes are attributed to the estimated quantity available for sale and those volumes of gas that are consumed for fuel in field operations. Gas volumes are expressed in millions of cubic feet (MMCF) at the official temperature and pressure bases of the areas in which the gas reserves are located. In this report, the revenues, deductions, and income data are expressed as thousands of U.S. dollars (M\$).

The estimates of the reserves, future production, and income attributable to properties in this report were prepared using the economic software package PalantirCASH, a copyrighted product of Palantir Solutions. The program was used at the request of Kosmos. Ryder Scott has found this program to be generally acceptable, but notes that certain summaries and calculations may vary due to rounding and may not exactly match the sum of the properties being summarized. Furthermore, one-line economic summaries may vary slightly from the more detailed cash flow projections of the same properties, also due to rounding. The rounding differences are not material.

The deductions include the normal direct costs of operating the wells and facilities, development costs, certain abandonment costs net of salvage, and Additional Oil Entitlements (“AOE”). AOE is a contractual mechanism that prevents the contractor group from collecting “windfall profits” and is treated herein as a deduction to the future gross revenue; however, for the Jubilee and TEN Project Areas, our economic analysis indicates no AOE deductions for the 1P, 2P and 3P reserves. There are no production taxes associated with the Jubilee and TEN Project Areas. The Discounted FNI @ 10% Before Taxes shown above does not include deductions for corporate income taxes and general administrative overhead, and has not been adjusted for outstanding loans that may exist, nor does it include any adjustment for cash on hand or undistributed income. This FNI value was then adjusted by deducting corporate income taxes and the results are shown above as “Future Net Income @ 10% After Taxes”. The AOE calculation is determined by production and development area (DPA). The AOE calculation for Jubilee is split between the DWT and WCTP DPAs. Each DPA AOE calculation has unique terms. The AOE calculation includes a rate of return calculation that is derived on an after corporate income tax basis based on interpretations of tax considerations made by Kosmos. All deductions pertaining to operating expenses, depletion, abandonment and royalties that were applied towards the calculation of corporate income taxes are strictly related to the Jubilee and TEN contract area. There are no corporate income tax deductions for the AOE calculation that are related to expenditures, royalties, or any other deductible items outside of the Jubilee and TEN Project areas.

Liquid hydrocarbon reserves account for approximately 99.6 percent of the total future gross revenue from 1P reserves and gas reserves account for the remaining 0.4 percent of total future gross revenue from the 1P reserves reported herein. Liquid hydrocarbon reserves account for approximately 99.6 percent of the total future gross revenue from 2P reserves and gas reserves account for the remaining 0.4 percent of total future gross revenue from the 2P reserves reported herein. Liquid hydrocarbon reserves account for approximately 99.5 percent of the total future gross revenue from 3P reserves and gas reserves account for the remaining 0.5 percent of total future gross revenue from the 3P reserves reported herein.

The discounted future net income shown above was calculated using a discount rate of 10 percent per annum compounded annually. These results are presented for your information and should not be construed as our estimate of fair market value.

3. Description of Reserves and Contingent Resources

3.1 Reserves and Contingent Resources Included in This Report

The 1P, 2P and 3P reserves and 1C, 2C and 3C contingent resources included herein conform to the definitions of reserves sponsored and approved by the Society of Petroleum Engineers (SPE), the World Petroleum Council (WPC), the American Association of Petroleum Geologists (AAPG) and the Society of Petroleum Evaluation Engineers (SPEE) as set forth in the 2007 SPE/WPC/AAPG/SPEE Petroleum Resources Management System (SPE-PRMS). The reserves were based on escalated price and unescalated cost parameters. The estimated quantities of reserves presented in this report based on escalated price and unescalated cost parameters may differ significantly from the quantities which would be estimated using constant price and cost parameters (SPE-PRMS constant case). In this report, the 1C, 2C and 3C contingent resource volumes that have a well-defined development plan as captured in the submitted GJFFDP were further classified as “Contingent Resources Development-Pending” as shown in the table above. The balance of the contingent resources is classified as Development Unclassified or Development Not Viable. An abridged version of the SPE/WPC/AAPG/SPEE reserves and contingent resources terms and definitions used herein are included in Section 10. The various reserves and contingent resources development and production status categories are also defined in Section 10.

3.2 Reserves and Resources Classification

Recoverable petroleum resources may be classified according to the SPE-PRMS into one of three principal resource classifications: prospective resources, contingent resources, or reserves. The distinction between prospective and contingent resources depends on whether or not there exists one or more wells and other data indicating the potential for moveable hydrocarbons (e.g. the discovery status). Discovered petroleum resources may be classified as either contingent resources or as reserves depending on the chance that if a project is implemented, it will reach commercial producing status (i.e. chance of commerciality). The distinction between various “classifications” of resources and reserves relates to their discovery status and increasing chance of commerciality. Commerciality is not solely determined based on the economic status of a project, which refers to the situation where the income from an operation exceeds the expenses involved in, or attributable to, that operation. Conditions addressed in the determination of commerciality also include technological, economic, legal, environmental, social, and governmental factors. While economic factors are generally related to costs and product prices, the underlying influences include, but are not limited to, market conditions, transportation and processing infrastructure, fiscal terms and taxes.

Certain estimated recoverable volumes have been classified as contingent resources in this report due to one or more contingencies. In the case of Mahogany and Teak, these contingencies are related to pending approval of the Greater Jubilee Full Field Development Plan (GJFFDP), which was submitted to the Government of Ghana in December 2015. Approval of the GJFFDP, which covers Jubilee, Mahogany and Teak, is expected in 2017 and will result in project sanctioning.

3.3 Reserves and Resources Uncertainty

All reserve and resource estimates involve an assessment of the uncertainty relating the likelihood that the actual remaining quantities recovered will be greater or less than the estimated quantities determined as of the date the estimate is made. The uncertainty depends chiefly on the amount of reliable geologic and engineering data available at the time of the estimate and the interpretation of these data. Estimates will generally be revised only as additional geologic or engineering data becomes available or as economic conditions change.

Reserves are “those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions.” The relative degree of uncertainty may be conveyed by placing reserves into one of two principal classifications, either proved or unproved.

Proved oil and gas reserves are “those quantities of petroleum which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations.”

Unproved reserves are less certain to be recovered than proved reserves and may be further sub-categorized as probable and possible reserves to denote progressively increasing uncertainty in their recoverability. Probable reserves are “those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than proved reserves but more certain to be recovered than possible reserves.” For probable reserves, it is “equally likely that actual remaining quantities recovered will be greater than or less than the sum of the estimated proved plus probable reserves” (cumulative 2P volumes). Possible reserves are “those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than probable reserves.” For possible reserves, the “total quantities ultimately recovered from the project have a low probability to exceed the sum of the proved plus probable plus possible reserves” (cumulative 3P volumes).

The reserves included herein were estimated using deterministic methods and presented as cumulative quantities. For reserves estimated using the deterministic cumulative approach, quantities of reserves are estimated and assigned as 1P, 2P or 3P based on the level of uncertainty for the cumulative volume. Under the deterministic cumulative approach, 1P denotes the low estimate, 2P denotes the best estimate and 3P denotes the high estimate.

Contingent resources are “those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies.”

The contingent resources included herein were estimated using deterministic methods and presented as cumulative quantities. For contingent resources estimated using the deterministic cumulative approach, quantities of contingent resources are estimated and assigned as 1C, 2C or 3C based on the level of uncertainty for the cumulative volume. Under the deterministic cumulative approach, 1C denotes the low estimate, 2C denotes the best estimate and 3C denotes the high estimate.

The reserves and resource volumes and income quantities attributable to the different reserve and resource classifications that are included herein have not been adjusted to reflect these varying degrees of risk associated with them and thus are not comparable. Petroleum quantities classified as reserves or contingent resources should not be aggregated with each other without due consideration

of the significant differences in the criteria associated with their classification. In particular, there may be a significant risk that accumulations containing contingent resources will not achieve commercial production. Moreover, estimates of reserves and resources may increase or decrease as a result of future operations, effects of regulation by governmental agencies or geopolitical risks. As a result, the estimates of oil and gas reserves and resources have an intrinsic uncertainty. The reserves and contingent resources included in this report are therefore estimates only and should not be construed as being exact quantities. They may or may not be actually recovered, and if recovered, the revenues therefrom and the actual costs related thereto could be more or less than the estimated amounts.

3.4 Possible Effects of Regulation

Ryder Scott did not evaluate country and geopolitical risks in the country of Ghana where Kosmos operates or has interests. Kosmos operations may be subject to various levels of governmental controls and regulations. These controls and regulations may include matters relating to the legal rights to produce hydrocarbons, drilling and production practices, environmental protection, marketing and pricing policies, royalties, various taxes and levies including income tax and are subject to change from time to time. Such changes in governmental regulations and policies may cause volumes of reserves actually recovered and amounts of income actually received to differ significantly from the estimated quantities.

The estimates of reserves and contingent resources presented herein were based upon a detailed study of the properties in which Kosmos owns an interest; however, we have not made any field examination of the properties. No consideration was given in this report to potential environmental liabilities that may exist nor were any costs included for potential liabilities to restore and clean up damages, if any, caused by past operating practices.

3.5 Methodology Employed for Estimates of Reserves and Resources

The estimation of reserve and resource quantities involves two distinct determinations. The first determination results in the estimation of the quantities of recoverable oil and gas and the second determination results in the estimation of the uncertainty associated with those estimated quantities. The process of estimating the quantities of recoverable oil and gas reserves and resources relies on the use of certain generally accepted analytical procedures. These analytical procedures fall into three broad categories or methods: (1) performance-based methods, (2) volumetric-based methods and (3) analogy. These methods may be used individually or in combination by the reserve evaluator in the process of estimating the quantities of reserves and/or resources. Reserve evaluators must select the method or combination of methods, which in their professional judgment is most appropriate given the nature and amount of reliable geoscience and engineering data available at the time of the estimate, the established or anticipated performance characteristics of the reservoir being evaluated, and the stage of development or producing maturity of the property.

In many cases, the analysis of the available geoscience and engineering data and the subsequent interpretation of these data may indicate a range of possible outcomes in an estimate, irrespective of the method selected by the evaluator. When a range in the quantity of recoverable hydrocarbons is identified, the evaluator must determine the uncertainty associated with the incremental quantities of those recoverable hydrocarbons. The level of uncertainty is addressed for the cumulative volume based on the reserve or resource category assigned by the evaluator. Therefore, it is the categorization of the cumulative recoverable quantities that addresses the inherent uncertainty in the estimated quantities reported.

Estimates of reserve and resource quantities and their associated categories or classifications may be revised in the future as additional geoscience or engineering data become available. Furthermore, estimates of the recoverable quantities and their associated categories or classifications may also be revised due to other factors such as changes in economic conditions, results of future operations, effects of regulation by governmental agencies or geopolitical or economic risks as previously noted herein.

The reserves and contingent resources for the properties included herein were estimated by a combination of performance methods, analogy and the volumetric methods. In general, reserves and contingent resources attributable to producing wells and/or reservoirs were estimated by a combination of methods. The performance methods include, but may not be limited to, reservoir simulation, which utilized extrapolations of historical production and pressure data available through December 15, 2016 in those cases where such data were considered definitive. The data utilized in this analysis were furnished to Ryder Scott by Kosmos and were considered sufficient for the purpose thereof. In certain cases, producing reserves and contingent resources were estimated by the volumetric method, analogy, or a combination of these methods. These methods were used where there were inadequate historical performance data to establish a definitive trend and where the use of production performance data as a basis for the estimates was considered to be inappropriate.

Reserves and contingent resources attributable to non-producing and undeveloped reserves included herein were estimated by a combination of the volumetric method, analogy and numerical simulation. The volumetric analysis utilized pertinent well and seismic data furnished to Ryder Scott by Kosmos. The data utilized from the well and seismic data incorporated into our volumetric analysis were provided by Kosmos and were considered sufficient for the purpose thereof. A description of the use of numerical simulation is presented in detail in a later section of this report.

3.6 Assumptions and Data Considered for Estimates of Reserves and Resources

To estimate recoverable oil and gas reserves and resources and related future net cash flows, we consider many factors and assumptions including, but not limited to, the use of reservoir parameters derived from geological, geophysical and engineering data, which cannot be measured directly, economic criteria based on the cost and price assumptions as noted herein, and forecasts of future production rates. Under the SPE-PRMS Section 2.2.2 and Table 3 (see Section 10 of this report for more information), proved 1P reserves must be demonstrated to be commercially recoverable under defined economic conditions, operating methods and governmental regulations from a given date forward. We have applied the same criteria for commercially recoverable to the 2P and 3P reserves included in this report.

Kosmos has informed us that they have furnished us all of the material accounts, records, geological and engineering data, and reports and other data required for this investigation. In preparing our forecasts of future production and income, we have relied upon data furnished by Kosmos with respect to property interests owned and contractual terms that govern future net income, production and well tests from examined wells, normal direct costs of operating the Jubilee, TEN and MTA Project Areas and all the required facilities such as the FPSO, other costs such as transportation and/or processing fees, and production taxes, recompletion and development costs, development plans, abandonment costs after salvage, product prices, geological structural and isochore maps, well logs, core analyses, and pressure measurements. Ryder Scott reviewed such factual data for its reasonableness; however, we have not conducted an independent verification of the data supplied by Kosmos.

In summary, we consider the assumptions, data, methods and analytical procedures used in this report appropriate for the purpose hereof, and we have used all such methods and procedures that we consider necessary and appropriate to prepare the estimates of reserves and contingent resources presented herein.

3.7 Future Production Rates

For wells currently on production, our forecasts of future production rates are based on a combination of historical performance data, volumetric analysis and a numerical simulation model. If no production decline trend has been established, future production rates were held constant, or adjusted for the effects of curtailment where appropriate, until a decline in ability to produce was anticipated. An estimated “simulation based decline rate” was then applied to depletion of the reserves. If a decline trend has been established, this trend was used as the basis for estimating future production rates.

Test data and other related information were used to estimate the anticipated initial production rates for those wells or locations that are not currently producing. For reserves not yet on production, sales were estimated to commence at an anticipated date furnished by Kosmos. Wells or locations that are not currently producing may start producing earlier or later than anticipated in our estimates due to unforeseen factors causing a change in the timing to initiate production. Such factors may include delays due to weather, the availability of rigs, the sequence of drilling, completing and/or recompleting wells and/or constraints set by regulatory bodies.

The future production rates from wells currently on production or wells or locations that are not currently producing may be more or less than estimated because of changes including, but not limited to, reservoir performance, operating conditions related to surface facilities, compression and artificial lift, pipeline capacity and/or operating conditions, producing market demand and/or allowables or other constraints set by regulatory bodies.

3.8 Hydrocarbon Prices

The oil price received for the properties in this report is indexed to Brent Crude. At Kosmos’ request, we have used Kosmos’ internal forward-looking price assumptions for Brent crude as shown in Table 3 below. The estimates of future gas prices used herein give consideration to contract provisions and market prices in the various gas producing areas represented in this report. Gas prices may be subject to seasonal variations and other factors and may lead to periodic curtailments by both buyers and sellers. Natural gas prices for TEN associated and non-associated gas were provided by Kosmos based on pricing terms in the approved Plan of Development (PoD) for the TEN project area.

Product prices, which were actually used for each property, reflect adjustments for gravity, quality, local conditions, and/or distance from market, referred to herein as “differentials.” The differentials used in the preparation of this report was furnished to us by Kosmos. The differentials furnished to us were accepted as factual data and reviewed by us for reasonableness; however, we have not conducted an independent verification of the data used by Kosmos to determine these differentials.

The table below summarizes the Base Case price schedule used in this report for each of the project areas with reserve quantities.

Jubilee Oil Price Forecast

Year	Kosmos Pricing - Escalated Parameters	Applicable Differential	SPE-PRMS Report Price
2017	\$50.00/Bbl	\$0.06/Bbl	\$50.06/Bbl
2018	\$55.00/Bbl	\$0.06/Bbl	\$55.06/Bbl
2019*	\$60.00/Bbl	\$0.06/Bbl	\$60.06/Bbl

TEN Oil Price Forecast

Year	Kosmos Pricing - Escalated Parameters	Applicable Differential	SPE-PRMS Report Price
2017	\$50.00/Bbl	0	\$50.00/Bbl
2018	\$55.00/Bbl	0	\$55.00/Bbl
2019*	\$60.00/Bbl	0	\$60.00/Bbl

Table 3: Base Case Oil Price Forecast

(*) These prices were held constant for the remaining producing life of the fields.

Product	Price
Associated Gas	\$0.50/MCF
Non-Associated Gas	\$3.00/MCF

Table 4: TEN Natural Gas Sales Price (Maintained Constant)

The oil prices used for year 2019 were held constant thereafter. No price increases were forecast for the gas prices. It was assumed that gas, which is currently receiving a contract price as stated in the approved PoD, will continue to receive the contract price without any escalations throughout the life of the properties.

3.9 Price Sensitivity Cases

At the request of Kosmos, in addition to our Base Case price scenario described in Section 3.8, we conducted economic evaluations using the following oil price sensitivity cases:

- Low Case with unescalated prices
- High Case with escalated prices

These cases are described in the following tables:

Jubilee Low Case Price Forecast

Year	Kosmos Pricing - Unescalated Parameters	Applicable Differential	SPE-PRMS Report Price
2017*	\$50.00/Bbl	\$0.06/Bbl	\$50.06/Bbl

TEN Low Case Price Forecast

Year	Kosmos Pricing - Unescalated Parameters	Applicable Differential	SPE-PRMS Report Price
2017*	\$50.00/Bbl	0	\$50.00/Bbl

Table 5a: Liquid Hydrocarbon Low Case Price Forecast

Jubilee High Case Price Forecast

Year	Kosmos Pricing - Escalated Parameters	Applicable Differential	SPE-PRMS Report Price
2017	\$55.00/Bbl	\$0.06/Bbl	\$55.06/Bbl
2018	\$65.00/Bbl	\$0.06/Bbl	\$65.06/Bbl
2019*	\$70.00/Bbl	\$0.06/Bbl	\$70.06/Bbl

TEN High Case Price Forecast

Year	Kosmos Pricing - Escalated Parameters	Applicable Differential	SPE-PRMS Report Price
2017	\$55.00/Bbl	0	\$55.00/Bbl
2018	\$65.00/Bbl	0	\$65.00/Bbl
2019*	\$70.00/Bbl	0	\$70.00/Bbl

Table 5b: Liquid Hydrocarbon High Case Price Forecast

(*) These prices were held constant for the remaining producing life of the fields.

Gas prices were not changed for either the Low Case or the High Case. Details of these economic sensitivity cases can be seen in Appendix 12.5.2. The results are summarized and compared to the Base Case (described in Section 3.8 above) in Table 6 below:

PRICE SENSITIVITY									
Estimated Net Reserves and Income Data									
Derived Through Certain Interest in the Jubilee and TEN Project Area									
Kosmos Energy Ltd.									
As of December 31, 2016									
	Jubilee Project Area			TEN Project Area			COUNTRY OF GHANA		
	1P	2P	3P	1P	2P	3P	1P	2P	3P
<u>Net Remaining Reserves</u>									
Low Case									
Oil/Condensate – MBBL	46,885	99,840	135,965	31,876	37,792	42,804	78,761	137,632	178,769
Fuel Gas – MMCF	11,645	15,037	15,037	6,914	8,431	8,431	18,559	23,468	23,468
Sales Gas – MMCF	0	0	0	12,535	20,208	29,785	12,535	20,208	29,785
Total Oil Equivalent – MBOE*	48,893	102,432	138,558	35,229	42,730	49,393	84,122	145,162	187,951
Base Case									
Oil/Condensate – MBBL	46,885	99,840	135,965	31,876	37,792	43,530	78,761	137,632	179,495
Fuel Gas – MMCF	11,645	15,037	15,037	6,914	8,431	9,033	18,559	23,468	24,070
Sales Gas – MMCF	0	0	0	12,535	20,208	32,985	12,535	20,208	32,985
Total Oil Equivalent – MBOE*	48,893	102,432	138,558	35,229	42,730	50,774	84,122	145,162	189,332
High Case									
Oil/Condensate – MBBL	46,885	99,840	135,965	31,876	37,792	43,530	78,761	137,632	179,495
Fuel Gas – MMCF	11,645	15,037	15,037	6,914	8,431	9,033	18,559	23,468	24,070
Sales Gas – MMCF	0	0	0	12,535	20,208	32,985	12,535	20,208	32,985
Total Oil Equivalent – MBOE*	48,893	102,432	138,558	35,229	42,730	50,774	84,122	145,162	189,332
<u>Income Data</u>									
Low Case									
FGR \$M	2,346,935	4,997,668	6,805,982	1,610,155	1,918,806	2,187,192	3,957,090	6,916,474	8,993,174
Discounted** BT FNI \$M	1,088,107	1,875,487	2,640,317	302,107	477,687	614,211	1,390,214	2,353,174	3,254,528
Discounted** AT FNI \$M	760,782	1,250,462	1,737,694	347,012	461,139	549,879	1,107,794	1,711,601	2,287,573
Base Case									
FGR \$M	2,712,311	5,890,249	8,053,045	1,886,356	2,246,331	2,604,238	4,598,667	8,136,580	10,657,283
Discounted** BT FNI \$M	1,304,350	2,355,911	3,273,863	461,411	666,447	827,679	1,765,761	3,022,358	4,101,542
Discounted** AT FNI \$M	902,122	1,557,979	2,133,166	450,559	583,832	688,738	1,352,681	2,141,811	2,821,904
High Case									
FGR \$M	3,149,144	6,856,625	9,380,673	2,191,426	2,608,056	3,021,208	5,340,570	9,464,681	12,401,881
Discounted** BT FNI \$M	1,585,306	2,903,075	3,980,015	646,924	886,253	1,075,674	2,232,230	3,789,328	5,055,689
Discounted** AT FNI \$M	1,084,744	1,898,830	2,575,855	571,143	726,706	849,935	1,655,887	2,625,536	3,425,790

Table 6: Price Sensitivity Results

(*) The remaining reserves are also shown herein on an equivalent unit basis wherein natural gas is converted to oil equivalent using a factor of 5,800 cubic feet of natural gas per one barrel of oil equivalent, which includes fuel gas. MBOE means thousand barrels of oil equivalent.

(**) Discounted at 10%

3.10 Costs

Operating costs for the properties in this report were furnished by Kosmos and are based on their operating expense reports. Such costs include only those costs directly applicable to the subject properties. The operating costs include a portion of general and administrative costs allocated directly to the contract area and wells. The operating costs furnished to us were accepted as factual data and reviewed by us for their reasonableness; however, we have not conducted an independent verification of the operating cost data used by Kosmos. No deduction was made for loan repayments, interest expenses, or exploration and development prepayments that were not charged directly to the contract areas or wells.

Development costs were furnished to us by Kosmos and are based on authorizations for expenditure for the proposed work or actual costs for similar projects. The development costs furnished to us were accepted as factual data and reviewed by us for their reasonableness; however, we have not conducted an independent verification of these costs. The estimated net costs of abandonment after salvage were included for properties where abandonment costs net of salvage were significant. The estimates of the net abandonment costs furnished by Kosmos were accepted without independent verification. Because Kosmos is contractually obligated to start escrowing abandonment costs in the year when the 2P remaining recoverable reserves (RRR) are equal to fifty percent (50%) of the 2P estimated ultimate recovery (EUR), we have treated the corresponding dates as the trigger points of the abandonment escrow schedules for the 1P, 2P and 3P SPE-PRMS reserve cases.

Because of the direct relationship between volumes of undeveloped reserves and development plans, we include in the undeveloped category only reserves assigned to undeveloped locations that we have been assured will definitely be drilled. We are not aware of any secondary, tertiary or enhanced recovery projects for these areas and have excluded such projects from our analyses. Kosmos has assured us of their intent and ability to proceed with the development activities included in this report, and that they are not aware of any legal, regulatory or political obstacles that would significantly alter their plans.

3.11 Material Changes since As-Of-Date of Reserve Estimates

Our estimated reserves and future production forecasts were prepared having an as of date of December 31, 2016 and utilizing data that were available at the time of preparation through November 2016. We have utilized these technically recoverable hydrocarbon forecasts to estimate the commercially recoverable reserves and economic values that are presented in this CPR Report based on the three oil and gas pricing scenarios that have been described in Sections 3.8 and 3.9 of this report. No additional wells have been drilled in the subject properties and no wells have been subjected to significant operational procedures such as recompletions, stimulations or other types of workover operations since the preparation of our production forecasts. We have reviewed historical production and pressure data obtained since November 2016. Kosmos has also informed us that other data such as operating costs and estimated capital forecasts have not changed since year-end 2016. Although we have not performed a detailed evaluation of these new data, our review shows that other than the reduction of reserves due to production since December 31, 2016, any other reserve revisions would not be material.

4. Assessment of the Region, Location and Assets

4.1 Jubilee Project Area

4.1.1 Field Overview

Jubilee field is located approximately 60 kilometers (km) offshore Ghana in water depths of 1,250 to 1,800 meters (m) within the Tano Deep Basin. The basin is bounded by prominent transtensional fault zones, including the Romanche Fracture Zone to the south and the St. Paul’s Fracture Zone to the north. These transform fault zones have been active since the Early Cretaceous and continue to influence present-day drainage and sediment deposition. Initially the basin was a center for deposition of Cenomanian to Turonian age organic-rich marine hydrocarbon source rocks and subsequently as accommodation space for receiving Late Cretaceous Turonian to Campanian age gravity-driven deepwater turbidite sediments.

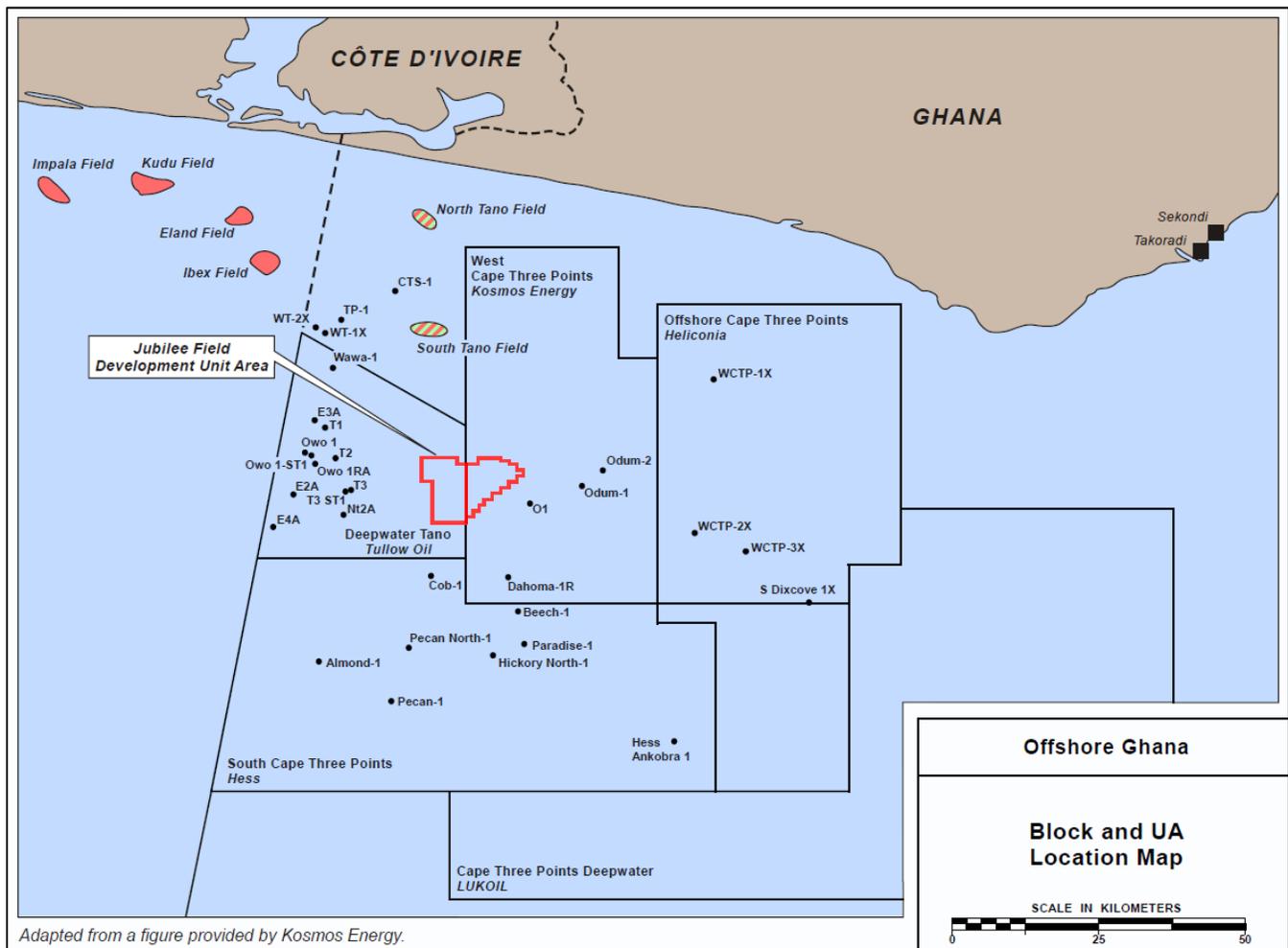


Figure 4.1.1: Jubilee Field Location Map

Jubilee field was optimally located for turbidite sediment accumulation and contains multiple stacked Late Cretaceous Turonian age reservoir intervals with a combined gross thickness of 250 m to

350 m. The structural trapping component is low relief with southwest dip of 2.5 to 5 degrees on the flanks, increasing to 10 degrees at the northeast updip crest of the field. The stratigraphic trapping component is by lateral pinchout of the turbidite deposits and by marine shale sequences deposited between and above the stacked turbidite sequences. Top and lateral reservoir seal is provided by Upper Cretaceous marine shales that drape the fan complex. A combination of interval thickness and high relative seismic amplitude delineates the sand-prone depositional fairways consisting of confined to weakly confined and amalgamated channel and fan lobe systems. Seismic amplitude dimming on the flanks of the depositional systems generally corresponds to lateral or updip pinchout of effective reservoir facies.

Interbedded and continuous shale layers form vertical seals and consequently the primary sand-prone reservoir sequences have different oil-water contact depths and hydrocarbon fill. The Turonian reservoirs have average effective porosity of 18 percent and range from 10 to 22 percent. Average permeability is 200 to 400 millidarcies (mD), ranging from 10 mD up to 1 Darcy.

Petroleum source rocks are Cenomanian to Early Turonian age marine organic shales consisting of marine Type II organic kerogen with a total organic content up to 2.1 percent. The source kitchen is interpreted to be directly beneath and southeast of the Deepwater Tano license area and is in an early-mature oil-generation window with a thermal maturity as measured by vitrinite reflectance of 0.5 to 0.8 percent. Hydrocarbons are interpreted to have migrated since the Late Cretaceous to present time from the source kitchen through faults and the various clastic depositional systems. Reservoir oil is 30 to 42 degrees API gravity with an original gas-oil ratio (GOR) between 900 and 1,250 standard cubic feet per reservoir barrel (SCF/RB).

Definition of the Turonian turbidite channels and fan architecture within the Jubilee field has evolved through multiple interpretations of various 3D seismic volumes. Integration of the sedimentological studies and static and dynamic pressure analyses with the seismic modelling has further refined the delineation of the Jubilee reservoirs. The Jubilee reservoir zone nomenclature has also evolved to reflect the current understanding of the field’s turbidite reservoir architecture. The stratigraphic framework for the Jubilee field comprised of three major intervals: the Lower Mahogany, Middle Shale and Upper Mahogany units. The Jubilee zonation scheme and the type log for J-09P well (originally Mahogany-1) can be seen in Figure 4.1.2 below.

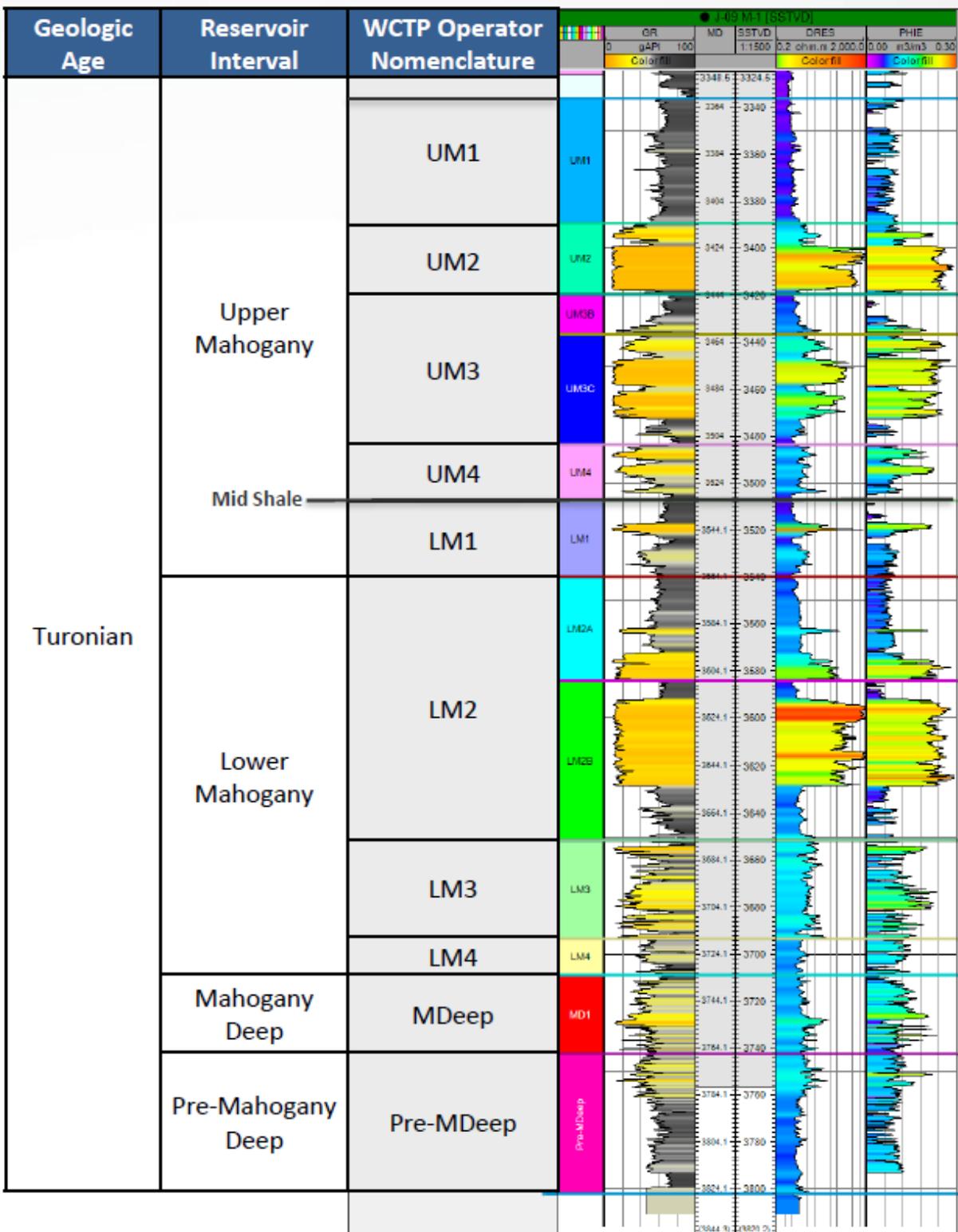


Figure 4.1.2: Jubilee Field Stratigraphic Nomenclature and Seismic Zone Characterization Using the J-09P (originally Mahogany-1) as a Type Log

Jubilee field straddles two license areas, WCTP and DWT, as shown on the map in Figure 4.1.1. The Jubilee field Development Unit Area (UA) covers a portion of each license area. Unit interests were revised effective December 1, 2011, to reflect the recent equity redetermination. For the purposes of this report, the unitized net interest is based on the current equity split of 54.3666 and 45.6334 percent between the WCTP and DWT license areas, respectively. Equity redetermination provisions provide for future equity redeterminations that could modify this interest split as more data are obtained. Participating interests include Ghana National Petroleum Corporation’s election to back-in for its additional interest in each license.

The Jubilee field was discovered in June 2007 by the Mahogany-1 (now J-09P) well and is currently operated by Tullow Ghana. The field’s oil production began on November 28, 2010 via the Kwame Nkrumah Floating Production, Storage, and Offloading Facility (FPSO) with a capacity of 120 thousand barrels of oil per day (MBOPD). Production in 2016 was on average about 70.4 MBOPD and as of December 31, 2016, the cumulative production was about 187.7 MMBBLs. Figure 4.1.3 shown below is a base map of the Jubilee field indicating well locations and status for the Jubilee field.

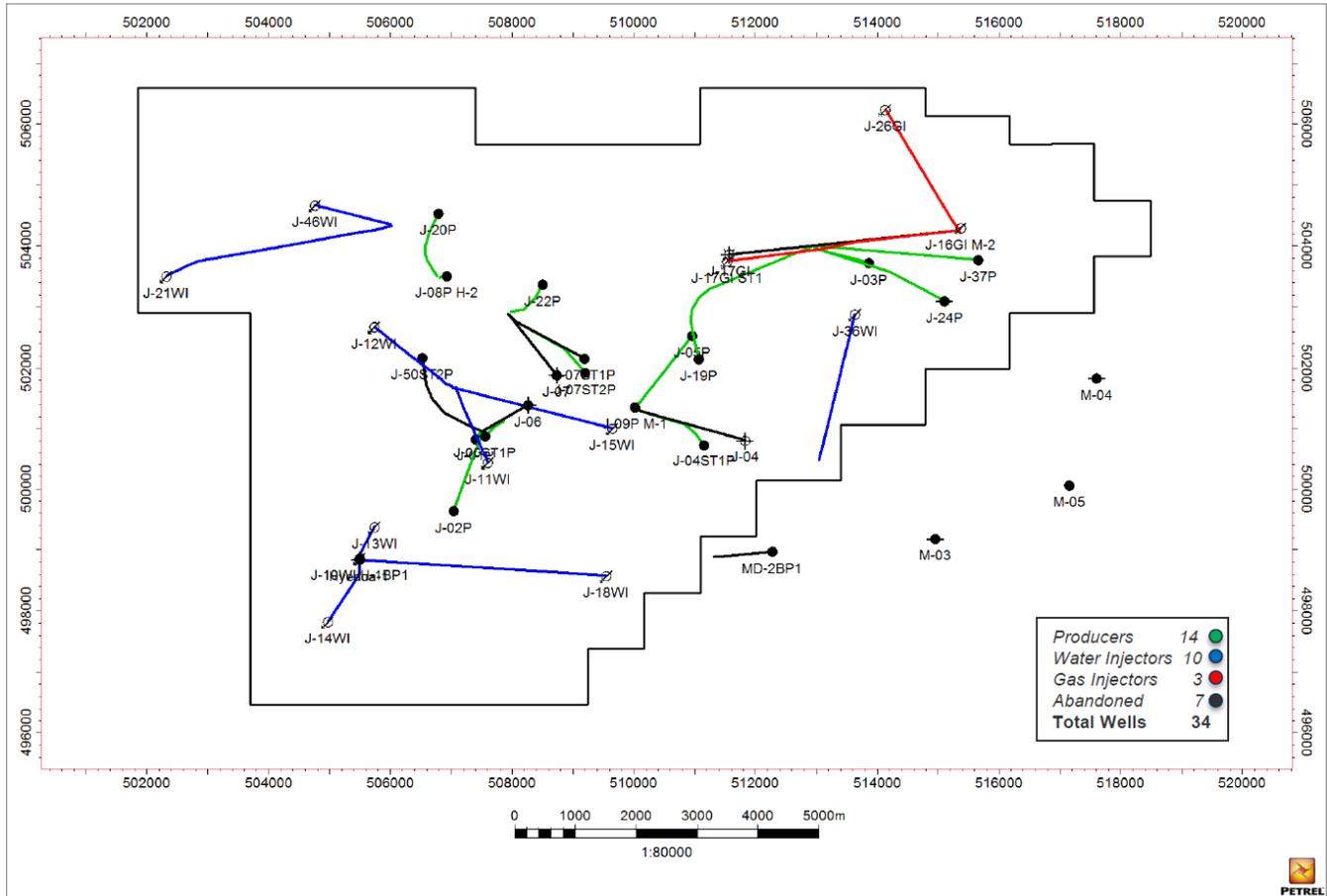


Figure 4.1.3: Jubilee Field Current Wells

Ryder Scott’s review of Kosmos’ Offshore Ghana assets for the latest reserves certification cycle began in August 2016 with technical presentations from Kosmos’ asset team in Kosmos’ Dallas office. This was followed by regular communication between the Ryder Scott and Kosmos teams in the

following months. The latest meeting was held on June 15, 2017 with the goal of assessing whether there are any material differences between our year-end 2016 forecasts and actual field performance through May 31, 2017. Ryder Scott’s core team for the Jubilee project area included:

- Guale Ramirez, Executive Vice President – project manager
- Tosin Famurewa, Senior Vice President – project engineering lead and project coordinator
- George Dames, Advising Senior Vice President – project geoscience lead
- Miles Palke, Managing Senior Vice President – simulation advisor
- Amara Okafor, Senior Petroleum Engineer – simulation engineer

During these initial meetings, Kosmos’ asset team presented their interpretations of the Jubilee assets along with supporting documentation including a workstation review of the seismic data and interpretation. Subsequent to the meetings, Kosmos prepared complete engineering, fiscal, and geoscience data sets, which included basic data and interpretative analyses for Ryder Scott’s independent evaluation including information addressing specific questions raised by Ryder Scott during the meetings.

The data sets included:

- Maps of Kosmos’ interpretation of reservoir structure, net sand and net pay isochores
- Seismic data volumes and geoscience interpretation
- Well data including production and injection data, well logs, production test results, core data and wireline pressure tests
- Kosmos’ petrophysical analyses
- Kosmos’ geostatic model in a Petrel software format
- Eclipse numerical simulation models and files
- Technical presentations
- MDT, PVT, historical production and injection data
- Development Plan including CAPEX and OPEX data
- Commercial model and fiscal terms summary

4.1.2 Geological Modeling

Ryder Scott evaluated the original hydrocarbon in place volumes for each reservoir in Jubilee using the volumetric method integrating seismic, subsurface, pressure and production information where available. The volumes were classified as proven, probable or possible reserves or resources deterministically. The classification and categorization of volumes were based on Ryder Scott’s independent assessment of the available data with respect to the guidelines and requirements of the reserve and resource definitions of the Society of Petroleum Engineers (SPE), World Petroleum Council (WPC), American Association of Petroleum Geologists (AAPG), and Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management System (SPE-PRMS).

Ryder Scott developed petrophysical interpretations for Jubilee field utilizing well log, core, wireline pressure, drill stem test (DST) and completion information to evaluate all reservoirs in all wells. The petrophysical interpretations provided the top and base of the reservoirs, hydrocarbon / water contacts encountered, if any, net reservoir and net pay thickness and average porosity and water saturation values for each reservoir in each well.

The petrophysical interpretations, along with the seismic interpretations, were used to develop net pay isochore maps, which in turn, were used to evaluate the areal extent of the potentially productive area and total hydrocarbon in place volume for each reservoir.

The in place volumes for each reservoir were then distributed among proved, probable or possible reserve or resource classifications and categories as appropriate based on existing well control, production and pressure performance information, where available, Ryder Scott’s review and modification of Kosmos’ numerical simulation model and Kosmos’ future development plans.

Generally, proved volumes were assigned to reservoir areas and volumes directly supported by well control and adjacent areas demonstrated to be laterally continuous by production and/or reservoir pressure information. Probable and possible volumes were assigned to areas not directly penetrated by wells but interpreted to be laterally continuous to proven areas or to incremental volumes due to seismically interpreted increases in reservoir thickness not supported by dynamic information. Resource volumes were assigned to areas where lateral continuity with the known reservoir area was uncertain and / or where future development was uncertain. Appendices 12.1.1.2 include the net pay isochore maps obtained for each reservoir.

In general, Ryder Scott produced an independent geological interpretation of the Jubilee field. We conducted our own independent petrophysical analysis. We reviewed Kosmos seismic interpretations and made our own judgments as to its utility insofar as geologically mapping the subject reservoirs. We audited Kosmos’ structural interpretations and made adjustments as we deemed appropriate and we produced our independent isochore maps. In general, Ryder Scott was in agreement with Kosmos’ structural interpretations. We derived independent estimates of original hydrocarbons in place and judgments pertaining to the classification and categorization of the various areas of mapped hydrocarbons. We integrated the dynamic historical production and injection data, well test data, fluid data and pressure data to assist in said determinations and we conducted a detailed review of the Kosmos’ simulation model. Ultimately, we estimated recovery factors based on all of the above investigations and independently assigned original recoverable reserves and remaining reserves as of December 31, 2016.

Ryder Scott generated new geological mappings for the December 31, 2014 evaluation, and updated them for the December 31, 2015 evaluation. New geological mapping for the December 31, 2016 evaluation was restricted to the LM2B and UM2 reservoirs. In LM2B, a new seismic interpretation based on a new extended elastic impedance (EEI) volume and new interpretation of hydrocarbon saturation change from 4D seismic, resulted in a minor increase to the mapped OOIP in the southeast part of the reservoir. In UM2, dynamic data from reservoir pressure measurements in the J37P well confirmed communication between the J37P and the producing J19 well.

Additionally, this report contains 3P OOIP estimates developed from high case realizations from Kosmos’ static model. Details of these analyses are discussed later in the report.

4.1.3 Numerical Simulation Modeling

Kosmos presented results of their latest history match through the first quarter of 2016, at the 2016 year-end evaluation kick off meeting held in Kosmos’ offices in Dallas on August 16, 2016. Some of the major changes discussed included revisions to the static model to incorporate results from the J-36WI well. The J-36WI well, which was drilled to provide pressure support and sweep to the LM2B sand, showed less net pay than expected in the LM2B and suggests at best a baffled connection to the J-37P well. Static model properties were also updated in the UM2 and LM2 sands to honor new 4D seismic interpretation results.

Kosmos’ modeling process is sophisticated and detailed. Kosmos relies on a stochastic simulation technique, which is imbedded within Roxar’s software package Enable. Enable provides an assisted history-matching tool that attempts to estimate the likelihood of various input parameters based on the influence that those input parameters have on history-matched outputs. Through the history matching process, for each input parameter, Enable develops a proxy model that provides the likelihood of the input parameter to have a certain value. Values that appear to result in poor history matching are treated as unlikely or less probable.

The reservoir simulation model used was the standard black oil Eclipse simulator. The static model input for the simulator was all generated within the three dimensional geological modeling software Petrel. Various static model descriptions were available for each reservoir interval, and Enable was allowed to select different descriptions during its history matching process.

Ryder Scott made significant efforts to integrate our independent geological interpretation and mapping in the recovery factor estimation using the simulation models. Polygons of the areas associated with wells were identified on the isochore map of each sand. These polygons were used to create regions in the simulation model. The recovery factors were extracted from the model with the new regions and Ryder Scott reviewed the range of recovery factors for reasonableness. For each sand and area where the original oil in place in the model matched Ryder Scott’s volumetric estimates (based on Ryder Scott’s geologic maps), the recovery factor was selected based on the model results. However, for some other areas, the value selected by Ryder Scott was different from what was indicated by the modeling if in our opinion, the proposed development appeared to be inadequate to achieve the recoverable volumes calculated by the recovery factor in the model. In such cases, Ryder Scott made judgments regarding the adequacy of the well spacing, and proximity and/or connectivity to injection to adjust the recovery factors that we utilized in order to estimate reserves.

For the 2016 year-end evaluations, our independent geological interpretation, mapping and estimates of original oil in place (OOIP) showed that new mapping was only required for the LM2B and UM2 reservoirs. No changes to OOIP were deemed necessary for the other reservoirs. The LM2B OOIP increased based on a new interpretation of the 2013 4D seismic map that showed pressure increase between LM2 water injectors (J-14WI & J-13WI) and the J-02P producing well. New pressure transient analysis and material balance indicated dynamic connection between the J-19P and J-26GI wells and resulted in an increase in OOIP for the UM2 reservoir.

Ryder Scott received three history matched iteration cases and six prediction models from Kosmos. The prediction models represent the P10, P50 and P90 EUR range from their probabilistic forecasts for the no further activity (NFA) and the full field development (FFD) scenarios. Ryder Scott reviewed the history match results extensively. We believe that more work should be done to obtain a better match of the water breakthrough and GOR on some of the wells. Most importantly, the 2016 models showed a significant increase in STOOIP of approximately 32 percent, and this was not consistent with the STOOIP from our most recent geological interpretation and mapping of the same

reservoirs. Consequently, for this year-end 2016 evaluation, Ryder Scott maintained the recovery factors used for our year-end 2015 evaluation, which was based on the 2014 simulation model. For this evaluation, revisions to the recovery factor were only made to polygons/areas of the LM2B and UM2; deemed necessary based on our review of the data provided by Kosmos.

The models provided by Kosmos (in this case the 2014 model) were used to establish a reasonable range of recovery factors for 1P, 2P, and 3P. Different recovery factors were assigned according to the reserve categories of the recoverable volumes: proved, probable and possible or 1P (proved), 2P (proved plus probable), and 3P (proved plus probable plus possible). The different recovery factors depended on Ryder Scott’s categorization of the STOOIP for the specific areas of the field or the categorization of incremental volumes mapped in the same area as a result of more optimistic parameters such as net pay. In some instances, the recovery factors would be greater given further development, in which case the same area might be assigned a recovery factor consistent with the model featuring additional development as proved + probable, and the proved recovery factors were determined from the range of models featuring existing development only (consistent with the NFA model). In such cases, the incremental probable reserves were assigned to the full field development plan. The recovery factors for areas with production history were analogously used to estimate reserves for reservoirs or sections of reservoirs with similar properties and areas and no production history.

The results of our updated review of the simulation model and recovery factor assignment, as discussed above, showed that the 2P EUR of the Phase 1/1A wells was 468,380,325 BO. This volume remained relatively unchanged from our analyses at year-end 2015 for the Phase 1/1A wells at 469,103,417 BO.

In order to generate a production profile for the 3P volumes resulting from Ryder Scott’s geological evaluation of the original hydrocarbons in place developed from high case realizations of Kosmos’ static model and our estimated recovery factors, a pore volume multiplier was applied to the 631 MMBO EUR model’s original oil in place to reflect our estimated 3P recoverable volume of 782 MMSTB.

4.1.4 Engineering and Forecasting

4.1.4.1 Field Development

Jubilee field has been and will continue to be developed in the following phases:

- Phase 1:
 - Production from UM-3 and LM-2 reservoirs
 - Number of wells: 17 wells – 9 producers, 6 water injectors and 2 gas injectors
 - Status: *Complete*
- Phase 1A:
 - Production from UM-2 with producer / water injector pair; additional infill wells at UM-3 reservoir; addition of UM-2 gas injector
 - Number of wells: 9 additional wells – 5 producers, 3 water injectors and 1 gas injector
 - Status: *Complete*

- Phase 1A Addendum (ADD):
 - Further LM-2 development
 - Number of wells: 2 additional wells – 1 producer and 1 water injector
 - Status: *Complete*

- Future Field Development (FFD):
 - Complete development of all reservoirs
 - Number of wells: 16 additional wells – 10 producers (3 smart wells), and 6 water injectors
 - Status: *Planned for future execution*

The development plan submitted to us by Kosmos uses subsea wells flowing to an FPSO. The FPSO has water and gas injection capabilities for pressure maintenance to provide for more than 120 percent voidage replacement. For the purposes of this report, we have based development costs and flow streams on the following existing development and future development plan:

- Development Wells:

PHASE	WELL	RESERVOIR	TYPE
1	J-01P	LM-2	OIL PRODUCER
1	J-02P	LM-2	OIL PRODUCER
1	J-03P	UM-3	OIL PRODUCER
1	J-04P	ABND*	OIL PRODUCER
1	J-04ST1	LM-2	OIL PRODUCER
1	J-05P	UM-3	OIL PRODUCER
1	J-06P	ABND*	OIL PRODUCER
1	J-06ST1	LM-2	OIL PRODUCER
1	J-07P	ABND*	OIL PRODUCER
1	J-07ST1	ABND*	OIL PRODUCER
1	J-07ST2	UM-3	OIL PRODUCER
1	J-08P	UM-3	OIL PRODUCER
1	J-09P	LM-2	OIL PRODUCER
1	J10WI	LM-2	WATER INJECTOR
1	J-11WI	UM-3	WATER INJECTOR
1	J-12WI	UM-3	WATER INJECTOR
1	J-13WI	LM-2	WATER INJECTOR
1	J-14WI	LM-2	WATER INJECTOR
1	J-15WI	UM-3	WATER INJECTOR
1	J-16GI	UM-3	GAS INJECTOR
1	J-17GI	ABND*	GAS INJECTOR
1	J-17ST1GI	UM-3, UM-4	GAS INJECTOR
1A	J-26GI (same as P2A_1GI_UM2)	UM-2	GAS INJECTOR
1A	J-19P	UM-2	OIL PRODUCER
1A	J-20P	UM-3	OIL PRODUCER
1A	J-22P	UM-3	OIL PRODUCER
1A	J-23P (now J-50ST2)	LM-1**	OIL PRODUCER
1A	J-24P	UM-3, LM-1	OIL PRODUCER
1A	J-18WI	UM-2	WATER INJECTOR
1A	J-21WI	UM-3	WATER INJECTOR
1A	J-25WI (now J-46WI)	UM-3	WATER INJECTOR
1A ADD	J-37P	LM-2, UM-2	OIL PRODUCER
1A ADD	J-36WI	LM-2	WATER INJECTOR
FFD	P2B_11 / LM1_P1	LM-1	OIL PRODUCER
FFD	P2A_6 / LM2A_P1	LM-2	OIL PRODUCER

FFD	PU2E / UM2_P2	UM-2	OIL PRODUCER
FFD	PU2W / UM2_P3	UM-2	OIL PRODUCER
FFD	P2A_4 / UM3_P1	UM-3	OIL PRODUCER
FFD	P2B_3 / UM3_P3	UM-3	OIL PRODUCER
FFD	P2_18 / UM3_P4	UM-3	OIL PRODUCER
FFD	PU3BN / UM3_P5	UM-3	OIL PRODUCER
FFD	PU3BNE / UM3_P7	UM-3	OIL PRODUCER
FFD	P2B_9 / UM4_P2	UM-4	OIL PRODUCER
FFD	J25WI	UM-3, LM-1	WATER INJECTOR
FFD	LM2_WI1	LM-2	WATER INJECTOR
FFD	J49WI	LM-1	WATER INJECTOR
FFD	UM4_WI1	UM-4	WATER INJECTOR
FFD	UM4_WI2	UM-4	WATER INJECTOR
FFD	UM3_WI1	UM-3	WATER INJECTOR

* Abandoned well

** Possible future re-entry

Table 4.1.1: Jubilee Field Existing and Future Development Wells

- Subsea installation
 - Production manifolds
 - Water injection manifolds
 - Gas injection manifold
- Production via an FPSO with the following capacities:
 - Production capacity:
 - 120 MBOPD (tested to 126 MBOPD in January 2013)
 - 160,000 barrels of fluid per day
 - 160 MMCFD of gas
 - Injection capacity:
 - 232 MBWPD
 - 160 MMCFD
 - Storage capacity:
 - 1.6 MMBBL of oil
- Oil exported via shuttle tanker
- Produced gas is used for gas lift, consumed in operations, or re-injected

4.1.4.2 Reserves Assignment

The original oil in place (OOIP) volumes were based on volumetric analyses from Ryder Scott’s geological interpretation. As described above, proved, probable and possible recovery factors were assigned to each reservoir based on the review and vetting of Kosmos’ simulation models, adjusted for Ryder Scott’s net pay maps, well spacing, existing well control, production and pressure performance information, where available, and Kosmos’ future development plans. This was done in several collaborative working sessions between the geologist, simulation engineer, and reservoir engineer.

Areas and volumes associated with the future field development (FFD) of the Full Field Development Plan (FFDP) were precluded from being assigned proved reserves based on pending approval but were assigned probable and possible reserves since, in our opinion, they meet the classification of "justified for development" according to the guidelines of the SPE-PRMS. This is explained in further detail later in this report. Of the planned FFD wells, Ryder Scott did not assign any reserves to locations P2A_6, and PU2W, as they are located in areas of reservoirs that Ryder Scott has mapped as having no net pay. Figure 4.1.4 shows the locations of these future wells on a map relative to the currently existing wells. The initial production dates, volumes, and target reservoirs of these wells are detailed in Appendices 12.1.2.1 and 12.1.2.2 of this report.

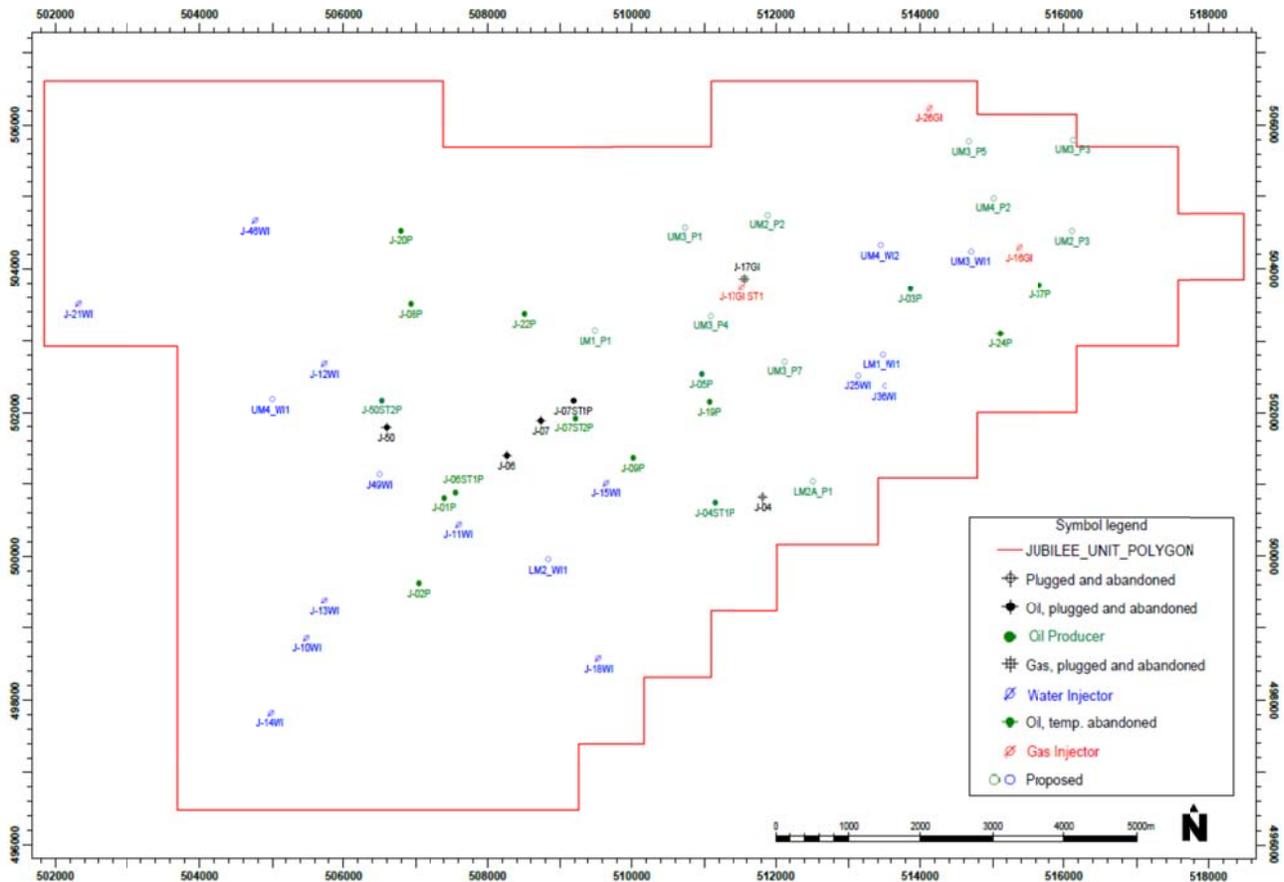


Figure 4.1.4: Jubilee Field Future Development Locations

The J-24P oil producer was scheduled to target the UM-3 reservoir starting in year 2015 and additionally the LM-1 in 2017. LM-1 reserves are precluded from proved categorization until Kosmos obtains signature rights to produce from this reservoir. Ryder Scott has incorporated information from the J-46WI, a water injection well drilled in 2014, and the two new wells drilled in 2015, the J-37P and J-36WI, into our updated volumetric analysis.

In addition to the new well data, Kosmos acquired and interpreted a new seismic volume in 2015. This EEI45 SNA volume provides a more robust description of reservoir distribution than the previous EEI30 SNA volume. The new seismic interpretation also includes a new velocity model tied to minor changes to formation tops in wells and minor changes in picked seismic horizons. The revised structural interpretation carries forward to the true vertical thickness correction applied to pay counts in wells. As a result, minor changes in true vertical thickness corrected net pay counts have occurred. Ryder Scott relied on the new Kosmos static model derived from the EEI45 volume in conjunction with well control to develop independent estimates of original oil in place for each reservoir. Similar to the methods used in 2015, this report contains 3P OOIP estimates developed from high case realizations from Kosmos static model. This use of the high case realizations allows for a high case characterization of the reserve potential of the Jubilee accumulation.

The reservoir estimated ultimate recoveries (EUR) obtained from the geology, simulation and reservoir engineering collaboration were then assigned to the wells and future locations targeting each reservoir based on historical performance, analogy and using Kosmos’ simulation model as a future production profile guide. The Jubilee field continues to experience significant gas handling constraints and thus is under a managed oil decline. Additionally, an ongoing FPSO turret bearing damage issue severely hampered production on 2016. Consequently, historical well performance alone would be inadequate to establish future decline. Hence, we have relied on Kosmos’ numerical simulation model that takes into account field GOR management that is key to managing the oil decline. Initial production dates for the undeveloped locations were obtained from Kosmos’ development plan and were checked for reasonableness against existing wells in the same or similar reservoirs. Ryder Scott also took into account the impact of the FPSO turret issue and its remediation timeline in our production forecast. This volume allocation and corresponding production forecast, while accounting for cumulative production from currently and historically producing wells, is shown in detail in Appendices 12.1.2.1, 12.1.2.2 and 12.1.2.3 in this report.

4.1.4.3 Fuel Gas Forecast

As requested by Kosmos, we have forecasted and included the fuel gas used in Jubilee field operations as reserves. Recent fuel consumption on the floating production, storage and offloading facility (FPSO) has been approximately 8.20 MMCFD. However, Kosmos believes the rate of consumption has been reduced due to temporary mechanical issues and 10.00 MMCFD is the expected fuel consumption rate in the future. For the forecasted fuel gas rates, we have used the observed 8.20 MMCFD for the 1P reserves forecast and 10.00 MMCFD for the 2P and 3P reserves forecast until the field GOR and producing oil rate indicate that these rates cannot be met. At that point, the producing oil rate and a GOR of 1,500 SCF/BBL were used to determine the fuel gas consumption rate. Details of this analysis can be seen in Appendix 12.1.2.5. Although the fuel gas is reported as reserves, no monetary value is ascribed to this volume.

4.1.4.4 Operating Cost

Operating costs for the properties in this report were furnished by Kosmos and are based on their operating expense reports. Such costs include only those costs directly applicable to the subject properties. The operating costs include a portion of general and administrative costs allocated directly to the project area and wells.

These operating costs include the following:

Direct Costs

- FPSO O&M – direct and support costs for MODEC
- FPSO Engineering Support – Ghana and home-office based engineering for MODEC
- FPSO Insurance – hull and equipment, liability and indemnification protection coverage
- Chemicals/Fuels – production/treating chemicals, diesel, sampling/analysis
- Liftings – cargo offtake-related vessel support, demurrage, vetting, logistics
- Major Maintenance – extraordinary maintenance/shutdown activity
- Exceptional – extraordinary 3rd party project work
- Workovers – well stimulation, major well maintenance (rig related)

Support Costs

- G&A – Operator General & Administrative (labor & burden, facilities, PCO)
- Subsea Services – engineering, vessel, ROV, vendor, sampling/analysis
- Engineering Services – 3rd party engineering costs
- Marine – PSV and AHTS vessel support
- Aviation – fixed and rotary wing service
- Shorebase – Takoradi port, warehouse, yard
- Land Transport – freight forwarding, light vehicles, drivers
- EHS – monitoring, spill response, training, compliance, waste management
- Engineering Modifications – MOCs, studies
- Onshore Support – 3rd party services supporting Operations

The operating costs furnished to us were accepted as factual data and reviewed by us for their reasonableness; however, we have not conducted an independent verification of the operating cost data used by Kosmos. No deduction was made for loan repayments, interest expenses, or exploration and development prepayments that were not charged directly to the contract area or wells.

Using the 2016 operating expense information received from Kosmos, we adjusted for renegotiated contracts and “shared costs” - reductions based on information furnished to us by Kosmos that indicates that about 50 percent of Jubilee’s 2016 operating expense can be categorized as “shared costs”. These shared costs are mainly support costs as described above, that will be shared with TEN’s operations that came online in the 4th quarter of 2016). We assigned an 80%:20% Fixed:Variable split for Jubilee starting in 2017. Fifty percent (50%) of the variable cost was then assigned to well specific costs (\$/well/month) and the remaining fifty percent (50%) was assigned to fluid specific lifting costs (\$/bbl) of fluid (oil and water production). We reduced the fixed costs by forty percent (40%) once production levels dropped below 50,000 BOPD, as based on our discussions with Kosmos, they expect the following cost cutting measures to occur around this stage of production:

- FPSO operation and maintenance (O&M) will be renegotiated

- General and Administrative (G&A) costs will be reduced commensurate with declining production
- Some additional synergies are expected to be established with the sharing of other support costs with TEN

Additionally, we reduced the fixed costs by another twenty percent (20%) once production levels dropped below 25,000 BOPD, as based on our discussions with Kosmos, they expect late life field operating expenses to reflect ramp down activities such as reduction of helicopter services, reduction of substantially all in country G&A, and a large reduction in offshore activity.

4.1.4.5 Economic Analyses

Our 1P economic forecast resulted in a reduction in the total life of the field by one (1) year as a result of reaching the economic limit. Therefore, it is likely that our pre-economics recoverable volumes presented in our volumetric and forecast tables will not exactly match the economic or commercial reserves. Approximately 1.72 million gross barrels were considered uneconomic in our 1P forecast, resulting in a total field life reduction of one year. Our 2P and 3P economic forecasts resulted in no reduction in the total life of the field, and thus no reduction of barrels due to the economic life. Details of these analyses can be seen in Appendix 12.1.2.4 in this report.

The gross and net economic projections using escalated parameters as discussed in section 2 above can be seen in the cash flow table in Appendix 12.4.1. The Future Gross Revenue (FGR) shown in the cash flow tables is net of Royalties. The average realized hydrocarbon prices in the cash flow tables were thus calculated using this FGR and the estimated 8/8ths production and as such may not match the prices shown in Section 3.8. The Discounted Future Net Income (FNI) @ 10% Before Taxes shown in the cash flow tables do not include deductions for corporate income taxes and general administrative overhead, and have not been adjusted for outstanding loans that may exist, nor does it include any adjustment for cash on hand or undistributed income. These FNI values were then adjusted by deducting corporate income taxes and the result is also shown in Appendix 12.4.1 as “Future Net Income @ 10% After Taxes.”

Ryder Scott has not audited after tax economics or certified after tax economics for the Jubilee field. Ryder Scott’s calculation of after tax economics was rolled up to the Ghana (country) Level. Taxes due to the government for the Jubilee project area are calculated and paid at the Ghana level and not at the project / field level. Consequently, taxes due or tax credits calculated at the field level may be different when rolled up to the Ghana level. A 35 percent corporate tax rate, less any applicable credits, is applied to the taxable income for each year.

Ryder Scott relied on basic information related to after tax calculations provided by Kosmos as input to our economic model to calculate the economic results that are included in the after tax cash flow for the Jubilee field. The detailed tax model used for our economic analysis was provided by Kosmos and embedded in the PalantirCASH program utilized for this analysis. Ryder Scott has not audited any of the input data related to after tax calculations prior to January 1, 2017. The data provided by Kosmos to Ryder Scott include tax loss carry forward balances, sunk costs, and other deductible items prior to January 1, 2017 that affect the after tax cash flow of the Jubilee field.

4.1.4.6 Capital Development Costs

Development costs were furnished to us by Kosmos and were based on authorizations for expenditure for the proposed work or actual costs for similar projects. The development costs furnished to us were accepted as factual data and reviewed by us for their reasonableness; however, we have not conducted an independent verification of these costs. The estimated net costs of abandonment after salvage were included in our economic evaluation. The estimates of the net abandonment costs furnished by Kosmos were accepted without independent verification.

4.1.4.7 Reserves Reconciliation

The following table reconciles the estimated net reserves as of December 31, 2015 to those as of December 31, 2016, identifying revisions, additions, extensions and production between these two reference dates.

Net Reserves Reconciliation Table

Field Name: Jubilee

Revisions, Additions, Extensions, Production: 12/31/2015 to 12/31/2016

Category	1P SPE-PRMS		2P SPE-PRMS		3P SPE-PRMS		Comments
	Reserves		Reserves		Reserves		
	MBBL	MMCF	MBBL	MMCF	MBBL	MMCF	
Net Reserves as of 12/31/2015	52,524	12,010	105,135	15,028	141,852	15,863	
A. Changes due to revisions in mapping, petrophysics, OOIP, OGIP, etc. in existing reservoirs in existing Field Development Areas (FDA) (where “existing” means FDAs / reservoirs that were included in the previous year’s reserves certification) . - REVISION	2,504	0	4,979	0	0	0	Positive revision due to changes in volumetric mapping
B. Changes due to revisions in economic, financial and fiscal modeling input parameters. -	190	0	434	694	10	0	Impact of lower oil prices, lower operating cost
C. Changes due to performance (DCA, material balance, simulation), and revisions in recovery factor, GOR. - REVISION	-2,436	321	-4,811	0	0	-141	
D. Changes due to new drilling, development plan updates, revised gas management or reservoir management strategies. - REVISION	0	0	0	0	0	0	
E. Changes in the lateral extent or vertical / downdip extent of an existing reservoir. - EXTENSION	0	0	0	0	0	0	
F. Changes due to addition of a new reservoir in an existing FDA. - EXTENSION	0	0	0	0	0	0	
G. Changes due to addition of a new FDA. - ADDITION	0	0	0	0	0	0	
H. Changes due to implementation of secondary recovery project. - REVISION	0	0	0	0	0	0	
I. 2016 production. - PRODUCTION	-5,897	-685	-5,897	-685	-5,897	-685	
Net Reserves as of 12/31/2016	46,885	11,646	99,840	15,037	135,965	15,037	

Table 4.1.2: Jubilee Field Reserves Reconciliation Table

4.1.5 Future Development Plan “Justified for Development”

According to Kosmos, the Phase 1 Plan of Development (PoD) and Unitization and Unit Operating Agreement was approved by the Minister of Energy on behalf of the Government of Ghana

on July 13, 2009. Following full-scale deepwater development, production commenced from Jubilee on November 28, 2010 and the Phase 1 PoD work was completed by October 2011. The partnership, comprised of Anadarko WCTP Company, Tullow Ghana Limited, PetroSA Ghana Limited and Kosmos Energy Limited, was already moving forward with the next phase of development before the Phase 1 work was completed. The Phase 1A PoD was submitted on October 18, 2011 and approved on December 31, 2011 and confirmed by letter on January 9, 2012, at which time the partnership had already spent about \$60MM on various kit and long-lead items. The Ghanaian Minister of Energy approved the Phase 1A PoD with the condition that a Full-Field Development Plan (FFDP) be submitted by December 31, 2012. The partnership met this obligation; however, the Minister rejected that version of the FFDP because it did not include future exploitation plans for resources outside the Unit Area, which include the Mahogany, Teak and Akasa (MTA) areas.

Because of the long drawn out discussion about the inclusion of the MTA development areas in a development plan document, the partnership presented the proposal of an interim set of four wells (Phase 1A Addendum) to provide flexibility and assurance of maintaining plateau rate at Jubilee field. The government approved this proposal, with the condition that the FFDP (with MTA development areas included) be submitted by mid-2015. The government on September 18, 2015 instructed that the FFDP submission be delayed to December 1, 2015. The MTA settlement agreement was signed in January 14, 2014 and appraisal activities were completed in year 2014. Commercial discussions have been completed to integrate the plans for MTA and Jubilee. On December 1, 2015, the partnership submitted the “Greater Jubilee Full Field Development Plan (“GJFFDP”)”, which included the Jubilee future development plan and is referenced in this report as the FFDP.

RESERVOIR SUMMARY

Technical Volumes

Field Name: Jubilee

As of : 12/31/2016

Reservoir	Original Oil in Place (OOIP)			Estimated Ultimate Recovery (EUR)			Recovery Factor (RF)		
	1P	2P	3P	1P	2P	3P	1P	2P	3P
	bbl	bbl	bbl	bbl	bbl	bbl	%	%	%
LM-1A	-	110,452,331	134,226,339	-	33,135,699	40,267,902		30.00%	30.00%
LM-1B	-	12,135,893	12,135,893	-	3,640,768	3,640,768		30.00%	30.00%
LM-2A	46,634,669	67,007,589	87,050,992	20,985,601	33,503,795	42,523,326	45.00%	50.00%	48.85%
LM-2B	207,372,607	241,869,793	352,012,570	93,317,673	112,614,175	169,668,134	45.00%	46.56%	48.20%
LM-2C	81,068,407	81,068,407	81,068,407	28,373,942	28,373,942	28,373,942	35.00%	35.00%	35.00%
UM-2	175,560,340	202,013,432	275,493,730	51,721,182	77,962,073	114,672,830	29.46%	38.59%	41.62%
UM-3A	92,493,485	111,112,321	111,112,321	31,635,553	52,763,335	52,763,335	34.20%	47.49%	47.49%
UM-3B	206,935,367	238,406,544	281,618,314	82,774,147	107,282,945	124,567,653	40.00%	45.00%	44.23%
UM-3C	285,333,716	302,174,395	371,813,137	85,600,115	151,087,198	171,978,820	30.00%	50.00%	46.25%
UM-4	-	59,587,965	98,961,618	-	23,835,186	33,678,599		40.00%	34.03%
Total	1,095,398,591	1,425,828,670	1,805,493,321	394,408,214	624,199,116	782,135,309	36.01%	43.78%	43.32%

Table 4.1.3: Jubilee Field Reservoir Summary of Technical Volumes

The partnership fully expects government approval of the FFDP. Regarding the FFDP, Kosmos believes that the Ghanaian government had no objections with the future development plans for Jubilee when the first submission was presented in December 2012. However, the failure to approve this plan was strictly based on the government’s desire to have MTA brought forward with its development plan.

According to Kosmos, the partnership has already spent approximately \$121MM on various kit and long-lead items for the full-field development of Jubilee, similar to how the Phase 1A work transpired. In the same vein, the partnership has budgeted \$42MM for the current year 2017 to bring the full-field development to fruition. The partnership has firm intention to execute this future development, as evidenced by its continuous spending in preparation; proceeding on the premise that the Ghanaian government recognizes that additional development is necessary and that approval is forthcoming. Jubilee field has historically been developed in phases, thus capitalizing on cost efficiency and having the benefit of performance data and its interpretation in order to design the optimum forward plan of exploitation.

Based on the above, it is Ryder Scott’s opinion that the future development meets the threshold for classification as “justified for development” under the SPE-PRMS guidelines. Consequently, we have recognized the estimated recoverable volumes for the FFD as reserves in the 2P and 3P SPE-PRMS reserves classification.

We inquired of Kosmos as to the status of the approval of the FFDP and were informed that as of the date of this report no material events or decisions have been made since the as of date of our reserves and projections and that the expected approval is still as scheduled in this report.

ECONOMIC RESERVES SUMMARY

OIL RESERVES (100% GROSS)

Field Name: Jubilee

As of : 12/31/2016

	SPE-PRMS RESERVES								
	1P			2P			3P		
	1P NP	1P PD	1P	2P NP	2P PD	2P	3P NP	3P PD	3P
EUR (mbbls)	-	392,687	392,687	169,431	454,768	624,199	236,522	545,613	782,135
CUM (mbbls)	-	187,709	187,709	-	187,709	187,709	-	187,709	187,709
RRR (mbbls)	-	204,979	204,979	169,431	267,059	436,491	236,522	357,904	594,427

Where:

1P: Proved

2P: Proved + Probable

3P: Proved + Probable + Possible

NP: Non-Producing (Shut-in, Behind-pipe, or Undeveloped)

PD: Producing

EUR: Estimated Ultimate Recovery

CUM: Cumulative Recovery

RRR: Remaining Reserves

mbbls: Thousands of barrels

Table 4.1.4: Jubilee Field Economic Reserves Summary

4.1.6 Reservoir Assessment

As discussed earlier, Ryder Scott evaluated the original hydrocarbons in place volumes for each reservoir in Jubilee using the volumetric method; integrating seismic, subsurface, pressure and

production information where available. The volumes were classified as proved, probable or possible reserves or resources deterministically and are summarized in Table 4.1.3 and discussed at the reservoir level in detail below. The estimates of the reserves, future production, and income attributable to properties in this report were then prepared using the economic software package PalantirCASH. Table 4.1.4 above shows the resulting 100 percent Gross economic reserves. Cumulative production volumes to date (as of December 31, 2016) by reservoir and by well are summarized in Table 4.1.5 as follows.

Well Cumulative Production
Volumes in Barrels

Field Name: Jubilee

As of : 12/31/2016

Reservoir	Cumulative Production* CUM	Initial Production Year
LM-2	72,089,289	
J-01	4,133,573	2010
J-02	19,387,102	2010
J-04ST1	13,697,250	2011
J-06ST1	7,333,289	2011
J-09	26,048,006	2011
P2A_6	0	0
J37_LM2B	1,490,069	2015
UM-3	89,174,097	
J-03	6,050,691	2011
J-05	4,626,129	2011
J-07ST1	880,732	2011
J-08	29,482,214	2010
J-20	16,055,766	2013
J-22	25,384,981	2012
P2_18	0	2020
P2A_4	0	2023
P2B_3	0	2021
PU3BN	0	2021
PU3BNE	0	2021
J-07ST2	5,997,336	2012
J-24_UM3	696,248	2015
UM-2	26,445,244	
J-19	26,209,185	2013
PU2UD	0	2019
J37_UM2	236,059	2015
PU2E	0	2018
PU2W	0	0
LM-1	0	
P2B_11	0	2019
J-24_LM1	0	2018
UM-4	0	
P2B_9	0	2020
Grand Total	187,708,630	

* Estimated as of December 31, 2016

Table 4.1.5: Jubilee Field Well Cumulative Production

4.1.6.1 UM-2 Reservoir

The UM-2 reservoir trends northeast to southwest and is mapped as two separate accumulations: the J-19P area and the J-26GI area. Ryder Scott also mapped a 3P area that shows these two areas as being a single accumulation. A well log cross-section of the reservoir can be found in Appendix 12.1.1.3. The J-19P area was designated the J-09P area in our December 31, 2014 report. The area designation was changed to be consistent with the producing J-19P well rather than the J-09P discovery well.

4.1.6.1.1 J-19 Area

In the J-19P area, seven wells encountered oil in the UM-2 while the downdip water leg was penetrated by the J-18WI well. The lowest known oil was penetrated in the J-04P well at -3455 meters (m) True Vertical Depth – Subsea (TVDSS) while the highest known water depth was found in the J-18 WI well at -3561 m TVDSS. Pressure gradient data indicate that an oil / water contact at -3530 m TVDSS exists in the reservoir; this contact is considered the proved downdip limit. An excess pressure plot illustrating the location of the contact can be found in Appendix 12.1.1.4 in this report.

The new J-36WI well extended the proved limits of the J-19P area to the east and northeast in 2015. The proved area increased from 2826 acres to 4091 acres and now includes volumes east and northeast of the J-04P well that were previously classified as probable and possible reserves. Stethoscope formation pressures recorded in the UM-2 in the J-36WI are approximately 28 psi above the original reservoir pressure gradient. Due to poor reservoir quality in the J-03P and J-24P wells northeast of the J-36WI, Ryder Scott has attributed the observed pressure increase to communication with the J-18WI well.

Net pay in the six wells that penetrate the entire reservoir in the J-19P area ranges from 6.6 meters to 21.3 meters true vertical thickness and averages 16.5 meters in the wells. A net pay isochore map was constructed using the well data and Kosmos’ net pay maps derived from seismic inversion. In the proved case, the isochore map was limited to a maximum thickness of 22 meters as observed in the wells. The average net pay thickness represented by this isochore is 10.4 meters. To the northwest, the reservoir is limited by multiple well penetrations, which encountered poor reservoir quality in the UM-2 interval. To the southeast, the J-04P well found pay in the UM-2 while the MD2 BP1 well outside the unit area found poor reservoir quality. Reserve volumes on the southeast flank were constrained by certainty of communication with the developed area; no reserve volumes were assigned outside the unit area.

The UM-2 reservoir in the J-19P area is currently produced by the J-19P horizontal well located near the mapped northeast limit of the reservoir. The J-19P is supported by water injection in the UM-2 water leg in the J-18WI well.

Kosmos’ simulation model features a sector in UM-2 that closely matches Ryder Scott’s mapped area. Model results suggest recovery factors (RFs) ranging from 42 percent to 51 percent. Consequently, Ryder Scott utilized a 40 percent proved RF and a 50 percent proved + probable (2P) RF. The resulting expected recovery was assigned to the wells accordingly, while accounting for the cumulative production from the currently producing wells.

4.1.6.1.2 J-26 Area

Northeast of the J-19P well, poor reservoir quality was encountered in the UM-2 reservoir in the J-17GI and J-17GI ST1 wells. The J-26GI well was drilled in 2013, 3.2 kilometers northeast of the J-17GI well and found a minimum of 10.5 meters TVT oil pay in the UM-2 (the base of the sand was not logged completely and the gamma ray curve indicates more than 20 meters of TVT sand). Formation pressures measured in the J-26GI do not coincide with the pressure gradient trend established in the J-19P area (see excess pressure plot). This change in the pressure trend may be due to gravity segregation of fluids in the reservoir, but pending more information, the J-26GI area is currently mapped as a separate reservoir in the UM-2.

The new J-37P well encountered 8.6 meters TVT pay in the UM-2 reservoir. Stethoscope pressures in the J-37P are above the original reservoir pressure gradient. The pressure increase is attributed to gas injection in the reservoir in the J-26GI well. Due to the results of the J-37P well, Kosmos has moved 10.6 meters TVT pay from the UM-3A reservoir to the UM-2 reservoir in the J-16GI well. The proved area for the J-26GI area has increased from 160 acres to 2,322 acres due to the results of the J-37P well, the re-assignment of pay in the J-16GI and dynamic data from reservoir pressure measurements in the J37P well that confirmed communication between the J37P and the producing J19P well.

The UM-2 reservoir in the J-26GI area is currently produced by the J-37 well located near the mapped southeast limit of the reservoir. The J-19P is supported by gas injection in the UM-2 by the J-26GI. There are two future producers, PU2E and PU2W, planned to be located north of the J-17GI and J-37P, respectively.

Kosmos’ simulation model features a sector in UM-2 that closely matches Ryder Scott’s mapped area. Model results suggest recovery factors (RFs) ranging from zero percent to 34 percent. The zero RF is because Kosmos’ model has not accounted for the J-37P well in the low case. Ryder Scott utilized an 11 percent proved RF and a 31 percent 2P RF to match Ryder Scott’s EUR assigned to this area in our 2015 analysis, pending a future review of Kosmos’ new simulation model. The resulting expected recovery was assigned to the wells accordingly, while accounting for the cumulative production from the currently producing wells.

The 3P mapped area that suggests a single accumulation for the J-19P and J-26GI areas was assigned a 50 percent RF for the possible reserves. This RF was chosen to match the 2P RF assigned by Ryder Scott to the J-09P area. The resulting expected recovery was also assigned to the wells accordingly, while accounting for the cumulative production from the currently producing wells.

4.1.6.2 UM-3 Reservoir

The UM-3 reservoirs trend generally east to west while individual sand buildups show a more northeast – southwest trend in the well control data and the seismic interpretation. The reservoirs are limited to the north by loss of reservoir quality and / or facies change and to the south by loss of reservoir quality and / or the oil / water contact. The UM-3 reservoirs are present in the Teak-2 well, northeast of the unit area. Hydrocarbon trapping to the northeast is provided by a series of faults. Cross-sections illustrating the distribution of the various sands across the field area are included in this report in Appendix 12.1.1.3.

The reservoir has been subdivided into three units, UM-3A, UM-3B, and UM-3C (from top to bottom); primarily to better characterize the distributions of reservoir and potential reservoir

discontinuities. Pressure gradient data indicate the three members are in a common pressure system with an oil / water contact at -3497 m TVDSS. The pressure gradient data also indicates fluid segregation in the reservoir with decreasing fluid density trending from the oil / water contact to the top of the reservoir. Early depletion of the reservoirs observed in the oil leg in the J-20 well and in the water leg in the J-21WI well also indicates vertical continuity of these reservoirs. Pressure trends in later wells are complicated by the beginning of gas and water injection in offset wells. An excess pressure plot illustrating the vertical continuity and the oil / water contact can be found in Appendix 12.1.1.4 in this report.

4.1.6.2.1 UM-3A

The UM-3A member remains the least areally extensive (4,610 total acres) member of the UM-3 series; reservoir development is limited to the northern portion of the UM-3 accumulation. Proved reserves in the UM-3A are limited to areas around positive well control in the J-08P / J-20P wells and the J-17GI / J-17ST wells (see map and cross-section in Appendix 12.1.1.2 and 12.1.1.3, respectively). Production from the UM-3A was established in the J-08P and J-20P wells. These wells are supported by the J-17GI gas injector, the J-21WI water injector, and the new J-46WI water injector. There is a future producer, the P2A_4 planned to be located to the east of the J-08P and J-20P wells.

The UM-3A is mapped as a long (12 kilometers), relatively narrow (generally just over 1 kilometer in width), east-west trending sand body. Due to distance from well control, a small area and volume between the J-08P and J-20P producers to the west and the J-17GI well was classified as probable pending more definitive evidence of communication across the area. At the eastern end of the reservoir, the new J-37P well found 0.3 meters of TVT net pay in the UM-3A. As a consequence of the reassignment of pay in the J-16 well from UM-3A to UM-2 as discussed above and no direct completion in the reservoir in either the J-24P or J-37P producers, this part of the reservoir was also classified probable due to uncertainty of recovery from this area in the current development plan.

Proved reserves in the UM-3A were positively impacted by the new J-46WI well drilled to the west of the J-08P / J-20P producing wells. The J-46WI found 23.3 meters TVT net pay in the UM-3A. Although in apparent vertical communication with the underlying UM-3B on the log, the UM-3A was found approximately 8 psi depleted while the UM-3B was nearly 87 psi over pressured relative to the original pressure gradient.

The main sector in Kosmos’ simulation model that most closely defines this area has a RF of 48 percent for existing wells and 50 percent for the FFDP. This main sector covers a much smaller areal extent and OOIP than Ryder Scott’s volumetric result. Ryder Scott has maintained its analysis of last year and used a 35 percent RF for proved reserves, and 50 percent RF for 2P reserves, and assigned the corresponding recoverable volumes to the wells accordingly, while accounting for the cumulative production from the currently producing wells.

4.1.6.2.2 UM-3B

The UM-3B reservoir covers significantly more area (total area of 11,083 acres) than the UM-3A. Available well control data demonstrates continuity of the reservoir into the aquifer along the south and southwest limits of the accumulation. Virtually all of the area above the oil / water contact was classified as proved based on reservoir continuity observed in well data, in the pressure gradient data, on seismic data and in the reservoir simulation model. The proved area was limited to the northeast by the high known oil in the J-16GI well due to demonstrated dynamic continuity of the Jubilee UM3-B with

the gas accumulation in the UM-3B in the Teak-02 well. Probable reserves are generally related to seismically interpreted improvements in net pay thickness that is greater than that seen in the immediately offsetting wells.

The west area is currently produced by the J-05P, J-07ST2 (replaced J-07ST1), J-08P, J-20P, and J-24P wells. These wells are supported by water injection in the UM-3B water leg in the J-21WI and J-11WI wells and by gas injection in the J-17GI ST1 well. There is a future producer, P2A_4, planned to be located east of the J-08P and J-20P wells.

The east area is currently produced by the J-03P well. This well has gas injection support from the J-16GI well. There are four future producers (P2B_3, P2_18, PU3BN, and PU3BNE) and two future water injectors (J-25WI, UM3_WI1) planned for the development of this area.

The main sector in Kosmos’ simulation model that most closely defines this area has recovery factors of 40 percent for existing wells and 46 percent for the FFDP. Consequently, Ryder Scott has used a 40 percent RF for proved reserves, 45 percent RF for 2P reserves, and 40 percent RF for possible reserves and assigned the corresponding volumes to the wells accordingly, while accounting for the cumulative production from the currently producing wells.

As will be seen throughout this report, the incremental possible reserves, obtained from the 3P OOIP high case realization maps, were assigned the more conservative proved reserves RF and not the 2P RF as these are mapped volumes where the pressure communication is questionable, far from well control, and having a greater areal extent with no additional wells planned to capture the reserves.

4.1.6.2.3 UM-3C

The UM-3C reservoir covers significantly more area (total area of 10,780 acres) than the UM-3A and is similar in extent to the UM-3B. Available well control data demonstrates continuity of both UM-3B and UM-3C into the aquifer along the south and southwest limits of the accumulation. Virtually all of the area above the oil / water contact in both members is considered proved based on reservoir continuity observed in wells, in the pressure gradient data, on seismic data and in the reservoir simulation model. Probable reserves are generally related to seismically interpreted improvements in net pay thickness that is greater than that seen in the immediately offsetting wells.

The UM-3C reservoir is currently produced by the J-03P, J-05P, J-07 ST2 (replaced J-07 ST1), J-08P, J-22P, and J-24P wells. These wells are supported by water injection in the UM-3C water leg in the J-11WI, J-12WI, and J-15WI wells and by gas injection in the J-17GI ST1 and J-16GI wells. There are five future producers (P2A_4, P2B_3, P2_18, PU3BN, and PU3BNE) and two future water injectors (J-25WI, UM3_WI1) planned for the complete development of this reservoir.

Stethoscope pressures recorded in the UM-3C in the new J-37P well are 800 psi above the original pressure gradient and 150 psi below the pressures measured in the J-24P well in March 2014. Over pressurization is a result of gas injection into the J-16GI well while the decrease in overpressure relative to the J-24P reflects the reduction in gas injection in the J-16GI well due to increasing gas export and ongoing production in the J-03P well. The UM-3C well was also found up to 700 psi over pressured in the new J-36WI well located nearly 3 kilometers southwest of the J-16GI and 2.5 kilometers southeast of the J-17STGI wells.

The main sector in Kosmos’ simulation model that most closely defines this area has recovery factors of 31 percent for existing wells and 48 percent for the FFDP. Consequently, Ryder Scott used a

30 percent RF for proved reserves, 50 percent RF for 2P reserves, and 30 percent RF for possible reserves and assigned the corresponding volumes to the wells accordingly, while accounting for the cumulative production from the currently producing wells.

4.1.6.3 UM-4 Reservoir

The UM-4 reservoir trends east/northeast to west/southwest and is limited to the north by stratigraphic termination of the reservoir and to the south by a combination of the oil / water contact and the loss of reservoir quality. Pressure gradient data in the better developed intervals indicate that the reservoir is a single pressure system from the oil / water contact to the updip portions of the reservoir to the east. A stratigraphic cross-section and an excess pressure plot of the reservoir are included in Appendix 12.1.1.3 and 12.1.1.4 in this report respectively. Apparent increases in reservoir pressure in both the oil and water legs seen in the J-22P and J-21WI wells, respectively, may be in response to gas injection in the reservoir in the J-17GI ST1 well.

The oil / water contact in this reservoir is difficult to determine due to poor reservoir quality in the wells along the southern limits of the reservoir. Pressure gradient data and well log data in the J-08P well demonstrates the existence of a reasonably confident productive limit at -3467 m TVDSS, which has been used to determine the reserve volumes in this report.

The productive area within the unit above the apparent productive limit covers 4,263 acres. Most of the in place volumes above the productive limit are considered reasonably certain. The recoverable volumes associated with the reasonably certain in place volumes were categorized as probable undeveloped due to the lack of take points in this reservoir in the currently approved development plan. Additional volumes associated with seismically interpreted improvements in net pay thickness that are greater than that observed in immediately offsetting wells were categorized as possible.

There are currently no producers from this reservoir. There are two future producers (P2B_11, P2B_9) and two future water injectors (P2B_8WI, P2B_14WI) planned for the development of this reservoir. The J-17GI ST1 gas injector is also planned to target this reservoir.

The main sector in Kosmos’ simulation model that most closely defines this area has recovery factors ranging from 26 percent to 38 percent. Consequently, Ryder Scott has used a 40 percent RF for the probable reserves to match Kosmos’ model, and 25 percent RF for the possible reserves and assigned the corresponding volumes to the wells accordingly. Ryder Scott’s net pay for this corresponding area is smaller than that seen in the model resulting in a smaller OOIP obtained by Ryder Scott. Since there currently are no producers targeting this reservoir, no proved reserves were assigned.

4.1.6.4 LM-1 Reservoir

The LM-1 reservoir is a relatively thin east / northeast to west / southwest trending accumulation limited to the north, south and east by loss of reservoir quality or reservoir facies change. The J-50ST2 well, drilled late in 2014, encountered an unexpected thick LM-1 section. The LM-1 section in the J-50ST2 well has been subdivided into LM-1A and LM-1B members. The LM-1A is interpreted as more laterally continuous across the Jubilee area while the LM-1B is restricted to the area around the J-50ST2 well.

Reservoir continuity from west to east is uncertain. As shown on the cross-section in Appendix 12.1.1.3., potential baffles between known accumulations are seen in the well control data. Wireline formation pressure versus depth and excess pressure plots for the LM-1 are included in Appendix 12.1.1.4 in this report. Pressure data in early wells in the eastern lobe (J-16GI and J-03P wells), western lobe (J-7ST2, J-09P and J-15WI wells) as well as the Mahogany area wells (M-03, M-04 and MD-02) show a reasonably consistent pressure-depth trend suggesting all three areas may be in a single pressure system. Deviations from the apparent trend in the downdip Mahogany wells and the updip Jubilee wells may be due to gravity segregation of fluids as has been seen in other reservoirs in Jubilee. Different amounts of pressure depletion have been observed in later wells drilled into the LM-1 in the eastern area (J-24P, J-36WI and J-37P) and in the western area (J-12WI and J-50ST2), suggesting some degree of reservoir separation or baffling may exist between these two areas. There are no producing wells in the LM-1 so the observed depletion is likely to be due to vertical communication with the overlying UM-3 reservoirs, the underlying LM-2 reservoirs, or both.

In the 1P and 2P cases, the LM-1A was mapped as two separate reservoirs, the western J-50 area and the eastern J-16GI area. In the 3P case, the reservoir was mapped as laterally continuous across the Jubilee field area. The Mahogany LM-1 reservoir area is currently carried as a separate accumulation from Jubilee.

The J-24P well is the only current producer from this reservoir. Future locations are the P2B_11 producer and the J25WI and J49WI water injectors.

The main sector in Kosmos’ simulation model that mostly closely defines the J-50 area has a 40 percent RF for the FFDP. Ryder Scott believes this recovery factor is too high based on reservoir properties and well coverage and used a 30 percent RF for the probable reserves in this area, and assigned the corresponding volumes to the wells accordingly. The sector in the simulation model that most closely defines the J-16GI area has an average RF of 5 percent for existing wells and 33 percent for the FFDP. The proved mapped volume by Ryder Scott is much smaller than Kosmos’ and more localized. Calculations show that a 10 percent RF generates a recovery equivalent to the model recovery and we utilized this factor to estimate reserves for this small reservoir sector. This volume was downgraded to probable since there is no approved development plan to exploit this area. Ryder Scott also used a 30 percent RF for the remaining probable area, which is similar to the rest of the LM-1, and assigned the corresponding volumes to the wells accordingly.

The sector in the simulation model that most closely defines the LM-1B reservoir in the J-50ST2 area is attributed a 50 percent RF by the simulation model for the FFDP. Ryder Scott also used 30 percent RF for the probable reserves in this area and assigned the corresponding volumes to the wells accordingly. Proved reserves were similarly not assigned, as there is no approved development plan.

The 3P mapped area that suggests a single accumulation for the J-50ST2 and J-16GI areas of the LM-1A reservoir was also assigned a 30 percent RF for the possible reserves in this area and assigned the corresponding volumes to the wells accordingly.

4.1.6.5 LM-2 Reservoir

The LM-2 reservoirs trend generally northeast to southwest with individual sand buildups generally trending in the same direction according to the well control data and the seismic interpretation. The LM-2 reservoirs lie generally southeast of the overlying UM accumulations. The reservoirs are limited to the north, east and south by a loss of reservoir quality and / or facies change.

To the southwest, an oil / water contact is present. A cross-section illustrating the distribution of the various sands across the field area is included in Appendix 12.1.1.3 in this report.

The reservoir was subdivided into three units: LM-2A, LM-2B and LM-2C (from top to bottom), primarily to better characterize the distributions of reservoir and potential reservoir discontinuities. Pressure gradient data indicate that the three members are likely in a common pressure system with a common oil / water contact at -3755 m TVDSS. The contact was penetrated by the J-14WI well in the LM-2B member and by the J-13WI, J-10WI, and Hyedua-1 wells in the LM-2C member. The pressure gradient data also indicates fluid segregation in the reservoir with a decreasing fluid density trend from the oil / water contact to the top of the reservoir. Wireline pressure measurements in the J-06 ST1 well, drilled in mid-2011, found 740-psi depletion in the LM-2A and 650-psi depletion in the LM-2B, as an additional indication of relatively good vertical continuity between the members. An excess pressure plot illustrating the vertical continuity and the oil / water contact at original conditions can be found in Appendix 12.1.1.4.

The LM-2 reservoirs were subject to interference testing prior to field start-up. A DST conducted in the J-09P well, completed in the LM-2B sands resulted in pressure responses in the J-02P well completed in the LM-2B and LM-2C sands, and the J-04ST1 completed in only the LM-2A sand.

This testing provides strong evidence for:

- a) communication between the LM-2A and LM-2B sands and
- b) communication within the field for distances up to 3.6 km (the distance from the J-09P to the J-02P wells).

Subsequently, water was injected into the J-10WI well, perforated only in the LM-2C interval. Pressure response was seen in the J-02P well completed in the LM-2B and LM-2C (1.8 km away). The J-10WI LM-2C interval was isolated, and injection into the LM-2B was established. Pressure response was seen in the J-02P well (LM-2B and LM-2C) and in the J-04ST1 well (approximately 5.4 km away) completed in the LM-2A.

This observation provides strong evidence for:

- a) communication between the LM-2A and LM-2B sands and
- b) communication within the field for distances of up to 5.4 km.

The testing does not appear to provide strong evidence for communication between the LM-2B and LM-2C.

The LM-2 reservoirs have been fairly well developed to date. However, there is a significant volume of oil mapped to the east of the J-04P well. Sensitivity runs conducted on one of the available simulation models indicated that the performance of the wells to the west of the J-04 does not necessarily depend on support from these potential volumes to be adequately produced.

4.1.6.5.1 LM-2A

The LM-2A accumulation is stratigraphically limited in all directions and is only developed in the central part of the LM-2 complex. Where best developed, as in the J-01P well shown on the cross-section, it is vertically separated from the LM-2B by a thin shale / silt layer. The total reservoir area

covers 2,459 acres. In 2015, Kosmos re-correlated and changed the well-developed, producing interval in the J-04ST1 well from the LM-2A reservoir to the LM-2B reservoir based on reservoir performance data. This new correlation significantly reduced the proved producing area in the LM-2A as well as the eastern continuation of the reservoir that was previously categorized as probable.

The LM-2A is currently produced by the J-01P and J-06ST1 wells. The main sector in Kosmos’ simulation model that most closely defines this area has a 46 percent RF for existing wells and 49 percent for the FFDP. Consequently, Ryder Scott used a 45 percent RF for proved reserves, 50 percent RF for 2P reserves, and 45 percent RF for possible reserves and assigned the corresponding volumes to the wells accordingly, while accounting for the cumulative production from the currently producing wells.

4.1.6.5.2 LM-2B

The LM-2B accumulation is the most areally extensive member of the LM-2 reservoir, covering a total area of 8,311 acres and is limited to the southwest by the oil / water contact. Two new wells, J-37P and J-36WI penetrated the LM-2B reservoir in 2015. Pressure depletion was observed in wireline formation pressures in both wells. These data, along with pressure depletion observed in the J-24P well drilled in late 2014, confirm continuity of the LM-2B accumulation across the entire mapped reservoir extent. Consequently, the entire area above the oil / water contact is classified as proved. Probable volumes are associated with improvements in reservoir thickness above that seen in nearby wells. Possible volumes are based on an alternate realization of reservoir thickness distribution derived from seismic attribute analysis. For our 2016 report, a new seismic interpretation based on a new EEI volume and new interpretation of hydrocarbon saturation change from 4D seismic data resulted in a minor increase to mapped 2P OOIP in the southeast part of the reservoir.

The LM-2B is currently produced by the J-01P, J-02,P J-04ST1, J-06ST1, J-09P, and J-37P wells. These wells are supported by water injection in the LM-2B water leg in the J-10WI, J-13WI, J-14WI, and J-36WI wells.

The main sector in Kosmos’ simulation model that most closely defines the area has an average RF of 45 percent for the existing wells and 50 percent for the FFDP. Consequently, Ryder Scott used a 45 percent RF for proved reserves, 47 percent for 2P reserves, and 48 percent for 3P reserves and assigned the corresponding volumes to the wells accordingly, while accounting for the cumulative production from the currently producing wells.

4.1.6.5.3 LM-2C

The LM-2C is the smallest accumulation in the LM-2 formation, covering only 2,147 acres. The reservoir is only present at the southwest end of the LM-2 formation and is limited to the southwest by the oil / water contact. The LM-2C is currently producing and the entire recoverable volume is categorized as proved.

The LM-2C is currently produced by the J-02P well. This well is supported by water injection in the LM-2C water leg in the J-10WI and J-13WI wells.

The main sector in Kosmos’ simulation model that most closely defines this area shows 51 percent RF for both existing wells and the FFDP. The in place volumes in the model are twice that mapped by Ryder Scott due to the difference in net pay. In order to arrive at the reserve volumes

similar to Kosmos’ model, Ryder Scott used a 35 percent RF for proved reserves and assigned the corresponding volumes to the wells accordingly, while accounting for the cumulative production from the currently producing wells.

4.1.6.6 LM-3 Reservoir

The LM-3 reservoir is a small (606 acre) accumulation developed only along the southeast boundary of the unit area. The J-36WI well drilled in late 2015 found the reservoir well developed but wet. It remains uncertain whether the accumulation within the unit area is continuous with the LM-3 accumulation found in the Mahogany-4 and Mahogany-5 wells. There are ongoing preliminary discussions by Kosmos and the partners to potentially use existing wells such as J-24P, J37P, and J-36WI to target this reservoir. Ryder Scott categorized the LM-3 reservoir as Contingent Resources.

4.2 TEN Project Area

4.2.1 Field Overview

Ryder Scott’s latest review of the three fields comprising the TEN Project Area began in August 2016 with technical presentations from Kosmos’ asset team in Kosmos’ Dallas office. This was followed by regular communication between the Ryder Scott and Kosmos teams in the following months. The latest meeting was held on June 15, 2017 with the goal of assessing whether there are any material differences between our year-end 2016 forecasts and actual field performance through May 31, 2017. Ryder Scott’s TEN Project Area evaluation team was comprised of the following professionals:

- Steve Philips, Managing Senior Vice President – project geoscience lead
- Guale Ramirez, Executive Vice President – project manager
- Tosin Famurewa, Senior Vice President – project coordinator
- Victor Abu, Senior Petroleum Engineer – engineer for the TEN assets
- Amara Okafor, Senior Petroleum Engineer – simulation engineer

During these initial meetings in August 2016, Kosmos’ asset teams presented their interpretations of the TEN assets along with supporting documentation including a workstation review of the seismic data and interpretation. The Ryder Scott team was also briefed on results obtained from new development activities since the last meeting in 2015. Subsequent to the kick-off meetings, Kosmos prepared complete engineering, fiscal and geoscience data sets, which included basic data and interpretative analyses for Ryder Scott’s independent review including information addressing specific questions raised by Ryder Scott during the meetings. These initial data sets were transferred to Ryder Scott’s Houston office in August 2016.

The data sets included:

- Maps of Kosmos’ interpretation of reservoir structure, net sand and net pay isochore maps
- Seismic data volumes and geophysical interpretation
- Well data including well logs, production test results, core data and wireline pressure tests
- Pressure and DST interpretations
- Kosmos’ petrophysical analyses
- Kosmos’ geo-model provided to Ryder Scott in a Petrel software format
- Kosmos’ base numerical simulation model
- Technical presentations
- MDT, PVT, production and injection data and interpretative MDT analyses
- Development Plan including CAPEX and OPEX data
- Commercial model and fiscal terms summary

Located to the West of the Jubilee Unit, the TEN Project Development encompasses the aggregation of three separate field areas (Tweneboa, Enyenra, and Ntomme) into an integrated development within the Deepwater Tano (DWT) Production License. Kosmos net working interest in the area is 17 percent with the other partners’ working interests as follows: Tullow (operator) 47.175 percent, Anadarko 17 percent, GNPC 15 percent and Petro SA 3.825 percent. Similar to the flagship

Jubilee field, the development concept includes the use of an FPSO, which has an initial production capacity of 80,000 bopd, water injection capacity of 132,000 bwpd and gas compression capacity of 170 mmscf. The FPSO is tied in to subsea infrastructure across the field comprising approximately 70 kilometers of flowlines and 60 kilometers of umbilicals. Following the first hydrocarbon discovery by the Tweneboa-1 wildcat well in 2009, a significant Exploration and Appraisal program was carried out – 18 penetrations within the 273,793 acre concession. This culminated in the submission of a Plan of Development (PoD) in October 2012. Two additional submissions and several months of negotiation resulted in an approval from the Minister of Energy (MoE) on May 29, 2013. The phased development of TEN recorded a major milestone with first oil production in August 2016. Initial oil test rates were generally in line or better than forecast. However, it is considered too early to draw conclusions on long term field performance trends due to the relatively short time elapsed. The map shown in Figure 4.2.1 below outlines the layout of the three (3) fields that make up the Ten Project Area as well as the seabed bathymetry.

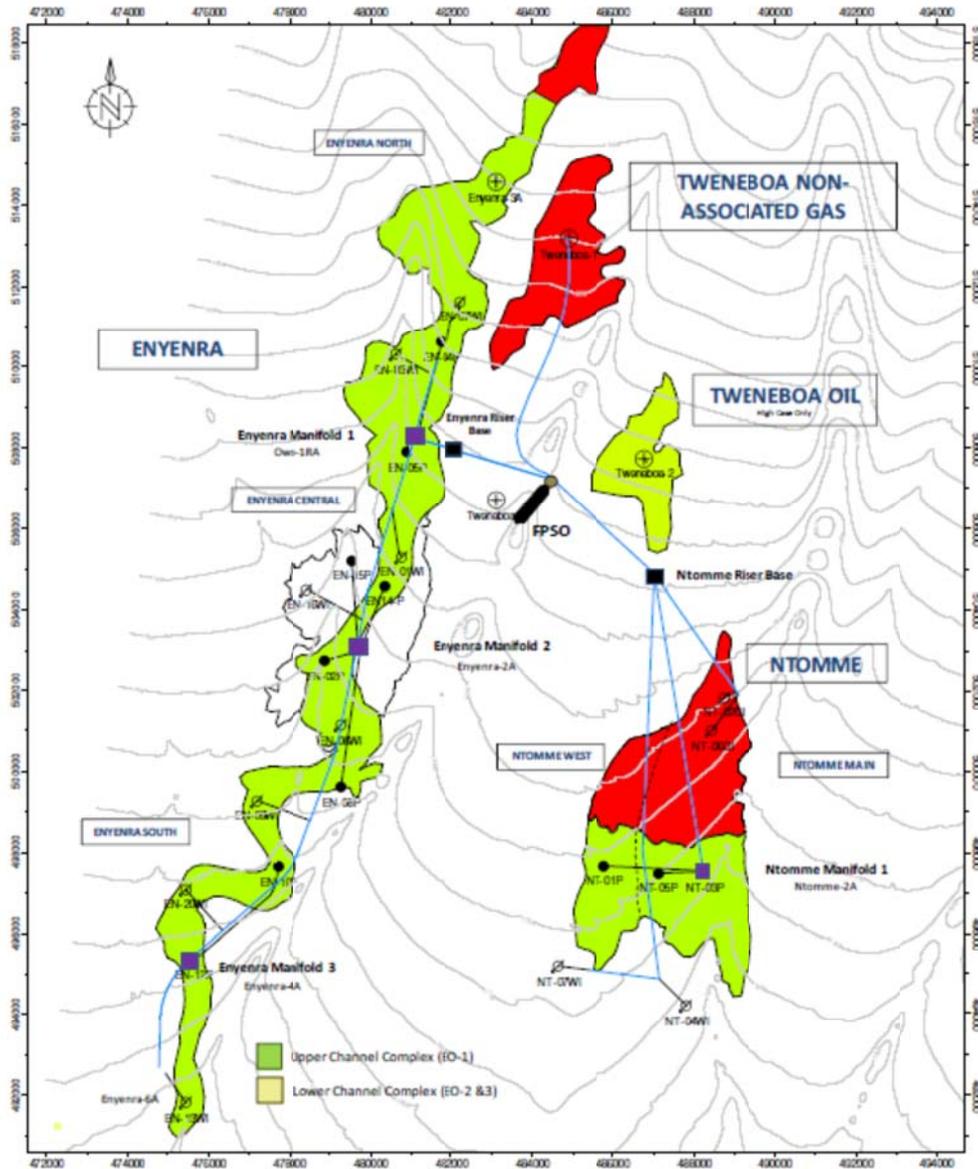


Figure 4.2.1: Map of TEN Project Area

4.2.1.1 Tweneboa

The Tweneboa non-associated gas (NAG) discovery is located to the east of the Enyenra field on the northern Greater Tweneboa Fan. The discovery was made by the exploration well Tweneboa-1 in 2009.

The Tweneboa discovery consists of laminated, heterolithic sheet sandstones deposited in an overbank setting of Turonian age (Upper Cretaceous). The reservoir sands are stratigraphically trapped by a combination of up dip and lateral pinch outs. Reservoir quality is moderate. Tweneboa NAG hydrocarbons are characterized as predominantly gas bearing and condensate rich with an average condensate / gas ratio (CGR) of 70 bbls/mmscf.

The first producing well for this field will be the TW01-GP, which will produce non-associated gas and is scheduled to come online in 2018. The map below shows an outline of the Tweneboa field, thickness of the major sand (N1B) and location of the future gas producer, TW01-GP.

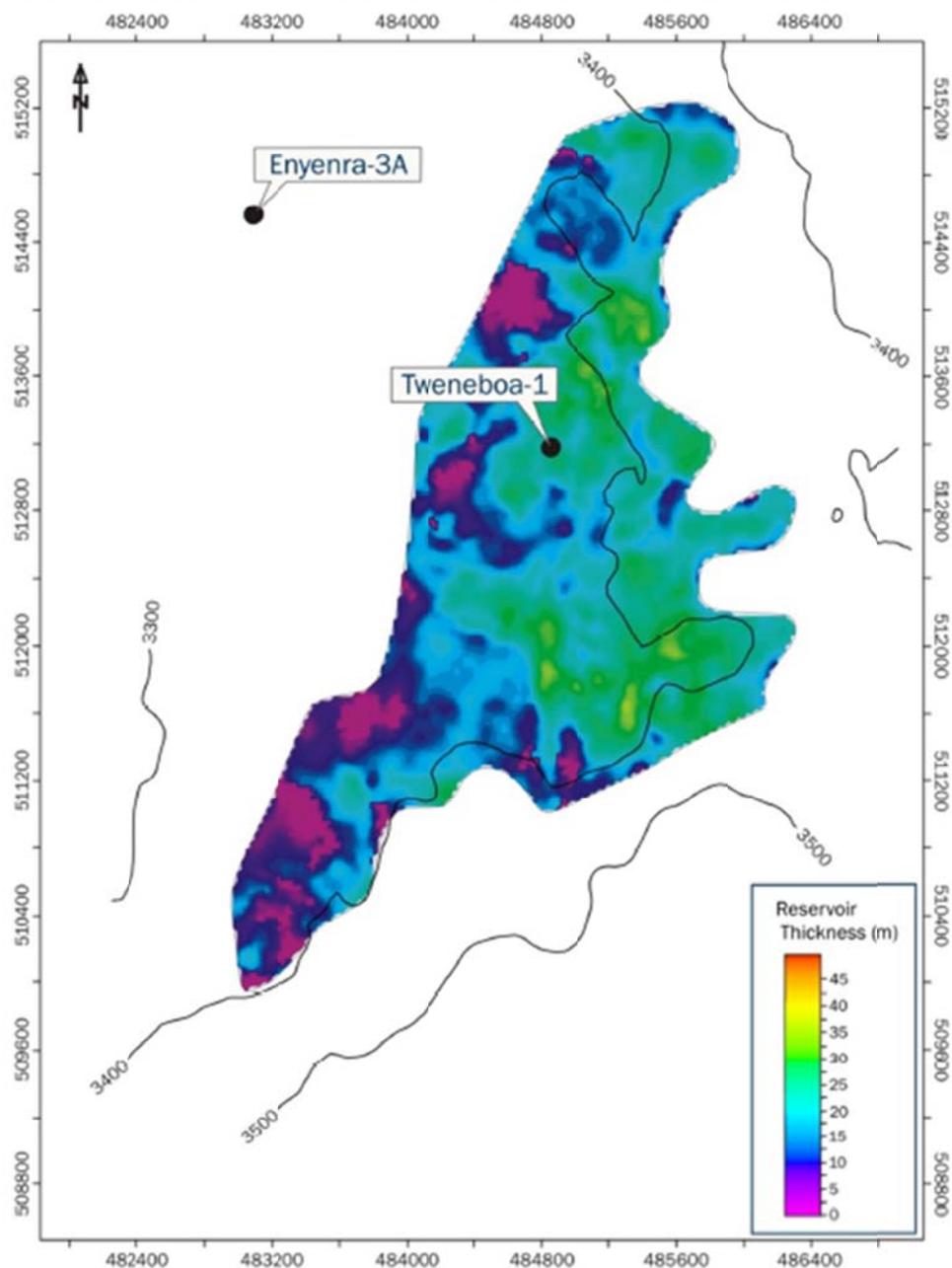


Figure 4.2.2: Map of Tweneboa Field

4.2.1.2 Enyenra

The Enyenra Discovery is located on the western side of the Deepwater Tano Contract Area proximal to the maritime border with Cote d'Ivoire. The discovery was made by exploration wells Owo-1 and Owo-1ST in 2010 and appraised by wells Enyenra-2A, Enyenra-3A, Enyenra-4A, Owo-1RA and Enyenra-6A.

The Enyenra discovery is a narrow, sinuous, lower to mid slope turbidite channel complex of Turonian age (Upper Cretaceous) with a length approximating 25 km. The channel complex consists of

heterogeneous, amalgamated and stacked channel sands deposited within an aggradational channel-levee complex. The reservoir sands are stratigraphically trapped by a combination of up dip and lateral pinch outs. Reservoir quality and distribution within the channel is heterogeneous. Enyenra hydrocarbons are characterized as a light black oil with an API gravity of 35°. The oil is low in wax and asphaltenes and has an average GOR of 1,260 scf/bbl. Reservoir pressure is 6,847 psi at the base of the E01 oil column. The map below shows an outline of the Enyenra field, thickness of the major sand (EO1) and locations of current and future wells.

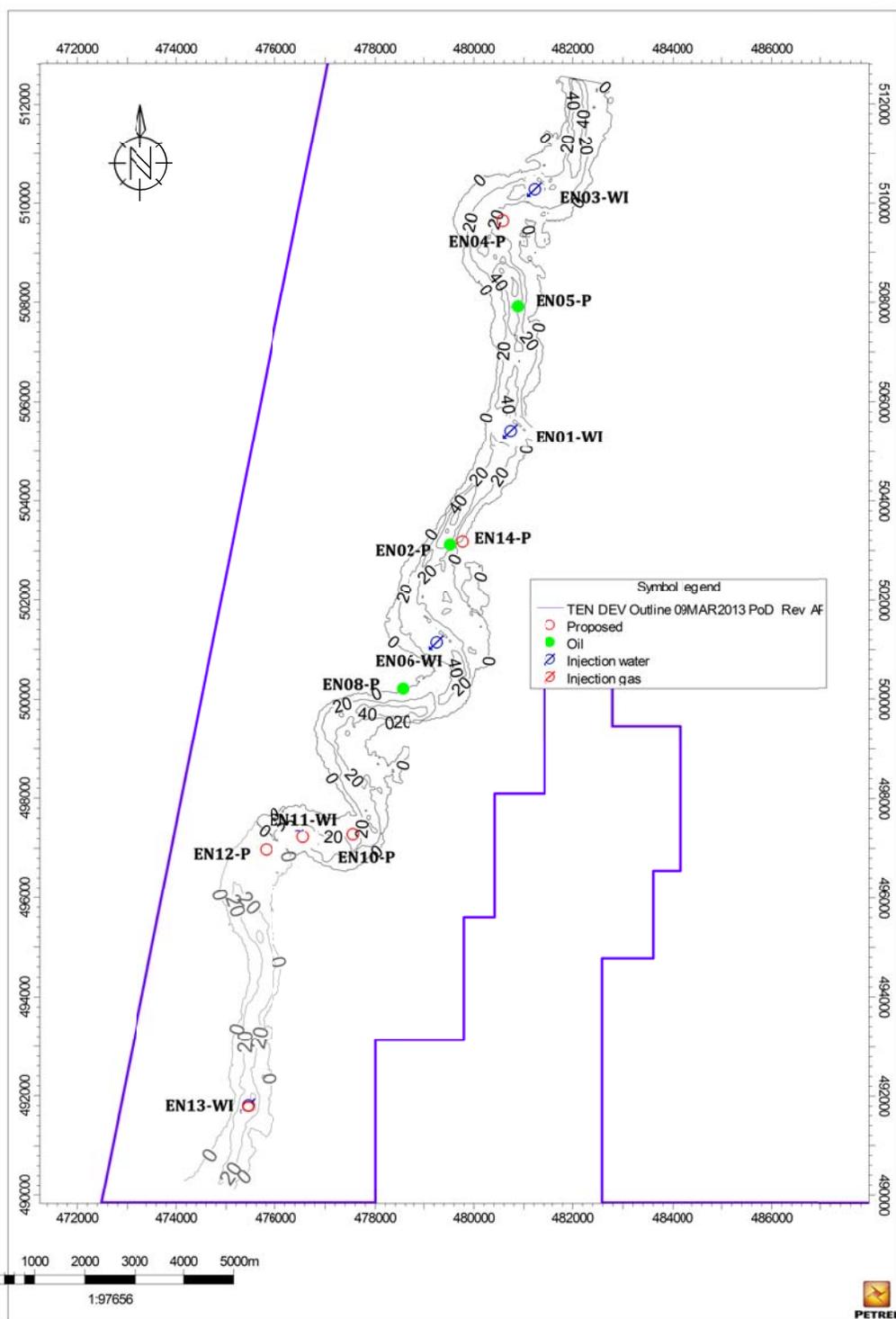


Figure 4.2.3: Map of Enyenra Field

4.2.1.3 Ntomme

The Ntomme discovery is located on the eastern side of the Greater Tweneboa Fan. The discovery was made by appraisal well Tweneboa-3ST in 2011 and appraised by well Ntomme-2A and Ntomme-4WI in 2012.

The Ntomme discovery is a lower to mid slope turbidite lobe of Turonian age (Upper Cretaceous). The reservoir consists of homogeneous stacked channel sands. The reservoir sands are stratigraphically trapped by a combination of up dip and lateral pinch outs. Reservoir quality is good. Ntomme hydrocarbons are characterized as a light black oil with an API gravity of 33°, with a confirmed gas cap in the up-structure portions of the reservoir. The oil is low in wax and asphaltenes and has an average GOR of 1,230 scf/bbl. Reservoir pressure is 6,018 psi at the base of the oil column. The map below shows an outline of the Ntomme field, thickness of the major sand (N1B) and locations of current and future wells.

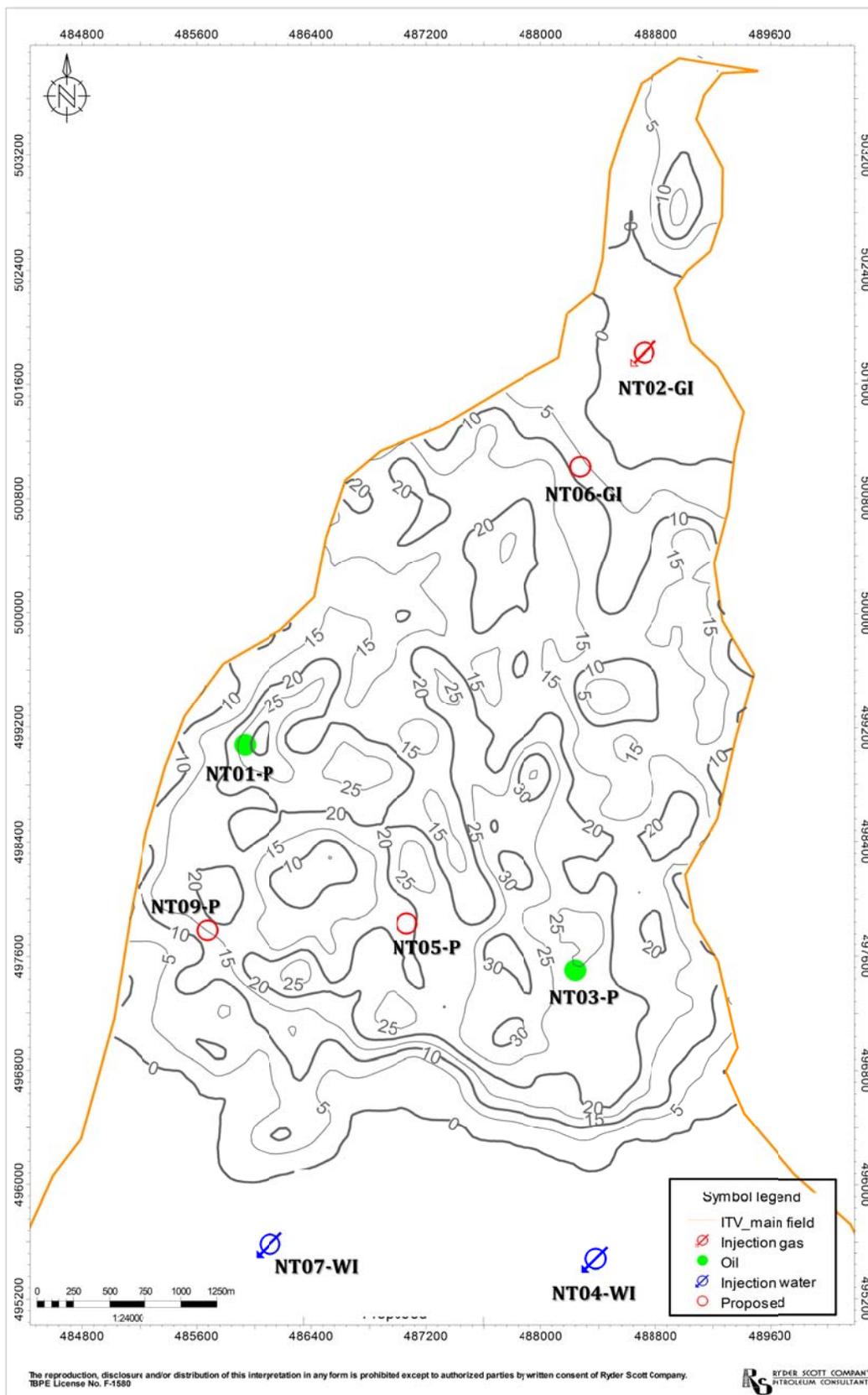


Figure 4.2.4: Map of Ntomme Field

4.2.2 Geological Modeling

Ryder Scott evaluated the original hydrocarbons in place volumes for each reservoir in the TEN project area using the volumetric method; integrating seismic, subsurface, pressure and production information where available. The volumes were classified and categorized as proved, probable or possible reserves or resources, deterministically. The classification and categorization of volumes were based on Ryder Scott’s independent assessment of the available data with respect to the guidelines and requirements of the reserve and resource definitions of the Society of Petroleum Engineers (SPE), World Petroleum Council (WPC), American Association of Petroleum Geologists (AAPG), and Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management System (SPE-PRMS).

Previously, Ryder Scott utilized log data and seismic attribute maps to prepare volumetric estimations of Original-Oil-In-Place (OOIP) and Original-Gas-In-Place (OGIP). For year-end 2016, Ryder Scott agreed to consider the static 3D reservoir models, and associated dynamic models, originating from the TEN operator, Tullow Oil PLC with modifications by Kosmos. These static models, created with the Petrel application, contained the petrophysical and geophysical source data and interpretations. Separate projects were provided for Enyenra and Ntomme. No updated analysis was performed on Tweneboa due to there being no new data to evaluate.

In this evaluation, Ryder Scott applied a static model QC workflow that involves extracting net oil isochore maps from the models and comparing these maps to net pay values derived from the well logs penetrating each reservoir. The result of this exercise determined that the static models yielded reasonable net oil and gas isochore maps that tied to the available well control. Depositional trends in these models were also found to agree with previously mapped channel sand distributions based on 3D seismic attributes. Therefore, Ryder Scott determined that these models, with appropriate constraints, were fit for purpose in estimation of OOIP and OGIP volumes.

To comply with our best judgment regarding reserves definitions, some limits were imposed on the net oil and gas isochore maps derived from the static models. These limits include clipping maps by minimum thickness on channel margins, maximum thickness in channel interiors and by lowest known oil depths as appropriate for 1P, 2P and 3P cases.

The adoption of volume estimates based on static models resulted in a more rigorous geological evaluation. Additionally, the Ryder Scott evaluation remains consistent with prior petrophysical interpretations utilizing well logs, core data, wireline pressure data, drill stem tests and completion information to evaluate all reservoirs in all wells. OOIP and OGIP are defined by the top and base of the reservoirs, hydrocarbon / water contacts encountered, if any, net reservoir and net pay thicknesses and average porosity and water saturation values for each reservoir in each well.

Petrophysical and seismic interpretations, remain the basis for estimation of the areal extent of the potentially productive area and total hydrocarbons in place volumes for each reservoir. The in-place volumes for each reservoir were assigned to proved, probable or possible areas with their respective reserve or resource classifications as appropriate based on existing well control; production and pressure performance information, where available, and Kosmos’ future development plans.

Generally, proved volumes were assigned to reservoir areas and volumes directly supported by well control data and adjacent areas demonstrated to be laterally continuous by production or pressure information or by interference testing. Probable and Possible volumes were assigned to areas not directly penetrated by wells but interpreted to be laterally continuous to proven areas or to incremental volumes resulting from seismically interpreted increases in reservoir thickness, where not supported by dynamic information. Resource volumes were assigned to areas where lateral continuity with the

known reservoir area were uncertain and/or where future development for the recovery of these volumes was uncertain.

Appendices 12.2.1.2 and 12.2.1.3 include maps of the Reservoir Section Areas by field obtained for each reservoir.

4.2.3 Development Concept

First oil flowed from TEN to the FPSO “Prof. John Evans Atta Mills” in August 2016. This milestone was reached on schedule three years after the Plan of Development was approved by the Government of Ghana in May 2013. As stated above, the development utilizes a Floating Production Storage and Offloading (FPSO) vessel with production & injection wells connected to the FPSO via risers and subsea architecture. The FPSO has water and gas injection capabilities for pressure maintenance. The reservoirs are being developed using a combination of water and gas injection for pressure support along with expectation of natural depletion for gas reservoirs.

The Tweneboa Non-Associated gas pool, TG1, will be developed by the recompletion of the existing well, Tweneboa-1. Gas and condensate will be produced under natural depletion conditions and routed back to the FPSO for processing via separate subsea infrastructure.

Enyenra is currently being developed by a pattern water flood along the channel axes. No gas is planned to be re-injected into Enyenra. Oil producers were drilled from three manifolds and deviated through the reservoirs to optimize the penetration of all three reservoirs. Where the three main pools can be targeted in the same well, multi-zone (smart) completions with inflow control devices were installed on most wells for effective depletion/injection management.

Ntomme is being developed by a combination of gas and water injection for effective and flexible pressure support and reservoir management. Treated associated gas from Ntomme and Enyenra will be injected into the Ntomme gas cap; water is currently being injected structurally downdip and oil produced from mid flank production wells. Production and water injection wells will have multi-zone (smart) completions with inflow control devices for effective depletion/injection management.

4.2.4 Numerical Simulation Modeling

The Enyenra and Ntomme reservoir simulation models used for this evaluation were presented to Ryder Scott at the 2016 year-end evaluation kick off meeting in August 2016.

Ryder Scott reviewed Kosmos’ modeling process and workflow and considers the model to be robust and detailed. Kosmos relies on a stochastic simulation technique, which is embedded in Roxar’s software package *Enable*. *Enable* provides an assisted history-matching tool that estimates the likelihood of various input parameters based on the influence that those input parameters have on history-matched outputs. Through the history matching process, for each input parameter, *Enable* develops a proxy model that provides the likelihood of the input parameter to have a certain value. Values that appear to result in poor history matching are treated as unlikely or less probable.

The reservoir simulation model used was the standard black oil *Eclipse* simulator. The static model input for the simulator was generated within the three dimensional geological modeling software Petrel. Various static model descriptions were available and *Enable* was allowed to select different descriptions during its history matching process.

Ryder Scott received four (4) simulation models from Kosmos: history matched and prediction models for Enyenra, and history matched and prediction models for Ntomme. The history matched models were calibrated with limited historical production data as the TEN field had only recently begun production. Production data for Enyenra was from August 17 through October 7, 2016 (51 days), and Ntomme’s historical data was from August 17 through October 18, 2016 (62 days). In order to obtain a reasonable match, Kosmos made global changes to the permeability and pore volume to match the limited data. Ryder Scott extensively reviewed the history match results and quality and considered the history matches acceptable. However, given the relatively short production history, we believe more historical performance data is needed to better understand the reservoir dynamics and connectivity of the field.

The history match and prediction cases provided for Enyenra and Ntomme represent the P50 or most likely cases from the probabilistic distribution of outcomes. The estimated ultimate recoverable volume (EUR) from the prediction model and associated recovery factors are presented in Table 4.2.4 of this report. Ryder Scott also conducted a sensitivity analysis by varying the Stock Tank Original Oil In Place (STOIP) for Enyenra and preliminary results from this analysis show that given the limited historical production data and the wide range of possibilities, a reasonable match of the pressure data can also be obtained with a lower STOIP.

Ryder Scott also reviewed the DST and interference test results provided by Kosmos. The interference test data was useful in understanding the dynamic connectivity between wells and within the EO1 and EO2 sands, respectively. Ryder Scott is in agreement with the Kosmos interpretation of the data. To generate the regional polygons, the interpretation of connectivity across the wells within each reservoir was integrated with our geological evaluation and these analyses were used in the estimation of the recovery factors.

Ryder Scott made significant efforts to integrate our independent geological interpretation and mapping in the recovery factor estimation using the models. Polygons of the areas associated with wells were identified on the isochore maps for each sand. These polygons were used to create productive regions in the simulation model. Three regions were created for Enyenra: E01 North Channel, E01 South Channel and E02, and 2 regions (1 for N1B and 1 for N1C) were used for Ntomme. After Ryder Scott reviewed the range of recovery factors for reasonableness, the recovery factors were extracted from the model with the new regions. The detailed summary of EUR and recovery factors by reservoir and field is presented in Table 4.2.4 in the Reservoir Assessment section of this report.

4.2.5 Engineering and Forecasting

4.2.5.1 Field Development

TEN fields were forecasted based on the following development plan parameters and schedule:

- Phase 1:
 - Production from high confidence areas at both Enyenra and Ntomme. These areas present seismic continuity and focus on the highest quality reservoirs penetrated.
 - Production from the Tweneboa-1 (TG-1) non-associated gas pool planned to commence no later than two years after first oil (second half of 2018).

- Number of wells available at 1st Oil: 9 wells – 5 producers, 3 water injectors and 1 gas injector.
- Post 1st Oil: 8 additional wells (3 oil producers, 4 water injectors, 1 gas producer)
- Current well count as of 12/31/2016: 11 wells (5 oil producers, 5 water injectors, 1 gas injector)
- 9 total Phase I producing wells
- Project Status: In progress. First oil was achieved in August 2016. No new drilling until 2018 but wells pending completions to proceed as planned.

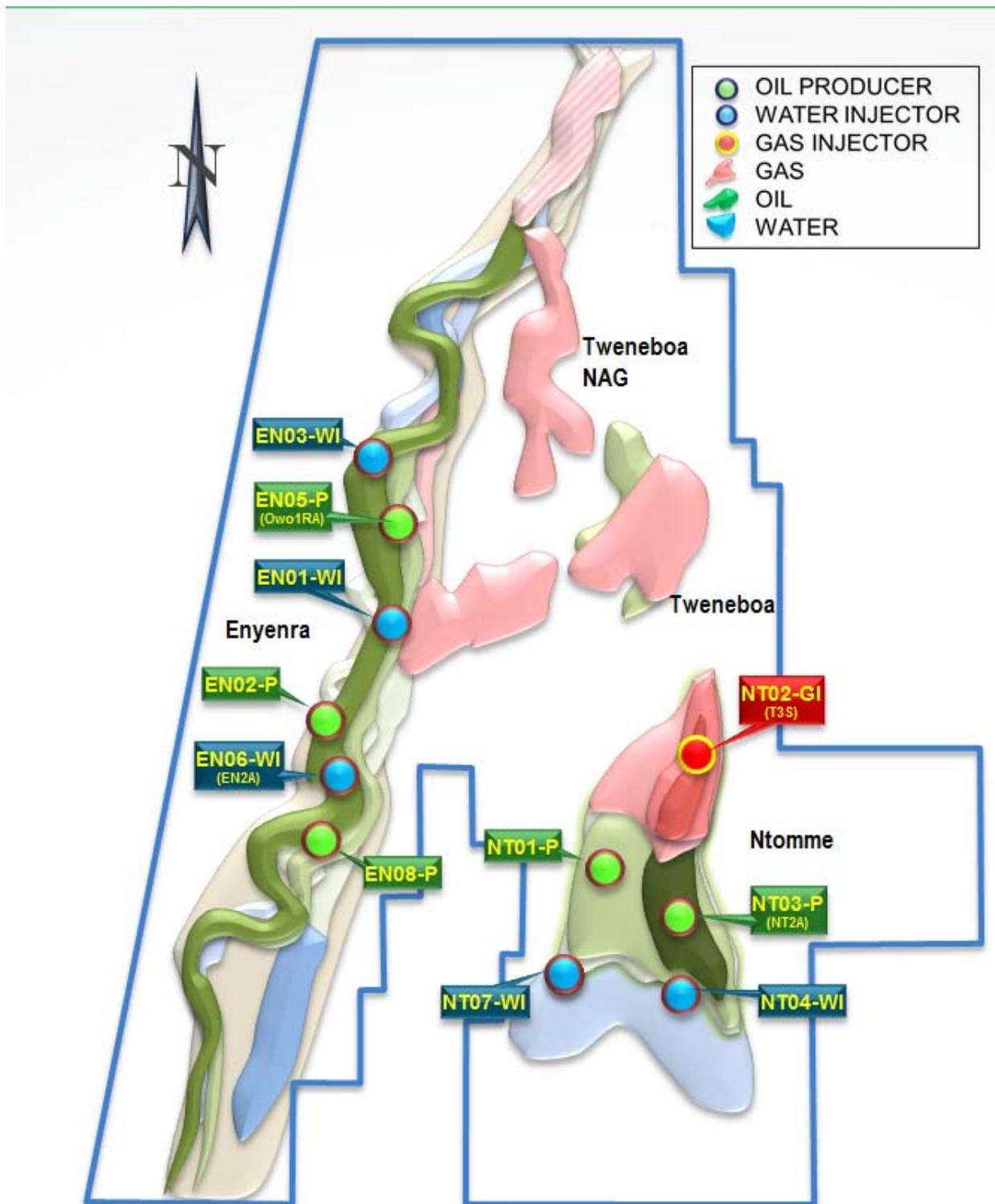


Figure 4.2.5: Active Wells in TEN Project Area

- Phase 2:
 - Leverages initial infrastructure with infill drilling locations.
 - Number of wells: 6 additional wells – 3 producers, 2 water injectors and 1 gas injector.
 - Status: *To commence by 2018.*

For the purposes of this report, we have scheduled development costs and flowstreams on the following development plan provided by Kosmos:

- Development Wells:

Development Wells		
Phase	Well	Type
1	En-04P	OIL PRODUCER
1	En-05P	OIL PRODUCER
1	En-14P	OIL PRODUCER
1	En-02P	OIL PRODUCER
1	En-08P	OIL PRODUCER
1	En-10P	OIL PRODUCER
1	Nt-01P	OIL PRODUCER
1	Nt-03P	OIL PRODUCER
1	En-06WI	WATER INJECTOR
1	En-03WI	WATER INJECTOR
1	En-01WI	WATER INJECTOR
1	Nt-07WI	WATER INJECTOR
1	Nt-04WI	WATER INJECTOR
1	En-11WI	WATER INJECTOR
1	En-13WI	WATER INJECTOR
1	Nt-02GI	GAS INJECTOR
1	Tw-01GP	GAS PRODUCER
2	En-12P	OIL PRODUCER
2	Nt-05P	OIL PRODUCER
2	En-16WI	WATER INJECTOR
2	En-07WI	WATER INJECTOR
2	Nt-09P	OIL PRODUCER
2	Nt-06GI	GAS INJECTOR
<i>Drilled & Completed as of 12/31/2016</i>		

Table 4.2.1: TEN Project Area Development Wells

4.2.5.2 Reserves Assignment

The original oil in place (OOIP) volumes for the reservoirs in the TEN Project Area were based on volumetrics from Ryder Scott’s interpretation of Tullow/Kosmos static model. Proved, probable and possible recovery factors were assigned to each reservoir based on outcomes of the numerical simulation model runs for the corresponding low, mid and high recovery scenarios, respectively. The probable and possible recovery factors were used to estimate incremental recoveries above the low and mid case estimates, respectively.

The well and field level forecasts generated from the numerical reservoir simulation prediction runs were reviewed for reasonableness and subsequently adopted as our technical forecasts.

The full field development plan for TEN consists of three phases. For our reserves evaluation, only the two phases approved in the PoD, Phase 1 and Phase 2 were considered. These two phases of development corresponded to sections of the fields Tweneboa, Enyenra, and Ntomme, including some infill locations within these fields. Forecast from a total of fourteen (14) current and proposed producing wells were used for reserves evaluation; one (1) Tweneboa producer well, seven (7) Enyenra producer wells, four (4) Ntomme producer wells and two (2) Ntomme gas injectors were considered in the Development Plan. The two (2) Ntomme gas injectors forecasted are scheduled to be converted to producers for the gas cap blowdown beginning in 2031. Five (5) current producers are categorized as Proved Developed Producing (PDP) while the remaining 9 wells are Proved Undeveloped (PUD).

Phase 1 includes 6 Enyenra and 2 Ntomme producing wells with 5 of these currently on production. The remaining wells at Enyenra (2) and Ntomme (2) are forecast to be drilled during Phase 2. The wells in the Enyenra field are currently averaging approximately 10,000 BOPD, whereas the Ntomme wells are averaging 11,000 BOPD. Phase 2 well production rates were curtailed to honor maximum facility handling capacity. The 1P, 2P and 3P oil production profiles are shown in Appendix 12.2.2.6.

The gas utilization plan in the approved PoD calls for associated gas sales to the Ghana National Petroleum Corporation (GNPC) beginning from 2017. Non-associated gas sales from Tweneboa is planned to commence no later than two years after first oil. Associated Gas from Enyenra and Ntomme and the Non-Associated Gas from Tweneboa will be sold at the predetermined prices and terms shown in Table 4. Sales gas volumes for Enyenra and Ntomme were calculated by subtracting the fuel gas and estimated injected gas volumes from the produced gas.

4.2.5.3 Fuel gas forecast

As requested by Kosmos, we have forecast and included the fuel gas that is to be used in the TEN Project Area operations as reserves. For the forecast fuel gas rates in the TEN Project Area, we used 8.2 MMCFD for the 1P case and 10 MMCFD for the 2P/3P cases. Details of this analysis can be seen in Appendix 12.2.2.9. Although the fuel gas was reported as reserves, no monetary value were ascribed to these volumes.

Phase 3 of the development plan consists of areas and volumes associated with the unsanctioned future development (FD) and therefore, were precluded from being assigned as reserves. As a result, the Enyenra Far North and Tweneboa Oil areas were not considered as part of this study.

4.2.5.4 Operating Costs

Operating costs for the properties in our report were furnished by Kosmos and are based on their operating expense reports. Such costs include only those costs directly applicable to the subject properties. The operating costs include a portion of general and administrative costs allocated directly to the contract areas and wells.

These costs include the following:

Direct Costs

- FPSO O&M – direct and support costs for MODEC
- FPSO Engineering Support – Ghana and home-office based engineering for MODEC
- FPSO Insurance – hull and equipment, liability and indemnification protection coverage
- Chemicals/Fuels – production/treating chemicals, diesel, sampling/analysis
- Liftings – cargo offtake-related vessel support, demurrage, vetting, logistics
- Major Maintenance – extraordinary maintenance/shutdown activity
- Exceptional – extraordinary 3rd party project work
- Workovers – well stimulation, major well maintenance (rig related)

Support Costs

- G&A – Operator General & Administrative (labor & burden, facilities, PCO)
- Subsea Services – engineering, vessel, ROV, vendor, sampling/analysis
- Engineering Services – 3rd party engineering costs
- Marine – PSV and AHTS vessel support
- Aviation – fixed and rotary wing service
- Shorebase – Takoradi port, warehouse, yard
- Land Transport – freight forwarding, light vehicles, drivers
- EHS – monitoring, spill response, training, compliance, waste management
- Engineering Modifications – MOCs, studies

Onshore Support – 3rd party services supporting Ops

The operating costs furnished to us were accepted as factual data and reviewed by us for their reasonableness; however, we have not conducted an independent verification of the operating cost data used by Kosmos. No deduction was made for loan repayments, interest expenses, or exploration and development prepayments that were not charged directly to the contract area or wells.

The 2016 operating expense information received from Kosmos came with adjustments for renegotiated contracts and “shared costs”. These shared costs are reductions based on information furnished to us by Kosmos that indicates that about 50 percent of TEN’s 2016 operating expense (covered in the costs listed above) will be shared with neighboring Jubilee field. Ryder Scott assigned an 80:20 Fixed:Variable split for TEN starting in 2017. Fifty percent (50%) of the variable cost was then assigned to well specific costs (\$/well/month) and the remaining fifty percent (50%) was assigned to fluid specific lifting costs (\$/bbl of total fluid). The fixed cost was then reduced by forty percent (40%) once production levels dropped below 50,000 BOPD in line with Kosmos’ projection of achieving the cost cutting milestones around this production threshold as listed below.

- FPSO operation and maintenance (O&M) will be renegotiated
- General and Administrative (G&A) costs will be reduced commensurate with declining production

- Some synergies are expected to be established with the sharing of costs with Jubilee (subsea services, logistics etc.)

Additionally, we cut the fixed costs by an another twenty percent (20%) once production levels dropped below 25,000 BOPD, as based on our discussions with Kosmos, there is an expectation that late life field operating expense will reflect ramp down activities such as reduction of helicopter services, reduction of substantially all in country G&A, and large reduction in offshore activity.

4.2.5.5 Economic Analysis

Our 1P economic forecast resulted in a reduction in the total life of the field of 6 years as a result of reaching the economic limit. Therefore, it is very likely that our pre-economics volumetrically recoverable volumes presented in our tables will not exactly match the economic or commercial reserves. A total of approximately 11 million gross barrels were considered uneconomic in our 1P forecast. Our 2P economic forecast resulted in a reduction in the total life of the field of 6 years, resulting in a reduction of approximately 13.3 million gross barrels due to the economic life. Our 3P economic forecast resulted in a reduction in the total life of the field of 5 years, resulting in a reduction of approximately 12.2 million gross barrels due to the economic life. Details of these analyses can be seen in Appendix 12.2.2.8 of this report.

The combined gross and net economic projections using SPE-PRMS escalated parameters for both the Jubilee field and TEN project area can be seen in Appendix 12.4.1. The Future Gross Revenue (FGR) shown in the cash flows in Appendix 12.4.1 are net of Royalties. The average realized hydrocarbon price in the cash flow tables were thus calculated using this FGR and the estimated 8/8ths production and as such may not match the prices shown in Section 3.8. The Discounted FNI @ 10% Before and After Taxes are also shown in Appendix 12.4.1. The Before Tax projections do not include deductions for corporate income taxes and general administrative overhead, and have not been adjusted for outstanding loans that may exist, nor do they include any adjustment for cash on hand or undistributed income. This FNI values were then adjusted by deducting corporate income taxes to obtain the FNI @ 10% After Taxes.”

Ryder Scott has not audited after tax economics or certified after tax economics for the TEN project area. Ryder Scott’s calculation of after tax economics was rolled up to the Ghana (country) Level. Taxes due to the government for the TEN project area are calculated and paid at the Ghana level and not at the project / field level. Consequently, taxes due or tax credits calculated at the field level may be different when rolled up to the Ghana level. A 35 percent corporate tax rate, less any applicable credits, was applied to the taxable income for each year.

Ryder Scott relied on basic information provided by Kosmos related to after tax calculations, to calculate the economic results that are included in the after tax cash flow for the TEN Project Area. The detailed tax model used for our economic analysis was provided by Kosmos and embedded in the PalantirCASH program utilized for this analysis. Ryder Scott has not audited any of the input data related to after tax calculations prior to January 1, 2017. The input data provided by Kosmos to Ryder Scott include tax loss carry forward balances, sunk costs, and any other deductible items prior to January 1, 2017 that affect the after tax cash flow of the TEN Project Area.

4.2.5.6 Capital Development Costs

Development costs were furnished to us by Kosmos and are based on authorizations for expenditure for the proposed work or actual costs for similar projects. The development costs furnished to us were accepted as factual data and reviewed by us for their reasonableness; however, we have not conducted an independent verification of these costs. The estimated net cost of abandonment after salvage was included for these properties where abandonment costs net of salvage are significant. The estimates of the net abandonment costs furnished by Kosmos were accepted without independent verification.

4.2.6 Reserves Reconciliation

The following table reconciles the estimated net reserves as of December 31, 2015 to those as of December 31, 2016, identifying revisions, additions, extensions and production between these two reference dates. The major change was the positive revision of Original Hydrocarbons In Place based on the 2016 static model review outcomes.

Net Reserves Reconciliation Table							
Field Name:	TEN						
Date:	12/31/2015 to 12/31/2016						
Revisions, Additions, Extensions, Production:							
Category	1P SPE-PRMS		2P SPE-PRMS		3P SPE-PRMS		Comments
	Oil MBBL	Gas MMCF	Oil MBBL	Gas MMCF	Oil MBBL	Gas MMCF	
Net Reserves as of 12/31/2015	26,098	22,826	34,159	31,253	41,042	45,800	
A. Changes due to revisions in mapping, petrophysics, OOIP, OGIP, etc. in existing reservoirs in existing Field Development Areas (FDA) (where "existing" means FDAs / reservoirs that were included in the previous year's reserves certification) . - REVISION	6,219	461	4,492	461	3,347	461	Updated RSC geological and dynamic modeling resulted in increased hydrocarbon volumes in place and recoverable volumes. This difference compares the differences in technical profiles between 2015 and 2016 assuming similar economic parameters.
B. Changes due to revisions in economic, financial and fiscal modeling input parameters . - REVISION	418	-	-	-	-	-	Change in economic cut-off year from 2024 to 2030 and 2026 to 2030 for the 1P SEC and 1P SPE cases respectively. This is mainly driven by reduced cost despite lower SEC average oil price. SEC 1P gas reserves for TEN increased due to increase in field (econ) life resulting in higher fuel gas requirement.
C. Changes due to performance (DCA, material balance, simulation), and revisions in recovery	-	-	-	-	-	-	
D. Changes due to new drilling, development plan updates, revised gas management or reservoir management strategies. - REVISION	-	-3,607	-	-2,844	-	-4,012	An overall shortfall in gas available for sale in 2016 evaluation compared to 2015 due to higher gas injection volumes estimated from reservoir modeling results. This resulted in reduction in sales gas reserves.
E. Changes in the lateral extent or vertical / downdip extent of an existing reservoir. -	-	-	-	-	-	-	
F. Changes due to addition of a new reservoir in an existing FDA. - EXTENSION	-	-	-	-	-	-	
G. Changes due to addition of a new FDA. - ADDITION	-	-	-	-	-	-	
H. Changes due to implementation of secondary recovery project. - REVISION	-	-	-	-	-	-	
	-859	-231	-859	-231	-859	-231	Current year gas production represent estimated fuel gas consumed. No sales gas in 2016.
Net Reserves as of 12/31/2016	31,876	19,449	37,792	28,639	43,530	42,018	

Table 4.2.2: TEN Project Area Reserves Reconciliation Summary

4.2.7 Reservoir Assessment

As discussed earlier, Ryder Scott evaluated the original hydrocarbons in place volumes for each reservoir in the TEN fields using the volumetric method, integrating seismic, subsurface, and pressure information where available. The volumes were classified and categorized as proved, probable or possible reserves or resources deterministically as summarized in Table 4.2.3 below:

TEN FIELD TECHNICAL VOLUMES SUMMARY						
FIELD	PARAMETERS	UNIT	YEAR END 2016			
			1P	2P	3P	
ENYENRA	OOIP	MMSTB	337.3	418.9	451.5	
	OGIP - Associated Gas	BCF	424.9	527.8	568.8	
	OGIP - Gas Cap	BCF				
	OGIP - Non Associated Gas	BCF				
	Oil EUR	MMSTB	105.8	131.3	158.6	
	Cumulative Production	MMSTB	3.4	3.4	3.4	
	Remaining Reserves	MMSTB	102.4	127.9	155.2	
	Recovery Factor	%	31%	31%	35%	
FIELD	PARAMETERS	UNIT	YEAR END 2016			
			1P	2P	3P	
NTOMME	OOIP	MMSTB	260.0	267.5	267.5	
	OGIP - Associated Gas	BCF	319.7	329.0	329.0	
	OGIP - Gas Cap	BCF	130.8	136.2	136.2	
	OGIP - Non Associated Gas	BCF				
	Oil EUR	MMSTB	104.2	116.0	120.3	
	Condensate EUR	MMSTB	2.0	2.1	2.1	
	Cumulative Production	MMSTB	1.9	1.9	1.9	
	Remaining Reserves - Oil	MMSTB	102.3	114.0	118.4	
	Remaining Reserves - Liquids*	MMSTB	104.3	116.1	120.5	
	Recovery Factor (Oil)	%	40%	43%	45%	
FIELD	PARAMETERS	UNIT	YEAR END 2016			
			1P	2P	3P	
TWENEBOA	OOIP	MMSTB				
	OGIP - Associated Gas	BCF				
	OGIP - Gas Cap	BCF				
	OGIP - Non Associated Gas	BCF	37.65	66.78	115.51	
	Gas EUR	BCF	24.47	46.74	86.63	
	Condensate EUR	MMSTB	1.72	3.27	6.06	
	Cumulative Production	BCF	0.00	0.00	0.00	
	Remaining Reserves (Gas)	BCF	24.47	46.74	86.63	
	Recovery Factor (Gas)	%	65%	70%	75%	
FIELD	PARAMETERS	UNIT	YEAR END 2016			
			1P	2P	3P	
TOTAL TEN	OOIP	MMSTB	597.2	686.4	719.0	
	OGIP - Associated Gas	BCF	744.7	856.9	897.9	
	OGIP - Gas Cap	BCF	130.8	136.2	136.2	
	OGIP - Non Associated Gas	BCF	37.7	66.8	115.5	
	Oil EUR	MMSTB	210.0	247.3	278.9	
	Cumulative Production	MMSTB	5.3	5.3	5.3	
	Remaining Reserves Oil	MMSTB	204.7	242.0	273.6	
	Remaining Reserves Liquids*	MMSTB	208	247	282	
	Recovery Factor (Oil)	%	35%	36%	39%	

ENYENRA TECHNICAL VOLUMES BY RESERVOIR						
	E01			E02		
	1P	2P	3P	1P	2P	3P
	OOIP (MMSTB)	257.3	325.7	345.0	80.0	93.2
EUR (MMSTB)	88.7	111.4	127.3	17.1	20.0	31.3
Cumulative Production (MMSTB)	2.9	2.9	2.9	0.5	0.5	0.5
Remaining Reserves (MMSTB)	85.8	108.5	124.4	16.6	19.4	30.8
Recovery Factor (%)	34%	34%	37%	21%	21%	29%

NTOMME TECHNICAL VOLUMES BY RESERVOIR						
	N1B			N1C		
	1P	2P	3P	1P	2P	3P
	OOIP (MMSTB)	203.5	207.1	207.1	56.5	60.4
EUR (MMSTB)	84.4	92.2	94.9	19.8	23.8	25.5
Cumulative Production (MMSTB)	1.5	1.5	1.5	0.4	0.4	0.4
Remaining Reserves (MMSTB)	82.9	90.6	93.3	19.4	23.4	25.1
Recovery Factor (%)	42%	45%	46%	35%	39%	42%

* Liquids include oil production plus condensate from Ntomme Gas Cap & Tweneboa Field

Table 4.2.3: TEN Project Area Reservoir Summary

The estimates of the reserves, future production, and income attributable to properties in this report were then prepared using the economic software package PalantirCASH. Table 4.2.4 below shows the resulting 100 percent Gross economic reserves.

ECONOMIC RESERVES SUMMARY									
OIL AND CONDENSATE RESERVES (100% GROSS)									
Field Name	TEN								
As of Date	12/31/2016								
	SPE-PRMS RESERVES								
	1P			2P			3P		
	1P UD	1P PD	1P	2P UD	2P PD	2P	3P UD	3P PD	3P
RRR (mdbl)	64,753	132,620	197,373	78,694	155,312	234,006	91,882	177,656	269,538
CUM (mdbl)	-	5,320	5,320	-	5,320	5,320	-	5,320	5,320
EUR (mdbl)	64,753	137,940	202,693	78,694	160,632	239,326	91,882	182,976	274,858

ECONOMIC RESERVES SUMMARY									
GAS RESERVES (100% GROSS)									
Field Name									
As of Date									
	SPE-PRMS RESERVES								
	1P			2P			3P		
	1P UD	1P PD	1P	2P UD	2P PD	2P	3P UD	3P PD	3P
RRR ¹ (mmscf)	25,569	50,445	76,014	42,815	79,732	122,547	71,901	128,131	200,033
RRR ² (mmscf)	13,615	28,312	41,927	17,045	34,085	51,130	18,539	36,241	54,780
CUM (mmscf)	-	-	-	-	-	-	-	-	-
EUR (mmscf)	39,184	78,757	117,941	59,860	113,818	173,677	90,441	164,372	254,813

¹ :Sales Gas

² : Fuel Gas

Where:

1P: Proved Reserves

2P: Proved + Probable Reserves

3P: Proved+Probable+Possible Reserves

UD: Undeveloped

PD: Producing

EUR: Estimated Ultimate Recovery (at economic limit)

CUM: Cumulative Recovery/Production

RRR: Remaining Recoverable Reserves

mdbl: Thousand Barrels

mmscf: Millions standard cubic feet

Table 4.2.4: TEN Project Area Economic Reserves Summary

4.2.8 Year-end 2016 Major Reserves Change Summary

As discussed in the preceding sections, Ryder Scott had additional information for this evaluation, which allowed us to adopt a more rigorous reserves evaluation workflow supported by a static reservoir model, a dynamic (numerical simulation) model, actual production/pressure data and latest interference test data from new (2016) completions. The interference test results from the seven (7) new completions, which were tested prior to first oil confirm reservoir connectivity across the main sand packages and hydrocarbon pools in Enyenra and Ntomme. This resulted in a high confidence level in our revised volumetric estimates. The results of these tests also confirm the ability of these

reservoirs to benefit from proposed pressure support plans. The static model-based evaluation workflow yielded 23 percent, 25 percent and 27 percent increases in 1P, 2P and 3P OOIP volumes respectively, when compared to year-end 2015 volumes. The numerical simulation model resulted in no change to the low case (1P) recovery factor, a 10 percent reduction, and 14 percent reduction to the mid (2P) and high (3P) recovery factors respectively, when compared to 2015. The overall effect on technically recoverable volumes is a net increase of 23 percent to the 1P EUR and 12 percent and 10 percent increases to the 2P and 3P cases, respectively. Due to the limited history match data used in the numerical simulation model, the recovery factor estimates calculated may change in future evaluations as more production and pressure data become available.

4.2.9 TEN Project Area Boundary Dispute

In July 2015, Ryder Scott was made aware of an ongoing boundary dispute between the countries of Côte d’Ivoire and Ghana regarding the ownership of the maritime waters hosting some portion of the TEN Project Area and this matter was discussed extensively with Kosmos. The case is currently before the Special Chamber of the International Tribunal of the Law of the Sea (ITLOS) with a final ruling expected in late September, 2017. However, the tribunal issued some provisional measures, which allowed the project to commence production in August 2016 with five (5) producing wells coming on-stream as planned. Neither Kosmos nor Ryder Scott are parties to this arbitration process. We have relied on the information provided to us by Kosmos, which has full confidence that the ITLOS will rule in Ghana’s favor with no impact on the project contract terms or schedule. Potential outcomes of a final ruling and the resultant effect on future development and reserves were not incorporated into our reserves analyses. As of June 15, 2017, Kosmos anticipates a final ruling by late September, 2017 and continues to maintain the same level of reasonable certainty that the dispute will rule in favor of Ghana.

4.3 MTA Project Area

4.3.1 Field Overview

Ryder Scott’s review of the MTA Project Area began in July 2015 with technical presentations from Kosmos’ asset team in Kosmos’ Dallas office. Ryder Scott representatives at these meetings were:

- George Dames, Advising Senior Vice President – project geoscience lead
- Gualo Ramirez, Executive Vice President – project manager
- Tosin Famurewa, Senior Vice President – project coordinator
- Victor Abu, Senior Petroleum Engineer – reservoir engineer for the MTA assets

During these initial meetings, Kosmos’ asset teams presented their interpretations of the MTA assets along with supporting documentation including a workstation review of the seismic data and interpretation. Subsequent to the meetings, Kosmos prepared complete engineering and geoscience data sets, which included basic data and interpretative analyses for Ryder Scott’s independent review including information addressing specific questions raised by Ryder Scott during the meetings. These initial data sets were transferred to Ryder Scott’s Houston office in August 2015 and additional data were provided as it became available.

The data sets included:

- Maps of Kosmos’ interpretation of reservoir structure, net sand and net pay isochore maps
- Seismic data volumes and geophysical interpretation
- Well data including well logs, production test results, core data and wireline pressure tests
- Pressure and DST interpretations
- Kosmos’ petrophysical analyses
- Kosmos’ model provided to Ryder Scott in a Petrel software format
- Technical presentations and development plans
- MDT, PVT, production and injection data and interpretative MDT analyses

There have been no updates to the evaluation since year-end 2015 since no new data have been obtained or provided by Kosmos. Field development activities are expected to commence after the approval of the GJFFDP by the Ghanaian authorities.

4.3.1.1 Mahogany

The Mahogany Discovery is located within the “MTA” area in the west-central portion of the West Cape Three Points (“WCTP”) block, offshore Ghana as shown in Figure 4.3.1 below. Kosmos Energy Ghana HC operates the WCTP block on behalf of itself and other block interest owners comprising Tullow Ghana Limited, Anadarko WCTP Company and PetroSA Ghana Limited (collectively the “Contractor”) and the Ghana National Petroleum Corporation. The field was discovered as part of the offset Jubilee field in 2007 and the declaration of commerciality was made on March 27, 2015. The location of the MTA Project Area is shown in Figure 4.3.1 as follows.

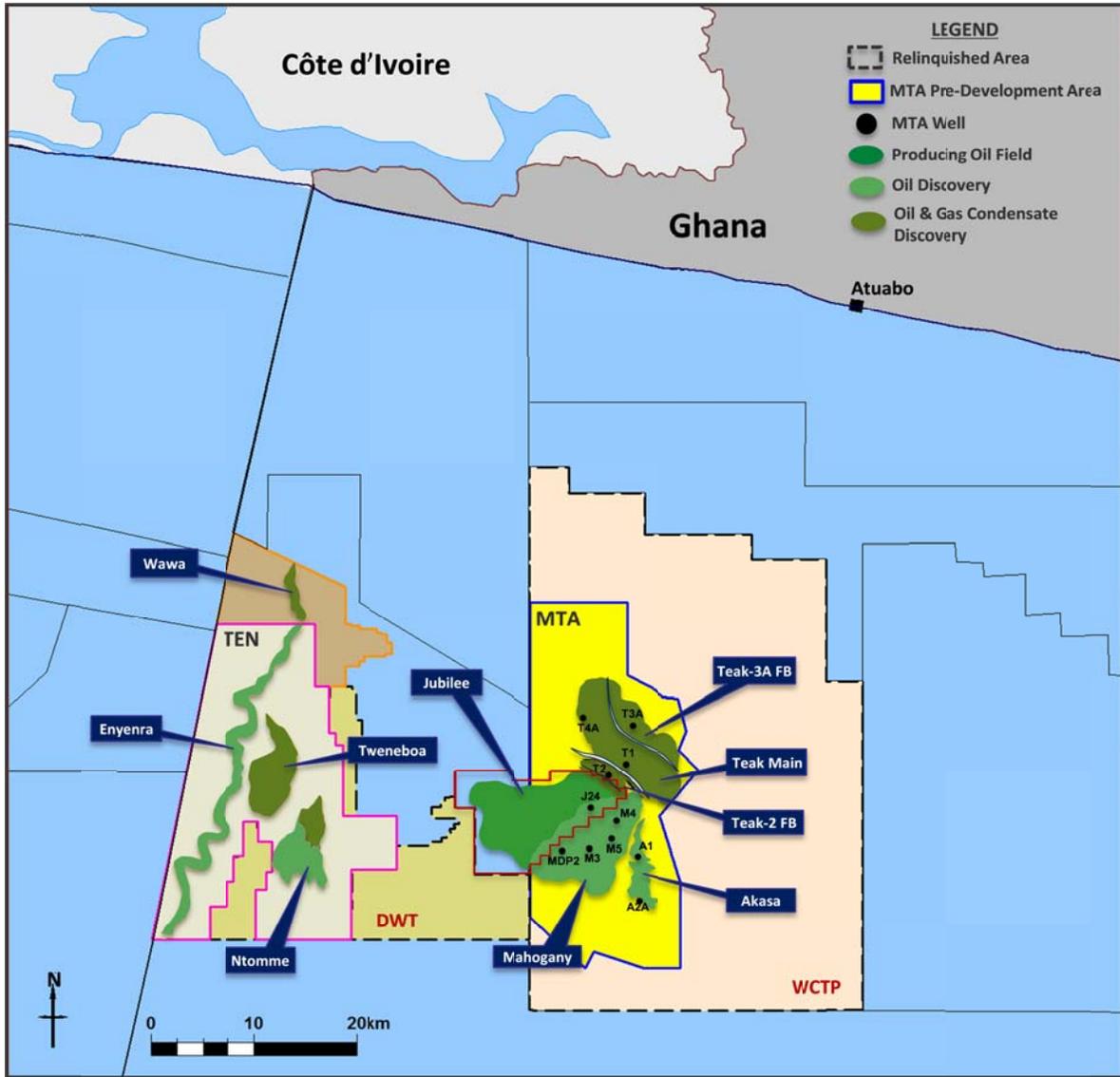


Figure 4.3.1: Mahogany Discovery Location within MTA area and WCTP block

Four wells have been drilled in the Mahogany area discovering hydrocarbons in multiple reservoir intervals. Additionally, two wells in the Jubilee Unit; J-24P and J-36WI penetrated the LM-3 NW reservoir in the unit area. The LM-3 NW is not included in the Jubilee field development and is treated as part of the Mahogany development. Four reservoirs are included in current development plans, from shallowest to deepest: UM-3C, LM-1, LM-3 and MD-2 (Figure 4.3.2). This report is limited to the evaluation of these reservoirs in the Mahogany Project area. All volumes evaluated in this report were classified as Contingent Resources. Certain volumes classified as Development Pending are awaiting final approval of the Mahogany development plan. A base map showing well locations for the MTA Project Area is shown below as Figure 4.3.2.

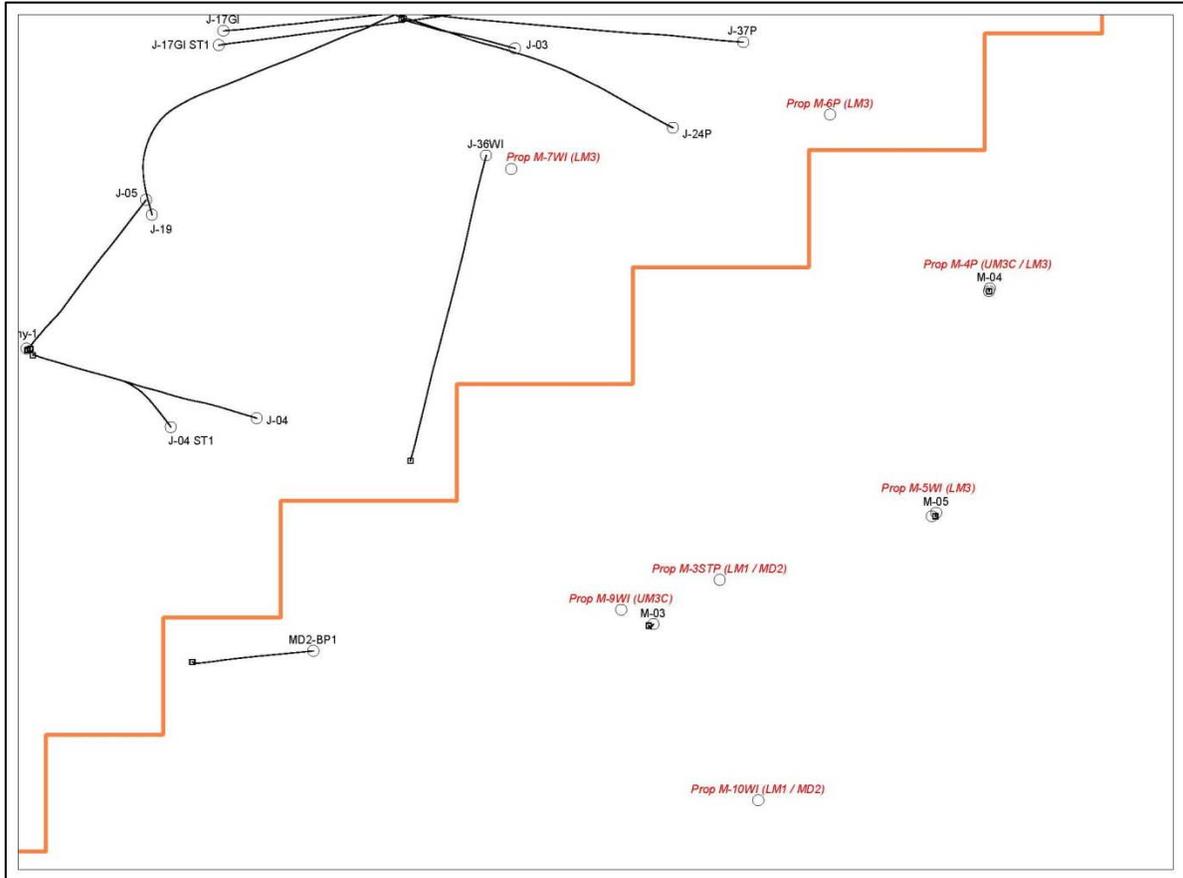


Figure 4.3.2: Location of Existing Jubilee and Mahogany Wells and Proposed Development Wells

4.3.1.2 Teak

The Teak Discovery is located within the “MTA” area in the west-central portion of the West Cape Three Points (“WCTP”) block, offshore Ghana (Figure 4.3.1). Kosmos Energy Ghana HC operates the WCTP block on behalf of itself and other block interest owners comprising Tullow Ghana Limited, Anadarko WCTP Company and PetroSA Ghana Limited (collectively the “Contractor”) and the Ghana National Petroleum Corporation. Teak was discovered in 2011 and declared commercial in March 2015. The relative location of the Teak area is shown below.

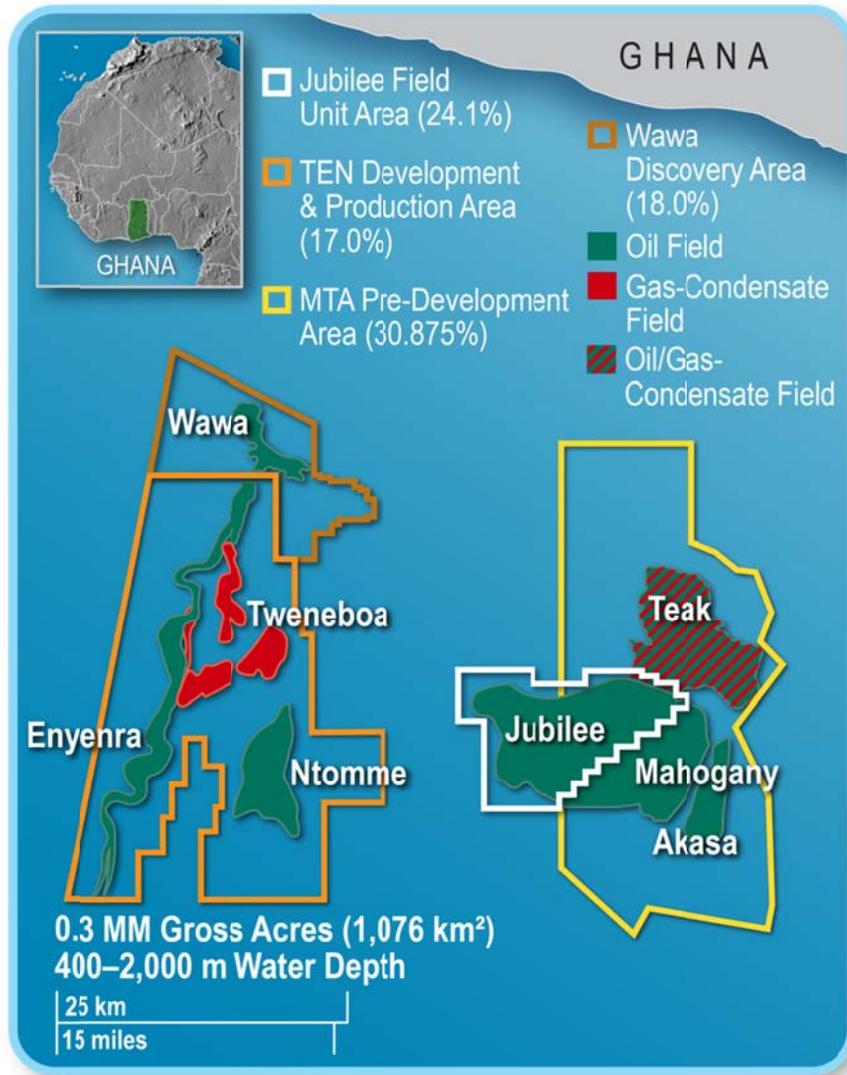


Figure 4.3.3: Teak Field Location within MTA Area and Tano Basin, Offshore Ghana

Four wells have been drilled in the Teak area discovering hydrocarbons in multiple reservoir intervals in three major fault blocks. Current development plans are focused on the Lower Campanian gas-condensate reservoir discovered by the Teak-1 well in the “Teak Main” fault block. This Lower Campanian reservoir is the only Teak accumulation evaluated in this report.

4.3.2 Development Concept

The full field development plan for Greater Jubilee area, also known as the GJFFDP, includes the future plans for the Jubilee, Mahogany and Teak fields. Akasa is not part of the GJFFDP at this time but there are development options for implementation should Akasa be declared commercial. The unitization of Jubilee and MTA creates an integrated approach to the development of these fields. The GJFFDP seeks to exploit the remaining resources across the Jubilee, Mahogany, and Teak fields, by means of a subsea tieback gas development. The GJFFDP calls for wells to be tied back to the

existing Jubilee Field subsea infrastructure and wells to be tied back to a new subsea infrastructure. The Development Case will be implemented in three stages:

Stage 1

Seven Jubilee production wells, two Jubilee WI wells, two Mahogany production well tails (part of J24-P and J37-P completions) and one Mahogany WI well will be tied into existing manifolds.

Stage 2

Addition of a new infrastructure loop and installation of a new production manifold (P6). Two Mahogany production wells and one water injection well will be tied back to the new manifolds. This new infrastructure will cater to the upside potential in Greater Jubilee.

Stage 3

New infrastructure will be provided to allow Teak gas production. A single Teak gas production well will be tied back to the FPSO.

The exact timing of these stages will be guided by field performance.

4.3.3 Reservoir Assessment

The primary hydrocarbon pools in Mahogany and Teak were the focus of this evaluation. Figure 4.3.4 below shows the hydrocarbon pools in the MTA Area. These include the following:

- UM-3C
- LM-3
- LM-1
- MD-2
- Lower Campanian

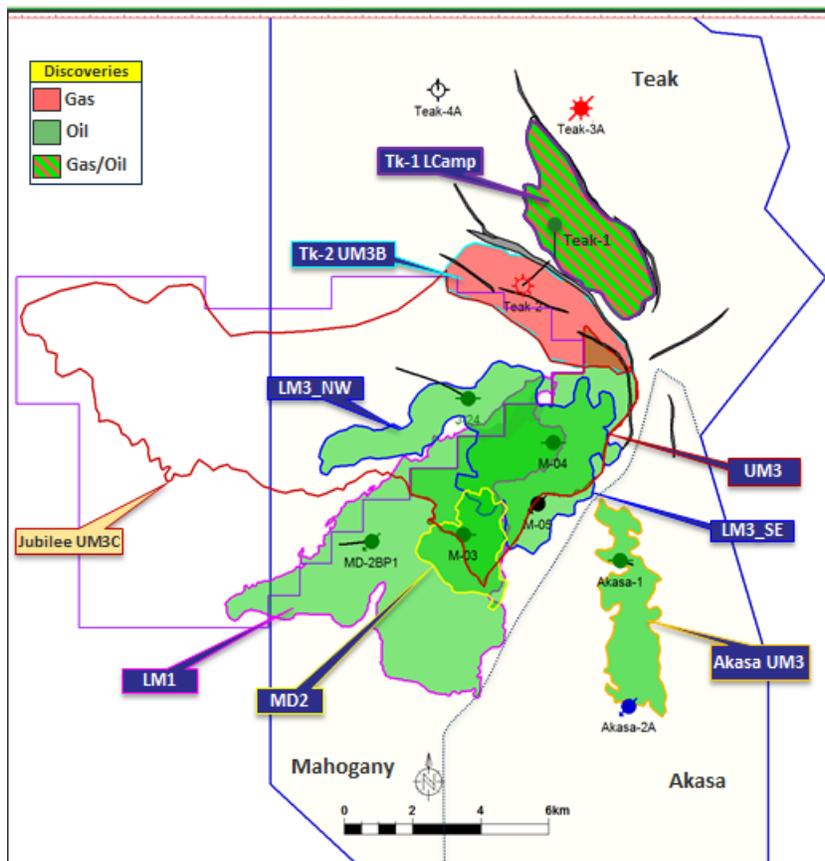


Figure 4.3.4: MTA Hydrocarbon Pools

4.3.3.1 Mahogany

All of the discovered pools in the Mahogany area are Turonian in age and were deposited in a turbiditic, deep sea fan environment. All of the reservoirs are stratigraphically trapped by updip and lateral termination of the reservoir facies. Structure in the Mahogany area is uninterrupted southwest dip. The dip rate gradually decreases from the northeast, updip limit of the reservoirs to the southwest. The Turonian reservoirs evaluated in this report all contain light oils (31° to 36° API) sourced from Cenomanian-Turonian aged marine sediments.

Seismic structural and stratigraphic interpretation of the Mahogany reservoirs was based on the PSDM volume from the 2009 reprocessing of the 2007 Western Q 3D seismic survey (Figure 4.3.5). Supplemental information from an Extended Elastic Impedance (EEI45) volume and simultaneous inversion Poisson Ratio (PR) volume were also used.

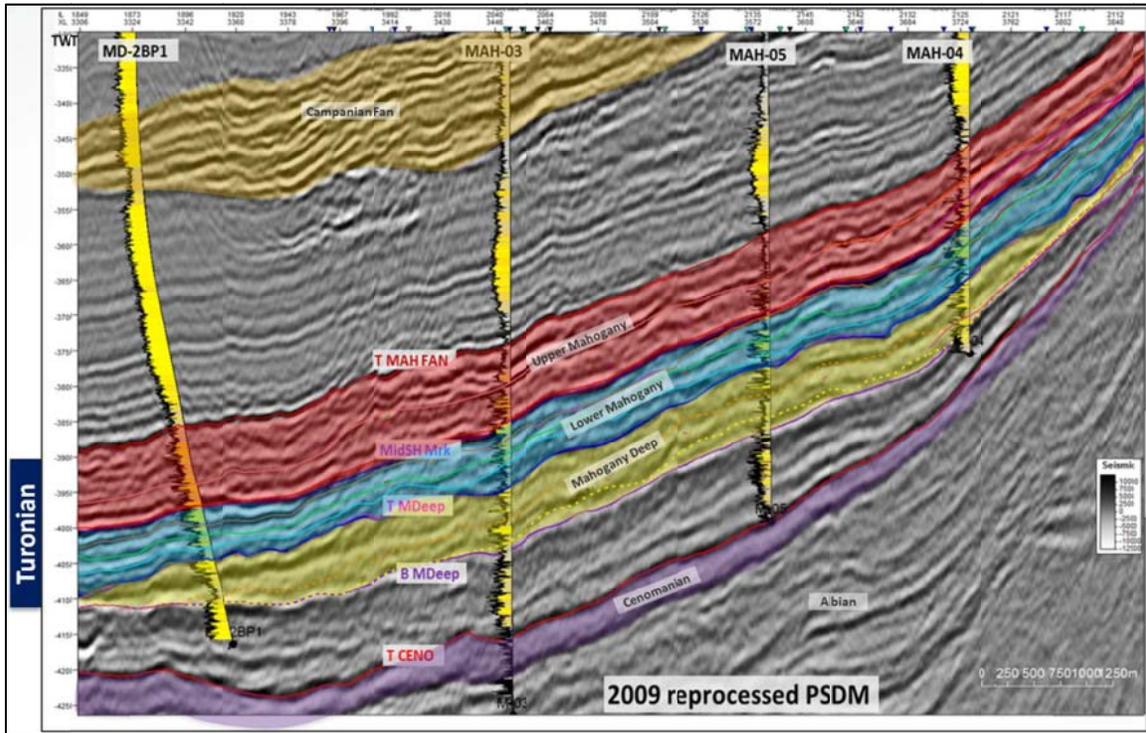


Figure 4.3.5: Arbitrary Seismic Line from 2009 PSDM Volume Showing Correlation and Structure of Mahogany Fan Reservoir Units.

The Mahogany reservoirs are composed of a series of lower slope sheets and channels. The individual reservoir sands tend to be elongated generally northeast to southwest in the direction of depositional and present day dip. Lateral continuity of the individual sands northwest to southeast is far more variable. A stratigraphic cross-section is included in Appendix 12.3.1.4 to illustrate the variable continuity of the sands of interest.

A conventional core was acquired in the J-24P well in the LM-3 sand. The reservoir lithology consisted of fine-grained to coarse-grained moderate to well sorted, consolidated sandstones. Cement was predominantly quartz with minor occurrences of authigenic calcite cement. A distinct change in trend is evident on porosity / permeability crossplots at 10 percent porosity. Above 10 percent porosity, the core plugs average approximately is 18 percent porosity. Permeability ranges from approximately 2 millidarcies to approximately 300 millidarcies. Additionally, twenty-one rotary sidewall cores were acquired in the Lower Mahogany sands in the Mahogany-5 well. Nineteen of the twenty-one cores had greater than 10 percent porosity; these nineteen cores averaged 17.8 percent porosity and 104 millidarcies permeability.

4.3.3.1.1 UM-3C Reservoir

The UM-3C reservoir consists of a seismically defined, relatively narrow, northeast-southwest trending channel within a more poorly developed sheet sand complex. The Mahogany-4 well found 9.1 meters TVT net oil pay full to base while the downdip Mahogany-3 found 12.5 meters TVT of water bearing net reservoir. Downhole pressure gauges installed in the Mahogany-3 well confirmed that the wet UM-3C lobes are in pressure communication with the UM-3C reservoir in the Jubilee field. The

downhole gauges also indicate that the overlying oil-bearing sand lobe in the Mahogany-3 well is in a separate pressure compartment, correlated as the UM-3B sand in the Jubilee field.

Updip of Mahogany, UM-3 series sands in the Teak-2 well have also been confirmed to be in communication with the Jubilee field which, by extension, indicates Teak-2 is likely to be in communication with the UM-3 sands in Mahogany field.

Based on the pressure information, the 1C resource volume in the Mahogany UM-3C is limited downdip by the Jubilee UM-3 series oil / water contact at -3495 m TVDSS. This limit is consistent with the highest known water observed in the UM-3C in Mahogany-3 and the static pressure gradient intersection between the Mahogany-3 water leg and the Mahogany-4 oil leg. Teak-2 found gas in the UM-3B sand updip of Mahogany and Jubilee. At Jubilee, all of the UM-3 series sands fall on common oil and water gradients and were interpreted to share the same oil / water contact. The Mahogany UM-3C is therefore likely to be in pressure communication with the UM-3B gas found in Teak-2. Consequently, the 1C resource volume is also limited updip by the highest known oil observed in the J-16GI well in Jubilee at -3160 m TVDSS.

In the 2C case, the oil column was allowed to extend updip to the stratigraphic termination of the UM-3C sand in Mahogany, which occurs downdip of the lowest known gas in Teak-2. Additionally, reservoir thickness in the channel axis was allowed to increase above that seen in the wells based on seismic response.

The 3C case was based on a high side realization of sand development derived from seismic data. A structure map and isochore maps for the 1C, 2C and 3C cases are included in Appendices 12.3.1.2 and 12.3.1.3.

4.3.3.1.2 LM-1 Reservoir

The LM-1 reservoir is a northeast-southwest trending sand body that appears on seismic to be broadly developed over the Mahogany area but relatively thin. Three of the Mahogany wells found oil pay in the LM-1: Mahogany-3 – 13.4 m TVT, Mahogany-4 – 6.7 m TVT and Mahogany Deep-2BP1 – 7.4 m TVT. The sand is poorly developed and low permeability in Mahogany-5.

Excess pressure analysis indicates a pressure difference of about 9 psi between the updip M-4 and downdip M-3 and MD-2BP1 wells. Seismic data also indicates the possibility of a discontinuity and / or baffle in the LM-1 reservoir between the M-4 and the downdip wells. In the 1C and 2C cases, Ryder Scott divided the LM-1 reservoir into two areas; the updip M4 area and the downdip M3 area. In the 1C case, both areas are limited downdip by the lowest known oil observed in each area. In the 2C case, the separate reservoir areas are maintained. The updip M4 area is limited downdip by the potential discontinuity in the seismic data. The downdip M3 area is limited by the estimated oil / water contact.

No oil / water contact was found in the LM-1 in the Mahogany area. Static pressures observed in the M-3 and MD-2BP1 wells can be approximated with a normal pressure gradient of .465 psi / foot. Assuming a normally pressured aquifer, the oil gradient seen in the M-3 and MD-2BP1 wells extrapolates to a free water level at -3720 m TVDSS. This contact is used as the downdip reservoir limit in the 2C and 3C cases.

The 3C case is based on a high side realization of sand development derived from seismic data and considers the entire reservoir area as a single compartment limited downdip by the estimated oil / water contact.

A structure map and isochore maps for the 1C, 2C and 3C cases are included in Appendices 12.3.1.2 and 12.3.1.3.

4.3.3.1.3 LM-3 Reservoir

The LM-3 reservoir consists of two separate reservoir areas: LM-3 NW and LM-3 SE. The LM-3 NW is a small, channelized deposit discovered by the J-24P well in the Jubilee Unit. The J-24P found 9.9 meters net oil TVT in the LM-3 in a separate pressure compartment. In late 2015, the J-36WI encountered the LM-3 with a minor amount of oil on water in the NW reservoir establishing an oil / water contact at –3606 TVDSS. As a result of the J-36WI, the resource volume in the LM-3 NW is very limited and may not justify development.

The LM-3 SE is a more broadly developed sand body found oil bearing in the M-4 and M-5 wells with 24.2 meters and 17.4 meters net TVT pay, respectively. Both wells are oil bearing to base; the M-5 establishes the lowest known oil at -3533 m TVDSS. The M-3 well found the LM-3 wet. The intersection of the oil pressure gradient established in the M-4 and M-5 wells and the brine gradient in the M-3 well gives a potential free water level at -3630 m TVDSS.

The lowest known oil (LKO) limits the 1C case for LM-3 SE. The 2C and 3C cases are limited by an estimated oil / water contact equivalent to the free water level.

A structure map and isochore maps for the 1C, 2C and 3C cases are included in Appendices 12.3.1.2 and 12.3.1.3.

4.3.3.1.4 MD-2 Reservoir

The MD-2 reservoir is only developed in the M-3 well, which penetrated 15.5 meters TVT net oil on top of 3.1 meters, TVT net water, establishing an oil / water contact at -3835 m TVTSS.

The seismically defined reservoir area above the oil / water contact covers an area of 1900 acres. Without a well test or nearby producing analog in this reservoir, a reasonably certain reservoir volume could not be ascertained. No 1C volumes were assigned to this reservoir pending acquisition of more information. The mapped volume to the oil / water contact is classified as 2C. An additional isochore map based on a high case realization of reservoir distribution from seismic analysis was developed to evaluate the 3C volume.

A structure map and isochore maps for the 2C and 3C cases are included in Appendices 12.3.1.2 and 12.3.1.3.

4.3.3.2 Teak

4.3.3.2.1 Lower Campanian

The Lower Campanian turbidite fan body in the Teak discovery area is delineated by multiple 3D seismic surveys. The most recent, the 2013 Western Q survey, was specifically reprocessed to improve seismic imaging of the fan (Figure 4.3.6).

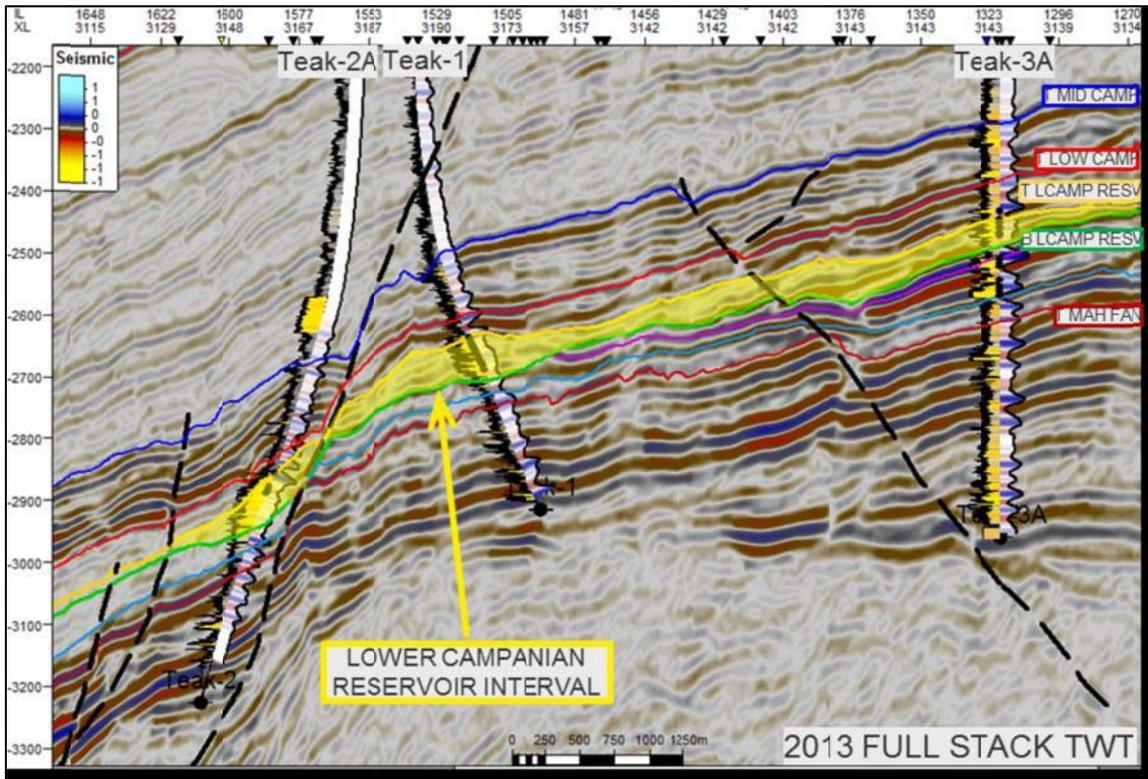


Figure 4.3.6 Seismic correlation of the Lower Campanian Reservoir Interval (2013 PSDM full stack)

The Lower Campanian reservoir interval was penetrated by three of the four Teak wells. Gross true vertical thickness of the reservoir interval as found in the three wells is as follows: Teak -1 – 138.0 meters, Teak-2 – 88.3 meters and Teak-3A – 46.1 meters. A gross isochore map derived from the seismic top and base fan surfaces calibrated to the well control is contained in Appendix 12.3.1.3 of this report.

The fan trends generally north-south and is laterally continuous north, east and south of the hydrocarbon-bearing area discovered by Teak-1. North-south continuity from wells Teak-3A through Teak-1 to Teak-2 is illustrated by the cross-section contained in Appendix 12.3.1.4 of this report. To the west, the reservoir is limited by stratigraphic termination of the fan. The reservoir interval is not present in the Teak-4A well drilled within the Teak Main fault block, approximately 5.8 kilometers northwest of Teak-1 and 4.3 kilometers west-northwest of Teak-3A.

The Lower Campanian reservoir consists of sandstone and mud-prone facies. The sandstones probably represent deposits of high-density turbidity flows and range in size from fine-grained sand to

conglomerates. The heterolithic, mud-prone facies probably represent muddy deposit for low-density turbidity flows. Twenty-eight rotary sidewall cores were acquired in the Lower Campanian in the Teak-1 well with porosity values ranging from 8.4 to 28.7 percent and averaging 23.3 percent. Sixty-two conventional core plugs were cut in the basal part of the Lower Campanian in the Teak-3A well. Overall, porosity values ranged from 6.6 to 26.9 percent and averaged 13.9 percent. A distinct change in slope in the permeability versus porosity plot is observed at around 11 percent porosity. Thirty core plugs had 11 percent or greater porosity, averaging 19.3 percent porosity and 1485 millidarcies permeability. The thirty-two plugs with less than 11 percent porosity averaged 8.8 percent porosity and 2.7 millidarcies.

At the top of the Lower Campanian reservoir, the Teak structure is an asymmetric, southeast plunging nose within a horst block. Structural dip is greater to the southwest and southeast and the reservoir is limited in those directions by the gas / oil and oil / water contacts penetrated by the Teak-1 well. To the northeast, the reservoir is limited by a northwest-southeast trending, down-to-the-northeast normal fault. Displacement on the fault as currently interpreted is very limited, approximately 10 meters. However, contact and pressure differences between the Teak-1 and Teak-3A Lower Campanian accumulations indicate the reservoir is not laterally continuous between those two wells. A structure map of the reservoir is included in Appendix 12.3.1.2 of this report.

Teak-1 Discovery Well

The Teak-1 well found 28.8 meters TVT net gas, 14.5 meters TVT net oil and 53.8 meters TVT net water in the Lower Campanian (Figure 4.3.7). Both the gas / oil contact and the oil / water contact were confirmed by pressure gradient analysis (Figure 4.3.8). The gas / oil contact was found at -2364 m TVDSS and the oil / water contact at -2387 m TVDSS.

The Teak-1 well was not tested. Due to mechanical problems with the wellbore, no fluid sample was obtained in the gas column. PVT analyses of oil samples obtained with wireline MDT tools indicate an oil gravity of 32° API and an initial GOR of 774 scf / stb.

Despite the lack of a flow test, the Lower Campanian reservoir in the Teak-1 well is categorized as a “known accumulation” under the definitions of SPE-PRMS based on the combination of available good quality log, core and formation test information. The log section below describes the Lower Campanian reservoir in Teak-1 and the ensuing graph illustrates an excess pressure plot of the reservoir.

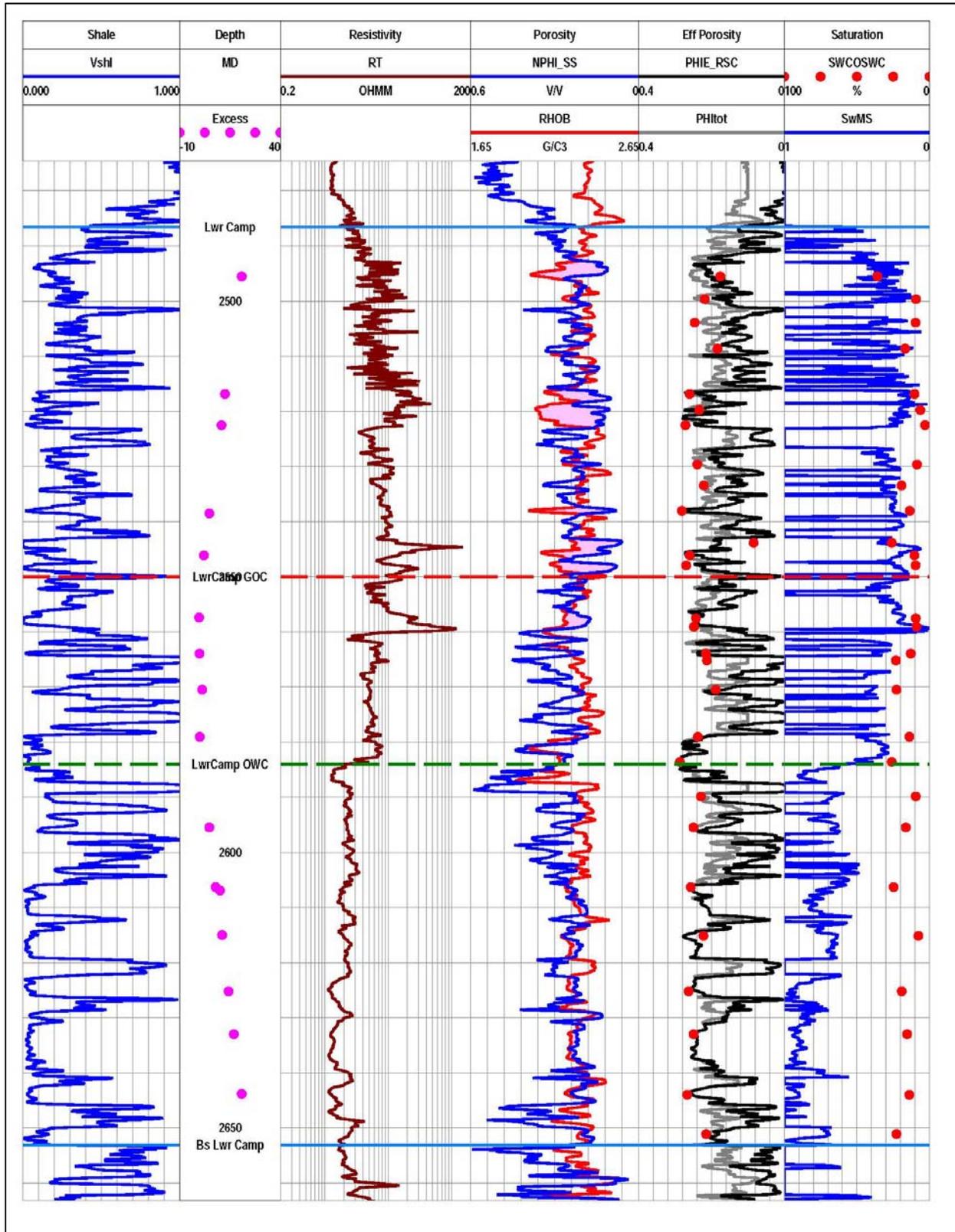


Figure 4.3.7 Log of the Lower Campanian Reservoir in Teak-1

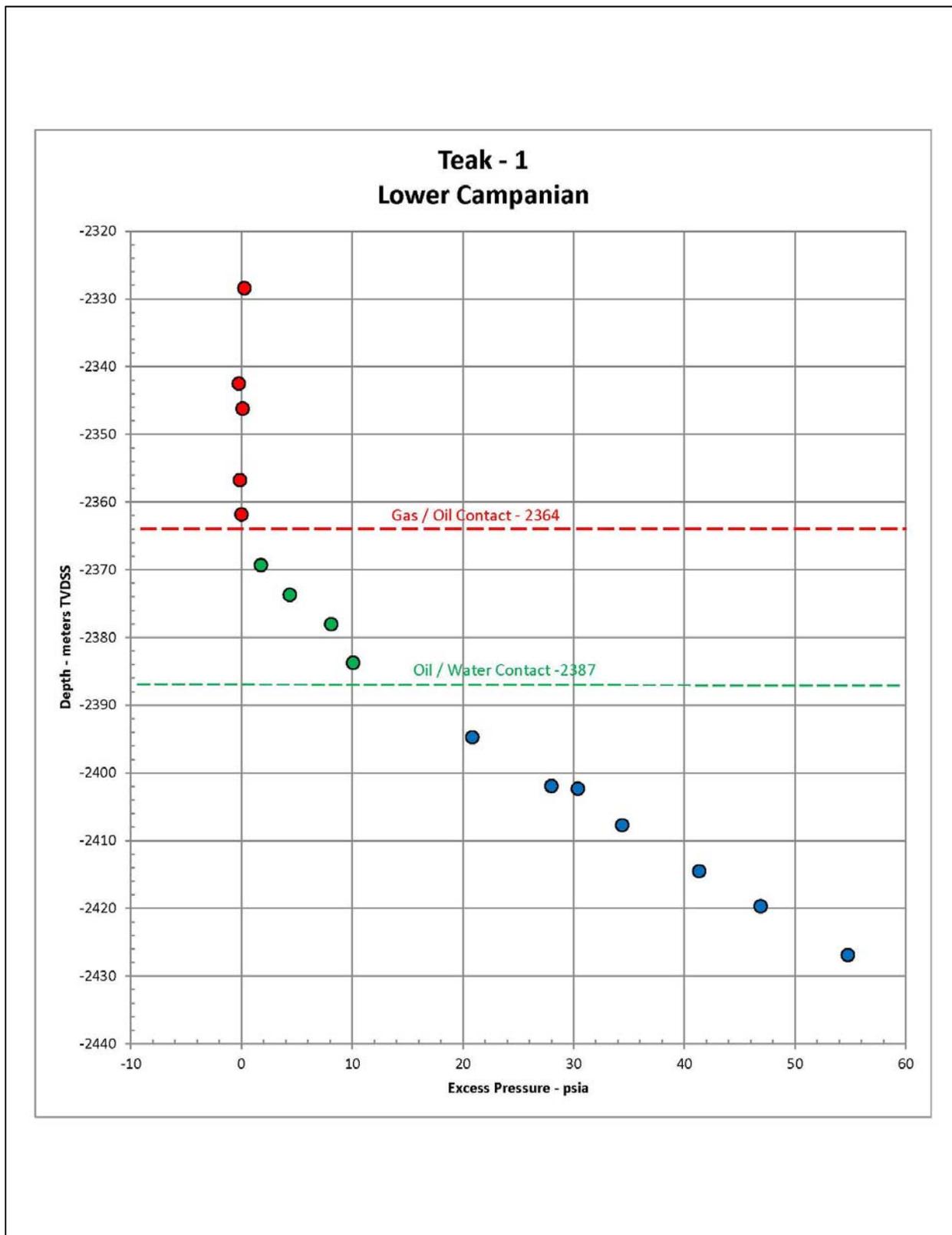


Figure 4.3.8 Excess Pressure Plot of Teak-1 Lower Campanian

4.3.4 Geological Modeling and Methodology

Ryder Scott performed an independent, deterministic evaluation of the Original Oil in Place (OOIP) volumes in the various reservoirs in the Mahogany Discovery area and the Lower Campanian reservoir in Teak utilizing the volumetric method. Our evaluation consisted of a review of the seismic structural and stratigraphic interpretations provided to us by Kosmos and adjustments to those interpretations to the well control as needed. We performed an independent petrophysical analysis utilizing well log, core and formation test data as available. We used the results of these analyses to construct net oil isochore maps of the Mahogany and Teak area reservoirs. Each reservoir was assigned the average reservoir properties observed in wells within the hydrocarbon column to establish a value for hydrocarbons in place per acre-foot. The isochore volumes, estimated oil in place per acre-foot volumes and estimated recovery factors for each case in each reservoir were input into our Reservoir Data System (ResDas) to estimate the Contingent Resource volumes for each classification in each reservoir.

The resource volumes in this report are classified as Contingent Resources pending final approval to proceed with development. 1C (P90) and 2C (P50) volumes were based on a mid-case seismic realization of the reservoir distribution. For the Teak area, the total potentially productive areas of the associated gas cap (1867 acres) and oil rim (2348 acres) as defined by the contacts, bounding faults and stratigraphic termination were classified as 2C. A more restricted area around the existing Teak-1 well was classified as 1C to account for possible discontinuities and / or baffles in the reservoir. The 1C case was further limited to reservoir thickness as observed in the Teak-1 well. 3C (P10) volumes were based on an alternative seismic realization of the reservoir distribution. The hydrocarbon volumes in the Teak Lower Campanian reservoir were constrained by observed gas / oil and oil / water contacts. Variations in reservoir volume between the 2C and 3C cases were primarily related to variations in the reservoir net to gross ratio across the productive area.

4.3.5 Engineering Methodology

The contingent resources for the properties included herein were estimated by a combination of the volumetric method and analogy. These methods were used because there is no historical performance data to establish a definitive performance based trend. The volumetric analyses utilized pertinent well and seismic data furnished to Ryder Scott by Kosmos as discussed in the “Geological Modelling and Methodology” section above. Ryder Scott utilized recovery factor estimates that are analogous to the offset Jubilee field. Jubilee reservoirs were considered the best available analogs based on geologic, geophysical and petrophysical similarities to Mahogany reservoirs. From a fluid recovery standpoint, the same pressure maintenance (water injection), well and completions design currently operational in Jubilee is also planned for MTA as contained in the GJFFDP. Ryder Scott considers these similarities as strong factors supporting the use of Jubilee reservoirs as analogs in the evaluation of MTA.

The presence of the same or similar Turonian reservoirs in Jubilee and MTA does not necessarily equate to a 1:1 analog relationship. Seismic data obtained in the Mahogany and Teak areas highlight some uncertainties with respect to MTA reservoir rock quality vis-à-vis similar zones in Jubilee. Lateral reservoir connectivity from Jubilee to MTA has not been ascertained and seismic anomalies indicate the possibility of geologic barriers and baffles in the Mahogany and Teak areas. To account for these uncertainties, the observed recovery factors in Jubilee were adjusted downwards for similar zones in MTA. The table below shows the recovery factors used in estimating 1C, 2C and 3C contingent resources for Mahogany and Teak. These values may change significantly as the evaluated properties mature and actual performance data become available.

FIELDS/RESERVOIRS	JUBILEE ANALOG RECOVERY FACTORS			UNCERTAINTY DISCOUNT FACTORS			MTA (ADJUSTED) RECOVERY FACTORS		
	1C	2C	3C	1C	2C	3C	1C	2C	3C
MAHOGANY									
UM3C	30%	40%	50%	30%	20%	5%	21%	32%	48%
LM1	25%	30%	35%	30%	20%	5%	18%	24%	33%
LM3	35%	40%	45%	30%	20%	5%	25%	32%	43%
MD2	30%	35%	40%	30%	20%	5%	21%	28%	38%
TEAK*									
Lower Camp Oil Rim (Teak)	25%	30%	35%	30%	20%	5%	18%	24%	33%

* No recovery factor analog was used for the Teak Lower Campanian Gas Cap. An estimated gas recovery factor of 65% and 70% was applied for the 1C and 2C/3C cases respectively.

Table 4.3.1: Recovery Factors Summary for MTA Reservoirs

The recovery factors presented for each reservoir in the table above were used in conjunction with the hydrocarbon in place volumes to calculate recoverable resource volumes. The condensate volumes presented in this report for the Teak gas development were calculated using a condensate yield of 42.6 BBL/MMSCF. Future production profiles and/or economic analyses to determine economic volumes were outside the scope of this evaluation. A summary of the contingent resources by reservoir is presented in Appendix 12.3.2.1 of this report.

4.4 Other Kosmos’ Assets

4.4.1 Offshore Mauritania and Senegal

The map below (Figure 4.4.1) shows Kosmos’ leads, prospects and discoveries in their license areas located offshore Mauritania and Senegal. The discoveries are further described below.

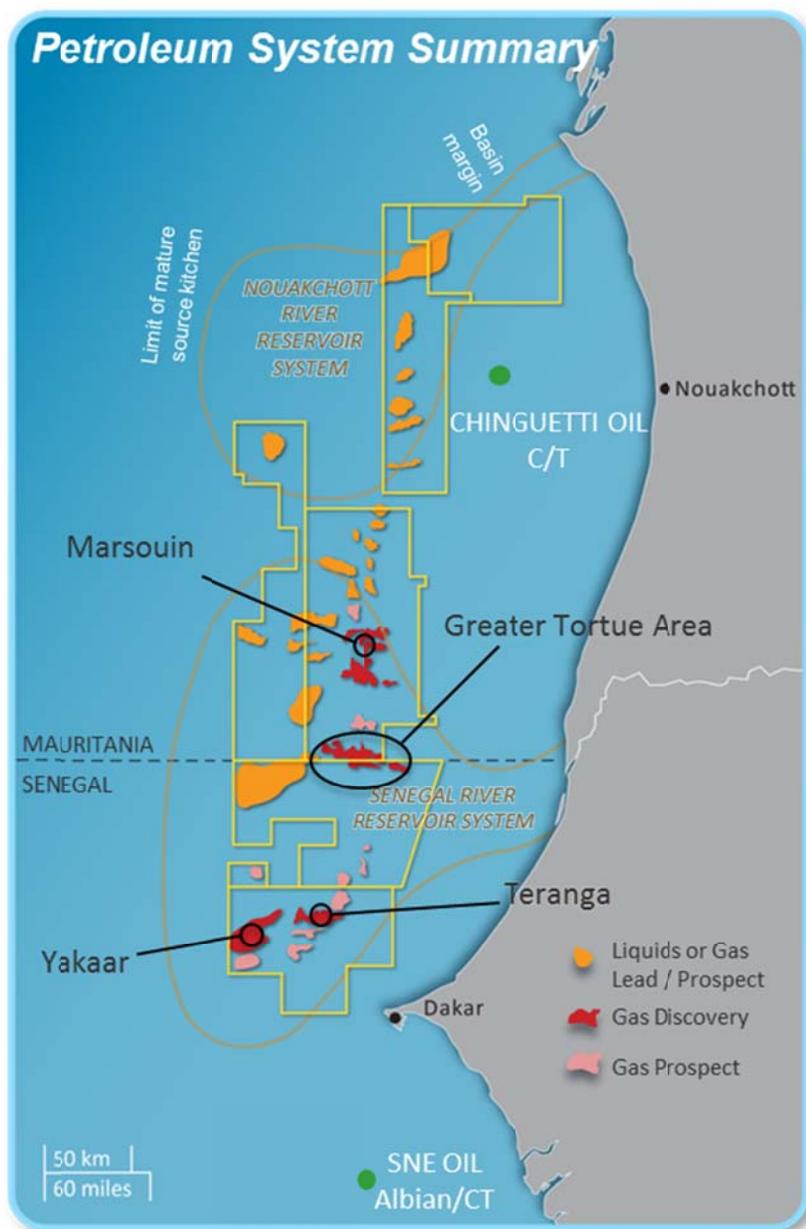


Figure 4.4.1: Map of leads, prospects, and discoveries offshore Mauritania and Senegal

4.4.1.1 GTA Project Area

Kosmos has explored for and discovered gas condensate in an area located offshore Mauritania and Senegal known as the “Greater Tortue Area” (GTA). This area is still under evaluation and results to date appear to show a significant discovery of hydrocarbons. From mid-2015 through 2016, three wells were drilled that penetrated seismically defined objectives in middle Cretaceous strata, approximately 285 kilometers southwest of Nouakchott, Mauritania at a water depth of about 2,700 meters. Due to operating limitations, the wells have not been flow tested. The size and quality of the various reservoirs are estimated from seismic attributes, well log response and downhole formation tests. Ryder Scott has identified nine penetrated hydrocarbon-bearing sands and thirteen seismically defined prospects in the GTA. A development plan base map with the penetrated reservoirs represented as polygons has been included in Appendix 12.4.1.1. Figures 4.4.1.1 below shows a log section flattened on top of one of the primary reservoirs and Figure 4.4.1.2 is a cross section of the main reservoir zones.

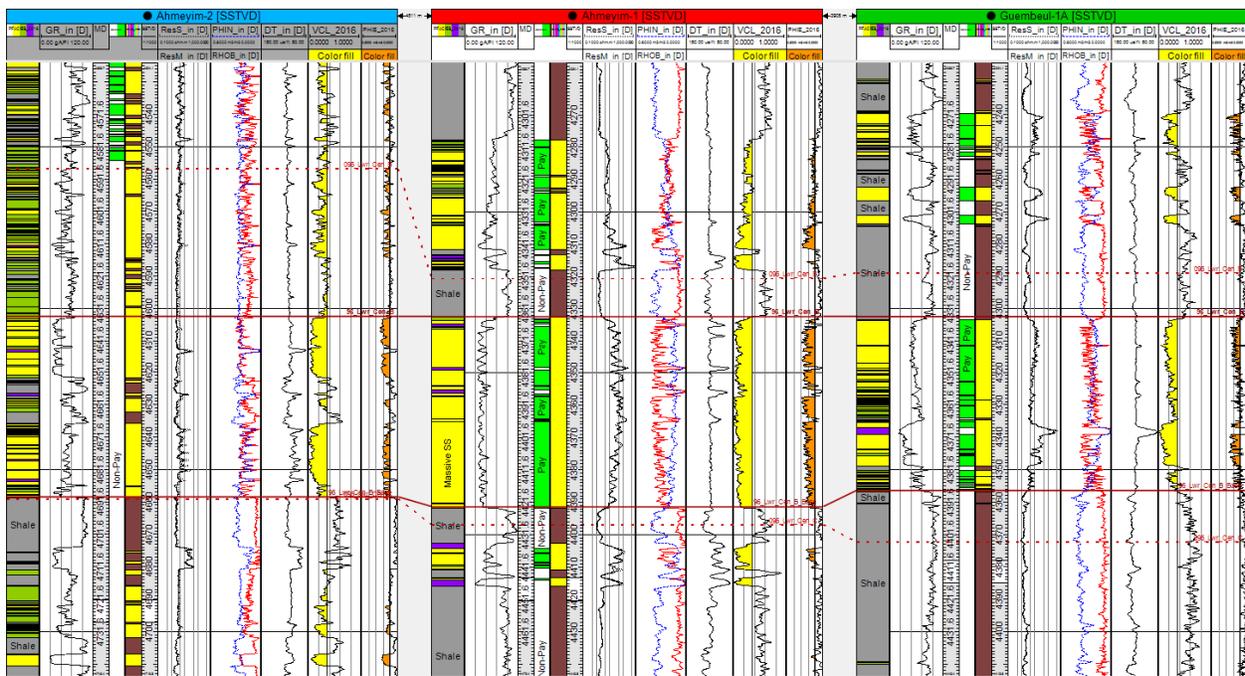


Figure 4.4.1.1: GTA Log Section

The Tortue-1 and Ahmeyim-2 wells are located offshore Mauritania. The Guembeul-1A well is south of the international border, in offshore Senegal. Formation tests have established the presence of gas condensate at the well locations but have not determined if a liquid phase oil rim is present in the area. Ryder Scott estimates a total penetrated net gas pay of 138 meters for the Tortue-1, 89 meters for the Ahmeyim-2 and 111 meters for the Guembeul-1A wells. All three wells have extensive petrophysical data and analyses from petrophysical logs and core data that provide confident estimates of porosity, permeability, and water saturation values. A reasonable calibration exists between net pay thickness at the wells and seismic data.

The regional setting and seismic character of the GTA reservoirs indicate that deposition occurred in a deep water marine environment with potential for significant lateral continuity within the

thicker zones. However, due to current well spacing (approximately 5 kilometers) and limitations on testing, the total drainage area remains uncertain. The largest penetrated objective sand has an upside mapped area estimated by Ryder Scott of greater than 80 square kilometers with formation pressure gradients suggesting static communication among the the three well locations in this sand. Variable seismic attributes in this and other sands may indicate local discontinuities that could influence reservoir performance and impact the optimum well spacing.

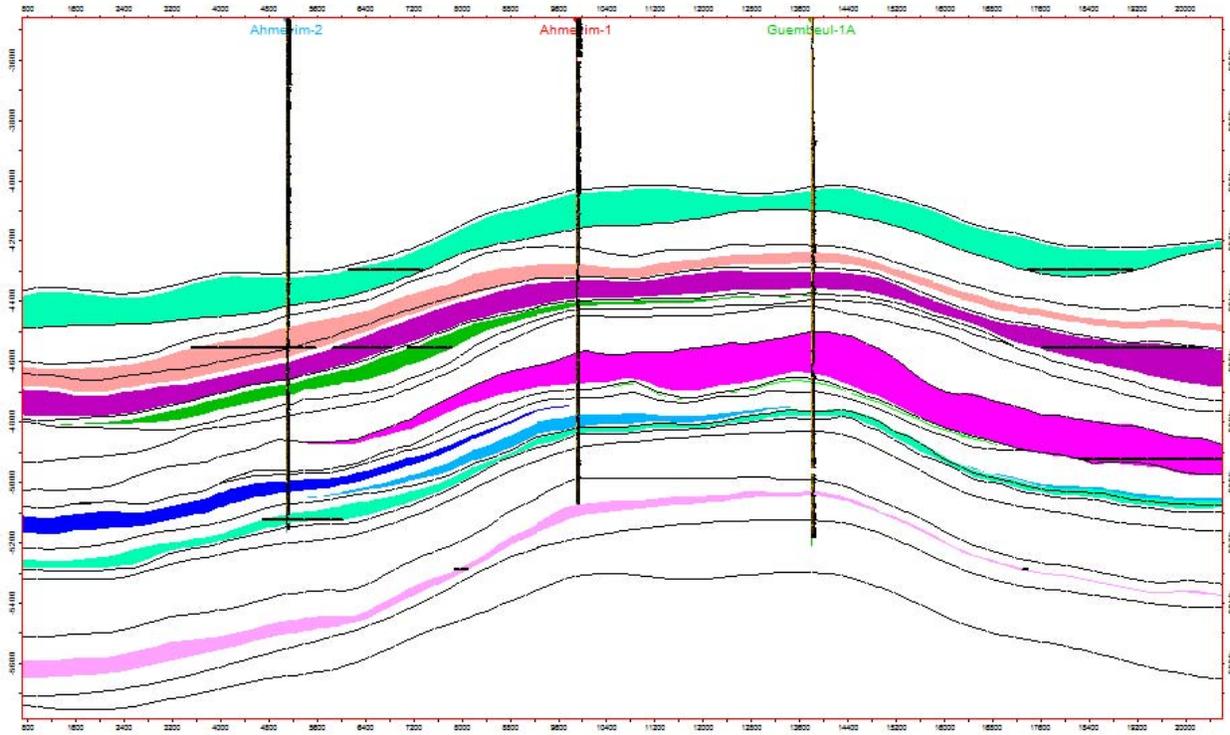


Figure 4.4.1.2: GTA Cross Section

In December, 2016, Kosmos announced a partnership with British Petroleum (BP), which now operates GTA. Kosmos retained 28 percent and 30 percent effective working interests in Mauritania and Senegal, respectively. Kosmos will continue to lead the exploration effort.

Evaluation of GTA is in progress to determine the hydrocarbon deliverability or flow potential expected from future wells, including incorporation of results of a DST being conducted in mid-2017. Efforts will include testing the degree of lateral continuity in the reservoirs between the existing wells, refining the calibration between seismic data and net pay thickness and various other parameters that will help define the full extent and potential of this area. Dynamic simulation studies are underway to consider the optimum plan of development. Following the 2017 work program, it is anticipated that Ryder Scott will conduct a full evaluation of the reserves and resources associated with the GTA.

4.4.1.2 Yakaar Discovery

The Yakaar prospect is located approximately 60 miles northwest of Dakar at the outboard of the basin floor fairway. In March 2017 Kosmos started drilling the Yakaar-1 well in nearly 8,400 feet of water, reaching a total depth of approximately 15,500 feet. According to company estimates, Yakaar-1 intersected a gross hydrocarbon column of 120 meters (394 feet) in three pools within the primary Lower Cenomanian objective and encountered 45 meters (148 feet) of net pay. As per Kosmos, the results of this exploratory well confirm the presence of thick, stacked, reservoir sands over a very large area with very good porosity and permeability. Furthermore, Kosmos states that the reservoirs are amplitude and AVO supported, and they extend over 280 km² in size. Well results are still being interpreted by Kosmos. It is anticipated that Ryder Scott will conduct an evaluation of the reserves and resources following the 2017 work program.

4.4.1.3 Marsouin Discovery

The Marsouin discovery is located approximately 143.8 miles southwest of Nouakchott and approximately 33.6 miles north of the Ahmeyim-1 (Tortue-1) discovery. The Marsouin-1 well tested similar Cenomanian and Albian-aged amalgamated slope channel systems as the Ahmeyim-1 well. The well was drilled by Kosmos from August to November 2015 in nearly 7,867 feet of water, reaching a total depth of approximately 16,906 feet. According to Kosmos’ estimates, Marsouin-1 intersected a gross hydrocarbon column of 140 meters (459 feet) in four pools within the primary Lower Cenomanian objective and encountered 58 meters (190 feet) of net pay. As per Kosmos, the results of this exploratory well confirm the presence of thick, stacked, reservoir sands over a large area with very good porosity and permeability. Furthermore, Kosmos states that the reservoir sands are amplitude and AVO-supported. It is anticipated that Ryder Scott will conduct an evaluation of the reserves and resources following the 2017 work program.

4.4.1.4 Teranga Discovery

The Teranga discovery is located approximately 43.5 miles northwest of Dakar at the outboard of the basin floor fairway. Kosmos drilled the Teranga-1 well from March to May 2016 in nearly 5,856 feet of water, reaching a total depth of approximately 14,723 feet. According to Kosmos’ estimates, Teranga-1 intersected a gross hydrocarbon column of 153 meters (502 feet) in three pools within the primary Lower Cenomanian objective and encountered 35 meters (115 feet) of net pay. As per Kosmos, the results of this exploratory well confirm the presence of thick, stacked, reservoir sands over a large area with good porosity and permeability. Furthermore, Kosmos states that no gas-water contacts were identified in reservoir sands and that the reservoirs are amplitude and AVO-supported. It is anticipated that Ryder Scott will conduct an evaluation of the reserves and resources following the 2017 work program.

4.4.2 Other Licenses

Kosmos has additional licenses in Ghana, Mauritania and Senegal, Suriname, Sao Tome and Principe, Morocco and Western Sahara. Ryder Scott has not yet performed any analysis of the potential contingent and prospective resources for these additional discoveries and exploratory areas. It is anticipated that as these discoveries and prospects mature, Ryder Scott will be called upon to conduct an evaluation of the reserves and resources.

5. Fiscal Terms

Kosmos and its working interest partners (“contractor”) have two royalty and tax agreements with the Ghanaian government in two blocks, the Deep Water Tano Agreement (“DWT”) and the West Cape Three Points Agreement (“WCTP”), covering three project areas: Jubilee Project Area, TEN Project Areas, and MTA Project Area. The Jubilee field straddles both the DWT and the WCTP blocks (45.6 percent DWT and 54.4 percent WCTP). An adjustment was made to the contractor’s fiscal terms for the Jubilee field that takes into account the fact that the field straddles both blocks. The TEN Project Area and the MTA Project Area reside in the DWT and the WCTP blocks, respectively. Contractor ownership varies by block and project phase (Exploration, Development, and Production) and ranges from 17 - 34 percent as shown in Table 5.1 below.

Block	Exploration	Development	Production
DWT	20.0%	19.0% ¹	17.0%
WCTP	34.3%	33.4%	30.0%
Jubilee	n/a	26.9%	24.1%

Table 5.1: Kosmos Block Ownership

(1) The Govt. of Ghana has elected to trigger their default provision, which allows them to forgo their entitled development cost until production, where they will reimburse the remaining Partners plus pay interest on the amount carried. Therefore, Kosmos’ development paying interest will be 20 percent.

The royalty rate paid by the contractor is determined by block and hydrocarbon fluid phase and ranges from 3 - 5 percent as shown in Table 5.2 below. A 35 percent income tax rate is applied to the taxable income of both blocks and is calculated at the country level. Capital expenditures are amortized over 5 years while Revenue, OPEX, Royalty, and Abandonment flow through Taxable Income in the year in which they occur.

Block	Liquids	Gas
DWT	5%	3%
WCTP	5%	5%

Table 5.2: Royalties

Both blocks include a decommissioning fund that is triggered once 50 percent of the 2P EUR has been produced. Once the decommissioning fund is triggered, the contractor is required to make equal annual payments into an external trust until the total estimated decommissioning costs have been accumulated.

The Additional Oil Entitlement (“AOE”) or windfall profits tax is applied to the development and production area (DPA). The AOE is an after-tax inflation adjusted rate of return-based tax. The AOE is designed to prevent the collection of excessive profits by the contractor and is calculated at the DPA level.

The information presented above that describe Kosmos interests in the subject properties was based on information provided to us by Kosmos that were derived from contractual instruments held by the company. We have reviewed certain sections of the pertinent agreements. However, we have not conducted a thorough investigation of these documents and cannot guarantee their legal efficacy and the manner in which such contractual terms are used to model certain legal and commercial aspects of such agreements such as working and net interests, net income, allocation of operating and capital costs, appropriation of abandonments costs, contract termination dates and others. Furthermore, our economic modeling of these assets does not take into consideration the geopolitical country risks or possible security risks resulting from these operations in Ghana.

6. Comments on Environmental, Facilities, Infrastructure, and Site Visits

The properties included in this report that are located in Ghana have been operated, with Kosmos as a technical partner, since November of 2010. With the exception of the mechanical problems encountered with the turret issues at Jubilee field, operations could be described as ongoing without major contingencies or events of disruption that are outside of normal handling of maintenance and integrity procedures that are generally expected for such an offshore operating environment. Aside from resolution of the ITLOS matter, we are not aware of any outstanding challenges facing the future operation of these properties in terms of availability of power, service providers, transportation of hydrocarbons, human services and environmental. We note that the operation of properties such as included herein are by nature technically demanding and unforeseen challenges or events may result in further disruptions to operations or potentially permanent termination thereof and are beyond our ability to forecast or comment on. We further qualify that these statements are made based on information provided to us by Kosmos and/or investigations that may not be sufficiently thorough or extensive. Therefore, we accept no liability for their accuracy nor do we warrant that our enquiries and investigations have revealed all of the matters, which an extensive examination may disclose.

The properties that we evaluated are located offshore Ghana. We did not perform a site visit of the properties; however, the properties that are on production are recognized as active and established operations. We have relied on petrographic evidence and other literature, including video productions and other documentation provided by Kosmos and publically available to ascertain their existence and operational performance as reported to us by Kosmos.

7. Standards of Independence and Professional Qualification

Ryder Scott is an independent petroleum engineering consulting firm that has been providing petroleum consulting services throughout the world since 1937. Ryder Scott is employee-owned and maintains offices in Houston, Texas; Denver, Colorado; and Calgary, Alberta, Canada. We have over eighty engineers and geoscientists on our permanent staff. By virtue of the size of our firm and the large number of clients for which we provide services, no single client or job represents a material portion of our annual revenue. We do not serve as officers or directors of any privately-owned or publicly-traded oil and gas company and are separate and independent from the operating and investment decision-making process of our clients. This allows us to bring the highest level of independence and objectivity to each engagement for our services.

Ryder Scott actively participates in industry related professional societies and organizes an annual public forum focused on the subject of reserves evaluations and SEC regulations. Many of our staff have authored or co-authored technical papers on the subject of reserves related topics. We encourage our staff to maintain and enhance their professional skills by actively participating in ongoing continuing education.

Prior to becoming an officer of the Company, Ryder Scott requires that staff engineers and geoscientists have received professional accreditation in the form of a registered or certified professional engineer’s license or a registered or certified professional geoscientist’s license, or the equivalent thereof, from an appropriate governmental authority or a recognized self-regulating professional organization.

We are independent petroleum engineers with respect to Kosmos. Neither we nor any of our employees have any financial interest in the subject properties and neither the employment to do this work nor the compensation is contingent on our estimates of reserves for the properties, which were reviewed.

The results of this study, presented herein, are based on technical analysis conducted by teams of geoscientists and engineers from Ryder Scott. The professional qualifications of the undersigned, the technical persons primarily responsible for overseeing, reviewing and approving the evaluation of the reserves information discussed in this report, are included as an attachment to this letter.

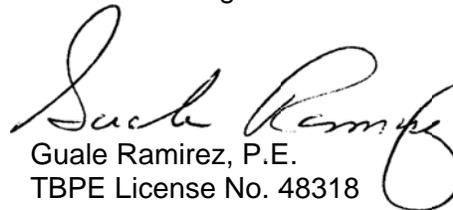
8. Terms of Usage

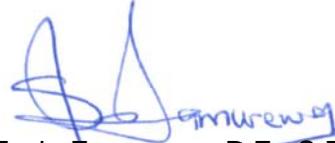
This report was prepared for the exclusive use and sole benefit of Kosmos Energy Ltd. and may not be put to other use without our prior written consent for such use. We have provided Kosmos with a digital version of the original signed copy of this report letter. In the event there are any differences between the digital version and the original signed report letter, the original signed report letter shall control and supersede the digital version. The data and work papers used in the preparation of this report are available for examination by authorized parties in our offices. Please contact us if we can be of further service.

Very truly yours,

RYDER SCOTT COMPANY, L.P.
TBPE Firm Registration No. F-1580




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TBPE License No. 48318
Executive Vice President



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Senior Vice President - International





Victor Abu
Senior Petroleum Engineer

GR-TF-VA(DPR)/pl

9. Professional Qualifications of Primary Technical Person(s)

Guale Ramirez

The conclusions presented in this report are the result of technical analysis conducted by teams of geoscientists and engineers from Ryder Scott Company, L.P. Guadalupe Ramirez was the primary technical person responsible for overseeing the estimate of the reserves, future production and income.

Mr. Ramirez, an employee of Ryder Scott Company, L.P. (Ryder Scott) since 1981, is the Executive Vice President and also serves as a member of the Board of Directors. He is responsible for coordinating and supervising staff and consulting engineers of the company in ongoing reservoir evaluation studies worldwide. Before joining Ryder Scott, Mr. Ramirez served in a number of engineering positions with Sun Oil Company and Natomas North America. For more information regarding Mr. Ramirez's geographic and job specific experience, please refer to the Ryder Scott Company website at www.ryderscott.com/Company/Employees.

Mr. Ramirez earned a Bachelor of Science Degree in Mechanical Engineering with honors from Texas A&M University in 1976 and is a licensed Professional Engineer in the State of Texas. He is also a member of the Society of Petroleum Engineers and Society of Petroleum Evaluation Engineers.

In addition to gaining experience and competency through prior work experience, the Texas Board of Professional Engineers requires a minimum of fifteen hours of continuing education annually, including at least one hour in the area of professional ethics, which Mr. Ramirez fulfills. As part of his 2016 continuing education hours, Mr. Ramirez attended and internally received 21 hours of formalized training as well as a day-long public forum, the 2016 RSC Reserves Conference relating to the definitions and disclosure guidelines contained in the United States Securities and Exchange Commission Title 17, Code of Federal Regulations, Modernization of Oil and Gas Reporting, Final Rule released January 14, 2009 in the Federal Register. Mr. Ramirez has also presented courses on the new SEC and SPE-PRMS reserves definitions on various occasions during 2011, 2012, 2013 and 2015 and received 8 hours of formalized external training during 2016, covering such topics as the Guidelines for Application of the SPE/WPC/AAPG/SPEE Petroleum Resources Management System, reservoir engineering, geoscience and petroleum economics evaluation methods, procedures and software, unconventional resources and ethics for consultants.

Based on his educational background, professional training and more than 35 years of practical experience in the estimation and evaluation of petroleum reserves, Mr. Ramirez has attained the professional qualifications as a Reserves Estimator and Reserves Auditor set forth in Article III of the "Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information" promulgated by the Society of Petroleum Engineers as of February 19, 2007.

Tosin Famurewa

The conclusions presented in this report are the result of technical analysis conducted by teams of geoscientists and engineers from Ryder Scott Company, L.P. Tosin Famurewa was the primary technical person responsible for overseeing the estimate of the reserves, future production and income prepared by Ryder Scott presented herein.

Mr. Famurewa, an employee of Ryder Scott Company, L.P. (Ryder Scott) since 2006, is a Senior Vice President responsible for coordinating and supervising staff and consulting engineers of the company in ongoing reservoir evaluation studies worldwide. Before joining Ryder Scott, Mr. Famurewa served in a number of engineering positions with Chevron and Texaco. For more information regarding Mr. Famurewa's geographic and job specific experience, please refer to the Ryder Scott Company website at www.ryderscott.com/Company/Employees.

Mr. Famurewa earned double Bachelor of Science degrees in Chemical Engineering and Material Science and Engineering from University of California at Berkeley in 2000 and a Master of Science degree in Petroleum Engineering from University of Southern California in 2007. He is a licensed Professional Engineer (PE) in the State of Texas and a SPE Certified Petroleum Engineer (SPEC). He is also a member of the Society of Petroleum Engineers (SPE) and an officer in the Society of Petroleum Evaluation Engineers (SPEE).

In addition to gaining experience and competency through prior work experience, the Texas Board of Professional Engineers requires a minimum of fifteen hours of continuing education annually, including at least one hour in the area of professional ethics, which Mr. Famurewa fulfills. As part of his 2009 continuing education hours, Mr. Famurewa attended an internally presented 16 hours of formalized training relating to the definitions and disclosure guidelines contained in the United States Securities and Exchange Commission Title 17, Code of Federal Regulations, Modernization of Oil and Gas Reporting, Final Rule released January 14, 2009 in the Federal Register. Mr. Famurewa attended an additional 16 hours of formalized in-house and external training during 2014 covering such topics as reservoir engineering, geoscience and petroleum economics evaluation methods, procedures and software and ethics for consultants. Mr. Famurewa is a regular speaker on reserve related topics at the annual Sub-Saharan Africa Oil and Gas Conference in Houston, TX.

Based on his educational background, professional training and more than 16 years of practical experience in the estimation and evaluation of petroleum reserves, Mr. Famurewa has attained the professional qualifications as a Reserves Estimator and Reserves Auditor as set forth in Article III of the "Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information" promulgated by the Society of Petroleum Engineers as of February 19, 2007.

10. Petroleum Reserves and Resources Status Definitions and Guidelines (SPE-PRMS)

As Adapted From:
2007 PETROLEUM RESOURCES MANAGEMENT SYSTEM (SPE-PRMS)¹
Sponsored by:
SOCIETY OF PETROLEUM ENGINEERS (SPE),
WORLD PETROLEUM CONGRESS (WPC)
AMERICAN ASSOCIATION OF PETROLEUM GEOLOGISTS (AAPG)
AND
SOCIETY OF PETROLEUM EVALUATION ENGINEERS (SPEE)

PREAMBLE

Reserve and resource classification systems are intended to allow the evaluator to follow the progression of changes in the exploration and production life cycle of a reservoir, field, or project that arise as a result of obtaining more technical information or as a result of a change in the economic status. Most systems incorporate terminology to describe the progression of a project from the delineation of an initial prospect, to the confirmation of the prospect through exploration drilling, onto the appraisal and development phase, and finally from initial production through depletion. These reserve and resource definitions thus provide the decision making framework to manage risk and uncertainty through the classification and categorization of the recoverable hydrocarbon volumes.

The term “resources” is generally applied to “all quantities of petroleum (recoverable and unrecoverable) naturally occurring on or within the Earth’s crust, discovered and undiscovered, plus those quantities already produced”.

The term “reserves” is a subset of resources generally applied to the discovered “quantities of petroleum anticipated to be commercially recoverable from known accumulations from a given date forward under defined conditions”.

All reserve and resource estimates involve some degree of uncertainty. The uncertainty depends chiefly on the amount of reliable geologic and engineering data available at the time of the estimate and the interpretation of these data. Estimates will generally be revised as additional geologic or engineering data becomes available or as economic conditions change.

Estimation of reserves and resources is done under conditions of uncertainty. The method of estimation is called deterministic if a single best estimate of reserves and resources is made based on known geological, engineering, and economic data. The method of estimation is called probabilistic when the known geological, engineering, and economic data are used to generate a range of estimates and their associated probabilities. Because of the differences in uncertainty, caution should be exercised when aggregating quantities of petroleum from different reserves and/or resource classifications.

Reserves and resources may be attributed to either natural energy or improved recovery methods. Improved recovery methods include all methods for supplementing natural energy or altering natural forces in the reservoir to increase ultimate recovery. Examples of such methods are pressure maintenance, cycling, waterflooding, thermal methods, chemical flooding, and the use of miscible and immiscible displacement fluids. Other improved recovery methods may be developed in the future as petroleum technology continues to evolve.

Reserves and resources may be attributed to either conventional or unconventional petroleum accumulations under the SPE-PRMS. Petroleum accumulations are considered as either conventional

or unconventional based on the nature of their in-place characteristics, extraction method applied, or degree of processing prior to sale. Examples of unconventional petroleum accumulations include coalbed or coalseam methane (CBM/CSM), basin-centered gas, shale gas, gas hydrates, natural bitumen and oil shale deposits. These unconventional accumulations may require specialized extraction technology and/or significant processing prior to sale. The SPE-PRMS acknowledges unconventional petroleum accumulations as reserves and resources regardless of their in-place characteristics, the extraction method applied, or the degree of processing required.

Reserves and resources do not include quantities of petroleum being held in inventory and may be reduced for usage, processing losses and/or non-hydrocarbons that must be removed prior to sale.

SPE-PRMS

In March 2007, the Society of Petroleum Engineers (SPE), World Petroleum Council (WPC), American Association of Petroleum Geologists (AAPG), and Society of Petroleum Evaluation Engineers (SPEE) jointly approved the “Petroleum Resources Management System” (SPE-PRMS). The SPE-PRMS consolidates, builds on, and replaces guidance previously contained in the 2000 “Petroleum Resources Classification and Definitions” and the 2001 “Guidelines for the Evaluation of Petroleum Reserves and Resources” publications.

Reference should be made to the full SPE-PRMS for the complete definitions and guidelines as the following definitions, descriptions and explanations rely wholly or in part on excerpts from the SPE-PRMS document (passages excerpted in their entirety from the SPE-PRMS document are denoted in italics herein). For convenience, Table 1: “Recoverable Resources Classes and Sub-Classes” from the SPE-PRMS has been reproduced in full and included as an attachment to this document.

The SPE-PRMS incorporates the petroleum initially-in-place as well as the recoverable and unrecoverable petroleum quantities into a common resource classification framework. *Petroleum is defined as a naturally occurring mixture consisting of hydrocarbons in the gaseous, liquid, or solid phase.*

The SPE-PRMS defines the major resources classes: Production, Reserves, Contingent Resources, and Prospective Resources, as well as Unrecoverable petroleum. The basic classification scheme requires establishment of criteria for a petroleum discovery and thereafter the distinction between commercial (Reserves) and sub-commercial projects (Contingent Resources) in known accumulations. Under this classification scheme, estimated recoverable quantities from accumulations that have yet to be discovered are termed Prospective Resources. Further, the SPE-PRMS includes all types of petroleum whether currently considered “conventional” or “unconventional”.

Figure 1 shown at the end of this document is a graphical representation of the SPE, WPC, AAPG and SPEE resources classification system. The SPE-PRMS “classifies” reserves and resources according to project maturity and increasing chance of commerciality (vertical axis) and “categorizes” reserves and resources according to the *range of uncertainty* (horizontal axis) *of the estimated quantities potentially recoverable from an accumulation by a project.* The following definitions apply to the major subdivisions within the resources classification:

RESOURCES CLASSIFICATION (SPE-PRMS)

Recoverable petroleum resources as described herein may be classified into one of three principal resource classifications: Prospective Resources, Contingent Resources, or Reserves. The distinction between Prospective and Contingent Resources depends on whether or not there exists one or more wells and other data indicating the potential for moveable hydrocarbons (e.g. the discovery status). Discovered petroleum resources may be classified as either Contingent Resources or as Reserves depending on the chance that if a project is implemented it will reach commercial producing status (e.g. chance of commerciality). The distinction between various “classifications” of Resources and Reserves relates to their discovery status and increasing chance of commerciality as described herein.

The SPE-PRMS Section 1.1 and Appendix A define the following terms:

TOTAL PETROLEUM-INITIALLY-IN-PLACE

Total Petroleum-Initially-in-Place is that quantity of petroleum which is estimated to exist originally in naturally occurring accumulations. Total Petroleum-Initially-in-Place is, therefore, that quantity of petroleum which is estimated, as of a given date, to be contained in known accumulations, plus those quantities already produced therefrom, plus those estimated quantities in accumulations yet to be discovered.

Total Petroleum-Initially-in-Place may be subdivided into Discovered Petroleum-Initially-in-Place and Undiscovered Petroleum-Initially-in-Place, with Discovered Petroleum-Initially-in-Place being limited to known accumulations.

It is recognized that not all of the Petroleum-Initially-in-Place quantities may constitute potentially recoverable resources since the estimation of the proportion which may be recoverable can be subject to significant uncertainty and will change with variations in commercial circumstances, technological developments and data availability.

Given the aforementioned constraints, a portion of the Petroleum-Initially-in-Place may need to be classified as Unrecoverable.

DISCOVERED PETROLEUM-INITIALLY-IN-PLACE

Discovered Petroleum-Initially-in-Place is that quantity of petroleum which is estimated, as of a given date, to be contained in known accumulations prior to production.

Discovered Petroleum-Initially-in-Place may be subdivided into Commercial and Sub-commercial categories, with the estimated potentially recoverable portion being classified as Reserves and Contingent Resources respectively, as defined below.

KNOWN ACCUMULATION

The SPE-PRMS defines an accumulation as *an individual body of petroleum-in-place*. For an accumulation to be considered as “known”, it must have been discovered. A discovery is defined as *one petroleum accumulation or several petroleum accumulations collectively, which have been penetrated by one or several exploratory wells which have established through testing, sampling, and/or logging the existence of a significant quantity of potentially moveable hydrocarbons*. The SPE-PRMS states in this context, *“significant” implies that there is evidence of a sufficient quantity of*

petroleum to justify estimating the in-place volume demonstrated by the well(s) and for evaluating the potential for economic recovery. Known accumulations may contain Reserves and/or Contingent Resources.

RESERVES

Reserves are defined as those quantities of petroleum which are anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Reserves must further satisfy the following criteria: they must be discovered, recoverable, commercial, and remaining (as of the evaluation date) based on the development project(s) applied.

Reserves are categorized in accordance with the level of certainty associated with the estimates (horizontal axis shown in Figure 1) and may be further sub-classified based on project maturity and/or characterized by development and production status (Refer to Figure 2 at the end of this document). Reference should be made to the full SPE-PRMS for the complete definitions and guidelines.

ADDITIONAL TERMS USED IN RESERVES EVALUATIONS (SPE-PRMS DEFINITIONS)

The SPE-PRMS Sections 2.3, 2.3.4, 2.4 and Appendix A define the following terms as follows:

Improved recovery. *Improved Recovery is the extraction of additional petroleum, beyond Primary Recovery, from naturally occurring reservoirs by supplementing the natural forces in the reservoir. It includes waterflooding and gas injection for pressure maintenance, secondary processes, tertiary processes and any other means of supplementing natural reservoir recovery processes. Improved recovery also includes thermal and chemical processes to improve the in-situ mobility of viscous forms of petroleum. (Also called Enhanced Recovery.)*

Improved recovery projects must meet the same Reserves commerciality criteria as primary recovery projects. There should be an expectation that the project will be economic and that the entity has committed to implement the project in a reasonable time frame (generally within 5 years; further delays should be clearly justified). If there is significant project risk, forecast incremental recoveries may be similarly categorized but should be classified as Contingent Resources.

The judgment on commerciality is based on pilot testing within the subject reservoir or by comparison to a reservoir with analogous rock and fluid properties and where a similar established improved recovery project has been successfully applied.

Incremental recoveries through improved recovery methods that have yet to be established through routine, commercially successful applications are included as Reserves only after a favorable production response from the subject reservoir from either (a) a representative pilot or (b) an installed program, where the response provides support for the analysis on which the project is based.

Similar to improved recovery projects applied to conventional reservoirs, successful pilots or operating projects in the subject reservoir or successful projects in analogous reservoirs may be required to establish a distribution of recovery efficiencies for non-conventional accumulations. Such pilot projects may evaluate both the extraction efficiency and the efficiency of unconventional processing facilities to derive sales products prior to custody transfer.

These incremental recoveries in commercial projects are categorized into Proved, Probable, and Possible Reserves based on certainty derived from engineering analysis and analogous applications in similar reservoirs.

Commercial. *When a project is commercial, this implies that the essential social, environmental and economic conditions are met, including political, legal, regulatory and contractual conditions. In addition, a project is commercial if the degree of commitment is such that the accumulation is expected to be developed and placed on production within a reasonable time frame. While 5 years is recommended as a benchmark, a longer time frame could be applied where for example, development of economic projects are deferred at the option of the producer for, among other things, market-related reasons, or to meet contractual or strategic objectives. In all cases, the justification for classification as Reserves should be clearly documented.*

PROVED RESERVES (SPE-PRMS DEFINITIONS)

The SPE-PRMS Section 2.2.2 and Table 3 define proved oil and gas reserves as follows:

Proved oil and gas reserves. *Proved Reserves are those quantities of petroleum, which by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs under defined economic conditions, operating methods, and government regulations. If deterministic methods are used, the term reasonable certainty is intended to express a high degree of confidence that the quantities will be recovered. If probabilistic methods are used, there should be at least a 90% probability that the quantities actually recovered will equal or exceed the estimate.*

The area of the reservoir considered as Proved includes:

- (1) the area delineated by drilling and defined by fluid contacts, if any, and*
- (2) adjacent undrilled portions of the reservoir that can reasonably be judged as continuous with it and commercially productive on the basis of available geoscience and engineering data.*

In the absence of data on fluid contacts, Proved quantities in a reservoir are limited by the lowest known hydrocarbons (LKH) as seen in a well penetration unless otherwise indicated by definitive geoscience, engineering, or performance data. Such definitive information may include pressure gradient analysis and seismic indicators. Seismic data alone may not be sufficient to define fluid contacts for Proved reserves (see "2001 Supplemental Guidelines", Chapter 8).

Reserves in undeveloped locations may be classified as Proved provided that:

- The locations are in undrilled areas of the reservoir that can be judged with reasonable certainty to be commercially productive.*
- Interpretations of available geoscience and engineering data indicate with reasonable certainty that the objective formation is laterally continuous with the drilled Proved locations.*

For Proved Reserves, the recovery efficiency applied to these reservoirs should be defined based on a range of possibilities supported by analogs and sound engineering judgment considering the characteristics of the Proved area and the applied development program.

UNPROVED RESERVES (SPE-PRMS DEFINITIONS)

The SPE-PRMS Section 2.2.2 and Appendix A define unproved oil and gas reserves as follows:

Unproved oil and gas reserves. *Unproved Reserves are based on geoscience and/or engineering data similar to that used in estimates of Proved Reserves, but technical or other uncertainties preclude such reserves being classified as Proved. Unproved Reserves may be further categorized as Probable Reserves or Possible Reserves. Based on additional data and updated interpretations that indicate increased certainty, portions of Possible and Probable Reserves may be re-categorized as Probable and Proved Reserves.*

PROBABLE RESERVES (SPE-PRMS DEFINITIONS)

The SPE-PRMS Section 2.2.2 and Table 3 define probable oil and gas reserves as follows:

Probable oil and gas reserves. *Probable Reserves are those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than Proved Reserves but more certain to be recovered than Possible Reserves. It is equally likely that actual remaining quantities recovered will be greater than or less than the sum of the estimated Proved plus Probable reserves (2P). In this context, when probabilistic methods are used, there should be at least a 50% probability that the actual quantities recovered will equal or exceed the 2P estimate.*

Probable Reserves may be assigned to areas of a reservoir adjacent to Proved where data control or interpretations of available data are less certain. The interpreted reservoir continuity may not meet the reasonable certainty criteria. Probable estimates also include incremental recoveries associated with project recovery efficiencies beyond that assumed for Proved.

POSSIBLE RESERVES (SPE-PRMS DEFINITIONS)

The SPE-PRMS Section 2.2.2 and Table 3 define possible oil and gas reserves as follows:

Possible oil and gas reserves. *Possible Reserves are those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recoverable than Probable Reserves. The total quantities ultimately recovered from the project have a low probability to exceed the sum of Proved plus Probable plus Possible (3P), which is equivalent to the high estimate scenario. When probabilistic methods are used, there should be at least a 10% probability that the actual quantities recovered will equal or exceed the 3P estimate.*

Possible Reserves may be assigned to areas of a reservoir adjacent to Probable Reserves where data control and interpretations of available data are progressively less certain. Frequently, this may be in areas where geoscience and engineering data are unable to clearly define the area and vertical reservoir limits of commercial production from the reservoir by a defined project. Possible estimates also include incremental quantities associated with project recovery efficiencies beyond that assumed for Probable.

CONTINGENT RESOURCES

Contingent Resources are those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from known accumulations, but the applied project(s) are not yet

considered mature enough for commercial development due to one or more contingencies. Contingent Resources may include, for example, projects for which there is currently no viable market, or where commercial recovery is dependent on the development of new technology, or where evaluation of the accumulation is insufficient to assess commerciality.

Contingent Resources are categorized according to the range of technical uncertainty associated with the estimates (horizontal axis shown in Figure 1) may be further sub-classified based on project maturity and/or characterized by their economic status (Refer to Figure 2 at the end of this document). Reference should be made to the full SPE-PRMS for the complete definitions and guidelines.

UNDISCOVERED PETROLEUM-INITIALLY-IN-PLACE

Undiscovered Petroleum-Initially-in-Place is that quantity of petroleum which is estimated, as of a given date, to be contained in accumulations yet to be discovered.

The estimated potentially recoverable portion of Undiscovered Petroleum-Initially-in-Place is classified as Prospective Resources, as defined below.

PROSPECTIVE RESOURCES

Prospective Resources are those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future projects. Prospective Resources have both an associated chance of discovery and a chance of development.

Prospective Resources are categorized in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be further sub-classified based on project maturity (Refer to Figure 2 at the end of this document). Reference should be made to the full SPE-PRMS for the complete definitions and guidelines.

UNRECOVERABLE

Unrecoverable is a term that refers to that portion of Discovered or Undiscovered Petroleum Initially-in-Place quantities which is estimated, as of a given date, not to be recoverable by future development projects. A portion of these quantities may become recoverable in the future as commercial circumstances change or technological developments occur; the remaining portion may never be recovered due to physical/chemical constraints represented by subsurface interaction of fluids and reservoir rocks.

ADDITIONAL TERMS USED IN RESOURCES CLASSIFICATION (SPE-PRMS)

CHANCE OF COMMERCIALITY

The SPE-PRMS Section 2.1, Table 1 and Appendix A define the following terms relating to commerciality:

The “Chance of Commerciality”, as denoted in the SPE-PRMS and as shown in Figure 1, *is the chance that the project will be developed and reach commercial producing status.*

The chance of commerciality is determined by the probability of a discrete event occurring. In the context of the SPE-PRMS, the discrete event is comprised of one of several conditions, as noted below, which impact the project's commercial viability.

The commercial viability of a development project is dependent on a forecast of the conditions that will exist during the time period encompassed by the project's activities. Commerciality is not solely determined based on the economic status of a project which refers to the situation where the income from an operation exceeds the expenses involved in, or attributable to, that operation. Conditions as noted in the SPE-PRMS include technological, economic, legal, environmental, social, and governmental factors. While economic factors can be summarized as forecast costs and product prices, the underlying influences include, but are not limited to, market conditions, transportation and processing infrastructure, fiscal terms and taxes.

A development project may include one or many wells and associated production and processing facilities. One project may develop many reservoirs, or many projects may be applied to one reservoir. An accumulation or potential accumulation may be subject to several separate and distinct projects that are at different stages of exploration or development. Thus, an accumulation may have recoverable quantities in several resource classes simultaneously.

COMMERCIALITY APPLIED TO RESERVES

Commerciality as applied to Reserves must be based upon all of the following criteria:

- *Evidence to support a reasonable timetable for development.*
- *A reasonable assessment of the future economics of such development projects meeting defined investment and operating criteria.*
- *A reasonable expectation that there will be a market for all or at least the expected sales quantities of production required to justify development.*
- *Evidence that the necessary production and transportation facilities are available or can be made available.*
- *Evidence that legal, contractual, environmental and other social and economic concerns will allow for the actual implementation of the recovery project being evaluated.*
- *High confidence in the commercial producibility of the reservoir.*

To be included in a Reserves class, a project must be sufficiently defined to establish its commercial viability. There must be a reasonable expectation that all required internal and external approvals will be forthcoming.

In general, quantities should not be classified as Reserves unless there is evidence of firm intention that the accumulation will be developed and placed on production within a reasonable time frame. In certain circumstances, reserves may be assigned even though development may not occur for some time. A reasonable time frame for the initiation of development depends on the specific circumstances and varies according to the scope of the project. The SPE-PRMS recommends five years as a benchmark, but notes that a longer time frame could be applied where, for example, development of economic projects are deferred at the option of the producer for, among other things, market-related reasons, or to meet contractual or strategic objectives.

For a project to be included in a Reserves class there must be a high confidence in the commercial producibility of the reservoir as supported by actual production or formation tests. In certain cases, Reserves may be assigned on the basis of well logs and/or core analysis that indicate

that the subject reservoir is hydrocarbon-bearing and is analogous to reservoirs in the same area that are producing or have demonstrated the ability to produce on formation tests.

COMMERCIALITY APPLIED TO CONTINGENT RESOURCES

Estimated recoverable quantities from known accumulations that are not yet considered mature enough for commercial development as denoted by meeting all of the aforementioned conditions should be classified as Contingent Resources.

Based on assumptions regarding future conditions and their impact on economic viability, projects currently classified as Contingent Resources may be broadly divided into two groups:

- ***Marginal Contingent Resources*** are those quantities associated with technically feasible projects that are either currently economic or projected to be economic under reasonably forecasted improvements in commercial conditions but are not committed for development because of one or more contingencies.
- ***Sub-Marginal Contingent Resources*** are those quantities associated with discoveries for which analysis indicates that technically feasible development projects would not be economic and/or other contingencies would not be satisfied under current or reasonable forecasted improvements in commercial conditions. These projects nonetheless should be retained in the inventory of discovered resources pending unforeseen major changes in commercial conditions.

Those discovered in-place volumes for which a feasible development project cannot be defined using current or reasonably forecast improvements in technology are classified as Unrecoverable.

RESOURCES CATEGORIZATION (SPE-PRMS)

All estimates of the quantities of petroleum potentially recoverable from an accumulation classified as having Prospective or Contingent Resources or Reserves involve uncertainty. The relative degree of uncertainty may be conveyed by placing the estimated quantities into one of several “categories” as described herein.

The SPE-PRMS Section 2.2 and Appendix A define the following terms:

RANGE OF UNCERTAINTY

The Range of Uncertainty, as denoted in the SPE-PRMS and as shown in Figure 1, reflects a range of estimated quantities potentially recoverable from an accumulation by a project. *Evaluators may assess recoverable quantities and categorize results by uncertainty using the deterministic incremental (risk-based) approach, the deterministic scenario (cumulative) approach, or probabilistic methods.*

DETERMINISTIC METHODS (SPE-PRMS)

RESERVES

For reserves, the range of uncertainty can be reflected as discrete incremental quantities termed proved, probable and possible or expressed in cumulative terms as 1P (Proved), 2P (Proved plus Probable), and 3P (Proved plus Probable plus Possible), respectively.

CONTINGENT RESOURCES

For Contingent Resources, the range of uncertainty is generally expressed in deterministic scenario (cumulative) terms as 1C, 2C, 3C, respectively or in terms of probability using probabilistic methods. While the SPE-PRMS categorization scheme does not specifically prohibit the use of discrete incremental quantities for Contingent Resources, the SPE-PRMS does not denote the terms to be applied to these discrete incremental quantities.

PROSPECTIVE RESOURCES

For Prospective Resources, the range of uncertainty is generally expressed in deterministic scenario (cumulative) terms as low, best and high estimates or in terms of probability using probabilistic methods. As in the case of Contingent Resources, the SPE-PRMS categorization scheme does not specifically denote terms to be applied to discrete incremental quantities for Prospective Resources.

INCREMENTAL TERMS FOR CONTINGENT AND PROSPECTIVE RESOURCES (RYDER SCOTT)

Should evaluators choose to characterize the range of uncertainty for Contingent Resources or Prospective Resources in discrete incremental quantities, they should denote such quantities as such and provide sufficient detail in their report to allow an independent evaluator or auditor to clearly understand the basis for estimation and categorization of the recoverable quantities. For reports prepared by Ryder Scott Company (Ryder Scott), the range of uncertainty for discrete incremental quantities of Contingent Resources shall be termed 1C Incremental (1Ci), 2C Incremental (2Ci) and 3C Incremental (3Ci) and in the case of Prospective Resources shall be termed Low Estimate Incremental (LEi), Best Estimate Incremental (BEi) and High Estimate Incremental (HEi) where (i) denotes a specific incremental quantity.

BEST ESTIMATE

Uncertainty in resource estimates is best communicated by reporting a range of potential results. However, if it is required to report a single representative result, the "best estimate" is considered the most realistic assessment of recoverable quantities. The term "best estimate" is used here as a generic expression for the estimate considered being closest to the quantity that will actually be recovered from the accumulation between the date of the estimate and the time of abandonment. In the case of reserves, the best estimate is generally considered to represent the sum of Proved and Probable estimates (2P). It should be noted that under the incremental (risk-based) approach for Reserves, discrete estimates are made for the quantities in each category for Proved and Probable, and they should not be aggregated without due consideration of their associated risk. In the case of Contingent Resources and Prospective Resources, the best estimate would be represented by the 2C and Best Estimate, respectively. If probabilistic methods are used, this term would generally be a measure of central tendency of the uncertainty distribution (most likely/mode, median/P50 or mean). The terms "Low Estimate" and "High Estimate" should provide a reasonable assessment of the range of uncertainty in the Best Estimate.

PROBABILISTIC METHODS (SPE-PRMS)

If probabilistic methods are used, these estimated quantities should be based on methodologies analogous to those applicable to the definitions of Reserves, Contingent Resources and Prospective Resources; therefore, in general, the resulting probabilities should correspond to the deterministic terms as follows:

- There should be at least a 90% probability (P90) that the quantities actually recovered will equal or exceed the 1P, 1C or Low Estimate.
- There should be at least a 50% probability (P50) that the quantities actually recovered will equal or exceed the 2P, 2C or Best Estimate.
- There should be at least a 10% probability (P10) that the quantities actually recovered will equal or exceed the 3P, 3C or High Estimate.

COMPARABILITY OF SIMILAR RESERVES AND RESOURCE CATEGORIES

As indicated in Figure 1, the 1C, 2C and 3C Contingent Resource estimates and the Low, Best and High Prospective Resource estimates of potentially recoverable volumes should reflect some comparability with the reserves categories of Proved (1P), Proved plus Probable (2P) and Proved plus Probable plus Possible (3P), respectively. *While there may be a significant risk that sub-commercial or undiscovered accumulations will not achieve commercial production, it is useful to consider the range of potentially recoverable volumes independently of such a risk.*

Without new technical information, there should be no change in the distribution of technically recoverable volumes and their categorization boundaries when conditions are satisfied sufficiently to reclassify a project from Contingent Resources to Reserves.

AGGREGATION

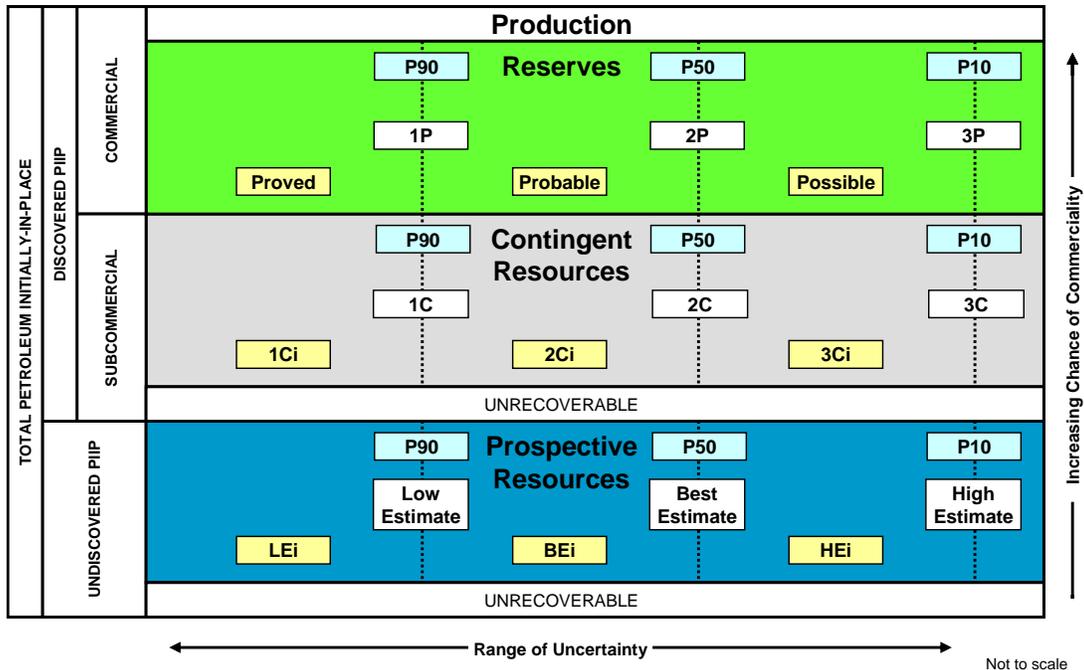
Petroleum quantities classified as Reserves, Contingent Resources or Prospective Resources should not be aggregated with each other without due consideration of the significant differences in the criteria associated with their classification. In particular, there may be a significant risk that accumulations containing Contingent Resources or Prospective Resources will not achieve commercial production. Similarly, reserves and resources of different categories should not be aggregated with each other without due consideration of the significant differences in the criteria associated with their categorization.

RESOURCES CLASSIFICATION SYSTEM (SPE-PRMS)

GRAPHICAL REPRESENTATION

Figure 1 is a graphical representation of the SPE, WPC, AAPG, SPEE resources classification system. The horizontal axis represents the “Range of Uncertainty” in the estimated potentially recoverable volume for an accumulation by a project, whereas the vertical axis represents the “Chance of Commerciality”, that is, the chance that the project will be developed and reach commercial producing status.

Figure 1
SPE, WPC, AAPG, SPEE
RESOURCES CLASSIFICATION SYSTEM*



*SPE-PRMS Figure 1-1: Resources Classification Framework as modified by Ryder Scott

P90	Uncertainty from probabilistic methods *Terms shown represent SPE convention to quote cumulative probability where P90 is the low estimate
1P	Uncertainty from deterministic scenario (cumulative) approach *Terms shown represent SPE-PRMS nomenclature
1Ci	Uncertainty from deterministic incremental approach *Terms shown represent Ryder Scott nomenclature for Contingent and Prospective Resources

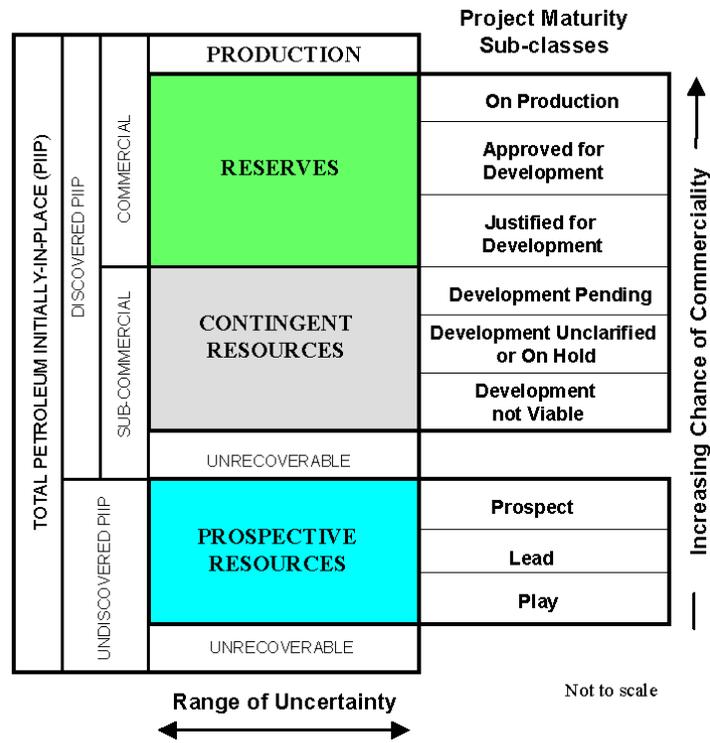
INCREMENTAL TERMS FOR CONTINGENT AND PROSPECTIVE RESOURCES AS DEFINED BY RYDER SCOTT

Should evaluators choose to characterize the range of uncertainty for Contingent Resources or Prospective Resources in discrete incremental quantities, they should denote such quantities as such and provide sufficient detail in their report to allow an independent evaluator or auditor to clearly understand the basis for estimation and categorization of the recoverable quantities. For reports prepared by Ryder Scott Company (Ryder Scott), the range of uncertainty for discrete incremental quantities of Contingent Resources shall be termed 1C Incremental (1Ci), 2C Incremental (2Ci) and 3C Incremental (3Ci) and in the case of Prospective Resources shall be termed Low Estimate Incremental (LEi), Best Estimate Incremental (BEi) and High Estimate Incremental (HEi) where (i) denotes a specific incremental quantity.

RESOURCES CLASSIFICATION SYSTEM (SPE-PRMS)

GRAPHICAL REPRESENTATION

**Figure 2
 SPE, WPC, AAPG, SPEE
 PROJECT MATURITY SUB-CLASSES**



¹ Petroleum Resources Management System prepared by the Oil and Gas Reserves Committee of the Society of Petroleum Engineers (SPE); reviewed and jointly sponsored by the World Petroleum Council (WPC), the American Association of Petroleum Geologists (AAPG), and the Society of Petroleum Evaluation Engineers (SPEE), March 2007.

Table 1: Recoverable Resources Classes and Sub-Classes

Class/ Sub-Class	Definition	Guidelines
Reserves	Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions.	<p>Reserves must satisfy four criteria: they must be discovered, recoverable, commercial and remaining based on the development project(s) applied. Reserves are further subdivided in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by their development and production status.</p> <p>To be included in the Reserves class, a project must be sufficiently defined to establish its commercial viability. There must be a reasonable expectation that all required internal and external approvals will be forthcoming, and there is evidence of firm intention to proceed with development within a reasonable time frame.</p> <p>A reasonable time frame for the initiation of development depends on the specific circumstances and varies according to the scope of the project. While 5 years is recommended as a benchmark, a longer time frame could be applied where, for example, development of economic projects are deferred at the option of the producer for, among other things, market-related reasons, or to meet contractual or strategic objectives. In all cases, the justification for classification as Reserves should be clearly documented.</p> <p>To be included in the Reserves class, there must be a high confidence in the commercial producibility of the reservoir as supported by actual production or formation tests. In certain cases, Reserves may be assigned on the basis of well logs and/or core analysis that indicate that the subject reservoir is hydrocarbon-bearing and is analogous to reservoirs in the same area that are producing or have demonstrated the ability to produce on formation tests</p>
On Production	The development project is currently producing and selling petroleum to market.	<p>The key criterion is that the project is receiving income from sales, rather than the approved development project necessarily being complete. This is the point at which the project “chance of commerciality” can be said to be 100%.</p> <p>The project “decision gate” is the decision to initiate commercial production from the project.</p>
Approved for Development	All necessary approvals have been obtained, capital funds have been committed, and implementation of the development project is under way.	<p>At this point, it must be certain that the development project is going ahead. The project must not be subject to any contingencies, such as outstanding regulatory approvals or sales contracts.</p> <p>Forecast capital expenditures should be included in the reporting entity’s current or following year’s approved budget.</p> <p>The project “decision gate” is the decision to start investing capital in the construction of production facilities and/or drilling development wells.</p>

Class/ Sub-Class	Definition	Guidelines
Justified for Development	Implementation of the development project is justified on the basis of reasonable forecast commercial conditions at the time of reporting, and there are reasonable expectations that all necessary approvals/contracts will be obtained.	<p>In order to move to this level of project maturity, and hence have reserves associated with it, the development project must be commercially viable at the time of reporting, based on the reporting entity's assumptions of future prices, costs, etc. ("forecast case") and the specific circumstances of the project. Evidence of a firm intention to proceed with development within a reasonable time frame will be sufficient to demonstrate commerciality. There should be a development plan in sufficient detail to support the assessment of commerciality and a reasonable expectation that any regulatory approvals or sales contracts required prior to project implementation will be forthcoming. Other than such approvals/contracts, there should be no known contingencies that could preclude the development from proceeding within a reasonable timeframe (see Reserves class).</p> <p>The project "decision gate" is the decision by the reporting entity and its partners, if any, that the project has reached a level of technical and commercial maturity sufficient to justify proceeding with development at that point in time.</p>
Contingent Resources	Those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies.	Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality. Contingent Resources are further categorized in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by their economic status.
Development Pending	A discovered accumulation where project activities are ongoing to justify commercial development in the foreseeable future.	<p>The project is seen to have reasonable potential for eventual commercial development, to the extent that further data acquisition (e.g. drilling, seismic data) and/or evaluations are currently ongoing with a view to confirming that the project is commercially viable and providing the basis for selection of an appropriate development plan. The critical contingencies have been identified and are reasonably expected to be resolved within a reasonable time frame. Note that disappointing appraisal/evaluation results could lead to a re-classification of the project to "On Hold" or "Not Viable" status.</p> <p>The project "decision gate" is the decision to undertake further data acquisition and/or studies designed to move the project to a level of technical and commercial maturity at which a decision can be made to proceed with development and production.</p>

Class/ Sub-Class	Definition	Guidelines
Development Unclassified or on Hold	A discovered accumulation where project activities are on hold and/or where justification as a commercial development may be subject to significant delay.	The project is seen to have potential for eventual commercial development, but further appraisal/evaluation activities are on hold pending the removal of significant contingencies external to the project, or substantial further appraisal/evaluation activities are required to clarify the potential for eventual commercial development. Development may be subject to a significant time delay. Note that a change in circumstances, such that there is no longer a reasonable expectation that a critical contingency can be removed in the foreseeable future, for example, could lead to a re-classification of the project to “Not Viable” status. The project “decision gate” is the decision to either proceed with additional evaluation designed to clarify the potential for eventual commercial development or to temporarily suspend or delay further activities pending resolution of external contingencies.
Development Not Viable	A discovered accumulation for which there are no current plans to develop or to acquire additional data at the time due to limited production potential.	The project is not seen to have potential for eventual commercial development at the time of reporting, but the theoretically recoverable quantities are recorded so that the potential opportunity will be recognized in the event of a major change in technology or commercial conditions. The project “decision gate” is the decision not to undertake any further data acquisition or studies on the project for the foreseeable future.
Prospective Resources	Those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.	Potential accumulations are evaluated according to their chance of discovery and, assuming a discovery, the estimated quantities that would be recoverable under defined development projects. It is recognized that the development programs will be of significantly less detail and depend more heavily on analog developments in the earlier phases of exploration.
Prospect	A project associated with a potential accumulation that is sufficiently well defined to represent a viable drilling target.	Project activities are focused on assessing the chance of discovery and, assuming discovery, the range of potential recoverable quantities under a commercial development program.
Lead	A project associated with a potential accumulation that is currently poorly defined and requires more data acquisition and/or evaluation in order to be classified as a prospect.	Project activities are focused on acquiring additional data and/or undertaking further evaluation designed to confirm whether or not the lead can be matured into a prospect. Such evaluation includes the assessment of the chance of discovery and, assuming discovery, the range of potential recovery under feasible development scenarios.
Play	A project associated with a prospective trend of potential prospects, but which requires more data acquisition and/or evaluation in order to define specific leads or prospects.	Project activities are focused on acquiring additional data and/or undertaking further evaluation designed to define specific leads or prospects for more detailed analysis of their chance of discovery and, assuming discovery, the range of potential recovery under hypothetical development scenarios.

¹Petroleum Resources Management System, prepared by the Oil and Gas Reserves Committee of the Society of Petroleum Engineers (SPE); reviewed and jointly sponsored by the World Petroleum Council (WPC), the American Association of Petroleum Geologists (AAPG), and the Society of Petroleum Evaluation Engineers (SPEE), March 2007

PETROLEUM RESERVES and RESOURCES STATUS DEFINITIONS and GUIDELINES

As Adapted From:
PETROLEUM RESOURCES MANAGEMENT SYSTEM (SPE-PRMS)
Sponsored and Approved by:
SOCIETY OF PETROLEUM ENGINEERS (SPE),
WORLD PETROLEUM COUNCIL (WPC)
AMERICAN ASSOCIATION OF PETROLEUM GEOLOGISTS (AAPG)
SOCIETY OF PETROLEUM EVALUATION ENGINEERS (SPEE)

RESERVES

Reserves status categories define the development and producing status of wells and reservoirs. The SPE-PRMS Table 2 defines the reserves status categories as follows:

DEVELOPED RESERVES (SPE-PRMS DEFINITIONS)

Developed Reserves are expected quantities to be recovered from existing wells and facilities.

Reserves are considered developed only after the necessary equipment has been installed, or when the costs to do so are relatively minor compared to the cost of a well. Where required facilities become unavailable, it may be necessary to reclassify Developed Reserves as Undeveloped. Developed Reserves may be further sub-classified as Producing or Non-Producing.

Developed Producing

Developed Producing Reserves are expected to be recovered from completion intervals that are open and producing at the time of the estimate.

Improved recovery reserves are considered producing only after the improved recovery project is in operation.

Developed Non-Producing

Developed Non-Producing Reserves include shut-in and behind-pipe Reserves.

Shut-In

Shut-in Reserves are expected to be recovered from:

- (1) completion intervals which are open at the time of the estimate but which have not yet started producing;*
- (2) wells which were shut-in for market conditions or pipeline connections; or*
- (3) wells not capable of production for mechanical reasons.*

Behind-Pipe

Behind-pipe Reserves are expected to be recovered from zones in existing wells which will require additional completion work or future re-completion prior to start of production.

In all cases, production can be initiated or restored with relatively low expenditure compared to the cost of drilling a new well.

UNDEVELOPED RESERVES (SPE-PRMS DEFINITIONS)

Undeveloped Reserves are quantities expected to be recovered through future investments.

Undeveloped Reserves are expected to be recovered from:

- (1) new wells on undrilled acreage in known accumulations;*
- (2) deepening existing wells to a different (but known) reservoir;*
- (3) infill wells that will increase recovery; or*
- (4) where a relatively large expenditure (e.g. when compared to the cost of drilling a new well) is required to*
 - (a) recomplete an existing well; or*
 - (b) install production or transportation facilities for primary or improved recovery projects.*

CONTINGENT RESOURCES

Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality. Contingent resource status categories may address the development and producing status of wells and reservoirs or may reflect the project maturity and/or be characterized by their economic status as noted in the SPE-PRMS Table 1 and Figure 2.

PROSPECTIVE RESOURCES

Prospective resources are by definition undeveloped as they are potentially recoverable from undiscovered accumulations. Prospective resource status categories reflect project maturity as noted in the SPE-PRMS Table 1 and Figure 2.

11. Glossary

\$	United States dollars
1P	proved reserves
2P	proved plus probable reserves
3D	three dimension
3P	proved plus probable plus possible reserves
4D	four dimension
AAPG	American Association of Petroleum Geologists
ABND	abandoned
ADD	addendum
AF	acre-feet
AHTS	anchor-handling tug/supply vessel
AOE	additional oil entitlements
API	American Petroleum Institute
AT	After Tax
bbl or Bbl	barrels
BCF	billions of cubic feet
BHP	bottomhole pressure
Bo	oil formation volume factor
BOPD	barrels of oil per day
BP	behind pipe
Brent	a major trading classification of sweet light crude oil that serves as a major benchmark price for purchases of oil worldwide
BT	Before Tax
CAPEX	capital expense
CGR	condensate gas ratio
COND	Condensate
CPR	Competent Person's Report
CUM	cumulative
DST	drill stem test
DWT	Deepwater Tano Block
EEI	extended elastic impedance
EHS	environment, health and safety
Enable	Roxar's software package
ESMA	European securities and markets authority
EUR	estimated ultimate recovery
F&S	fuel and shrink
FDP	field development plan
FFD	full field development
FFDP	full field development plan
FGR	future gross revenue (after royalty deduction)
FNI	future net income
FPSO	floating, production, storage, and offloading facility
FSMA	financial services and markets act 2000 of England and Wales
ft	feet
G&A	general and administrative costs
GI	gas injector
GP	gas producer

GIP	gas in place
GJFFDP	greater Jubilee full field development plan
GNPC	Ghana National Petroleum Corporation
GOC	gas oil contact
GOR	gas-oil ratio
GRV	gross rock volume
HKW	highest known water
Jubilee, TEN and MTA Project Area	subject properties located in the country of Ghana, offshore West Africa in the West Cape Three Points (WCTP) and Deep Water Tano (DWT) blocks
km	kilometers
Kosmos	Kosmos Energy Ltd.
LKG	lowest known gas
LKO	lowest known oil
LM	lower Mahogany
L.P	limited partnership
Ltd	limited
m	meters
M\$	thousands of United States dollars
MBarrels	thousands of barrels
MBBL	thousands of barrels
MBOE	thousands of barrels of oil equivalent
MMBOE	millions of barrels of oil equivalent
MBOPD	thousands of barrels of oil per day
MBWPD	thousands of barrels of water per day
mD	millidarcies
Mdeep	Mahogany deep
MDT	modular dynamic test
MM	millions
MM\$	millions of United States dollars
MMBBL	millions of barrels
MMCF	millions of cubic feet
MMCFD	millions of cubic feet per day
MOC	modification of change
MODEC	general contractor specializing in engineering, procurement, construction and installation of floating production systems
MoE	Ghana's ministry of energy
MTA	Mahogany, Teak and Akasa
NFA	no further activity
NGL	natural gas liquids
NP	not producing (shut-in, behind pipe, or undeveloped)
NTG	net-to-gross ratio
O&M	operations and maintenance
OGIP	original gas-in-place
OOIP	original oil-in-place
OPEX	operating expense
OWC	oil-water contact

P.E.	professional engineer
PalantirCASH	Palantir Solutions economic software package
PB	probable reserves
PCO	procuring contracting officer
PD	producing
PDNP	proved developed non-producing
PDP	proved developed producing
PetroSA	Petroleum Oil and Gas Corporation of South Africa
PoD	plan of development
Pre-Mdeep	pre-Mahogany deep
PS	possible reserves
psi	pounds per square inch
psia	pounds per square inch absolute
PSV	platform supply vessel
PUD	proved undeveloped
PV	proved reserves
PVT	Pressure, volume, temperature
R	rankine
RESDAS	Ryder Scott's reservoir data and reserves summary
RF	recovery factor
ROV	remotely operated underwater vehicle
RRR	remaining recoverable reserves
Ryder Scott or RSC	Ryder Scott Company, L.P.
S.P.E.C	society of petroleum engineer certified
SCF/BBL	standard cubic feet per barrel
SCF/RB	standard cubic feet per reservoir barrel
SEC	U.S. Securities and Exchange Commission
SI	shut-in
SPE / PRMS	Society of Petroleum Engineers (SPE), World Petroleum Council (WPC), American Association of Petroleum Geologists (AAPG), and Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management System
ST	side track
STB/D	stock tank barrels per day
STOOIP	stock tank original oil-in-place
TBPE	Texas Board of Professional Engineers
TEN	Tweneboa, Enyenra, and Ntomme
TG	Tweneboa non-associated gas pool
TVDSS	true vertical depth - subsea
TVT	true vertical thickness
UA	Unit Area
UD	undeveloped
UM	upper Mahogany
WCTP	West Cape Three Points Block
WI	water injector
WPC	World Petroleum Council

12 Appendices

12.1 Jubilee Field

12.1.1 Geology

**12.1.1.1 Gross Field Reserves
Totals Table**



KOSMOS ENERGY GROSS RESERVES AS OF 12/31/2016

JUBILEE

Oil (BBLS)			Gas (MMCF)				Condensate (BBLs)			NGL (BBLS)		
Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining	Sales	Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining
<i>Proved Producing</i>												
UM-2 J19 AREA J-19 Horizontal												
45,050,050	26,209,185	18,840,865	0	0	0	0	0	0	0	0	0	0
UM-2 J-26 Area J37												
6,671,133	236,059	6,435,074	0	0	0	0	0	0	0	0	0	0
UM-3A J-8 Area J-8, J-20												
29,792,637	17,158,681	12,633,956	0	0	0	0	0	0	0	0	0	0
UM-3A J-17 Area J-8, J-20												
1,842,916	1,061,403	781,513	0	0	0	0	0	0	0	0	0	0
UM-3B Total Reservoir J-3, J-5, J-7ST1, J-7ST2,												
82,774,147	30,083,452	52,690,695	0	0	0	0	0	0	0	0	0	0
UM-3C Total Reservoir J-3, J-5, J-7ST1, J-7ST2,												
85,600,115	40,870,560	44,729,555	0	0	0	0	0	0	0	0	0	0
LM-2A Developed Area J-1, J-6ST1												
20,985,601	6,949,952	14,035,649	0	0	0	0	0	0	0	0	0	0
LM-2B Total Reservoir J-1, J-2, J-4ST1, J-6ST1,												
93,317,673	42,384,077	50,933,596	0	0	0	0	0	0	0	0	0	0
LM-2C Total Reservoir J-2												
28,373,942	22,755,260	5,618,682	0	0	0	0	0	0	0	0	0	0
<i>Total Proved Producing</i>												
394,408,214	187,708,629	206,699,585	0	0	0	0	0	0	0	0	0	0
Total Proved												
394,408,214	187,708,629	206,699,585	0	0	0	0	0	0	0	0	0	0

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KOSMOS ENERGY GROSS RESERVES AS OF 12/31/2016

JUBILEE

Oil (BBLs)			Gas (MMCF)				Condensate (BBLs)			NGL (BBLs)		
Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining	Sales	Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining
<i>Probable Producing</i>												
UM-2 J19 AREA J-19 Horizontal												
11,262,512	0	11,262,512	0	0	0	0	0	0	0	0	0	0
UM-2 J9 AREA J-19 Horizontal												
4,514,012	0	4,514,012	0	0	0	0	0	0	0	0	0	0
UM-3A J-8 Area J-8, J-20												
12,768,273	0	12,768,273	0	0	0	0	0	0	0	0	0	0
LM-2A Developed Area J-1, J-6ST1												
2,331,733	0	2,331,733	0	0	0	0	0	0	0	0	0	0
LM-2A J-1, J-6ST1												
10,186,460	0	10,186,460	0	0	0	0	0	0	0	0	0	0
LM-2B Total Reservoir J-1, J-2, J-4ST1, J-6ST1,												
10,368,630	0	10,368,630	0	0	0	0	0	0	0	0	0	0
LM-2B Total Reservoir J-1, J-2, J-4ST1, J-6ST1,												
8,927,872	0	8,927,872	0	0	0	0	0	0	0	0	0	0
LM-2C Total Reservoir J-2												
0	0	0	0	0	0	0	0	0	0	0	0	0
<i>Total Probable Producing</i>												
60,359,492	0	60,359,492	0	0	0	0	0	0	0	0	0	0
<i>Probable Shut-In</i>												
LM-1A J-16 J-24												
4,174,878	0	4,174,878	0	0	0	0	0	0	0	0	0	0

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KOSMOS ENERGY GROSS RESERVES AS OF 12/31/2016

JUBILEE

Oil (BBLs)			Gas (MMCF)				Condensate (BBLs)			NGL (BBLs)		
Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining	Sales	Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining
Probable Shut-In		(continued)										
<hr/>												
LM-1A J-16 J-24												
8,349,756	0	8,349,756	0	0	0	0	0	0	0	0	0	0
LM-1A J-16 J-24												
9,478,477	0	9,478,477	0	0	0	0	0	0	0	0	0	0
<hr/>												
<i>Total Probable Shut-In</i>												
22,003,111	0	22,003,111	0	0	0	0	0	0	0	0	0	0
<hr/>												
<i>Probable Undeveloped</i>												
UM-2 J-26 Area P2UE												
5,461,016	0	5,461,016	0	0	0	0	0	0	0	0	0	0
UM-4 P2B_9, P2B_11												
19,159,834	0	19,159,834	0	0	0	0	0	0	0	0	0	0
UM-4 P2B_9, P2B_11												
4,675,352	0	4,675,352	0	0	0	0	0	0	0	0	0	0
LM-1A J-50P P2B_11												
9,059,937	0	9,059,937	0	0	0	0	0	0	0	0	0	0
LM-1A J-50P P2B_11												
2,072,651	0	2,072,651	0	0	0	0	0	0	0	0	0	0
<hr/>												
<i>Total Probable Undeveloped</i>												
40,428,790	0	40,428,790	0	0	0	0	0	0	0	0	0	0
<hr/>												
<i>Probable PD & UD</i>												
UM-2 J-26 Area P2UE, J37												
5,003,350	0	5,003,350	0	0	0	0	0	0	0	0	0	0

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KOSMOS ENERGY GROSS RESERVES AS OF 12/31/2016

JUBILEE

Oil (BBLs)			Gas (MMCF)			Condensate (BBLs)			NGL (BBLs)			
Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining	Sales	Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining
Probable PD & UD (continued)												
UM-3A J-17 Area J-8, J-20, P2A_4												
1,842,916	0	1,842,916	0	0	0	0	0	0	0	0	0	0
UM-3A Total Reservoir J-8, J-20, P2A_4												
6,516,593	0	6,516,593	0	0	0	0	0	0	0	0	0	0
UM-3B Total Reservoir J-3, J-5, J-7ST1, J-7ST2,												
10,346,768	0	10,346,768	0	0	0	0	0	0	0	0	0	0
UM-3B Total Reservoir J-3, J-5, J-7ST1, J-7ST2,												
14,162,030	0	14,162,030	0	0	0	0	0	0	0	0	0	0
UM-3C Total Reservoir J-3, J-5, J-7ST1, J-7ST2,												
57,066,743	0	57,066,743	0	0	0	0	0	0	0	0	0	0
UM-3C Total Reservoir J-3, J-5, J-7ST1, J-7ST2,												
8,420,340	0	8,420,340	0	0	0	0	0	0	0	0	0	0
Total Probable PD & UD												
103,358,740	0	103,358,740	0	0	0	0	0	0	0	0	0	0
<i>Probable SI & UD</i>												
LM-1B Total Reservoir J-24, P2B_11												
3,640,768	0	3,640,768	0	0	0	0	0	0	0	0	0	0
Total Probable SI & UD												
3,640,768	0	3,640,768	0	0	0	0	0	0	0	0	0	0
Total Probable												
229,790,901	0	229,790,901	0	0	0	0	0	0	0	0	0	0

Possible Producing

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KOSMOS ENERGY GROSS RESERVES AS OF 12/31/2016

JUBILEE

Oil (BBLS)			Gas (MMCF)				Condensate (BBLS)			NGL (BBLS)		
Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining	Sales	Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining
Possible Producing		(continued)										
<hr/>												
LM-2A	J-1, J-6ST1											
9,019,531	0	9,019,531	0	0	0	0	0	0	0	0	0	0
LM-2B	J-1, J-2, J-4ST1, J-6ST1, J-9, J-37											
57,053,958	0	57,053,958	0	0	0	0	0	0	0	0	0	0
<hr/>												
<i>Total Possible Producing</i>												
66,073,489	0	66,073,489	0	0	0	0	0	0	0	0	0	0
<hr/>												
<i>Possible Undeveloped</i>												
UM-4	P2B_9, P2B_11											
9,843,413	0	9,843,413	0	0	0	0	0	0	0	0	0	0
<hr/>												
<i>Total Possible Undeveloped</i>												
9,843,413	0	9,843,413	0	0	0	0	0	0	0	0	0	0
<hr/>												
<i>Possible PD & UD</i>												
UM-2	Total Reservoir J-19, P2UE, J37											
36,710,757	0	36,710,757	0	0	0	0	0	0	0	0	0	0
UM-3B	Total Reservoir J-3, J-5, J-7ST1, J-7ST2,											
17,284,708	0	17,284,708	0	0	0	0	0	0	0	0	0	0
UM-3C	Total Reservoir J-3, J-5, J-7ST1, J-7ST2,											
20,891,623	0	20,891,623	0	0	0	0	0	0	0	0	0	0
<hr/>												
<i>Total Possible PD & UD</i>												
74,887,088	0	74,887,088	0	0	0	0	0	0	0	0	0	0
<hr/>												
<i>Possible SI & UD</i>												

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KOSMOS ENERGY GROSS RESERVES AS OF 12/31/2016

JUBILEE

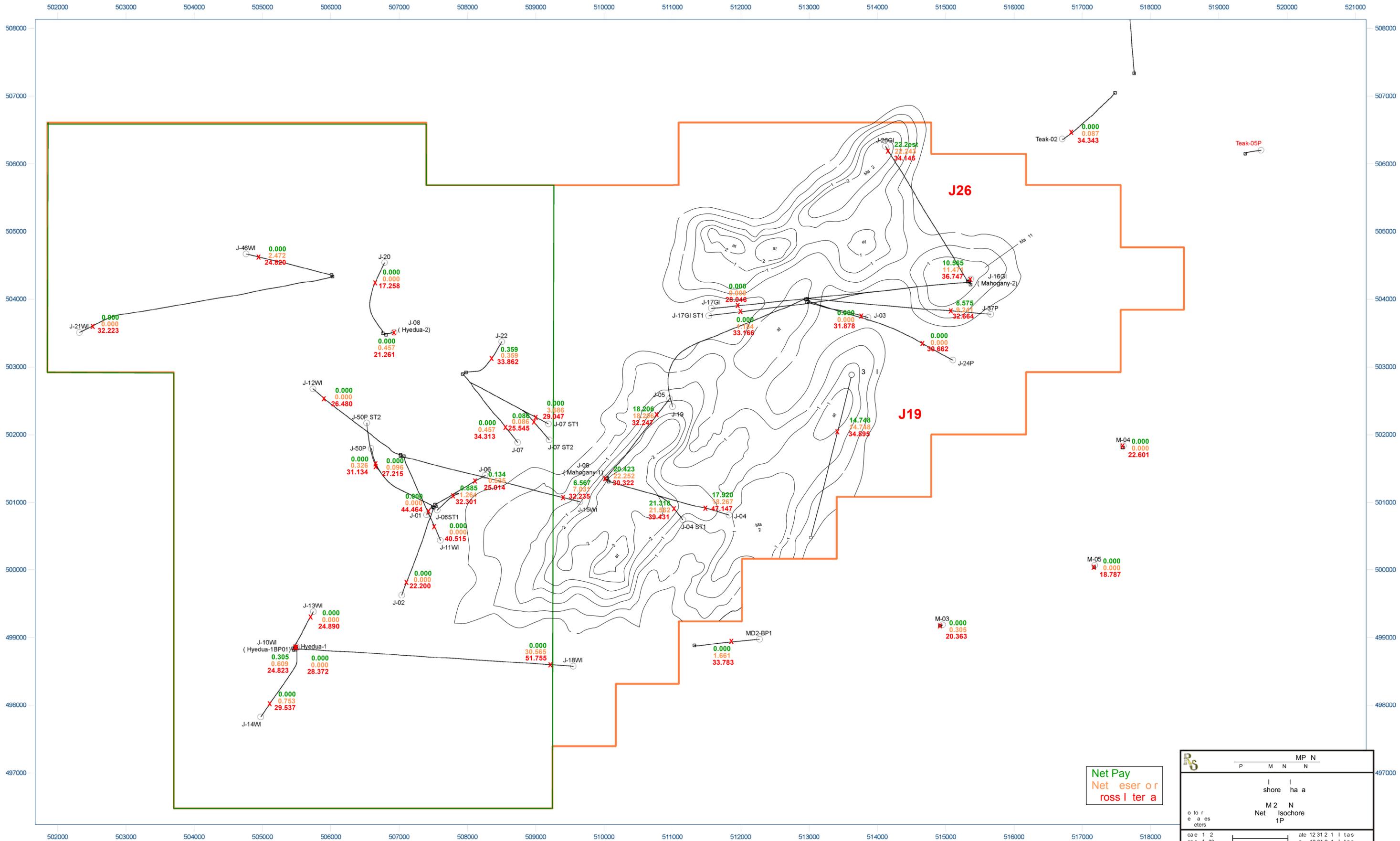
Oil (BBLS)			Gas (MMCF)				Condensate (BBLS)			NGL (BBLS)		
Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining	Sales	Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining
Possible SI & UD		(continued)										
LM-1A Total Reservoir J-24, P2B_11												
7,132,202	0	7,132,202	0	0	0	0	0	0	0	0	0	0
<i>Total Possible SI & UD</i>												
7,132,202	0	7,132,202	0	0	0	0	0	0	0	0	0	0
Total Possible												
157,936,192	0	157,936,192	0	0	0	0	0	0	0	0	0	0
<i>Pending Undeveloped</i>												
UM-3C												
0	0	0	0	0	0	0	0	0	0	0	0	0
LM-3 J-24												
0	0	0	0	0	0	0	0	0	0	0	0	0
<i>Total Pending Undeveloped</i>												
0	0	0	0	0	0	0	0	0	0	0	0	0
<i>Pending PD & UD</i>												
UM-3A J-16 Area												
0	0	0	0	0	0	0	0	0	0	0	0	0
<i>Total Pending PD & UD</i>												
0	0	0	0	0	0	0	0	0	0	0	0	0
Total Pending												
0	0	0	0	0	0	0	0	0	0	0	0	0

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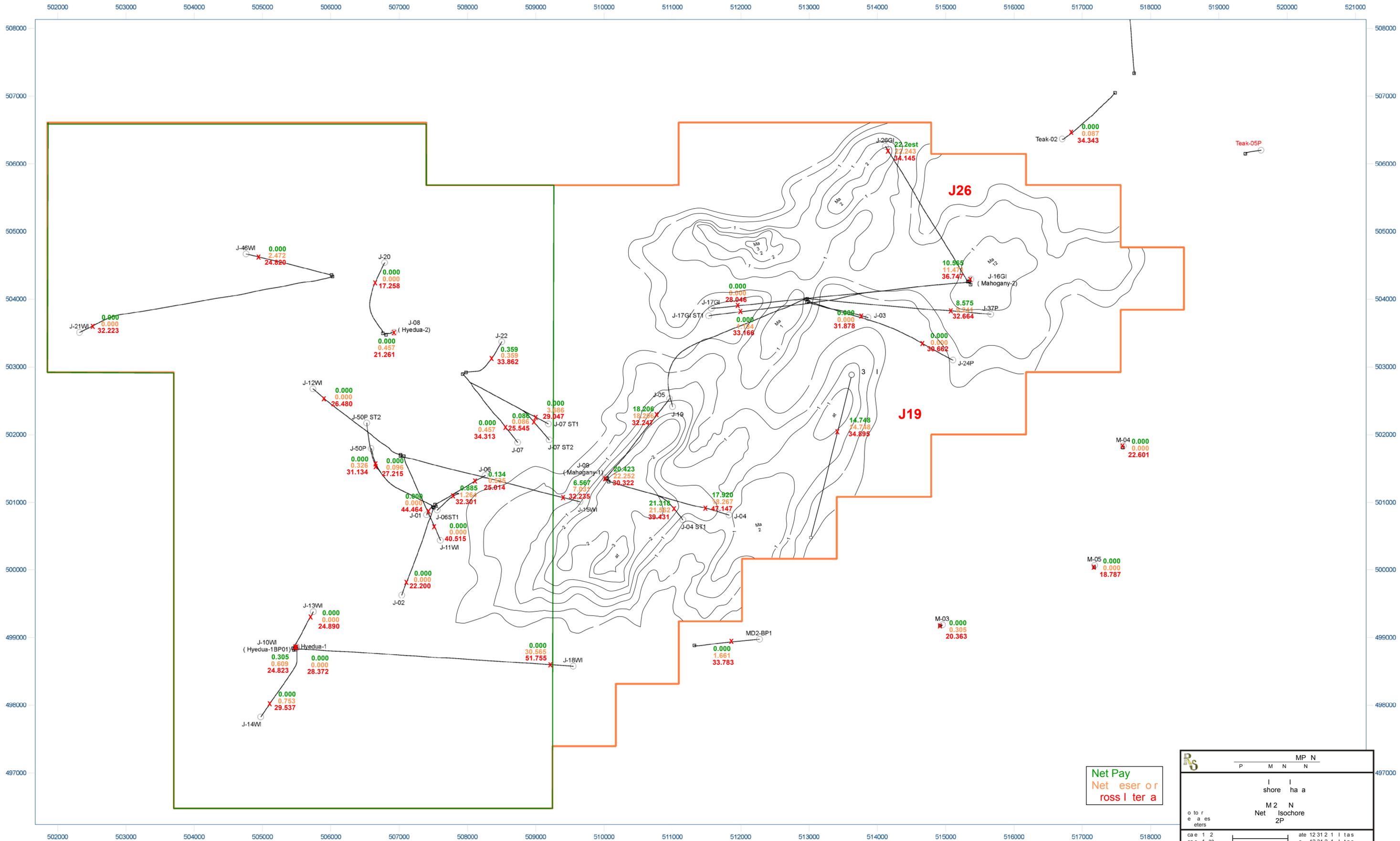
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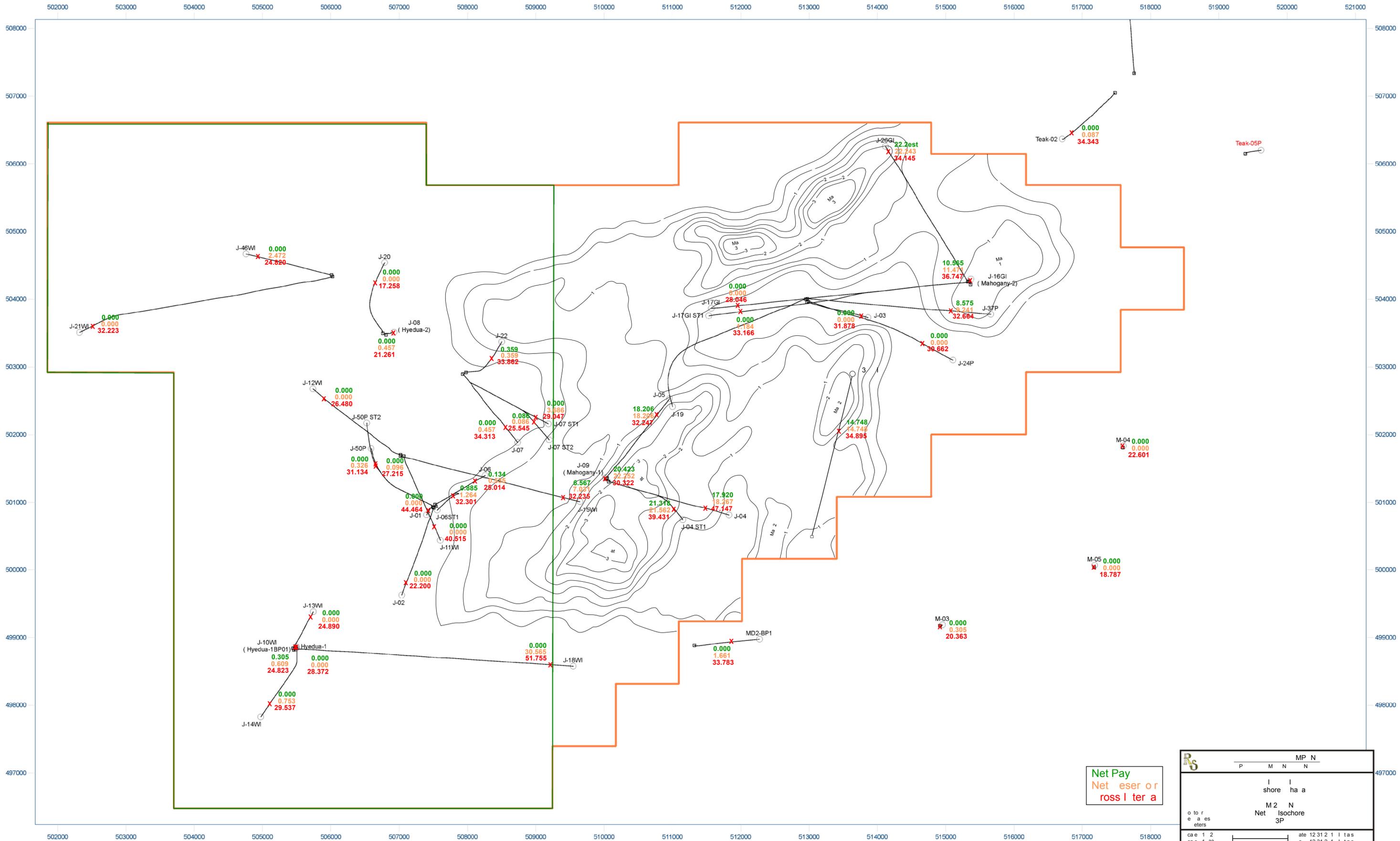
12.1.1.2 Net Pay Isochore Maps



Net Pay
 Net Reservoir
 Loss

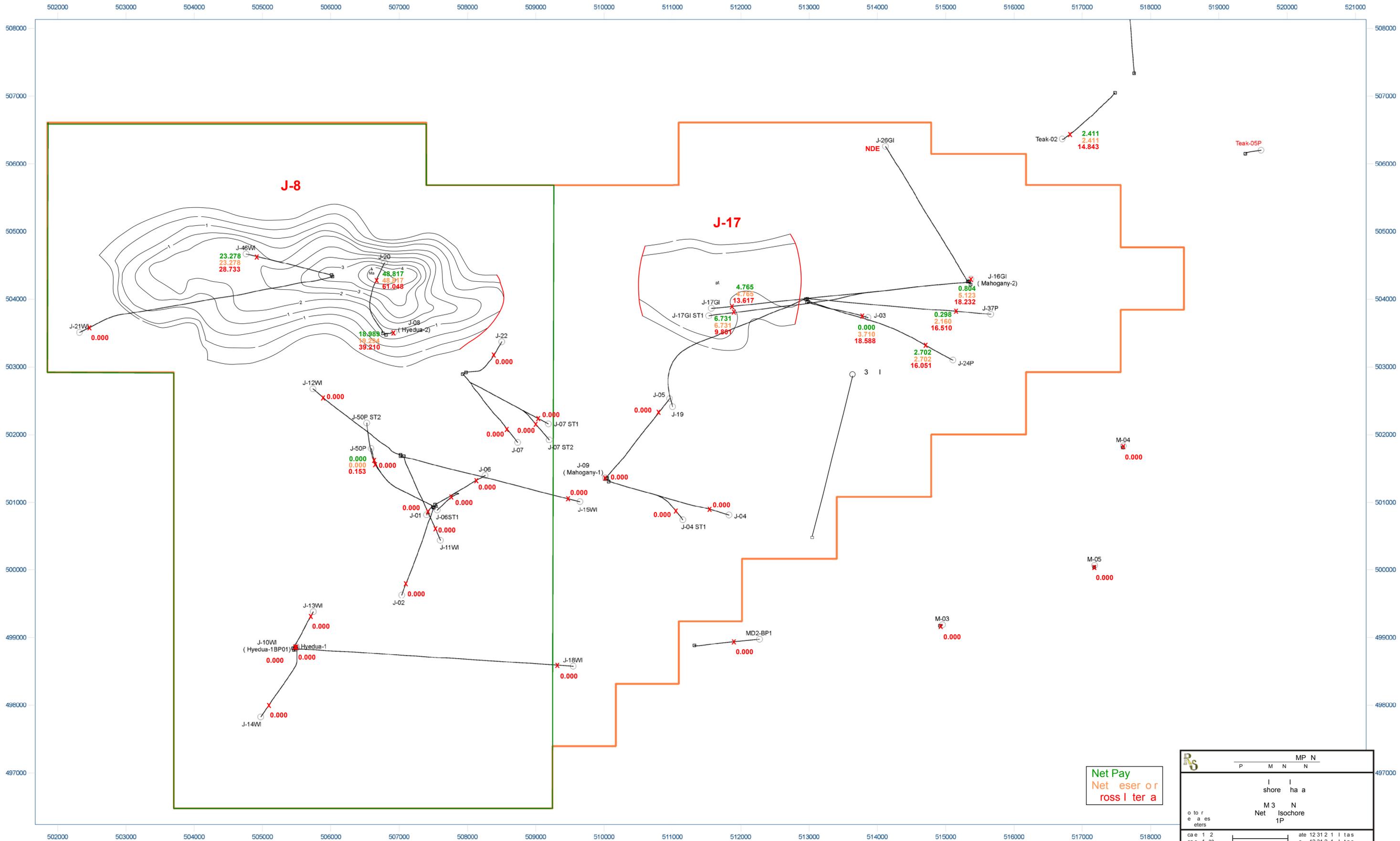
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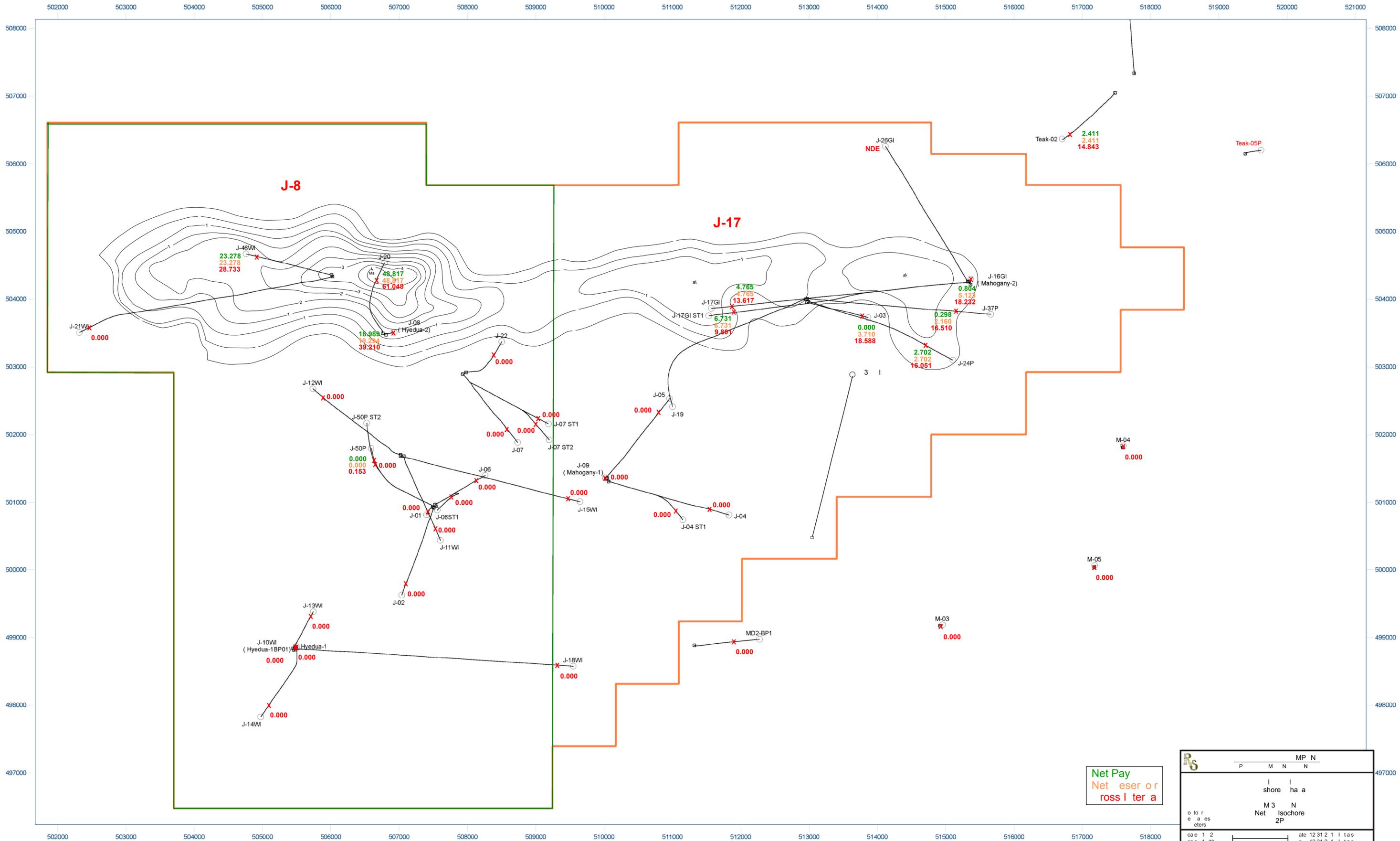
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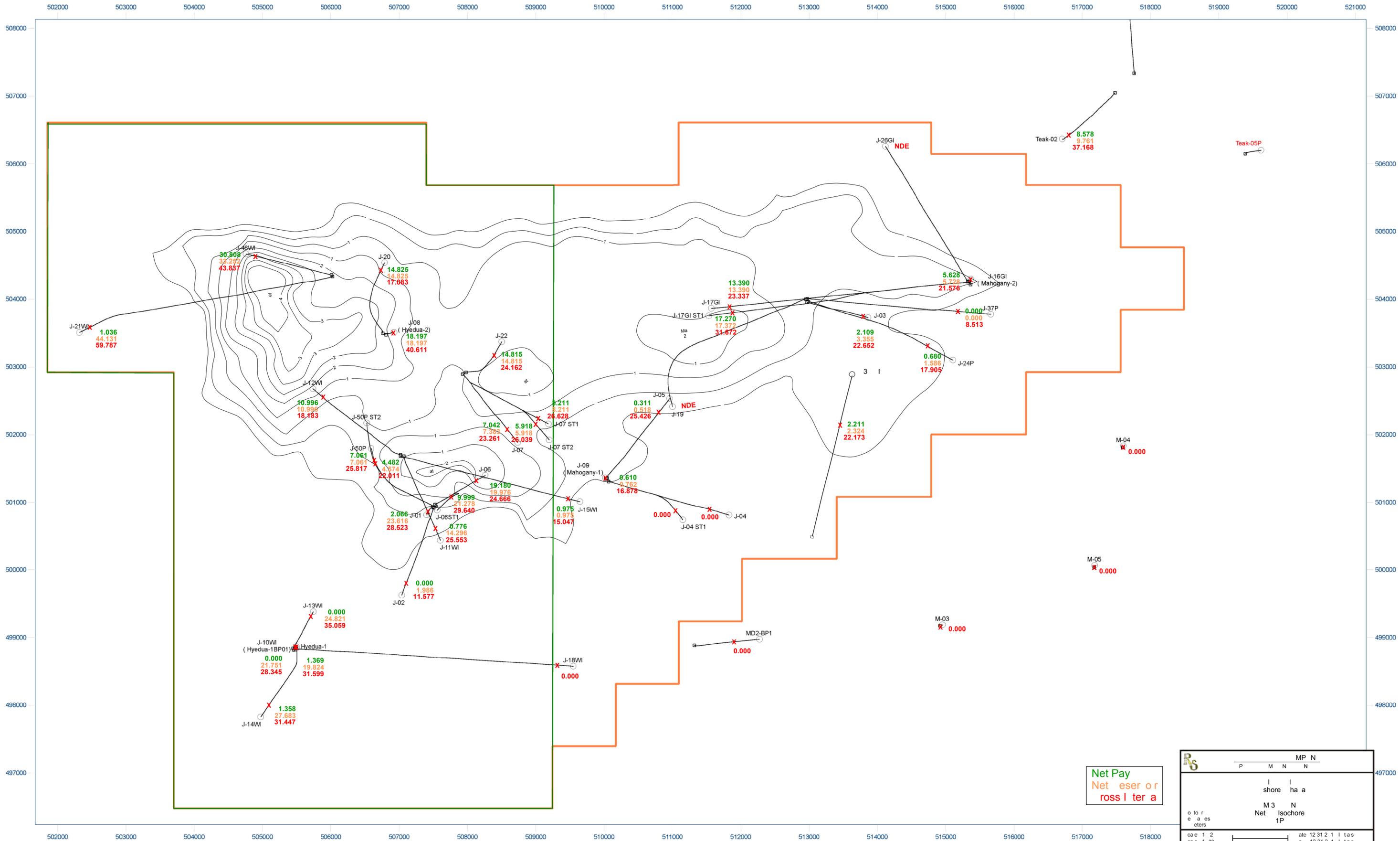
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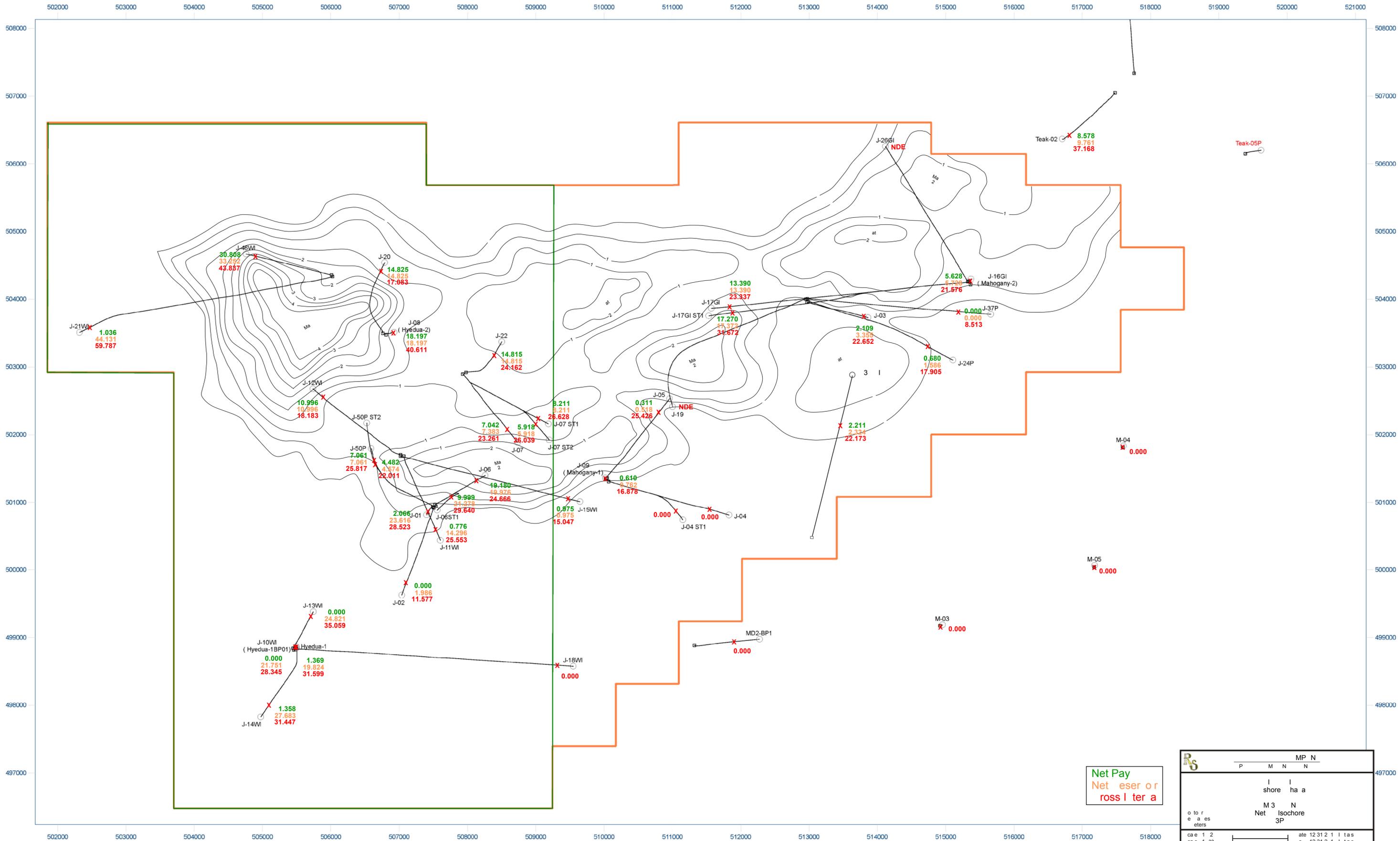
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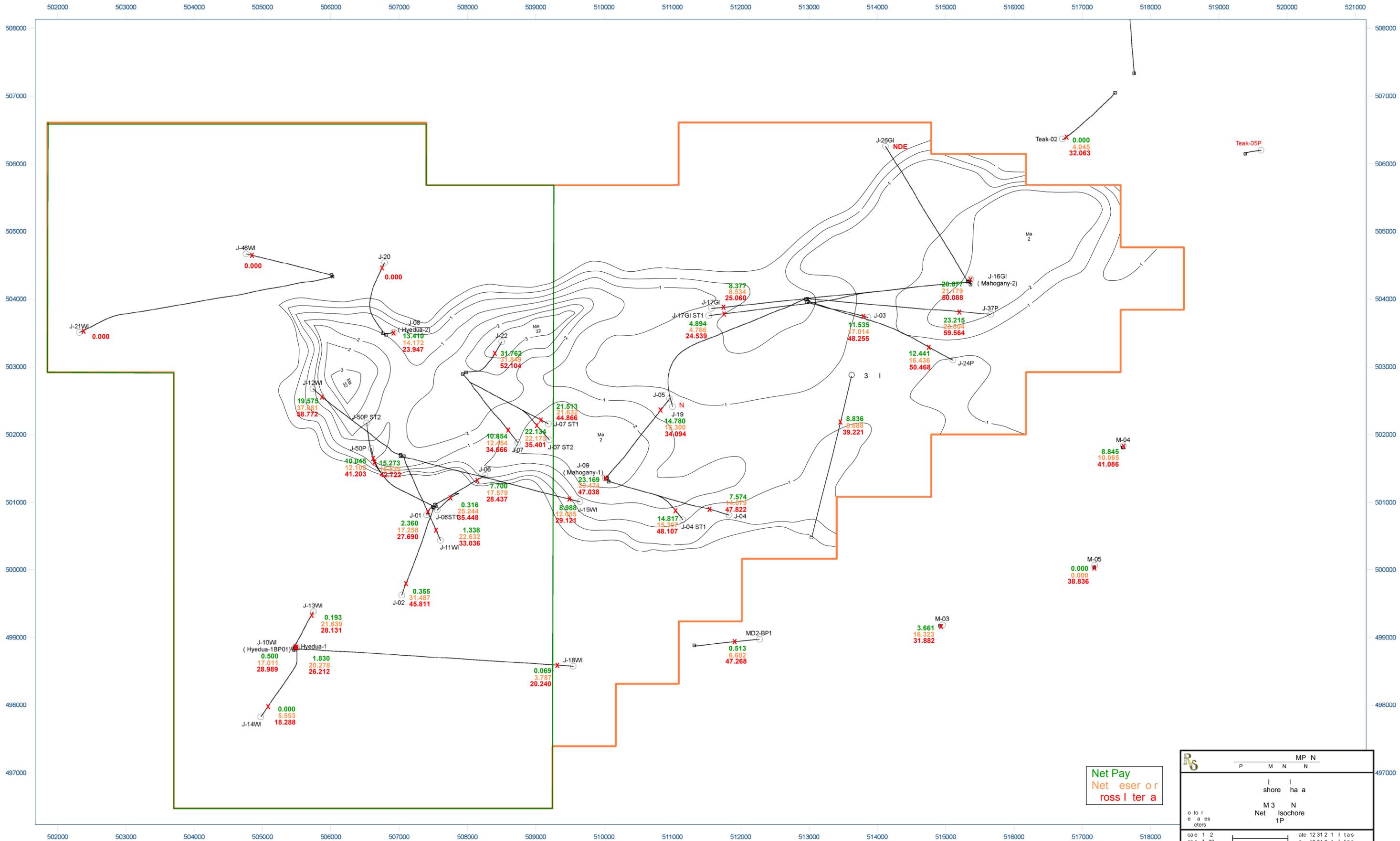
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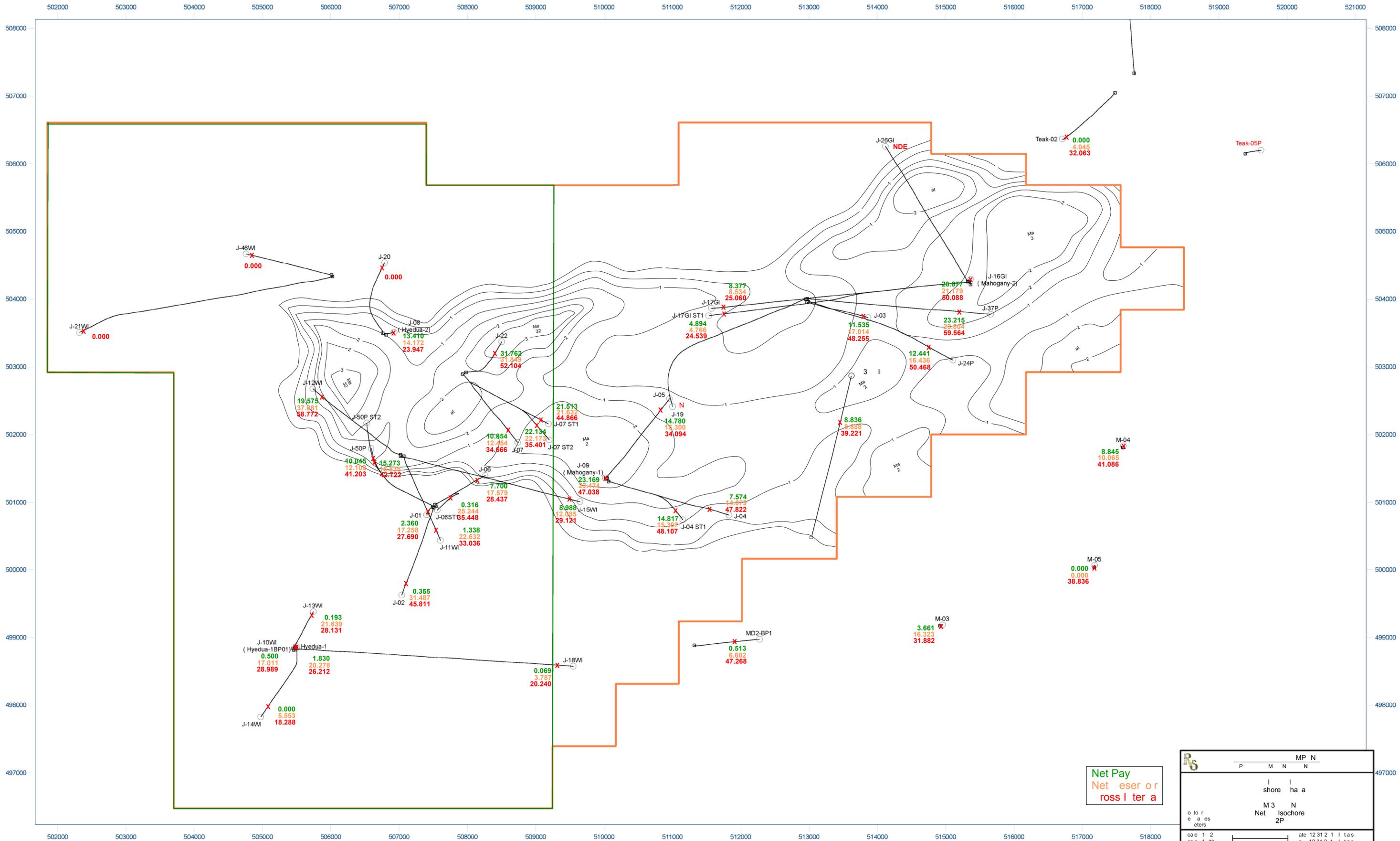
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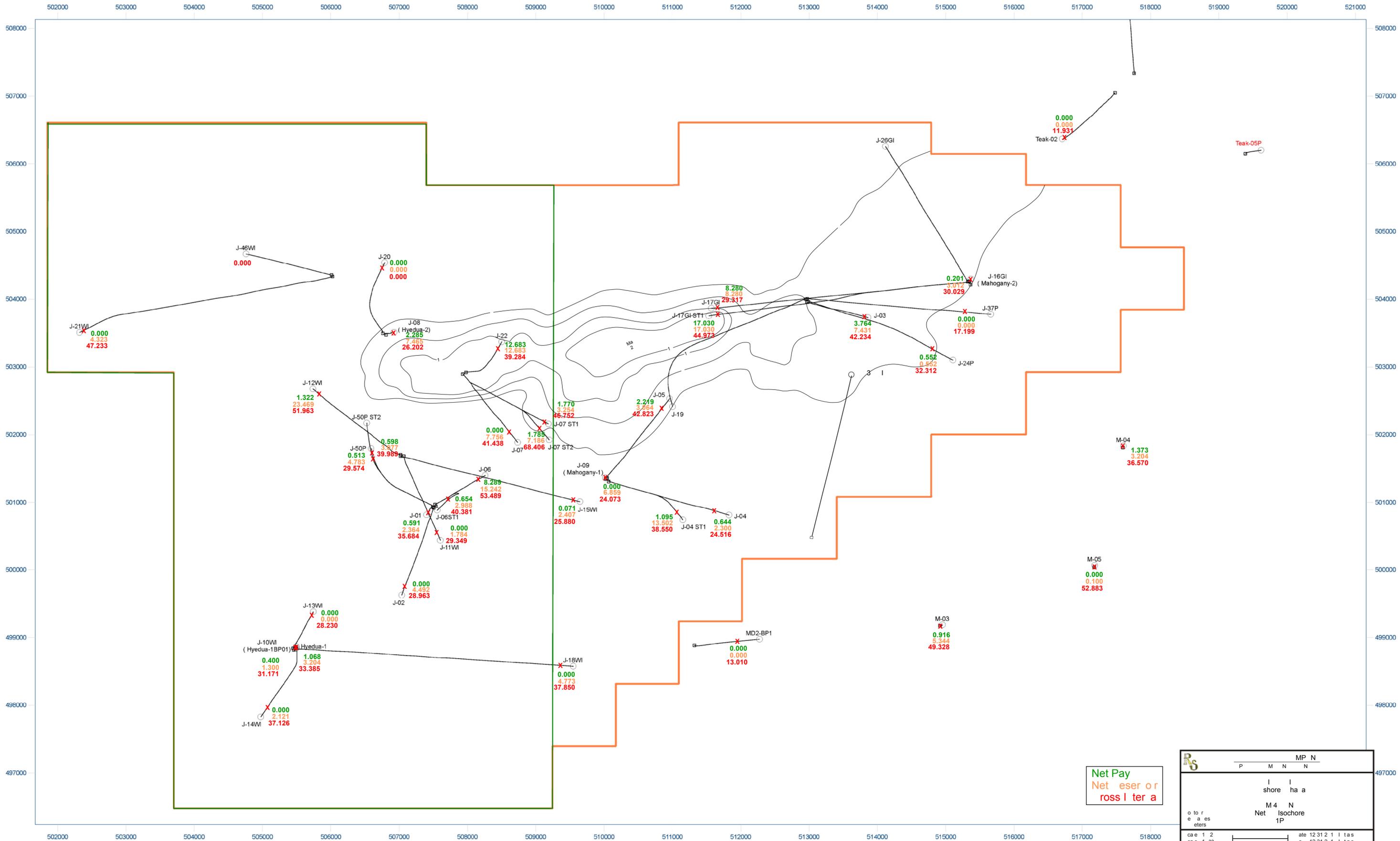
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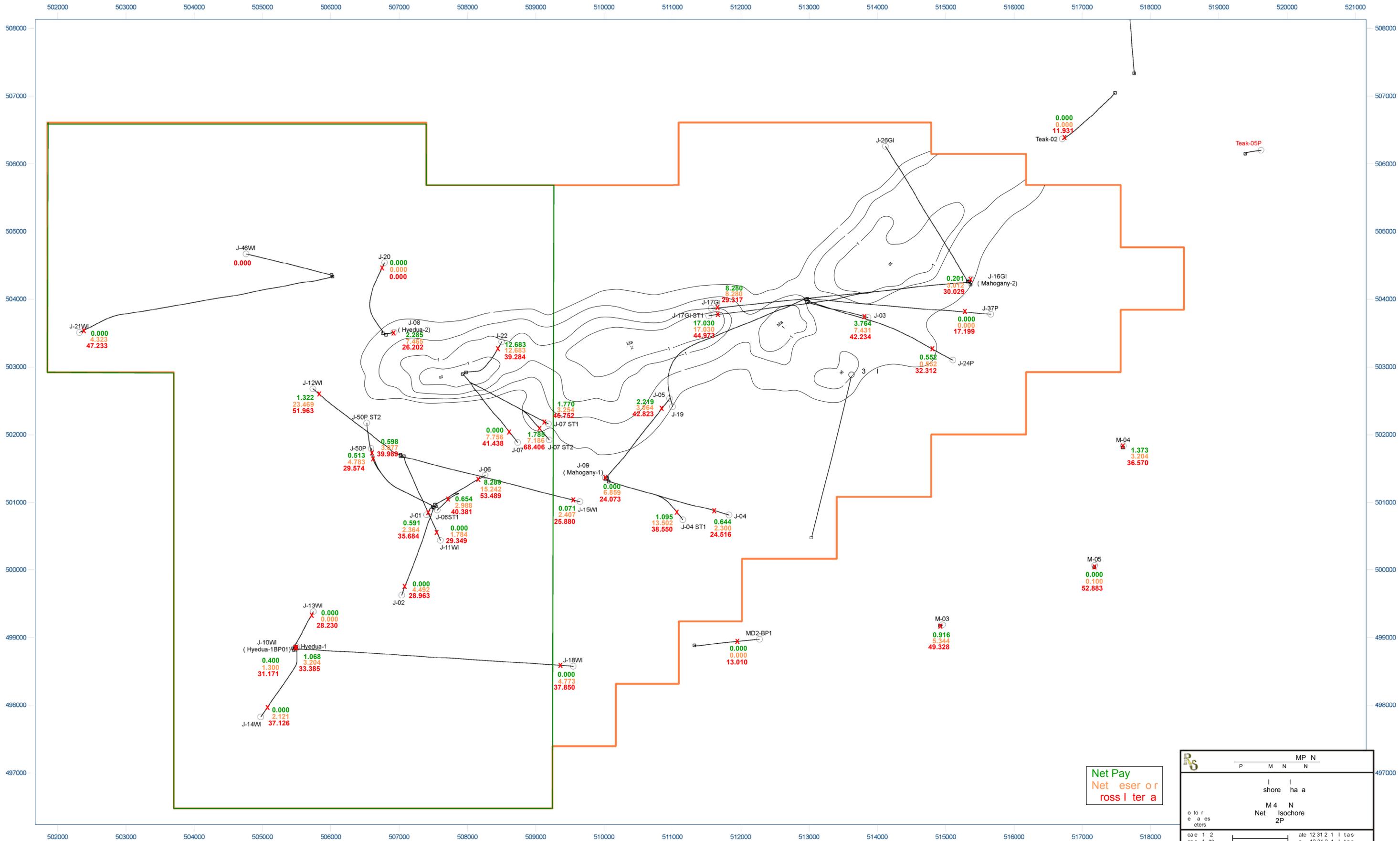
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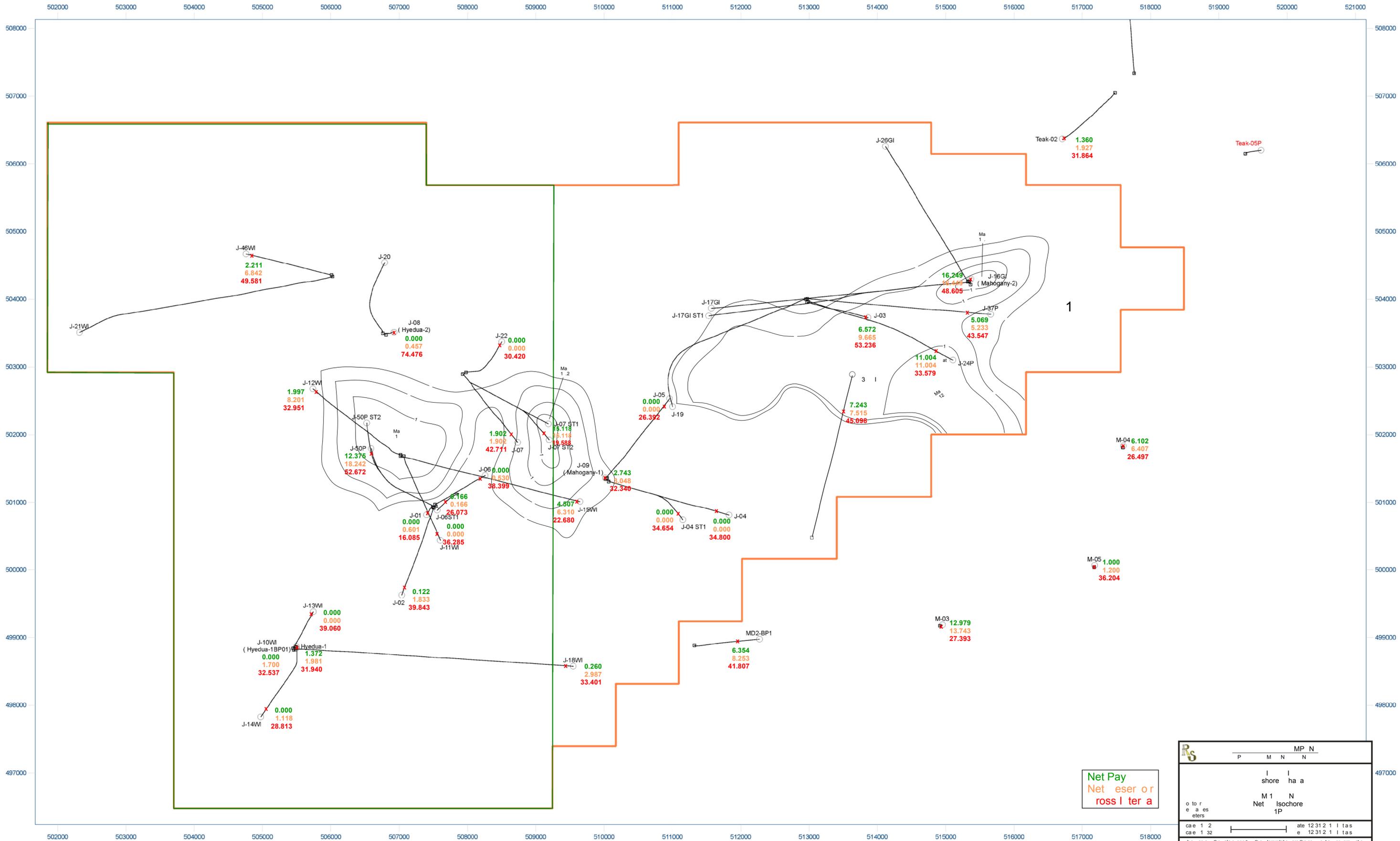
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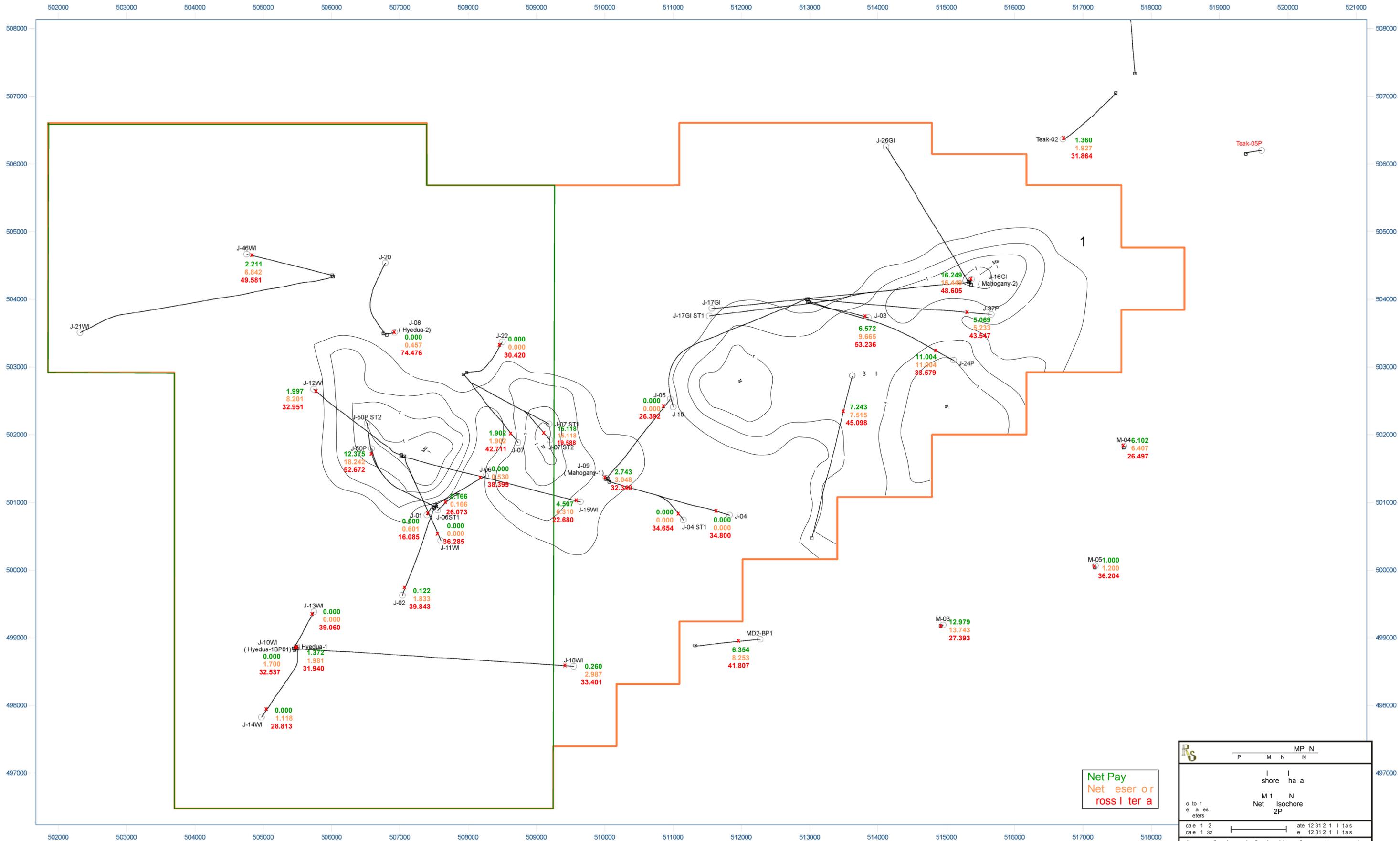
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ca e 1 2	ate 12 31 2 1 l l as
ca e 1 32	e 12 31 2 1 l l as
his apa the ata s pport this terpretato are the co e ta or pro cto yer cott o pa y prepare or the e c s e se o os os. he repro cto scos rea or sir to o this terpretato a y or s proh te e cept to a thor e parties y ritte co se to y er cott o pa y. P ce se No. 1	



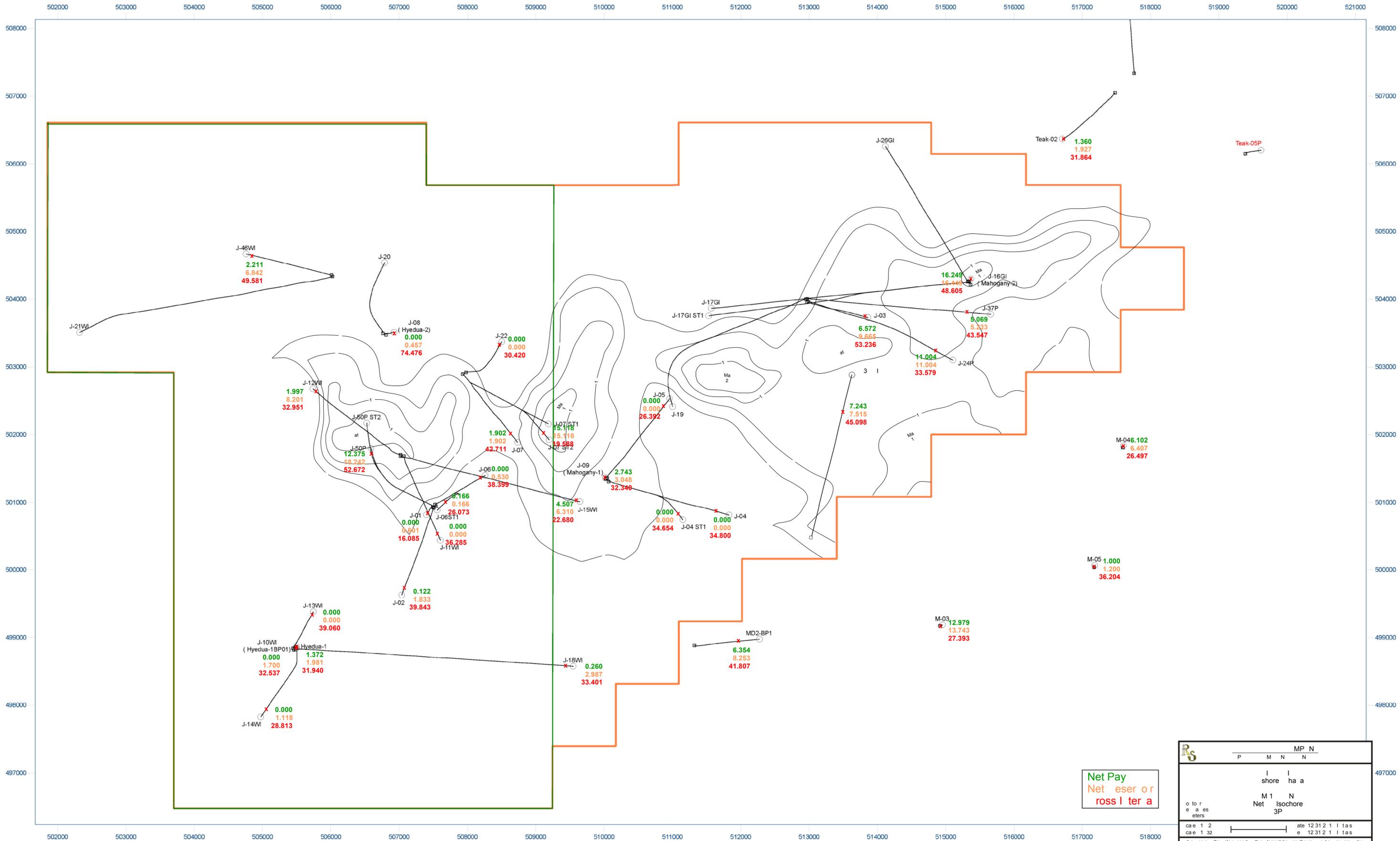
Net Pay
 Net Reservoir
 Cross Section

MP N	
P	M N N
shore ha a	
M 1 N	
Net Isochore	
1P	
ca e 1 2	ate 12 31 2 1 1 tas
ca e 1 32	e 12 31 2 1 1 tas
h s a p a the a t a s p o o t t h s t e r p e t a t o a r e t h e c o e t a o r p r o c t o y e r c o s t o p a y p r e p a r e o r t h e e c s e s e o o s o s t h e r e p r o c t o s c o s e a o r s t r i o t h s t e r p e t a t o a y o r s p r o h i t e e c e p t t o a t h o r e p a r t e s y r i t e c o s e t o y e r c o t t o p a y P e c e s e N o . 1	



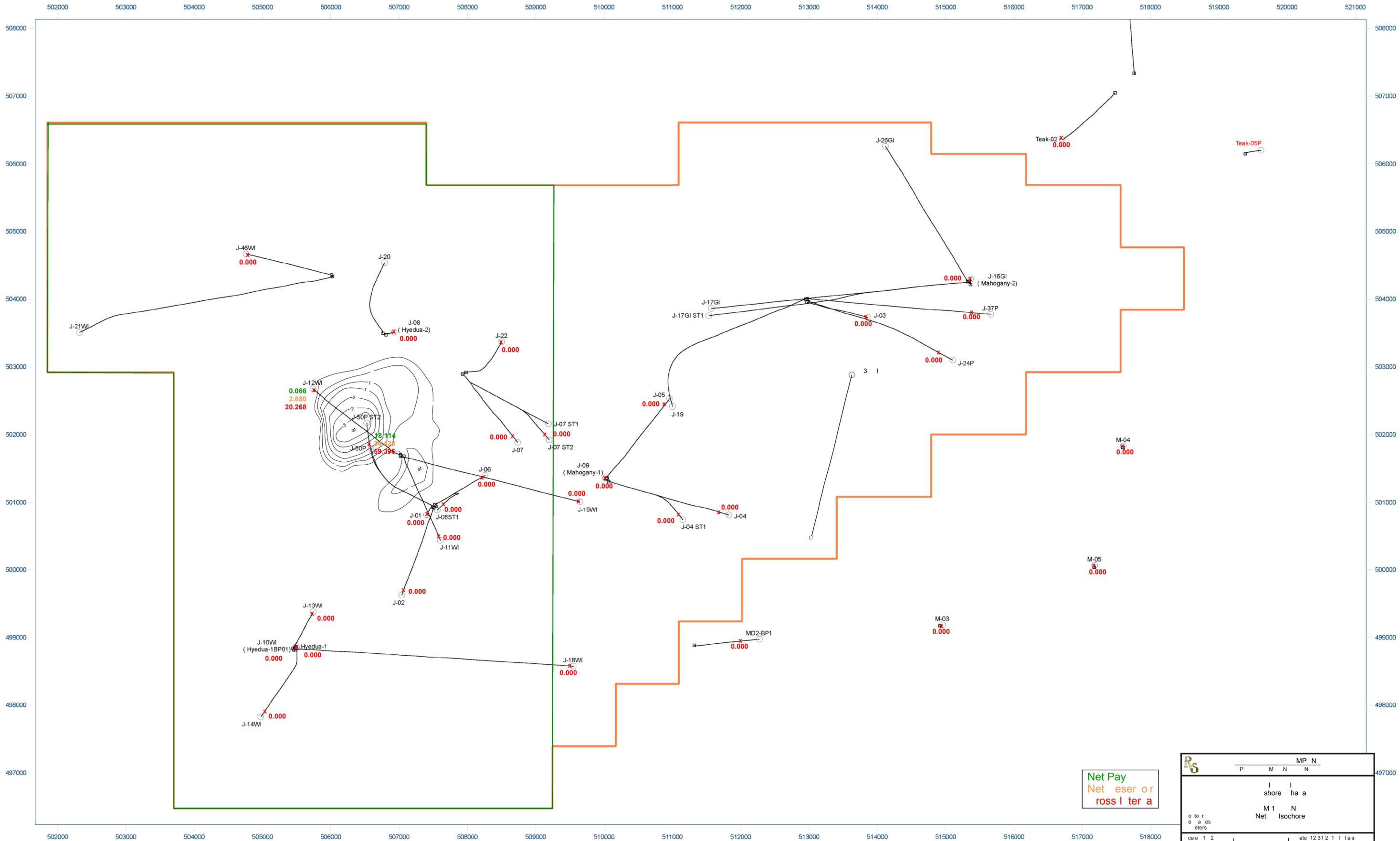
Net Pay
 Net Reservoir
 Cross Section

MP N	
P	M N N
shore ha a	
M 1 N	
Net Isochore	
2P	
ca e 1 2	ate 12 31 2 1 1 tas
ca e 1 32	ate 12 31 2 1 1 tas
<p>hs apa the atas pport ths terpretato are the co eta or pro cto yer cost o pa y prepare or the c s e se o os os the repro cto scos rea or str to o ths terpretato a y or s proh te e cept to a th or e partes y rite co se to y er coll o pa y P ce se No. 1</p>	



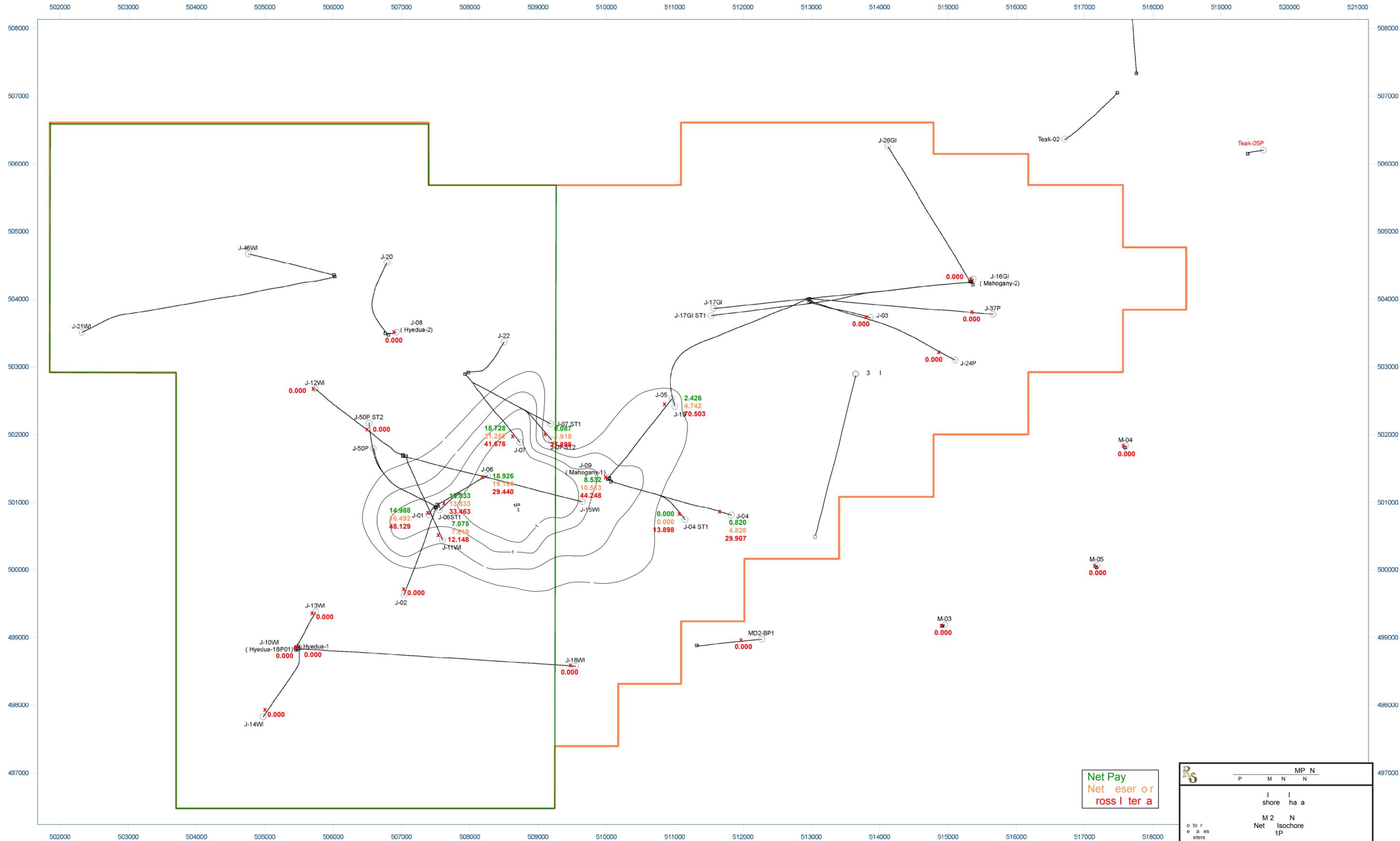
Net Pay
 Net Reservoir
 Cross Section

MP N	
P	M N N
shore ha a	
M 1 N	
Net Isochore	
3P	
ca e 1 2	ate 12 31 2 1 1 tas
ca e 1 32	ate 12 31 2 1 1 tas
<p>hs apa the atas pport ths terpretato are the co e ta or pro cto yer cost o pa y prepare or the c s e se o os os he repro cto scos rea or str to o ths terpretato a y or s proh te e cept to a thor e partes y rite co se to y er cott o pa y P ce se No. 1</p>	



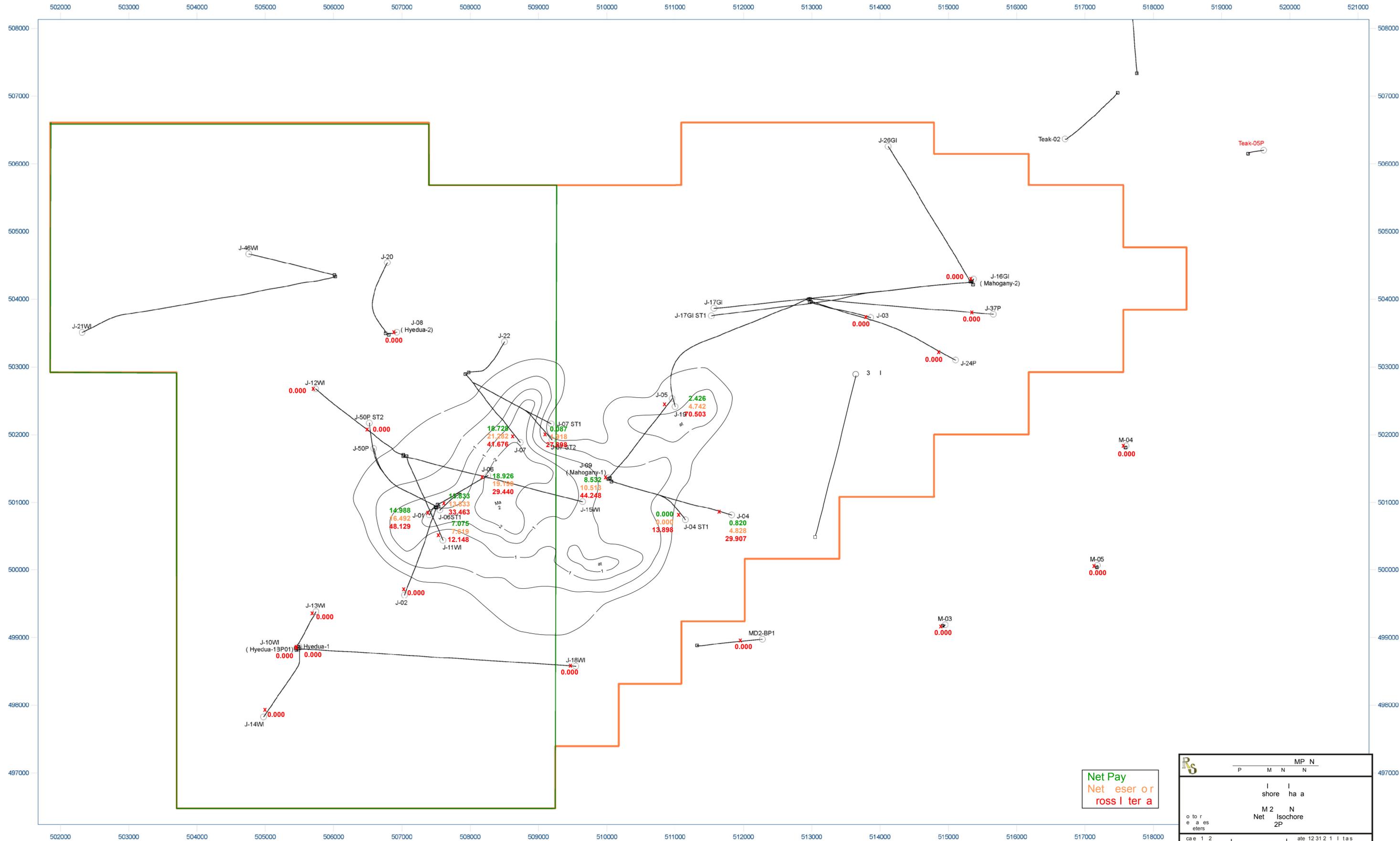
Net Pay
 Net Reservoir
 Cross Section

MP N	
P	M N N
shore ha a	
M 1 N	
Net Isochore	
ca e 1 2	ate 12 31 2 1 1 i as
ca e 1 32	e 12 31 2 1 1 i as
<p>h s a p a the a s a p p o r t. t h s t e r p r e t a t o a r e t h e c o e t a o r p r o c t o y e r c o t t o p a y p r e p a r e o r t h e e c s e s e o r o s.</p> <p>t h e r e p r o c t o s c o s r e a o r s t r t o o t h s t e r p r e t a t o a y o r s p r o h t e e c e p t o a t h o r e p a r t e s y r t h e c o s e t o y e r c o t t o p a y.</p> <p>P c a s e N o. 1</p>	



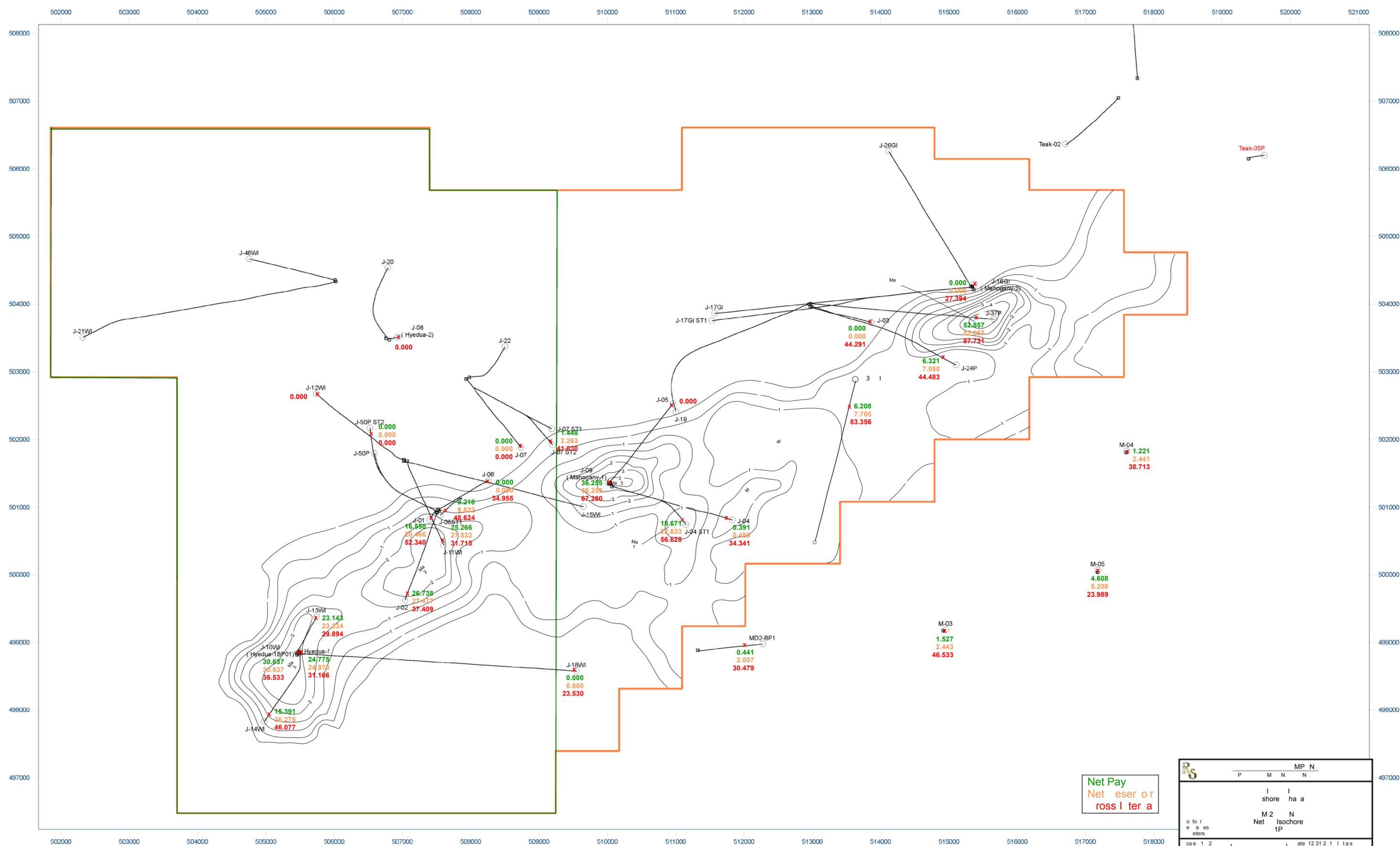
Net Pay
 Net User or
 Gross Inter a

MP N	
P	M N N
shore ha a	
M 2 N	
Net Isochore	
1P	
ca e 1 2	ate 12 31 2 1 1 tas
ca e 1 3z	e 12 31 2 1 1 tas
h s apa the atas pport ths terpretato are the co e ta or pro cto yer cott o pa y prepare or the e c s e se o os os. he repro cto scos rea or str to o ths terpretato a y or s proh te e cept to a thore partes y rthe cose to yer cott o pa y. P ce se No. 1	



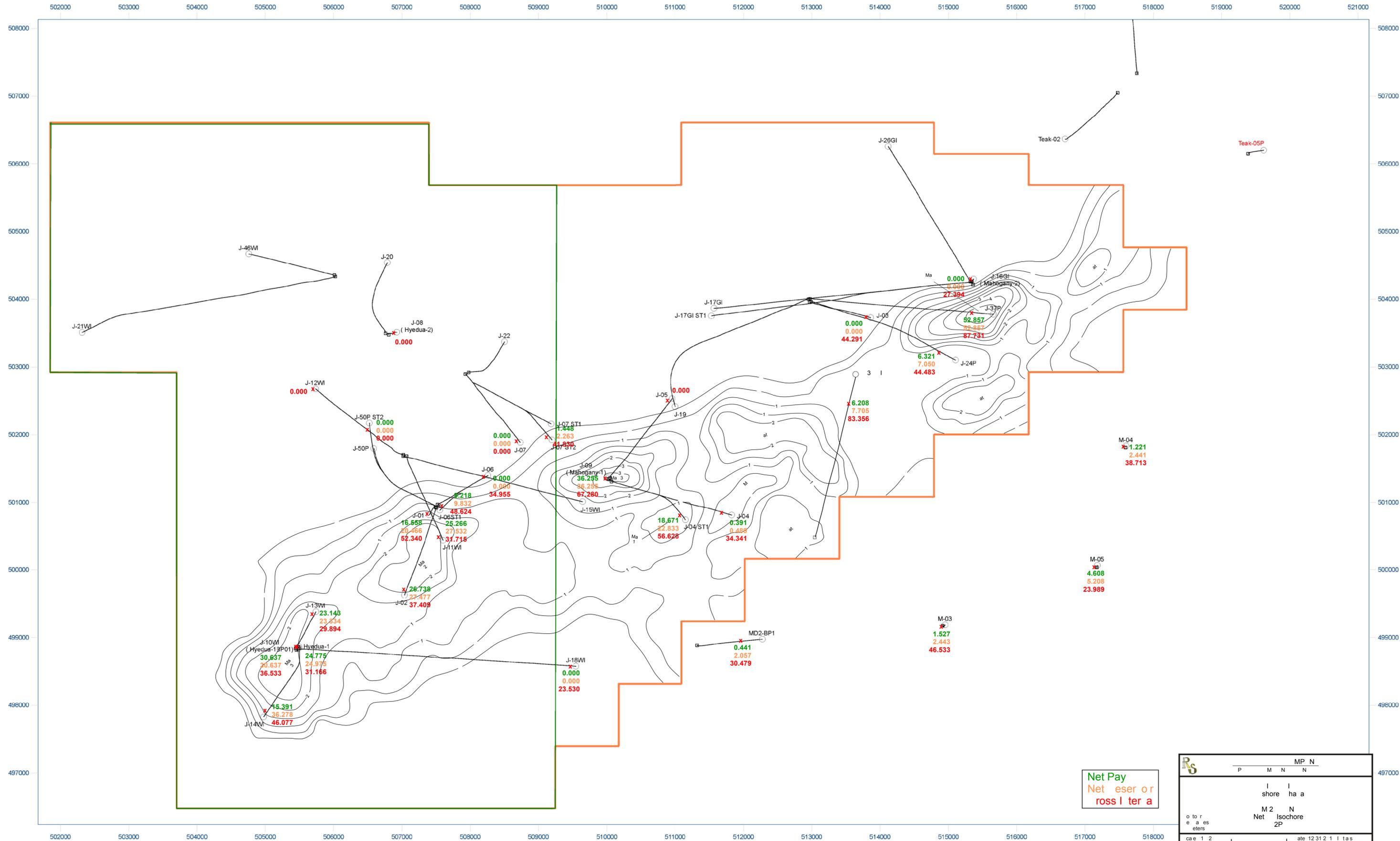
Net Pay
 Net User
 Gross Interests

MP N	
P	M N N
shore ha a	
Net Isochore 2P	
ca e 1 2	ate 12312 1 l las
ca e 1 32	e 12312 1 l las
<small>h's ap a the ata s pport this terpretat o are the co. e ta or pro cto y er cott o pa y prepare or the c s e se o os cs. he repro cto scos rea or str to o this terpretat o a y or s proh te e cept to a thor e partes y r rite co se to y er cott o pa y. P ce se No. 1</small>	



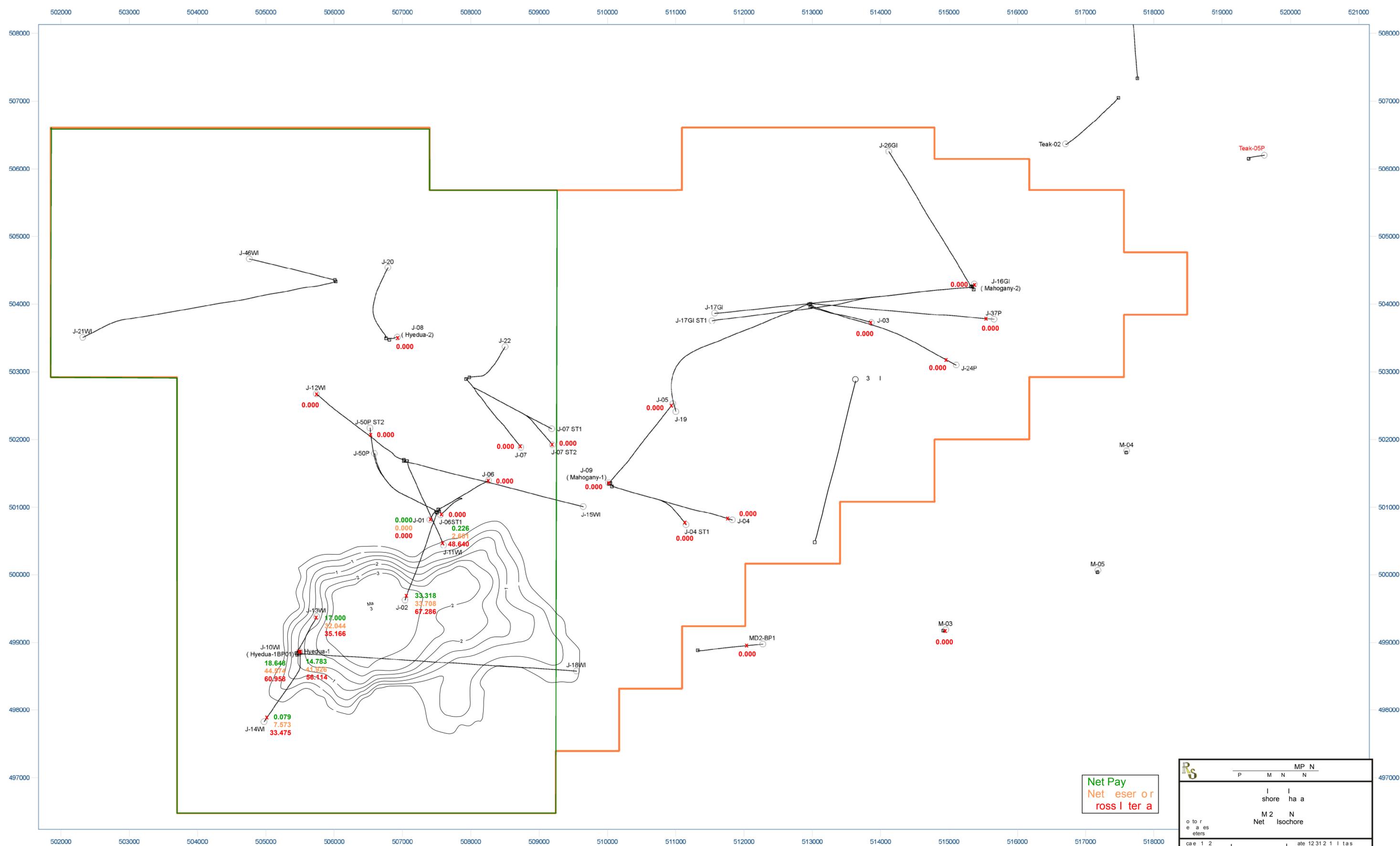
Net Pay
 Net eser or
 ross l ter a

		MP N	
		P	M N N
shore ha a Net Isochore 1P		M 2 N	
		12312 1 l las e 12312 1 l las	
h's ap a the ata s pport this terpretat are the co. e ta or pro cto y or cott o pa y prepare or the e c s e se o s os. he repro cto scos rea or str to o this terpretat a y or s proh te e cept to a thor e partes y r rite co se to y er cott o pa y. P ce se No. 1			



Net Pay
 Net Loss

MP N	
P	M N N
shore ha a	
Net Isochore 2P	
ca e 1 2	ate 12 31 2 1 1 las
ca e 1 32	e 12 31 2 1 1 las
h s ap a the ata s pport ths terpretat are the co e ta or pro cto y er cott o pa y prepare or the e c s e se o os os he repro cto scos rea or str to o ths terpretat a y or s proh te e cept to a thor e partes y r rite co se to y er cott o pa y P ce se No. 1	



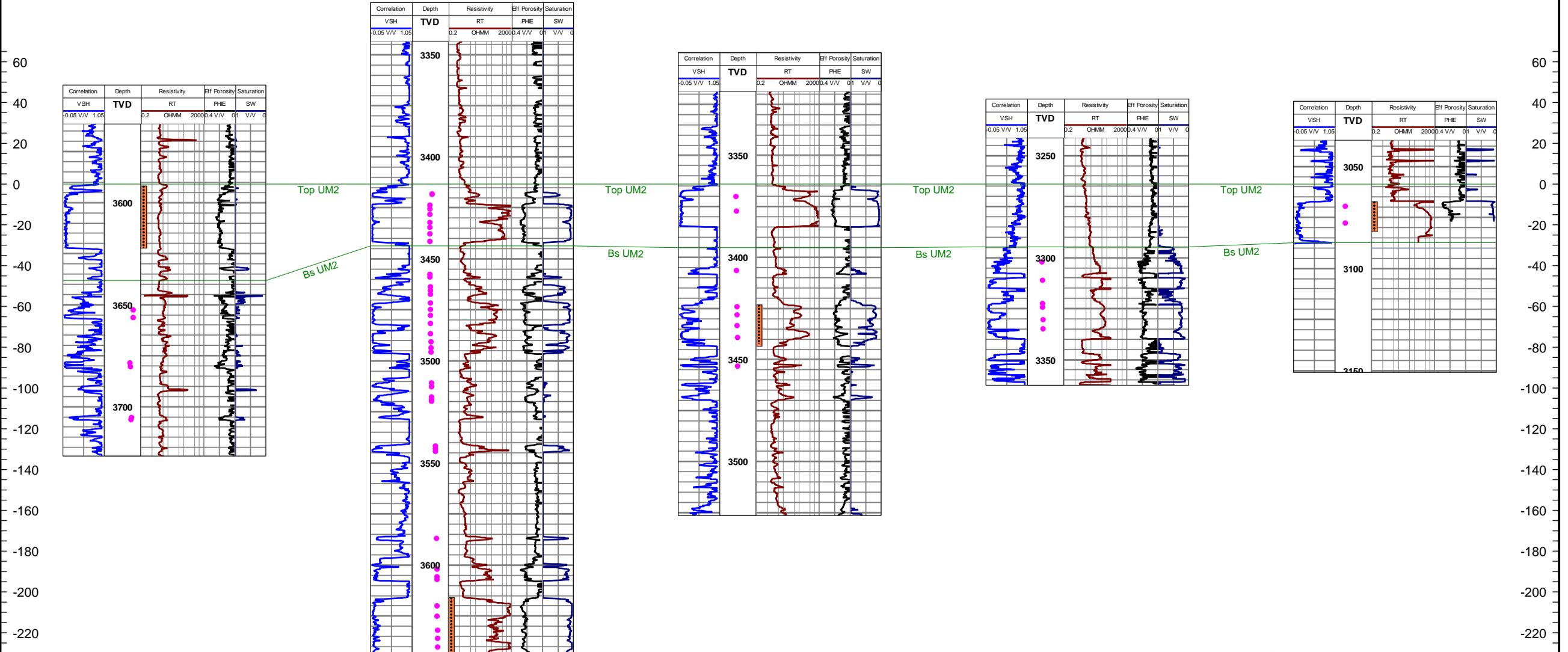
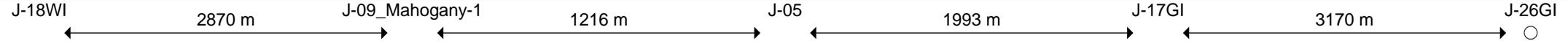
Net Pay
 Net User
 Net Loss

MP N	
P	M N N
shore ha a	
M 2 N	
Net Isochore	
case 1 2	ate 12312 1 1 las
case 1 32	e 12312 1 1 las
<small> This map is a technical drawing of the project area and is not to be used for any other purpose without the express written consent of the project manager. The project manager is not responsible for any errors or omissions in this drawing. </small>	
<small> Date: 12/31/2011 Project No: 1 </small>	

12.1.1.3 Reservoir Cross Section

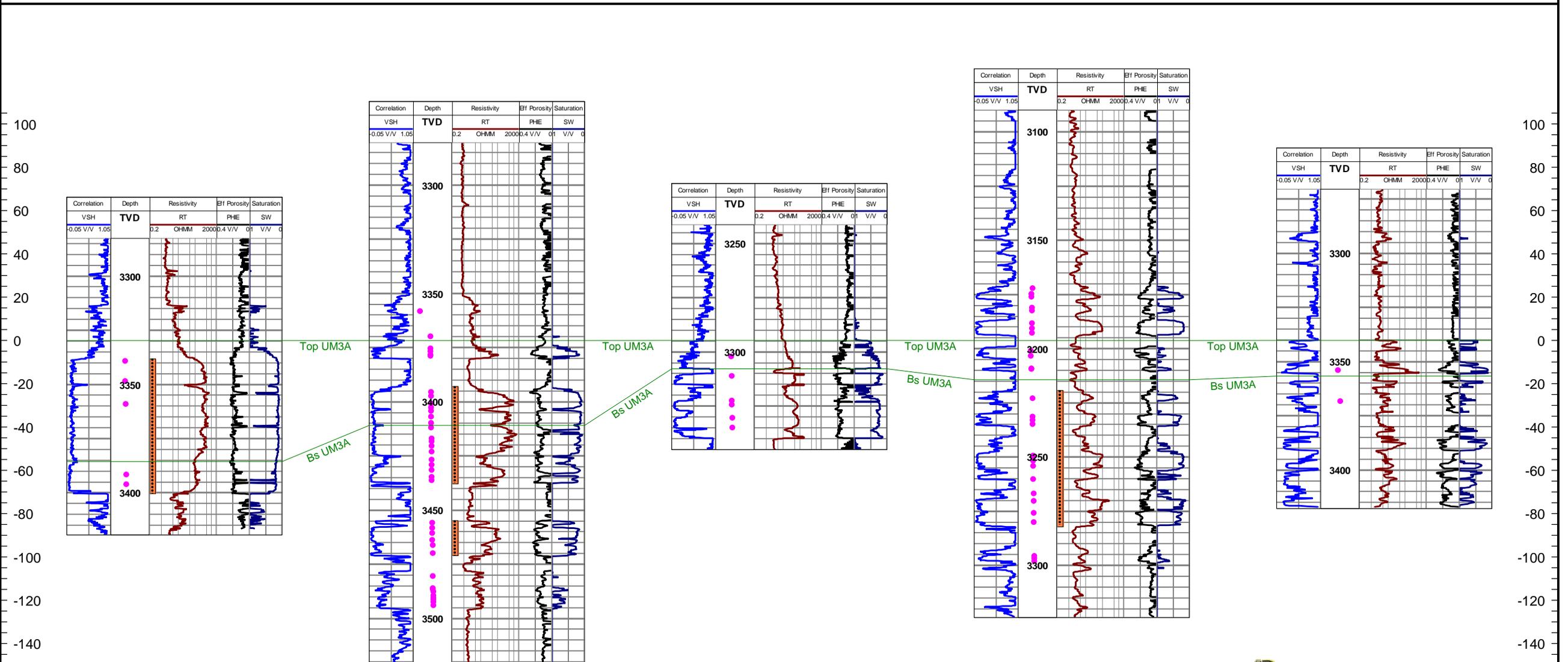
Jubilee Field - Stratigraphic Cross Section UM-2 Sand

12.1.1.3 Reservoir Cross Section



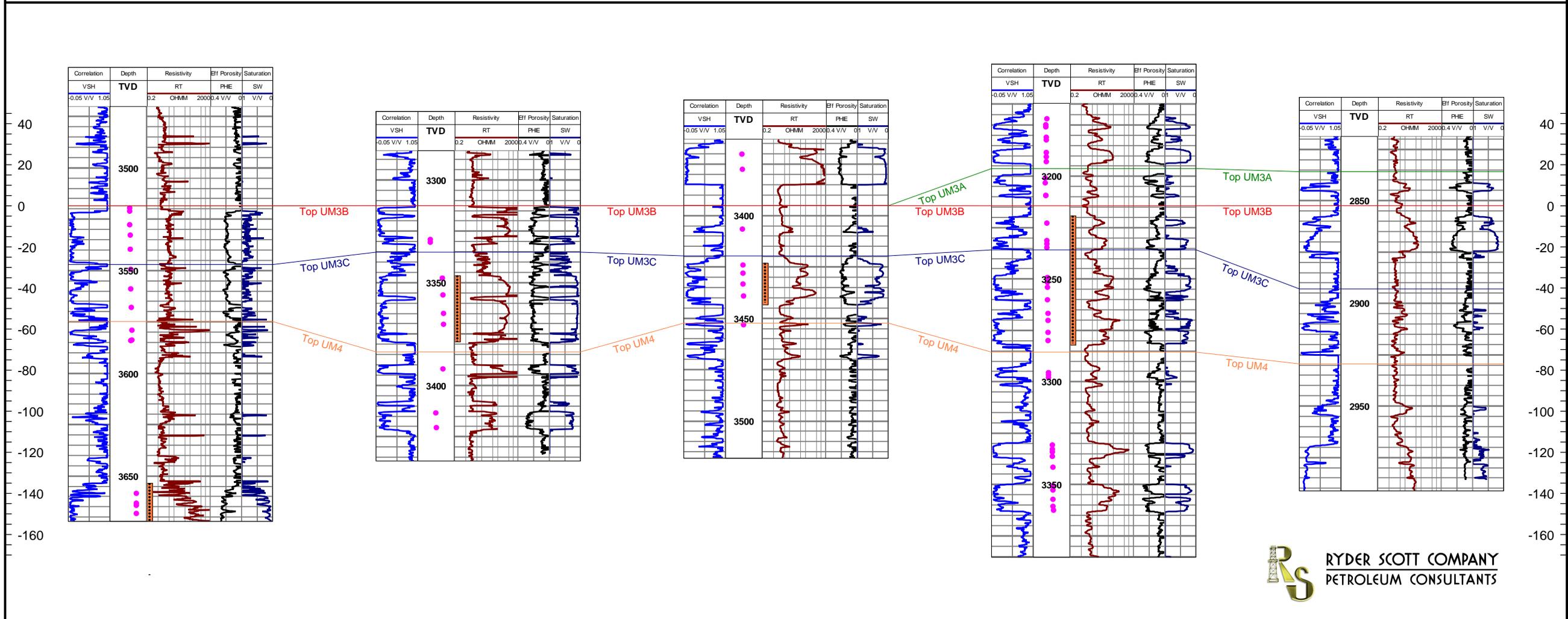
Jubilee Field - Stratigraphic Cross Section UM-3A Sand

12.1.1.3 Reservoir Cross Section

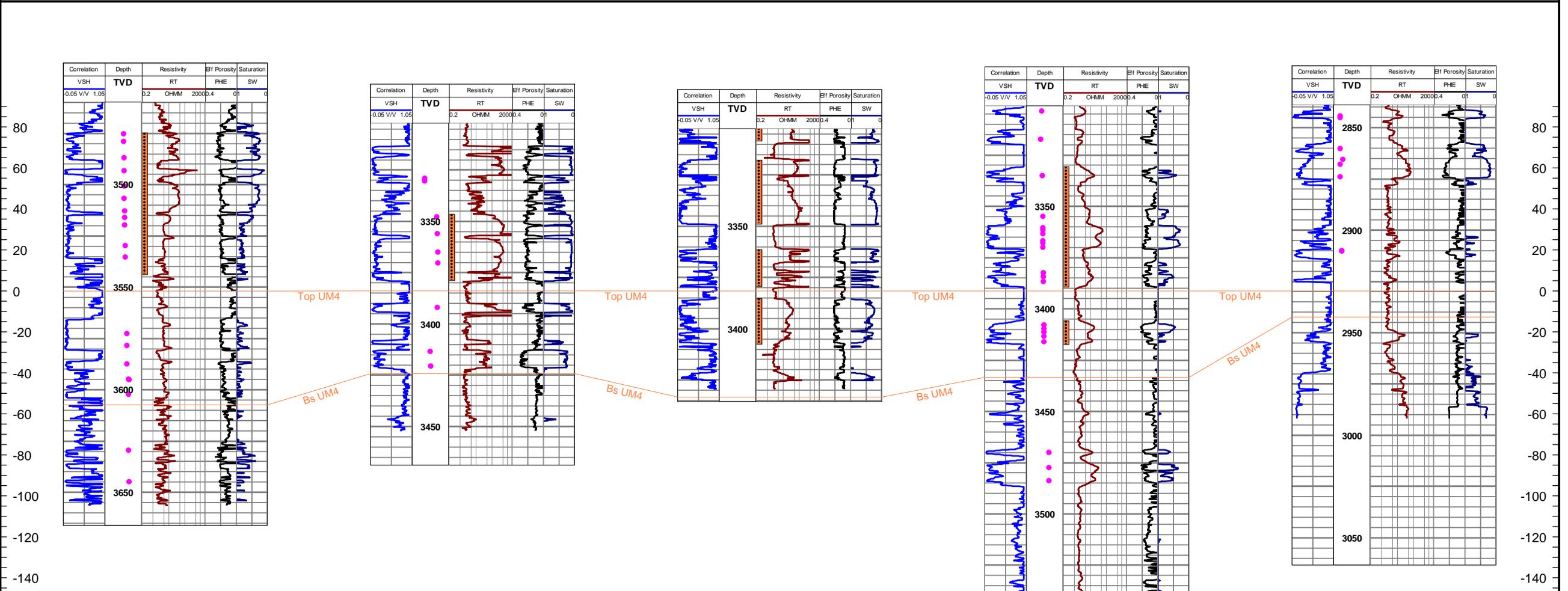


Jubilee Field - Stratigraphic Cross Section - UM3 Series UM-3 Sands

J-01
2496 m
J-22
2559 m
J-05
4967 m
J-16GI_M-2
2578 m
Teak-02

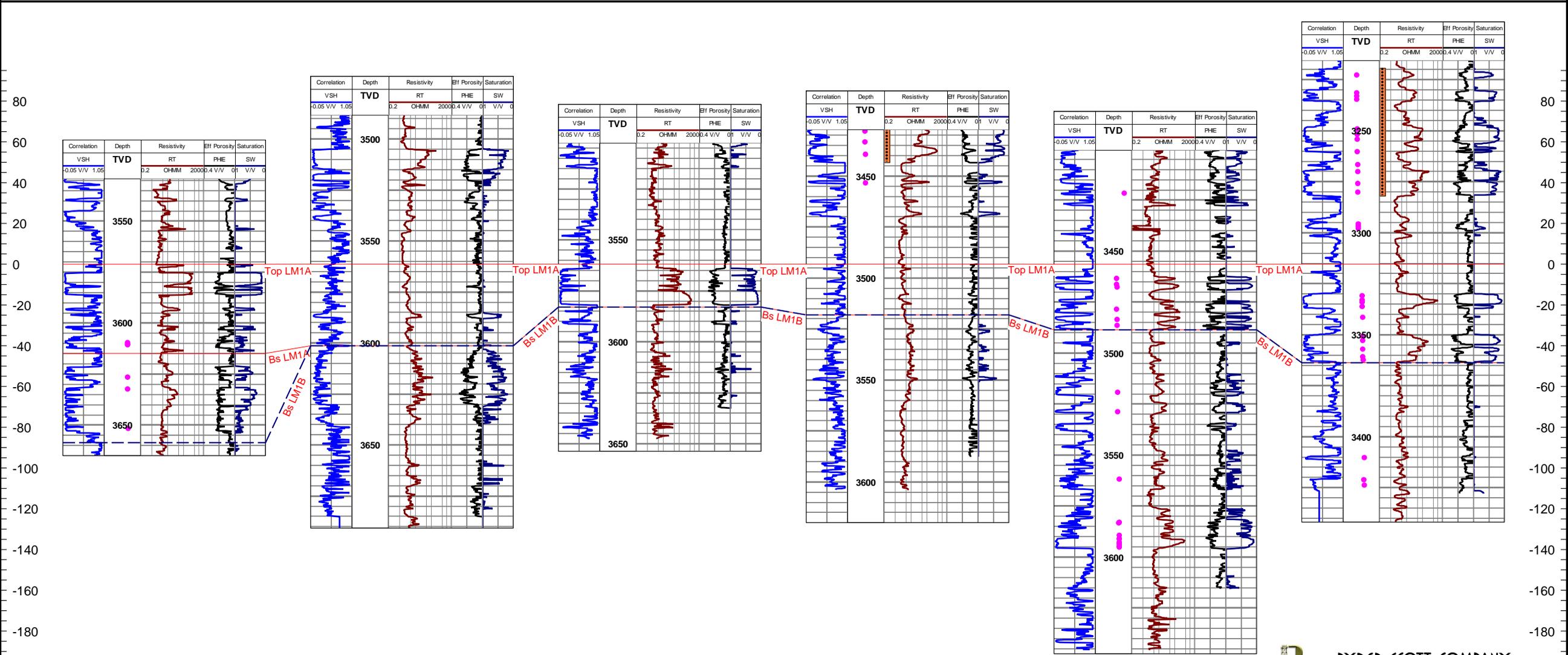
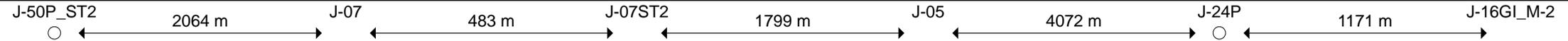


Jubilee Field - Stratigraphic Cross Section UM-4 Sand

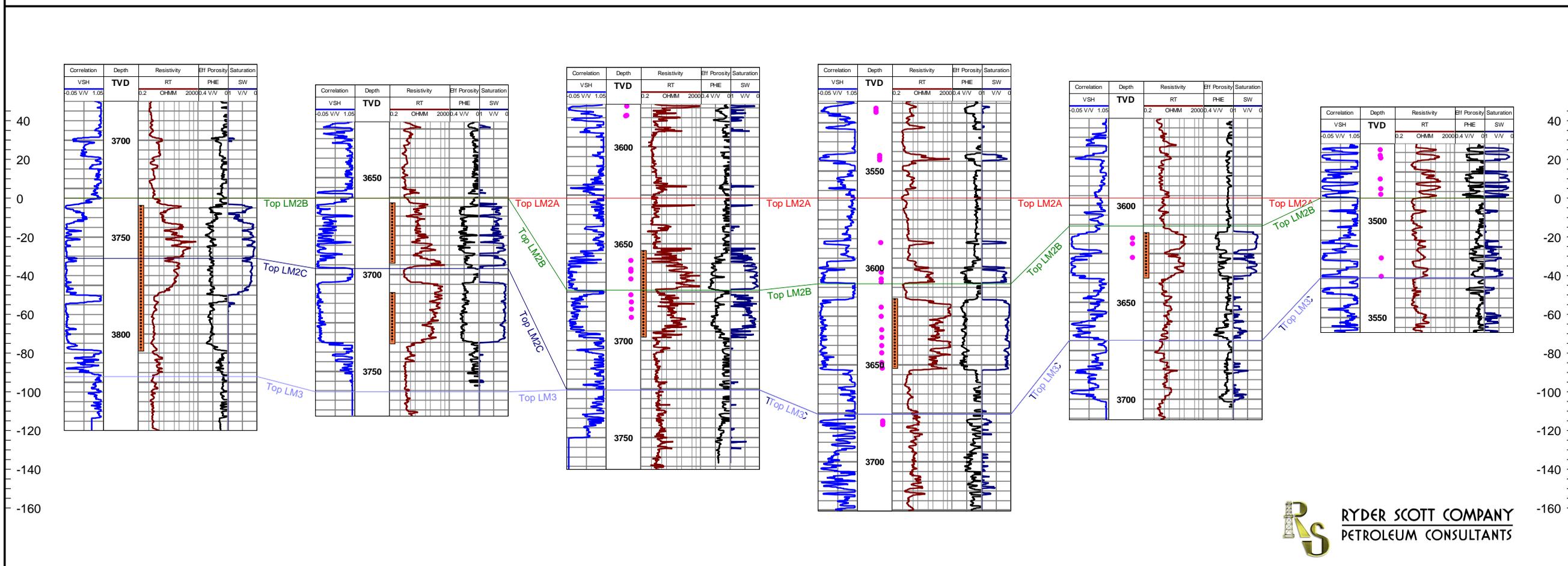


Jubilee Field - Stratigraphic Cross Section LM-1A / LM-1B Sands

12.1.1.3 Reservoir Cross Section

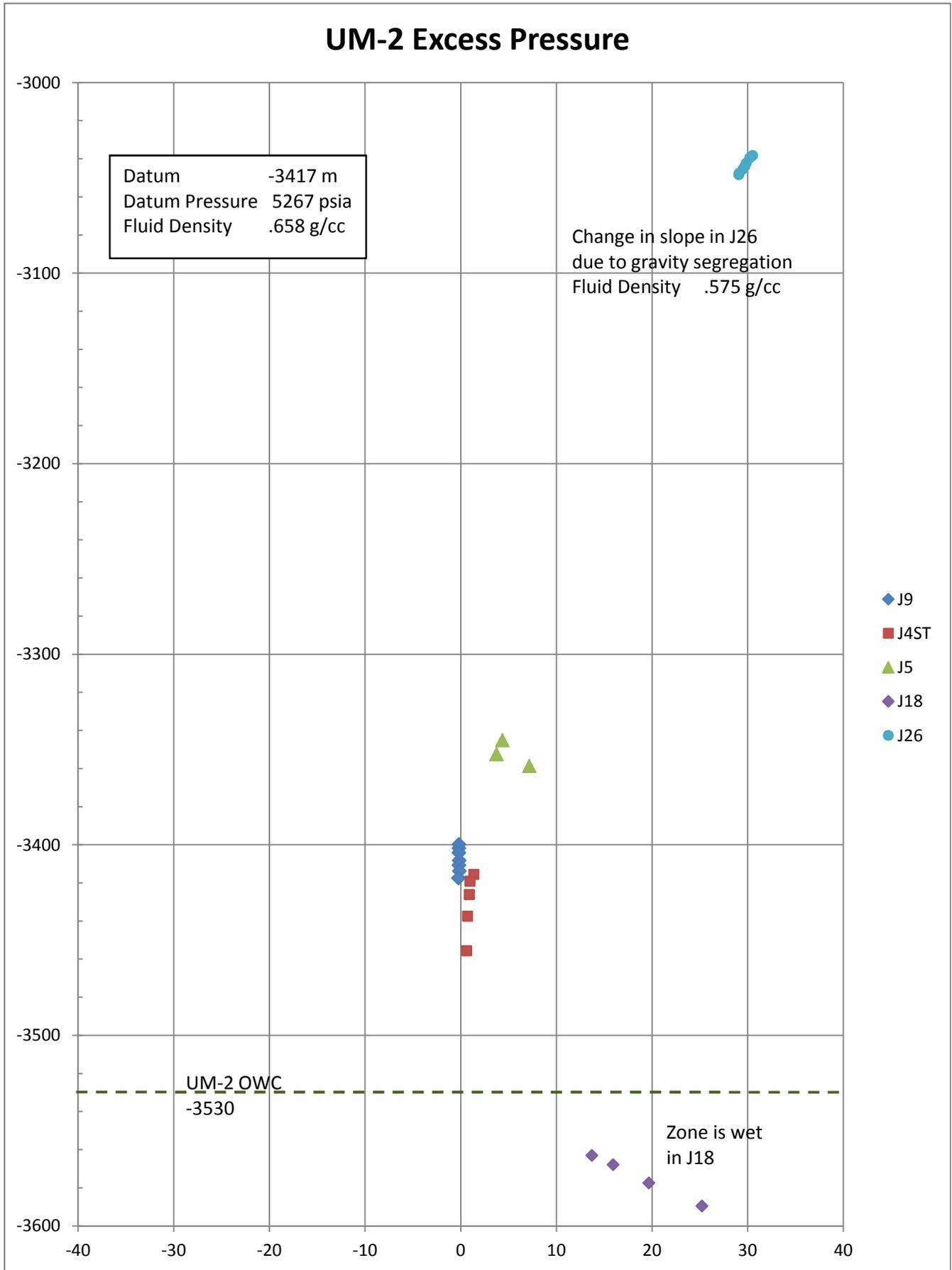


Jubilee Field - Stratigraphic Cross Section - LM2 Series LM-2 Series Sands

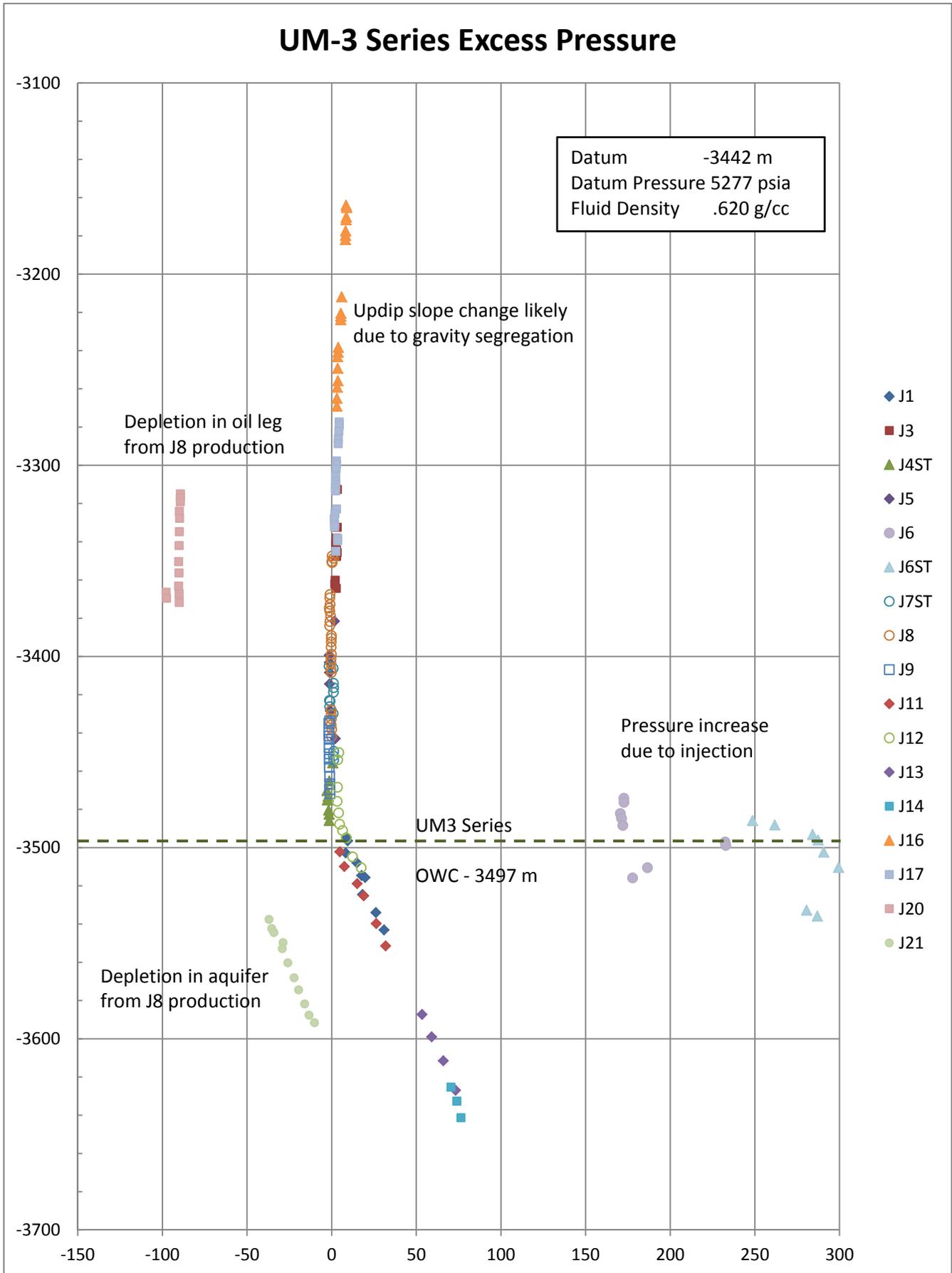


12.1.1.4 Reservoir Pressure Plot

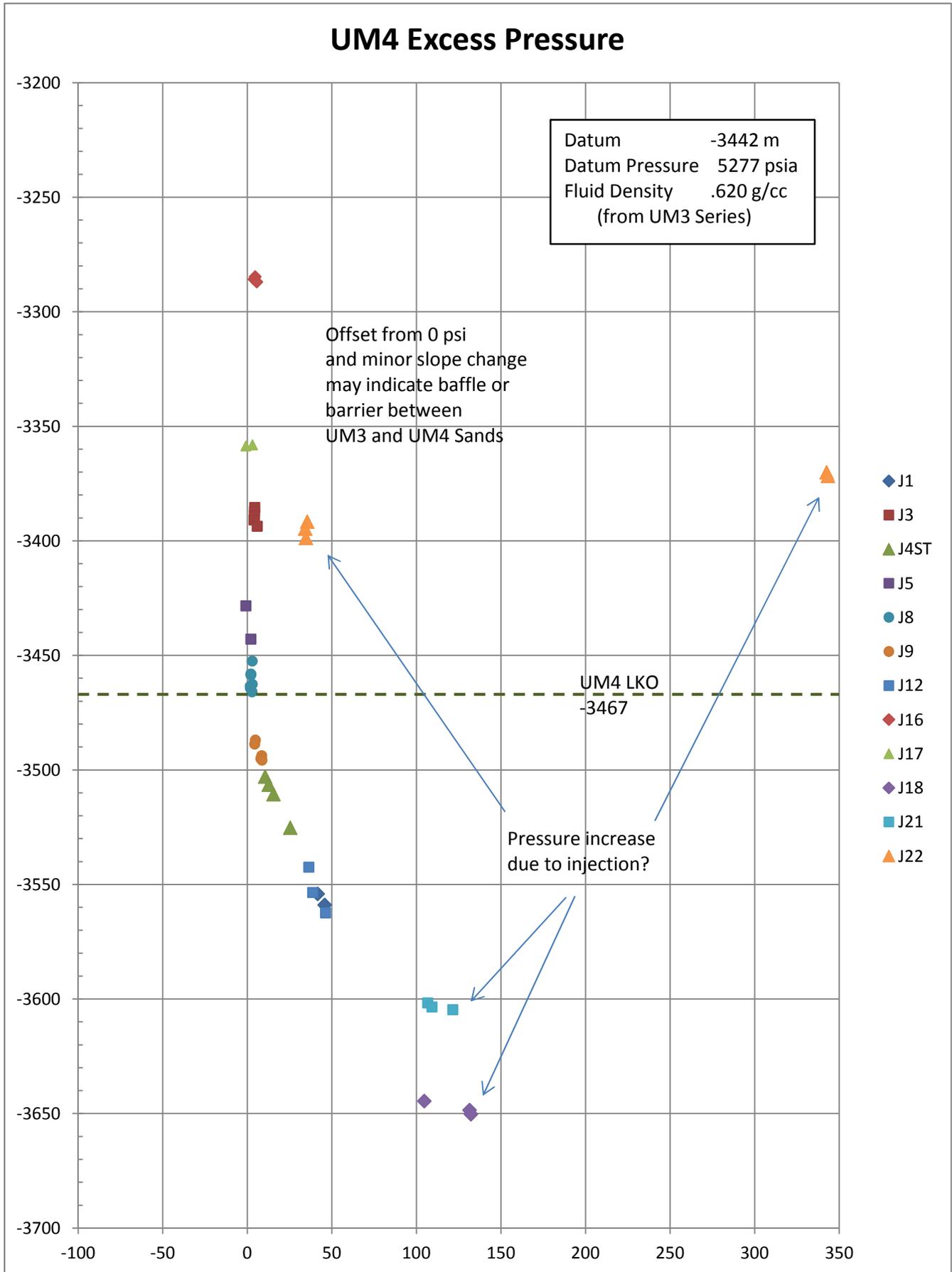
Jubilee Field



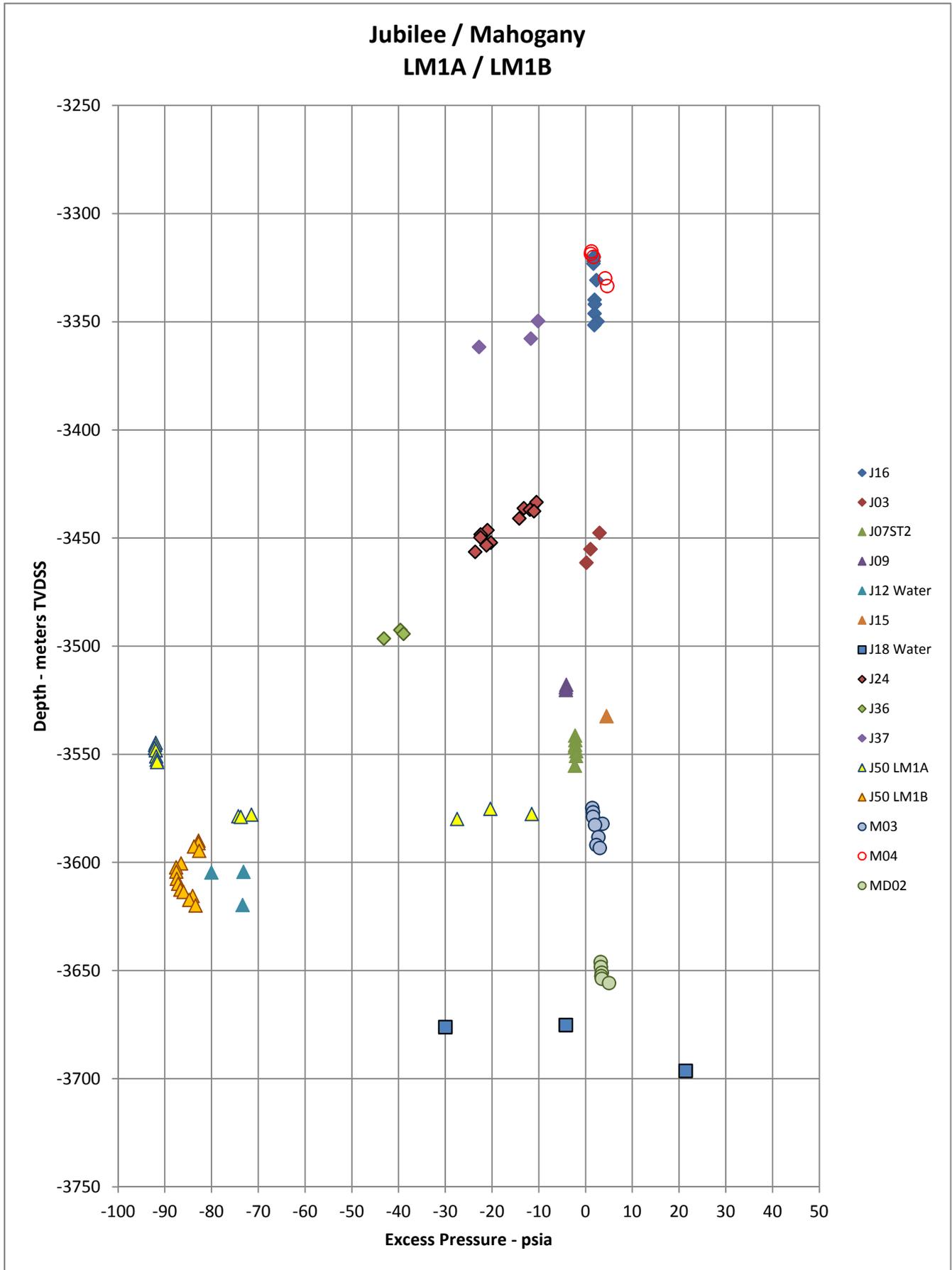
Jubilee Field



Jubilee Field

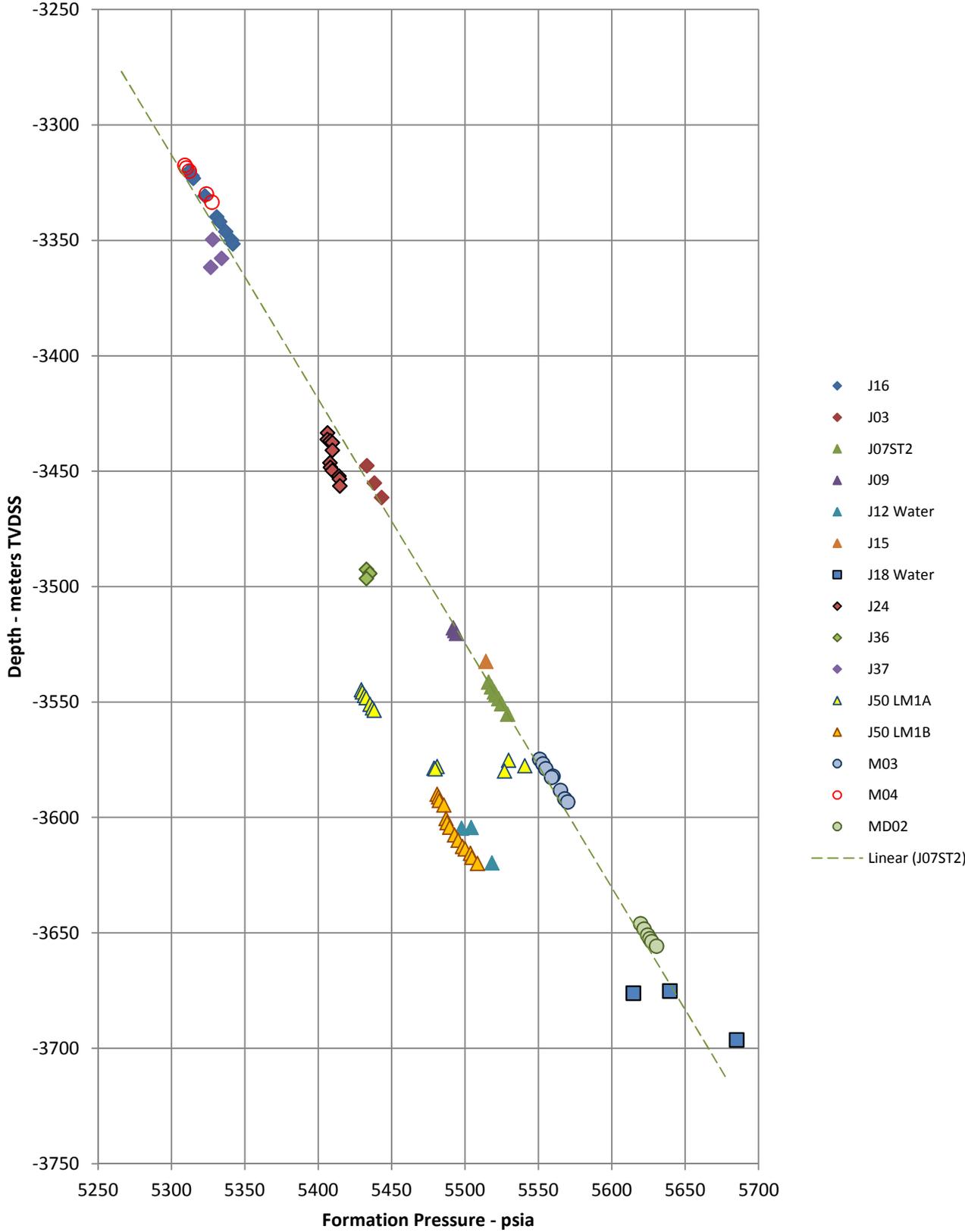


Jubilee Field

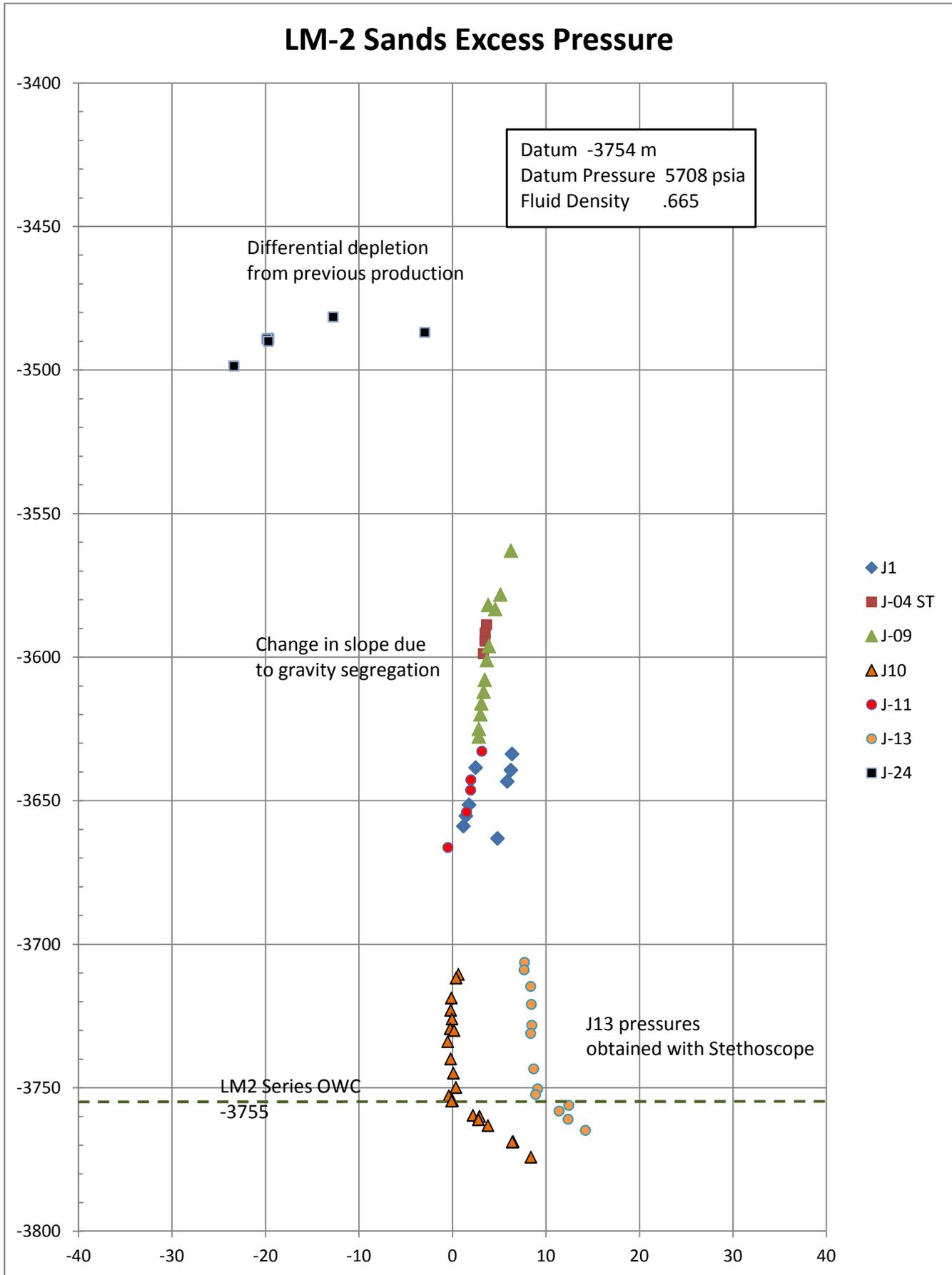


Jubilee Field

Jubilee / Mahogany LM1A / LM1B



Jubilee Field



12.1.2 Engineering

12.1.2.1 Well Level Forecast

FIELD: Jubilee
OPERATOR: Tullow
COUNTRY: GHANA
AS OF: 12/31/2016
ENGINEER: Tosin Famurewa

Category	Well Level Forecast																	
Phase	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A
LEASE NAME	J-01	J-01	J-01	J-02	J-02	J-02	J-03	J-03	J-03	J-04ST1	J-04ST1	J-04ST1	J-05	J-05	J-05	J-06ST1	J-06ST1	J-06ST1
CLASS (1P,2P,3P)	1P	2P	3P	1P	2P	3P	1P	2P	3P	1P	2P	3P	1P	2P	3P	1P	2P	3P
STATUS (PD,SI,BP,UD)	PD	PD	PD	SI	SI	SI	PD											
MAJOR (OIL or GAS)	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL
CUM. OIL or GAS (bbl or MMcf)	4,133,573			19,387,102			6,050,691			13,697,250			4,626,129			7,333,289		
EUR. OIL or GAS (bbl or MMcf)	6,817,821	7,135,968	18,636,955	19,387,102	19,387,102	19,387,102	8,418,713	8,418,713	10,090,043	32,661,186	44,760,746	47,613,444	26,939,882	26,939,882	28,611,212	12,173,488	12,491,635	49,096,363
START DATE	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17
Initial Book Date	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014
RRR (BO or MMCF)	2,684,248	3,002,395	14,503,382	-	-	-	2,368,022	2,368,022	4,039,352	18,963,936	31,063,496	33,916,194	22,313,753	22,313,753	23,985,083	4,840,199	5,158,346	41,763,074
PROJECTION PERIOD	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS
2016																		
2017	409,668	409,668	409,668	-	-	-	98,907	98,907	98,907	1,177,069	1,177,069	1,177,069	1,783,493	1,783,493	1,783,493	1,010,679	1,010,679	1,010,679
2018	734,163	519,835	540,500	-	-	-	115,562	115,562	600,000	2,649,629	349,140	5,953,805	1,783,493	1,783,493	1,507,452	1,003,876	1,180,911	5,247,589
2019	-	57,410	2,617,161	-	-	-	137,471	137,471	600,000	1,147,934	4,214,176	5,010,668	1,783,493	1,783,493	1,507,452	1,080,966	1,268,090	4,409,423
2020	15,719	151,170	1,947,712	-	-	-	177,104	177,104	600,000	1,113,901	391,388	3,276,856	1,783,493	1,783,493	1,507,452	741,758	704,935	3,305,014
2021	164,259	272,347	1,829,379	-	-	-	194,853	194,853	577,383	1,093,917	3,316,998	2,569,024	1,783,493	1,783,493	1,507,452	327,221	276,590	3,012,390
2022	190,399	187,819	1,749,846	-	-	-	168,779	168,779	438,518	1,081,798	5,347,917	2,120,668	1,783,493	1,783,493	1,507,452	174,122	187,338	2,873,420
2023	81,223	306,996	1,488,796	-	-	-	154,021	154,021	319,151	1,075,425	4,992,757	1,871,681	1,783,495	1,783,495	1,507,452	247,865	97,572	2,867,610
2024	274,641	291,921	136,151	-	-	-	144,827	144,827	232,277	1,080,373	3,661,623	1,768,654	1,783,491	1,783,491	1,507,452	35,291	44,853	4,424,870
2025	259,601	199,127	-	-	-	-	138,390	138,390	169,051	1,078,894	1,976,808	1,682,989	1,783,493	1,783,493	1,507,452	-	61,479	3,862,300
2026	163,843	197,341	-	-	-	-	133,293	133,293	123,034	1,063,757	877,345	1,624,196	1,783,495	1,783,495	1,458,919	-	-	2,969,219
2027	106,648	114,395	1,440	-	-	-	129,136	129,136	89,544	1,037,295	804,978	1,524,178	1,756,411	1,756,411	1,365,998	40,449	54,578	2,691,359
2028	106,389	64,601	76,125	-	-	-	126,128	126,128	65,170	1,009,003	684,043	1,340,015	832,832	832,832	1,278,994	34,671	66,694	2,194,715
2029	48,339	48,638	307,664	-	-	-	123,453	123,453	47,431	966,166	600,763	933,109	484,338	484,338	1,197,533	40,823	52,545	1,438,146
2030	37,710	59,689	832,033	-	-	-	120,867	120,867	34,519	895,414	549,120	439,903	390,760	390,760	1,121,259	39,894	50,669	294,111
2031	37,021	28,950	909,681	-	-	-	118,597	118,597	25,124	818,558	511,090	389,926	340,228	340,228	1,049,844	22,944	49,796	441,140
2032	32,785	38,786	639,174	-	-	-	116,256	116,256	18,284	711,916	523,929	749,681	299,504	299,504	982,977	18,227	31,086	380,145
2033	18,023	41,971	718,442	-	-	-	114,074	114,074	958	657,683	556,043	1,000,953	259,708	259,708	920,369	21,412	19,028	284,928
2034	3,816	11,730	299,609	-	-	-	56,304	56,304	-	305,204	528,308	482,820	115,041	115,041	766,081	-	1,502	56,015
Sub-total	2,684,248	3,002,395	14,503,382	-	-	-	2,368,022	2,368,022	4,039,352	18,963,936	31,063,496	33,916,194	22,313,753	22,313,753	23,985,083	4,840,199	5,158,346	41,763,074
Remaining	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	2,684,248	3,002,395	14,503,382	-	-	-	2,368,022	2,368,022	4,039,352	18,963,936	31,063,496	33,916,194	22,313,753	22,313,753	23,985,083	4,840,199	5,158,346	41,763,074

FIELD: Jubilee
OPERATOR: Tullow
COUNTRY: GHANA
AS OF: 12/31/2016
ENGINEER: Tosin Famurewa

Category	Well Level Forecast																	
Phase	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A
LEASE NAME	J-07ST1	J-07ST1	J-07ST1	J-07ST2	J-07ST2	J-07ST2	J-08	J-08	J-08	J-09	J-09	J-09	J-19	J-19	J-19	J-20	J-20	J-20
CLASS (1P,2P,3P)	1P	2P	3P	1P	2P	3P	1P	2P	3P	1P	2P	3P	1P	2P	3P	1P	2P	3P
STATUS (PD,SI,BP,UD)	SI	SI	SI	SI	SI	SI	PD											
MAJOR (OIL or GAS)	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL
CUM. OIL or GAS (bbl or MMcf)	880,732			5,997,336			29,482,214			26,048,006			26,209,185			16,055,766		
EUR. OIL or GAS (bbl or MMcf)	880,732	880,732	880,732	5,997,336	5,997,336	5,997,336	43,370,396	50,392,947	52,064,276	50,806,905	70,302,502	70,963,237	45,050,050	46,943,233	46,943,233	35,757,277	41,503,000	41,503,000
START DATE	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17	Jan-17
Initial Book Date	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014
RRR (BO or MMCF)	-	-	-	-	-	-	13,888,182	20,910,733	22,582,062	24,758,899	44,254,496	44,915,231	18,840,865	20,734,048	20,734,048	19,701,511	25,447,234	25,447,234
PROJECTION PERIOD	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS
2016																		
2017	-	-	-	-	-	-	2,222,653	2,222,653	2,222,653	1,837,920	1,837,920	1,837,920	4,484,733	4,484,733	4,484,733	4,187,778	4,187,778	4,187,778
2018	-	-	-	-	-	-	2,687,938	4,178,423	3,793,932	1,865,449	5,946,837	6,602,729	10,947,353	4,867,696	6,562,659	3,832,184	4,166,464	2,314,060
2019	-	-	-	-	-	-	1,921,779	1,485,347	2,815,675	1,710,727	4,777,151	5,531,353	1,635,685	1,459,164	3,991,968	4,072,656	3,786,115	2,150,337
2020	-	-	-	-	-	-	1,825,629	4,757,753	1,681,454	1,566,148	7,287,571	3,530,366	1,309,299	1,004,592	1,424,463	2,400,131	3,116,562	1,998,197
2021	-	-	-	-	-	-	1,813,601	-	1,666,143	1,459,187	7,128,047	2,564,352	444,889	-	981,518	890,938	2,565,416	1,856,821
2022	-	-	-	-	-	-	1,325,188	-	3,003,799	1,390,257	6,629,842	2,058,772	18,905	1,889,457	745,029	533,021	2,111,737	1,725,449
2023	-	-	-	-	-	-	515,377	-	3,745,440	1,348,040	6,820,871	1,919,116	-	3,417,007	532,849	538,508	1,738,289	1,603,370
2024	-	-	-	-	-	-	338,928	6,109,099	2,734,332	1,333,239	2,216,647	1,961,450	-	1,889,457	450,094	456,356	1,430,882	1,489,930
2025	-	-	-	-	-	-	263,992	2,097,218	918,634	1,317,588	485,823	1,958,254	-	566,393	382,195	405,030	1,177,839	1,384,515
2026	-	-	-	-	-	-	226,248	60,238	-	1,279,766	349,833	2,019,939	-	389,945	326,688	367,234	969,545	1,286,558
2027	-	-	-	-	-	-	200,547	-	-	1,222,166	266,684	2,110,675	-	287,096	273,025	336,405	196,607	1,195,532
2028	-	-	-	-	-	-	169,087	-	-	1,190,224	224,956	2,291,879	-	207,805	235,729	305,332	-	1,110,947
2029	-	-	-	-	-	-	145,584	-	-	1,141,971	197,057	2,634,349	-	158,400	211,207	278,751	-	1,032,345
2030	-	-	-	-	-	-	130,496	-	-	1,089,994	40,632	3,087,562	-	112,302	131,889	256,972	-	959,305
2031	-	-	-	-	-	-	101,134	-	-	1,195,454	5,069	2,984,089	-	-	-	241,391	-	891,433
2032	-	-	-	-	-	-	-	-	-	1,428,086	10,685	1,035,062	-	-	-	252,681	-	260,657
2033	-	-	-	-	-	-	-	-	-	1,556,638	17,057	545,288	-	-	-	233,466	-	-
2034	-	-	-	-	-	-	-	-	-	826,046	11,814	242,074	-	-	-	112,677	-	-
Sub-total	-	-	-	-	-	-	13,888,182	20,910,733	22,582,062	24,758,899	44,254,496	44,915,231	18,840,865	20,734,048	20,734,048	19,701,511	25,447,234	25,447,234
Remaining	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	13,888,182	20,910,733	22,582,062	24,758,899	44,254,496	44,915,231	18,840,865	20,734,048	20,734,048	19,701,511	25,447,234	25,447,234

FIELD: Jubilee
OPERATOR: Tullow
COUNTRY: GHANA
AS OF: 12/31/2016
ENGINEER: Tosin Famurewa

Category	Well Level Forecast																		
Phase	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	FD	FD	FD
LEASE NAME	J-22	J-22	J-22	J-24_LM1	J-24_LM1	J-24_LM1	J-24_UM3	J-24_UM3	J-24_UM3	J37_LM2B	J37_LM2B	J37_LM2B	J37_UM2	J37_UM2	J37_UM2	P2B_11	P2B_11	P2B_11	
CLASS (1P,2P,3P)	1P	2P	3P	1P	2P	3P	1P	2P	3P	1P	2P	3P	1P	2P	3P	1P	2P	3P	
STATUS (PD,SI,BP,UD)	PD	PD	PD	SI	SI	SI	PD	UD	UD	UD									
MAJOR (OIL or GAS)	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	
CUM. OIL or GAS (bbl or MMcf)	25,384,981			-			696,248			1,490,069			236,059			-			
EUR. OIL or GAS (bbl or MMcf)	42,800,057	42,800,057	46,978,382	-	14,524,738	14,596,060	35,845,421	35,845,421	39,188,081	20,830,715	34,297,300	48,751,642	6,671,133	6,671,133	18,908,052	-	34,169,322	46,151,909	
START DATE	Jan-17	Jan-17	Jan-17	Jan-17	Jan-18	Jan-20	Jan-17	Jan-19	Jan-19										
Initial Book Date	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	
RRR (BO or MMCF)	17,415,076	17,415,076	21,593,401	-	14,524,738	14,596,060	35,149,173	35,149,173	38,491,833	19,340,646	32,807,231	47,261,573	6,435,074	6,435,074	18,671,993	-	34,169,322	46,151,909	
PROJECTION																			
PERIOD	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	
2016																			
2017	2,336,579	2,336,579	2,336,579	-	-	-	4,150,873	4,150,873	4,150,873	2,241,682	2,241,682	2,241,682	2,055,499	2,055,499	2,055,499	-	-	-	
2018	2,152,062	1,610,111	-	-	99,955	-	1,482,422	4,494,512	2,477,748	2,505,186	4,721,240	4,869,293	2,723,647	2,293,594	-	-	-	-	
2019	1,343,311	1,551,214	-	-	231,700	-	5,690,985	7,068,298	3,458,610	2,555,347	4,721,240	4,866,572	1,301,457	1,507,615	-	-	2,195,693	3,306,644	
2020	1,032,678	1,439,131	-	-	282,821	4,719,465	6,485,991	7,068,299	5,076,570	2,653,650	4,721,240	4,756,431	354,471	578,366	-	-	2,329,940	3,621,381	
2021	1,233,540	1,335,147	-	-	4,436,383	1,956,253	6,145,822	6,890,677	5,076,571	1,965,154	3,693,426	4,661,081	-	-	-	-	2,443,532	3,621,380	
2022	1,188,506	1,238,675	3,595,692	-	2,551,903	1,474,097	3,174,145	3,103,493	5,076,570	1,387,225	2,325,621	4,868,953	-	-	1,927,052	-	2,443,532	3,621,381	
2023	1,258,853	1,149,174	4,671,204	-	1,067,499	1,141,225	2,575,209	834,906	5,076,570	1,045,099	1,785,775	3,923,769	-	-	1,811,920	-	2,443,532	3,621,381	
2024	1,231,378	1,066,140	4,321,149	-	759,227	941,744	2,224,081	475,630	4,224,782	893,536	1,559,318	2,881,730	-	-	1,688,464	-	2,443,532	3,621,381	
2025	1,060,684	989,106	3,588,614	-	608,640	819,983	2,084,261	362,439	1,472,478	776,604	1,338,649	2,332,732	-	-	1,573,420	-	2,443,530	3,621,381	
2026	859,585	917,638	1,657,288	-	520,295	806,233	692,924	267,433	641,230	652,416	1,131,876	1,892,471	-	-	1,466,214	-	2,443,532	3,621,379	
2027	719,192	851,333	611,841	-	493,241	671,616	219,103	214,226	421,302	544,407	882,065	1,690,013	-	-	1,366,312	-	2,443,532	3,621,385	
2028	613,108	789,821	402,158	-	479,303	546,974	179,691	175,691	327,805	435,796	535,164	1,551,207	-	-	1,273,218	-	2,443,534	3,110,741	
2029	532,181	732,751	332,007	-	492,872	442,125	43,666	42,694	267,998	364,248	723,317	1,453,565	-	-	1,186,466	-	2,443,529	2,631,972	
2030	477,969	679,807	76,870	-	525,780	356,336	-	-	215,584	325,945	636,842	1,353,594	-	-	1,105,626	-	2,113,538	2,251,896	
2031	434,877	630,686	-	-	494,851	284,509	-	-	177,597	306,454	577,034	1,251,203	-	-	1,030,293	-	1,717,874	1,985,989	
2032	398,432	97,764	-	-	552,240	228,496	-	-	150,852	290,261	521,026	1,149,574	-	-	960,094	-	1,474,562	1,705,784	
2033	367,736	-	-	-	506,945	189,212	-	-	135,175	270,120	467,775	1,038,309	-	-	894,677	-	1,252,341	1,531,291	
2034	174,405	-	-	-	421,082	17,791	-	-	63,519	127,515	223,945	479,394	-	-	332,738	-	1,093,588	656,540	
Sub-total	17,415,076	17,415,076	21,593,401	-	14,524,738	14,596,060	35,149,173	35,149,173	38,491,833	19,340,646	32,807,231	47,261,573	6,435,074	6,435,074	18,671,993	-	34,169,322	46,151,909	
Remaining	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total	17,415,076	17,415,076	21,593,401	-	14,524,738	14,596,060	35,149,173	35,149,173	38,491,833	19,340,646	32,807,231	47,261,573	6,435,074	6,435,074	18,671,993	-	34,169,322	46,151,909	

FIELD: Jubilee
OPERATOR: Tullow
COUNTRY: GHANA
AS OF: 12/31/2016
ENGINEER: Tosin Famurewa

Category	Well Level Forecast																	
Phase	FD	FD	FD	FD	FD	FD	FD	FD	FD	FD	FD	FD	FD	FD	FD	FD	FD	FD
LEASE NAME	P2A_6	P2A_6	P2A_6	PU2UD	PU2UD	PU2UD	PU2E	PU2E	PU2E	PU2W	PU2W	PU2W	P2A_4	P2A_4	P2A_4	P2B_3	P2B_3	P2B_3
CLASS (1P,2P,3P)	1P	2P	3P	1P	2P	3P	1P	2P	3P	1P	2P	3P	1P	2P	3P	1P	2P	3P
STATUS (PD,SI,BP,UD)	UD	UD	UD	UD	UD	UD	UD	UD	UD	UD	UD	UD	UD	UD	UD	UD	UD	UD
MAJOR (OIL or GAS)	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL
CUM. OIL or GAS (bbl or MMcf)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EUR. OIL or GAS (bbl or MMcf)	-	-	-	-	5,232,183	17,469,102	-	5,232,183	17,469,102	-	-	-	-	17,359,097	20,758,897	-	26,998,764	33,855,506
START DATE	Jan-17	Jan-17	Jan-17	Jan-19	Jan-19	Jan-19	Jan-17	Jan-18	Jan-18	Jan-17	Jan-17	Jan-17	Jan-23	Jan-23	Jan-23	Jan-20	Jan-21	Jan-21
Initial Book Date	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014
RRR (BO or MMCF)	-	-	-	-	5,232,183	17,469,102	-	5,232,183	17,469,102	-	-	-	-	17,359,097	20,758,897	-	26,998,764	33,855,506
PROJECTION																		
PERIOD	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS
2016																		
2017	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	199,411	1,976,877	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	375,239	1,169,863	-	617,258	1,976,878	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	453,642	1,414,298	-	617,258	1,976,877	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	453,642	1,414,298	-	617,258	1,976,877	-	-	-	-	-	-	-	3,641,603	3,955,314
2022	-	-	-	-	453,642	1,414,298	-	617,258	1,976,877	-	-	-	-	-	-	-	1,689,439	3,751,261
2023	-	-	-	-	453,642	1,414,297	-	617,258	1,878,777	-	-	-	-	1,173,332	1,655,076	-	1,300,652	2,128,966
2024	-	-	-	-	453,642	1,414,298	-	411,022	910,154	-	-	-	-	1,104,744	1,370,247	-	1,803,844	1,606,906
2025	-	-	-	-	453,642	1,414,298	-	242,285	751,299	-	-	-	-	1,653,249	1,495,013	-	1,966,026	2,136,328
2026	-	-	-	-	453,642	1,414,298	-	217,132	680,644	-	-	-	-	1,655,909	1,889,587	-	2,056,214	2,454,070
2027	-	-	-	-	453,642	1,414,298	-	192,278	608,560	-	-	-	-	1,703,387	1,913,197	-	1,989,381	2,540,560
2028	-	-	-	-	432,424	1,414,297	-	170,011	544,623	-	-	-	-	1,665,192	1,913,195	-	2,092,737	2,474,284
2029	-	-	-	-	249,565	1,328,758	-	151,377	490,542	-	-	-	-	1,663,432	1,913,196	-	2,076,593	2,349,799
2030	-	-	-	-	154,486	780,978	-	135,875	444,945	-	-	-	-	1,648,470	1,913,196	-	2,146,466	2,398,858
2031	-	-	-	-	125,957	518,575	-	122,606	405,214	-	-	-	-	1,659,347	1,913,196	-	1,881,288	2,408,182
2032	-	-	-	-	115,299	409,965	-	111,045	370,819	-	-	-	-	1,494,608	1,913,195	-	1,672,993	2,362,684
2033	-	-	-	-	103,196	362,400	-	100,910	339,804	-	-	-	-	1,347,727	1,913,198	-	1,565,438	2,246,753
2034	-	-	-	-	46,877	169,883	-	91,942	159,335	-	-	-	-	589,701	956,598	-	1,116,092	1,041,539
Sub-total	-	-	-	-	5,232,183	17,469,102	-	5,232,183	17,469,102	-	-	-	-	17,359,097	20,758,897	-	26,998,764	33,855,506
Remaining	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	5,232,183	17,469,102	-	5,232,183	17,469,102	-	-	-	-	17,359,097	20,758,897	-	26,998,764	33,855,506

FIELD: Jubilee
OPERATOR: Tullow
COUNTRY: GHANA
AS OF: 12/31/2016
ENGINEER: Tosin Famurewa

Category	Well Level Forecat											
Phase	FD	FD	FD	FD	FD	FD	FD	FD	FD	FD	FD	FD
LEASE NAME	P2_18	P2_18	P2_18	PU3BN	PU3BN	PU3BN	PU3BNE	PU3BNE	PU3BNE	P2B_9	P2B_9	P2B_9
CLASS (1P,2P,3P)	1P	2P	3P	1P	2P	3P	1P	2P	3P	1P	2P	3P
STATUS (PD,SI,BP,UD)	UD	UD	UD	UD	UD	UD	UD	UD	UD	UD	UD	UD
MAJOR (OIL or GAS)	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL
CUM. OIL or GAS (bbl or MMcf)	-	-	-	-	-	-	-	-	-	-	-	-
EUR. OIL or GAS (bbl or MMcf)	-	26,998,764	33,855,506	-	17,999,176	23,127,448	-	8,999,588	12,399,389	-	11,917,593	16,839,300
START DATE	Jan-19	Jan-20	Jan-20	Jan-19	Jan-21	Jan-21	Jan-19	Jan-21	Jan-21	Jan-18	Jan-20	Jan-21
Initial Book Date	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014	12/31/2014
RRR (BO or MMCF)	-	26,998,764	33,855,506	-	17,999,176	23,127,448	-	8,999,588	12,399,389	-	11,917,593	16,839,300
PROJECTION PERIOD	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS
2016												
2017	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-	-	-	-
2020	-	3,191,154	3,918,221	-	-	-	-	-	-	-	518,631	-
2021	-	-	3,918,219	-	502,170	1,804,503	-	1,509,303	1,501,513	-	1,605,373	2,502,893
2022	-	3,857,922	3,918,220	-	1,554,420	1,804,503	-	1,277,871	1,341,674	-	1,605,373	2,502,892
2023	-	3,857,923	3,918,220	-	1,554,420	1,804,503	-	849,216	1,285,422	-	1,605,373	2,502,894
2024	-	3,857,922	3,918,220	-	1,554,420	1,804,503	-	741,940	1,078,155	-	1,605,373	2,502,892
2025	-	3,857,921	3,661,114	-	1,554,420	1,804,504	-	614,832	884,726	-	1,605,372	2,457,771
2026	-	3,042,766	2,460,696	-	1,554,420	1,804,502	-	505,735	815,184	-	1,167,951	1,126,538
2027	-	1,680,251	2,104,069	-	1,554,421	1,804,505	-	465,219	778,633	-	560,981	751,613
2028	-	1,051,093	1,512,087	-	1,494,476	1,804,502	-	458,641	758,909	-	416,619	583,485
2029	-	853,421	1,195,132	-	1,411,337	1,800,731	-	462,893	761,805	-	328,009	472,077
2030	-	663,907	1,010,579	-	1,288,497	1,704,618	-	452,637	753,909	-	263,602	394,752
2031	-	471,713	852,227	-	1,278,356	1,612,193	-	442,805	733,880	-	218,380	338,886
2032	-	325,996	686,554	-	1,169,362	1,512,644	-	424,699	702,527	-	190,422	299,527
2033	-	234,566	549,362	-	934,755	1,400,122	-	400,334	675,666	-	171,689	270,849
2034	-	52,210	232,586	-	593,702	661,113	-	393,464	327,385	-	54,446	132,230
Sub-total	-	26,998,764	33,855,506	-	17,999,176	23,127,448	-	8,999,588	12,399,389	-	11,917,593	16,839,300
Remaining	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	26,998,764	33,855,506	-	17,999,176	23,127,448	-	8,999,588	12,399,389	-	11,917,593	16,839,300

FIELD: Jubilee
OPERATOR: Tullow
COUNTRY: GHANA
AS OF: 12/31/2016
ENGINEER: Tosin Famurewa

Category	Total Summary														
Phase	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD
Summary of Oil Forecasts															
LEASE NAME															
CLASS (1P,2P,3P)	1P	1P	1P	1P	1P	2P	2P	2P	2P	2P	3P	3P	3P	3P	3P
STATUS (PD,SI,BP,UD)	PD	SI	BP	UD	TOTAL	PD	SI	BP	UD	TOTAL	PD	SI	BP	UD	TOTAL
MAJOR (OIL or GAS)	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL
CUM. OIL or GAS (bbl or MMcf)	161,443,460	26,265,170	0	0	187,708,630	0	0	0	0	0	0	0	0	0	0
EUR. OIL or GAS (bbl or MMcf)	368,143,044	26,265,170	0	0	394,408,214	428,502,537	40,789,908	0	154,906,671	624,199,116	519,347,920	40,861,230	0	221,926,159	782,135,309
START DATE															
Initial Book Date															
RRR (BO or MMCF)	206,699,584	0	0	0	206,699,584	267,059,077	14,524,738	0	154,906,671	436,490,486	357,904,460	14,596,060	0	221,926,159	594,426,679
PROJECTION															
PERIOD	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS
2016															
2017	27,997,535	0	0	0	27,997,535	27,997,535	0	0	0	27,997,535	27,997,535	0	0	0	27,997,535
2018	34,482,966	0	0	0	34,482,966	36,227,819	99,955	0	199,411	36,527,185	40,469,766	0	0	1,976,877	42,446,644
2019	24,381,811	0	0	0	24,381,811	33,816,785	231,700	0	3,188,190	37,236,676	36,959,219	0	0	6,453,385	43,412,604
2020	21,459,972	0	0	0	21,459,972	33,181,604	282,821	0	7,110,625	40,575,050	29,104,516	4,719,465	0	10,930,777	44,754,758
2021	17,516,873	0	0	0	17,516,873	27,456,993	4,436,383	0	10,772,881	42,666,258	26,302,115	1,956,253	0	20,694,998	48,953,365
2022	12,415,839	0	0	0	12,415,839	24,974,171	2,551,903	0	13,499,458	41,025,532	31,691,220	1,474,097	0	20,331,109	53,496,426
2023	10,623,116	0	0	0	10,623,116	23,080,863	1,067,499	0	13,855,348	38,003,710	31,338,929	1,141,225	0	20,209,537	52,689,691
2024	9,796,141	0	0	0	9,796,141	20,673,889	759,227	0	13,976,440	35,409,557	27,821,334	941,744	0	18,226,758	46,989,836
2025	9,168,537	0	0	0	9,168,537	11,176,764	608,640	0	14,391,277	26,176,681	20,832,634	819,983	0	18,226,435	39,879,052
2026	7,222,561	0	0	0	7,222,561	7,077,983	520,295	0	13,097,301	20,695,580	15,465,755	806,233	0	16,266,898	32,538,886
2027	6,311,759	0	0	0	6,311,759	5,557,507	493,241	0	11,043,090	17,093,839	13,341,220	671,616	0	15,536,820	29,549,656
2028	5,002,262	0	0	0	5,002,262	3,707,736	479,303	0	10,224,727	14,411,766	12,147,962	546,974	0	14,116,124	26,811,060
2029	4,169,520	0	0	0	4,169,520	3,163,955	492,872	0	9,640,155	13,296,982	11,041,820	442,125	0	12,944,014	24,427,960
2030	3,766,021	0	0	0	3,766,021	2,640,687	525,780	0	8,867,477	12,033,944	9,652,254	356,336	0	11,653,731	21,662,321
2031	3,616,659	0	0	0	3,616,659	2,261,450	494,851	0	7,918,326	10,674,628	9,150,331	284,509	0	10,768,344	20,203,184
2032	3,548,148	0	0	0	3,548,148	1,639,036	552,240	0	6,978,985	9,170,260	6,326,502	228,496	0	9,963,698	16,518,696
2033	3,498,859	0	0	0	3,498,859	1,475,656	506,945	0	6,110,956	8,093,557	5,539,099	189,212	0	9,289,445	15,017,756
2034	1,721,007	0	0	0	1,721,007	948,644	421,082	0	4,032,022	5,401,748	2,722,249	17,791	0	4,337,209	7,077,249
Sub-total	206,699,584	0	0	0	206,699,584	267,059,077	14,524,738	0	154,906,671	436,490,486	357,904,460	14,596,060	0	221,926,159	594,426,679
Remaining	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	206,699,584	0	0	0	206,699,584	267,059,077	14,524,738	0	154,906,671	436,490,486	357,904,460	14,596,060	0	221,926,159	594,426,679

FIELD: Jubilee
OPERATOR: Tullow
COUNTRY: GHANA
AS OF: 12/31/2016
ENGINEER: Tosin Famurewa

Category	Total Summary														
Phase	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD	1/1A/FD
Well Count															
LEASE NAME															
CLASS (1P,2P,3P)	1P	1P	1P	1P	1P	2P	2P	2P	2P	2P	3P	3P	3P	3P	3P
STATUS (PD,SI,BP,UD)	PD	SI	BP	UD	TOTAL	PD	SI	BP	UD	TOTAL	PD	SI	BP	UD	TOTAL
MAJOR (OIL or GAS)	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL
CUM. OIL or GAS (bbl or MMcf)															
EUR. OIL or GAS (bbl or MMcf)															
START DATE															
Initial Book Date															
RRR (BO or MMCF)															
PROJECTION															
PERIOD	Count	Count	Count	Count	Count	Count	Count	Count	Count	Count	Count	Count	Count	Count	Count
2016															
2017	13	0	0	0	13	13	0	0	0	13	13	0	0	0	13
2018	13	0	0	0	13	13	1	0	1	15	11	0	0	1	12
2019	12	0	0	0	12	13	1	0	3	17	11	0	0	3	14
2020	13	0	0	0	13	13	1	0	5	19	11	1	0	4	16
2021	12	0	0	0	12	10	1	0	7	18	11	1	0	8	20
2022	12	0	0	0	12	11	1	0	8	20	13	1	0	8	22
2023	11	0	0	0	11	11	1	0	9	21	13	1	0	9	23
2024	11	0	0	0	11	12	1	0	9	22	13	1	0	9	23
2025	10	0	0	0	10	12	1	0	9	22	12	1	0	9	22
2026	10	0	0	0	10	11	1	0	9	21	11	1	0	9	21
2027	11	0	0	0	11	11	1	0	9	21	12	1	0	9	22
2028	11	0	0	0	11	10	1	0	9	20	12	1	0	9	22
2029	11	0	0	0	11	10	1	0	9	20	12	1	0	9	22
2030	10	0	0	0	10	9	1	0	9	19	12	1	0	9	22
2031	10	0	0	0	10	8	1	0	9	18	10	1	0	9	20
2032	9	0	0	0	9	8	1	0	9	18	10	1	0	9	20
2033	9	0	0	0	9	7	1	0	9	17	9	1	0	9	19
2034	8	0	0	0	8	7	1	0	9	17	8	1	0	9	18
Sub-total															
Remaining															
Total															

FIELD: Jubilee
OPERATOR: Tullow
COUNTRY: GHANA
AS OF: 12/31/2016
ENGINEER: Tosin Famurewa

Category	Phase 1/1A/1A Addendum Summary														
Phase	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A	1/1A
Summary of Oil Forecasts															
LEASE NAME															
CLASS (1P,2P,3P)	1P	1P	1P	1P	1P	2P	2P	2P	2P	2P	3P	3P	3P	3P	3P
STATUS (PD,SI,BP,UD)	PD	SI	BP	UD	TOTAL	PD	SI	BP	UD	TOTAL	PD	SI	BP	UD	TOTAL
MAJOR (OIL or GAS)	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL
CUM. OIL or GAS (bbl or MMcf)	161,443,460	26,265,170	0	0	187,708,630	0	0	0	0	0	0	0	0	0	0
EUR. OIL or GAS (bbl or MMcf)	368,143,044	26,265,170	0	0	394,408,214	428,502,537	40,789,908	0	0	469,292,445	519,347,920	40,861,230	0	0	560,209,149
START DATE															
<i>Initial Book Date</i>															
RRR (BO or MMCF)	206,699,584	0	0	0	206,699,584	267,059,077	14,524,738	0	0	281,583,815	357,904,460	14,596,060	0	0	372,500,519
PROJECTION															
PERIOD	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS
2016															
2017	27,997,535	0	0	0	27,997,535	27,997,535	0	0	0	27,997,535	27,997,535	0	0	0	27,997,535
2018	34,482,966	0	0	0	34,482,966	36,227,819	99,955	0	0	36,327,774	40,469,766	0	0	0	40,469,766
2019	24,381,811	0	0	0	24,381,811	33,816,785	231,700	0	0	34,048,485	36,959,219	0	0	0	36,959,219
2020	21,459,972	0	0	0	21,459,972	33,181,604	282,821	0	0	33,464,425	29,104,516	4,719,465	0	0	33,823,981
2021	17,516,873	0	0	0	17,516,873	27,456,993	4,436,383	0	0	31,893,377	26,302,115	1,956,253	0	0	28,258,367
2022	12,415,839	0	0	0	12,415,839	24,974,171	2,551,903	0	0	27,526,074	31,691,220	1,474,097	0	0	33,165,318
2023	10,623,116	0	0	0	10,623,116	23,080,863	1,067,499	0	0	24,148,362	31,338,929	1,141,225	0	0	32,480,154
2024	9,796,141	0	0	0	9,796,141	20,673,889	759,227	0	0	21,433,117	27,821,334	941,744	0	0	28,763,078
2025	9,168,537	0	0	0	9,168,537	11,176,764	608,640	0	0	11,785,403	20,832,634	819,983	0	0	21,652,617
2026	7,222,561	0	0	0	7,222,561	7,077,983	520,295	0	0	7,598,278	15,465,755	806,233	0	0	16,271,988
2027	6,311,759	0	0	0	6,311,759	5,557,507	493,241	0	0	6,050,749	13,341,220	671,616	0	0	14,012,836
2028	5,002,262	0	0	0	5,002,262	3,707,736	479,303	0	0	4,187,039	12,147,962	546,974	0	0	12,694,936
2029	4,169,520	0	0	0	4,169,520	3,163,955	492,872	0	0	3,656,827	11,041,820	442,125	0	0	11,483,946
2030	3,766,021	0	0	0	3,766,021	2,640,687	525,780	0	0	3,166,466	9,652,254	356,336	0	0	10,008,590
2031	3,616,659	0	0	0	3,616,659	2,261,450	494,851	0	0	2,756,302	9,150,331	284,509	0	0	9,434,840
2032	3,548,148	0	0	0	3,548,148	1,639,036	552,240	0	0	2,191,275	6,326,502	228,496	0	0	6,554,997
2033	3,498,859	0	0	0	3,498,859	1,475,656	506,945	0	0	1,982,601	5,539,099	189,212	0	0	5,728,311
2034	1,721,007	0	0	0	1,721,007	948,644	421,082	0	0	1,369,726	2,722,249	17,791	0	0	2,740,040
Sub-total	206,699,584	0	0	0	206,699,584	267,059,077	14,524,738	0	0	281,583,815	357,904,460	14,596,060	0	0	372,500,519
Remaining	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	206,699,584	0	0	0	206,699,584	267,059,077	14,524,738	0	0	281,583,815	357,904,460	14,596,060	0	0	372,500,519

FIELD: Jubilee
OPERATOR: Tullow
COUNTRY: GHANA
AS OF: 12/31/2016
ENGINEER: Tosin Famurewa

Category	Future Development Summary														
Phase	FD	FD	FD	FD	FD	FD	FD	FD	FD	FD	FD	FD	FD	FD	FD
Summary of Oil Forecasts															
LEASE NAME															
CLASS (1P,2P,3P)	1P	1P	1P	1P	1P	2P	2P	2P	2P	2P	2P	3P	3P	3P	3P
STATUS (PD,SI,BP,UD)	PD	SI	BP	UD	TOTAL	PD	SI	BP	UD	TOTAL	PD	SI	BP	UD	TOTAL
MAJOR (OIL or GAS)	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL	OIL
CUM. OIL or GAS (bbl or MMcf)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EUR. OIL or GAS (bbl or MMcf)	0	0	0	0	0	0	0	0	0	154,906,671	154,906,671	0	0	0	221,926,159
START DATE															
Initial Book Date															
RRR (BO or MMCF)	0	0	0	0	0	0	0	0	0	154,906,671	154,906,671	0	0	0	221,926,159
PROJECTION PERIOD	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS	BARRELS
2016															
2017	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2018	0	0	0	0	0	0	0	0	0	199,411	199,411	0	0	1,976,877	1,976,877
2019	0	0	0	0	0	0	0	0	0	3,188,190	3,188,190	0	0	6,453,385	6,453,385
2020	0	0	0	0	0	0	0	0	0	7,110,625	7,110,625	0	0	10,930,777	10,930,777
2021	0	0	0	0	0	0	0	0	0	10,772,881	10,772,881	0	0	20,694,998	20,694,998
2022	0	0	0	0	0	0	0	0	0	13,499,458	13,499,458	0	0	20,331,109	20,331,109
2023	0	0	0	0	0	0	0	0	0	13,855,348	13,855,348	0	0	20,209,537	20,209,537
2024	0	0	0	0	0	0	0	0	0	13,976,440	13,976,440	0	0	18,226,758	18,226,758
2025	0	0	0	0	0	0	0	0	0	14,391,277	14,391,277	0	0	18,226,435	18,226,435
2026	0	0	0	0	0	0	0	0	0	13,097,301	13,097,301	0	0	16,266,898	16,266,898
2027	0	0	0	0	0	0	0	0	0	11,043,090	11,043,090	0	0	15,536,820	15,536,820
2028	0	0	0	0	0	0	0	0	0	10,224,727	10,224,727	0	0	14,116,124	14,116,124
2029	0	0	0	0	0	0	0	0	0	9,640,155	9,640,155	0	0	12,944,014	12,944,014
2030	0	0	0	0	0	0	0	0	0	8,867,477	8,867,477	0	0	11,653,731	11,653,731
2031	0	0	0	0	0	0	0	0	0	7,918,326	7,918,326	0	0	10,768,344	10,768,344
2032	0	0	0	0	0	0	0	0	0	6,978,985	6,978,985	0	0	9,963,698	9,963,698
2033	0	0	0	0	0	0	0	0	0	6,110,956	6,110,956	0	0	9,289,445	9,289,445
2034	0	0	0	0	0	0	0	0	0	4,032,022	4,032,022	0	0	4,337,209	4,337,209
Sub-total	0	0	0	0	0	0	0	0	0	154,906,671	154,906,671	0	0	221,926,159	221,926,159
Remaining	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	154,906,671	154,906,671	0	0	221,926,159	221,926,159

12.1.2.2 Well Inventory

WELL INVENTORY AND TECHNICAL VOLUMES ALLOCATION BY WELL

Volumes in Barrels

Field Name: Jubilee
As of : 12/31/2016

Well	Reservoir	Initial Production Date	Actual Peak Production Rate (BOPM)	Current Production Rate* (BOPM)	Cumulative	Proved	Proved	Proved	Proved	Proved	Probable	Probable	Probable	Probable	Probable	Possible	Possible	Possible	Possible	Possible			
					Production*	Producing	Shut-In	Behind Pipe	Undeveloped	Total	Producing	Shut-In	Behind Pipe	Undeveloped	Total		Producing	Shut-In	Behind Pipe	Undeveloped	Total		
					CUM	11-PVPD	12-PVSI	13-PVBP	14-PVUD	1P	21-PBPD	22-PBSI	23-PBBP	24-PBUD	PB	2P	31-PSPD	32-PSSI	33-PSBP	34-PSUD	PS	3P	
J-01	LM-2	2010	151,096	-	4,133,573	2,684,248	-	-	-	-	2,684,248	318,147	-	-	-	318,147	3,002,395	11,500,987	-	-	-	11,500,987	14,503,382
J-02	LM-2	2010	811,765	-	19,387,102	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
J-03	UM-3	2011	353,419	894	6,050,691	2,368,022	-	-	-	-	2,368,022	-	-	-	-	-	2,368,022	1,671,330	-	-	-	1,671,330	4,039,352
J-04ST1	LM-2	2011	447,177	-	13,697,250	18,963,936	-	-	-	-	18,963,936	12,099,560	-	-	-	12,099,560	31,063,496	2,852,698	-	-	-	2,852,698	33,916,194
J-05	UM-3	2011	203,289	13,348	4,626,129	22,313,753	-	-	-	-	22,313,753	-	-	-	-	-	22,313,753	1,671,330	-	-	-	1,671,330	23,985,083
J-06ST1	LM-2	2011	274,227	-	7,333,289	4,840,199	-	-	-	-	4,840,199	318,147	-	-	-	318,147	5,158,346	36,604,729	-	-	-	36,604,729	41,763,074
J-07ST1	UM-3	2011	186,996	-	880,732	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
J-07ST2	UM-3	2012	279,559	37,181	5,997,336	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
J-08	UM-3	2010	717,006	353,361	29,482,214	13,888,182	-	-	-	-	13,888,182	7,022,550	-	-	-	7,022,550	20,910,733	1,671,330	-	-	-	1,671,330	22,582,062
J-09	LM-2	2011	658,701	-	26,048,006	24,758,899	-	-	-	-	24,758,899	19,495,597	-	-	-	19,495,597	44,254,496	660,735	-	-	-	660,735	44,915,231
J-19	UM-2	2013	921,387	721,908	26,209,185	18,840,865	-	-	-	-	18,840,865	1,893,183	-	-	-	1,893,183	20,734,048	-	-	-	-	-	20,734,048
J-20	UM-3	2013	630,842	500,724	16,055,766	19,701,511	-	-	-	-	19,701,511	5,745,723	-	-	-	5,745,723	25,447,234	-	-	-	-	-	25,447,234
J-22	UM-3	2012	782,326	547,754	25,384,981	17,415,076	-	-	-	-	17,415,076	-	-	-	-	-	17,415,076	4,178,325	-	-	-	4,178,325	21,593,401
J-24_LM1	LM-1	2018	-	-	-	-	-	-	-	-	-	14,524,738	-	-	-	14,524,738	14,524,738	-	71,322	-	-	71,322	14,596,060
J-24_UM3	UM-3	2015	91,365	67,964	696,248	35,149,173	-	-	-	-	35,149,173	-	-	-	-	-	35,149,173	3,342,660	-	-	-	3,342,660	38,491,833
J37_LM2 B	LM-2	2015	214,745	148,974	1,490,069	19,340,646	-	-	-	-	19,340,646	13,466,586	-	-	-	13,466,586	32,807,231	14,454,341	-	-	-	14,454,341	47,261,573
J37_UM2	UM-2	2015	201,152	-	236,059	6,435,074	-	-	-	-	6,435,074	-	-	-	-	-	6,435,074	12,236,919	-	-	-	12,236,919	18,671,993
P2B_11	LM-1	2019	-	-	-	-	-	-	-	-	-	-	-	34,169,322	34,169,322	34,169,322	-	-	-	-	11,982,587	11,982,587	46,151,909
P2A_6	LM-2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PU2UD	UM-2	2019	-	-	-	-	-	-	-	-	-	-	-	5,232,183	5,232,183	5,232,183	-	-	-	-	12,236,919	12,236,919	17,469,102
PU2E	UM-2	2018	-	-	-	-	-	-	-	-	-	-	-	5,232,183	5,232,183	5,232,183	-	-	-	-	12,236,919	12,236,919	17,469,102
PU2W	UM-2		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
P2A_4	UM-3	2023	-	-	-	-	-	-	-	-	-	-	-	17,359,097	17,359,097	17,359,097	-	-	-	-	3,399,801	3,399,801	20,758,897
P2B_3	UM-3	2021	-	-	-	-	-	-	-	-	-	-	-	26,998,764	26,998,764	26,998,764	-	-	-	-	6,856,742	6,856,742	33,855,506
P2_18	UM-3	2020	-	-	-	-	-	-	-	-	-	-	-	26,998,764	26,998,764	26,998,764	-	-	-	-	6,856,742	6,856,742	33,855,506
PU3BN	UM-3	2021	-	-	-	-	-	-	-	-	-	-	-	17,999,176	17,999,176	17,999,176	-	-	-	-	5,128,271	5,128,271	23,127,448
PU3BNE	UM-3	2021	-	-	-	-	-	-	-	-	-	-	-	8,999,588	8,999,588	8,999,588	-	-	-	-	3,399,801	3,399,801	12,399,389
P2B_9	UM-4	2020	-	-	-	-	-	-	-	-	-	-	-	11,917,593	11,917,593	11,917,593	-	-	-	-	4,921,707	4,921,707	16,839,300
Total					187,708,630	206,699,584	-	-	-	-	206,699,584	60,359,493	14,524,738	-	154,906,671	229,790,902	436,490,486	90,845,382	71,322	-	67,019,489	157,936,193	594,426,679

* Estimated As of December 2016

Reservoir	Cumulative	Proved	Proved	Proved	Proved	Proved	Probable	Probable	Probable	Probable	Probable	Possible	Possible	Possible	Possible	Possible		
	Production	Producing	Shut-In	Behind Pipe	Undeveloped	Total	Producing	Shut-In	Behind Pipe	Undeveloped	Total	Producing	Shut-In	Behind Pipe	Undeveloped	Total		
	CUM	11-PVPD	12-PVSI	13-PVBP	14-PVUD	1P	21-PBPD	22-PBSI	23-PBBP	24-PBUD	PB	2P	31-PSPD	32-PSSI	33-PSBP	34-PSUD	PS	
UM-2	26,445,244	25,275,938	-	-	-	25,275,938	1,893,183	-	-	10,464,366	12,357,549	37,633,487	12,236,919	-	-	24,473,838	36,710,757	74,344,244
UM-3	89,174,097	110,835,718	-	-	-	110,835,718	12,768,273	-	-	98,355,389	111,123,662	221,959,380	12,534,974	-	-	25,641,357	38,176,331	260,135,711
UM-4	-	-	-	-	-	-	-	-	-	11,917,593	11,917,593	11,917,593	-	-	-	4,921,707	4,921,707	16,839,300
LM-1	-	-	-	-	-	-	-	14,524,738	-	34,169,322	48,694,060	48,694,060	-	71,322	-	11,982,587	12,053,909	60,747,969
LM-2	72,089,289	70,587,928	-	-	-	70,587,928	45,698,037	-	-	-	45,698,037	116,285,965	66,073,490	-	-	-	66,073,490	182,359,454
Total	187,708,630	206,699,584	-	-	-	206,699,584	60,359,493	14,524,738	-	154,906,671	229,790,902	436,490,486	90,845,382	71,322	-	67,019,489	157,936,193	594,426,679

WELL INVENTORY AND TECHNICAL VOLUMES ALLOCATION BY RESERVOIR

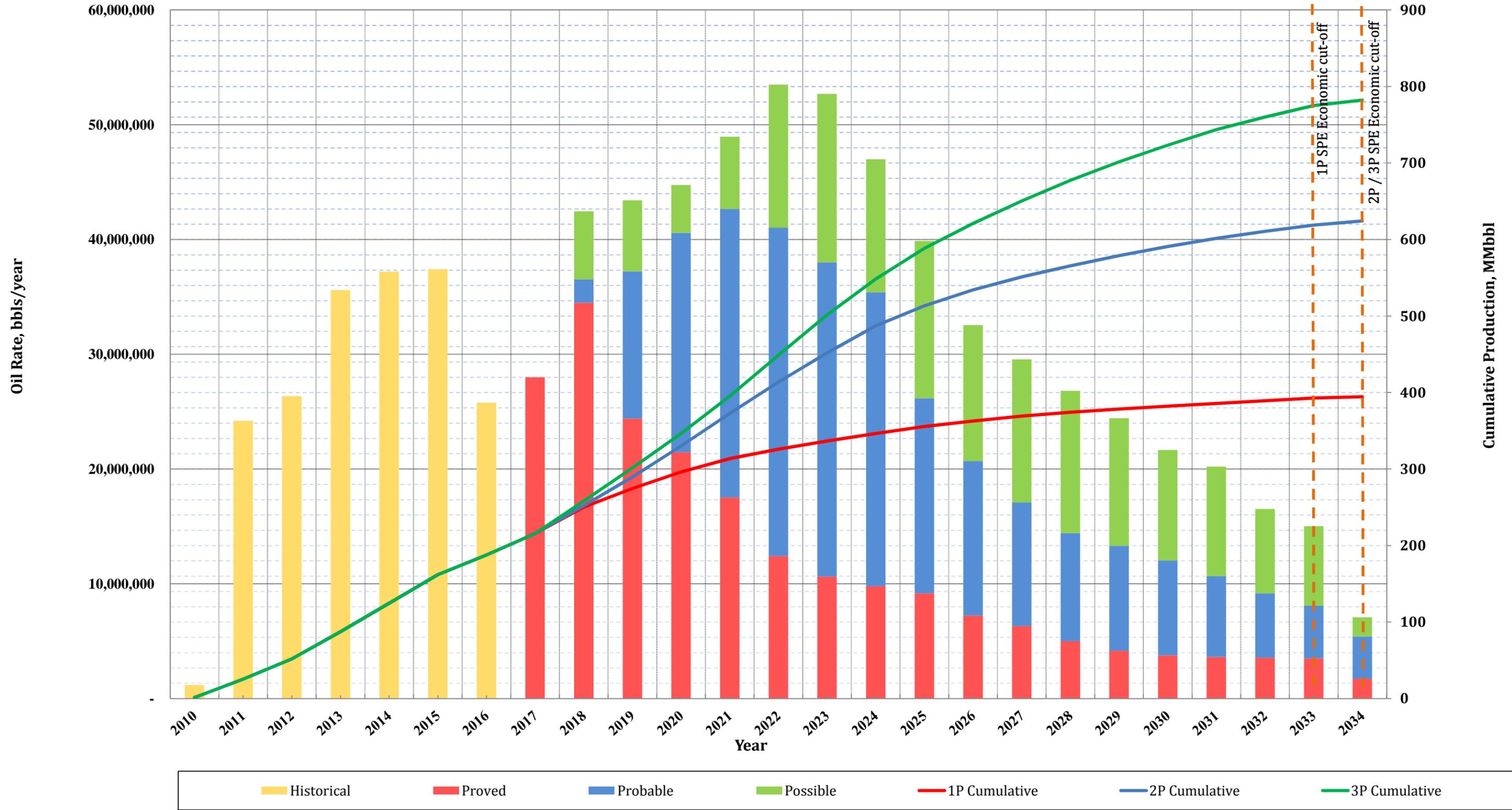
Volumes in Barrels

Field Name: Jubilee
As of : 12/31/2016

Reservoir	Cumulative	Proved	Proved	Proved	Proved	Proved	Probable	Probable	Probable	Probable	Probable		Possible	Possible	Possible	Possible	Possible		
	Production*	Producing	Shut-In	Behind Pipe	Undeveloped	Total	Producing	Shut-In	Behind Pipe	Undeveloped	Total		Producing	Shut-In	Behind Pipe	Undeveloped	Total		
	CUM	11-PVPD	12-PVSI	13-PVBP	14-PVUD	1P	21-PBPD	22-PBSI	23-PBBP	24-PBUD	PB	2P	31-PSPD	32-PSSI	33-PSBP	34-PSUD	PS	3P	
LM-2	72,089,289	70,587,928	0	0	0	70,587,928	45,698,037	0	0	0	45,698,037	116,285,965	66,073,490	0	0	0	66,073,490	182,359,454	
J-01	4,133,573	2,684,248	0	0	0	2,684,248	318,147	0	0	0	318,147	3,002,395	11,500,987	0	0	0	11,500,987	14,503,382	
J-02	19,387,102	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
J-04ST1	13,697,250	18,963,936	0	0	0	18,963,936	12,099,560	0	0	0	12,099,560	31,063,496	2,852,698	0	0	0	2,852,698	33,916,194	
J-06ST1	7,333,289	4,840,199	0	0	0	4,840,199	318,147	0	0	0	318,147	5,158,346	36,604,729	0	0	0	36,604,729	41,763,074	
J-09	26,048,006	24,758,899	0	0	0	24,758,899	19,495,597	0	0	0	19,495,597	44,254,496	660,735	0	0	0	660,735	44,915,231	
P2A_6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
J37_LM2B	1,490,069	19,340,646	0	0	0	19,340,646	13,466,586	0	0	0	13,466,586	32,807,231	14,454,341	0	0	0	14,454,341	47,261,573	
UM-3	89,174,097	110,835,718	0	0	0	110,835,718	12,768,273	0	0	98,355,389	111,123,662	221,959,380	12,534,974	0	0	25,641,357	38,176,331	260,135,711	
J-03	6,050,691	2,368,022	0	0	0	2,368,022	0	0	0	0	0	2,368,022	1,671,330	0	0	0	1,671,330	4,039,352	
J-05	4,626,129	22,313,753	0	0	0	22,313,753	0	0	0	0	0	22,313,753	1,671,330	0	0	0	1,671,330	23,985,083	
J-07ST1	880,732	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
J-08	29,482,214	13,888,182	0	0	0	13,888,182	7,022,550	0	0	0	7,022,550	20,910,733	1,671,330	0	0	0	1,671,330	22,582,062	
J-20	16,055,766	19,701,511	0	0	0	19,701,511	5,745,723	0	0	0	5,745,723	25,447,234	0	0	0	0	0	25,447,234	
J-22	25,384,981	17,415,076	0	0	0	17,415,076	0	0	0	0	0	17,415,076	4,178,325	0	0	0	4,178,325	21,593,401	
P2_18	0	0	0	0	0	0	0	0	0	26,998,764	26,998,764	26,998,764	0	0	0	6,856,742	6,856,742	33,855,506	
P2A_4	0	0	0	0	0	0	0	0	0	17,359,097	17,359,097	17,359,097	0	0	0	3,399,801	3,399,801	20,758,897	
P2B_3	0	0	0	0	0	0	0	0	0	26,998,764	26,998,764	26,998,764	0	0	0	6,856,742	6,856,742	33,855,506	
PU3BN	0	0	0	0	0	0	0	0	0	17,999,176	17,999,176	17,999,176	0	0	0	5,128,271	5,128,271	23,127,448	
PU3BNE	0	0	0	0	0	0	0	0	0	8,999,588	8,999,588	8,999,588	0	0	0	3,399,801	3,399,801	12,399,389	
J-07ST2	5,997,336	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
J-24_UM3	696,248	35,149,173	0	0	0	35,149,173	0	0	0	0	0	35,149,173	3,342,660	0	0	0	3,342,660	38,491,833	
UM-2	26,445,244	25,275,938	0	0	0	25,275,938	1,893,183	0	0	10,464,366	12,357,549	37,633,487	12,236,919	0	0	24,473,838	36,710,757	74,344,244	
J-19	26,209,185	18,840,865	0	0	0	18,840,865	1,893,183	0	0	0	1,893,183	20,734,048	0	0	0	0	0	20,734,048	
PU2UD	0	0	0	0	0	0	0	0	0	5,232,183	5,232,183	5,232,183	0	0	0	12,236,919	12,236,919	17,469,102	
J37_UM2	236,059	6,435,074	0	0	0	6,435,074	0	0	0	0	0	6,435,074	12,236,919	0	0	0	12,236,919	18,671,993	
PU2E	0	0	0	0	0	0	0	0	0	5,232,183	5,232,183	5,232,183	0	0	0	12,236,919	12,236,919	17,469,102	
PU2W	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
LM-1	0	0	0	0	0	0	0	14,524,738	0	34,169,322	48,694,060	48,694,060	0	0	71,322	11,982,587	12,053,909	60,747,969	
P2B_11	0	0	0	0	0	0	0	0	0	34,169,322	34,169,322	34,169,322	0	0	0	11,982,587	11,982,587	46,151,909	
J-24_LM1	0	0	0	0	0	0	0	14,524,738	0	0	14,524,738	14,524,738	0	0	71,322	0	71,322	14,596,060	
UM-4	0	0	0	0	0	0	0	0	0	11,917,593	11,917,593	11,917,593	0	0	0	4,921,707	4,921,707	16,839,300	
P2B_9	0	0	0	0	0	0	0	0	0	11,917,593	11,917,593	11,917,593	0	0	0	4,921,707	4,921,707	16,839,300	
Grand Total	187,708,630	206,699,584	0	0	0	206,699,584	60,359,493	14,524,738	0	154,906,671	229,790,902	436,490,486	90,845,382	0	71,322	67,019,489	157,936,193	594,426,679	

12.1.2.3 Gross Historical and Projected Oil Production Graph

GROSS HISTORICAL AND PROJECTED OIL PRODUCTION
JUBILEE FIELD AS OF 12/31/2016



12.1.2.4 Gross Reserves and Cost Forecast

100% GROSS

YEAR	TECHNICAL VOLUMES			TECHNICAL VOLUMES			SPE-PRMS Total RESERVES			SPE-PRMS Phase 1/1A RESERVES			SPE-PRMS Future Development RESERVES		
	BOPD OIL			BARRELS OIL			BARRELS OIL			BARRELS OIL			BARRELS OIL		
	1P NP	1P PD	1P	1P NP	1P PD	1P	1P NP	1P PD	1P	1P NP	1P PD	1P	1P NP	1P PD	1P
2007															
2008															
2009															
2010	0	3,208	3,208	0	1,171,076	1,171,076	0	1,171,076	1,171,076	0	1,171,076	1,171,076	0	0	0
2011	0	66,318	66,318	0	24,205,905	24,205,905	0	24,205,905	24,205,905	0	24,205,905	24,205,905	0	0	0
2012	0	71,998	71,998	0	26,351,317	26,351,317	0	26,351,312	26,351,312	0	26,351,312	26,351,312	0	0	0
2013	0	97,500	97,500	0	35,587,587	35,587,587	0	35,587,587	35,587,587	0	35,587,587	35,587,587	0	0	0
2014	0	101,922	101,922	0	37,201,695	37,201,695	0	37,201,717	37,201,717	0	37,201,717	37,201,717	0	0	0
2015	0	102,498	102,498	0	37,411,631	37,411,631	0	37,411,620	37,411,620	0	37,411,620	37,411,620	0	0	0
2016	0	70,436	70,436	0	25,779,419	25,779,419	0	25,779,418	25,779,418	0	25,779,418	25,779,418	0	0	0
2017	0	76,706	76,706	0	27,997,535	27,997,535	0	27,997,539	27,997,539	0	27,997,539	27,997,539	0	0	0
2018	0	94,474	94,474	0	34,482,966	34,482,966	0	34,482,962	34,482,962	0	34,482,962	34,482,962	0	0	0
2019	0	66,799	66,799	0	24,381,811	24,381,811	0	24,381,809	24,381,809	0	24,381,809	24,381,809	0	0	0
2020	0	58,634	58,634	0	21,459,972	21,459,972	0	21,459,972	21,459,972	0	21,459,972	21,459,972	0	0	0
2021	0	47,991	47,991	0	17,516,873	17,516,873	0	17,516,872	17,516,872	0	17,516,872	17,516,872	0	0	0
2022	0	34,016	34,016	0	12,415,839	12,415,839	0	12,415,840	12,415,840	0	12,415,840	12,415,840	0	0	0
2023	0	29,104	29,104	0	10,623,116	10,623,116	0	10,623,117	10,623,117	0	10,623,117	10,623,117	0	0	0
2024	0	26,765	26,765	0	9,796,141	9,796,141	0	9,796,141	9,796,141	0	9,796,141	9,796,141	0	0	0
2025	0	25,119	25,119	0	9,168,537	9,168,537	0	9,168,536	9,168,536	0	9,168,536	9,168,536	0	0	0
2026	0	19,788	19,788	0	7,222,561	7,222,561	0	7,222,562	7,222,562	0	7,222,562	7,222,562	0	0	0
2027	0	17,292	17,292	0	6,311,759	6,311,759	0	6,311,759	6,311,759	0	6,311,759	6,311,759	0	0	0
2028	0	13,667	13,667	0	5,002,262	5,002,262	0	5,002,261	5,002,261	0	5,002,261	5,002,261	0	0	0
2029	0	11,423	11,423	0	4,169,520	4,169,520	0	4,169,519	4,169,519	0	4,169,519	4,169,519	0	0	0
2030	0	10,318	10,318	0	3,766,021	3,766,021	0	3,766,023	3,766,023	0	3,766,023	3,766,023	0	0	0
2031	0	9,909	9,909	0	3,616,659	3,616,659	0	3,616,658	3,616,658	0	3,616,658	3,616,658	0	0	0
2032	0	9,694	9,694	0	3,548,148	3,548,148	0	3,548,149	3,548,149	0	3,548,149	3,548,149	0	0	0
2033	0	9,586	9,586	0	3,498,859	3,498,859	0	3,498,859	3,498,859	0	3,498,859	3,498,859	0	0	0
2034	0	4,715	4,715	0	1,721,007	1,721,007									
2035	0	0	0												
EUR(bbls)				0	394,408,214	394,408,214	0	392,687,211	392,687,211	0	392,687,211	392,687,211	0	0	0

* Red line represents End of Concession

EUR (mbbls)	-	394,408	394,408	-	392,687	392,687	-	392,687	392,687	-	-	-
CUM (mbbls)	-	187,709	187,709	-	187,709	187,709	-	187,709	187,709	-	-	-
RRR (mbbls)	-	206,700	206,700	-	204,979	204,979	-	204,979	204,979	-	-	-

Where:

- 1P: Proved
- 2P: Proved + Probable
- 3P: Proved + Probable + Possible
- NP: Non-Producing (Shut-in, Behind-pipe, or Undeveloped)
- PD: Producing
- EUR: Estimated Ultimate Recovery
- CUM: Cumulative Recovery
- RRR: Remaining Reserves
- mbbls: Thousands of barrels

1P SPS-PRMS

YEAR	Total					Phase 1/1A					Future Development				
	M \$					M \$					M \$				
	OPEX				CAPEX	OPEX				CAPEX	OPEX				CAPEX
	Fixed	Variable	Workover	Total	Total	Fixed	Variable	Workover	Total	Total	Fixed	Variable	Workover	Total	Total
2007					81,958	-	-	-	-	81,958	-	-	-	-	-
2008					571,957	-	-	-	-	571,957	-	-	-	-	-
2009					1,359,848	-	-	-	-	1,359,848	-	-	-	-	-
2010	12	3	-	15	1,293,393	12	3	-	15	1,293,393	-	-	-	-	-
2011	254,745	63,686	-	318,432	1,657,052	254,745	63,686	-	318,432	1,657,052	-	-	-	-	-
2012	306,896	76,724	-	383,620	764,758	306,896	76,724	-	383,620	764,758	-	-	-	-	-
2013	185,189	46,297	162,321	393,807	563,066	185,189	46,297	162,321	393,807	563,066	-	-	-	-	-
2014	236,568	59,142	93,269	388,979	505,116	236,568	59,142	93,269	388,979	505,116	-	-	-	-	-
2015	276,718	69,180	42,970	388,868	387,253	276,718	69,180	42,970	388,868	387,253	-	-	-	-	-
2016	228,415	57,104	(3,441)	282,078	75,061	228,415	57,104	(3,441)	282,078	75,061	-	-	-	-	-
2017	214,094	53,524	-	267,618	-	214,094	53,524	-	267,618	-	-	-	-	-	-
2018	190,094	44,441	-	234,535	-	190,094	44,441	-	234,535	-	-	-	-	-	-
2019	190,094	38,424	35,000	263,519	25,000	190,094	38,424	35,000	263,519	25,000	-	-	-	-	-
2020	190,094	39,039	-	229,133	59,577	190,094	39,039	-	229,133	59,577	-	-	-	-	-
2021	114,057	36,528	35,000	185,585	59,577	114,057	36,528	35,000	185,585	59,577	-	-	-	-	-
2022	114,057	33,148	-	147,204	59,577	114,057	33,148	-	147,204	59,577	-	-	-	-	-
2023	114,057	31,432	35,000	180,489	59,577	114,057	31,432	35,000	180,489	59,577	-	-	-	-	-
2024	114,057	32,110	-	146,167	59,577	114,057	32,110	-	146,167	59,577	-	-	-	-	-
2025	91,245	30,355	35,000	156,601	59,577	91,245	30,355	35,000	156,601	59,577	-	-	-	-	-
2026	91,245	28,160	-	119,406	59,577	91,245	28,160	-	119,406	59,577	-	-	-	-	-
2027	91,245	29,523	35,000	155,769	59,577	91,245	29,523	35,000	155,769	59,577	-	-	-	-	-
2028	91,245	28,873	-	120,118	59,577	91,245	28,873	-	120,118	59,577	-	-	-	-	-
2029	91,245	27,737	35,000	153,982	59,577	91,245	27,737	35,000	153,982	59,577	-	-	-	-	-
2030	91,245	25,841	-	117,086	34,577	91,245	25,841	-	117,086	34,577	-	-	-	-	-
2031	91,245	26,097	-	117,342	34,577	91,245	26,097	-	117,342	34,577	-	-	-	-	-
2032	91,245	23,869	-	115,114	34,577	91,245	23,869	-	115,114	34,577	-	-	-	-	-
2033	91,245	24,022	-	115,268	34,577	91,245	24,022	-	115,268	34,577	-	-	-	-	-
2034															
Total M\$	3,550,356	925,260	505,119	4,980,735	8,018,544	3,550,356	925,260	505,119	4,980,735	8,018,544	0	0	0	0	0
Total M\$	3,550,356	925,260	505,119	4,980,735	8,018,544	3,550,356	925,260	505,119	4,980,735	8,018,544	-	-	-	-	-
Cum M\$	1,488,544	372,136	295,119	2,155,799	7,259,463	1,488,544	372,136	295,119	2,155,799	5,245,700	-	-	-	-	-
RRR M\$	2,061,812	553,124	210,000	2,824,936	759,081	2,061,812	553,124	210,000	2,824,936	2,772,844	-	-	-	-	-

2P SPS-PRMS

100% GROSS

YEAR	TECHNICAL VOLUMES			TECHNICAL VOLUMES			SPE-PRMS Total RESERVES			SPE-PRMS Phase 1/1A RESERVES			SPE-PRMS Future Development RESERVES		
	BOPD OIL			BARRELS OIL			BARRELS OIL			BARRELS OIL			BARRELS OIL		
	2P NP	2P PD	2P	2P NP	2P PD	2P	2P NP	2P PD	2P	2P NP	2P PD	2P	2P NP	2P PD	2P
2007															
2008															
2009															
2010	0	3,208	3,208	0	1,171,076	1,171,076	0	1,171,076	1,171,076	0	1,171,076	1,171,076	0	0	0
2011	0	66,318	66,318	0	24,205,905	24,205,905	0	24,205,905	24,205,905	0	24,205,905	24,205,905	0	0	0
2012	0	71,998	71,998	0	26,351,317	26,351,317	0	26,351,312	26,351,312	0	26,351,312	26,351,312	0	0	0
2013	0	97,500	97,500	0	35,587,587	35,587,587	0	35,587,587	35,587,587	0	35,587,587	35,587,587	0	0	0
2014	0	101,922	101,922	0	37,201,695	37,201,695	0	37,201,717	37,201,717	0	37,201,717	37,201,717	0	0	0
2015	0	102,498	102,498	0	37,411,631	37,411,631	0	37,411,620	37,411,620	0	37,411,620	37,411,620	0	0	0
2016	0	70,436	70,436	0	25,779,419	25,779,419	0	25,779,418	25,779,418	0	25,779,418	25,779,418	0	0	0
2017	0	76,706	76,706	0	27,997,535	27,997,535	0	27,997,535	27,997,539	0	27,997,535	27,997,535	0	0	5
2018	820	99,254	100,074	299,366	36,227,819	36,527,185	299,370	36,227,819	36,527,189	99,955	36,227,819	36,327,774	199,415	0	199,415
2019	9,370	92,649	102,018	3,419,891	33,816,785	37,236,676	3,419,888	33,816,785	37,236,673	231,700	33,816,785	34,048,485	3,188,187	0	3,188,187
2020	20,201	90,660	110,861	7,393,446	33,181,604	40,575,050	7,393,450	33,181,604	40,575,054	282,821	33,181,604	33,464,425	7,110,630	0	7,110,630
2021	41,669	75,225	116,894	15,209,265	27,456,993	42,666,258	15,209,280	27,456,993	42,666,273	4,436,383	27,456,993	31,893,377	10,772,896	0	10,772,896
2022	43,976	68,422	112,399	16,051,361	24,974,171	41,025,532	16,051,356	24,974,171	41,025,527	2,551,903	24,974,171	27,526,074	13,499,453	0	13,499,453
2023	40,885	63,235	104,120	14,922,847	23,080,863	38,003,710	14,922,864	23,080,863	38,003,727	1,067,499	23,080,863	24,148,362	13,855,365	0	13,855,365
2024	40,261	56,486	96,747	14,735,667	20,673,889	35,409,557	14,735,662	20,673,889	35,409,552	759,227	20,673,889	21,433,117	13,976,435	0	13,976,435
2025	41,096	30,621	71,717	14,999,917	11,176,764	26,176,681	14,999,920	11,176,764	26,176,683	608,640	11,176,764	11,785,403	14,391,280	0	14,391,280
2026	37,308	19,392	56,700	13,617,597	7,077,983	20,695,580	13,617,596	7,077,983	20,695,579	520,295	7,077,983	7,598,278	13,097,301	0	13,097,301
2027	31,606	15,226	46,832	11,536,332	5,557,507	17,093,839	11,536,333	5,557,507	17,093,841	493,241	5,557,507	6,050,749	11,043,092	0	11,043,092
2028	29,246	10,130	39,376	10,704,030	3,707,736	14,411,766	10,704,031	3,707,736	14,411,767	479,303	3,707,736	4,187,039	10,224,728	0	10,224,728
2029	27,762	8,668	36,430	10,133,026	3,163,955	13,296,982	10,133,027	3,163,955	13,296,983	492,872	3,163,955	3,656,827	9,640,156	0	9,640,156
2030	25,735	7,235	32,970	9,393,257	2,640,687	12,033,944	9,393,259	2,640,687	12,033,946	525,780	2,640,687	3,166,466	8,867,480	0	8,867,480
2031	23,050	6,196	29,246	8,413,178	2,261,450	10,674,628	8,413,179	2,261,450	10,674,629	494,851	2,261,450	2,756,302	7,918,327	0	7,918,327
2032	20,577	4,478	25,055	7,531,225	1,639,036	9,170,260	7,531,226	1,639,036	9,170,262	552,240	1,639,036	2,191,275	6,978,986	0	6,978,986
2033	18,131	4,043	22,174	6,617,901	1,475,656	8,093,557	6,617,902	1,475,656	8,093,558	506,945	1,475,656	1,982,601	6,110,957	0	6,110,957
2034	12,200	2,599	14,799	4,453,105	948,644	5,401,748	4,453,104	948,644	5,401,748	421,082	948,644	1,369,726	4,032,022	0	4,032,022
2035	0	0	0												
EUR(mbbls)				169,431,408	454,767,707	624,199,116	169,431,447	454,767,712	624,199,163	14,524,738	454,767,712	469,292,450	154,906,709	0	154,906,713

* Red line represents End of Concession

EUR (mbbls)	169,431	454,768	624,199	169,431	454,768	624,199	14,525	454,768	469,292	154,907	-	154,907
CUM (mbbls)	-	187,709	187,709	-	187,709	187,709	-	187,709	187,709	-	-	-
RRR (mbbls)	169,431	267,059	436,490	169,431	267,059	436,491	14,525	267,059	281,584	154,907	-	154,907

- Where:
- 1P: Proved
 - 2P: Proved + Probable
 - 3P: Proved + Probable + Possible
 - NP: Non-Producing (Shut-in, Behind-pipe, or Undeveloped)
 - PD: Producing
 - EUR: Estimated Ultimate Recovery
 - CUM: Cumulative Recovery
 - RRR: Remaining Reserves
 - mbbls: Thousands of barrels

2P SPS-PRMS

YEAR	Total						Phase 1/1A						Future Development					
	M \$						M \$						M \$					
	OPEX				CAPEX	#	OPEX				CAPEX	#	OPEX				CAPEX	#
	Fixed	Variable	Workover	Total	Total	wells	Fixed	Variable	Workover	Total	Total	wells	Fixed	Variable	Workover	Total	Total	wells
2007					81,958		-	-	-	-	81,958		-	-	-	-	-	
2008					571,957		-	-	-	-	571,957		-	-	-	-	-	
2009					1,359,848		-	-	-	-	1,359,848		-	-	-	-	-	
2010	12	3	-	15	1,293,393		12	3	-	15	1,293,393		-	-	-	-	-	
2011	254,745	63,686	-	318,432	1,657,052		254,745	63,686	-	318,432	1,657,052		-	-	-	-	-	
2012	306,896	76,724	-	383,620	764,758		306,896	76,724	-	383,620	764,758		-	-	-	-	-	
2013	185,189	46,297	162,321	393,807	563,066		185,189	46,297	162,321	393,807	563,066		-	-	-	-	-	
2014	236,568	59,142	93,269	388,979	505,116		236,568	59,142	93,269	388,979	505,116		-	-	-	-	-	
2015	276,718	69,180	42,970	388,868	387,253		276,718	69,180	42,970	388,868	387,253		-	-	-	-	-	
2016	228,415	57,104	(3,441)	282,078	75,061		228,415	57,104	(3,441)	282,078	75,061		-	-	-	-	-	
2017	214,094	53,524	-	267,618	163,754	13	214,094	53,524	-	267,618	37,237	13	-	-	-	-	126,517	-
2018	190,094	48,393	-	238,488	179,077	15	190,094	46,451	-	236,545	37,237	14	-	1,942	-	1,942	141,840	1
2019	190,094	54,160	35,000	279,255	361,538	17	190,094	46,700	35,000	271,795	62,237	14	-	7,460	-	7,460	299,301	3
2020	190,094	62,509	-	252,604	391,741	19	190,094	48,502	-	238,596	62,237	14	-	14,008	-	14,008	329,504	5
2021	190,094	68,943	35,000	294,037	246,603	18	190,094	47,048	17,500	254,642	62,237	11	-	21,895	17,500	39,395	184,366	7
2022	190,094	79,489	-	269,583	326,371	20	190,094	50,739	-	240,834	62,237	12	-	28,749	-	28,749	264,134	8
2023	190,094	82,113	35,000	307,208	229,011	21	190,094	49,720	17,500	257,315	62,237	12	-	32,393	17,500	49,893	166,774	9
2024	190,094	86,505	-	276,599	367,848	22	115,063	51,782	-	166,845	62,237	13	75,032	34,722	-	109,754	305,611	9
2025	190,094	74,211	35,000	299,305	366,963	22	85,585	39,069	17,500	142,154	62,237	13	104,509	35,142	17,500	157,151	304,726	9
2026	190,094	68,325	-	258,419	149,253	21	69,792	32,926	-	102,719	62,237	12	120,302	35,398	-	155,700	87,016	9
2027	114,057	64,225	35,000	213,281	70,488	21	40,373	31,081	17,500	88,954	62,237	12	73,684	33,144	17,500	124,328	8,251	9
2028	114,057	60,144	-	174,200	70,488	20	33,137	26,959	-	60,096	62,237	11	80,920	33,185	-	114,105	8,251	9
2029	114,057	59,725	35,000	208,782	70,488	20	31,367	26,478	17,500	75,345	-	11	82,690	33,247	17,500	133,437	70,488	9
2030	114,057	57,252	-	171,309	45,488	19	30,011	24,205	-	54,216	-	10	84,045	33,047	-	117,092	45,488	9
2031	114,057	54,235	-	168,291	45,488	18	29,451	21,959	-	51,410	-	9	84,606	32,276	-	116,882	45,488	9
2032	91,245	52,503	-	143,748	45,488	18	21,803	21,134	-	42,938	-	9	69,442	31,368	-	100,810	45,488	9
2033	91,245	51,352	-	142,597	45,488	17	22,351	19,590	-	41,942	-	8	68,894	31,762	-	100,655	45,488	9
2034	91,245	46,733	-	137,979	45,488	17	23,137	18,594	-	41,731	-	8	68,108	28,140	-	96,248	45,488	9
Total M\$	4,257,507	1,496,475	505,119	6,259,102	10,480,527		3,345,276	1,028,596	417,619	4,791,491	7,956,307		912,231	467,879	87,500	1,467,611	2,524,220	
Total M\$	4,257,507	1,496,475	505,119	6,259,102	10,480,527		3,345,276	1,028,596	417,619	4,791,491	7,956,307		912,231	467,879	87,500	1,467,611	2,524,220	
Cum M\$	1,488,544	372,136	295,119	2,155,799	7,259,463		1,488,544	372,136	295,119	2,155,799	7,259,463		-	-	-	-	-	
RRR M\$	2,768,963	1,124,339	210,000	4,103,303	3,221,064		1,856,732	656,460	122,500	2,635,692	696,844		912,231	467,879	87,500	1,467,611	2,524,220	

3P SPS-PRMS

100% GROSS

YEAR	TECHNICAL VOLUMES			TECHNICAL VOLUMES			SPE-PRMS Total RESERVES			SPE-PRMS Phase 1/1A RESERVES			SPE-PRMS Future Development RESERVES		
	BOPD OIL			BARRELS OIL			BARRELS OIL			BARRELS OIL			BARRELS OIL		
	3P NP	3P PD	3P	3P NP	3P PD	3P	3P NP	3P PD	3P	3P NP	3P PD	3P	3P NP	3P PD	3P
2007															
2008															
2009															
2010	0	3,208	3,208	0	1,171,076	1,171,076	0	1,171,076	1,171,076	0	1,171,076	1,171,076	0	0	0
2011	0	66,318	66,318	0	24,205,905	24,205,905	0	24,205,905	24,205,905	0	24,205,905	24,205,905	0	0	0
2012	0	71,998	71,998	0	26,351,317	26,351,317	0	26,351,312	26,351,312	0	26,351,312	26,351,312	0	0	0
2013	0	97,500	97,500	0	35,587,587	35,587,587	0	35,587,587	35,587,587	0	35,587,587	35,587,587	0	0	0
2014	0	101,922	101,922	0	37,201,695	37,201,695	0	37,201,717	37,201,717	0	37,201,717	37,201,717	0	0	0
2015	0	102,498	102,498	0	37,411,631	37,411,631	0	37,411,620	37,411,620	0	37,411,620	37,411,620	0	0	0
2016	0	70,436	70,436	0	25,779,419	25,779,419	0	25,779,418	25,779,418	0	25,779,418	25,779,418	0	0	0
2017	0	76,706	76,706	0	27,997,535	27,997,535	0	27,997,535	27,997,539	0	27,997,535	27,997,535	0	0	5
2018	5,416	110,876	116,292	1,976,877	40,469,766	42,446,644	1,976,897	40,469,766	42,446,663	0	40,469,766	40,469,766	1,976,897	0	1,976,897
2019	17,681	101,258	118,939	6,453,385	36,959,219	43,412,604	6,453,366	36,959,219	43,412,584	0	36,959,219	36,959,219	6,453,366	0	6,453,366
2020	42,760	79,521	122,281	15,650,242	29,104,516	44,754,758	15,650,247	29,104,516	44,754,763	4,719,465	29,104,516	33,823,981	10,930,782	0	10,930,782
2021	62,058	72,061	134,119	22,651,250	26,302,115	48,953,365	22,651,249	26,302,115	48,953,364	1,956,253	26,302,115	28,258,367	20,694,996	0	20,694,996
2022	59,740	86,825	146,566	21,805,206	31,691,220	53,496,426	21,805,185	31,691,220	53,496,405	1,474,097	31,691,220	33,165,318	20,331,088	0	20,331,088
2023	58,495	85,860	144,355	21,350,762	31,338,929	52,689,691	21,350,755	31,338,929	52,689,684	1,141,225	31,338,929	32,480,154	20,209,530	0	20,209,530
2024	52,373	76,015	128,388	19,168,502	27,821,334	46,989,836	19,168,497	27,821,334	46,989,830	941,744	27,821,334	28,763,078	18,226,752	0	18,226,752
2025	52,182	57,076	109,258	19,046,418	20,832,634	39,879,052	19,046,429	20,832,634	39,879,063	819,983	20,832,634	21,652,617	18,226,446	0	18,226,446
2026	46,776	42,372	89,148	17,073,131	15,465,755	32,538,886	17,073,134	15,465,755	32,538,890	806,233	15,465,755	16,271,988	16,266,902	0	16,266,902
2027	44,407	36,551	80,958	16,208,436	13,341,220	29,549,656	16,208,438	13,341,220	29,549,658	671,616	13,341,220	14,012,836	15,536,822	0	15,536,822
2028	40,063	33,191	73,254	14,663,098	12,147,962	26,811,060	14,663,106	12,147,962	26,811,067	546,974	12,147,962	12,694,936	14,116,132	0	14,116,132
2029	36,674	30,252	66,926	13,386,139	11,041,820	24,427,960	13,386,138	11,041,820	24,427,959	442,125	11,041,820	11,483,946	12,944,013	0	12,944,013
2030	32,904	26,445	59,349	12,010,067	9,652,254	21,662,321	12,010,066	9,652,254	21,662,320	356,336	9,652,254	10,008,590	11,653,729	0	11,653,729
2031	30,282	25,069	55,351	11,052,853	9,150,331	20,203,184	11,052,854	9,150,331	20,203,185	284,509	9,150,331	9,434,840	10,768,345	0	10,768,345
2032	27,848	17,286	45,133	10,192,194	6,326,502	16,518,696	10,192,194	6,326,502	16,518,696	228,496	6,326,502	6,554,997	9,963,699	0	9,963,699
2033	25,969	15,176	41,145	9,478,657	5,539,099	15,017,756	9,478,658	5,539,099	15,017,757	189,212	5,539,099	5,728,311	9,289,446	0	9,289,446
2034	11,932	7,458	19,390	4,355,000	2,722,249	7,077,249	4,355,000	2,722,249	7,077,249	17,791	2,722,249	2,740,040	4,337,208	0	4,337,208
2035	0	0	0												
EUR(mbbls)				236,522,219	545,613,090	782,135,309	236,522,212	545,613,094	782,135,310	14,596,060	545,613,094	560,209,154	221,926,152	0	221,926,156

* Red line represents End of Concession

EUR (mbbls)	236,522	545,613	782,135	236,522	545,613	782,135	14,596	545,613	560,209	221,926	-	221,926
CUM (mbbls)	-	187,709	187,709	-	187,709	187,709	-	187,709	187,709	-	-	-
RRR (mbbls)	236,522	357,904	594,427	236,522	357,904	594,427	14,596	357,904	372,501	221,926	-	221,926

Where:

- 1P: Proved
- 2P: Proved + Probable
- 3P: Proved + Probable + Possible
- NP: Non-Producing (Shut-in, Behind-pipe, or Undeveloped)
- PD: Producing
- EUR: Estimated Ultimate Recovery
- CUM: Cumulative Recovery
- RRR: Remaining Reserves
- mbbls: Thousands of barrels

3P SPS-PRMS

YEAR	Total					
	M \$					
	OPEX				CAPEX	#
Fixed	Variable	Workover	Total	Total	wells	
2007					81,958	
2008					571,957	
2009					1,359,848	
2010	12	3	-	15	1,293,393	
2011	254,745	63,686	-	318,432	1,657,052	
2012	306,896	76,724	-	383,620	764,758	
2013	185,189	46,297	162,321	393,807	563,066	
2014	236,568	59,142	93,269	388,979	505,116	
2015	276,718	69,180	42,970	388,868	387,253	
2016	228,415	57,104	(3,441)	282,078	75,061	
2017	214,094	53,524	-	267,618	163,754	13
2018	190,094	45,488	-	235,582	179,077	12
2019	190,094	51,081	35,000	276,175	361,538	14
2020	190,094	57,255	-	247,349	391,741	16
2021	190,094	68,025	35,000	293,119	246,603	20
2022	190,094	76,082	-	266,176	326,371	22
2023	190,094	80,846	35,000	305,940	229,011	23
2024	190,094	79,352	-	269,446	367,848	23
2025	190,094	76,339	35,000	301,433	366,963	22
2026	190,094	69,303	-	259,397	149,253	21
2027	190,094	69,806	35,000	294,901	70,488	22
2028	190,094	70,072	-	260,167	70,488	22
2029	190,094	70,638	35,000	295,733	70,488	22
2030	190,094	68,545	-	258,640	45,488	22
2031	190,094	61,364	-	251,459	45,488	20
2032	114,057	60,454	-	174,511	45,488	20
2033	114,057	58,497	-	172,554	45,488	19
2034	91,245	44,640	-	135,885	45,488	18
Total M\$	4,683,318	1,533,446	505,119	6,721,884	10,480,527	

YEAR	Phase 1/1A					
	M \$					
	OPEX				CAPEX	#
Fixed	Variable	Workover	Total	Total	wells	
2007	-	-	-	-	81,958	
2008	-	-	-	-	571,957	
2009	-	-	-	-	1,359,848	
2010	12	3	-	15	1,293,393	
2011	254,745	63,686	-	318,432	1,657,052	
2012	306,896	76,724	-	383,620	764,758	
2013	185,189	46,297	162,321	393,807	563,066	
2014	236,568	59,142	93,269	388,979	505,116	
2015	276,718	69,180	42,970	388,868	387,253	
2016	228,415	14,536	(3,441)	239,511	75,061	
2017	214,094	39,379	-	253,473	37,237	13
2018	190,094	42,563	-	232,657	37,237	11
2019	190,094	41,808	35,000	266,902	62,237	11
2020	190,094	43,102	-	233,197	62,237	12
2021	190,094	40,099	17,500	247,693	62,237	12
2022	190,094	47,827	-	237,922	62,237	14
2023	190,094	49,511	17,500	257,105	62,237	14
2024	116,359	48,429	-	164,788	62,237	14
2025	103,213	43,377	17,500	164,090	62,237	13
2026	95,062	37,395	-	132,458	62,237	12
2027	90,145	37,796	17,500	145,441	62,237	13
2028	90,009	37,900	-	127,909	62,237	13
2029	89,366	38,066	17,500	144,932	-	13
2030	87,829	36,852	-	124,681	-	13
2031	88,774	31,691	-	120,465	-	11
2032	45,260	29,589	-	74,849	-	11
2033	43,505	27,344	-	70,850	-	10
2034	35,327	20,995	-	56,322	-	9
Total M\$	3,728,054	1,023,293	417,619	5,168,967	7,956,307	

YEAR	Future Development					
	M \$					
	OPEX				CAPEX	#
Fixed	Variable	Workover	Total	Total	wells	
2007	-	-	-	-	-	
2008	-	-	-	-	-	
2009	-	-	-	-	-	
2010	-	-	-	-	-	
2011	-	-	-	-	-	
2012	-	-	-	-	-	
2013	-	-	-	-	-	
2014	-	-	-	-	-	
2015	-	-	-	-	-	
2016	-	-	-	-	-	
2017	-	42,567	-	42,567	-	-
2018	-	14,145	-	14,145	126,517	-
2019	-	2,925	-	2,925	141,840	1
2020	-	9,273	-	9,273	299,301	3
2021	-	14,152	-	14,152	329,504	4
2022	-	27,926	17,500	45,426	184,366	8
2023	-	28,255	-	28,255	264,134	8
2024	-	31,335	17,500	48,835	166,774	9
2025	73,735	30,923	-	104,658	305,611	9
2026	86,881	32,962	17,500	137,343	304,726	9
2027	95,032	31,907	-	126,939	87,016	9
2028	99,949	32,011	17,500	149,460	8,251	9
2029	100,085	32,172	-	132,257	8,251	9
2030	100,728	32,573	17,500	150,801	70,488	9
2031	102,266	31,693	-	133,958	45,488	9
2032	101,321	29,673	-	130,994	45,488	9
2033	68,796	30,865	-	99,661	45,488	9
2034	70,551	31,153	-	101,704	45,488	9
Total M\$	955,264	510,152	87,500	1,552,917	2,524,220	

Total M\$	4,683,318	1,533,446	505,119	6,721,884	10,480,527
Cum M\$	1,488,544	372,136	295,119	2,155,799	7,259,463
RRR M\$	3,194,775	1,161,310	210,000	4,566,084	3,221,064

Total M\$	3,728,054	1,023,293	417,619	5,168,967	7,956,307
Cum M\$	1,488,544	329,569	295,119	2,113,232	7,259,463
RRR M\$	2,239,510	693,725	122,500	3,055,735	696,844

Total M\$	955,264	510,152	87,500	1,552,917	2,524,220
Cum M\$	-	42,567	-	42,567	-
RRR M\$	955,264	467,585	87,500	1,510,349	2,524,220

12.1.2.5 Fuel Gas Forecast

GROSS FUEL GAS FORECAST

Field: Jubilee
As of: 12/31/2016

Parameters

1P Fuel: 8.20 MMCFD
2P/3P Fuel: 10.00 MMCFD
Maximum Gas Oil Ratio (GOR): 1.5 MSCF/BBL

MMCF FUEL GAS			
TECHNICAL VOLUMES			
	1P	2P	3P
2017	2,993	3,650	3,650
2018	2,993	3,650	3,650
2019	2,993	3,650	3,650
2020	3,001	3,660	3,660
2021	2,993	3,650	3,650
2022	2,993	3,650	3,650
2023	2,993	3,650	3,650
2024	3,001	3,660	3,660
2025	2,993	3,650	3,650
2026	2,993	3,650	3,650
2027	2,993	3,650	3,650
2028	3,001	3,660	3,660
2029	2,993	3,650	3,650
2030	2,993	3,650	3,650
2031	2,993	3,650	3,650
2032	3,001	3,660	3,660
2033	2,993	3,650	3,650
2034	2,582	3,650	3,650
2035	-	-	-

MMCF FUEL GAS			
RESERVES			
	SPE-PRMS 1P	SPE-PRMS 2P	SPE-PRMS 3P
2017	2,993	3,650	3,650
2018	2,993	3,650	3,650
2019	2,993	3,650	3,650
2020	3,001	3,660	3,660
2021	2,993	3,650	3,650
2022	2,993	3,650	3,650
2023	2,993	3,650	3,650
2024	3,001	3,660	3,660
2025	2,993	3,650	3,650
2026	2,993	3,650	3,650
2027	2,993	3,650	3,650
2028	3,001	3,660	3,660
2029	2,993	3,650	3,650
2030	2,993	3,650	3,650
2031	2,993	3,650	3,650
2032	3,001	3,660	3,660
2033	2,993	3,650	3,650
2034		3,650	3,650
2035			

* Red line represents End of Concession

RRR 53,495 65,740 65,740

RRR 50,914 65,740 65,740

Where:

- 1P: Proved
- 2P: Proved + Probable
- 3P: Proved + Probable + Possible
- EUR: Estimated Ultimate Recovery
- CUM: Cumulative Recovery
- RRR: Remaining Reserves
- MMCF Millions of Cubic Feet

12.2 TEN Project Area

12.2.1 Geology

**12.2.1.1 Gross Field Reserves
Totals Table**



KOSMOS GROSS RESERVES AS OF 12/31/2016

ENYENRA

Oil (BBLS)				Gas (MMCF)				Condensate (BBLS)			NGL (BBLS)			
Ultimate	Cumulative	Remaining		Ultimate	Cumulative	Remaining		Sales	Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining
<i>Proved Producing</i>														
1	1P North	rea 2	P	I										
1		2	1	1	3	31	23	4	3	22	2	22	2	
1	1P North	rea 3	2	P	1	I								
3	334	3	2	1	124	2	3	222	1	41	3	3		
1	1P North	rea 4	P											
1	1	2	13	3	121	1	2	2	2	24	24			
<i>Total Proved Producing</i>														
1	4	4	2	2	32	4	3	3	21	3	3			
<i>Proved Undeveloped</i>														
1	1P	o th	rea 1	13	I	12P								
1						1	13	42		13	42	13	42	
1	1P North	rea	3	I										
14	3		33		31		11	2	42	11	1	11	1	
<i>Total Proved Undeveloped</i>														
1	43		33		1	4	24		42	24	2	24	2	
<i>Proved PD & UD</i>														
2	1P	reas	3	I	1	I	2	P						
1	11	111	1	4	1	12	21		3	2	14	2	14	
<i>Total Proved PD & UD</i>														
1	11	111	1	4	1	12	21		3	2	14	2	14	

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Group Code:
 Field Code: 35442

The reserves presented herein may differ from the forecast due to economic limits being reached.
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KOSMOS GROSS RESERVES AS OF 12/31/2016

ENYENRA

Oil (BBLS)			Gas (MMCF)				Condensate (BBLS)			NGL (BBLS)		
Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining	Sales	Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining
Total Proved												
105,803,628	3,410,022	102,393,606	133,316	4,298	129,018	129,018	0	0	0	0	0	0
<i>PV + PB PD & UD</i>												
1 2P reas	3 1	1 1	2 P									
111 3	12 2 3	1 4 3 4	14 34	3 44	13 2	13 2						
2 2P reas	3 1	1 1	2 P									
1 112	1 4	1 432 12	2 13	3	24 4 4	24 4 4						
<i>Total PV + PB PD & UD</i>												
131 33 124	3 41 22	12 2 1 2	1 4 3	4 2	1 1 1	1 1 1						
Total PV + PB												
131,336,124	3,410,022	127,926,102	165,483	4,297	161,186	161,186	0	0	0	0	0	0
<i>PV + PB + PS PD & UD</i>												
1 3P reas	3 1	1 1	2 P									
12 3 1 1	2 2 3	124 4 12	1 4	3 44	1	1						
2 3P reas	3 1	1 1	2 P									
313 1 3	1 4	3 3 4	3 44	3	3	3						
<i>Total PV + PB + PS PD & UD</i>												
1 2 4	3 41 22	1 1 2 2	1 4	4 2	1 43	1 43						
Total PV + PB + PS												
158,602,704	3,410,022	155,192,682	199,840	4,297	195,543	195,543	0	0	0	0	0	0

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KOSMOS GROSS RESERVES AS OF 12/31/2016

NTOMME

Oil (BBLS)			Gas (MMCF)			Condensate (BBLS)			NGL (BBLS)				
Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining	Sales	Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining	
<i>Proved Undeveloped</i>													
N1	1P	reas Nt 2											
			2	24	2	24	2	24	1			1	
N1	1P	reas Nt 2							2	4		2	4
<i>Total Proved Undeveloped</i>													
			2		2		2		1	3		1	3
<i>Proved PD & UD</i>													
N1	1P	reas Nt 3 P Nt 1 P											
	4	431 3	1	3	4	2	1	2	1	3	1	1	
N1	1P	reas Nt 3 P Nt 1 P											
	1	214	3	1	1	1	3	3	24	323	4	23	3
<i>Total Proved PD & UD</i>													
	1	4	2	1	1	2	2	1	2	2	1	2	1
			12	1	4		2	3	12			12	
Total Proved													
	104,207,150	1,926,025	102,281,125	211,064	2,369	208,695	208,695	1,989,360	0	1,989,360	0	0	0

PV + PB Undeveloped

N1	2P	reas Nt 2												
			4		4	4	4	2	4			2	4	
N1	2P	reas Nt 2												
			21		21	21	22	1	4			22	1	4

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KOSMOS GROSS RESERVES AS OF 12/31/2016

NTOMME

Oil (BBLS)				Gas (MMCF)			Condensate (BBLS)			NGL (BBLS)					
Ultimate	Cumulative	Remaining		Ultimate	Cumulative	Remaining	Sales	Ultimate	Cumulative	Remaining		Ultimate	Cumulative	Remaining	
P	P	e	e	o	p	e	e	o	p	e	o	p	e	o	p
<i>Total PV + PB Undeveloped</i>															
				32		32	32	2	1	2		2	1	2	
<i>PV + PB PD & UD</i>															
N1	2P	reas	Nt	3	P	Nt	1	P							
21	1	1	3	4	3	1	113	3	1	3	111	4	3	111	4
N1	2P	reas	Nt	3	P	Nt	1	P							
23	4	3	1	1	23	3	443	2	2	2	4	2	2		
<i>Total PV + PB PD & UD</i>															
11	1	2	2	114	31	4	142	2	2	3	14	2	14	2	
Total PV + PB															
115,957,665	1,926,025	114,031,640		228,956	2,369	226,587	226,587	2,071,872	0	2,071,872	0	0	0	0	0
<i>PV + PB + PS Undeveloped</i>															
N1	3P	reas	Nt	2	I										
						4		4	4	2	4		2	4	
N1	3P	reas	Nt	2	I										
						21		21	21	22	1	4		22	1
<i>Total PV + PB + PS Undeveloped</i>															
				32		32	32	2	1	2		2	1	2	
<i>PV + PB + PS PD & UD</i>															
N1	3P	reas	Nt	3	P	Nt	1	P							
4	1	1	3	4	3	32	1	11	1	3	114	4	114	4	

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 Field Code: 35443

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KOSMOS GROSS RESERVES AS OF 12/31/2016

NTOMME

Oil (BBLS)				Gas (MMCF)			Condensate (BBLs)			NGL (BBLs)							
Ultimate		Cumulative	Remaining	Ultimate	Cumulative	Remaining	Sales	Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining				
P	P	P	P														
N1	3P	reas	Nt	3P	Nt	1P											
2	4	13		3	1	1	2	14	31	342	4	3	3				
<i>Total PV + PB + PS PD & UD</i>																	
12	34			1	2	2	11	414	3	14	1	23	14				
Total PV + PB + PS																	
120,340,888				1,926,025			118,414,863	234,347	2,369	231,978	231,978	2,071,872	0	2,071,872	0	0	0



KOSMOS ENERGY GROSS RESERVES AS OF 12/31/2016

TWENEBOA

Oil (BBLS)			Gas (MMCF)			Condensate (BBLS)			NGL (BBLS)			
Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining	Sales	Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining
<i>Proved</i>												
N1	1P	reas	e 1	1	P							
						24 4 3				1 13 11		
<i>Total Proved</i>												
						24 4 3				1 13 11		
Total Proved												
0	0	0	24,473	0	24,473	24,473	1,713,110	0	1,713,110	0	0	0
<i>PV + PB</i>												
N1	2P	reas	e 1	1	P							
						4 43				3 2 1		
<i>Total PV + PB</i>												
						4 43				3 2 1		
Total PV + PB												
0	0	0	46,743	0	46,743	46,743	3,271,975	0	3,271,975	0	0	0
<i>PV + PB + PS</i>												
N1	3P	reas	e 1	1	P							
						34				4 3		
<i>Total PV + PB + PS</i>												
						34				4 3		

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Group Code:
 Field Code: 35560

The reserves presented herein may differ from the forecast due to economic limits being reached.
 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS — TBPE FIRM LICENSE No. F-1580

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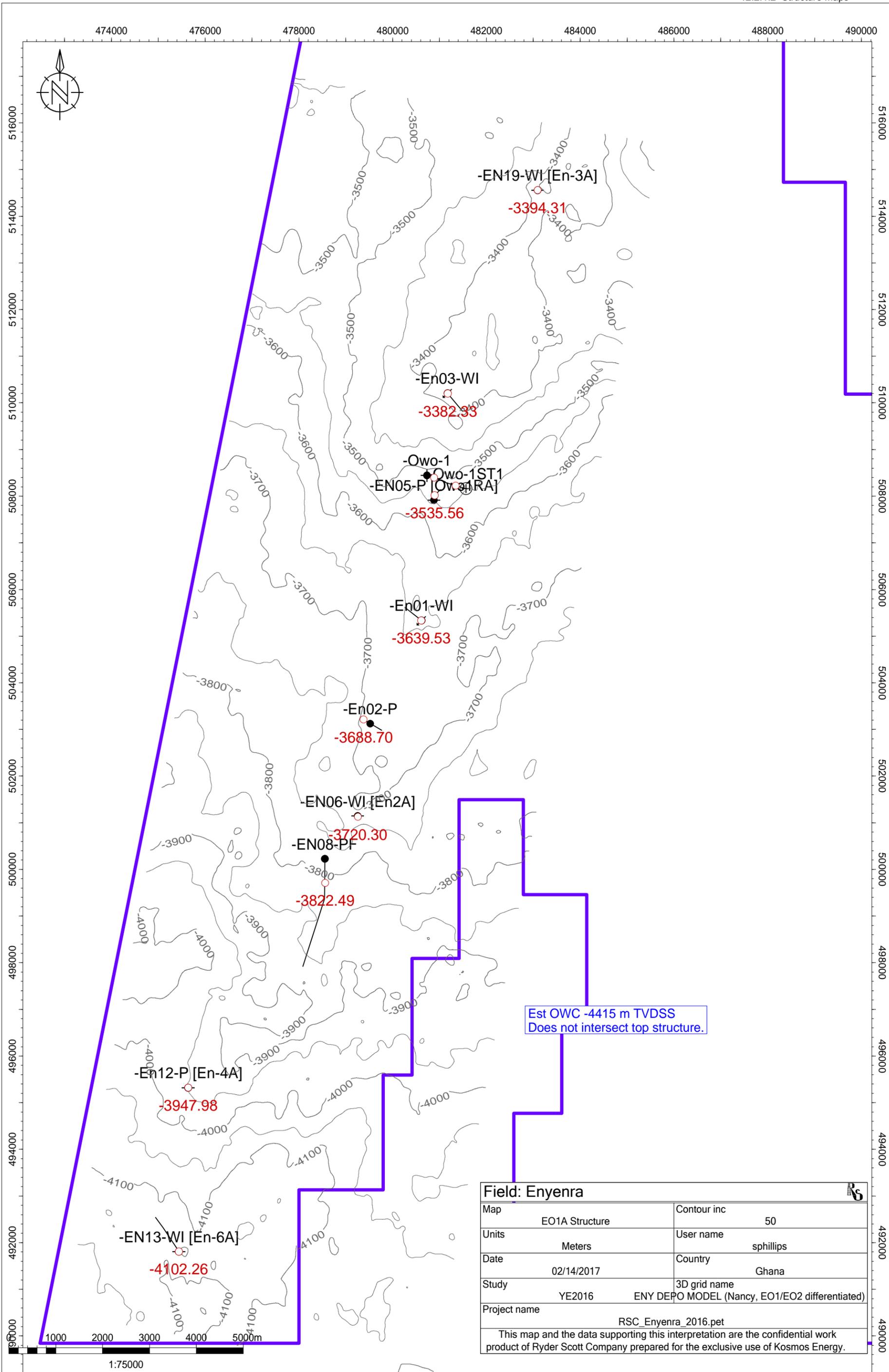


KOSMOS ENERGY GROSS RESERVES AS OF 12/31/2016

TWENEBOA

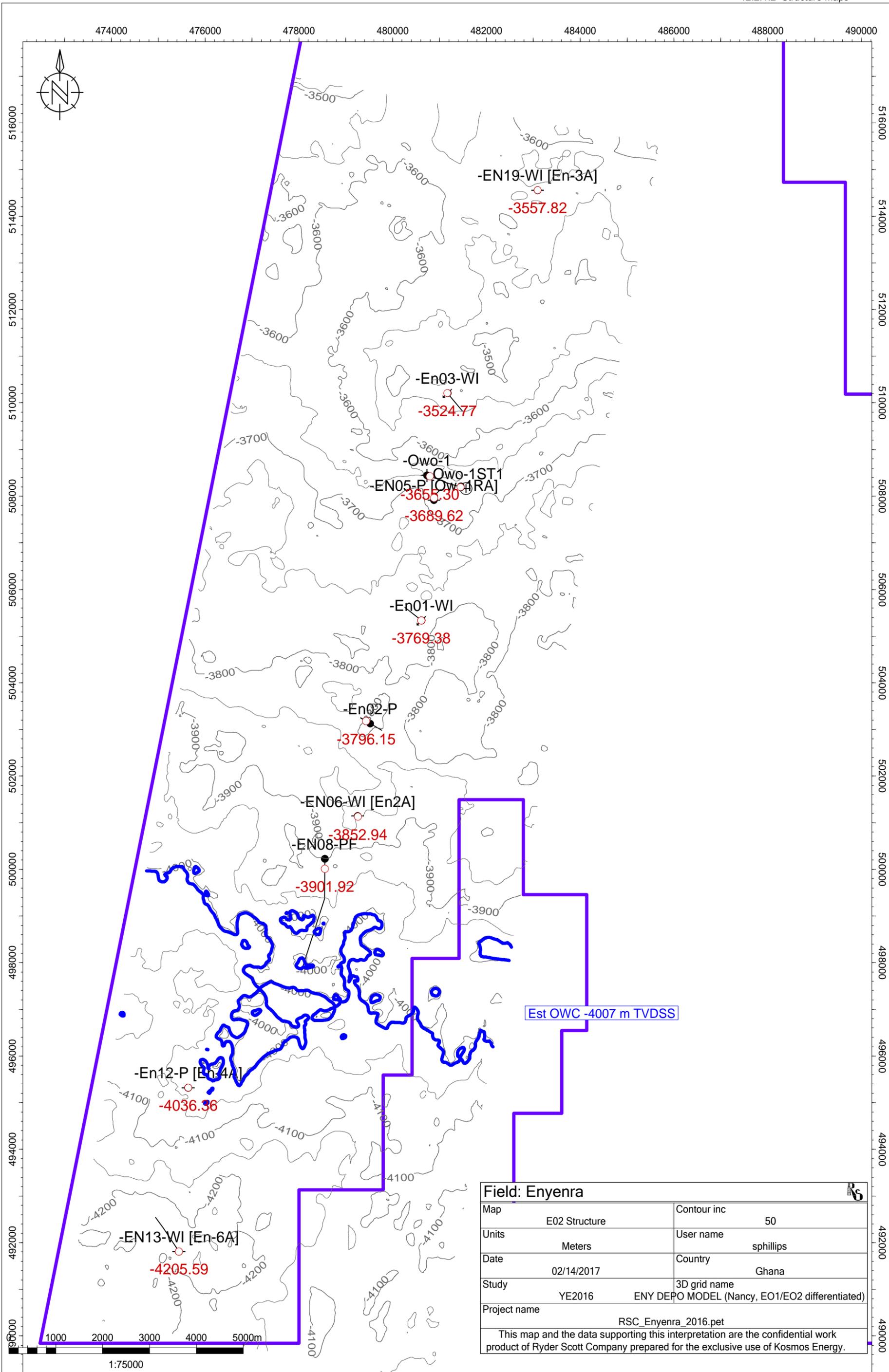
Oil (BBLS)			Gas (MMCF)				Condensate (BBLS)			NGL (BBLS)		
Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining	Sales	Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining
Total PV + PB + PS												
0	0	0	86,634	0	86,634	86,634	6,064,380	0	6,064,380	0	0	0

12.2.1.2 Structure Maps

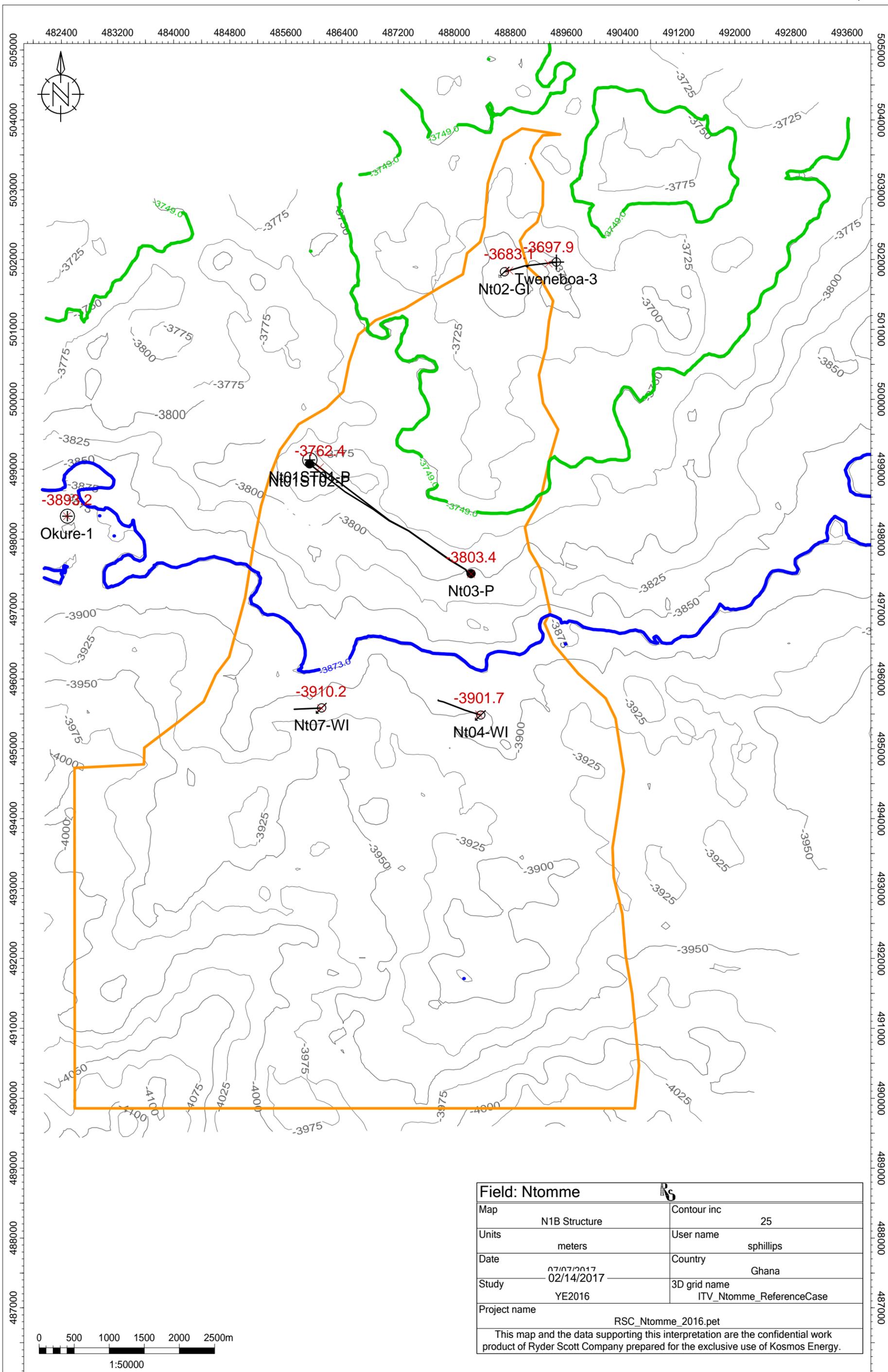


Est OWC -4415 m TVDSS
Does not intersect top structure.

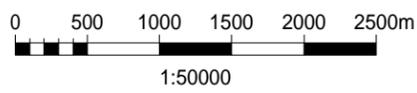
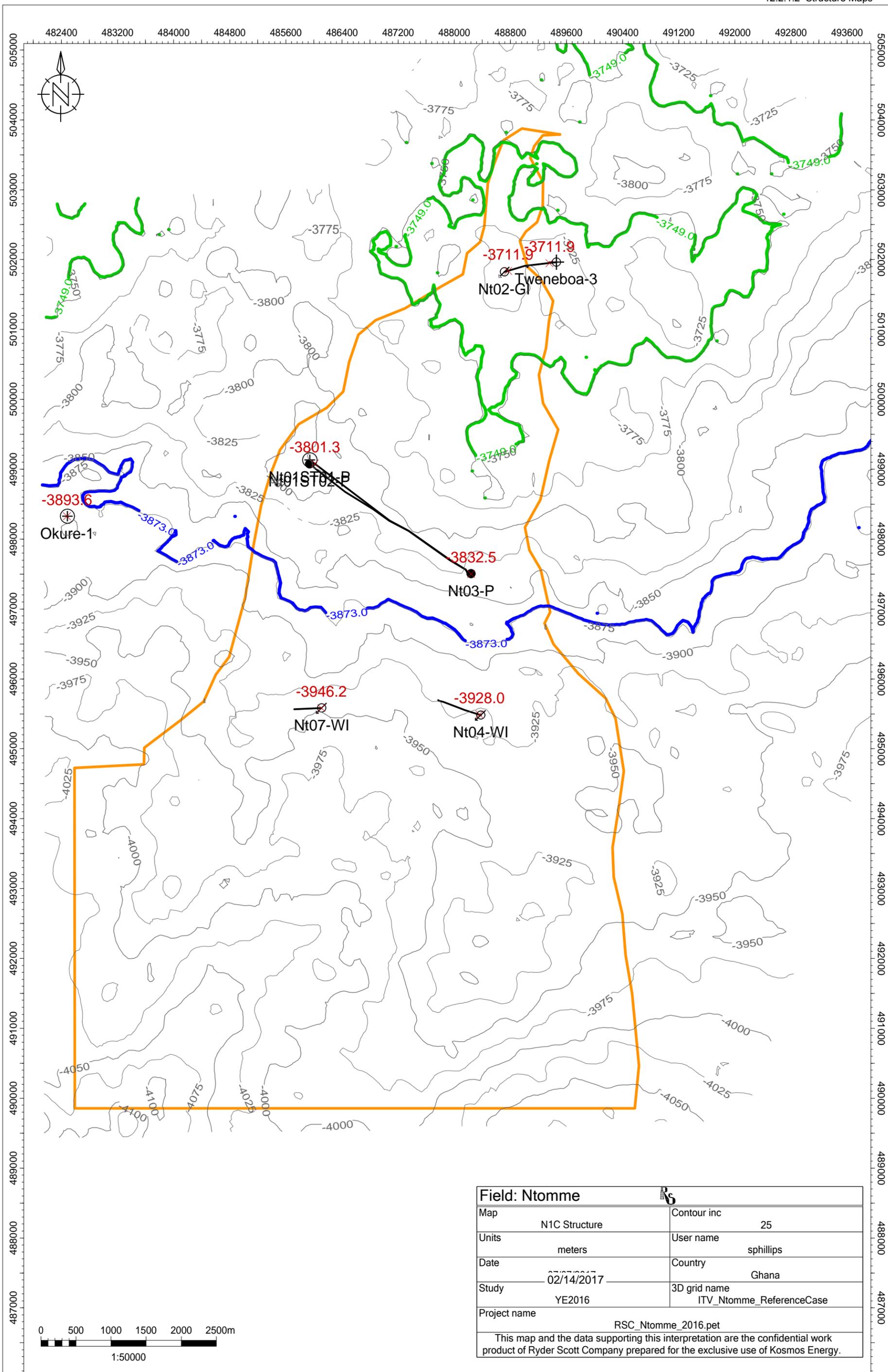
Field: Enyenra			
Map	EO1A Structure	Contour inc	50
Units	Meters	User name	sphillips
Date	02/14/2017	Country	Ghana
Study	YE2016	3D grid name	ENY DEPO MODEL (Nancy, EO1/EO2 differentiated)
Project name	RSC_Enyenra_2016.pet		
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Field: Enyenra	
Map	E02 Structure
Units	Meters
Date	02/14/2017
Study	YE2016
Project name	RSC_Enyenra_2016.pet
Contour inc	50
User name	sphillips
Country	Ghana
3D grid name	ENY DEPO MODEL (Nancy, EO1/EO2 differentiated)
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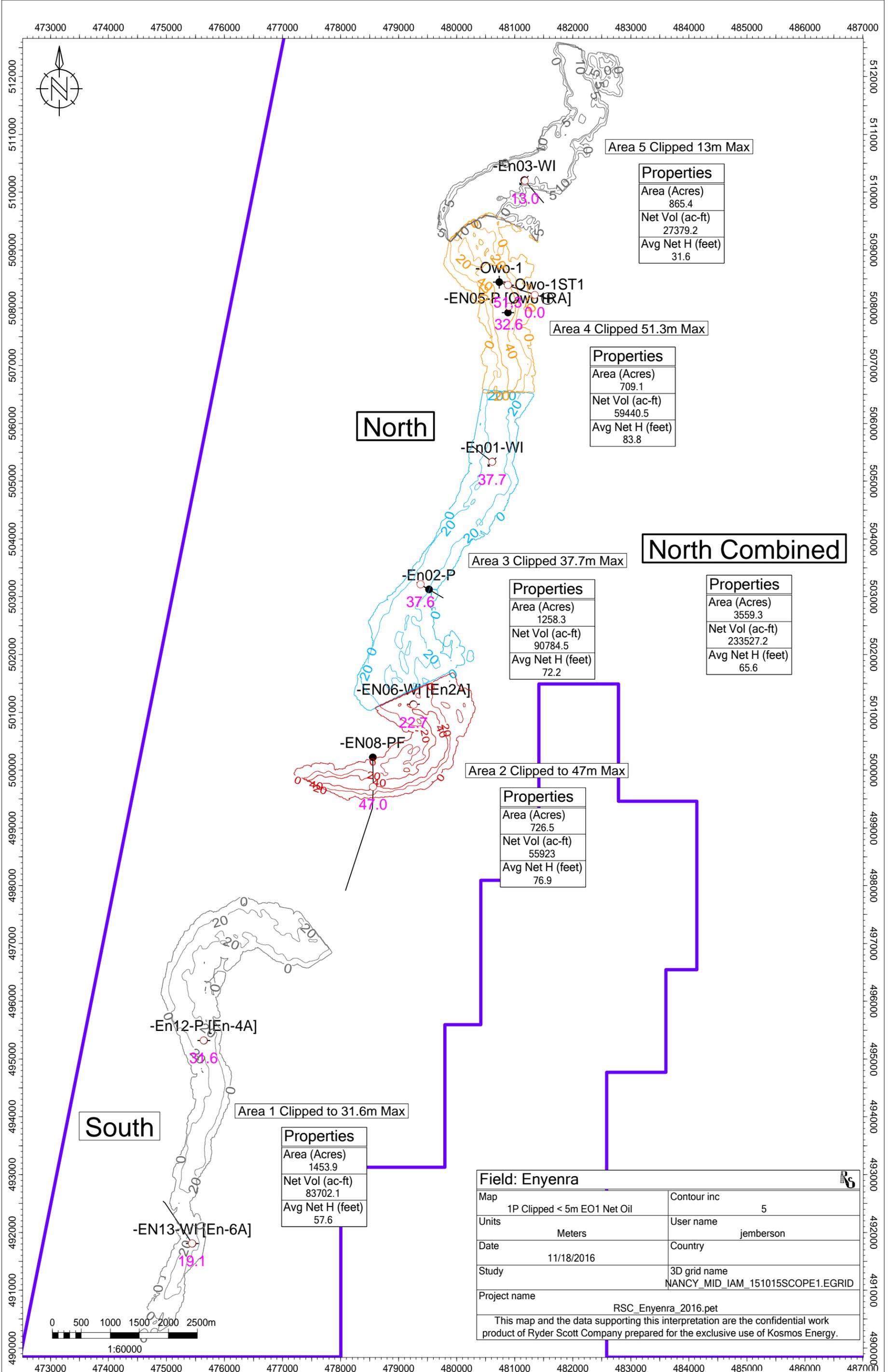


Field: Ntomme			
Map	N1B Structure	Contour inc	25
Units	meters	User name	spPhillips
Date	02/14/2017	Country	Ghana
Study	YE2016	3D grid name	ITV_Ntomme_ReferenceCase
Project name		RSC_Ntomme_2016.pet	
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Field: Ntomme			
Map	N1C Structure	Contour inc	25
Units	meters	User name	sphillips
Date	02/14/2017	Country	Ghana
Study	YE2016	3D grid name	ITV_Ntomme_ReferenceCase
Project name	RSC_Ntomme_2016.pet		
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12.2.1.3 Net Pay Isochore Maps



Area 5 Clipped 13m Max

Properties	
Area (Acres)	865.4
Net Vol (ac-ft)	27379.2
Avg Net H (feet)	31.6

Area 4 Clipped 51.3m Max

Properties	
Area (Acres)	709.1
Net Vol (ac-ft)	59440.5
Avg Net H (feet)	83.8

North

Area 3 Clipped 37.7m Max

Properties	
Area (Acres)	1258.3
Net Vol (ac-ft)	90784.5
Avg Net H (feet)	72.2

North Combined

Properties	
Area (Acres)	3559.3
Net Vol (ac-ft)	233527.2
Avg Net H (feet)	65.6

Area 2 Clipped to 47m Max

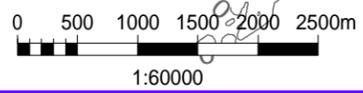
Properties	
Area (Acres)	726.5
Net Vol (ac-ft)	55923
Avg Net H (feet)	76.9

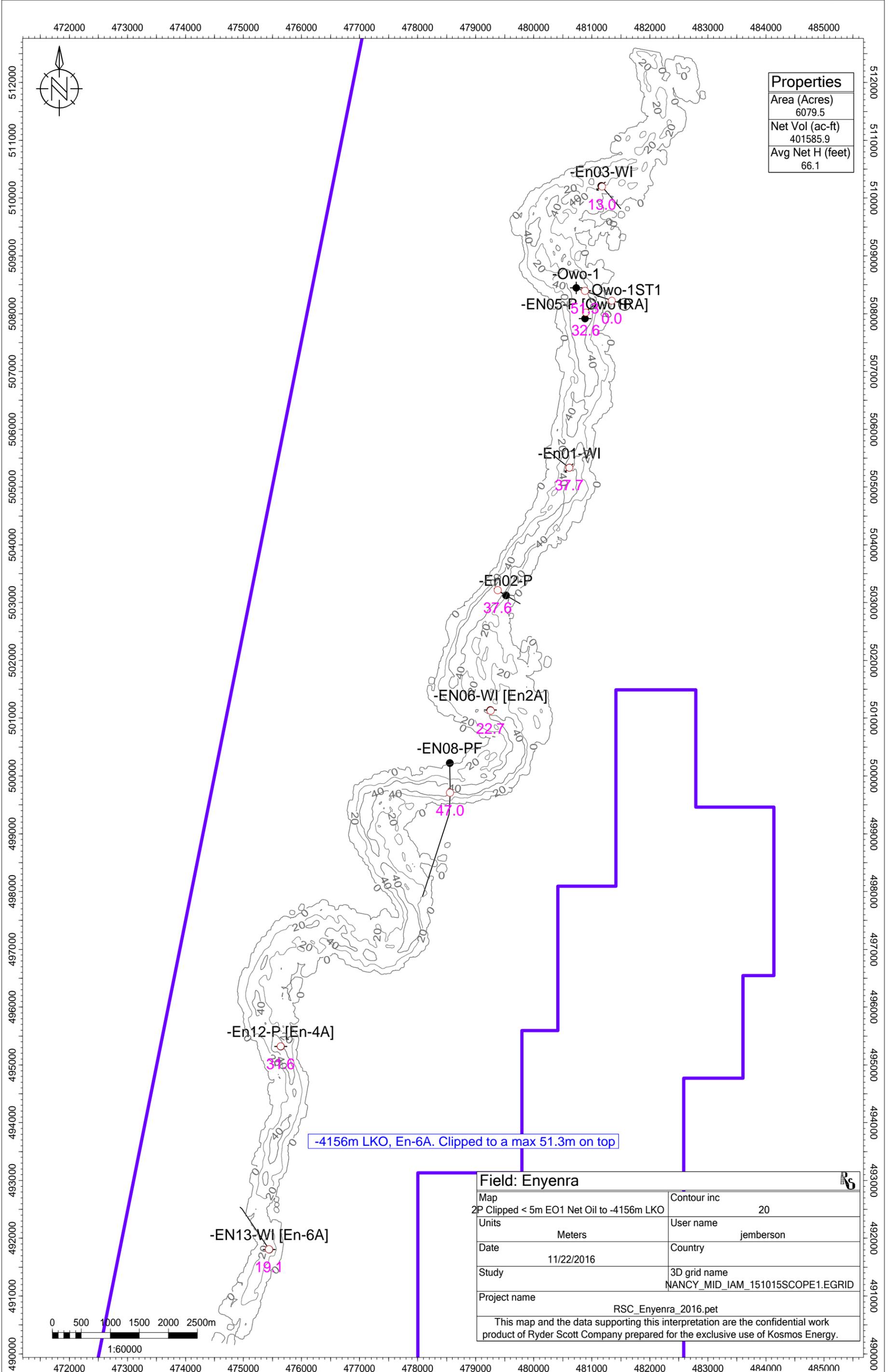
Area 1 Clipped to 31.6m Max

Properties	
Area (Acres)	1453.9
Net Vol (ac-ft)	83702.1
Avg Net H (feet)	57.6

South

Field: Enyenra	
Map	1P Clipped < 5m EO1 Net Oil
Units	Meters
Date	11/18/2016
Study	
Project name	RSC_Enyenra_2016.pet
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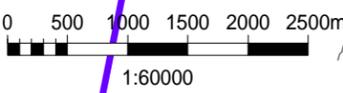


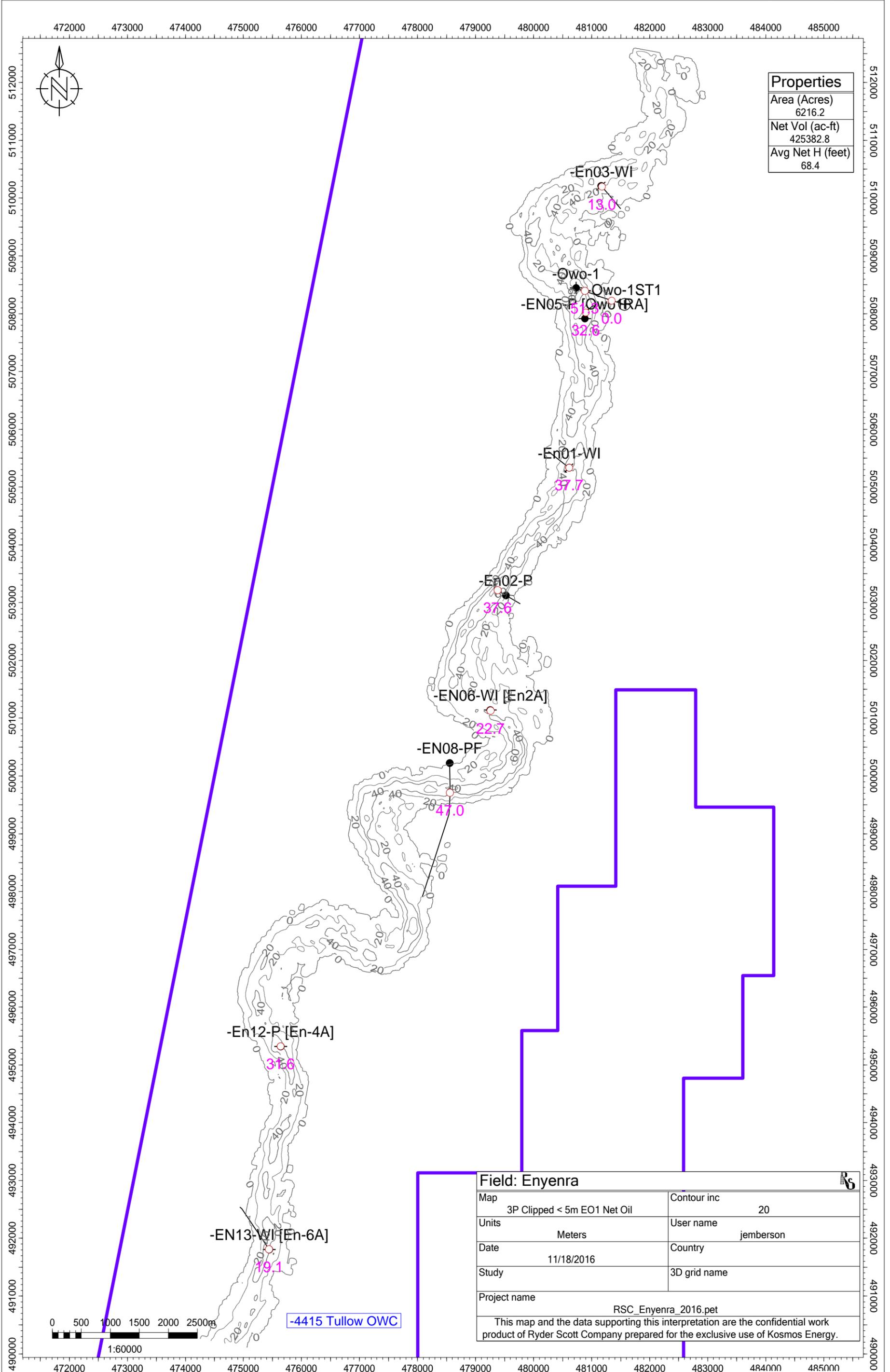


Properties	
Area (Acres)	6079.5
Net Vol (ac-ft)	401585.9
Avg Net H (feet)	66.1

Field: Enyenra	
Map	Contour inc
2P Clipped < 5m EO1 Net Oil to -4156m LKO	20
Units	User name
Meters	jemberson
Date	Country
11/22/2016	
Study	3D grid name
	NANCY_MID_IAM_151015SCOPE1.EGRID
Project name	
RSC_Enyenra_2016.pet	
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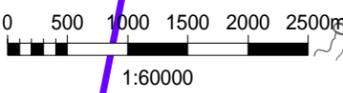
-4156m LKO, En-6A. Clipped to a max 51.3m on top



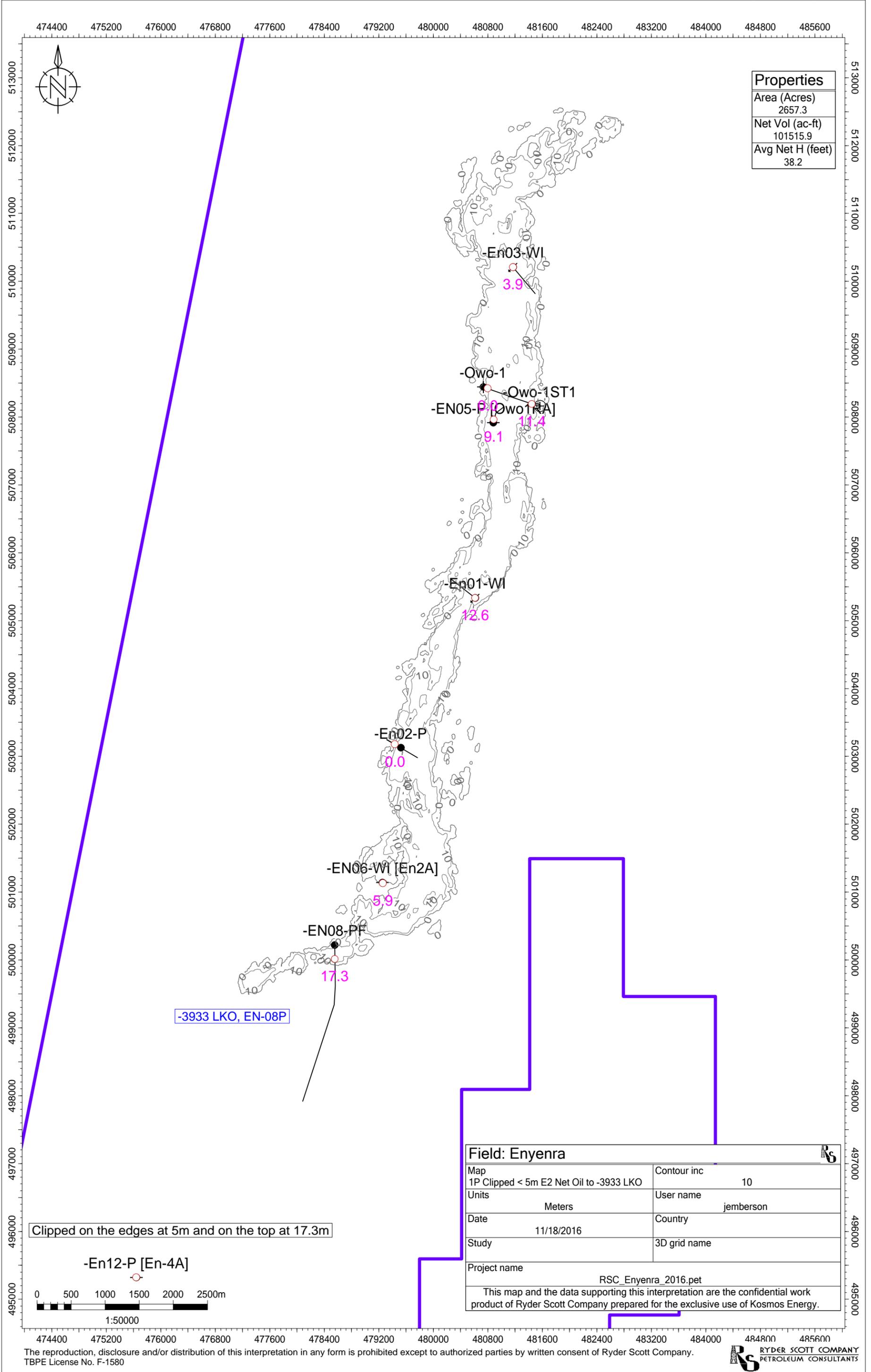


Properties	
Area (Acres)	6216.2
Net Vol (ac-ft)	425382.8
Avg Net H (feet)	68.4

Field: Enyenra	
Map 3P Clipped < 5m EO1 Net Oil	Contour inc 20
Units Meters	User name jemberson
Date 11/18/2016	Country
Study	3D grid name
Project name RSC_Enyenra_2016.pet	
This map and the data supporting this interpretation are the confidential work product of Ryder Scott Company prepared for the exclusive use of Kosmos Energy.	



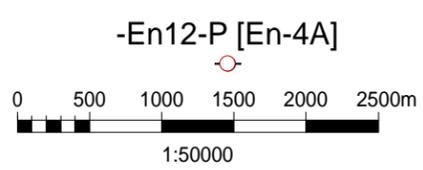
-4415 Tullow OWC

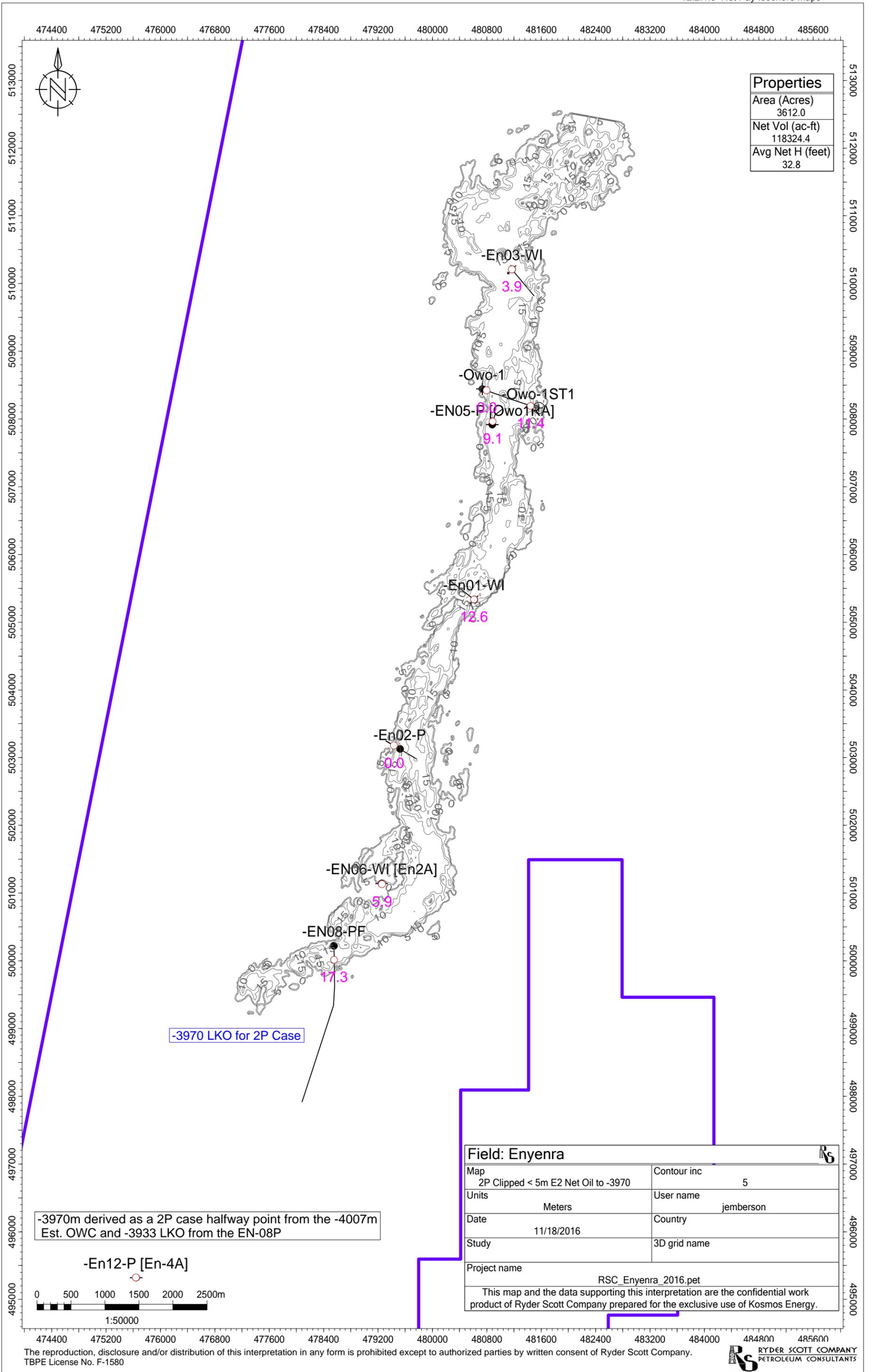


Properties	
Area (Acres)	2657.3
Net Vol (ac-ft)	101515.9
Avg Net H (feet)	38.2

Field: Enyenra	
Map	1P Clipped < 5m E2 Net Oil to -3933 LKO
Units	Meters
Date	11/18/2016
Study	
Project name	RSC_Enyenra_2016.pet
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Clipped on the edges at 5m and on the top at 17.3m



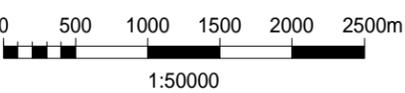


Properties	
Area (Acres)	3612.0
Net Vol (ac-ft)	118324.4
Avg Net H (feet)	32.8

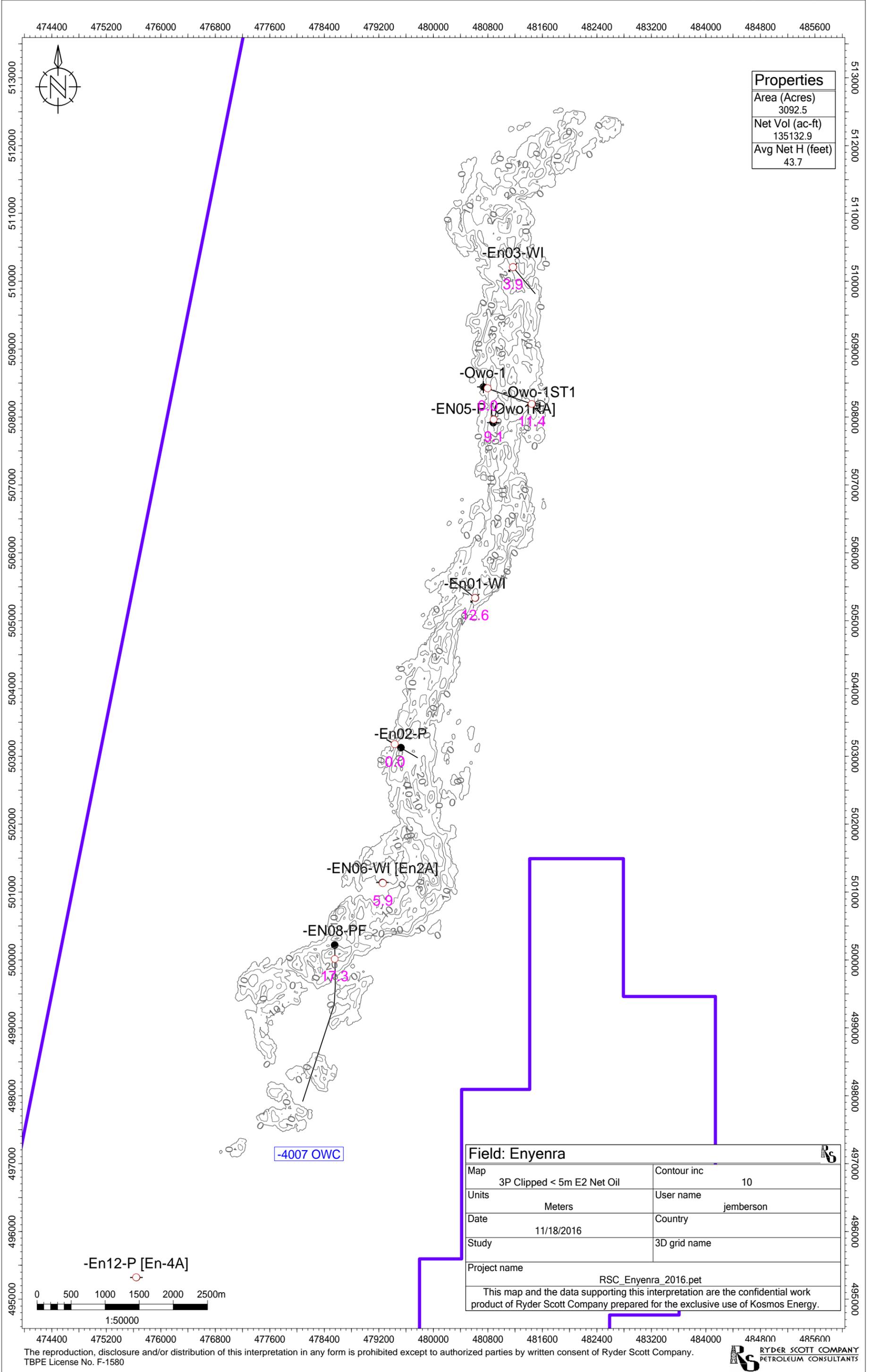
-3970 LKO for 2P Case

-3970m derived as a 2P case halfway point from the -4007m Est. OWC and -3933 LKO from the EN-08P

-En12-P [En-4A]

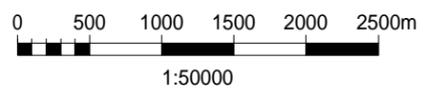


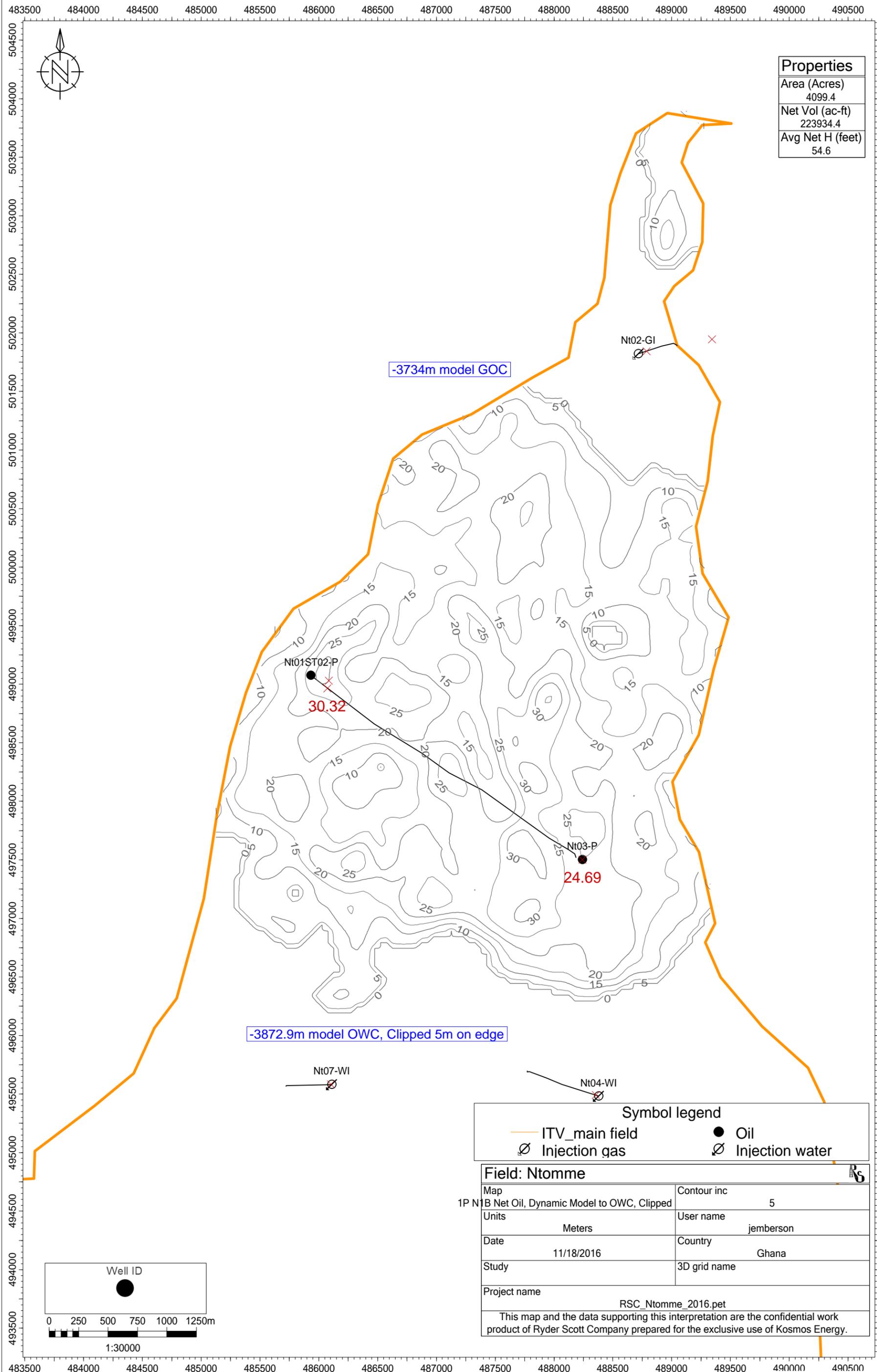
Field: Enyenra		RSC
Map 2P Clipped < 5m E2 Net Oil to -3970	Contour inc 5	
Units Meters	User name jemberson	
Date 11/18/2016	Country	
Study	3D grid name	
Project name RSC_Enyenra_2016.pet		
This map and the data supporting this interpretation are the confidential work product of Ryder Scott Company prepared for the exclusive use of Kosmos Energy.		



Properties	
Area (Acres)	3092.5
Net Vol (ac-ft)	135132.9
Avg Net H (feet)	43.7

Field: Enyenra			
Map	3P Clipped < 5m E2 Net Oil		Contour inc
Units	Meters	User name	jemberson
Date	11/18/2016	Country	
Study		3D grid name	
Project name		RSC_Enyenra_2016.pet	
This map and the data supporting this interpretation are the confidential work product of Ryder Scott Company prepared for the exclusive use of Kosmos Energy.			





Properties	
Area (Acres)	4099.4
Net Vol (ac-ft)	223934.4
Avg Net H (feet)	54.6

-3734m model GOC

-3872.9m model OWC, Clipped 5m on edge

Nt07-WI

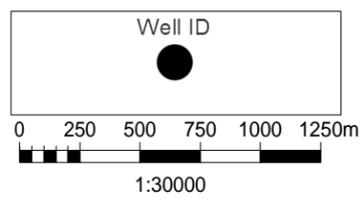
Nt04-WI

Nt01-ST02-P
30.32

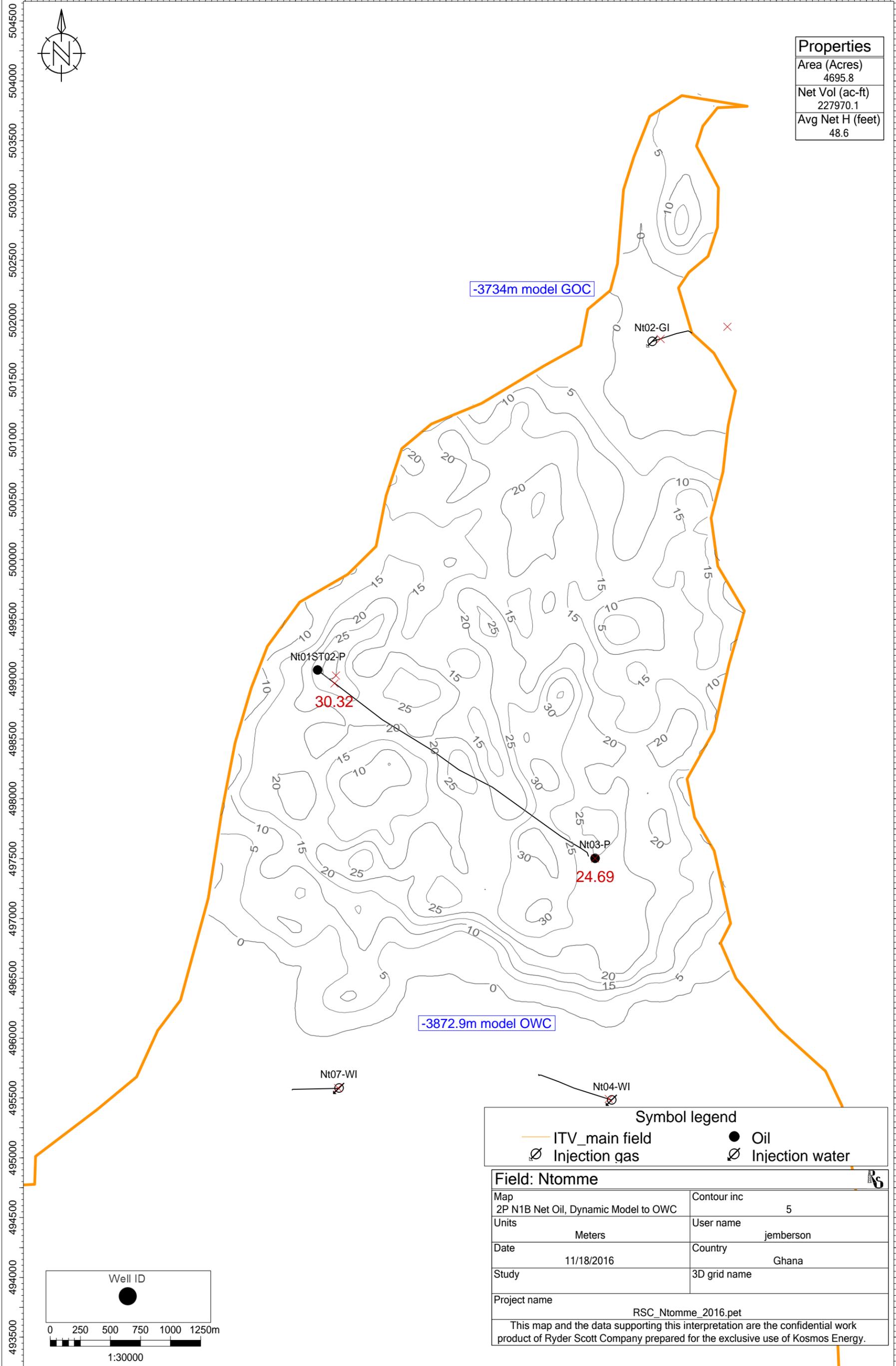
Nt03-P
24.69

Symbol legend	
ITV_main field	Oil
Injection gas	Injection water

Field: Ntomme	
Map	Contour inc
1P N1B Net Oil, Dynamic Model to OWC, Clipped	5
Units	User name
Meters	jemberson
Date	Country
11/18/2016	Ghana
Study	3D grid name
Project name	RSC_Ntomme_2016.pet
This map and the data supporting this interpretation are the confidential work product of Ryder Scott Company prepared for the exclusive use of Kosmos Energy.	



483500 484000 484500 485000 485500 486000 486500 487000 487500 488000 488500 489000 489500 490000 490500



Properties	
Area (Acres)	4695.8
Net Vol (ac-ft)	227970.1
Avg Net H (feet)	48.6

-3734m model GOC

-3872.9m model OWC

Nt01-ST02-P

30.32

Nt02-GI

Nt03-P

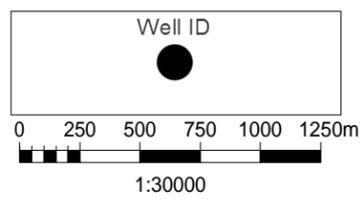
24.69

Nt07-WI

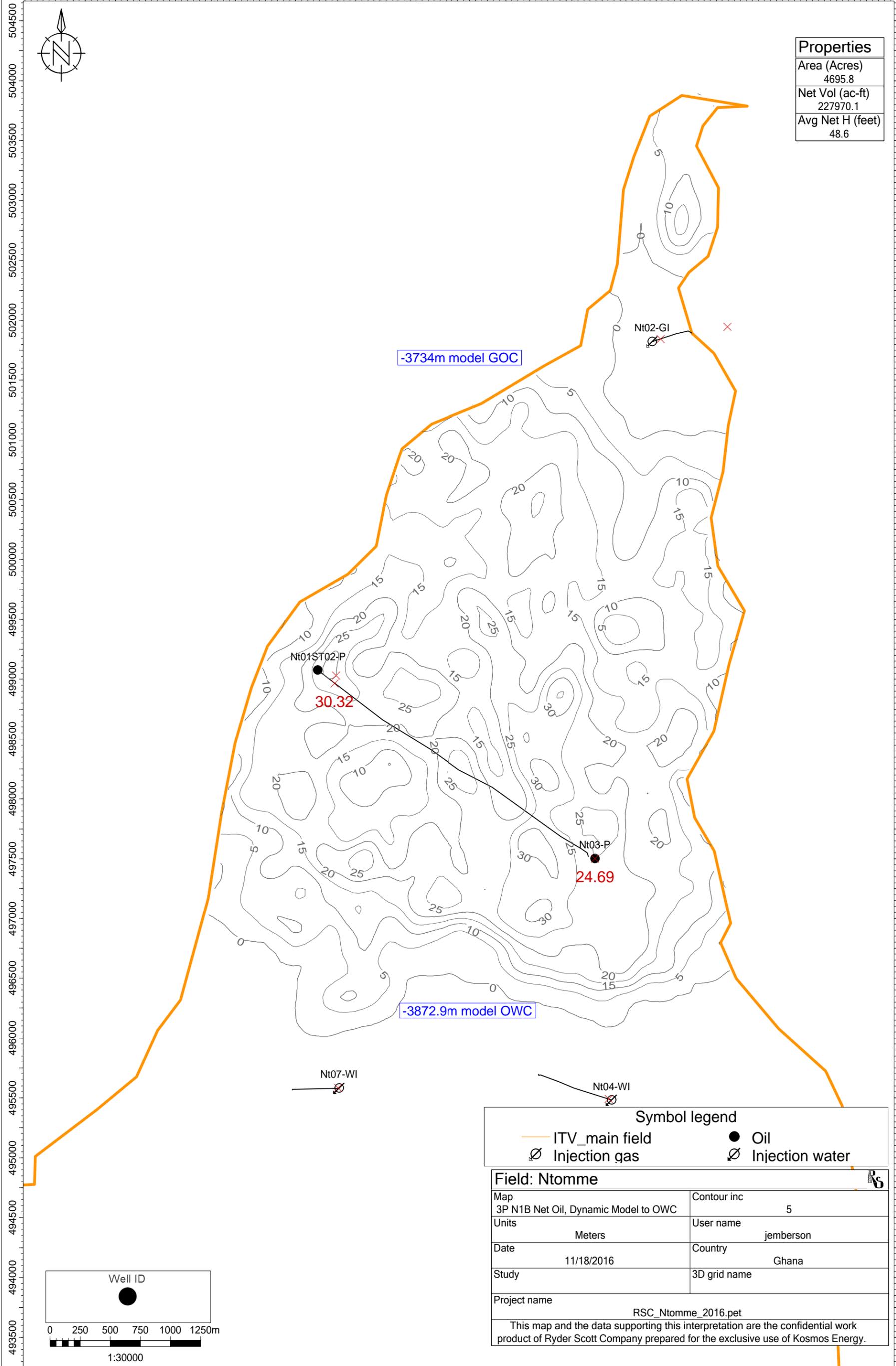
Nt04-WI

Symbol legend	
ITV_main field	Oil
Injection gas	Injection water

Field: Ntomme	
Map	2P N1B Net Oil, Dynamic Model to OWC
Units	Meters
Date	11/18/2016
Study	
Project name	RSC_Ntomme_2016.pet
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483500 484000 484500 485000 485500 486000 486500 487000 487500 488000 488500 489000 489500 490000 490500



Properties	
Area (Acres)	4695.8
Net Vol (ac-ft)	227970.1
Avg Net H (feet)	48.6

-3734m model GOC

-3872.9m model OWC

Nt01-ST02-P

30.32

Nt02-GI

Nt03-P

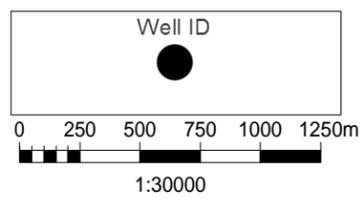
24.69

Nt07-WI

Nt04-WI

Symbol legend	
ITV_main field	Oil
Injection gas	Injection water

Field: Ntomme	
Map	3P N1B Net Oil, Dynamic Model to OWC
Units	Meters
Date	11/18/2016
Study	
Project name	RSC_Ntomme_2016.pet
This map and the data supporting this interpretation are the confidential work product of Ryder Scott Company prepared for the exclusive use of Kosmos Energy.	



483500 484000 484500 485000 485500 486000 486500 487000 487500 488000 488500 489000 489500 490000 490500

483500 484000 484500 485000 485500 486000 486500 487000 487500 488000 488500 489000 489500 490000 490500



Properties	
Area (Acres)	1561.4
Net Vol (ac-ft)	66905.3
Avg Net H (feet)	42.85

-3734m model GOC

23.64

Nt01ST02-P

Nt02-GI

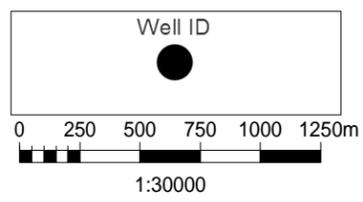
Nt03-P

Nt07-WI

Nt04-WI

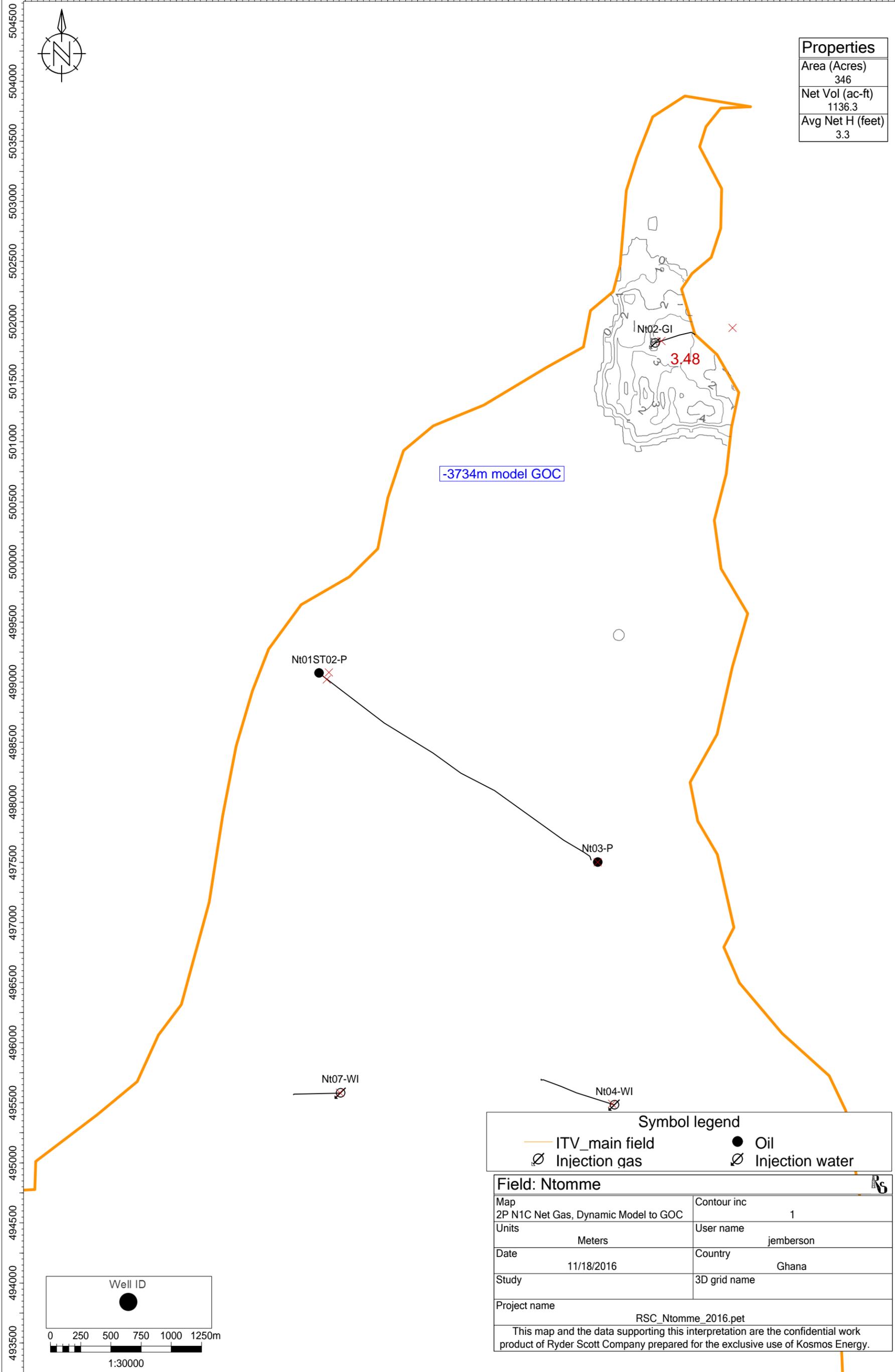
Symbol legend	
ITV_main field	Oil
Injection gas	Injection water

Field: Ntomme	
Map	2P N1B Net Gas, Dynamic Model to GOC
Units	Meters
Date	11/18/2016
Study	
Project name	RSC_Ntomme_2016.pet
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483500 484000 484500 485000 485500 486000 486500 487000 487500 488000 488500 489000 489500 490000 490500

483500 484000 484500 485000 485500 486000 486500 487000 487500 488000 488500 489000 489500 490000 490500



Properties	
Area (Acres)	346
Net Vol (ac-ft)	1136.3
Avg Net H (feet)	3.3

-3734m model GOC

3.48

Nt01ST02-P

Nt03-P

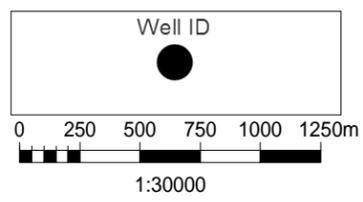
Nt07-WI

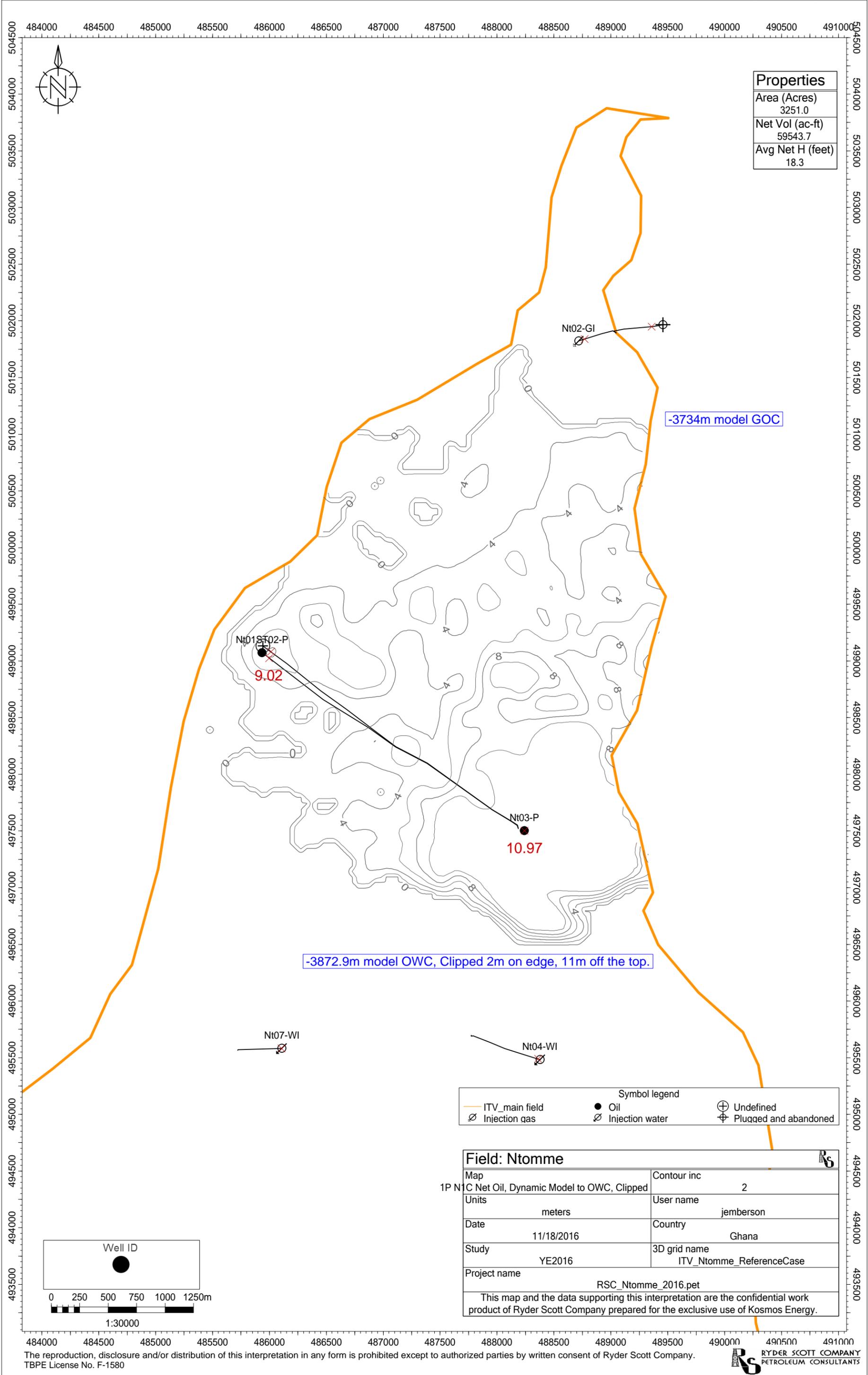
Nt04-WI

Symbol legend

- ITV_main field
- Injection gas
- Oil
- Injection water

Field: Ntomme	
Map	2P N1C Net Gas, Dynamic Model to GOC
Units	Meters
Date	11/18/2016
Study	
Project name	RSC_Ntomme_2016.pet
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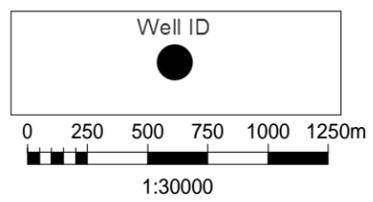
Properties	
Area (Acres)	3251.0
Net Vol (ac-ft)	59543.7
Avg Net H (feet)	18.3

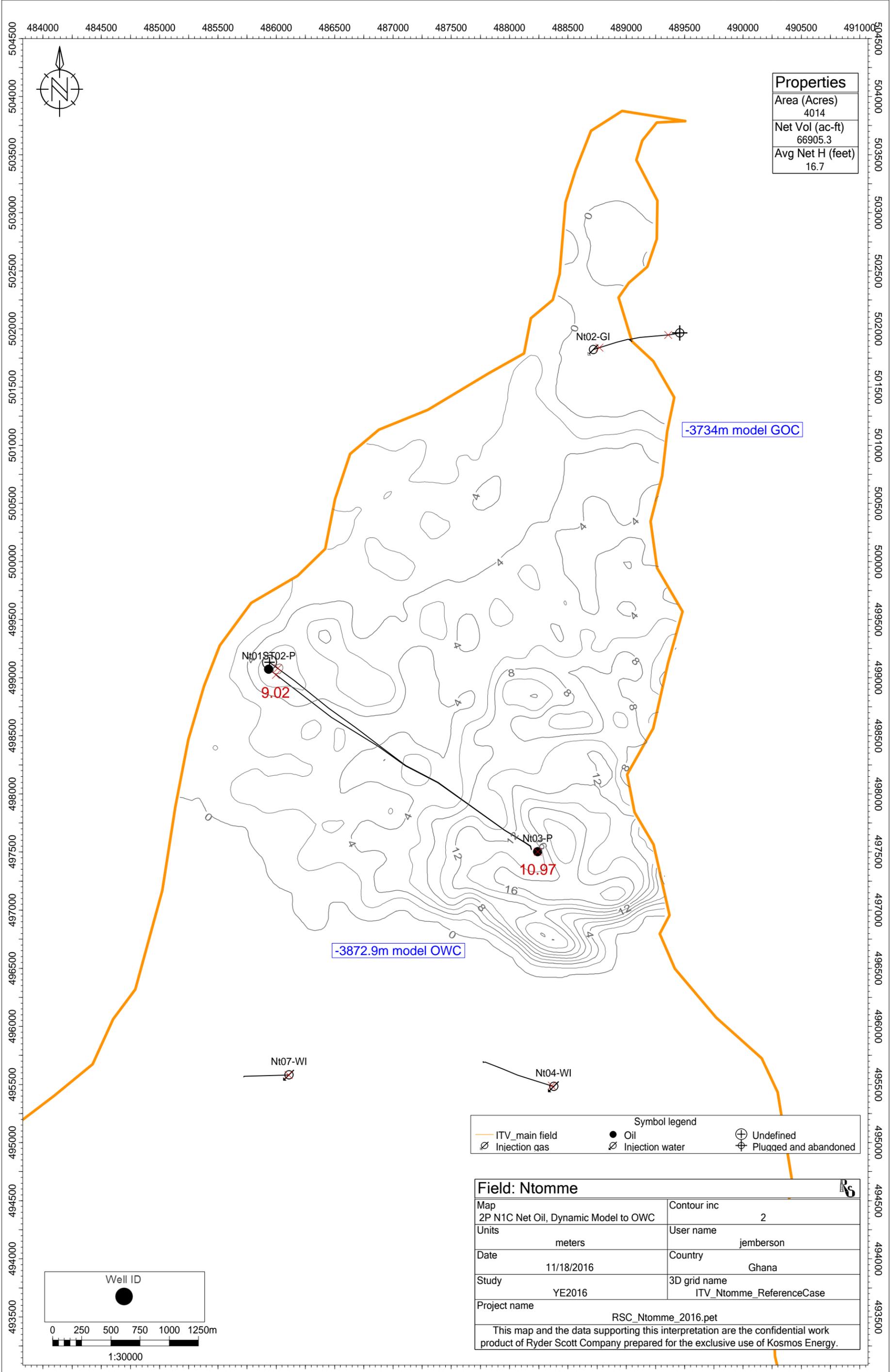
-3734m model GOC

-3872.9m model OWC, Clipped 2m on edge, 11m off the top.

Symbol legend					
	ITV_main field		Oil		Undefined
	Injection gas		Injection water		Plugged and abandoned

Field: Ntomme	
Map	Contour inc
1P N1C Net Oil, Dynamic Model to OWC, Clipped	2
Units	User name
meters	jemberson
Date	Country
11/18/2016	Ghana
Study	3D grid name
YE2016	ITV_Ntomme_ReferenceCase
Project name	
RSC_Ntomme_2016.pet	
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Properties	
Area (Acres)	4014
Net Vol (ac-ft)	66905.3
Avg Net H (feet)	16.7

-3734m model GOC

-3872.9m model OWC

Nt01-ST02-P
9.02

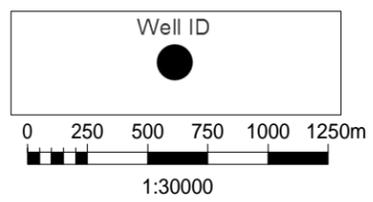
Nt03-P
10.97

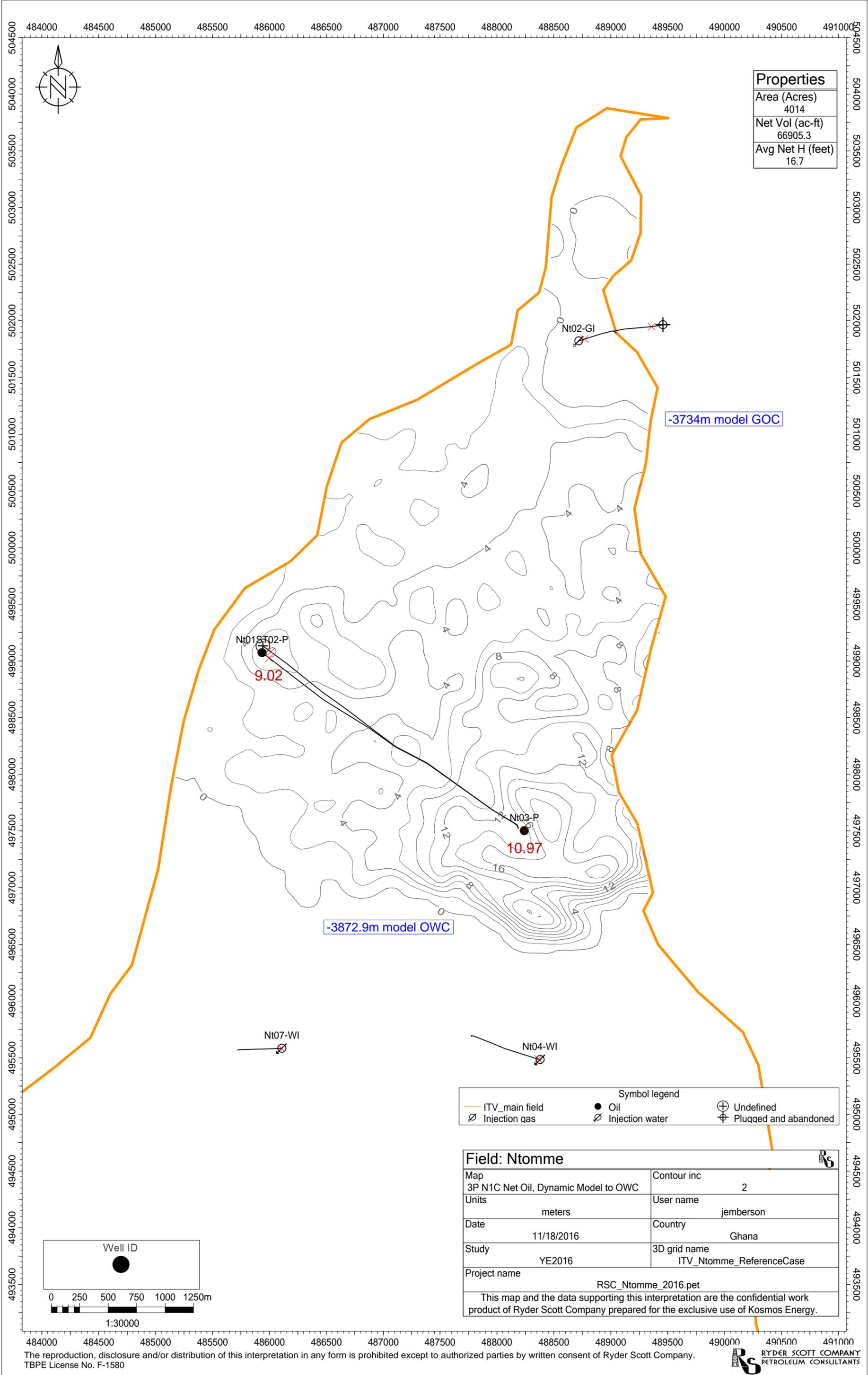
Nt07-WI

Nt04-WI

Symbol legend		
ITV_main field	Oil	Undefined
Injection gas	Injection water	Plugged and abandoned

Field: Ntomme	
Map	Contour inc
2P N1C Net Oil, Dynamic Model to OWC	2
Units	User name
meters	jemberson
Date	Country
11/18/2016	Ghana
Study	3D grid name
YE2016	ITV_Ntomme_ReferenceCase
Project name	
RSC_Ntomme_2016.pet	
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Properties	
Area (Acres)	4014
Net Vol (ac-ft)	66905.3
Avg Net H (feet)	16.7

-3734m model GOC

-3872.9m model OWC

Nt01-ST02-P
9.02

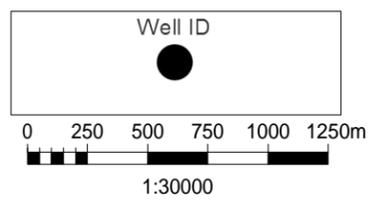
Nt03-P
10.97

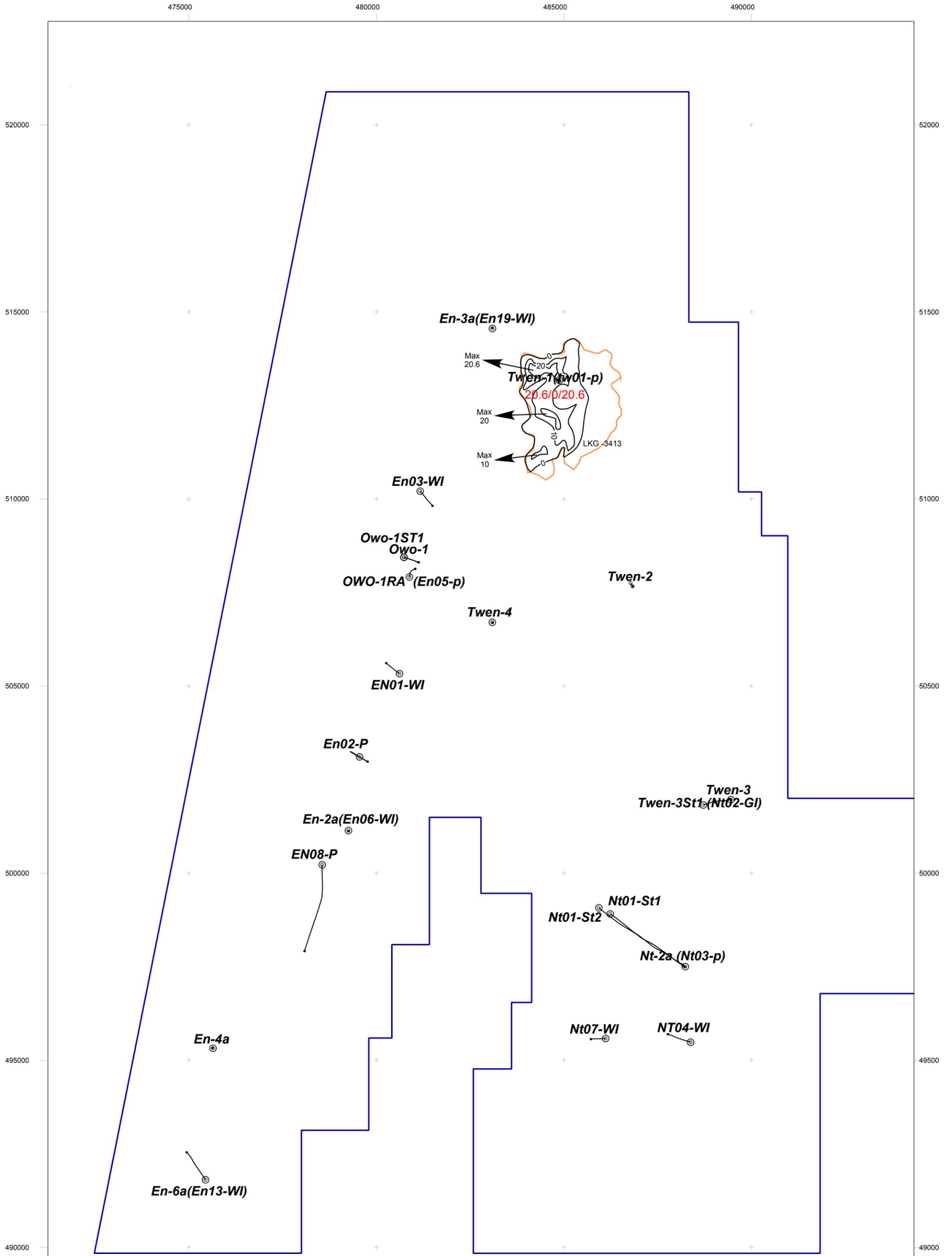
Nt07-WI

Nt04-WI

Symbol legend		
ITV_main field	Oil	Undefined
Injection gas	Injection water	Plugged and abandoned

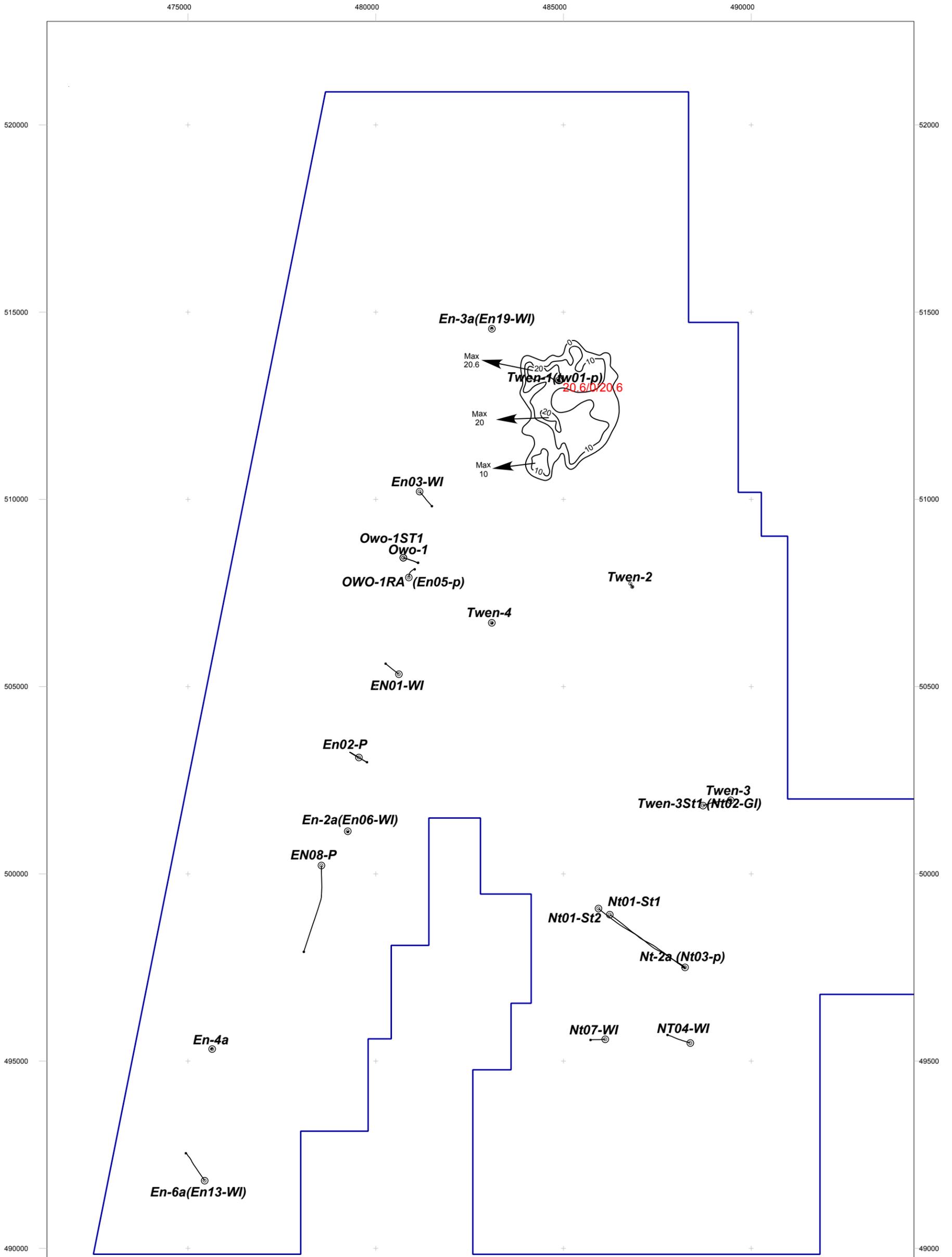
Field: Ntomme	
Map	3P N1C Net Oil, Dynamic Model to OWC
Contour inc	2
Units	meters
User name	jemberson
Date	11/18/2016
Country	Ghana
Study	YE2016
3D grid name	ITV_Ntomme_ReferenceCase
Project name	RSC_Ntomme_2016.pet
This map and the data supporting this interpretation are the confidential work product of Ryder Scott Company prepared for the exclusive use of Kosmos Energy.	





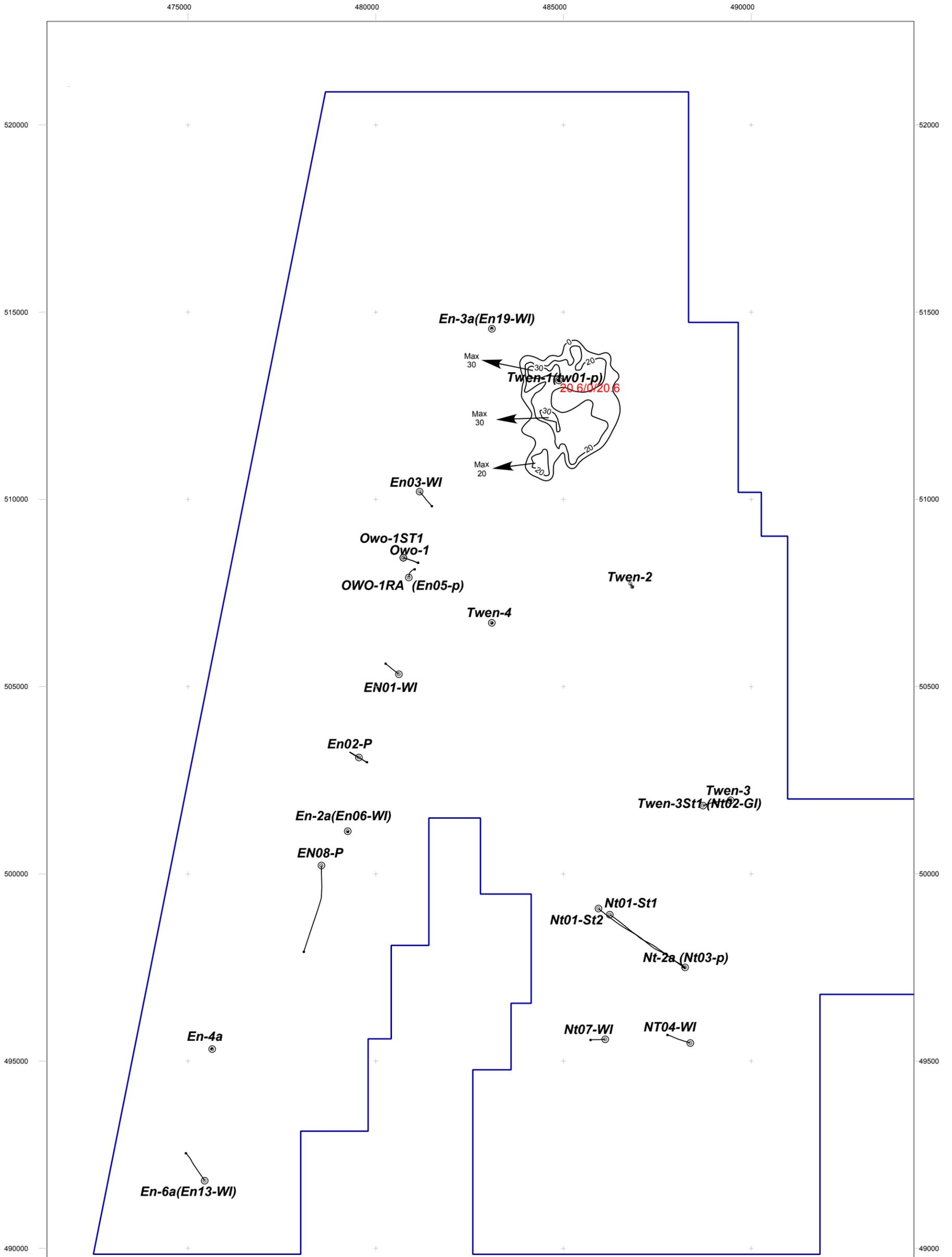
Avg. Thickness (Feet) 31.2
 Area (Acres) 1,091
 Volume (Ac.Ft.) 34,126

 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
TWENEBOA FIELD Offshore, Ghana Ten-1 Area N1B Net Gas Isochore 1P	
Contour & well values in meters	Date: 12/31/2015 Initials: JDE Rev: 12/31/2016 Initials: JDE
Scale: 1"=8,333' Scale: 1:100,000	
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Avg. Thickness (Feet) 35.1
 Area (Acres) 1,737
 Volume (Ac.Ft.) 61,004

 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
TWENEBOA FIELD Offshore, Ghana	
Ten-1 Area N1B Net Gas Isochore 2P	
Contour & well values in meters	
Scale: 1"=8,333' Scale: 1:100,000	Date: 12/31/2015 Initials: JDE Rev: 12/31/2016 Initials: JDE
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Avg. Thickness (Feet) 60.7
 Area (Acres) 1,737
 Volume (Ac.Ft.) 105,461

 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
TWENEBOA FIELD Offshore, Ghana Ten-1 Area N1B Net Gas Isochore 3P	
Contour & well values in meters	Date: 12/31/2015 Initials: JDE Rev: 12/31/2016 Initials: JDE
Scale: 1"=8,333' Scale: 1: 100,000	
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12.2.2 Engineering

12.2.2.1 Well Level Forecast

ENYENRA WELL LEVEL FORECAST								
YEAR	1P							TOTAL (STB)
	EN02-P (STB)	EN04-P (STB)	EN-05P (STB)	EN08-P (STB)	EN10-P (STB)	EN12-P (STB)	EN14-P (STB)	
2017	3,046,768	-	3,495,214	2,120,312	-	-	-	8,662,295
2018	2,492,722	-	3,943,030	2,187,553	1,565,483	-	-	10,188,788
2019	2,185,129	412,632	3,276,606	2,786,395	4,653,353	499,679	377,727	14,191,522
2020	1,860,925	1,981,245	2,165,934	2,333,518	2,991,680	410,102	772,774	12,516,177
2021	1,726,429	1,554,822	1,874,747	1,692,519	1,288,308	311,998	1,062,246	9,511,069
2022	1,654,366	894,875	2,211,459	1,676,899	860,385	278,491	741,124	8,317,599
2023	1,445,782	391,699	1,909,968	1,579,684	636,279	272,592	471,668	6,707,672
2024	1,238,512	416,980	1,322,167	1,383,041	553,317	269,884	298,185	5,482,087
2025	1,080,819	470,666	1,074,161	1,046,195	479,586	264,389	240,043	4,655,859
2026	883,232	451,261	966,435	798,484	403,253	258,796	203,545	3,965,007
2027	759,213	374,462	850,009	659,804	328,614	252,532	156,197	3,380,832
2028	666,813	288,048	655,591	595,019	285,253	247,173	133,045	2,870,943
2029	528,569	215,452	539,254	551,866	261,653	241,814	118,922	2,457,531
2030	417,091	188,787	454,615	496,782	237,846	236,040	109,678	2,140,838
2031	342,548	171,377	390,292	433,847	216,817	220,896	100,321	1,876,099
2032	289,683	157,996	344,780	386,435	204,144	193,441	92,257	1,668,736
2033	260,574	145,391	309,795	355,227	191,692	153,775	86,927	1,503,381
2034	241,481	134,800	284,078	328,686	180,870	123,530	82,972	1,376,416
2035	225,653	125,569	262,081	301,783	170,777	107,487	79,091	1,272,441
2036	54,002	29,991	62,335	70,296	41,006	25,398	19,089	302,116
RRR	21,400,312	8,406,053	26,392,550	21,784,346	15,550,316	4,368,017	5,145,813	103,047,407

2P								
YEAR	EN02-P (STB)	EN04-P (STB)	EN-05P (STB)	EN08-P (STB)	EN10-P (STB)	EN12-P (STB)	EN14-P (STB)	TOTAL (STB)
	2017	3,801,679	-	4,361,239	2,645,671	-	-	-
2018	3,110,355	-	4,920,011	2,729,573	1,953,369	-	-	12,713,308
2019	2,726,548	514,872	4,088,465	3,476,792	5,806,334	623,487	471,318	17,707,815
2020	2,322,014	2,472,146	2,702,597	2,911,703	3,732,942	511,714	964,248	15,617,363
2021	2,154,194	1,940,067	2,339,260	2,111,882	1,607,517	389,303	1,325,444	11,867,668
2022	2,064,275	1,116,602	2,759,402	2,092,392	1,073,566	347,494	924,755	10,378,486
2023	1,804,010	488,752	2,383,209	1,971,089	793,932	340,133	588,535	8,369,661
2024	1,545,383	520,298	1,649,766	1,725,723	690,415	336,754	372,068	6,840,407
2025	1,348,618	587,285	1,340,310	1,305,415	598,415	329,898	299,520	5,809,462
2026	1,102,074	563,072	1,205,893	996,328	503,169	322,919	253,979	4,947,434
2027	947,326	467,245	1,060,619	823,287	410,036	315,103	194,899	4,218,515
2028	832,033	359,419	818,030	742,449	355,931	308,416	166,010	3,582,288
2029	659,535	268,835	672,868	688,604	326,484	301,730	148,388	3,066,443
2030	520,435	235,563	567,257	619,872	296,778	294,524	136,853	2,671,282
2031	427,422	213,839	486,997	541,343	270,539	275,629	125,179	2,340,948
2032	361,459	197,143	430,208	482,184	254,726	241,371	115,117	2,082,206
2033	325,138	181,415	386,554	443,243	239,189	191,876	108,465	1,875,880
2034	301,314	168,200	354,465	410,126	225,684	154,137	103,530	1,717,456
2035	281,564	156,682	327,017	376,557	213,091	134,120	98,688	1,587,719
2036	67,382	37,422	77,780	87,714	51,166	31,691	23,818	376,973
RRR	26,702,758	10,488,857	32,931,945	27,181,947	19,403,284	5,450,300	6,420,813	128,579,903

3P								
YEAR	EN02-P (STB)	EN04-P (STB)	EN-05P (STB)	EN08-P (STB)	EN10-P (STB)	EN12-P (STB)	EN14-P (STB)	TOTAL (STB)
	2017	4,607,861	-	5,286,080	3,206,710	-	-	-
2018	3,769,935	-	5,963,346	3,308,404	2,367,600	-	-	15,409,285
2019	3,304,738	624,055	4,955,462	4,214,078	7,037,622	755,703	571,266	21,462,925
2020	2,814,419	2,996,388	3,275,708	3,529,157	4,524,547	620,228	1,168,726	18,929,173
2021	2,611,011	2,351,477	2,835,323	2,559,727	1,948,406	471,859	1,606,517	14,384,318
2022	2,502,024	1,353,388	3,344,559	2,536,103	1,301,226	421,183	1,120,858	12,579,342
2023	2,186,567	592,397	2,888,591	2,389,077	962,293	412,262	713,340	10,144,526
2024	1,873,097	630,631	1,999,614	2,091,679	836,824	408,166	450,968	8,290,979
2025	1,634,605	711,825	1,624,535	1,582,241	725,314	399,856	363,036	7,041,413
2026	1,335,780	682,476	1,461,614	1,207,608	609,871	391,397	307,837	5,996,584
2027	1,148,216	566,328	1,285,534	997,872	496,989	381,923	236,229	5,113,091
2028	1,008,473	435,637	991,501	899,892	431,409	373,819	201,214	4,341,946
2029	799,396	325,844	815,556	834,629	395,718	365,714	179,855	3,716,712
2030	630,798	285,517	687,549	751,321	359,713	356,981	165,874	3,237,752
2031	518,061	259,186	590,269	656,140	327,910	334,079	151,724	2,837,369
2032	438,110	238,949	521,437	584,435	308,743	292,555	139,528	2,523,757
2033	394,086	219,886	468,526	537,237	289,911	232,565	131,466	2,273,678
2034	365,210	203,868	429,632	497,098	273,543	186,824	125,485	2,081,659
2035	341,273	189,908	396,365	456,410	258,279	162,561	119,615	1,924,410
2036	81,671	45,358	94,274	106,314	62,016	38,412	28,869	456,913
RRR	32,365,330	12,713,118	39,915,474	32,946,135	23,517,933	6,606,087	7,782,407	155,846,483

* Individual well forecast not adjusted for 2016 actual production and totals may vary from field level forecasts.

NTOMME WELL LEVEL FORECAST							
YEAR	1P						
	NT01-P (STB)	NT02-GI (STB)	NT03-P (STB)	NT05-P (STB)	NT06-GI (STB)	NT09-P (STB)	TOTAL (STB)
2017	2,477,922	-	5,893,389	-	-	-	8,371,311
2018	2,908,230	-	5,587,661	-	-	-	8,495,891
2019	2,541,004	-	3,830,227	3,185,616	-	-	9,556,847
2020	2,355,575	-	2,743,038	3,194,343	-	1,290,075	9,583,031
2021	2,219,139	-	2,202,000	3,131,203	-	1,953,918	9,506,260
2022	2,656,983	-	1,820,756	2,729,826	-	1,540,175	8,747,740
2023	2,876,204	-	1,529,370	1,920,119	-	1,290,679	7,616,372
2024	2,892,234	-	1,344,607	1,593,657	-	1,057,026	6,887,524
2025	2,864,944	-	1,183,083	1,368,276	-	939,257	6,355,559
2026	2,829,642	-	1,060,546	1,190,016	-	860,972	5,941,176
2027	2,760,866	-	973,946	1,060,283	-	793,689	5,588,784
2028	2,628,426	-	907,603	974,920	-	756,556	5,267,504
2029	2,475,257	-	844,811	902,394	-	713,479	4,935,941
2030	2,419,225	-	787,600	845,089	-	672,378	4,724,292
2031	240,568	11,990	239,474	285,119	53,211	307,007	1,137,370
2032	-	79,723	-	-	193,816	-	273,539
2033	-	179,096	-	-	299,890	-	478,986
2034	-	252,879	-	-	310,624	-	563,503
2035	-	246,916	-	-	307,538	-	554,454
2036	-	23,282	-	-	30,395	-	53,676
RRR	37,146,218	793,886	30,948,110	22,380,861	1,195,474	12,175,211	104,639,761

2P							
YEAR	NT01-P (STB)	NT02-GI (STB)	NT03-P (STB)	NT05-P (STB)	NT06-GI (STB)	NT09-P (STB)	TOTAL (STB)
	2017	2,761,573	-	6,568,013	-	-	-
2018	3,241,138	-	6,227,287	-	-	-	9,468,426
2019	2,831,876	-	4,268,678	3,550,277	-	-	10,650,831
2020	2,625,220	-	3,057,036	3,560,004	-	1,437,751	10,680,012
2021	2,473,166	-	2,454,066	3,489,635	-	2,177,586	10,594,453
2022	2,961,131	-	2,029,180	3,042,312	-	1,716,481	9,749,105
2023	3,205,447	-	1,704,438	2,139,917	-	1,438,425	8,488,227
2024	3,223,311	-	1,498,525	1,776,085	-	1,178,025	7,675,947
2025	3,192,897	-	1,318,512	1,524,904	-	1,046,774	7,083,088
2026	3,153,554	-	1,181,948	1,326,239	-	959,529	6,621,269
2027	3,076,906	-	1,085,435	1,181,655	-	884,544	6,228,539
2028	2,929,305	-	1,011,497	1,086,520	-	843,160	5,870,482
2029	2,758,603	-	941,518	1,005,692	-	795,151	5,500,965
2030	2,696,156	-	877,757	941,827	-	749,346	5,265,087
2031	268,106	12,488	266,887	317,757	55,418	342,150	1,262,806
2032	-	83,030	-	-	201,855	-	284,884
2033	-	186,524	-	-	312,328	-	498,853
2034	-	263,367	-	-	323,508	-	586,875
2035	-	257,158	-	-	320,293	-	577,451
2036	-	24,247	-	-	31,655	-	55,903
RRR	41,398,390	826,814	34,490,778	24,942,825	1,245,058	13,568,923	116,472,788

3P							
YEAR	NT01-P (STB)	NT02-GI (STB)	NT03-P (STB)	NT05-P (STB)	NT06-GI (STB)	NT09-P (STB)	TOTAL (STB)
	2017	2,867,381	-	6,819,663	-	-	-
2018	3,365,321	-	6,465,883	-	-	-	9,831,204
2019	2,940,378	-	4,432,231	3,686,304	-	-	11,058,913
2020	2,725,805	-	3,174,165	3,696,404	-	1,492,838	11,089,212
2021	2,567,925	-	2,548,092	3,623,339	-	2,261,019	11,000,375
2022	3,074,586	-	2,106,927	3,158,877	-	1,782,247	10,122,638
2023	3,328,262	-	1,769,743	2,221,907	-	1,493,537	8,813,450
2024	3,346,811	-	1,555,941	1,844,135	-	1,223,161	7,970,048
2025	3,315,232	-	1,369,030	1,583,330	-	1,086,881	7,354,473
2026	3,274,381	-	1,227,233	1,377,053	-	996,292	6,874,960
2027	3,194,796	-	1,127,023	1,226,929	-	918,435	6,467,183
2028	3,041,540	-	1,050,252	1,128,150	-	875,465	6,095,407
2029	2,864,298	-	977,592	1,044,225	-	825,617	5,711,732
2030	2,799,458	-	911,388	977,913	-	778,057	5,466,817
2031	278,378	12,488	277,113	329,932	55,418	355,260	1,308,588
2032	-	83,030	-	-	201,855	-	284,884
2033	-	186,524	-	-	312,328	-	498,853
2034	-	263,367	-	-	323,508	-	586,875
2035	-	257,158	-	-	320,293	-	577,451
2036	-	24,247	-	-	31,655	-	55,903
RRR	42,984,552	826,814	35,812,277	25,898,499	1,245,058	14,088,810	120,856,011

* Individual well forecast not adjusted for 2016 actual production.

*NT02-GI & NT06-GI forecast represent gas cap blowdown production upon conversion of these injectors to producing wells

TWENEBOA WELL LEVEL FORECAST ASSOCIATED GAS			NON-
YEAR	1P	2P	3P
	TW-01P (MMCF)	TW-01P (MMCF)	TW-01P (MMCF)
2017	0	0	0
2018	3,000	3,000	3,000
2019	7,200	7,200	7,200
2020	7,200	7,200	7,200
2021	6,083	7,200	7,200
2022	973	6,966	7,200
2023	44	5,043	7,200
2024	0	3,396	7,200
2025	0	2,286	7,200
2026	0	1,539	7,065
2027	0	1,037	5,878
2028	0	698	4,702
2029	0	470	3,760
2030	0	316	3,007
2031	0	213	2,405
2032	0	136	1,923
2033	0	0	1,539
2034	0	0	1,230
2035	0	0	984
2036	0	0	707
2037	0	0	0
2038	0	0	0
2039	0	0	0
2040	0	0	0
RRR	24,500	46,700	86,600

TWENEBOA WELL LEVEL FORECAST CONDENSATE			
YEAR	1P	2P	3P
	TW-01P (STB)	TW-01P (STB)	TW-01P (STB)
2017	0	0	0
2018	210,000	210,000	210,000
2019	504,000	504,000	504,000
2020	504,000	504,000	504,000
2021	425,810	504,000	504,000
2022	68,110	487,620	504,000
2023	3,080	353,010	504,000
2024	0	237,720	504,000
2025	0	160,020	504,000
2026	0	107,730	494,550
2027	0	72,590	411,460
2028	0	48,860	329,140
2029	0	32,900	263,200
2030	0	22,120	210,490
2031	0	14,910	168,350
2032	0	9,520	134,610
2033	0	0	107,730
2034	0	0	86,100
2035	0	0	68,880
2036	0	0	49,490
2037	0	0	0
2038	0	0	0
2039	0	0	0
2040	0	0	0
RRR	1,715,000	3,269,000	6,062,000

12.2.2.2 Summary of Oil Forecast

TEN FIELD OIL & CONDENSATE FORECAST																						
YEAR	OIL			TWENEBOA CONDENSATE			OIL			OIL & CONDENSATE			OIL & CONDENSATE			ADJUSTED OIL & CONDENSATE			ADJUSTED OIL & CONDENSATE			
	YEARLY VOLUMES			YEARLY VOLUMES			YEARLY VOLUMES (ADJUSTED)			YEARLY VOLUMES			DAILY RATE			DAILY RATE			YEARLY VOLUMES			
	(STB)			(STB)			(STB)			(STB)			(STB/D)			(STB/D)			(STB)			
	1P	2P	3P	1P	2P	3P	1P	2P	3P	1P	2P	3P	1P	2P	3P	1P	2P	3P	1P	2P	3P	
2017	17,033,606	20,138,174	22,787,696	0	0	0	16,949,698	20,054,098	22,703,441	16,949,698	20,054,098	22,703,441	46,438	54,943	62,201	46,438	54,943	62,201	16,949,698	20,054,098	22,703,441	
2018	18,684,679	22,181,734	25,240,489	210,000	210,000	210,000	18,592,638	22,089,127	25,147,165	18,802,638	22,299,127	25,357,165	51,514	61,093	69,472	51,514	61,093	69,472	18,802,638	22,299,127	25,357,165	
2019	23,748,369	28,358,647	32,521,838	504,000	504,000	504,000	23,631,383	28,240,251	32,401,592	24,135,383	28,744,251	32,905,592	66,124	78,751	90,152	66,124	75,997	76,000	24,135,383	27,739,021	27,740,000	
2020	22,099,208	26,297,376	30,018,385	504,000	504,000	504,000	21,990,346	26,187,586	29,907,395	22,494,346	26,691,586	30,411,395	61,460	72,928	83,091	61,460	73,344	76,000	22,494,346	26,843,840	27,816,000	
2021	19,017,329	22,462,120	25,384,693	425,810	504,000	504,000	18,923,649	22,368,343	25,290,836	19,349,459	22,872,343	25,794,836	53,012	62,664	70,671	53,012	63,021	73,889	19,349,459	23,002,811	26,969,438	
2022	17,065,339	20,127,591	22,701,979	68,110	487,620	504,000	16,981,275	20,043,560	22,618,041	17,049,385	20,531,180	23,122,041	46,711	56,250	63,348	46,711	56,571	66,233	17,049,385	20,648,294	24,174,934	
2023	14,324,044	16,857,888	18,957,976	3,080	353,010	504,000	14,253,483	16,787,508	18,887,881	14,256,563	17,140,518	19,391,881	39,059	46,960	53,128	39,059	47,228	55,548	14,256,563	17,238,291	20,274,917	
2024	12,369,610	14,516,354	16,261,027	0	237,720	504,000	12,308,677	14,455,749	16,200,904	12,308,677	14,693,469	16,704,904	33,630	40,146	45,642	33,630	40,375	47,720	12,308,677	14,777,283	17,465,584	
2025	11,011,419	12,892,549	14,395,886	0	160,020	504,000	10,957,176	12,838,724	14,342,659	10,957,176	12,998,744	14,846,659	30,020	35,613	40,676	30,020	35,816	42,528	10,957,176	13,072,891	15,522,721	
2026	9,906,183	11,568,703	12,871,544	0	107,730	494,550	9,857,384	11,520,404	12,823,953	9,857,384	11,628,134	13,318,503	27,007	31,858	36,489	27,007	32,040	38,151	9,857,384	11,694,464	13,924,979	
2027	8,969,616	10,447,054	11,580,274	0	72,590	411,460	8,925,431	10,403,438	11,537,457	8,925,431	10,476,028	11,948,917	24,453	28,701	32,737	24,453	28,865	34,227	8,925,431	10,535,786	12,493,027	
2028	8,138,447	9,452,770	10,437,353	0	48,860	329,140	8,098,357	9,413,306	10,398,762	8,098,357	9,462,166	10,727,902	22,127	25,853	29,311	22,127	26,000	30,646	8,098,357	9,516,140	11,216,412	
2029	7,393,472	8,567,408	9,428,443	0	32,900	263,200	7,357,051	8,531,640	9,393,583	7,357,051	8,564,540	9,656,783	20,156	23,464	26,457	20,156	23,598	27,662	7,357,051	8,613,394	10,096,517	
2030	6,865,129	7,936,369	8,704,569	0	22,120	210,490	6,831,311	7,903,235	8,672,385	6,831,311	7,925,355	8,882,875	18,716	21,713	24,337	18,716	21,837	25,445	6,831,311	7,970,563	9,287,368	
2031	3,013,469	3,603,755	4,145,957	0	14,910	168,350	2,998,624	3,588,709	4,130,628	2,998,624	3,603,619	4,298,978	8,215	9,873	11,778	8,215	9,929	12,314	2,998,624	3,624,175	4,494,738	
2032	1,942,275	2,367,090	2,808,642	0	9,520	134,610	1,932,707	2,357,208	2,798,257	1,932,707	2,366,728	2,932,867	5,281	6,466	8,013	5,281	6,503	8,378	1,932,707	2,380,228	3,066,419	
2033	1,982,367	2,374,733	2,772,531	0	0	107,730	1,972,602	2,364,818	2,762,279	1,972,602	2,364,818	2,870,009	5,404	6,479	7,863	5,404	6,516	8,221	1,972,602	2,378,308	3,000,699	
2034	1,939,919	2,304,332	2,668,534	0	0	86,100	1,930,363	2,294,711	2,658,668	1,930,363	2,294,711	2,744,768	5,289	6,287	7,520	5,289	6,323	7,862	1,930,363	2,307,801	2,869,754	
2035	1,826,895	2,165,170	2,501,861	0	0	68,880	1,817,896	2,156,131	2,492,611	1,817,896	2,156,131	2,561,491	4,981	5,907	7,018	4,981	5,941	7,337	1,817,896	2,168,430	2,678,132	
2036	355,792	432,875	512,816	0	0	49,490	354,040	431,068	510,920	354,040	431,068	560,410	967	1,178	1,531	967	1,186	1,601	354,040	433,571	582,507	
2037	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2038	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2039	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2040	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	207,687,168	245,052,691	276,702,494	1,715,000	3,269,000	6,062,000	206,664,091	244,029,614	275,679,417	208,379,091	247,298,614	281,741,417							208,379,091	247,298,516	281,734,752	

* Field level forecast was adjusted to reflect actual production as of 12/31/2016
 * Differences between field level and well level forecasts is = difference between estimated vs actual production
 * Max daily rate was fixed at FPSO capacity of 80,000 bopd less 5% downtime assumption = 76,000 bopd

12.2.2.3 Gas Forecast

12.2.2.3 Gas Forecast

TEN FIELD GAS FORECAST																		
YEAR	PRODUCED NON-ASSOCIATED GAS			PRODUCED ASSOCIATED GAS			FUEL GAS CONSUMPTION			ESTIMATED GAS INJECTION			ASSOCIATED GAS AVAILABLE FOR SALE			TOTAL GAS AVAILABLE FOR SALE		
	YEARLY VOLUME			YEARLY VOLUME			YEARLY VOLUME			YEARLY VOLUME			YEARLY VOLUME			YEARLY VOLUME		
	(MSCF)			(MSCF)			(MSCF)			(MSCF)			(MSCF)			(MSCF)		
	1P	2P	3P	1P	2P	3P	1P	2P	3P	1P	2P	3P	1P	2P	3P	1P	2P	3P
2017				21,211,128	25,094,522	28,421,869	2,993,000	3,650,000	3,650,000	11,339,822	11,339,822	11,339,822	6,878,306	10,104,700	13,432,047	6,878,306	10,104,700	13,432,047
2018	3,000,000	3,000,000	3,000,000	23,287,742	27,665,247	31,508,063	2,993,000	3,650,000	3,650,000	9,469,979	9,469,979	9,469,979	10,824,763	14,545,268	18,388,084	13,824,763	17,545,268	21,388,084
2019	7,200,000	7,200,000	7,200,000	29,636,153	35,412,725	40,645,729	2,993,000	3,650,000	3,650,000	12,440,433	12,440,433	12,440,433	14,202,720	19,322,292	24,555,296	21,402,720	26,522,292	31,755,296
2020	7,200,000	7,200,000	7,200,000	27,557,424	32,814,649	37,490,469	2,993,000	3,650,000	3,650,000	13,025,640	13,025,640	13,025,640	11,538,784	16,139,009	20,814,829	18,738,784	23,339,009	28,014,829
2021	6,083,000	7,200,000	7,200,000	23,676,561	27,984,791	31,654,683	2,993,000	3,650,000	3,650,000	14,956,549	14,956,549	14,956,549	5,727,012	9,378,243	13,048,135	11,810,012	16,578,243	20,248,135
2022	973,000	6,966,000	7,200,000	21,239,816	25,068,616	28,300,797	2,993,000	3,650,000	3,650,000	15,905,323	15,905,323	15,905,323	2,341,493	5,513,294	8,745,475	3,314,493	12,479,294	15,945,475
2023	44,000	5,043,000	7,200,000	17,819,735	20,986,575	23,622,632	2,993,000	3,650,000	3,650,000	16,143,146	16,143,146	16,143,146		1,193,429	3,829,485	44,000	6,236,429	11,029,485
2024	0	3,396,000	7,200,000	15,379,021	18,060,583	20,249,779	2,993,000	3,650,000	3,650,000	17,189,626	17,189,626	17,189,626				0	3,396,000	7,200,000
2025	0	2,286,000	7,200,000	13,683,663	16,032,355	17,918,169	2,993,000	3,650,000	3,650,000	18,504,439	18,504,439	18,504,439				0	2,286,000	7,200,000
2026	0	1,539,000	7,065,000	12,303,501	14,378,148	16,011,885	2,993,000	3,650,000	3,650,000	19,768,945	19,768,945	19,768,945				0	1,539,000	7,065,000
2027	0	1,037,000	5,878,000	11,134,002	12,976,639	14,397,118	2,993,000	3,650,000	3,650,000	21,148,281	21,148,281	21,148,281				0	1,037,000	5,878,000
2028	0	698,000	4,702,000	10,096,370	11,734,572	12,968,192	2,993,000	3,650,000	3,650,000	22,669,191	22,669,191	22,669,191				0	698,000	4,702,000
2029	0	470,000	3,760,000	9,167,652	10,630,088	11,708,477	2,993,000	3,650,000	3,650,000	24,101,636	24,101,636	24,101,636				0	470,000	3,760,000
2030	0	316,000	3,007,000	8,508,291	9,842,048	10,803,743	2,993,000	3,650,000	3,650,000	26,082,201	26,082,201	26,082,201				0	316,000	3,007,000
2031	0	213,000	2,405,000	18,612,063	19,970,567	20,652,326	2,993,000	3,650,000	3,650,000	0	0	0	15,619,063	16,320,567	17,002,326	15,619,063	16,533,567	19,407,326
2032	0	136,000	1,923,000	19,097,451	20,326,228	20,882,583	2,993,000	3,650,000	3,650,000	0	0	0	16,104,451	16,676,228	17,232,583	16,104,451	16,812,228	19,155,583
2033	0	0	1,539,000	18,935,196	20,114,270	20,615,495	2,993,000	3,650,000	3,650,000	0	0	0	15,942,196	16,464,270	16,965,495	15,942,196	16,464,270	18,504,495
2034	0	0	1,230,000	18,854,746	19,997,493	20,456,389	2,993,000	3,650,000	3,650,000	0	0	0	15,861,746	16,347,493	16,806,389	15,861,746	16,347,493	18,036,389
2035	0	0	984,000	18,792,770	19,905,932	20,330,162	2,993,000	3,650,000	3,650,000	0	0	0	15,799,770	16,255,932	16,680,162	15,799,770	16,255,932	17,664,162
2036	0	0	707,000	2,126,004	2,293,014	2,393,739	483,800	590,000	590,000	0	0	0	1,642,204	1,703,014	1,803,739	1,642,204	1,703,014	2,510,739
2037	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2038	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2039	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2040	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	24,500,000	46,700,000	86,600,000	341,119,288	391,289,063	431,032,300	57,350,800	69,940,000	69,940,000	242,745,212	242,745,212	242,745,212	132,482,508	159,963,737	189,304,045	156,982,508	206,663,737	275,904,045

* Field level forecast was adjusted to reflect actual production as of 12/31/2016
 * Differences between field level and well level forecasts is = difference between estimated vs actual production
 * Max daily rate was fixed at FPSO capacity of 80,000 bopd less 5% downtime assumption = 76,000 bopd

12.2.2.4 Water Forecast and Well Count

		TEN FIELD WATER FORECAST			WELL COUNT		
YEAR	WATER PRODUCTION			TEN			
	YEARLY VOLUME			PRODUCING WELLS			
	(STB)			1P	2P	3P	
	1P	2P	3P	1P	2P	3P	
2017	64,630	72,028	74,788	5	5	5	
2018	603,094	672,131	697,883	6	6	6	
2019	961,394	1,071,446	1,112,498	10	10	10	
2020	2,858,089	3,373,713	3,809,466	11	11	11	
2021	7,499,238	8,987,477	10,356,075	11	11	11	
2022	13,250,734	16,025,074	18,684,195	11	11	11	
2023	17,033,906	20,620,902	24,073,450	11	11	11	
2024	19,495,476	23,596,080	27,539,650	11	11	11	
2025	21,135,231	25,573,251	29,836,055	11	11	11	
2026	22,634,941	27,395,280	31,972,893	11	11	11	
2027	24,103,274	29,183,500	34,076,512	11	11	11	
2028	25,488,015	30,868,592	36,056,844	11	11	11	
2029	26,646,013	32,281,150	37,721,939	11	11	11	
2030	27,672,152	33,532,981	39,197,749	11	11	11	
2031	24,828,623	30,459,089	36,160,809	13	13	13	
2032	21,597,608	26,948,938	32,663,712	9	9	9	
2033	22,052,499	27,516,538	33,351,677	9	9	9	
2034	22,511,902	28,089,769	34,046,466	9	9	9	
2035	22,935,230	28,617,987	34,686,696	9	9	9	
2036	5,766,694	7,195,532	8,721,412	9	9	9	
2037	0	0	0	0	0	0	
2038	0	0	0	0	0	0	
2039	0	0	0	0	0	0	
2040	0	0	0	0	0	0	
TOTAL	329,138,742	402,081,458	474,840,768				

12.2.2.5 Well Inventory

WELL INVENTORY

Technical Volumes in Barrels (BBL)

Field **TEN (Enyenra & Ntomme)**
As of Date 12/31/2016

Well	Initial Production Date	Cumulative	Proved	Proved	Proved	Proved	Proved	Probable	Probable	Probable	Probable	Probable	Proved + Probable	Possible	Possible	Possible	Possible	Possible	
		Production	Producing	Shut-In	Behind Pipe	Undeveloped	Total												Producing
		CUM	11-PVPD	12-PVSI	13-PVBP	14-PVUD	1P	21-PBPD	22-PBSI	23-PBBP	24-PBUD	PB	2P	31-PSPD	32-PSSI	33-PSBP	34-PSUD	PS	3P
EN02-P	2016	1,458,000	21,120,101	-	-	-	21,120,101	5,302,447	-	-	-	5,302,447	26,422,548	5,662,571	-	-	-	5,662,571	32,085,119
EN04-P	2016	-	-	-	-	8,406,053	8,406,053	-	-	-	2,082,804	2,082,804	10,488,857	-	-	-	2,224,261	2,224,261	12,713,118
EN-05P	2016	812,000	26,236,279	-	-	-	26,236,279	6,539,395	-	-	-	6,539,395	32,775,673	6,983,529	-	-	-	6,983,529	39,759,202
EN08-P	2018	1,181,000	21,557,060	-	-	-	21,557,060	5,397,600	-	-	-	5,397,600	26,954,661	5,764,188	-	-	-	5,764,188	32,718,849
EN10-P	2019	-	-	-	-	15,550,316	15,550,316	-	-	-	3,852,968	3,852,968	19,403,284	-	-	-	4,114,649	4,114,649	23,517,933
EN12-P	2019	-	-	-	-	4,368,017	4,368,017	-	-	-	1,082,282	1,082,282	5,450,300	-	-	-	1,155,787	1,155,787	6,606,087
EN14-P	2019	-	-	-	-	5,145,813	5,145,813	-	-	-	1,275,000	1,275,000	6,420,813	-	-	-	1,361,594	1,361,594	7,782,407
NT01-P	2016	121,000	37,122,931	-	-	-	37,122,931	4,252,172	-	-	-	4,252,172	41,375,104	1,586,162	-	-	-	1,586,162	42,961,266
NT02-GI*	2031	-	-	-	-	793,886	793,886	-	-	-	32,928	32,928	826,814	-	-	-	-	-	826,814
NT03-P	2016	1,748,000	30,612,088	-	-	-	30,612,088	3,542,667	-	-	-	3,542,667	34,154,756	1,321,500	-	-	-	1,321,500	35,476,255
NT05-P	2019	-	-	-	-	22,380,861	22,380,861	-	-	-	2,561,964	2,561,964	24,942,825	-	-	-	955,674	955,674	25,898,499
NT06-GI*	2031	-	-	-	-	1,195,474	1,195,474	-	-	-	49,584	49,584	1,245,058	-	-	-	-	-	1,245,058
NT09-P	2020	-	-	-	-	12,175,211	12,175,211	-	-	-	1,393,711	1,393,711	13,568,923	-	-	-	519,888	519,888	14,088,810
Total		5,320,000	136,648,459	-	-	70,015,632	206,664,091	25,034,282	-	-	12,331,241	37,365,523	244,029,614	21,317,950	-	-	10,331,853	31,649,803	275,679,417

* Estimated As of December 2016. Technical reserves adjusted for actual year end 2016 production.

*Nt-02GI & Nt-06GI to be converted to producers for Gas cap blowdown ~ 2031. Volumes shown represent condensate production

Technical Volumes in Thousand Cubic Feet (MCF)

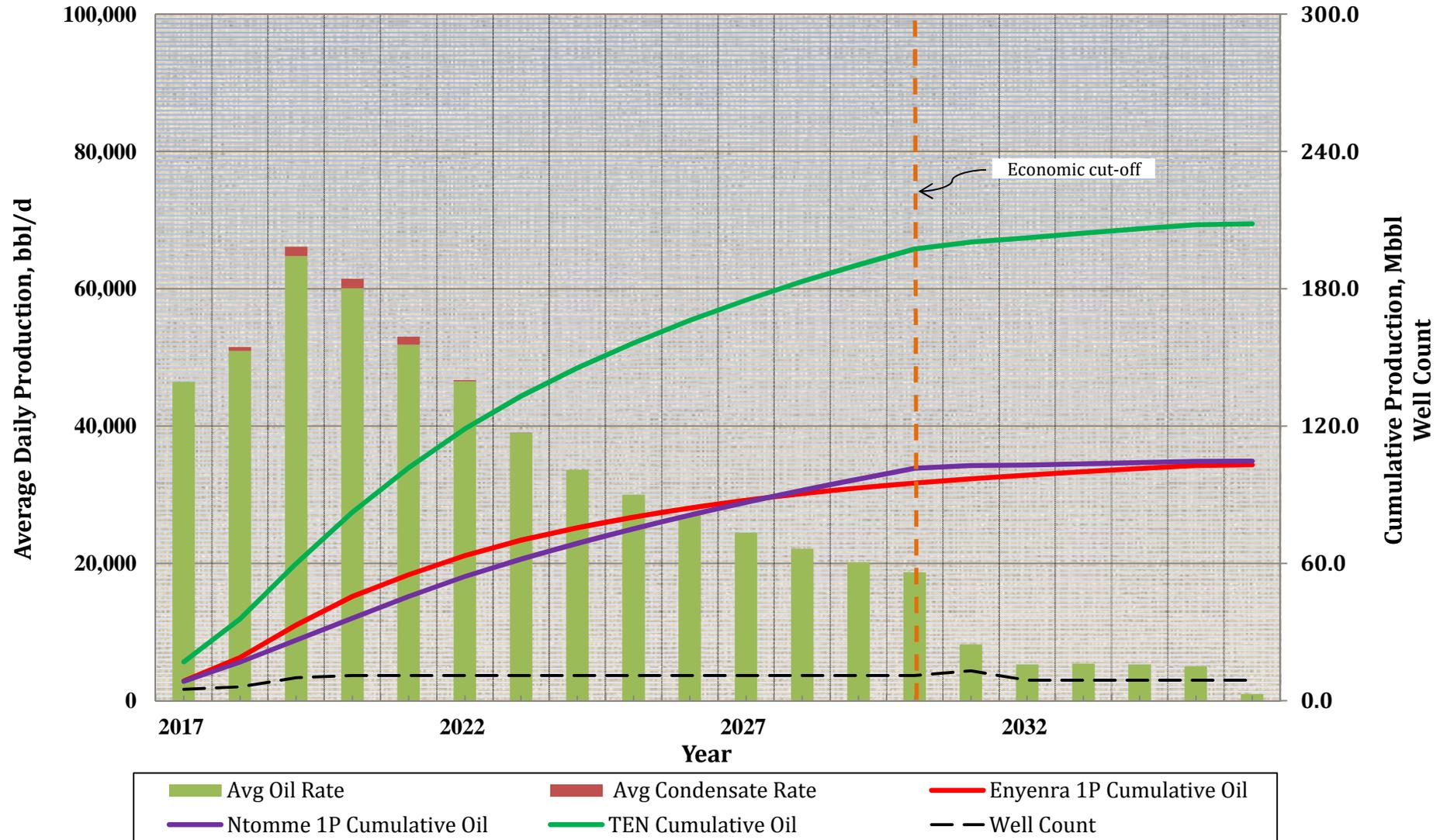
Field **TEN (Tweneboa NAG)**
As of Date 12/31/2016

Well	Initial Production Date	Cumulative	Proved	Proved	Proved	Proved	Proved	Probable	Probable	Probable	Probable	Probable	Possible	Possible	Possible	Possible	Possible		
		Production	Producing	Shut-In	Behind Pipe	Undeveloped	Total											Producing	Shut-In
		CUM	11-PVPD	12-PVSI	13-PVBP	14-PVUD	1P	21-PBPD	22-PBSI	23-PBBP	24-PBUD	PB	2P	31-PSPD	32-PSSI	33-PSBP	34-PSUD	PS	3P
TW01-GP	Jul-18	-	-	-	-	24,500,000	24,500,000	-	-	-	22,200,000	22,200,000	46,700,000	-	-	-	39,900,000	39,900,000	86,600,000
Total		-	-	-	-	24,500,000	24,500,000	-	-	-	22,200,000	22,200,000	46,700,000	-	-	-	39,900,000	39,900,000	86,600,000

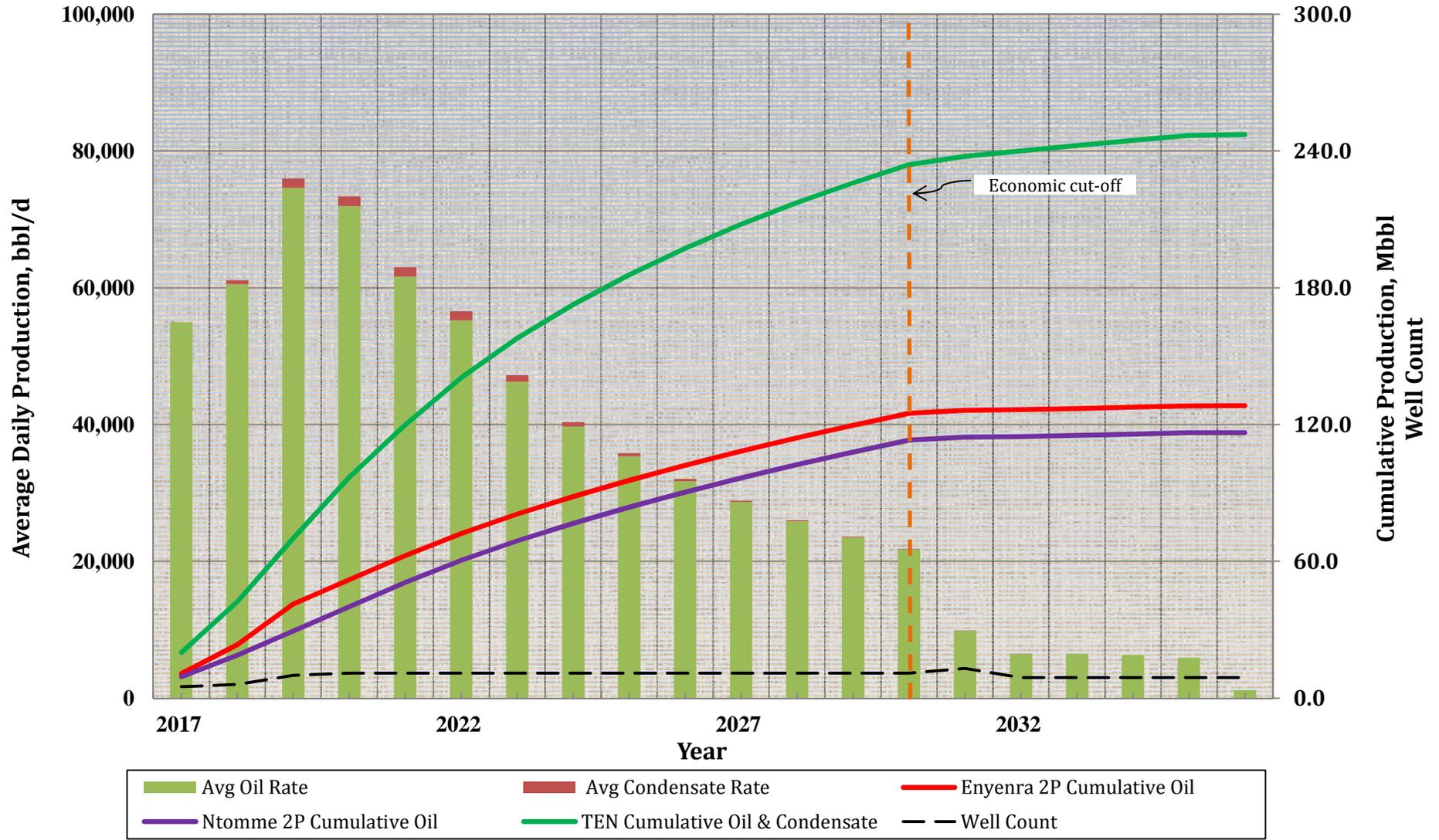
* Estimated As of December 2016

12.2.2.6 Projected Oil and Condensate Production Profiles

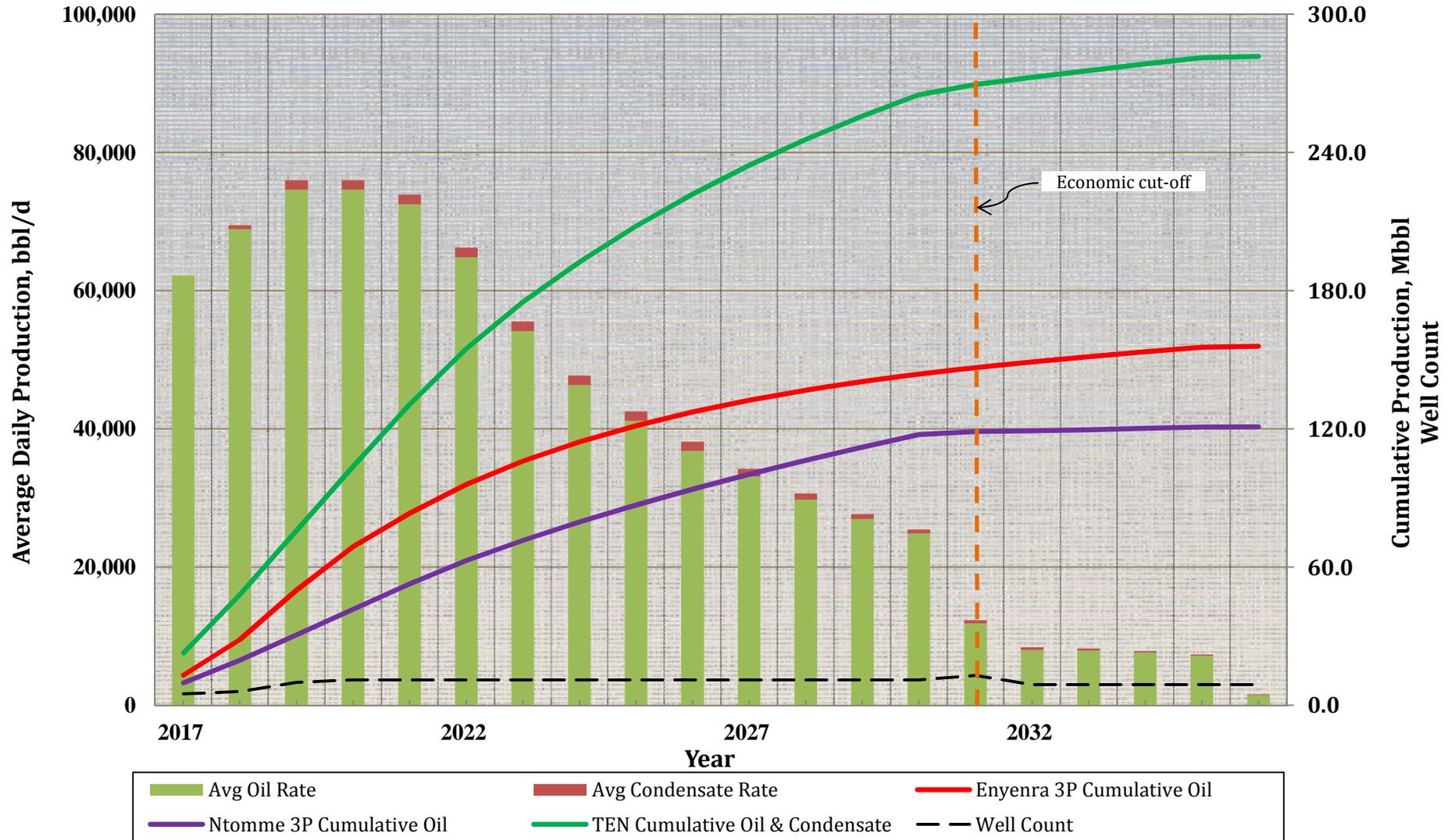
TEN 1P (SPE) OIL AND CONDENSATE PRODUCTION PROFILE



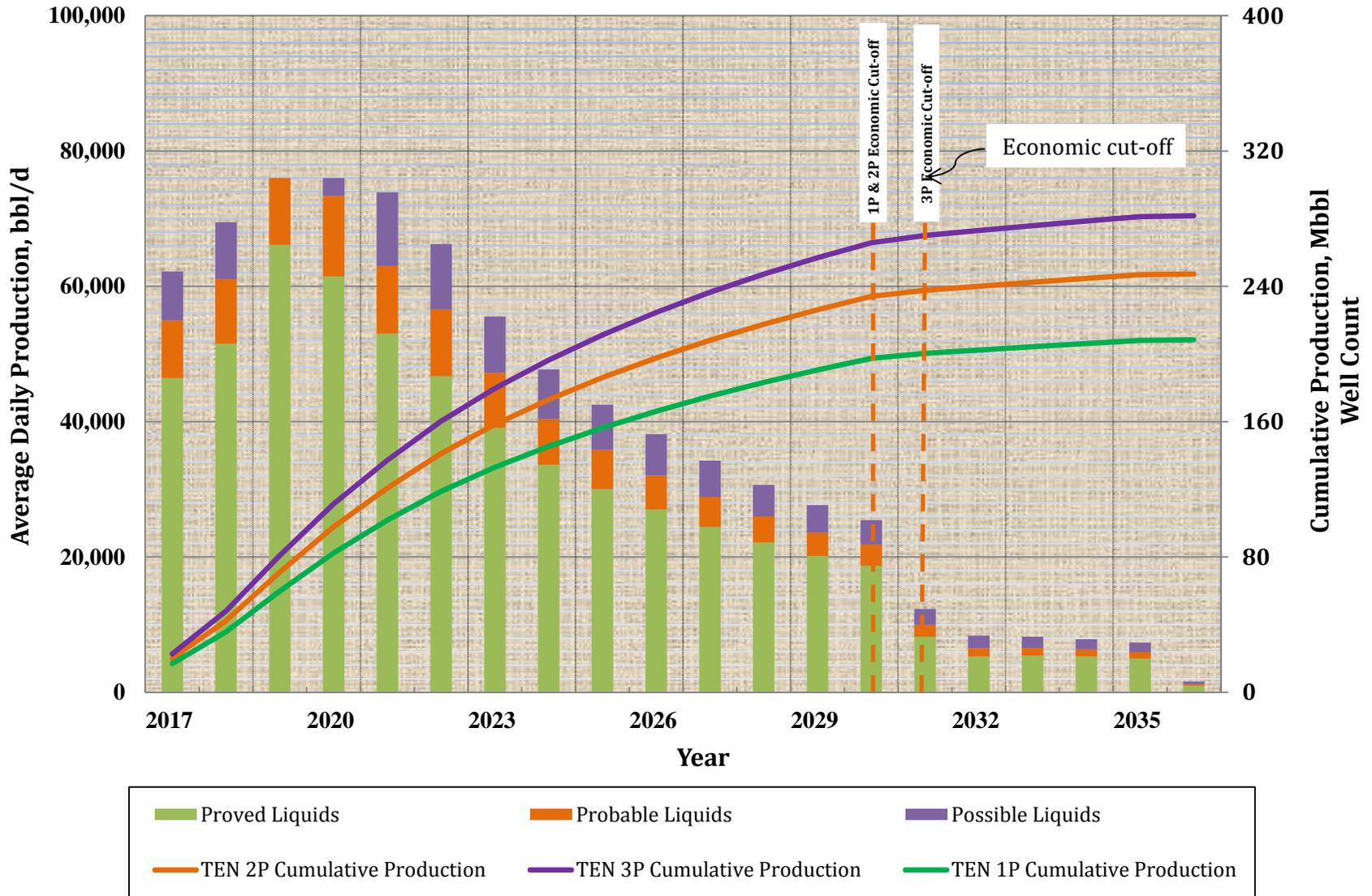
TEN 2P OIL AND CONDENSATE PRODUCTION PROFILE



TEN 3P OIL AND CONDENSATE PRODUCTION PROFILE

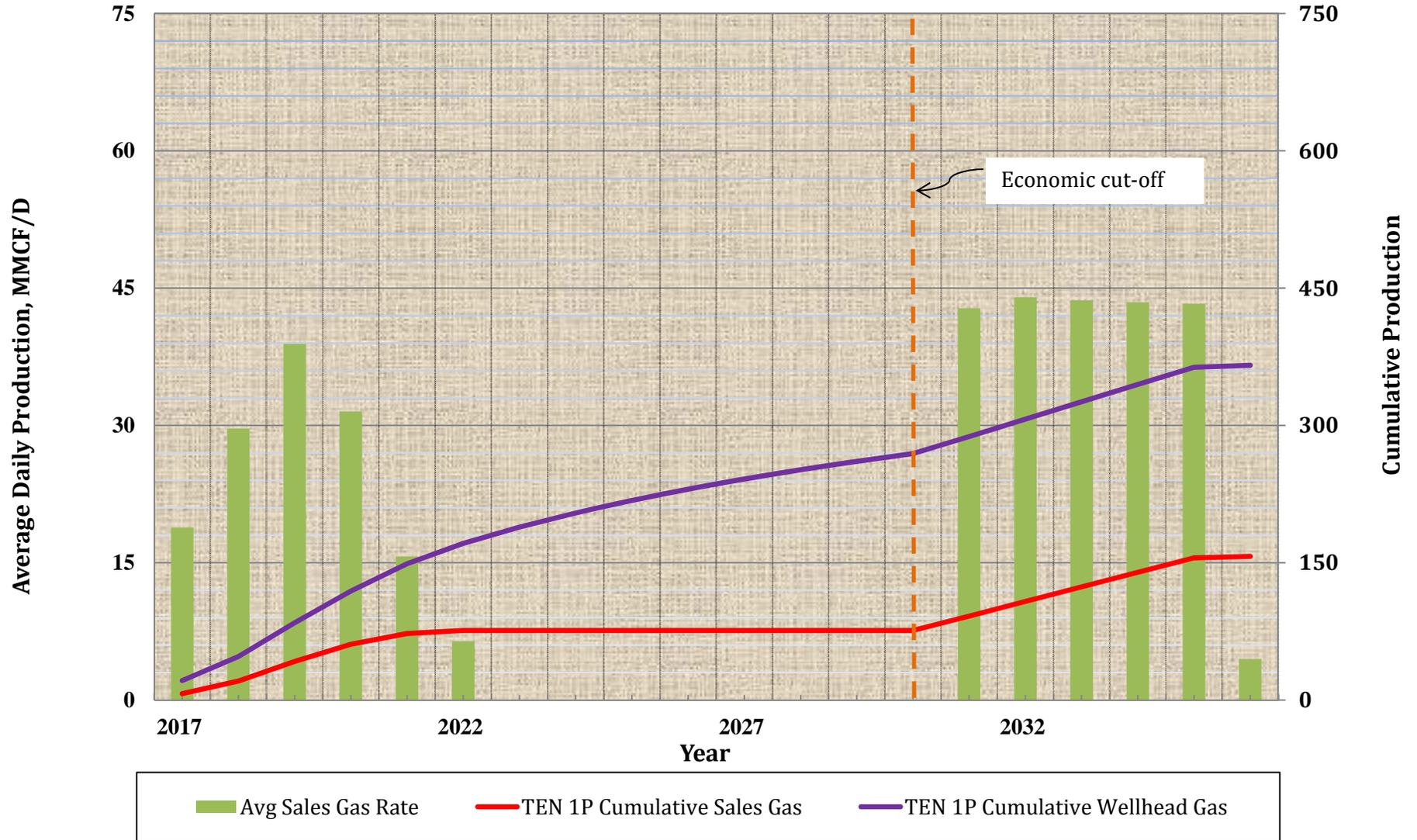


TEN COMBINED OIL AND CONDENSATE PRODUCTION PROFILE

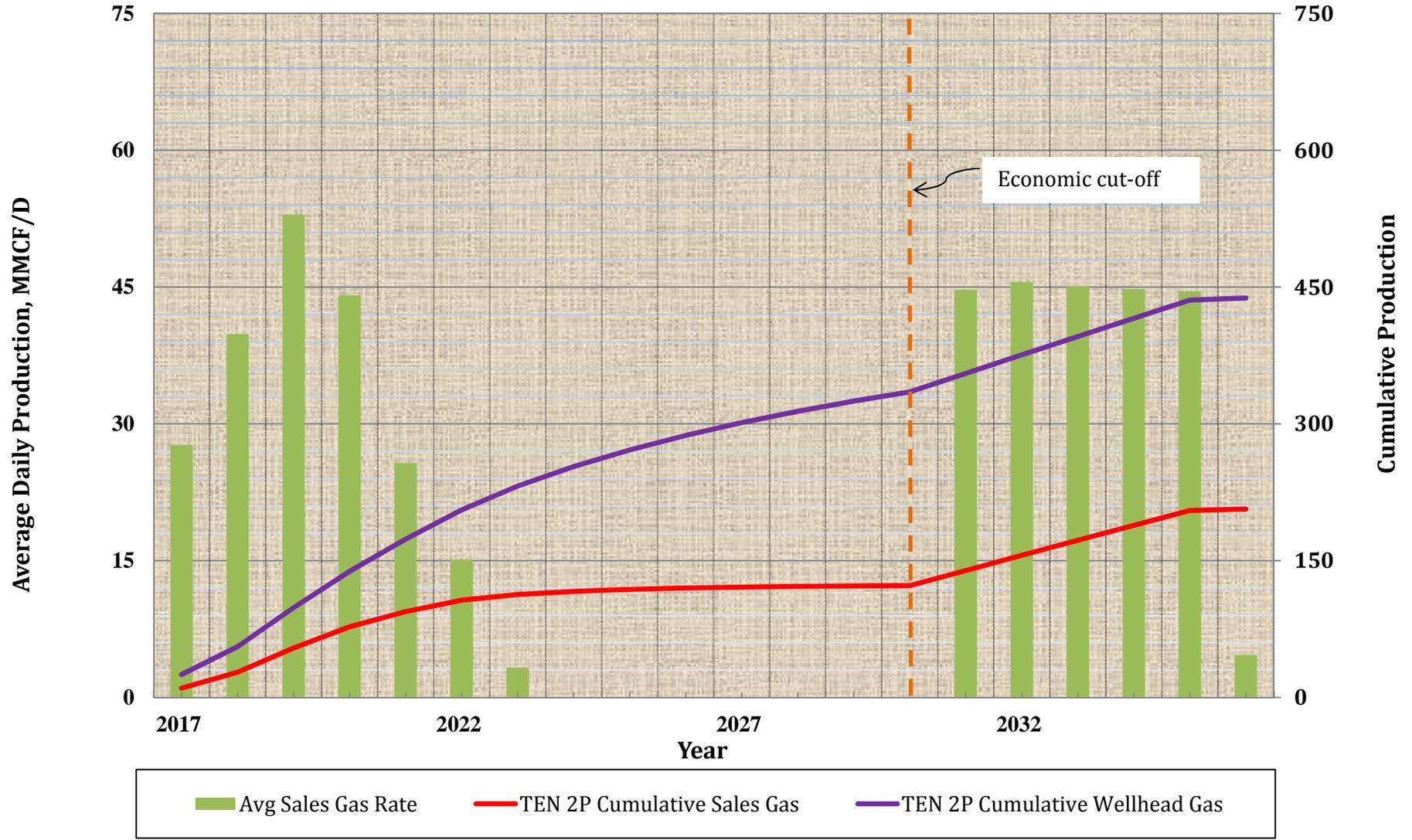


12.2.2.7 Projected Sales Gas Profiles

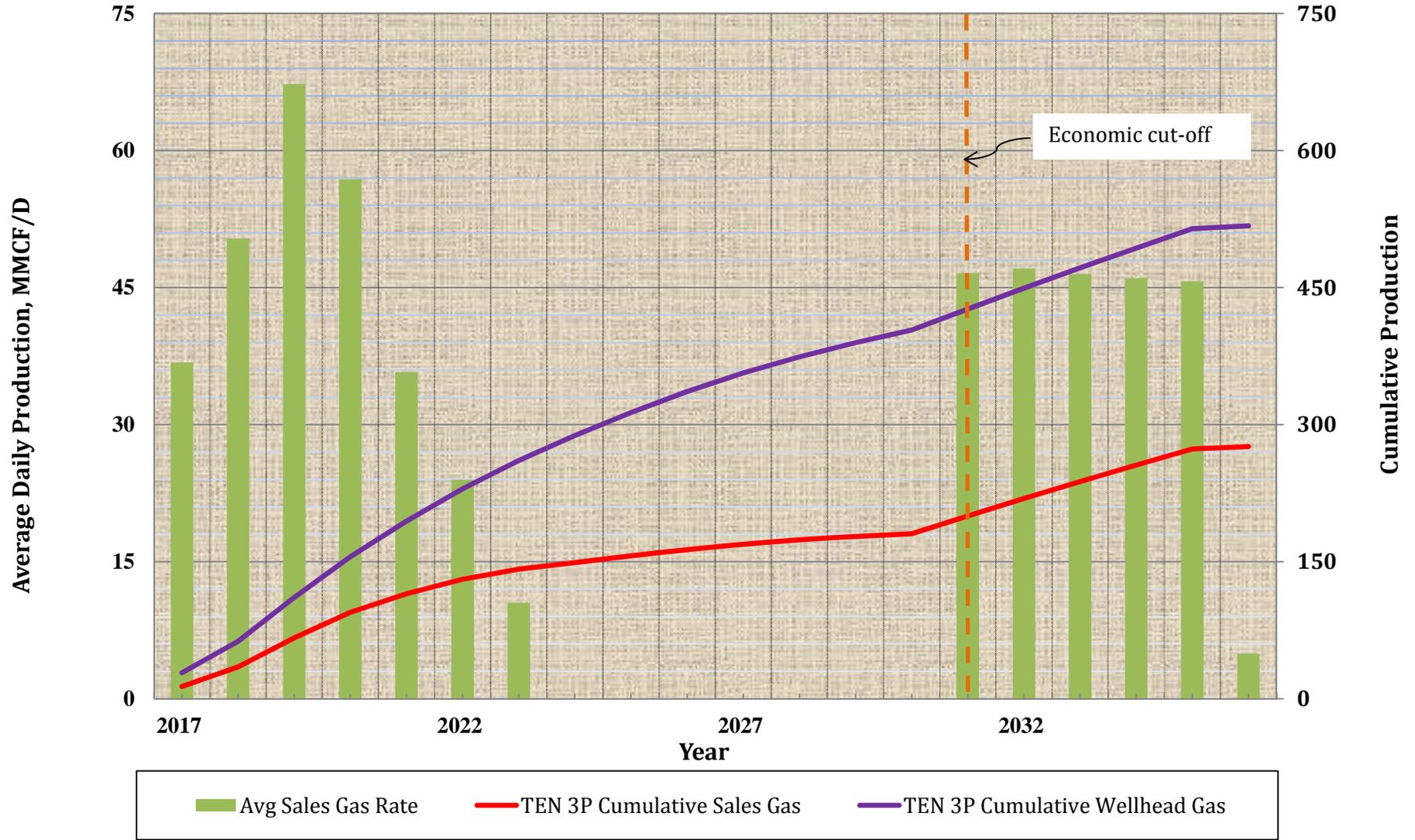
TEN 1P GAS PRODUCTION PROFILE



TEN 2P GAS PRODUCTION PROFILE



TEN 3P GAS PRODUCTION PROFILE



12.2.2.8 Gross Reserves and Cost Forecast

YEAR	100% (GROSS)																		Total					
	TECHNICAL VOLUMES OIL & COND. BBL/D			TECHNICAL VOLUMES ¹ SALES GAS, MSCFD			TECHNICAL VOLUMES OIL & COND. BARRELS			TECHNICAL VOLUMES ¹ SALES GAS, MMSCF			SPE TOTAL RESERVES OIL & COND. BARRELS			SPE TOTAL RESERVES SALES GAS, MMSCF			M\$					
	1P PD	1P UD	1P	1P PD	1P UD	1P	1P PD	1P UD	1P PD	1P PD	1P UD	1P	1P PD	1P UD	1P	1P PD	1P UD	1P	YEAR	Fixed	Variable	Workover	Total	CAPEX
2008																								152
2009																								83,708
2010																								160,635
2011																								360,624
2012																								370,685
2013																								592,025
2014																								1,094,031
2015																								1,611,500
2016	14,575	0	14,575	0	0	0	5,320,000	0	5,320,000	0	0	0	5,320,000	0	5,320,000	0	0	0	2016	26,474	6,618	0	33,092	1,067,422
2017	46,438	0	46,438	18,845	0	18,845	16,949,698	0	16,949,698	6,878	0	6,878	16,949,697.6	0	16,949,698	6,878	0	6,878	2017	171,906	42,976	0	214,882	130,104
2018	47,198	4,316	51,514	34,703	3,173	37,876	17,227,271	1,575,366	18,802,638	12,666	1,158	13,825	17,227,271.5	1,575,366.1	18,802,638	12,666	1,158	13,825	2018	171,906	28,169	0	200,075	192,000
2019	40,706	25,419	66,124	36,097	22,541	58,638	14,857,605	9,277,778	24,135,383	13,175	8,227	21,403	14,857,605.5	9,277,777.9	24,135,383	13,175	8,227	21,403	2019	171,906	40,806	0	212,712	384,000
2020	31,869	29,591	61,628	26,548	24,651	51,199	11,663,878	10,830,469	22,494,346	9,717	9,022	18,739	11,663,877.7	10,830,468.5	22,494,346	9,717	9,022	18,739	2020	171,906	42,976	35,000	249,882	192,000
2021	27,081	25,931	53,012	16,529	15,827	32,356	9,884,499	9,464,959	19,349,459	6,033	5,777	11,810	9,884,499.5	9,464,959.5	19,349,459	6,033	5,777	11,810	2021	171,906	44,245	0	216,150	38,266
2022	27,428	19,283	46,711	5,332	3,749	9,081	10,011,095	7,038,290	17,049,385	1,946	1,368	3,314	10,011,095.1	7,038,289.6	17,049,385	1,946	1,368	3,315	2022	103,144	47,170	35,000	185,314	38,266
2023	25,471	13,588	39,059	79	42	121	9,297,003	4,959,561	14,256,563	29	15	44	9,297,002.5	4,959,560.8	14,256,563	29	16	44	2023	103,144	48,009	0	151,153	38,266
2024	22,241	11,389	33,722	0	0	0	8,140,263	4,168,415	12,308,677	0	0	0	8,140,262.6	4,168,414.5	12,308,677	0	0	0	2024	103,144	48,445	35,000	186,588	38,266
2025	19,763	10,257	30,020	0	0	0	7,213,492	3,743,684	10,957,176	0	0	0	7,213,491.6	3,743,684.2	10,957,176	0	0	0	2025	103,144	48,689	0	151,833	38,266
2026	17,825	9,182	27,007	0	0	0	6,506,131	3,351,253	9,857,384	0	0	0	6,506,130.9	3,351,253.4	9,857,384	0	0	0	2026	103,144	49,028	35,000	187,172	38,266
2027	16,368	8,085	24,453	0	0	0	5,974,263	2,951,168	8,925,431	0	0	0	5,974,263.0	2,951,168.2	8,925,431	0	0	0	2027	82,515	49,483	0	131,997	38,266
2028	14,827	7,300	22,187	0	0	0	5,426,588	2,671,769	8,098,357	0	0	0	5,426,587.8	2,671,768.7	8,098,357	0	0	0	2028	82,515	49,955	35,000	167,470	38,266
2029	13,467	6,689	20,156	0	0	0	4,915,425	2,441,627	7,357,051	0	0	0	4,915,424.5	2,441,626.9	7,357,051	0	0	0	2029	82,515	50,308	0	132,823	38,266
2030	12,473	6,243	18,716	0	0	0	4,552,774	2,278,538	6,831,311	0	0	0	4,552,773.6	2,278,537.7	6,831,311	0	0	0	2030	82,515	50,733	0	133,248	38,266
2031	4,518	4,518	9,037	21,396	21,396	42,792	1,649,243	1,649,243	3,298,487	7,810	7,810	15,619	0	0	0	0	0	0	2031					
2032	2,799	2,852	5,666	21,795	22,206	44,001	1,024,335	1,043,662	2,067,997	7,977	8,127	16,104	0	0	0	0	0	0	2032					
2033	2,540	2,648	5,188	21,384	22,294	43,677	927,123	966,575	1,893,697	7,805	8,137	15,942	0	0	0	0	0	0	2033					
2034	2,327	2,433	4,760	21,246	22,211	43,457	849,360	887,967	1,737,327	7,755	8,107	15,862	0	0	0	0	0	0	2034					
2035	2,142	2,241	4,383	21,152	22,135	43,287	781,695	818,053	1,599,748	7,720	8,079	15,800	0	0	0	0	0	0	2035					
2036	503	522	970	2,333	2,154	4,487	184,101	191,181	354,040	854	788	1,642	0	0	0	0	0	0	2036					
RRR							138,035,840	70,309,558	208,345,398	90,365	66,617	156,983	132,619,983	64,752,876	197,372,860	50,445	25,569	76,014	Total, M\$	1,705,306	640,993	175,000	2,521,300	1,280,764
CUM							5,320,000	0	5,320,000	0	0	0	5,320,000	0	5,320,000	0	0	0	CUM, M\$	26,474	6,618	0	33,092	1,067,422
EUR							143,355,840	70,309,558	213,665,398	90,365	66,617	156,983	137,939,983	64,752,876	202,692,860	50,445	25,569	76,014	RRR, M\$	1,731,780	647,612	175,000	2,554,392	6,621,546

1. Sales Gas Volume Only
Red line represents End of Concession

100% (GROSS)																		Total						
YEAR	TECHNICAL VOLUMES OIL & COND. BBL/D			TECHNICAL VOLUMES ¹ SALES GAS, MSCFD			TECHNICAL VOLUMES OIL & COND. BARRELS			TECHNICAL VOLUMES ¹ SALES GAS, MMSCF			SPE TOTAL RESERVES OIL & COND. BARRELS			SPE TOTAL RESERVES SALES GAS, MMSCF			YEAR	M\$				
	2P PD	2P UD	2P	2P PD	2P UD	2P	2P PD	2P UD	2P PD	2P PD	2P UD	2P	2P PD	2P UD	2P	2P PD	2P UD	2P		Fixed	Variable	Workover	Total	CAPEX
2008																							152	
2009																							83,708	
2010																							160,635	
2011																							360,624	
2012																							370,685	
2013																							592,025	
2014																							1,094,031	
2015																							1,611,500	
2016	14,575	0	14,575	0	0	0	5,320,000	0	5,320,000	0	0	0	5,320,000	0	5,320,000	0	0	0	2016	26,474	6,618	0	33,092	1,067,422
2017	54,943	0	54,943	27,684	0	11,000	20,054,098	0	20,054,098	10,105	0	10,105	20,054,098	0	20,054,098	10,105	0	10,105	2017	171,906	42,976	0	214,882	130,104
2018	55,191	5,903	61,093	43,425	0	39,205	20,144,704	2,154,422	22,299,127	15,850	1,695	17,545	20,144,704	2,153,422	22,299,127	15,850	1,695	17,545	2018	171,906	31,191	0	203,097	192,000
2019	45,795	30,202	75,997	43,787	0	49,740	16,715,272	11,023,749	27,739,021	15,982	10,540	26,522	16,715,272	11,023,749	27,739,021	15,982	10,540	26,522	2019	171,906	43,954	0	215,860	384,000
2020	37,268	36,076	73,344	32,491	0	49,989	13,640,148	13,203,692	26,843,840	11,859	11,480	23,339	13,640,148	13,203,692	26,843,840	11,859	11,480	23,339	2020	171,906	47,100	35,000	254,006	192,000
2021	31,647	31,375	63,021	22,808	0	46,178	11,550,993	11,451,818	23,002,811	8,325	8,253	16,578	11,550,993	11,451,818	23,002,811	8,325	8,253	16,578	2021	171,906	48,602	0	220,508	38,266
2022	32,673	23,898	56,571	19,746	0	43,170	11,925,487	8,722,806	20,648,294	7,207	5,272	12,479	11,925,487	8,722,806	20,648,294	7,207	5,272	12,479	2022	171,906	52,572	35,000	259,478	38,266
2023	30,372	16,856	47,228	10,988	0	40,778	11,085,809	6,152,482	17,238,291	4,011	2,226	6,236	11,085,809	6,152,482	17,238,291	4,011	2,226	6,236	2023	103,144	53,577	0	156,721	38,266
2024	26,388	13,987	40,375	6,081	0	37,871	9,657,878	5,119,405	14,777,283	2,219	1,177	3,396	9,657,878	5,119,405	14,777,283	2,219	1,177	3,396	2024	103,144	54,013	35,000	192,157	38,266
2025	23,340	12,476	35,816	4,081	0	30,342	8,518,996	4,553,896	13,072,891	1,490	796	2,286	8,518,996	4,553,896	13,072,891	1,490	796	2,286	2025	103,144	54,244	0	157,388	38,266
2026	20,963	11,076	32,040	2,759	0	22,110	7,651,595	4,042,869	11,694,464	1,007	532	1,539	7,651,595	4,042,869	11,694,464	1,007	532	1,539	2026	103,144	54,620	35,000	192,764	38,266
2027	19,190	9,675	28,865	1,889	0	15,112	7,004,304	3,531,482	10,535,786	689	348	1,037	7,004,304	3,531,482	10,535,786	689	348	1,037	2027	103,144	55,153	0	158,297	38,266
2028	17,331	8,670	26,000	1,275	0	11,293	6,342,985	3,173,155	9,516,140	465	233	698	6,342,985	3,173,155	9,516,140	465	233	698	2028	103,144	55,717	35,000	193,861	38,266
2029	15,698	7,900	23,598	857	0	6,933	5,729,832	2,883,561	8,613,394	313	157	470	5,729,832	2,883,561	8,613,394	313	157	470	2029	82,515	56,150	0	138,665	38,266
2030	14,492	7,345	21,837	575	0	2,384	5,289,489	2,681,074	7,970,563	210	106	316	5,289,489	2,681,074	7,970,563	210	106	316	2030	82,515	56,666	0	139,181	38,266
2031	5,462	4,467	9,929	24,920	0	2,004	1,993,787	1,630,388	3,624,175	9,096	7,438	16,534												
2032	3,486	3,018	6,503	24,688	0	100,000	1,275,789	1,104,439	2,380,228	9,011	7,801	16,812												
2033	3,169	3,347	6,516	21,938	0	99,000	1,156,673	1,221,634	2,378,308	8,007	8,457	16,464												
2034	2,925	3,398	6,323	20,717	0	99,000	1,067,509	1,240,291	2,307,801	7,562	8,786	16,347												
2035	2,703	3,238	5,941	20,264	0	98,000	986,622	1,181,808	2,168,430	7,396	8,860	16,256												
2036	638	548	1,186	2,510	0	8,000	233,620	200,639	434,259	916	787	1,703												
RRR							162,025,593	85,273,611	247,299,204	121,721	84,943	206,664	155,311,592	78,693,411	234,005,003	79,732	42,815	122,547	Total, M\$	1,815,330	706,535	175,000	2,696,865	1,280,764
CUM							5,320,000	0	5,320,000	0	0	0	5,320,000	0	5,320,000	0	0	0	CUM, M\$	26,474	6,618	0	33,092	1,067,422
EUR							167,345,593	85,273,611	252,619,204	121,721	84,943	206,664	160,631,592	78,693,411	239,325,003	79,732	42,815	122,547	RRR, M\$	1,841,804	713,153	175,000	2,729,957	6,621,546

1. Sales Gas Volume Only
Red line represents End of Concession

100% (GROSS)																		Total								
TECHNICAL VOLUMES OIL & COND. BBL/D			TECHNICAL VOLUMES ¹ SALES GAS, MSCFD			TECHNICAL VOLUMES OIL & COND. BARRELS			TECHNICAL VOLUMES ¹ SALES GAS, MMSCF			SPE TOTAL RESERVES OIL & COND. BARRELS			SPE TOTAL RESERVES SALES GAS, MMSCF			M\$								
YEAR	3P PD	3P UD	3P	3P PD	3P UD	3P	3P PD	3P UD	3P PD	3P PD	3P UD	3P	3P PD	3P UD	3P	3P PD	3P UD	3P	YEAR	Fixed	Variable	Workover	Total	CAPEX	Total	
2008																										152
2009																										83,708
2010																										160,635
2011																										360,624
2012																										370,685
2013																										592,025
2014																										1,094,031
2015																										1,611,500
2016	14,575	0	14,575	0	0	0	5,320,000	0	5,320,000	0	0	0	5,320,000	0	5,320,000	0	0	0	2016	26,474	6,618	0	33,092	1,067,422		
2017	62,201	0	62,201	36,800	0	36,800	22,703,365	0	22,703,365	13,432	0	13,432	22,703,365	0	22,703,365	13,432	0	13,432	2017	171,906	42,976	0	214,882	130,104		
2018	62,436	7,036	69,472	52,663	5,935	58,597	22,789,120	2,568,160	25,357,280	19,222	2,166	21,388	22,789,120	2,568,160	25,357,280	19,222	2,166	21,388	2018	171,906	33,805	0	205,711	192,000		
2019	45,672	30,328	76,000	52,283	34,718	87,001	16,670,361	11,069,639	27,740,000	19,083	12,672	31,755	16,670,361	11,069,639	27,740,000	19,083	12,672	31,755	2019	171,906	43,990	0	215,896	384,000		
2020	38,643	37,357	76,000	38,919	37,624	76,543	14,143,179	13,672,821	27,816,000	14,244	13,771	28,015	14,143,179	13,672,821	27,816,000	14,244	13,771	28,015	2020	171,906	48,293	35,000	255,199	192,000		
2021	37,452	36,437	73,889	28,118	27,356	55,474	13,669,893	13,299,592	26,969,485	10,263	9,985	20,248	13,669,893	13,299,592	26,969,485	10,263	9,985	20,248	2021	171,906	53,125	0	225,031	34,788		
2022	38,714	27,519	66,233	25,535	18,151	43,686	14,130,631	10,044,414	24,175,045	9,320	6,625	15,945	14,130,631	10,044,414	24,175,045	9,320	6,625	15,945	2022	171,906	57,815	35,000	264,721	34,788		
2023	35,855	19,693	55,548	19,505	10,713	30,218	13,087,041	7,187,979	20,275,020	7,119	3,910	11,029	13,087,041	7,187,979	20,275,020	7,119	3,910	11,029	2023	171,906	59,077	0	230,983	34,788		
2024	30,932	16,788	47,720	12,752	6,921	19,672	11,321,203	6,144,317	17,465,520	4,667	2,533	7,200	11,321,203	6,144,317	17,465,520	4,667	2,533	7,200	2024	103,144	59,634	35,000	197,778	34,788		
2025	27,189	15,339	42,528	12,611	7,115	19,726	9,923,828	5,598,892	15,522,720	4,603	2,597	7,200	9,923,828	5,598,892	15,522,720	4,603	2,597	7,200	2025	103,144	59,933	0	163,077	34,788		
2026	24,281	13,870	38,151	12,319	7,037	19,356	8,862,396	5,062,719	13,925,115	4,496	2,569	7,065	8,862,396	5,062,719	13,925,115	4,496	2,569	7,065	2026	103,144	60,390	35,000	198,534	34,788		
2027	22,130	12,097	34,227	10,412	5,692	16,104	8,077,449	4,415,406	12,492,855	3,801	2,077	5,878	8,077,449	4,415,406	12,492,855	3,801	2,077	5,878	2027	103,144	60,960	0	164,104	34,788		
2028	19,901	10,745	30,646	8,343	4,504	12,847	7,283,847	3,932,589	11,216,436	3,053	1,649	4,702	7,283,847	3,932,589	11,216,436	3,053	1,649	4,702	2028	103,144	61,556	35,000	199,700	34,788		
2029	17,957	9,705	27,662	6,687	3,614	10,301	6,554,373	3,542,257	10,096,630	2,441	1,319	3,760	6,554,373	3,542,257	10,096,630	2,441	1,319	3,760	2029	103,144	62,018	0	165,162	34,788		
2030	16,499	8,946	25,445	5,342	2,897	8,238	6,021,956	3,265,469	9,287,425	1,950	1,057	3,007	6,021,956	3,265,469	9,287,425	1,950	1,057	3,007	2030	103,144	62,583	0	165,727	34,788		
2031	6,622	5,692	12,314	28,592	24,579	53,171	2,416,917	2,077,693	4,494,610	10,436	8,971	19,407	2,416,917	2,077,693	4,494,610	10,436	8,971	19,407	2031	82,515	59,854	0	142,369	34,788		
2032	4,395	3,983	8,378	27,455	24,882	52,338	1,608,556	1,457,792	3,066,348	10,049	9,107	19,156														
2033	3,996	4,225	8,221	24,640	26,058	50,697	1,458,368	1,542,297	3,000,665	8,993	9,511	18,504														
2034	3,687	4,175	7,862	23,176	26,239	49,415	1,345,873	1,523,757	2,869,630	8,459	9,577	18,036														
2035	3,408	3,929	7,337	22,478	25,917	48,395	1,243,869	1,434,136	2,678,005	8,205	9,460	17,664														
2036	804	797	1,601	3,443	3,416	6,860	294,135	291,831	585,966	1,260	1,250	2,511														
RRR							183,606,360	98,131,760	281,738,120	165,098	110,806	275,904	177,655,559	91,881,947	269,537,506	128,131	71,900	200,032	Total, M\$	1,925,350	766,155	175,000	2,866,505	1,245,984		
CUM							5,320,000	0	5,320,000	0	0	0	5,320,000	0	5,320,000	0	0	0	CUM, M\$	26,474	6,618	0	33,092	1,067,422		
EUR							188,926,360	98,131,760	287,058,120	165,098	110,806	275,904	182,975,559	91,881,947	274,857,506	128,131	71,900	200,032	RRR, M\$	1,951,824	772,773	175,000	2,899,597	6,586,766		

1. Sales Gas Volume Only
Red line represents End of Concession

12.2.2.9 Fuel Gas Forecast

GROSS FUEL GAS FORECAST

Field: **TEN**
As of: **12/31/2016**

Parameters

1P Fuel Gas Consumption Assumptions: 8.20 MMCFD
2P/3P Fuel Gas Consumption Assumptions: 10.00 MMCFD

FUEL GAS (MMCF)				
TECHNICAL VOLUMES				
YEAR	SEC 1P	1P	2P	3P
2017	2,993	2,993	3,650	3,650
2018	2,993	2,993	3,650	3,650
2019	2,993	2,993	3,650	3,650
2020	2,993	2,993	3,650	3,650
2021	2,993	2,993	3,650	3,650
2022	2,993	2,993	3,650	3,650
2023	2,993	2,993	3,650	3,650
2024	2,993	2,993	3,650	3,650
2025	2,993	2,993	3,650	3,650
2026	2,993	2,993	3,650	3,650
2027	2,993	2,993	3,650	3,650
2028	2,993	2,993	3,650	3,650
2029	2,993	2,993	3,650	3,650
2030	2,993	2,993	3,650	3,650
2031	2,993	2,993	3,650	3,650
2032	2,993	2,993	3,650	3,650
2033	2,993	2,993	3,650	3,650
2034	2,993	2,993	3,650	3,650
2035	2,993	2,993	3,650	3,650
2036	484	484	590	590
2037	0	0	0	0
2038	0	0	0	0
2039	0	0	0	0
2040	0	0	0	0

FUEL GAS (MMCF)			
RESERVES			
SEC 1P	SPE 1P	SPE 2P	SPE 3P
2,993	2,993	3,650	3,650
2,993	2,993	3,650	3,650
2,993	2,993	3,650	3,650
2,993	2,993	3,650	3,650
2,993	2,993	3,650	3,650
2,993	2,993	3,650	3,650
2,993	2,993	3,650	3,650
2,993	2,993	3,650	3,650
2,993	2,993	3,650	3,650
2,993	2,993	3,650	3,650
2,993	2,993	3,650	3,650
2,993	2,993	3,650	3,650
2,993	2,993	3,650	3,650
2,993	2,993	3,650	3,650
2,993	2,993	3,650	3,650
2,993	2,993	3,650	3,650
2,993	2,993	3,650	3,650
2,993	2,993	3,650	3,650
0	0	0	3,650
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

* Red line represents End of Concession

EUR	57350.8	57,351	69,940	69,940	41,902	41,902	51,100	54,750
CUM	0	0	0	0	0	0	0	0
RRR	57350.8	57,351	69,940	69,940	41,902	41,902	51,100	54,750

12.3 MTA Project Area

12.3.1 Geology

**12.3.1.1 Gross Field Contingent
Resources Totals Table**



KOSMOS GROSS RESERVES AS OF 12/31/2015

MAHOGANY

Oil (BBLS)			Gas (MMCF)				Condensate (BBLS)			NGL (BBLS)		
Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining	Sales	Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining
<i>1Ci Undeveloped</i>												
UM3C M-04 Area Well #4												
12,180,808	0	12,180,808	18,758	0	18,758	18,758	0	0	0	0	0	0
LM1 M-04												
896,315	0	896,315	752	0	752	752	0	0	0	0	0	0
LM1 M-03 Well #3												
12,087,861	0	12,087,861	10,142	0	10,142	10,142	0	0	0	0	0	0
LM3 SE M-04/05 Well #4												
18,972,166	0	18,972,166	24,019	0	24,019	24,019	0	0	0	0	0	0
LM3 NW NW Prop M-6P, M-7WI												
2,229,893	0	2,229,893	2,823	0	2,823	2,823	0	0	0	0	0	0
<i>Total 1Ci Undeveloped</i>												
46,367,043	0	46,367,043	56,494	0	56,494	56,494	0	0	0	0	0	0
Total 1Ci												
46,367,043	0	46,367,043	56,494	0	56,494	56,494	0	0	0	0	0	0
<i>2Ci Undeveloped</i>												
UM3C M-04 Area Well #4												
6,380,423	0	6,380,423	9,826	0	9,826	9,826	0	0	0	0	0	0
UM3C M-04 Area Well #4												
8,829,100	0	8,829,100	13,597	0	13,597	13,597	0	0	0	0	0	0
LM1 M-04												
298,772	0	298,772	251	0	251	251	0	0	0	0	0	0

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Group Code:

Field Code: 34760

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 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS — TBPE FIRM LICENSE No. F-1580

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KOSMOS GROSS RESERVES AS OF 12/31/2015

MAHOGANY

Oil (BBLs)			Gas (MMCF)				Condensate (BBLs)			NGL (BBLs)		
Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining	Sales	Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining
2Ci Undeveloped		(continued)										
<hr/>												
LM1 M-04												
3,258,853	0	3,258,853	2,734	0	2,734	2,734	0	0	0	0	0	0
LM1 M-03 Well #3												
4,029,287	0	4,029,287	3,381	0	3,381	3,381	0	0	0	0	0	0
LM1 M-03 Well #3												
9,993,653	0	9,993,653	8,385	0	8,385	8,385	0	0	0	0	0	0
LM3 SE M-04/05 Well #4												
5,312,206	0	5,312,206	6,725	0	6,725	6,725	0	0	0	0	0	0
LM3 SE M-04/05 Well #4												
5,856,116	0	5,856,116	7,414	0	7,414	7,414	0	0	0	0	0	0
LM3 NW NW Prop M-6P, M-7W1												
624,370	0	624,370	790	0	790	790	0	0	0	0	0	0
MD-2 M-03 Well #3												
10,521,757	0	10,521,757	7,029	0	7,029	7,029	0	0	0	0	0	0
<hr/>												
<i>Total 2Ci Undeveloped</i>												
55,104,537	0	55,104,537	60,132	0	60,132	60,132	0	0	0	0	0	0
<hr/>												
Total 2Ci												
55,104,537	0	55,104,537	60,132	0	60,132	60,132	0	0	0	0	0	0
<hr/>												
<i>3Ci Undeveloped</i>												
UM3C M-04 Area Well #4												
9,280,616	0	9,280,616	14,292	0	14,292	14,292	0	0	0	0	0	0
UM3C M-04 Area Well #4												
4,414,550	0	4,414,550	6,798	0	6,798	6,798	0	0	0	0	0	0

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Group Code:

Field Code: 34760

The resources presented herein may differ from the forecast due to economic limits being reached.
 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS — TBPE FIRM LICENSE No. F-1580

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KOSMOS GROSS RESERVES AS OF 12/31/2015

MAHOGANY

Oil (BBLs)			Gas (MMCF)				Condensate (BBLs)			NGL (BBLs)		
Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining	Sales	Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining
3Ci Undeveloped		(continued)										
UM3C M-04 Area Well #4												
12,723,446	0	12,723,446	19,594	0	19,594	19,594	0	0	0	0	0	0
LM1 M-04												
448,158	0	448,158	376	0	376	376	0	0	0	0	0	0
LM1 M-04												
1,222,070	0	1,222,070	1,025	0	1,025	1,025	0	0	0	0	0	0
LM1 M-03 Well #3												
6,043,931	0	6,043,931	5,071	0	5,071	5,071	0	0	0	0	0	0
LM1 M-03 Well #3												
3,747,620	0	3,747,620	3,144	0	3,144	3,144	0	0	0	0	0	0
LM1 M-03 / M-04 Well #3												
5,073,278	0	5,073,278	4,256	0	4,256	4,256	0	0	0	0	0	0
LM3 SE M-04/05 Well #4												
8,347,753	0	8,347,753	10,568	0	10,568	10,568	0	0	0	0	0	0
LM3 SE M-04/05 Well #4												
2,013,040	0	2,013,040	2,548	0	2,548	2,548	0	0	0	0	0	0
LM3 SE M-04/05 Well #4												
5,658,763	0	5,658,763	7,164	0	7,164	7,164	0	0	0	0	0	0
LM3 NW NW Prop M-6P, M-7W1												
981,153	0	981,153	1,242	0	1,242	1,242	0	0	0	0	0	0
MD-2 M-03 Well #3												
3,757,770	0	3,757,770	2,510	0	2,510	2,510	0	0	0	0	0	0
MD-2 M-03 Well #3												
6,548,344	0	6,548,344	4,374	0	4,374	4,374	0	0	0	0	0	0

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Group Code:

Field Code: 34760

The resources presented herein may differ from the forecast due to economic limits being reached.
 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS — TBPE FIRM LICENSE No. F-1580

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KOSMOS GROSS RESERVES AS OF 12/31/2015

MAHOGANY

Oil (BBLS)			Gas (MMCF)				Condensate (BBLS)			NGL (BBLS)		
Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining	Sales	Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining
3Ci Undeveloped			(continued)									
<hr/>												
<i>Total 3Ci Undeveloped</i>												
70,260,492	0	70,260,492	82,962	0	82,962	82,962	0	0	0	0	0	0
<hr/>												
Total 3Ci												
70,260,492	0	70,260,492	82,962	0	82,962	82,962	0	0	0	0	0	0
<hr/>												



KOSMOS GROSS RESERVES AS OF 12/31/2015

TEAK

Oil (BBLS)			Gas (MMCF)			Sales	Condensate (BBLS)			NGL (BBLS)			
Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining		Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining	
<i>1Ci Undeveloped</i>													
Lower Campanian Teak 1 FB Teak - 1	0	0	0	32,395	0	32,395	32,395	1,380,042	0	1,380,042	0	0	0
Lower Campanian Teak 1 FB Teak - 1	5,052,142	0	5,052,142	3,910	0	3,910	3,910	0	0	0	0	0	0
<i>Total 1Ci Undeveloped</i>	5,052,142	0	5,052,142	36,305	0	36,305	36,305	1,380,042	0	1,380,042	0	0	0
Total 1Ci	5,052,142	0	5,052,142	36,305	0	36,305	36,305	1,380,042	0	1,380,042	0	0	0
<i>2Ci Undeveloped</i>													
Lower Campanian Teak 1 FB Teak - 1	0	0	0	2,492	0	2,492	2,492	106,157	0	106,157	0	0	0
Lower Campanian Teak 1 FB Teak - 1	0	0	0	24,977	0	24,977	24,977	1,064,037	0	1,064,037	0	0	0
Lower Campanian Teak 1 FB Teak - 1	1,684,047	0	1,684,047	1,303	0	1,303	1,303	0	0	0	0	0	0
Lower Campanian Teak 1 FB Teak - 1	5,986,829	0	5,986,829	4,634	0	4,634	4,634	0	0	0	0	0	0
<i>Total 2Ci Undeveloped</i>	7,670,876	0	7,670,876	33,406	0	33,406	33,406	1,170,194	0	1,170,194	0	0	0

Date Printed: 2/10/2016 6:06:17 PM
 Last Modified: Thursday, January 28, 2016

Group Code:
 Field Code: 34758

The resources presented herein may differ from the forecast due to economic limits being reached.
 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS — TBPE FIRM LICENSE No. F-1580



KOSMOS GROSS RESERVES AS OF 12/31/2015

TEAK

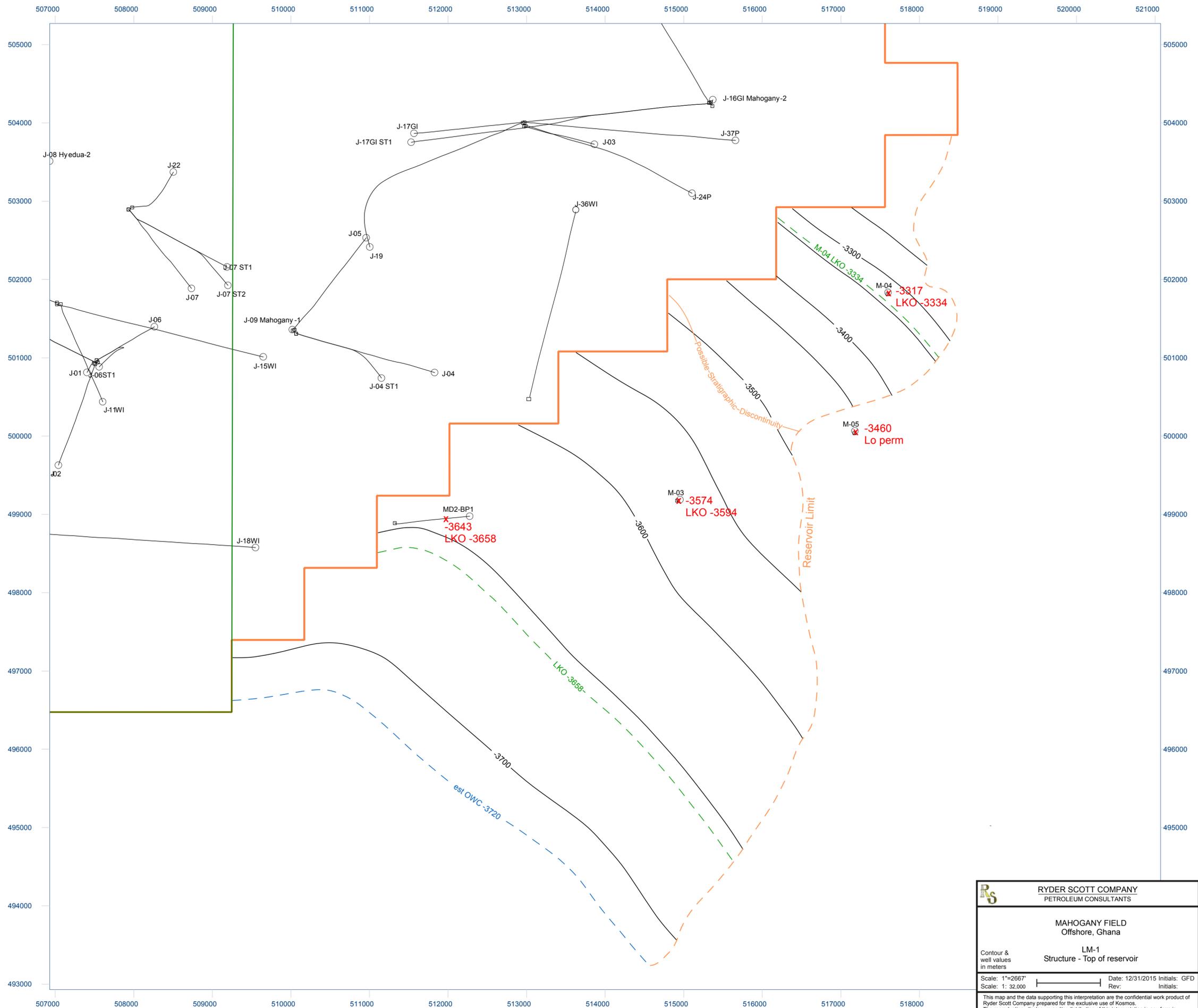
Oil (BBLS)			Gas (MMCF)			Condensate (BBLS)			NGL (BBLS)			
Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining	Sales	Ultimate	Cumulative	Remaining	Ultimate	Cumulative	Remaining
Total 2Ci												
7,670,876	0	7,670,876	33,406	0	33,406	33,406	1,170,194	0	1,170,194	0	0	0
<i>3Ci Undeveloped</i>												
Lower Campanian Teak 1 FB Teak - 1												
0	0	0	12,256	0	12,256	12,256	522,118	0	522,118	0	0	0
Lower Campanian Teak 1 FB Teak - 1												
2,526,071	0	2,526,071	1,955	0	1,955	1,955	0	0	0	0	0	0
Lower Campanian Teak 1 FB Teak - 1												
2,245,061	0	2,245,061	1,738	0	1,738	1,738	0	0	0	0	0	0
Lower Campanian Teak 1 FB Teak - 1												
2,938,363	0	2,938,363	2,274	0	2,274	2,274	0	0	0	0	0	0
Total 3Ci Undeveloped												
7,709,495	0	7,709,495	18,223	0	18,223	18,223	522,118	0	522,118	0	0	0
Total 3Ci												
7,709,495	0	7,709,495	18,223	0	18,223	18,223	522,118	0	522,118	0	0	0

Date Printed: 2/10/2016 6:06:17 PM
 Last Modified: Thursday, January 28, 2016

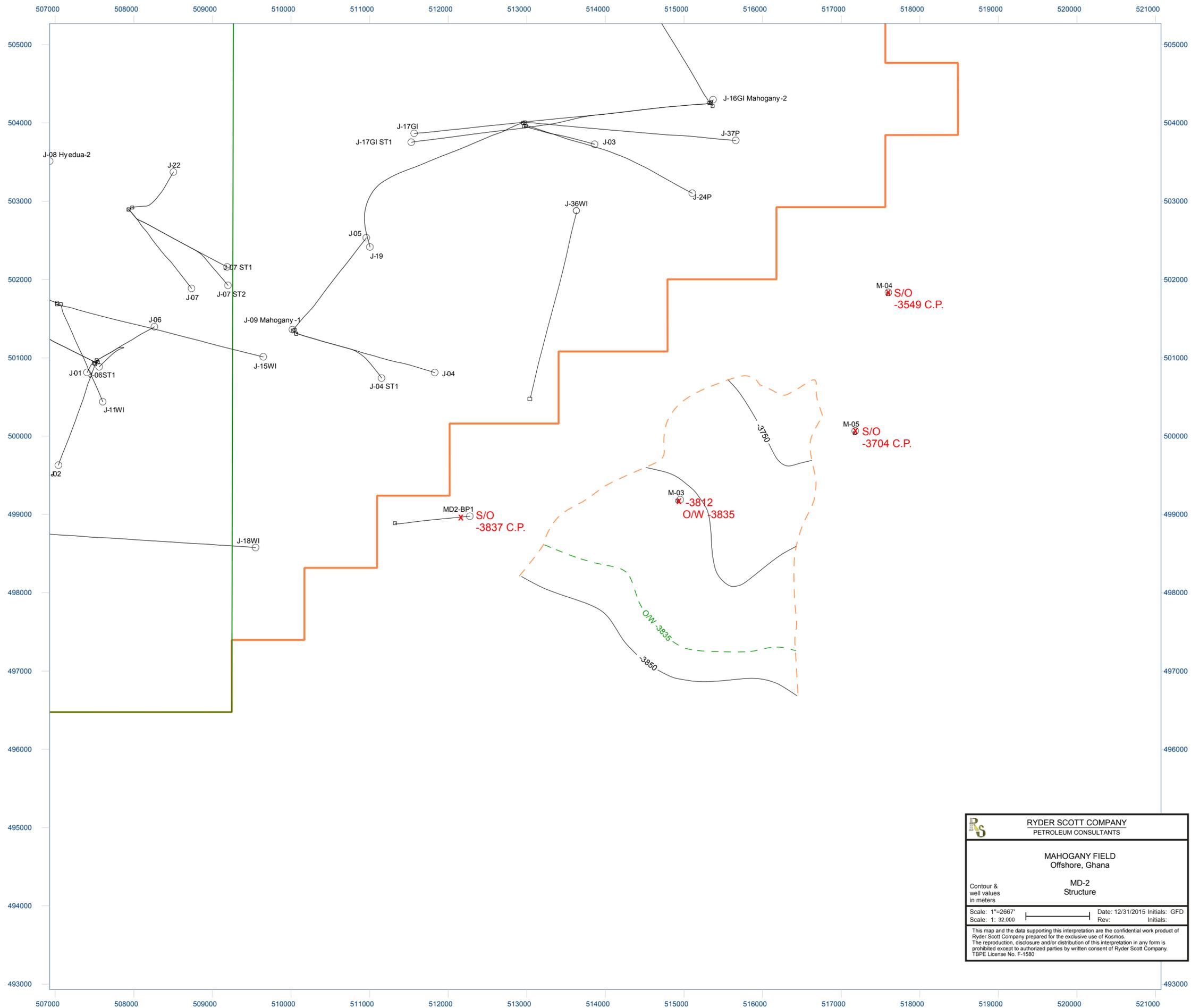
Group Code:
 Field Code: 34758

The resources presented herein may differ from the forecast due to economic limits being reached.
 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS — TBPE FIRM LICENSE No. F-1580

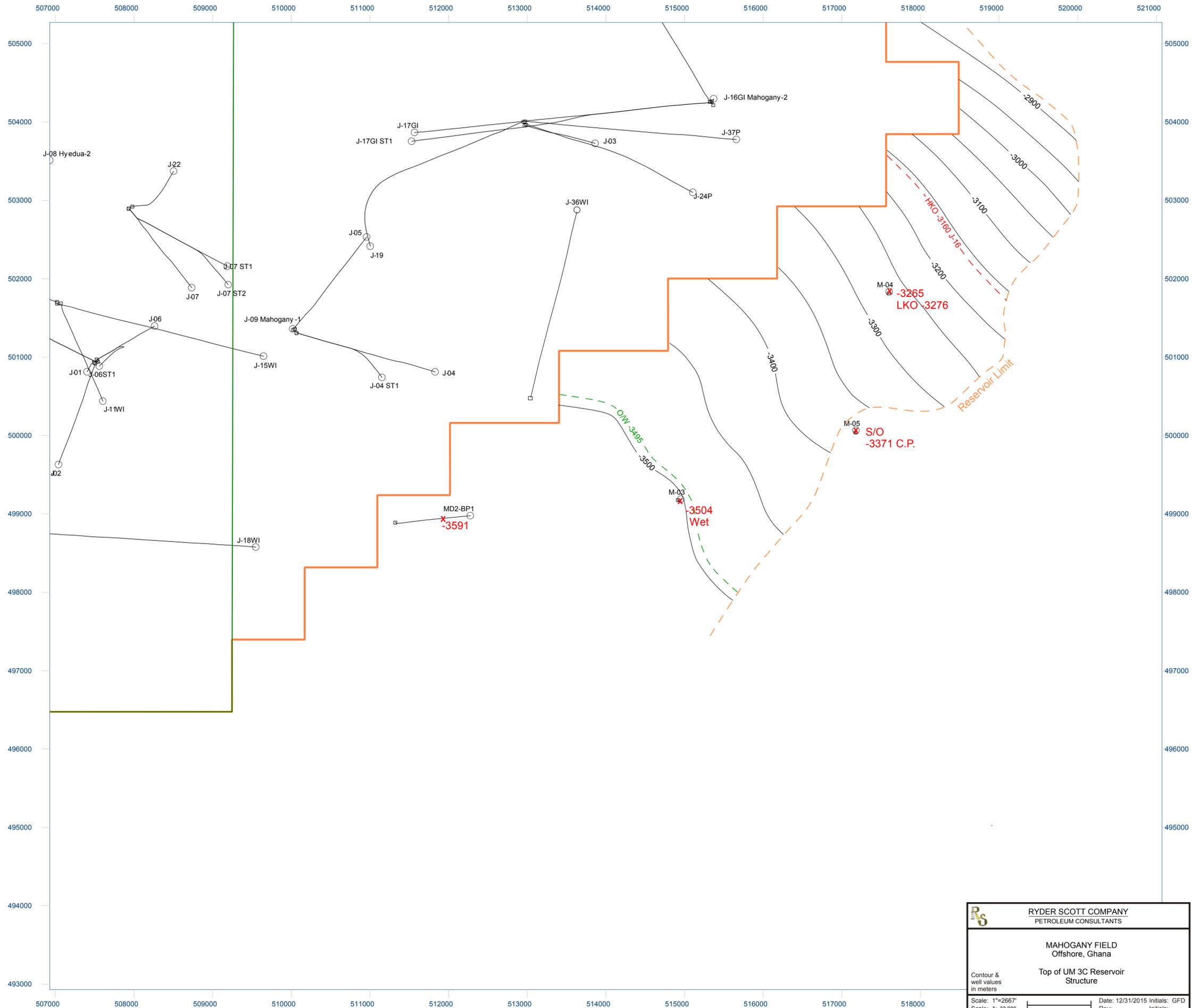
12.3.1.2 Structure Maps



 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
MAHOGANY FIELD Offshore, Ghana	
LM-1 Structure - Top of reservoir	
Contour & well values in meters	Date: 12/31/2015 Initials: GFD Rev: Initials:
Scale: 1"=2667' Scale: 1: 32,000	
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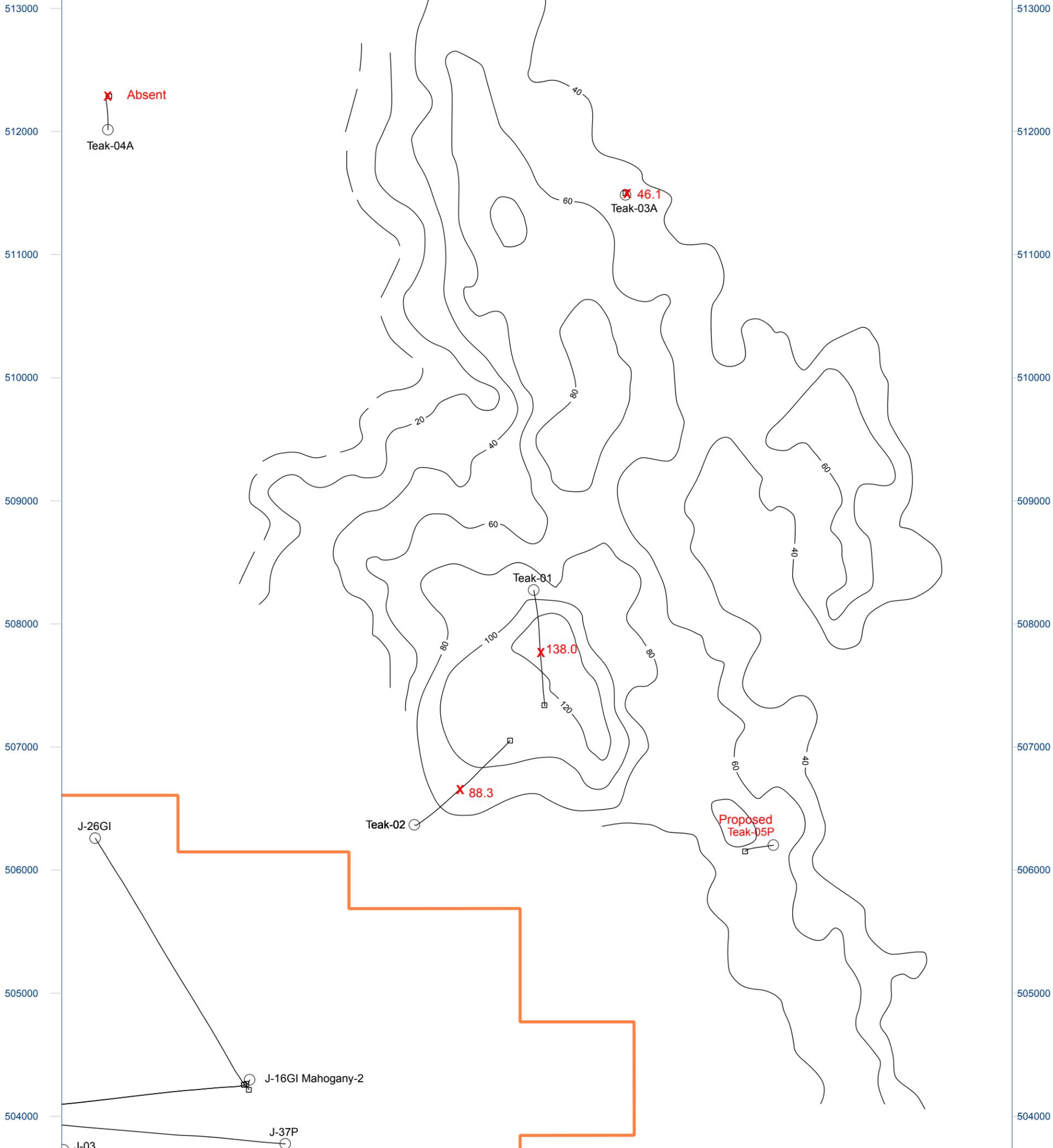
 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
MAHOGANY FIELD Offshore, Ghana	
MD-2 Structure	
Contour & well values in meters	Date: 12/31/2015 Initials: GFD Rev: _____
Scale: 1"=2667' Scale: 1: 32,000	Initials: _____
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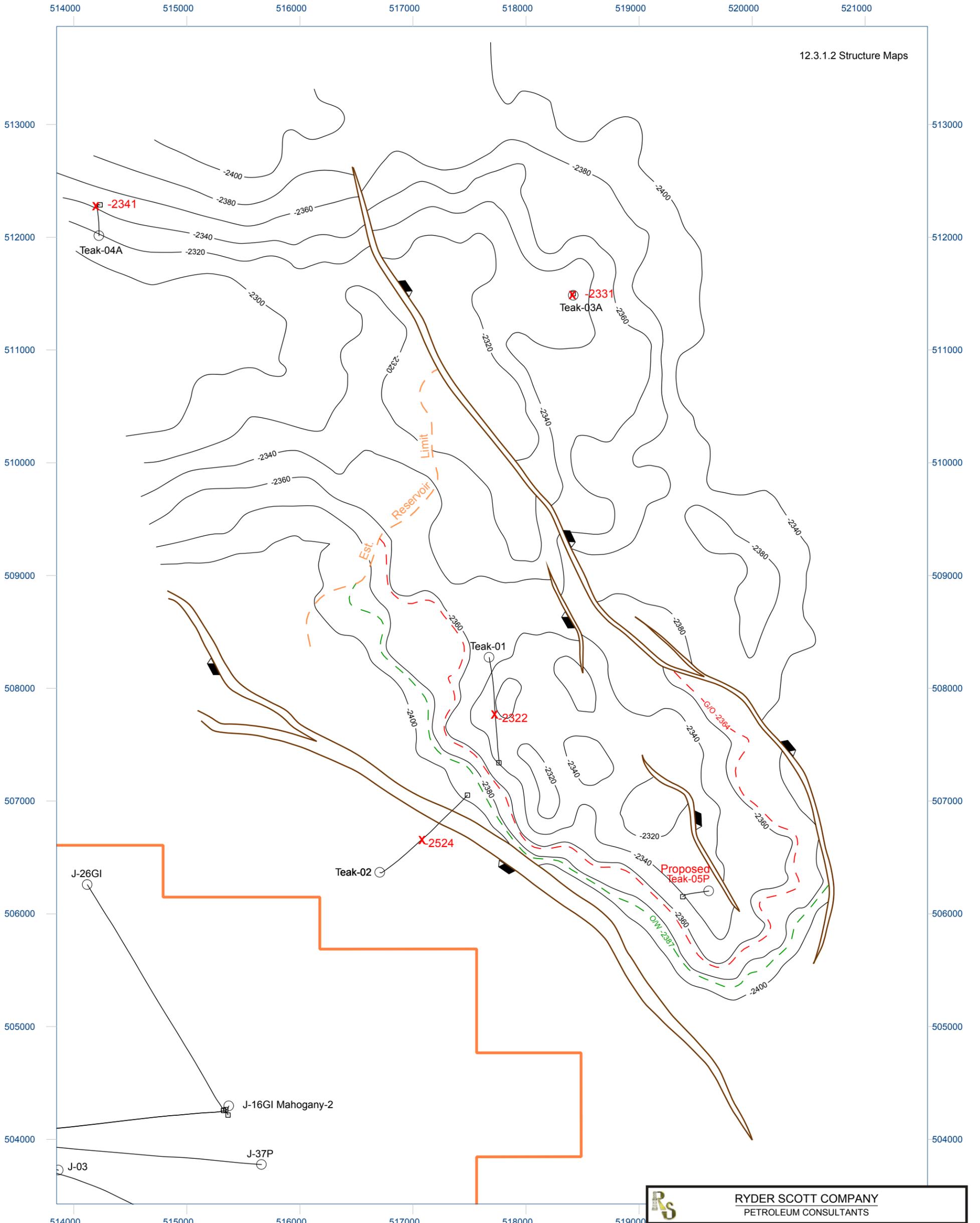
	RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
	MAHOGANY FIELD Offshore, Ghana	
Top of UM 3C Reservoir Structure		
Contour & well values in meters	Scale: 1"=2667' Scale: 1: 32,000	Date: 12/31/2015 Initials: GFD Rev: Initials:
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514000 515000 516000 517000 518000 519000 520000 521000

12.3.1.3 Structure Maps

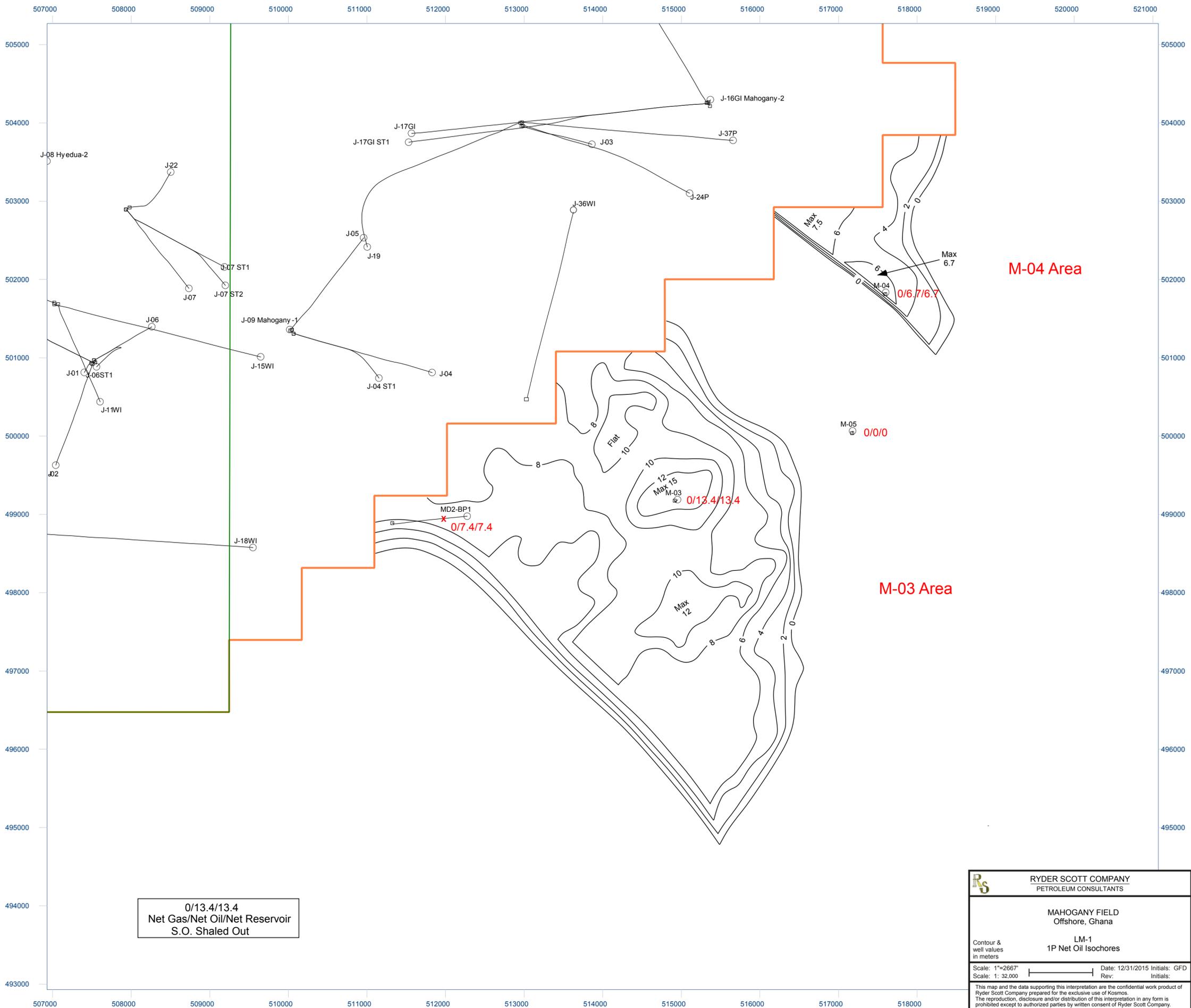


 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
TEAK FIELD Offshore, Ghana	
Lower Campanian Fan from Grids Gross Isochore	
Contour & well values in meters	
Scale: 1"=2667' Scale: 1: 32,000	Date: 12/31/2014 Initials: GFD Rev: Initials:
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 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
TEAK FIELD Offshore, Ghana	
Top of Lower Campanian Pay Zone Structure	
Contour & well values in meters	
Scale: 1"=2667' Scale: 1: 32,000	Date: 12/31/2014 Initials: GFD Rev: Initials:
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12.3.1.3 Net Pay Isochore Maps

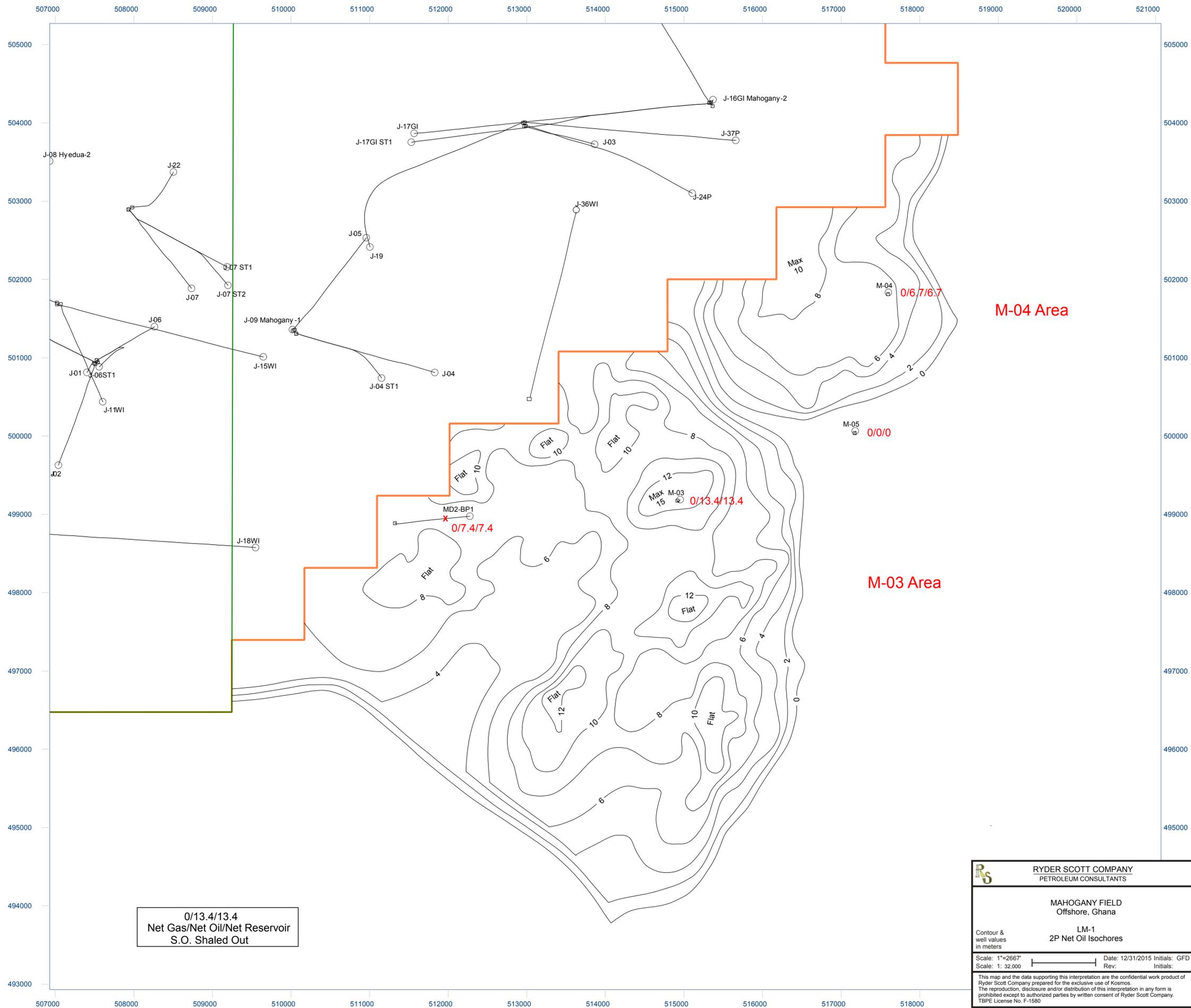


M-04 Area

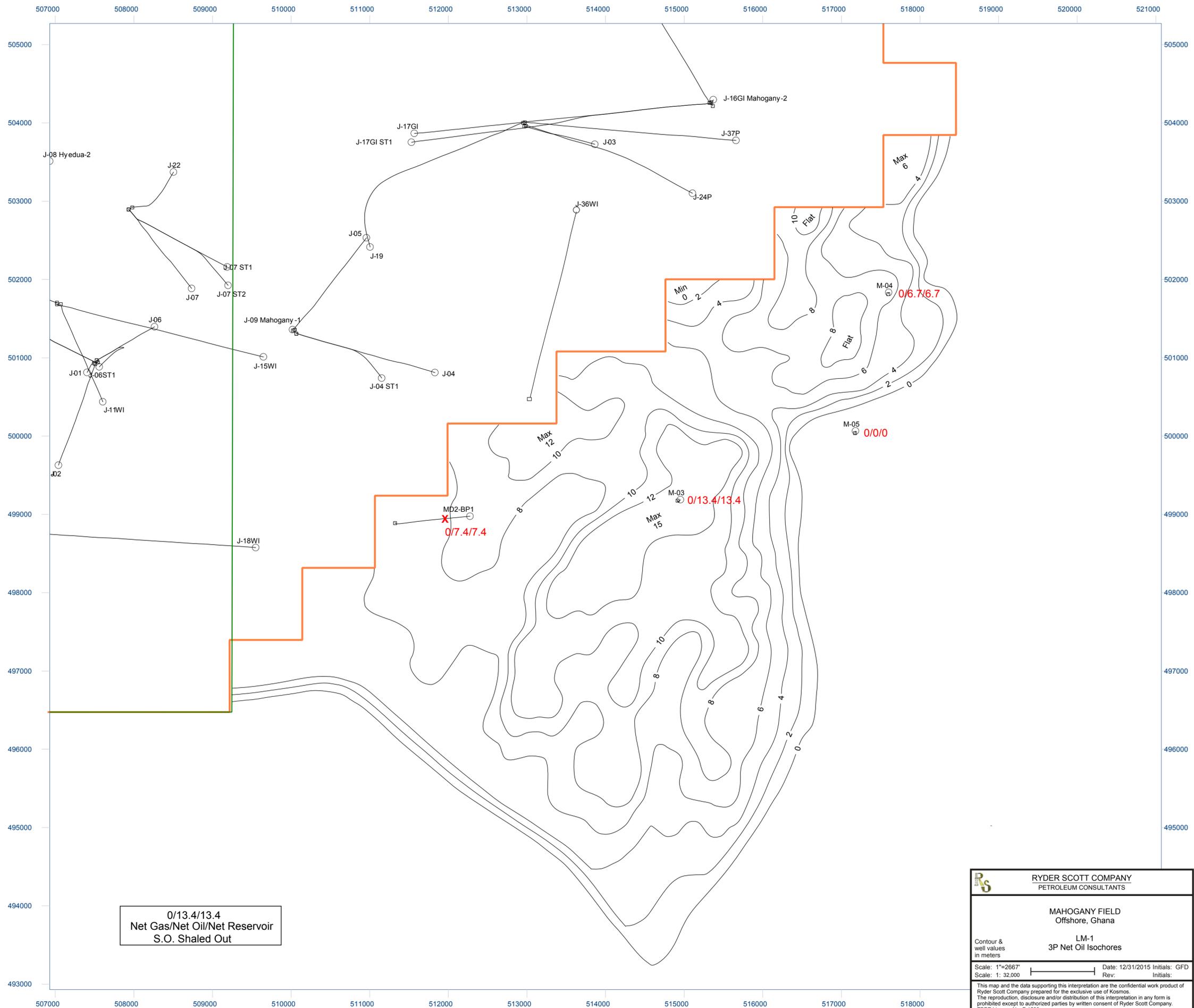
M-03 Area

0/13.4/13.4
Net Gas/Net Oil/Net Reservoir
S.O. Shaded Out

 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
MAHOGANY FIELD Offshore, Ghana	
LM-1 1P Net Oil Isochores	
Contour & well values in meters	
Scale: 1"=2667' Scale: 1: 32,000	Date: 12/31/2015 Initials: GFD Rev: _____ Initials: _____
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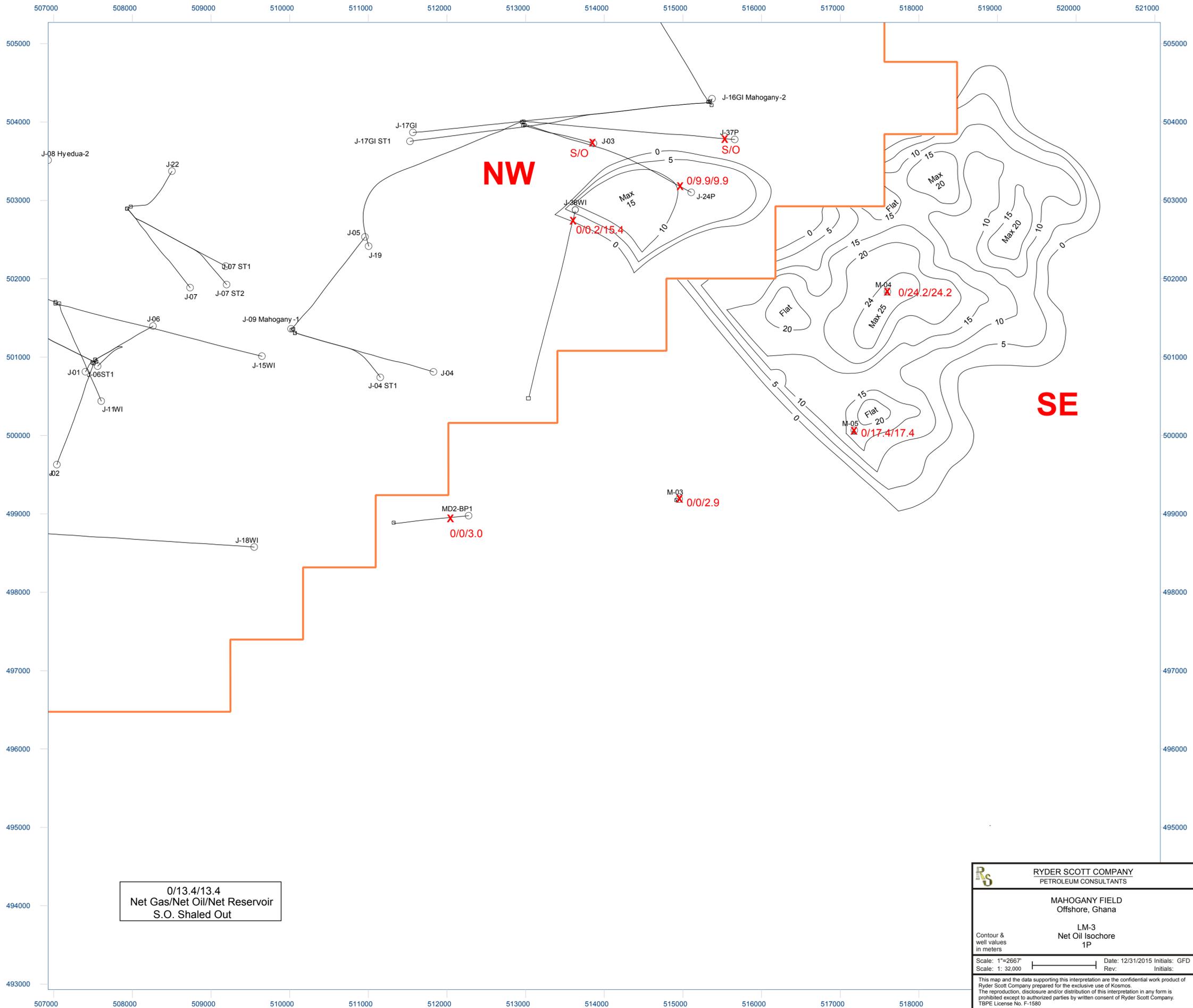


	RYDER SCOTT COMPANY PETROLEUM CONSULTANTS
	MAHOGANY FIELD Offshore, Ghana
Contour & well values in meters	LM-1 2P Net Oil Isochores
Scale: 1"=2667' Scale: 1: 32,000	Date: 12/31/2015 Initials: GFD Rev: Initials:
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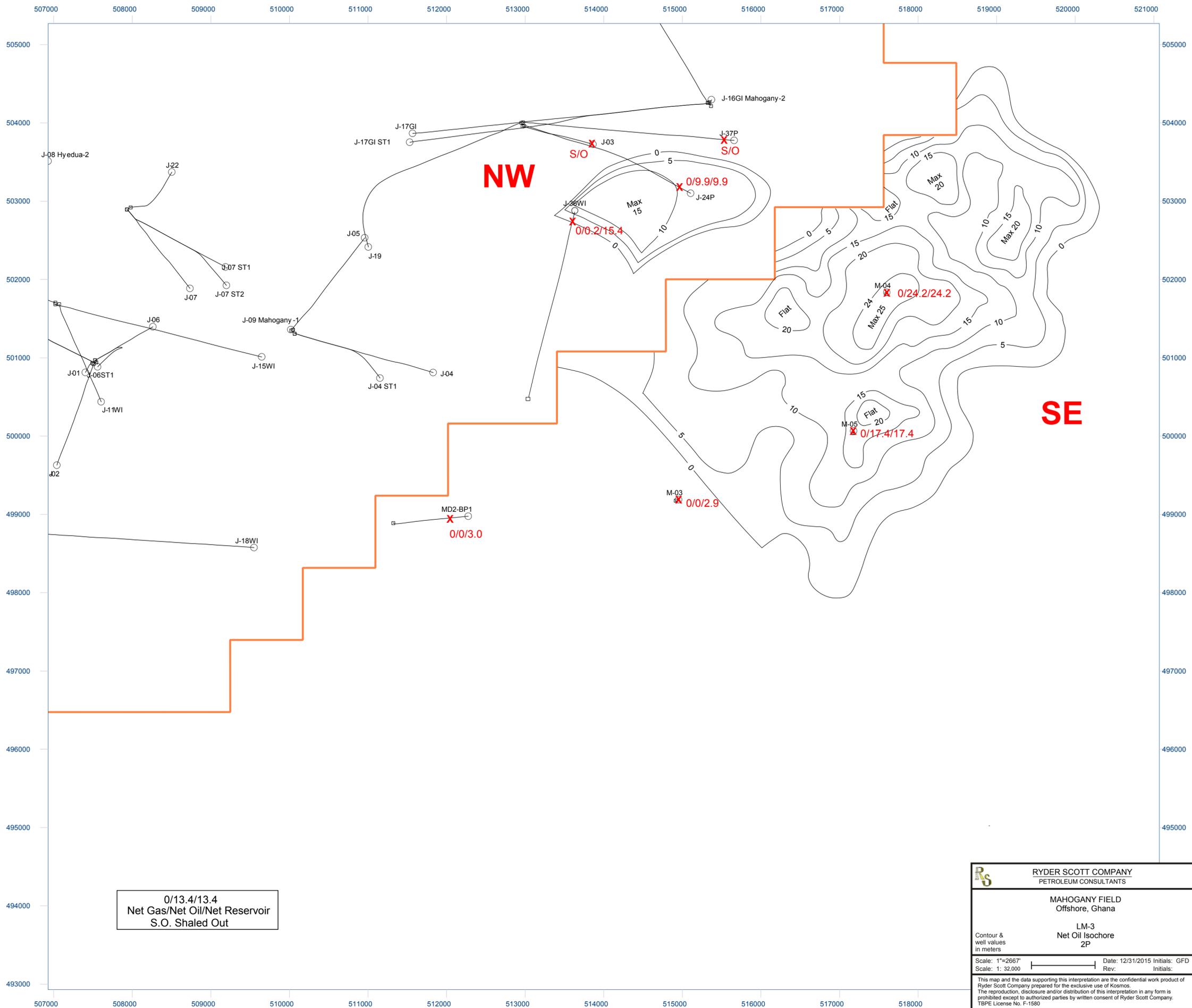
0/13.4/13.4
 Net Gas/Net Oil/Net Reservoir
 S.O. Shaded Out

 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
MAHOGANY FIELD Offshore, Ghana	
LM-1 3P Net Oil Isochores	
Contour & well values in meters	Date: 12/31/2015 Initials: GFD Rev: _____
Scale: 1"=2667' Scale: 1: 32,000	
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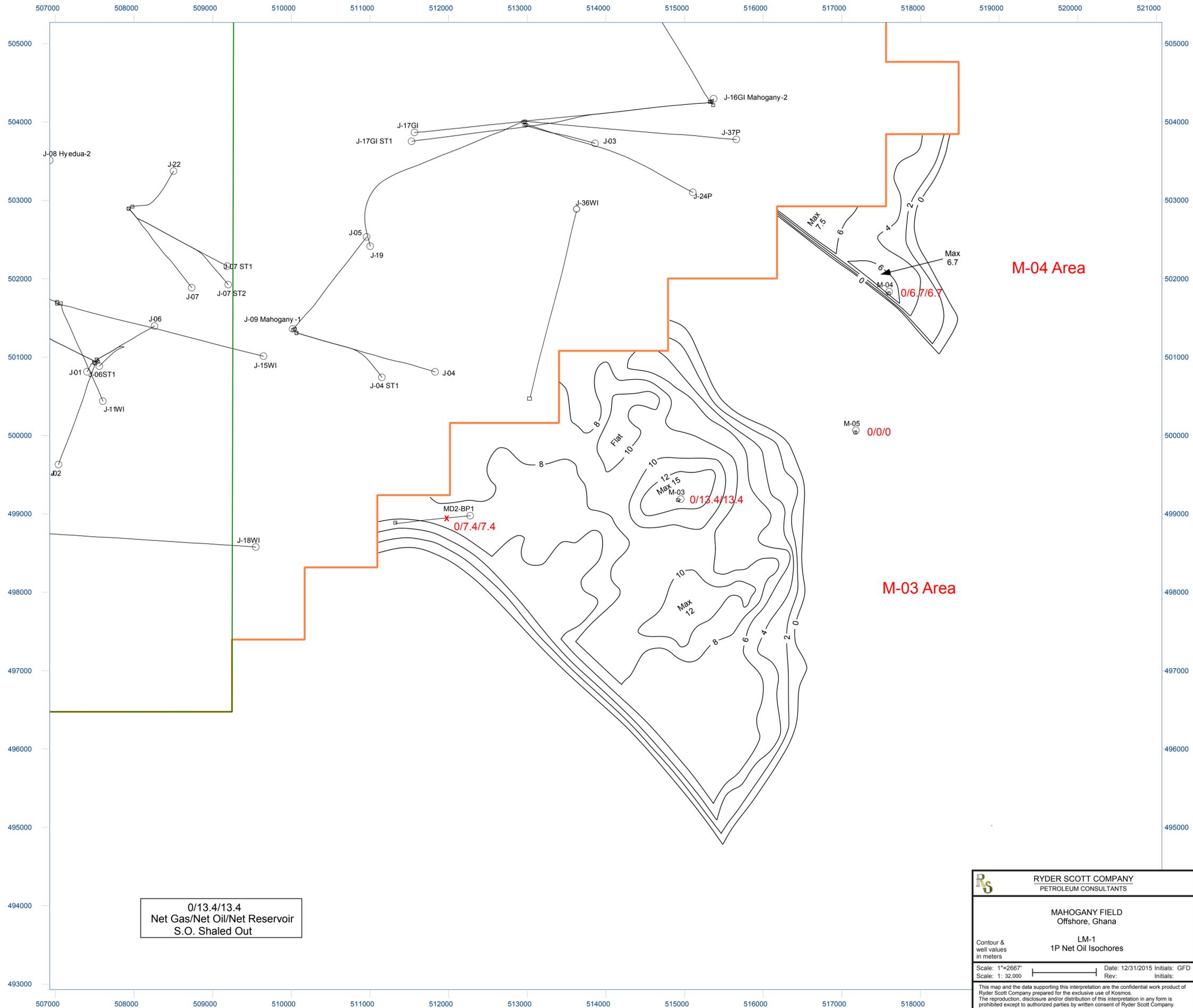
0/13.4/13.4
Net Gas/Net Oil/Net Reservoir
S.O. Shaded Out

 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
MAHOGANY FIELD Offshore, Ghana	
LM-3 Net Oil Isochore 1P	
Contour & well values in meters	Date: 12/31/2015 Initials: GFD
Scale: 1"=2667' Scale: 1: 32,000	Rev: Initials:
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0/13.4/13.4
 Net Gas/Net Oil/Net Reservoir
 S.O. Shaded Out

	RYDER SCOTT COMPANY PETROLEUM CONSULTANTS
	MAHOGANY FIELD Offshore, Ghana
LM-3 Net Oil Isochore 2P	
Contour & well values in meters	
Scale: 1"=2667' Scale: 1: 32,000	Date: 12/31/2015 Initials: GFD Rev: Initials:
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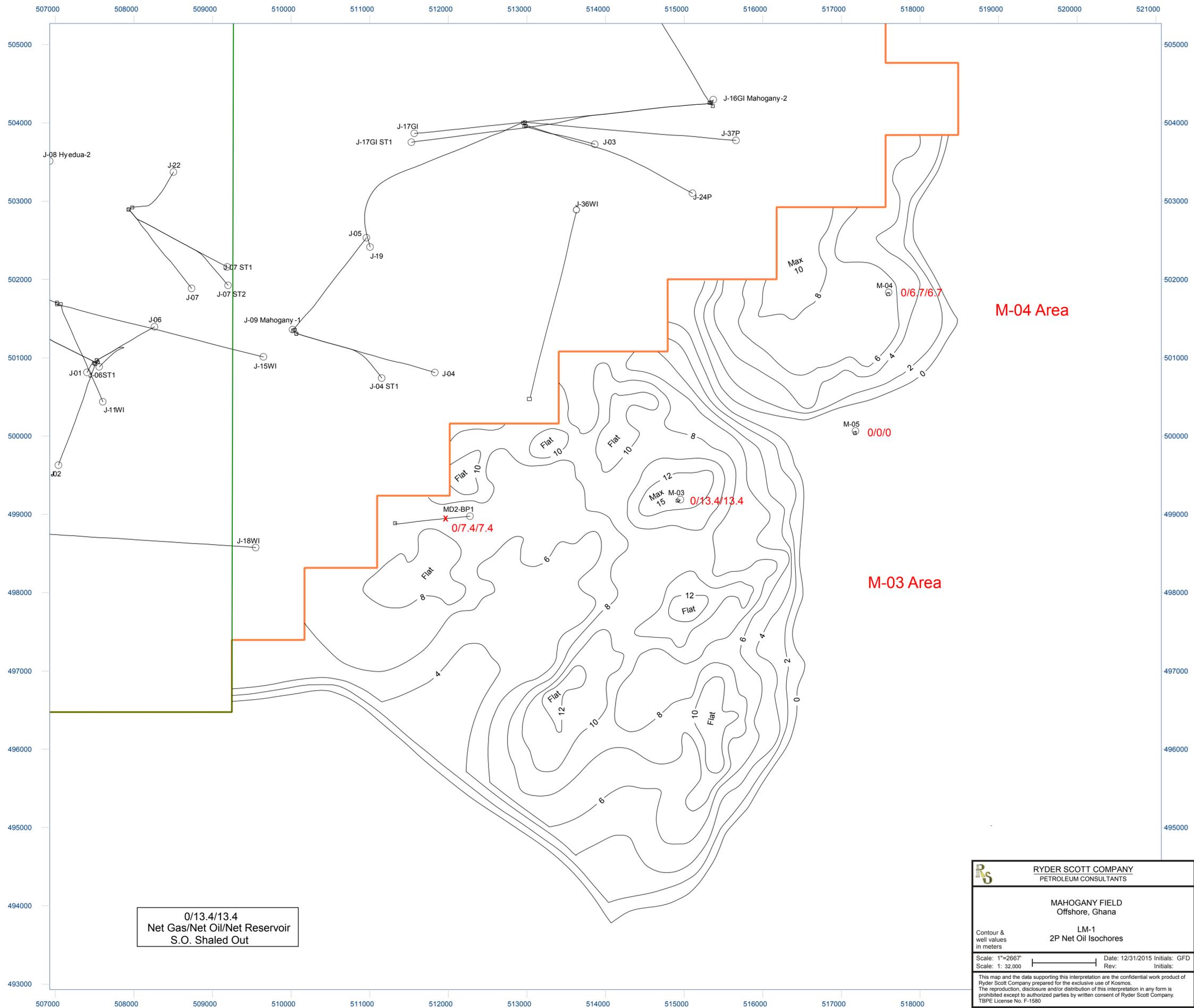


M-04 Area

M-03 Area

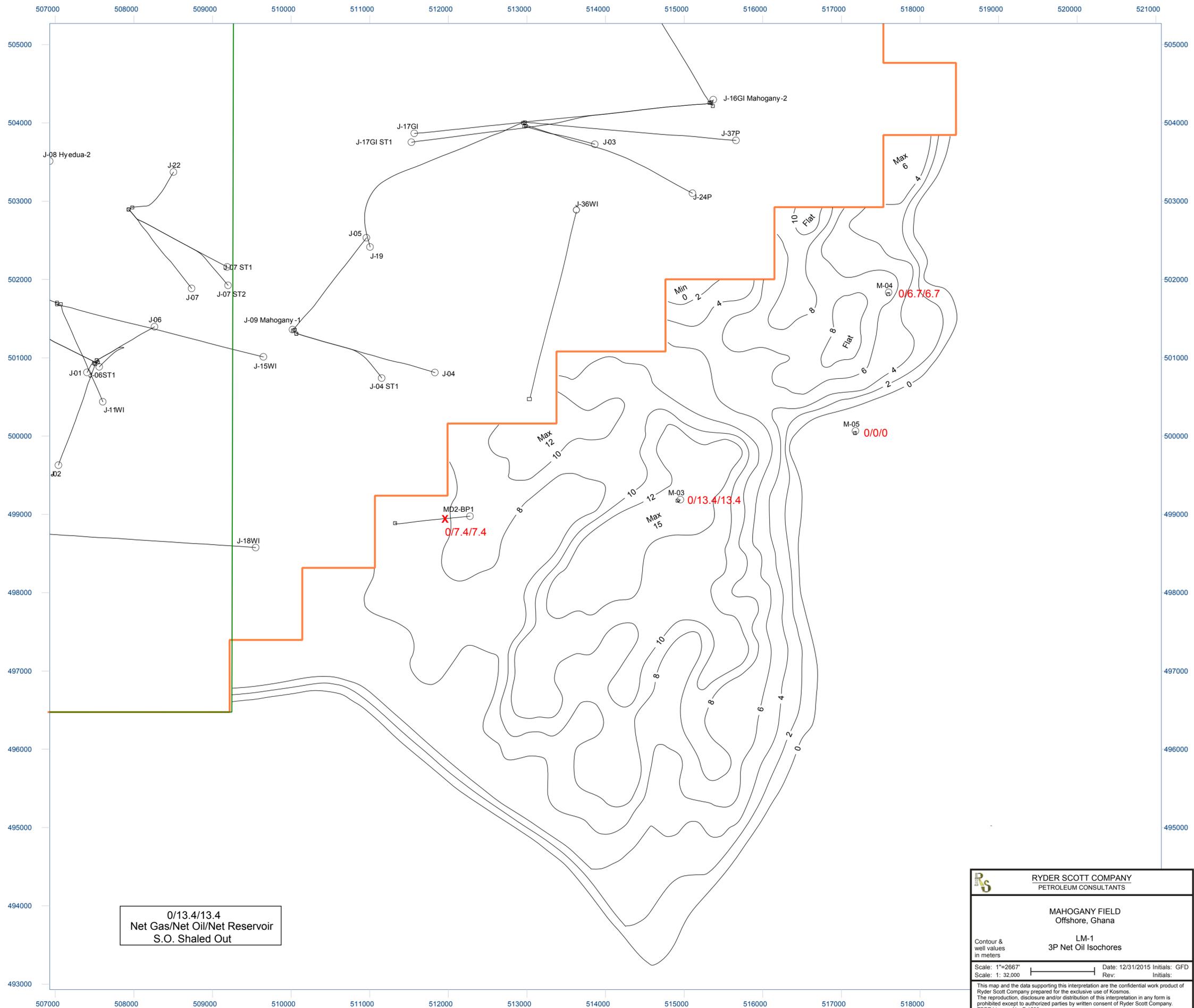
0/13.4/13.4
Net Gas/Net Oil/Net Reservoir
S.O. Shaded Out

 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
MAHOGANY FIELD Offshore, Ghana	
LM-1 1P Net Oil Isochores	
Contour & well values in meters	
Scale: 1"=2667' Scale: 1: 32,000	Date: 12/31/2015 Initials: GFD Rev: _____ Initials: _____
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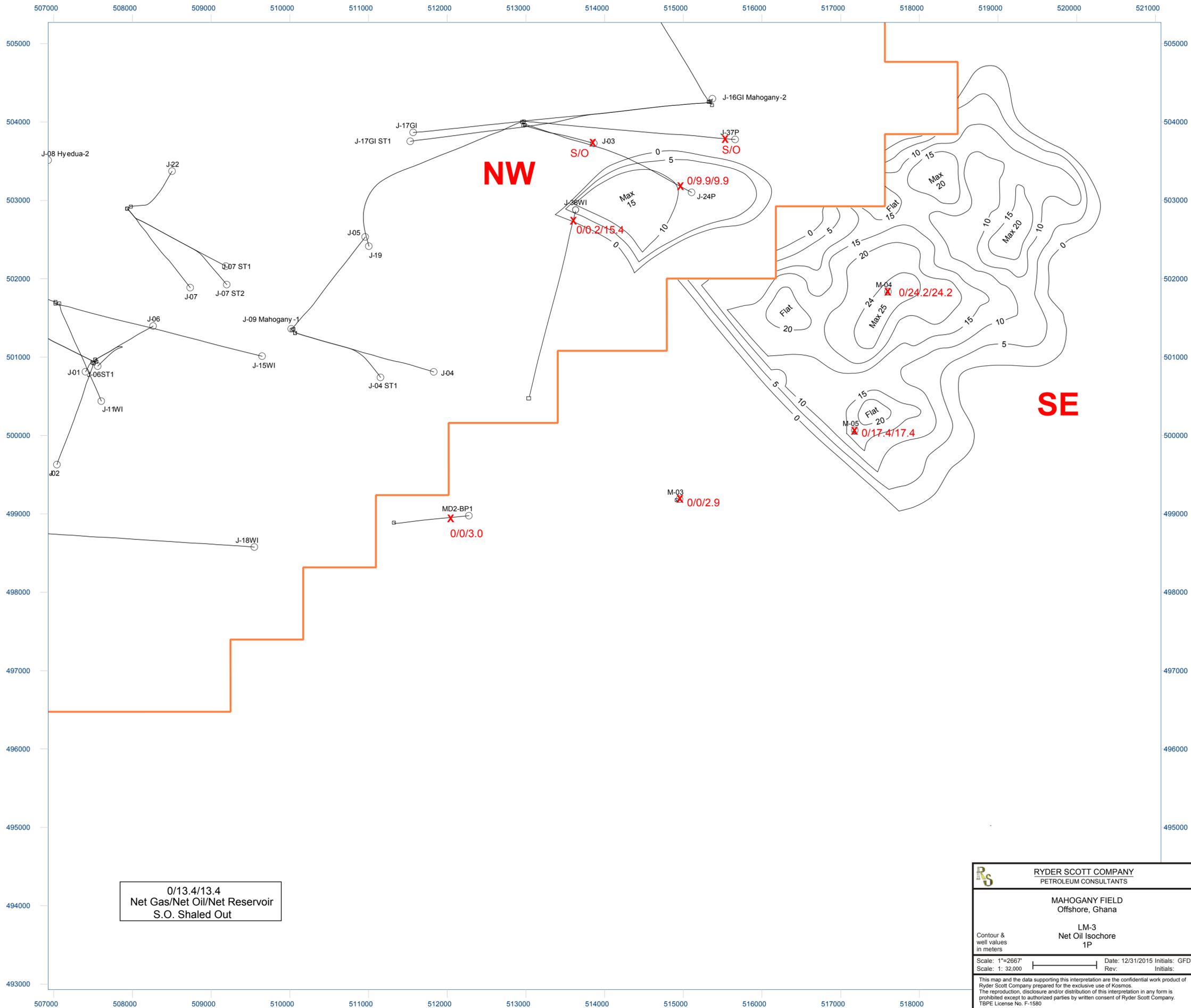
0/13.4/13.4
Net Gas/Net Oil/Net Reservoir
S.O. Shaded Out

 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
MAHOGANY FIELD Offshore, Ghana	
LM-1 2P Net Oil Isochores	
Contour & well values in meters	Date: 12/31/2015 Initials: GFD Rev: Initials:
Scale: 1"=2667' Scale: 1: 32,000	
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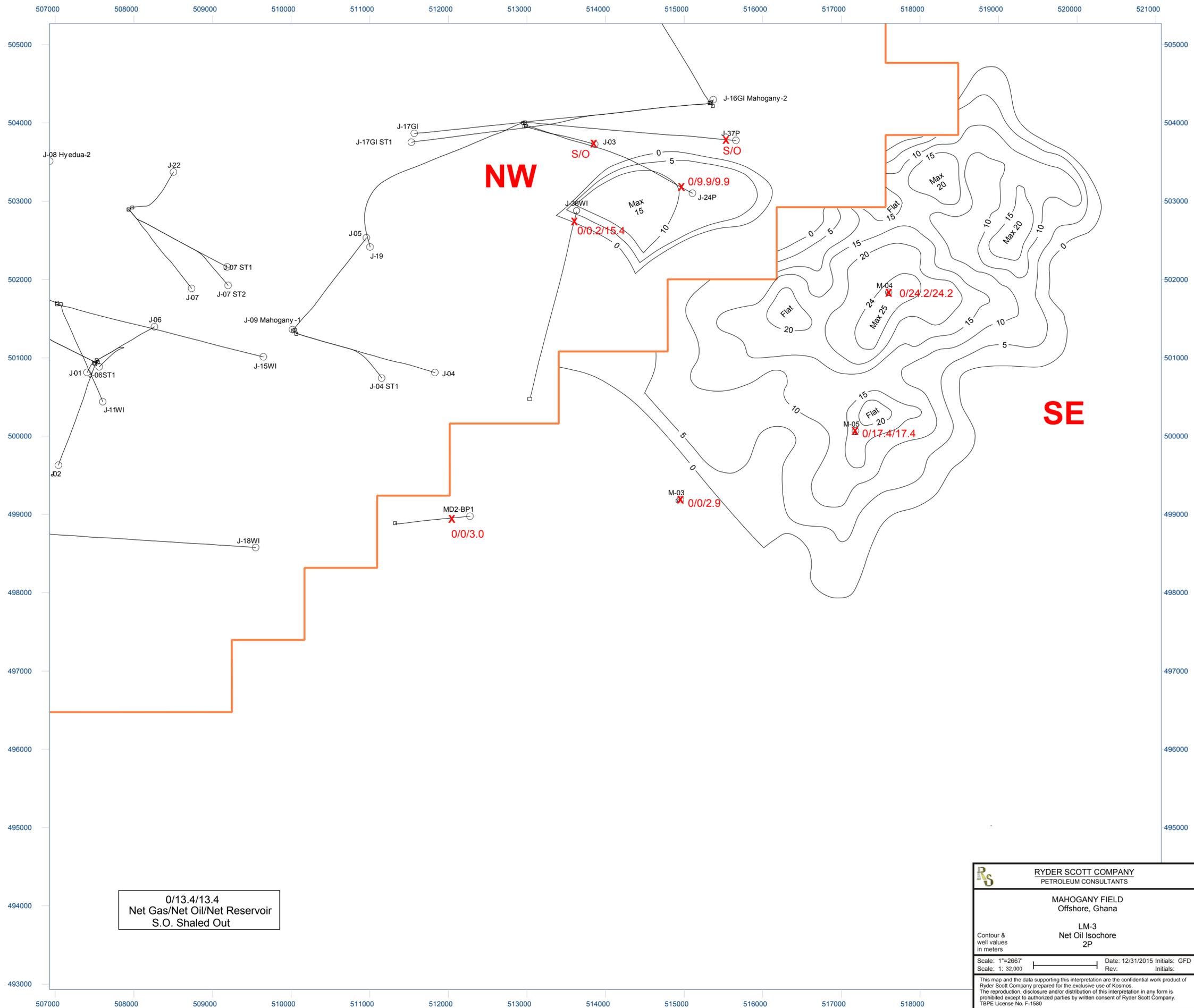
0/13.4/13.4
 Net Gas/Net Oil/Net Reservoir
 S.O. Shaded Out

 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
MAHOGANY FIELD Offshore, Ghana	
LM-1 3P Net Oil Isochores	
Contour & well values in meters	Date: 12/31/2015 Initials: GFD Rev: _____
Scale: 1"=2667' Scale: 1: 32,000	
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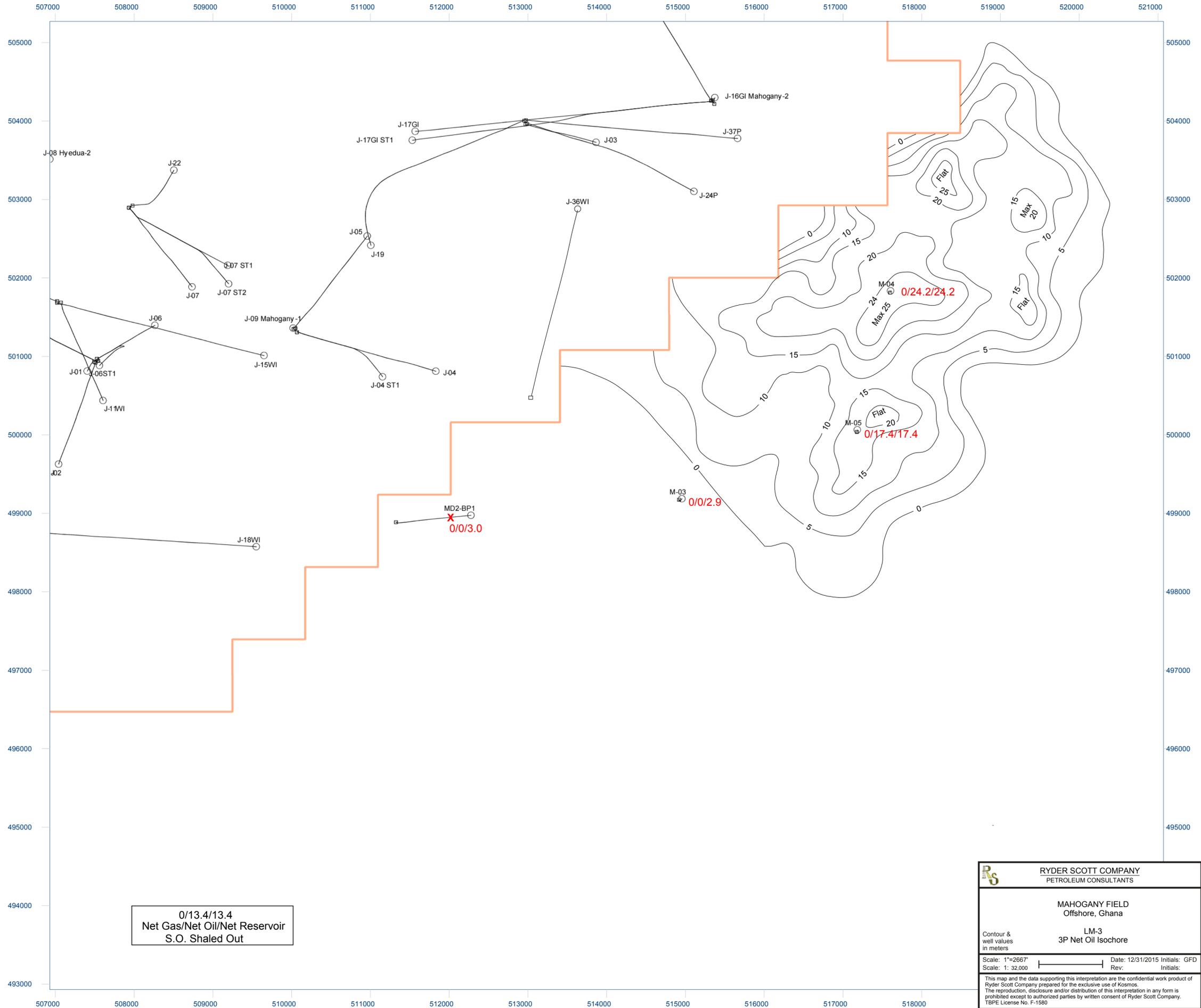
0/13.4/13.4
Net Gas/Net Oil/Net Reservoir
S.O. Shaded Out

	RYDER SCOTT COMPANY PETROLEUM CONSULTANTS
	MAHOGANY FIELD Offshore, Ghana
LM-3 Net Oil Isochore 1P	
Contour & well values in meters	Date: 12/31/2015 Initials: GFD
Scale: 1"=2667' Scale: 1: 32,000	Rev: Initials:
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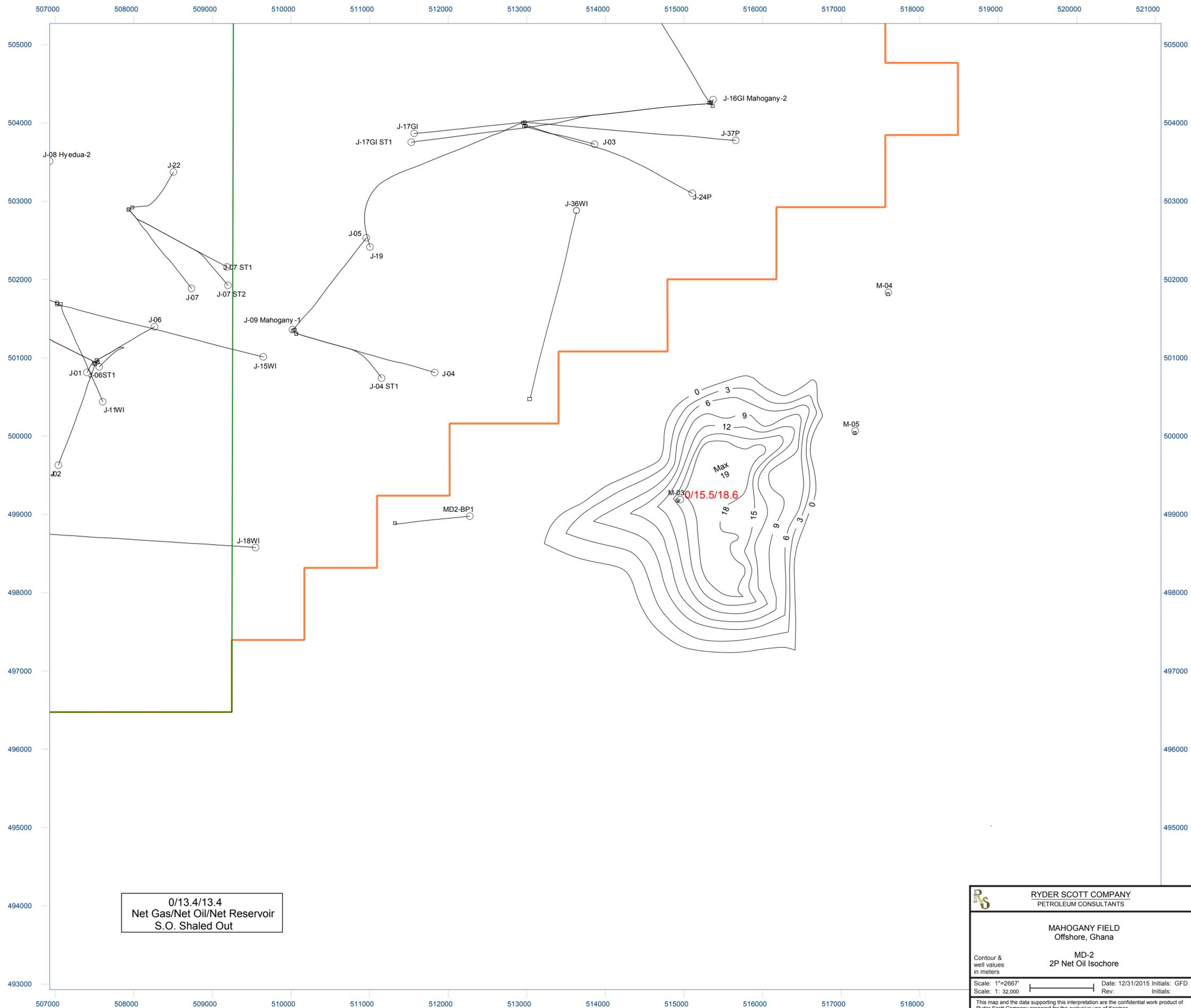
0/13.4/13.4
Net Gas/Net Oil/Net Reservoir
S.O. Shaded Out

	RYDER SCOTT COMPANY PETROLEUM CONSULTANTS
	MAHOGANY FIELD Offshore, Ghana
LM-3 Net Oil Isochore 2P	
Contour & well values in meters	Date: 12/31/2015 Initials: GFD
Scale: 1"=2667' Scale: 1:32,000	Rev: Initials:
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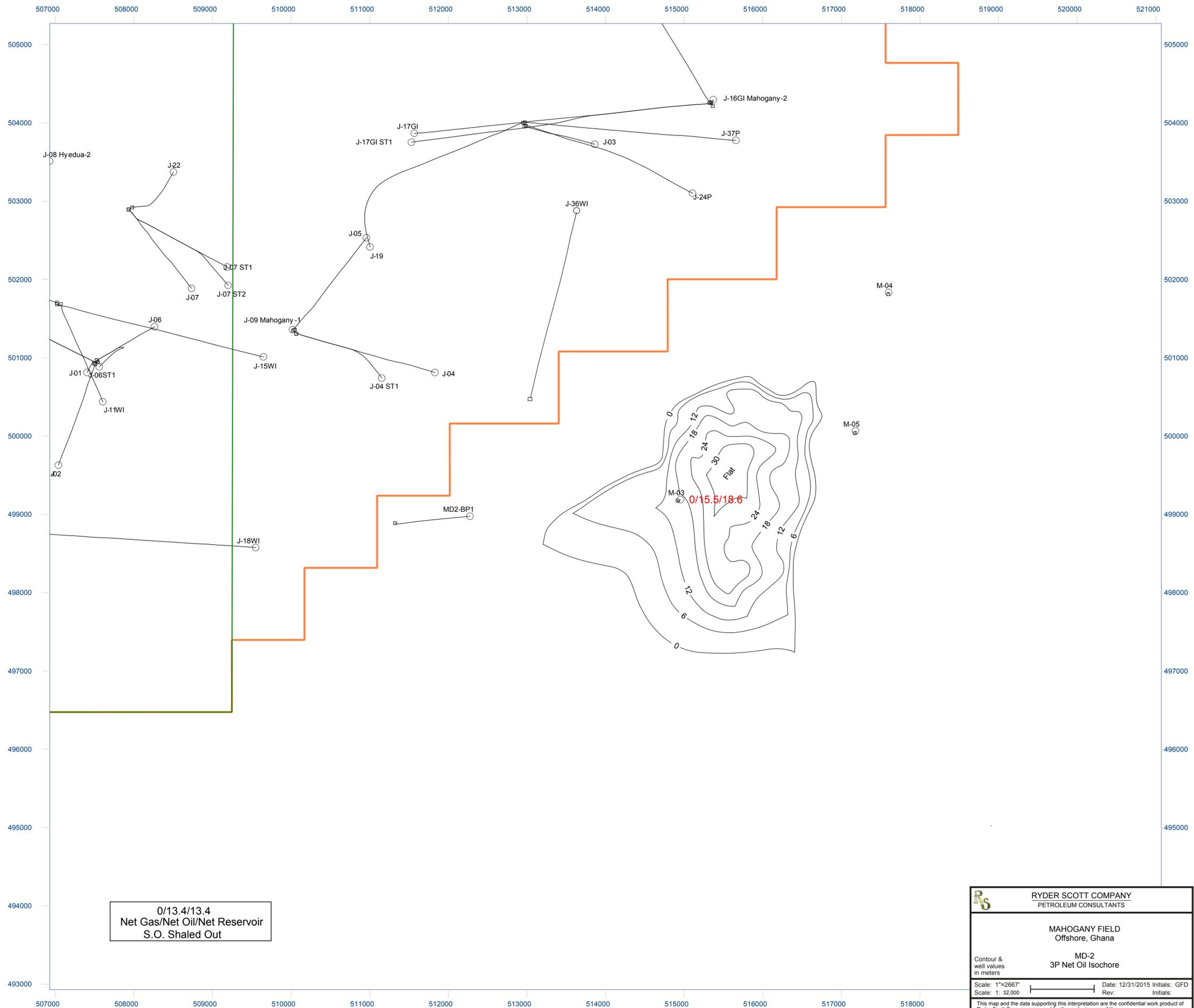
0/13.4/13.4
 Net Gas/Net Oil/Net Reservoir
 S.O. Shaded Out

	RYDER SCOTT COMPANY PETROLEUM CONSULTANTS
	MAHOGANY FIELD Offshore, Ghana
Contour & well values in meters	LM-3 3P Net Oil Isochore
Scale: 1"=2667' Scale: 1: 32,000	Date: 12/31/2015 Initials: GFD Rev: Initials:
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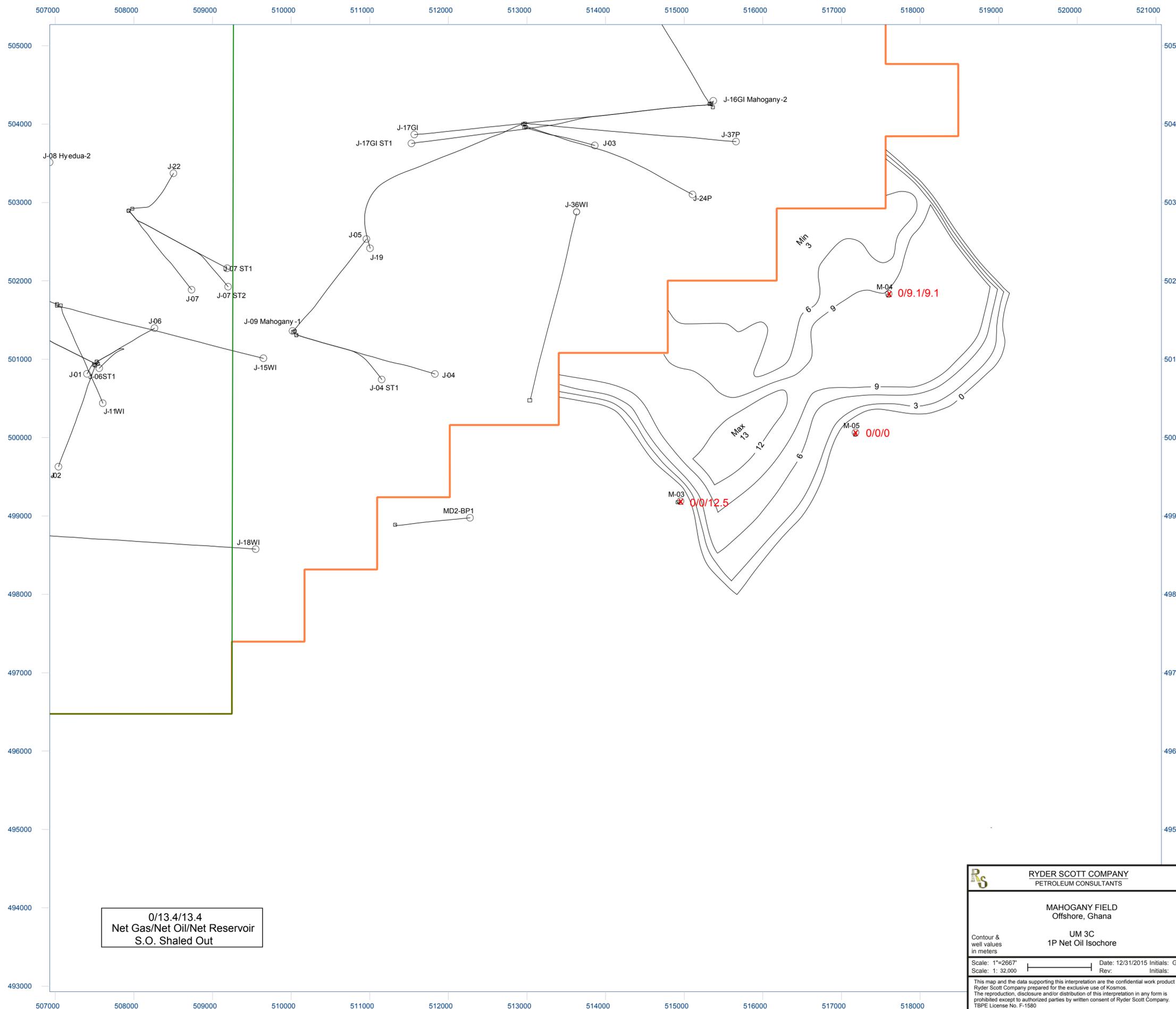
0/13.4/13.4
 Net Gas/Net Oil/Net Reservoir
 S.O. Shaded Out

 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
MAHOGANY FIELD Offshore, Ghana	
MD-2 2P Net Oil Isochore	
Contour & well values in meters	Date: 12/31/2015 Initials: GFD Rev: _____ Initials: _____
Scale: 1"=2667' Scale: 1: 32,000	
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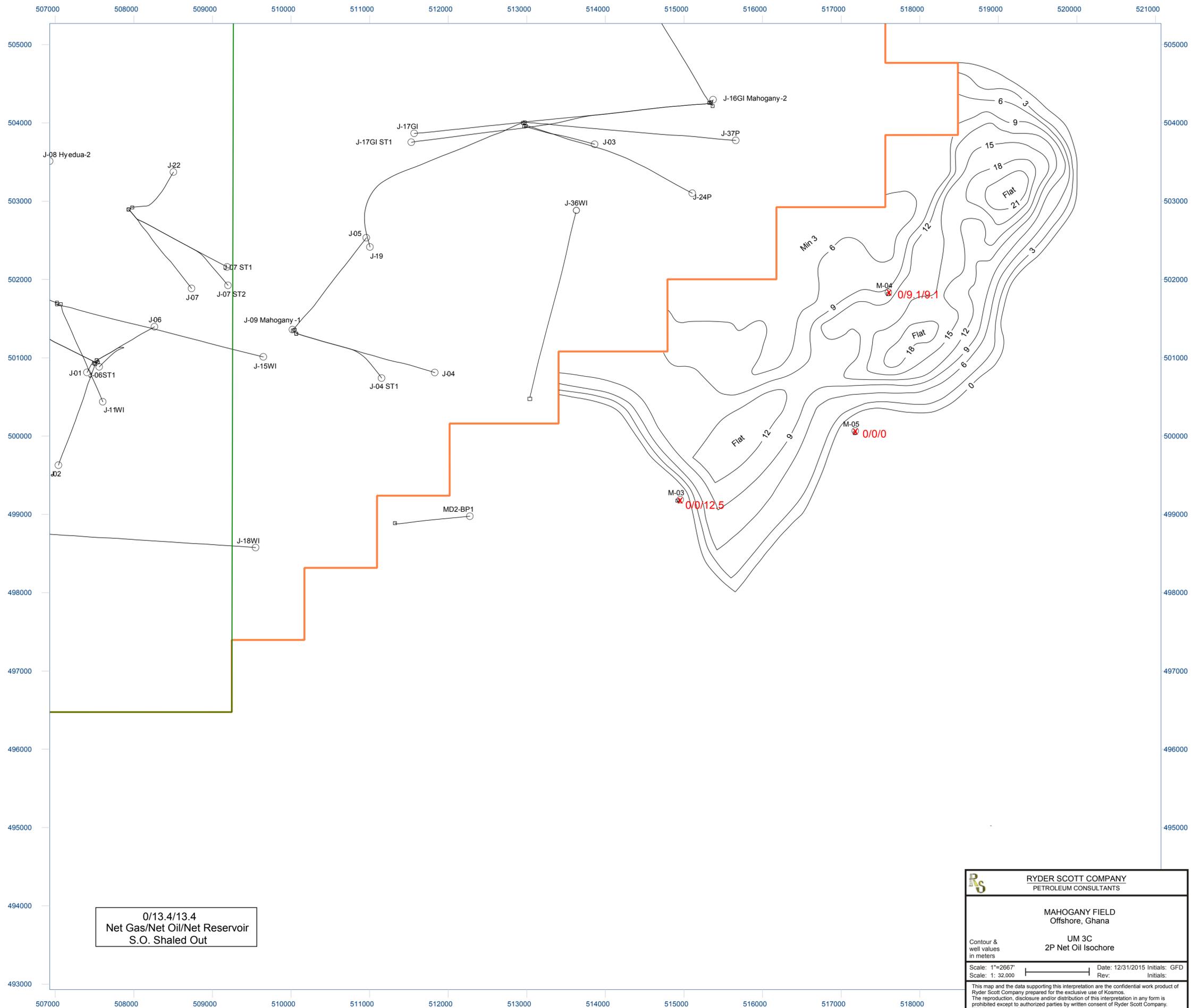
0/13.4/13.4
 Net Gas/Net Oil/Net Reservoir
 S.O. Shaded Out

 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
MAHOGANY FIELD Offshore, Ghana	
MD-2 3P Net Oil Isochore	
Contour & well values in meters	Date: 12/31/2015 Initials: GFD Rev:
Scale: 1"=2667' Scale: 1: 32,000	
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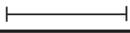


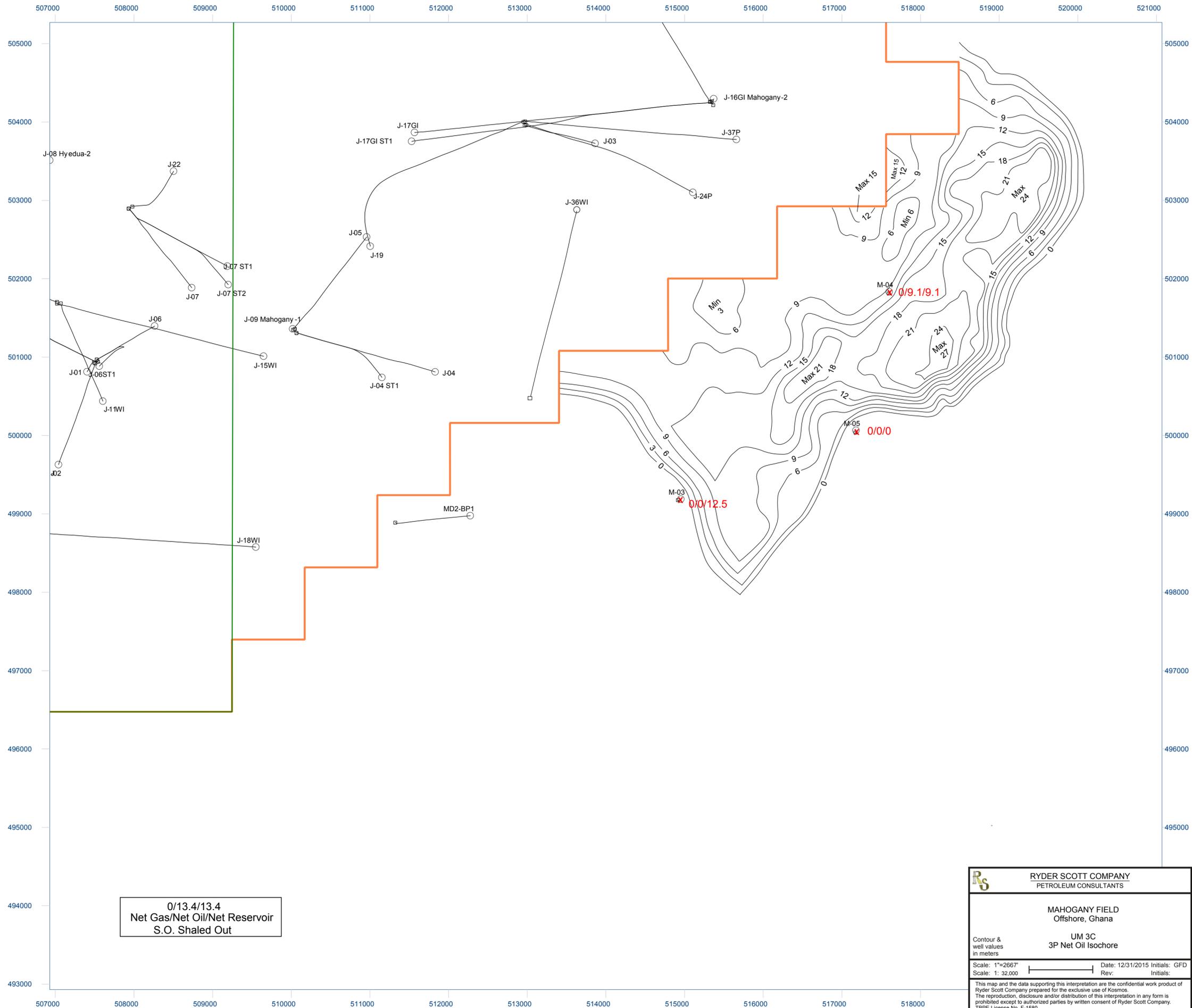
0/13.4/13.4
Net Gas/Net Oil/Net Reservoir
S.O. Shaded Out

	RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
	MAHOGANY FIELD Offshore, Ghana	
Contour & well values in meters		UM 3C 1P Net Oil Isochore
Scale: 1"=2667' Scale: 1: 32,000		Date: 12/31/2015 Initials: GFD Rev: Initials:
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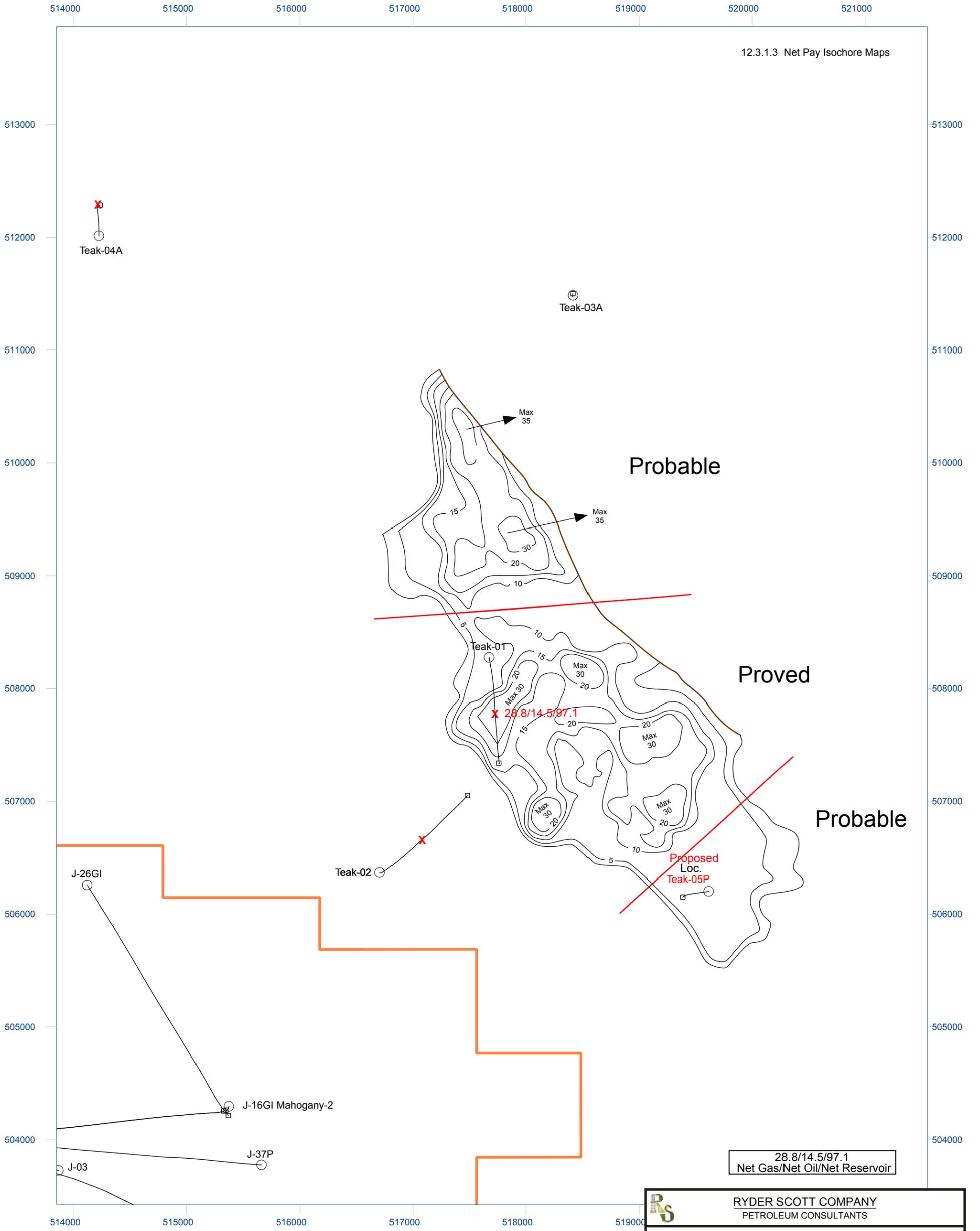
0/13.4/13.4
 Net Gas/Net Oil/Net Reservoir
 S.O. Shaded Out

 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
MAHOGANY FIELD Offshore, Ghana	
UM 3C 2P Net Oil Isochore	
Contour & well values in meters	Date: 12/31/2015 Initials: GFD Rev: _____
Scale: 1"=2667' Scale: 1: 32,000	
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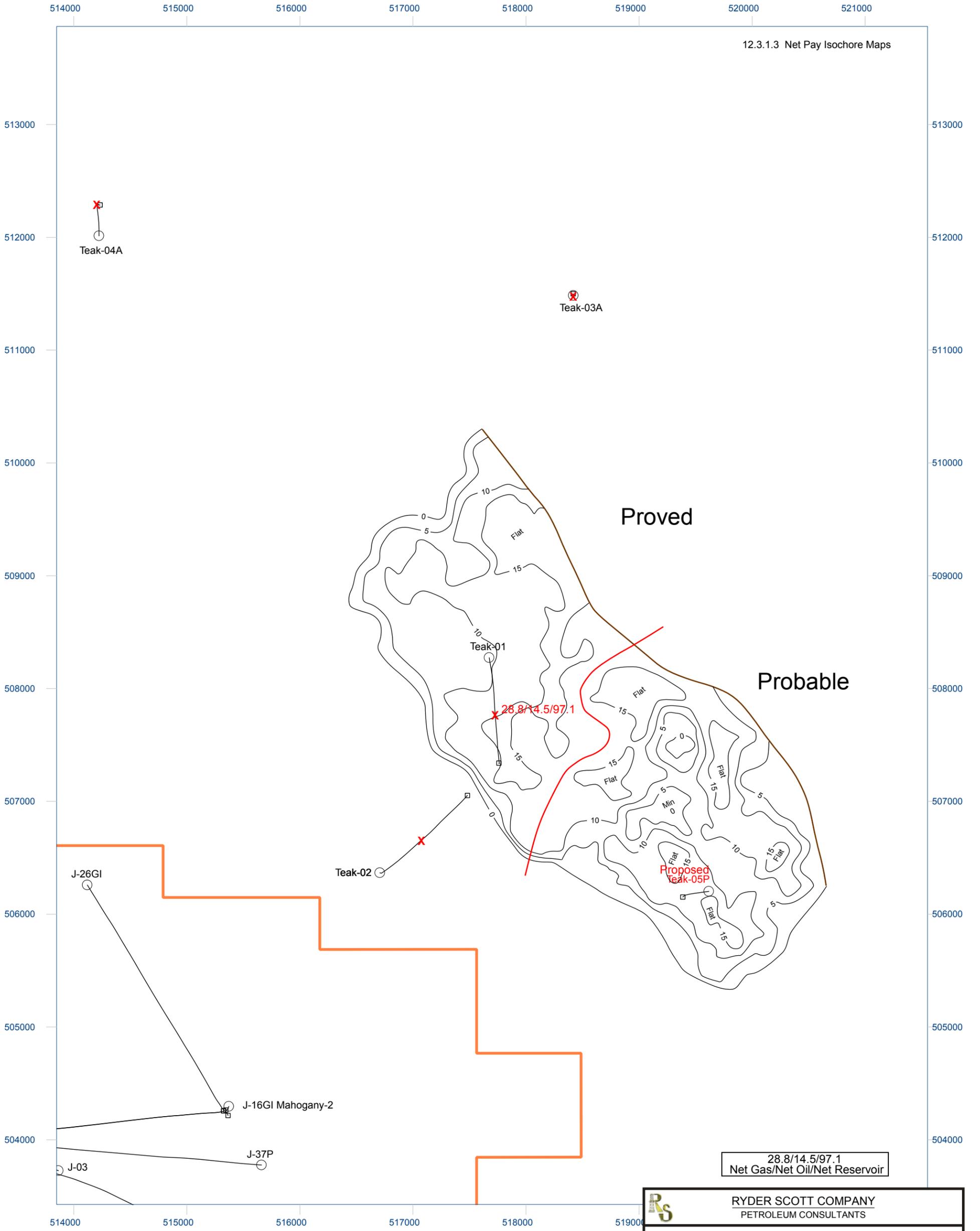
0/13.4/13.4
 Net Gas/Net Oil/Net Reservoir
 S.O. Shaded Out

 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
MAHOGANY FIELD Offshore, Ghana	
UM 3C 3P Net Oil Isochore	
Contour & well values in meters	
Scale: 1"=2667' Scale: 1: 32,000	Date: 12/31/2015 Initials: GFD Rev: Initials:
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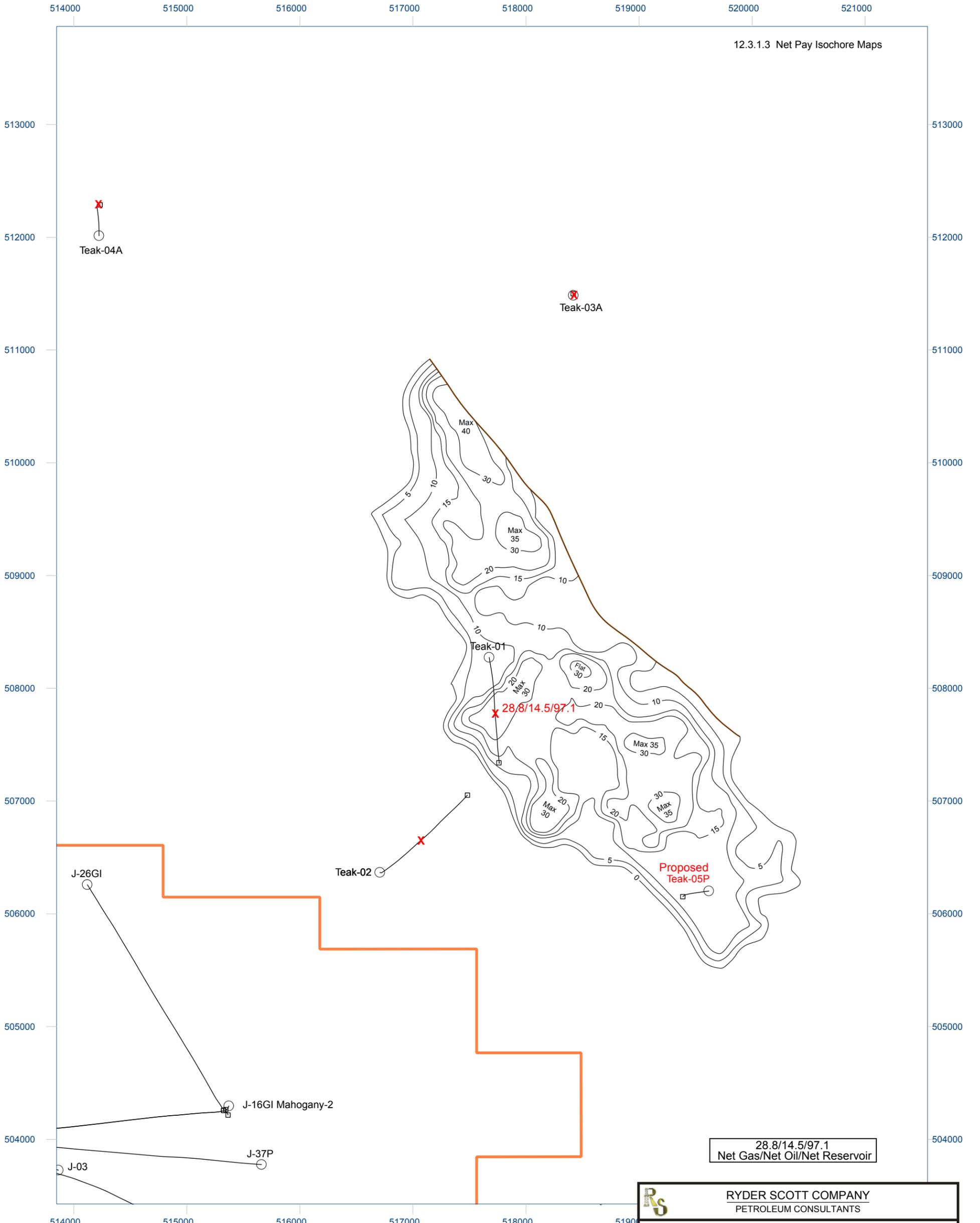
28.8/14.5/97.1
 Net Gas/Net Oil/Net Reservoir

	RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
	TEAK FIELD Offshore, Ghana	
Contour & well values in meters	Lower Campanian Fan 2P Net Gas Isochore	
	Scale: 1"=2667' Scale: 1: 32,000	
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28.8/14.5/97.1
 Net Gas/Net Oil/Net Reservoir

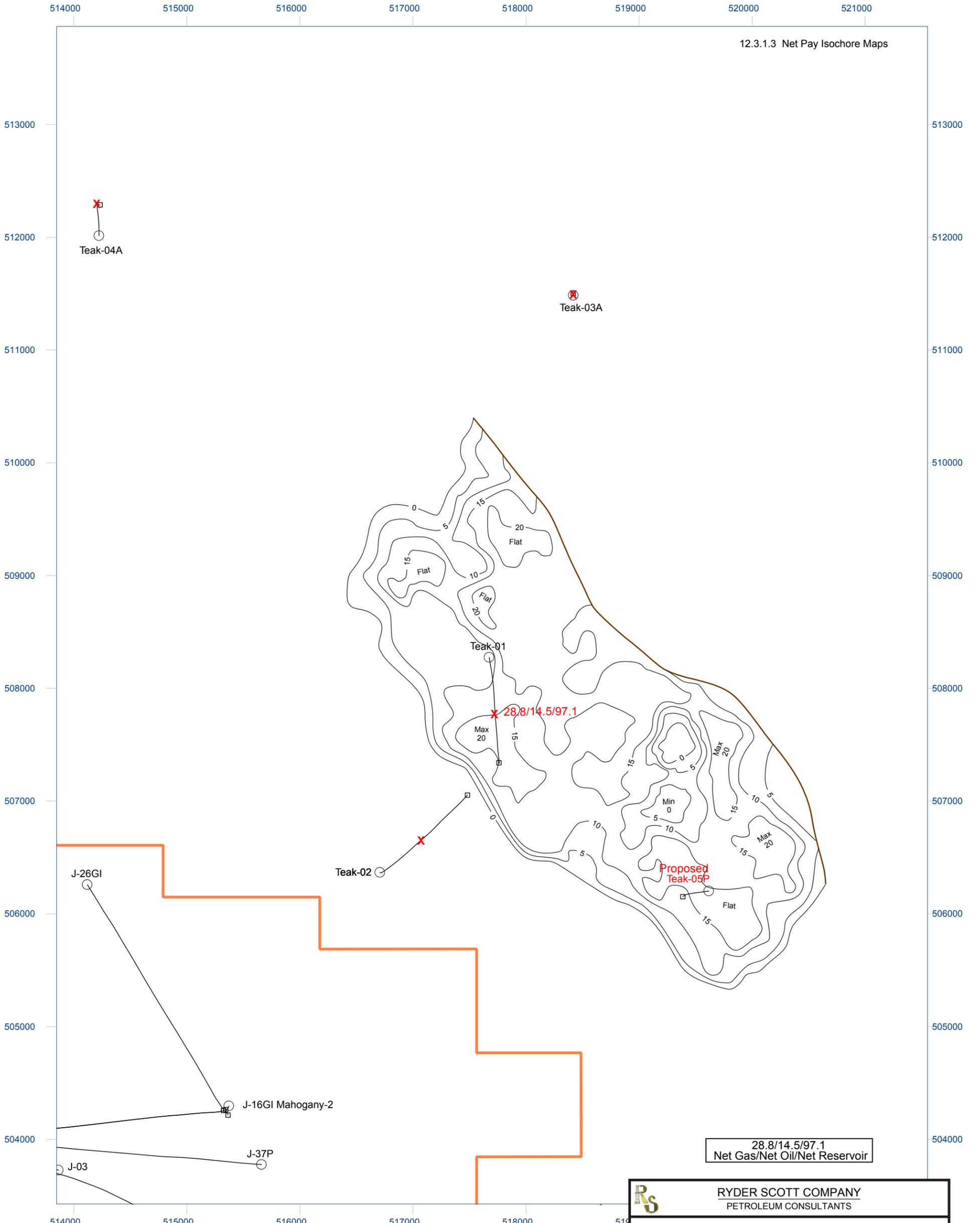
 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
TEAK FIELD Offshore, Ghana	
Lower Campanian Fan 2P Net Oil Isochore	
Contour & well values in meters	
Scale: 1"=2667' Scale: 1: 32,000	Date: 12/31/2014 Initials: GFD Rev: Initials:
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28.8/14.5/97.1
Net Gas/Net Oil/Net Reservoir

	RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
	TEAK FIELD Offshore, Ghana	
Contour & well values in meters	Lower Campanian Fan 3P Net Gas Isochore	
Scale: 1"=2667' Scale: 1: 32,000		Date: 12/31/2014 Initials: GFD Rev: Initials:
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12.3.1.3 Net Pay Isochore Maps



28.8/14.5/97.1
Net Gas/Net Oil/Net Reservoir

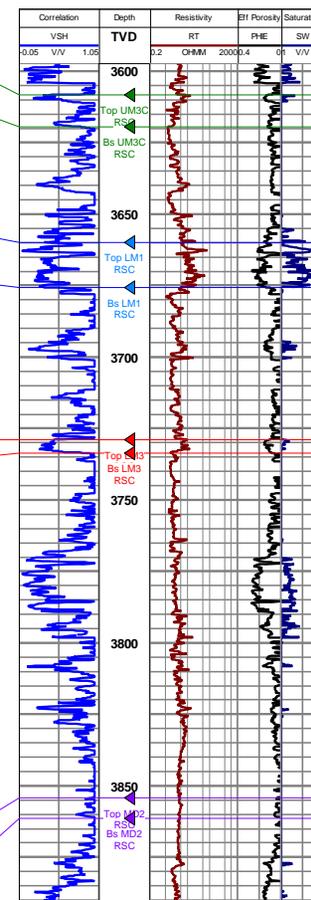
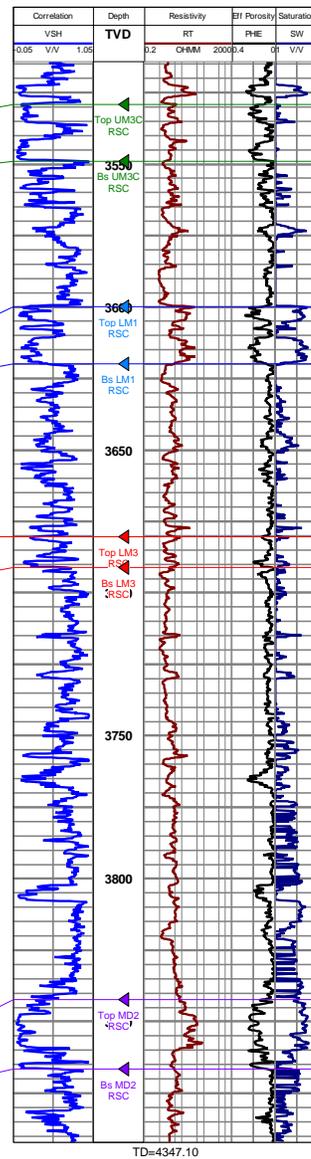
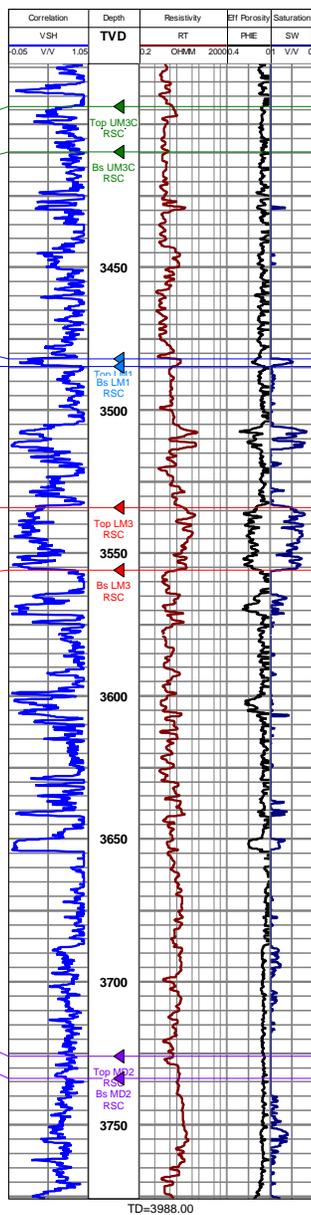
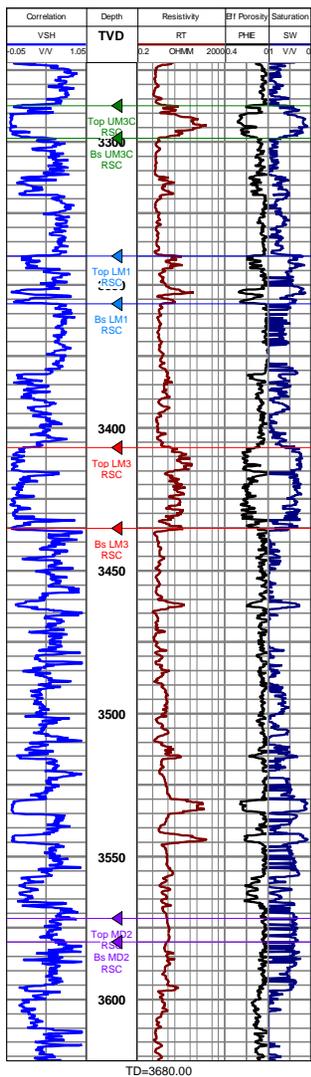
 RYDER SCOTT COMPANY PETROLEUM CONSULTANTS	
TEAK FIELD Offshore, Ghana	
Lower Campanian Fan 3P Net Oil Isochore	
Contour & well values in meters	
Scale: 1"=2667' Scale: 1: 32,000	Date: 12/31/2014 Initials: GFD Rev: Initials:
<small>This map and the data supporting this interpretation are the confidential work product of Ryder Scott Company prepared for the exclusive use of Kosmos. The reproduction, disclosure and/or distribution of this interpretation in any form is prohibited except to authorized parties by written consent of Ryder Scott Company. TBPE License No. F-1580</small>	

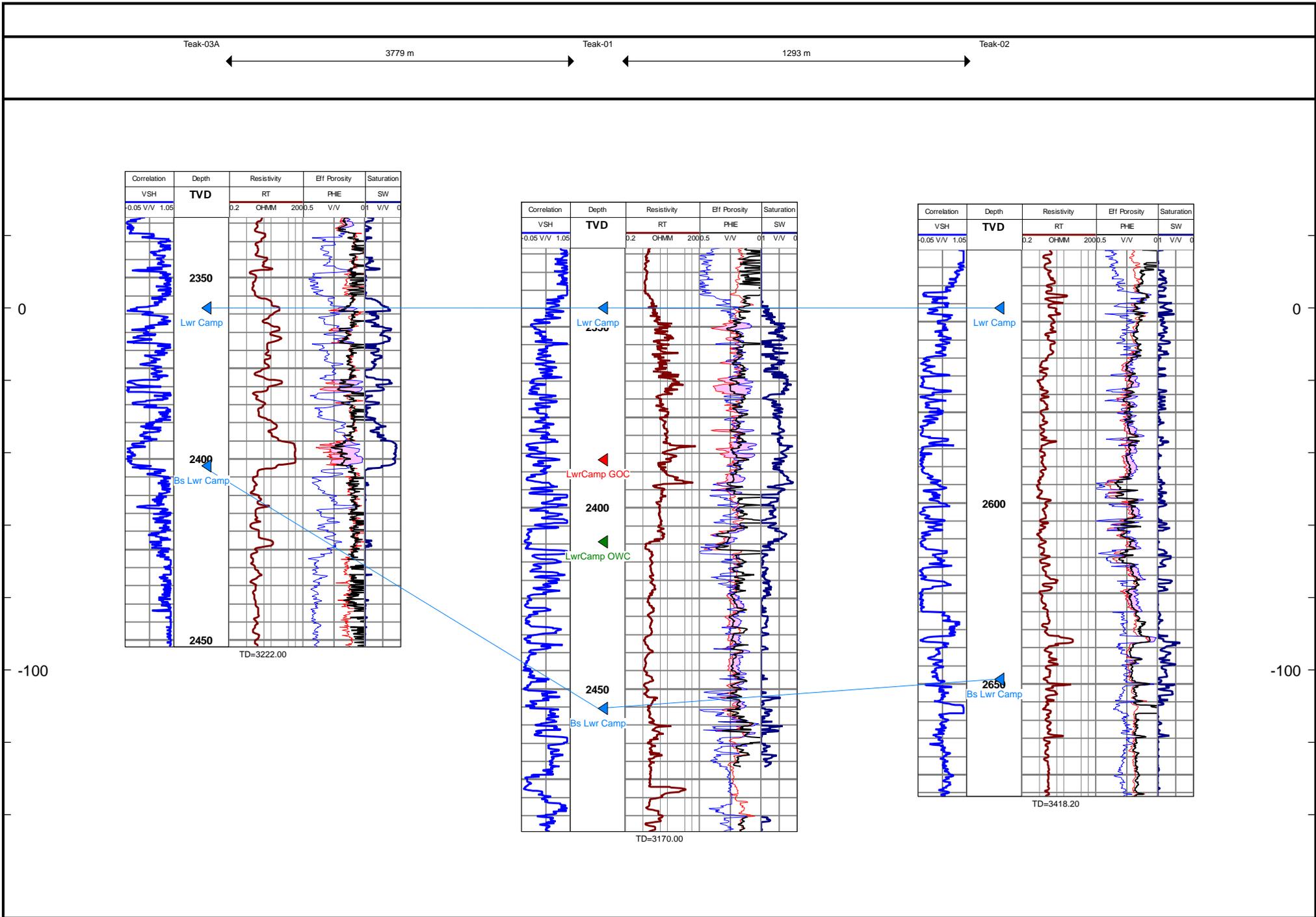
12.3.1.4 Reservoir Cross Section

M-04 1829 m M-05 2415 m M-03 2897 m MD-02-BP1

100
0
-100
-200

100
0
-100
-200





12.3.2 Engineering

12.3.2.1 Contingent Resource Summary
Table

MTA TOTAL CONTINGENT RESOURCES BY RESERVOIR

TEAK	Contingent Resources						OOIP/OGIP/OCIP					
	OIL/CONDENSATE (MMBO)			GAS (BCF)			OIL/CONDENSATE (MMBO)			GAS (BCF)		
	1C	2C	3C	1C	2C	3C	Low	Mid	High	Low	Mid	High
Reservoir												
Lower Campanian (Gas Cap)	1.4	2.6	3.1	32.4	59.9	72.1	2.1	3.6	4.4	49.8	85.5	103.0
Lower Campanian (Oil Rim)	5.1	12.7	20.4	3.9	9.8	15.8	28.1	53.0	61.9	21.7	41.0	47.9
TOTAL	6.4	15.3	23.5	36.3	69.7	87.9	30.2	56.7	66.3	71.6	126.6	151.0
MAHOGANY												
	OIL (MMBO)			GAS (BCF)			OIL (MMBO)			GAS (BCF)		
Reservoir	1C	2C	3C	1C	2C	3C	Low	Mid	High	Low	Mid	High
UM3C	12.2	27.4	53.8	18.8	42.2	82.9	58.0	85.6	112.1	89.3	131.8	172.6
LM1	13.0	30.6	47.1	10.9	25.6	39.5	72.1	127.4	142.7	60.5	106.8	119.7
LM3 NW	2.2	2.9	3.8	2.8	3.6	4.9	8.9	8.9	8.9	11.3	11.3	11.3
LM3 SE	19.0	30.1	46.2	24.0	38.2	58.4	75.9	94.2	107.3	96.1	119.2	135.9
MD-2		10.5	20.8		7.0	13.9		37.6	54.8		25.1	36.6
TOTAL	46.4	101.5	171.7	56.5	116.6	199.6	214.9	353.6	425.9	257.2	394.3	476.2
GRAND TOTAL	52.8	116.7	195.2	92.8	186.3	287.5	245.1	410.3	492.2	328.8	520.9	627.1

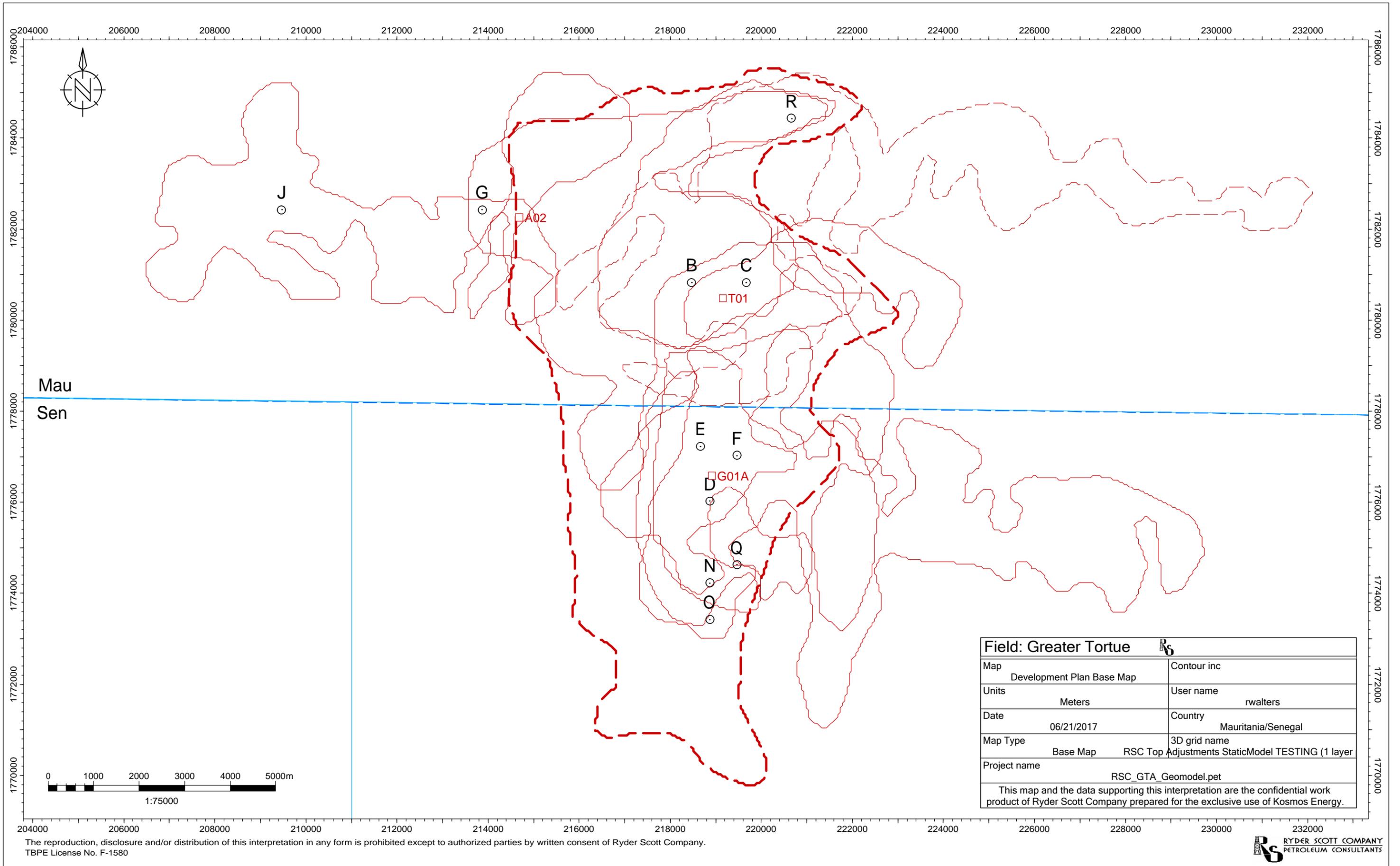
MTA CONTINGENT RESOURCES BY RESERVOIR - DEVELOPMENT PENDING

TEAK	Contingent Resources						OOIP/OGIP/OCIP					
	OIL/CONDENSATE (MMBO)			GAS (BCF)			OIL/CONDENSATE (MMBO)			GAS (BCF)		
	1C	2C	3C	1C	2C	3C	Low	Mid	High	Low	Mid	High
Reservoir												
Lower Campanian (Gas Cap)	,	2.6	3.1	32.4	59.9	72.1	2.1	3.6	4.4	49.8	85.5	103.0
Lower Campanian (Oil Rim)							28.1	53.0	61.9	21.7	41.0	47.9
TOTAL	0.0	2.6	3.1	32.4	59.9	72.1	30.2	56.7	66.3	71.6	126.6	151.0
MAHOGANY												
	OIL (MMBO)			GAS (BCF)			OIL (MMBO)			GAS (BCF)		
Reservoir	1C	2C	3C	1C	2C	3C	Low	Mid	High	Low	Mid	High
UM3C		27.4	53.8		42.2	82.9	58.0	85.6	112.1	89.3	131.8	172.6
LM1			47.1			39.5	72.1	127.4	142.7	60.5	106.8	119.7
LM3 NW	2.2	2.9	3.8	2.8	3.6	4.9	8.9	8.9	8.9	11.3	11.3	11.3
LM3 SE	19.0	30.1	46.2	24.0	38.2	58.4	75.9	94.2	107.3	96.1	119.2	135.9
MD-2			20.8			13.9		37.6	54.8		25.1	36.6
TOTAL	21.2	60.4	171.7	26.8	84.0	199.6	214.9	353.6	425.9	257.2	394.3	476.2
GRAND TOTAL	21.2	62.9	174.8	59.2	143.8	271.7	245.1	410.3	492.2	328.8	520.9	627.1

12.4 GTA Project Area

12.4.1 Geology

12.4.1.1 Development Plan Base Map



Field: Greater Tortue		
Map	Development Plan Base Map	Contour inc
Units	Meters	User name rwalters
Date	06/21/2017	Country Mauritania/Senegal
Map Type	Base Map	3D grid name RSC Top Adjustments StaticModel TESTING (1 layer)
Project name	RSC_GTA_Geomodel.pet	
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12.5 Economic and Financial Modeling

12.5.1 Gross and Net Economic Projections: Base Case

GRAND SUMMARY - COUNTRY OF GHANA
TOTAL PROVED PRODUCING RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	18	44,947	6,878	5,986	9,141	1,134	1,178	47.53	0.4850	0.0000
12-2018	18	51,710	12,666	5,735	10,670	2,089	1,137	52.29	1.0112	0.0000
12-2019	17	39,239	13,175	4,835	7,976	2,173	988	57.03	1.3008	0.0000
12-2020	18	33,124	9,717	4,557	6,792	1,602	943	57.04	1.4167	0.0000
12-2021	17	27,401	6,033	4,522	5,603	995	937	57.03	1.7341	0.0000
12-2022	17	22,427	1,946	4,750	4,457	321	974	57.03	1.1969	0.0000
12-2023	16	19,920	29	4,945	3,931	5	1,006	57.03	2.9100	0.0000
12-2024	16	17,936	0	4,986	3,555	0	1,014	57.03	0.0000	0.0000
12-2025	15	16,382	0	4,963	3,262	0	1,010	57.03	0.0000	0.0000
12-2026	15	13,729	0	4,968	2,703	0	1,010	57.03	0.0000	0.0000
12-2027	16	12,286	0	4,996	2,409	0	1,015	57.03	0.0000	0.0000
12-2028	16	10,429	0	5,012	2,021	0	1,018	57.03	0.0000	0.0000
12-2029	16	9,085	0	4,993	1,748	0	1,014	57.02	0.0000	0.0000
12-2030	15	8,319	0	4,988	1,597	0	1,014	57.02	0.0000	0.0000
12-2031	10	3,617	0	2,993	827	0	685	57.05	0.0000	0.0000
12-2032	9	3,548	0	3,001	812	0	686	57.05	0.0000	0.0000
12-2033	9	3,499	0	2,993	800	0	685	57.05	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	18	337,599	50,445	79,225	68,303	8,318	16,314			
REM	0	0	0	0	0	0	0			
TOTAL	18	337,599	50,445	79,225	68,303	8,318	16,314			
CUMULATIVE ULTIMATE		193,029	0	79,225						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	2,136,518	3,336	2,139,854	693,854	130,104	0	823,958	1,315,896	1,254,658	1,254,658
12-2018	2,703,726	12,809	2,716,534	611,491	117,760	0	729,251	1,929,129	1,672,139	2,926,797
12-2019	2,237,962	17,138	2,255,101	524,571	104,360	0	628,931	1,469,142	1,157,663	4,084,459
12-2020	1,889,222	13,766	1,902,988	468,295	126,137	0	594,433	1,275,558	913,747	4,998,206
12-2021	1,562,824	10,462	1,573,286	403,971	79,093	0	483,064	1,090,190	709,962	5,708,168
12-2022	1,279,012	2,330	1,281,341	380,120	82,154	0	462,274	819,175	484,972	6,193,140
12-2023	1,136,021	84	1,136,105	416,887	84,450	0	501,337	634,686	341,591	6,534,732
12-2024	1,022,902	0	1,022,902	409,343	84,833	0	494,176	528,674	258,668	6,793,400
12-2025	934,277	0	934,277	387,637	84,833	0	472,470	461,871	205,439	6,998,839
12-2026	782,933	0	782,933	368,973	84,833	0	453,806	329,126	133,086	7,131,924
12-2027	700,642	0	700,642	317,301	85,216	0	402,517	298,150	109,600	7,241,525
12-2028	594,720	0	594,720	305,597	85,216	0	390,813	203,904	68,141	7,309,666
12-2029	518,063	0	518,063	315,770	85,216	0	400,985	117,150	35,590	7,345,256
12-2030	474,376	0	474,376	265,152	60,216	0	325,368	149,144	41,191	7,386,447
12-2031	206,345	0	206,345	117,342	34,577	0	151,920	54,426	13,665	7,400,112
12-2032	202,437	0	202,437	115,114	34,577	0	149,691	52,746	12,039	7,412,152
12-2033	199,624	0	199,624	115,268	34,577	0	149,845	49,780	10,329	7,422,481
12-2034	0	0	0	0	0	0	0	0	0	7,422,481
S-TOT	18,581,605	59,924	18,641,529	6,216,686	1,398,153		7,614,839	10,778,746	7,422,481	
REM	0	0	0	0	0		0	0	0	
TOTAL	18,581,605	59,924	18,641,529	6,216,686	1,398,153		7,614,839	10,778,746	7,422,481	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	457,432	567	458,000	141,122	24,720	0	165,842	292,158	278,562	278,562
12-2018	587,276	2,177	589,454	124,425	22,374	0	146,799	431,605	374,109	652,670
12-2019	478,902	2,914	481,816	110,429	21,792	0	132,221	319,759	251,966	904,636
12-2020	407,818	2,340	410,158	98,018	28,428	0	126,446	277,443	198,747	1,103,383
12-2021	336,409	1,778	338,188	83,969	19,489	0	103,458	234,724	152,859	1,256,242
12-2022	267,564	396	267,960	77,520	20,071	0	97,591	170,390	100,875	1,357,117
12-2023	236,017	14	236,032	86,401	20,507	0	106,908	129,108	69,487	1,426,604
12-2024	213,448	0	213,448	82,728	20,580	0	103,308	110,130	53,884	1,480,488
12-2025	195,848	0	195,848	79,603	20,580	0	100,182	95,677	42,557	1,523,045
12-2026	162,262	0	162,262	73,697	20,580	0	94,276	67,985	27,491	1,550,535
12-2027	144,595	0	144,595	66,429	20,653	0	87,081	57,518	21,144	1,571,679
12-2028	121,300	0	121,300	61,918	20,653	0	82,570	38,730	12,943	1,584,622
12-2029	104,906	0	104,906	66,039	20,653	0	86,692	18,228	5,538	1,590,160
12-2030	95,850	0	95,850	54,547	13,939	0	68,486	27,390	7,565	1,597,724
12-2031	49,682	0	49,682	28,253	9,068	0	37,320	12,362	3,104	1,600,828
12-2032	48,741	0	48,741	27,716	9,068	0	36,784	11,957	2,729	1,603,557
12-2033	48,064	0	48,064	27,753	9,068	0	36,821	11,243	2,333	1,605,890
12-2034	0	0	0	0	0	0	0	0	0	1,605,890
S-TOT	3,956,116	10,187	3,966,303	1,290,565	322,220		1,612,784	2,306,409	1,605,890	
REM	0	0	0	0	0		0	0	0	
TOTAL	3,956,116	10,187	3,966,303	1,290,565	322,220		1,612,784	2,306,409	1,605,890	

LIFE - 17 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	457,432	567	458,000	141,122	24,720	9,061	174,903	283,097	269,922	269,922
12-2018	587,276	2,177	589,454	124,425	22,374	84,613	231,412	346,992	300,767	570,689
12-2019	478,902	2,914	481,816	110,429	21,792	89,221	221,441	230,539	181,661	752,351
12-2020	407,818	2,340	410,158	98,018	28,428	90,502	216,947	186,942	133,916	886,267
12-2021	336,409	1,778	338,188	83,969	19,489	78,548	182,006	156,176	101,706	987,973
12-2022	267,564	396	267,960	77,520	20,071	53,663	151,254	116,727	69,105	1,057,078
12-2023	236,017	14	236,032	86,401	20,507	40,829	147,737	88,280	47,513	1,104,591
12-2024	213,448	0	213,448	82,728	20,580	36,228	139,536	73,902	36,159	1,140,749
12-2025	195,848	0	195,848	79,603	20,580	34,118	134,301	61,559	27,381	1,168,130
12-2026	162,262	0	162,262	73,697	20,580	23,165	117,441	44,820	18,124	1,186,254
12-2027	144,595	0	144,595	66,429	20,653	20,754	107,835	36,765	13,515	1,199,769
12-2028	121,300	0	121,300	61,918	20,653	12,934	95,504	25,796	8,621	1,208,389
12-2029	104,906	0	104,906	66,039	20,653	7,003	93,695	11,225	3,410	1,211,799
12-2030	95,850	0	95,850	54,547	13,939	5,972	74,458	21,418	5,915	1,217,715
12-2031	49,682	0	49,682	28,253	9,068	1,737	39,057	10,625	2,668	1,220,382
12-2032	48,741	0	48,741	27,716	9,068	2,655	39,439	9,302	2,123	1,222,506
12-2033	48,064	0	48,064	27,753	9,068	2,875	39,696	8,368	1,736	1,224,242
12-2034	0	0	0	0	0	0	0	0	0	1,224,242
S-TOT	3,956,116	10,187	3,966,303	1,290,565	322,220	593,877	2,206,661	1,712,532	1,224,242	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	3,956,116	10,187	3,966,303	1,290,565	322,220	593,877	2,206,661	1,712,532	1,224,242	

LIFE - 17 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - JUBILEE PROJECT AREA
TOTAL PROVED PRODUCING RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	13	27,998	0	2,993	6,404	0	685	47.55	0.0000	0.0000
12-2018	13	34,483	0	2,993	7,887	0	685	52.30	0.0000	0.0000
12-2019	12	24,382	0	2,993	5,577	0	685	57.05	0.0000	0.0000
12-2020	13	21,460	0	3,001	4,909	0	686	57.05	0.0000	0.0000
12-2021	12	17,517	0	2,993	4,007	0	685	57.05	0.0000	0.0000
12-2022	12	12,416	0	2,993	2,840	0	685	57.05	0.0000	0.0000
12-2023	11	10,623	0	2,993	2,430	0	685	57.05	0.0000	0.0000
12-2024	11	9,796	0	3,001	2,241	0	686	57.05	0.0000	0.0000
12-2025	10	9,169	0	2,993	2,097	0	685	57.05	0.0000	0.0000
12-2026	10	7,223	0	2,993	1,652	0	685	57.05	0.0000	0.0000
12-2027	11	6,312	0	2,993	1,444	0	685	57.05	0.0000	0.0000
12-2028	11	5,002	0	3,001	1,144	0	686	57.05	0.0000	0.0000
12-2029	11	4,170	0	2,993	954	0	685	57.05	0.0000	0.0000
12-2030	10	3,766	0	2,993	861	0	685	57.05	0.0000	0.0000
12-2031	10	3,617	0	2,993	827	0	685	57.05	0.0000	0.0000
12-2032	9	3,548	0	3,001	812	0	686	57.05	0.0000	0.0000
12-2033	9	3,499	0	2,993	800	0	685	57.05	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	13	204,979	0	50,914	46,885	0	11,646			
REM	0	0	0	0	0	0	0			
TOTAL	13	204,979	0	50,914	46,885	0	11,646			
CUMULATIVE ULTIMATE		187,709	0	50,914						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	1,331,399	0	1,331,399	267,618	0	0	267,618	1,063,781	1,014,275	1,014,275
12-2018	1,803,602	0	1,803,602	234,535	0	0	234,535	1,569,067	1,360,043	2,374,318
12-2019	1,391,083	0	1,391,083	263,519	25,000	0	288,519	1,102,565	868,805	3,243,123
12-2020	1,224,380	0	1,224,380	229,133	59,577	0	288,710	935,670	670,268	3,913,391
12-2021	999,410	0	999,410	185,585	59,577	0	245,162	754,248	491,187	4,404,578
12-2022	708,375	0	708,375	147,204	59,577	0	206,781	501,594	296,956	4,701,534
12-2023	606,093	0	606,093	180,489	59,577	0	240,066	366,027	196,997	4,898,532
12-2024	558,910	0	558,910	146,167	59,577	0	205,744	353,166	172,796	5,071,328
12-2025	523,103	0	523,103	156,600	59,577	0	216,178	306,925	136,520	5,207,847
12-2026	412,077	0	412,077	119,406	59,577	0	178,983	233,094	94,254	5,302,102
12-2027	360,112	0	360,112	155,769	59,577	0	215,346	144,766	53,216	5,355,318
12-2028	285,400	0	285,400	120,118	59,577	0	179,696	105,704	35,325	5,390,642
12-2029	237,888	0	237,888	153,982	59,577	0	213,559	24,329	7,391	5,398,034
12-2030	214,867	0	214,867	117,086	34,577	0	151,664	63,204	17,456	5,415,489
12-2031	206,345	0	206,345	117,342	34,577	0	151,920	54,426	13,665	5,429,154
12-2032	202,437	0	202,437	115,114	34,577	0	149,691	52,746	12,039	5,441,194
12-2033	199,624	0	199,624	115,268	34,577	0	149,845	49,780	10,329	5,451,523
12-2034	0	0	0	0	0	0	0	0	0	5,451,523
S-TOT	11,265,108	0	11,265,108	2,824,936	759,081	0	3,584,017	7,681,091	5,451,523	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	11,265,108	0	11,265,108	2,824,936	759,081	0	3,584,017	7,681,091	5,451,523	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	320,562	0	320,562	64,435	0	0	64,435	256,128	244,208	244,208
12-2018	434,255	0	434,255	56,469	0	0	56,469	377,786	327,459	571,667
12-2019	334,933	0	334,933	63,448	6,714	0	70,161	264,771	208,636	780,303
12-2020	294,795	0	294,795	55,169	15,781	0	70,950	223,845	160,352	940,655
12-2021	240,629	0	240,629	44,683	15,781	0	60,465	180,164	117,328	1,057,983
12-2022	170,556	0	170,556	35,443	15,781	0	51,224	119,332	70,648	1,128,630
12-2023	145,930	0	145,930	43,457	15,781	0	59,238	86,692	46,658	1,175,288
12-2024	134,569	0	134,569	35,193	15,781	0	50,974	83,595	40,901	1,216,190
12-2025	125,948	0	125,948	37,705	15,781	0	53,486	72,462	32,231	1,248,421
12-2026	99,216	0	99,216	28,749	15,781	0	44,531	54,686	22,113	1,270,533
12-2027	86,705	0	86,705	37,505	15,781	0	53,286	33,419	12,285	1,282,818
12-2028	68,716	0	68,716	28,921	15,781	0	44,702	24,014	8,025	1,290,843
12-2029	57,277	0	57,277	37,074	15,781	0	52,856	4,421	1,343	1,292,186
12-2030	51,734	0	51,734	28,191	9,068	0	37,259	14,475	3,998	1,296,184
12-2031	49,682	0	49,682	28,253	9,068	0	37,320	12,362	3,104	1,299,288
12-2032	48,741	0	48,741	27,716	9,068	0	36,784	11,957	2,729	1,302,017
12-2033	48,064	0	48,064	27,753	9,068	0	36,821	11,243	2,333	1,304,350
12-2034	0	0	0	0	0	0	0	0	0	1,304,350
S-TOT	2,712,311	0	2,712,311	680,163	200,796	0	880,959	1,831,353	1,304,350	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	2,712,311	0	2,712,311	680,163	200,796	0	880,959	1,831,353	1,304,350	

LIFE - 17 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	320,562	0	320,562	64,435	0	56,062	120,496	200,066	190,755	190,755
12-2018	434,255	0	434,255	56,469	0	111,878	168,347	265,908	230,485	421,241
12-2019	334,933	0	334,933	63,448	6,714	87,544	157,706	177,227	139,652	560,893
12-2020	294,795	0	294,795	55,169	15,781	77,813	148,763	146,033	104,610	665,503
12-2021	240,629	0	240,629	44,683	15,781	65,767	126,232	114,397	74,499	740,002
12-2022	170,556	0	170,556	35,443	15,781	41,057	92,280	78,276	46,341	786,343
12-2023	145,930	0	145,930	43,457	15,781	31,522	90,760	55,170	29,693	816,036
12-2024	134,569	0	134,569	35,193	15,781	28,079	79,053	55,517	27,163	843,199
12-2025	125,948	0	125,948	37,705	15,781	26,541	80,028	45,920	20,425	863,624
12-2026	99,216	0	99,216	28,749	15,781	19,960	62,491	36,725	14,850	878,475
12-2027	86,705	0	86,705	37,505	15,781	12,876	66,162	20,542	7,551	886,026
12-2028	68,716	0	68,716	28,921	15,781	7,225	51,927	16,789	5,611	891,637
12-2029	57,277	0	57,277	37,074	15,781	2,727	55,583	1,694	515	892,151
12-2030	51,734	0	51,734	28,191	9,068	2,007	39,265	12,469	3,444	895,595
12-2031	49,682	0	49,682	28,253	9,068	1,737	39,057	10,625	2,668	898,263
12-2032	48,741	0	48,741	27,716	9,068	2,655	39,439	9,302	2,123	900,386
12-2033	48,064	0	48,064	27,753	9,068	2,875	39,696	8,368	1,736	902,122
12-2034	0	0	0	0	0	0	0	0	0	902,122
S-TOT	2,712,311	0	2,712,311	680,163	200,796	576,325	1,457,283	1,255,028	902,122	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	2,712,311	0	2,712,311	680,163	200,796	576,325	1,457,283	1,255,028	902,122	

LIFE - 17 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - TEN PROJECT AREA

TOTAL PROVED PRODUCING RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	5	16,950	6,878	2,993	2,737	1,134	494	47.50	0.4850	0.0000
12-2018	5	17,227	12,666	2,742	2,782	2,089	452	52.25	1.0112	0.0000
12-2019	5	14,858	13,175	1,842	2,399	2,173	304	57.00	1.3008	0.0000
12-2020	5	11,664	9,717	1,556	1,884	1,602	257	57.00	1.4167	0.0000
12-2021	5	9,884	6,033	1,529	1,596	995	252	57.00	1.7341	0.0000
12-2022	5	10,011	1,946	1,757	1,617	321	290	57.00	1.1969	0.0000
12-2023	5	9,297	29	1,952	1,501	5	322	57.00	2.9100	0.0000
12-2024	5	8,140	0	1,985	1,315	0	327	57.00	0.0000	0.0000
12-2025	5	7,214	0	1,970	1,165	0	325	57.00	0.0000	0.0000
12-2026	5	6,506	0	1,975	1,051	0	326	57.00	0.0000	0.0000
12-2027	5	5,974	0	2,003	965	0	330	57.00	0.0000	0.0000
12-2028	5	5,427	0	2,011	876	0	332	57.00	0.0000	0.0000
12-2029	5	4,915	0	2,000	794	0	330	57.00	0.0000	0.0000
12-2030	5	4,553	0	1,995	735	0	329	57.00	0.0000	0.0000
12-2031	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2032	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2033	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	5	132,620	50,445	28,312	21,418	8,318	4,669			
REM	0	0	0	0	0	0	0			
TOTAL	5	132,620	50,445	28,312	21,418	8,318	4,669			
CUMULATIVE ULTIMATE		5,320	0	28,312						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	805,119	3,336	808,455	426,236	130,104	0	556,340	252,115	240,382	240,382
12-2018	900,124	12,809	912,932	376,956	117,760	0	494,716	360,062	312,096	552,479
12-2019	846,879	17,138	864,018	261,052	79,360	0	340,412	366,577	288,858	841,336
12-2020	664,841	13,766	678,607	239,162	66,560	0	305,722	339,889	243,479	1,084,816
12-2021	563,414	10,462	573,876	218,387	19,516	0	237,902	335,941	218,774	1,303,590
12-2022	570,637	2,330	572,966	232,916	22,577	0	255,493	317,581	188,016	1,491,606
12-2023	529,928	84	530,012	236,398	24,873	0	261,271	268,660	144,594	1,636,200
12-2024	463,991	0	463,991	263,176	25,256	0	288,432	175,508	85,872	1,722,072
12-2025	411,174	0	411,174	231,036	25,256	0	256,292	154,945	68,919	1,790,991
12-2026	370,856	0	370,856	249,568	25,256	0	274,823	96,031	38,831	1,829,823
12-2027	340,530	0	340,530	161,532	25,638	0	187,171	153,384	56,384	1,886,207
12-2028	309,320	0	309,320	185,479	25,638	0	211,117	98,200	32,817	1,919,024
12-2029	280,175	0	280,175	161,788	25,638	0	187,426	92,821	28,199	1,947,223
12-2030	259,509	0	259,509	148,066	25,638	0	173,704	85,940	23,735	1,970,958
12-2031	0	0	0	0	0	0	0	0	0	1,970,958
12-2032	0	0	0	0	0	0	0	0	0	1,970,958
12-2033	0	0	0	0	0	0	0	0	0	1,970,958
12-2034	0	0	0	0	0	0	0	0	0	1,970,958
S-TOT	7,316,497	59,924	7,376,421	3,391,750	639,072	0	4,030,822	3,097,655	1,970,958	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	7,316,497	59,924	7,376,421	3,391,750	639,072	0	4,030,822	3,097,655	1,970,958	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	136,870	567	137,437	76,687	24,720	0	101,407	36,030	34,354	34,354
12-2018	153,021	2,177	155,198	67,955	22,374	0	90,330	53,819	46,650	81,004
12-2019	143,969	2,914	146,883	46,981	15,078	0	62,059	54,988	43,330	124,333
12-2020	113,023	2,340	115,363	42,849	12,646	0	55,496	53,598	38,395	162,728
12-2021	95,780	1,778	97,559	39,285	3,708	0	42,993	54,560	35,531	198,259
12-2022	97,008	396	97,404	42,078	4,290	0	46,367	51,057	30,227	228,487
12-2023	90,088	14	90,102	42,944	4,726	0	47,670	42,417	22,829	251,315
12-2024	78,879	0	78,879	47,535	4,799	0	52,334	26,535	12,983	264,298
12-2025	69,900	0	69,900	41,898	4,799	0	46,696	23,215	10,326	274,624
12-2026	63,046	0	63,046	44,947	4,799	0	49,746	13,300	5,378	280,002
12-2027	57,890	0	57,890	28,924	4,871	0	33,795	24,099	8,859	288,861
12-2028	52,584	0	52,584	32,997	4,871	0	37,868	14,716	4,918	293,779
12-2029	47,630	0	47,630	28,965	4,871	0	33,836	13,807	4,195	297,974
12-2030	44,117	0	44,117	26,356	4,871	0	31,228	12,915	3,567	301,540
12-2031	0	0	0	0	0	0	0	0	0	301,540
12-2032	0	0	0	0	0	0	0	0	0	301,540
12-2033	0	0	0	0	0	0	0	0	0	301,540
12-2034	0	0	0	0	0	0	0	0	0	301,540
S-TOT	1,243,805	10,187	1,253,992	610,402	121,424	0	731,826	475,057	301,540	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	1,243,805	10,187	1,253,992	610,402	121,424	0	731,826	475,057	301,540	

LIFE - 14 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	136,870	567	137,437	76,687	24,720	(47,000)	54,407	83,031	79,167	79,167
12-2018	153,021	2,177	155,198	67,955	22,374	(27,265)	63,065	81,084	70,282	149,449
12-2019	143,969	2,914	146,883	46,981	15,078	1,677	63,736	53,312	42,009	191,458
12-2020	113,023	2,340	115,363	42,849	12,646	12,689	68,184	40,909	29,305	220,763
12-2021	95,780	1,778	97,559	39,285	3,708	12,781	55,774	41,778	27,207	247,971
12-2022	97,008	396	97,404	42,078	4,290	12,606	58,973	38,451	22,764	270,735
12-2023	90,088	14	90,102	42,944	4,726	9,307	56,977	33,110	17,820	288,554
12-2024	78,879	0	78,879	47,535	4,799	8,149	60,483	18,385	8,996	297,550
12-2025	69,900	0	69,900	41,898	4,799	7,577	54,273	15,638	6,956	304,506
12-2026	63,046	0	63,046	44,947	4,799	5,205	54,950	8,095	3,273	307,779
12-2027	57,890	0	57,890	28,924	4,871	7,877	41,673	16,222	5,963	313,743
12-2028	52,584	0	52,584	32,997	4,871	5,709	43,577	9,007	3,010	316,753
12-2029	47,630	0	47,630	28,965	4,871	4,276	38,112	9,531	2,896	319,648
12-2030	44,117	0	44,117	26,356	4,871	3,965	35,193	8,950	2,472	322,120
12-2031	0	0	0	0	0	0	0	0	0	322,120
12-2032	0	0	0	0	0	0	0	0	0	322,120
12-2033	0	0	0	0	0	0	0	0	0	322,120
12-2034	0	0	0	0	0	0	0	0	0	322,120
S-TOT	1,243,805	10,187	1,253,992	610,402	121,424	17,552	749,378	457,504	322,120	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	1,243,805	10,187	1,253,992	610,402	121,424	17,552	749,378	457,504	322,120	

LIFE - 14 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - COUNTRY OF GHANA

TOTAL PROVED UNDEVELOPED RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2018	1	1,575	1,158	251	254	191	41	52.25	1.0112	0.0000
12-2019	5	9,278	8,227	1,151	1,498	1,357	190	57.00	1.3008	0.0000
12-2020	6	10,830	9,022	1,445	1,749	1,488	238	57.00	1.4167	0.0000
12-2021	6	9,465	5,777	1,464	1,529	953	241	57.00	1.7341	0.0000
12-2022	6	7,038	1,368	1,236	1,137	226	204	57.00	1.1969	0.0000
12-2023	6	4,960	15	1,041	801	3	172	57.00	2.9100	0.0000
12-2024	6	4,168	0	1,016	673	0	168	57.00	0.0000	0.0000
12-2025	6	3,744	0	1,023	605	0	169	57.00	0.0000	0.0000
12-2026	6	3,351	0	1,018	541	0	168	57.00	0.0000	0.0000
12-2027	6	2,951	0	990	477	0	163	57.00	0.0000	0.0000
12-2028	6	2,672	0	990	431	0	163	57.00	0.0000	0.0000
12-2029	6	2,442	0	993	394	0	164	57.00	0.0000	0.0000
12-2030	6	2,279	0	998	368	0	165	57.00	0.0000	0.0000
12-2031	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2032	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2033	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	6	64,753	25,569	13,615	10,458	4,216	2,245			
REM	0	0	0	0	0	0	0			
TOTAL	6	64,753	25,569	13,615	10,458	4,216	2,245			
CUMULATIVE ULTIMATE		0	0	0						
		64,753	25,569	13,615						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	82,313	1,171	83,484	34,471	74,240	0	108,711	32,926	28,540	28,540
12-2019	528,831	10,702	539,533	163,013	304,640	0	467,653	228,908	180,376	208,916
12-2020	617,337	12,782	630,119	222,073	125,440	0	347,513	315,603	226,082	434,998
12-2021	539,500	10,018	549,518	209,117	18,751	0	227,868	321,683	209,489	644,487
12-2022	401,186	1,638	402,823	163,751	15,689	0	179,440	223,275	132,185	776,671
12-2023	282,694	45	282,739	126,108	13,393	0	139,502	143,319	77,135	853,806
12-2024	237,598	0	237,598	134,766	13,011	0	147,776	89,873	43,973	897,779
12-2025	213,392	0	213,392	119,904	13,011	0	132,915	80,414	35,768	933,547
12-2026	191,025	0	191,025	128,550	13,011	0	141,561	49,465	20,002	953,549
12-2027	168,215	0	168,215	79,794	12,628	0	92,422	75,769	27,853	981,401
12-2028	152,293	0	152,293	91,320	12,628	0	103,948	48,349	16,157	997,559
12-2029	139,171	0	139,171	80,364	12,628	0	92,992	46,107	14,007	1,011,566
12-2030	129,877	0	129,877	74,103	12,628	0	86,731	43,011	11,879	1,023,445
12-2031	0	0	0	0	0	0	0	0	0	1,023,445
12-2032	0	0	0	0	0	0	0	0	0	1,023,445
12-2033	0	0	0	0	0	0	0	0	0	1,023,445
12-2034	0	0	0	0	0	0	0	0	0	1,023,445
S-TOT	3,683,432	36,356	3,719,788	1,627,335	641,696		2,269,031	1,698,700	1,023,445	
REM	0	0	0	0	0		0	0	0	
TOTAL	3,683,432	36,356	3,719,788	1,627,335	641,696		2,269,031	1,698,700	1,023,445	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	13,993	199	14,192	6,214	14,106	0	20,320	4,922	4,266	4,266
12-2019	89,901	1,819	91,721	29,337	57,882	0	87,219	34,337	27,057	31,323
12-2020	104,947	2,173	107,120	39,788	23,834	0	63,621	49,768	35,652	66,975
12-2021	91,715	1,703	93,418	37,618	3,563	0	41,180	52,244	34,023	100,997
12-2022	68,202	278	68,480	29,583	2,981	0	32,564	35,896	21,251	122,249
12-2023	48,058	8	48,066	22,909	2,545	0	25,454	22,627	12,178	134,427
12-2024	40,392	0	40,392	24,342	2,472	0	26,814	13,588	6,648	141,075
12-2025	36,277	0	36,277	21,744	2,472	0	24,216	12,048	5,359	146,434
12-2026	32,474	0	32,474	23,152	2,472	0	25,624	6,851	2,770	149,204
12-2027	28,597	0	28,597	14,288	2,399	0	16,687	11,905	4,376	153,580
12-2028	25,890	0	25,890	16,246	2,399	0	18,645	7,245	2,421	156,002
12-2029	23,659	0	23,659	14,388	2,399	0	16,787	6,858	2,084	158,085
12-2030	22,079	0	22,079	13,191	2,399	0	15,590	6,463	1,785	159,870
12-2031	0	0	0	0	0	0	0	0	0	159,870
12-2032	0	0	0	0	0	0	0	0	0	159,870
12-2033	0	0	0	0	0	0	0	0	0	159,870
12-2034	0	0	0	0	0	0	0	0	0	159,870
S-TOT	626,183	6,180	632,364	292,798	121,922		414,720	264,753	159,870	
REM	0	0	0	0	0		0	0	0	
TOTAL	626,183	6,180	632,364	292,798	121,922		414,720	264,753	159,870	

LIFE - 14 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	13,993	199	14,192	6,214	14,106	(2,493)	17,827	7,415	6,427	6,427
12-2019	89,901	1,819	91,721	29,337	57,882	1,047	88,266	33,290	26,232	32,659
12-2020	104,947	2,173	107,120	39,788	23,834	11,782	75,403	37,986	27,212	59,871
12-2021	91,715	1,703	93,418	37,618	3,563	12,239	53,419	40,005	26,052	85,923
12-2022	68,202	278	68,480	29,583	2,981	8,863	41,426	27,033	16,004	101,928
12-2023	48,058	8	48,066	22,909	2,545	4,965	30,418	17,663	9,506	111,434
12-2024	40,392	0	40,392	24,342	2,472	4,173	30,987	9,415	4,606	116,040
12-2025	36,277	0	36,277	21,744	2,472	3,932	28,149	8,116	3,610	119,650
12-2026	32,474	0	32,474	23,152	2,472	2,681	28,305	4,170	1,686	121,336
12-2027	28,597	0	28,597	14,288	2,399	3,891	20,578	8,013	2,946	124,282
12-2028	25,890	0	25,890	16,246	2,399	2,811	21,456	4,435	1,482	125,764
12-2029	23,659	0	23,659	14,388	2,399	2,124	18,911	4,734	1,438	127,202
12-2030	22,079	0	22,079	13,191	2,399	1,984	17,574	4,479	1,237	128,439
12-2031	0	0	0	0	0	0	0	0	0	128,439
12-2032	0	0	0	0	0	0	0	0	0	128,439
12-2033	0	0	0	0	0	0	0	0	0	128,439
12-2034	0	0	0	0	0	0	0	0	0	128,439
S-TOT	626,183	6,180	632,364	292,798	121,922	57,998	472,719	206,754	128,439	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	626,183	6,180	632,364	292,798	121,922	57,998	472,719	206,754	128,439	

LIFE - 14 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - JUBILEE PROJECT AREA

TOTAL PROVED UNDEVELOPED RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2018	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2019	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2020	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2021	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2022	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2023	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2024	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2025	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2026	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2027	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2028	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2029	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2030	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2031	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2032	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2033	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	0	0	0	0	0	0	0			
REM	0	0	0	0	0	0	0			
TOTAL	0	0	0	0	0	0	0			
CUMULATIVE		0	0							
ULTIMATE		0	0	0						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	0	0	0	0	0	0	0	0	0	0
12-2019	0	0	0	0	0	0	0	0	0	0
12-2020	0	0	0	0	0	0	0	0	0	0
12-2021	0	0	0	0	0	0	0	0	0	0
12-2022	0	0	0	0	0	0	0	0	0	0
12-2023	0	0	0	0	0	0	0	0	0	0
12-2024	0	0	0	0	0	0	0	0	0	0
12-2025	0	0	0	0	0	0	0	0	0	0
12-2026	0	0	0	0	0	0	0	0	0	0
12-2027	0	0	0	0	0	0	0	0	0	0
12-2028	0	0	0	0	0	0	0	0	0	0
12-2029	0	0	0	0	0	0	0	0	0	0
12-2030	0	0	0	0	0	0	0	0	0	0
12-2031	0	0	0	0	0	0	0	0	0	0
12-2032	0	0	0	0	0	0	0	0	0	0
12-2033	0	0	0	0	0	0	0	0	0	0
12-2034	0	0	0	0	0	0	0	0	0	0
S-TOT	0	0	0	0	0	0	0	0	0	0
REM	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	0	0	0	0	0	0	0	0	0	0
12-2019	0	0	0	0	0	0	0	0	0	0
12-2020	0	0	0	0	0	0	0	0	0	0
12-2021	0	0	0	0	0	0	0	0	0	0
12-2022	0	0	0	0	0	0	0	0	0	0
12-2023	0	0	0	0	0	0	0	0	0	0
12-2024	0	0	0	0	0	0	0	0	0	0
12-2025	0	0	0	0	0	0	0	0	0	0
12-2026	0	0	0	0	0	0	0	0	0	0
12-2027	0	0	0	0	0	0	0	0	0	0
12-2028	0	0	0	0	0	0	0	0	0	0
12-2029	0	0	0	0	0	0	0	0	0	0
12-2030	0	0	0	0	0	0	0	0	0	0
12-2031	0	0	0	0	0	0	0	0	0	0
12-2032	0	0	0	0	0	0	0	0	0	0
12-2033	0	0	0	0	0	0	0	0	0	0
12-2034	0	0	0	0	0	0	0	0	0	0
S-TOT	0	0	0	0	0	0	0	0	0	0
REM	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0

LIFE - 0 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	0	0	0	0	0	0	0	0	0	0
12-2019	0	0	0	0	0	0	0	0	0	0
12-2020	0	0	0	0	0	0	0	0	0	0
12-2021	0	0	0	0	0	0	0	0	0	0
12-2022	0	0	0	0	0	0	0	0	0	0
12-2023	0	0	0	0	0	0	0	0	0	0
12-2024	0	0	0	0	0	0	0	0	0	0
12-2025	0	0	0	0	0	0	0	0	0	0
12-2026	0	0	0	0	0	0	0	0	0	0
12-2027	0	0	0	0	0	0	0	0	0	0
12-2028	0	0	0	0	0	0	0	0	0	0
12-2029	0	0	0	0	0	0	0	0	0	0
12-2030	0	0	0	0	0	0	0	0	0	0
12-2031	0	0	0	0	0	0	0	0	0	0
12-2032	0	0	0	0	0	0	0	0	0	0
12-2033	0	0	0	0	0	0	0	0	0	0
12-2034	0	0	0	0	0	0	0	0	0	0
S-TOT	0	0	0	0	0	0	0	0	0	0
REM	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0

LIFE - 0 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - TEN PROJECT AREA

TOTAL PROVED UNDEVELOPED RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2018	1	1,575	1,158	251	254	191	41	52.25	1.0112	0.0000
12-2019	5	9,278	8,227	1,151	1,498	1,357	190	57.00	1.3008	0.0000
12-2020	6	10,830	9,022	1,445	1,749	1,488	238	57.00	1.4167	0.0000
12-2021	6	9,465	5,777	1,464	1,529	953	241	57.00	1.7341	0.0000
12-2022	6	7,038	1,368	1,236	1,137	226	204	57.00	1.1969	0.0000
12-2023	6	4,960	15	1,041	801	3	172	57.00	2.9100	0.0000
12-2024	6	4,168	0	1,016	673	0	168	57.00	0.0000	0.0000
12-2025	6	3,744	0	1,023	605	0	169	57.00	0.0000	0.0000
12-2026	6	3,351	0	1,018	541	0	168	57.00	0.0000	0.0000
12-2027	6	2,951	0	990	477	0	163	57.00	0.0000	0.0000
12-2028	6	2,672	0	990	431	0	163	57.00	0.0000	0.0000
12-2029	6	2,442	0	993	394	0	164	57.00	0.0000	0.0000
12-2030	6	2,279	0	998	368	0	165	57.00	0.0000	0.0000
12-2031	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2032	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2033	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	6	64,753	25,569	13,615	10,458	4,216	2,245			
REM	0	0	0	0	0	0	0			
TOTAL	6	64,753	25,569	13,615	10,458	4,216	2,245			
CUMULATIVE ULTIMATE		0	0	0						
		64,753	25,569	13,615						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	82,313	1,171	83,484	34,471	74,240	0	108,711	32,926	28,540	28,540
12-2019	528,831	10,702	539,533	163,013	304,640	0	467,653	228,908	180,376	208,916
12-2020	617,337	12,782	630,119	222,073	125,440	0	347,513	315,603	226,082	434,998
12-2021	539,500	10,018	549,518	209,117	18,751	0	227,868	321,683	209,489	644,487
12-2022	401,186	1,638	402,823	163,751	15,689	0	179,440	223,275	132,185	776,671
12-2023	282,694	45	282,739	126,108	13,393	0	139,502	143,319	77,135	853,806
12-2024	237,598	0	237,598	134,766	13,011	0	147,776	89,873	43,973	897,779
12-2025	213,392	0	213,392	119,904	13,011	0	132,915	80,414	35,768	933,547
12-2026	191,025	0	191,025	128,550	13,011	0	141,561	49,465	20,002	953,549
12-2027	168,215	0	168,215	79,794	12,628	0	92,422	75,769	27,853	981,401
12-2028	152,293	0	152,293	91,320	12,628	0	103,948	48,349	16,157	997,559
12-2029	139,171	0	139,171	80,364	12,628	0	92,992	46,107	14,007	1,011,566
12-2030	129,877	0	129,877	74,103	12,628	0	86,731	43,011	11,879	1,023,445
12-2031	0	0	0	0	0	0	0	0	0	1,023,445
12-2032	0	0	0	0	0	0	0	0	0	1,023,445
12-2033	0	0	0	0	0	0	0	0	0	1,023,445
12-2034	0	0	0	0	0	0	0	0	0	1,023,445
S-TOT	3,683,432	36,356	3,719,788	1,627,335	641,696		2,269,031	1,698,700	1,023,445	
REM	0	0	0	0	0		0	0	0	
TOTAL	3,683,432	36,356	3,719,788	1,627,335	641,696		2,269,031	1,698,700	1,023,445	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	13,993	199	14,192	6,214	14,106	0	20,320	4,922	4,266	4,266
12-2019	89,901	1,819	91,721	29,337	57,882	0	87,219	34,337	27,057	31,323
12-2020	104,947	2,173	107,120	39,788	23,834	0	63,621	49,768	35,652	66,975
12-2021	91,715	1,703	93,418	37,618	3,563	0	41,180	52,244	34,023	100,997
12-2022	68,202	278	68,480	29,583	2,981	0	32,564	35,896	21,251	122,249
12-2023	48,058	8	48,066	22,909	2,545	0	25,454	22,627	12,178	134,427
12-2024	40,392	0	40,392	24,342	2,472	0	26,814	13,588	6,648	141,075
12-2025	36,277	0	36,277	21,744	2,472	0	24,216	12,048	5,359	146,434
12-2026	32,474	0	32,474	23,152	2,472	0	25,624	6,851	2,770	149,204
12-2027	28,597	0	28,597	14,288	2,399	0	16,687	11,905	4,376	153,580
12-2028	25,890	0	25,890	16,246	2,399	0	18,645	7,245	2,421	156,002
12-2029	23,659	0	23,659	14,388	2,399	0	16,787	6,858	2,084	158,085
12-2030	22,079	0	22,079	13,191	2,399	0	15,590	6,463	1,785	159,870
12-2031	0	0	0	0	0	0	0	0	0	159,870
12-2032	0	0	0	0	0	0	0	0	0	159,870
12-2033	0	0	0	0	0	0	0	0	0	159,870
12-2034	0	0	0	0	0	0	0	0	0	159,870
S-TOT	626,183	6,180	632,364	292,798	121,922		414,720	264,753	159,870	
REM	0	0	0	0	0		0	0	0	
TOTAL	626,183	6,180	632,364	292,798	121,922		414,720	264,753	159,870	

LIFE - 14 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	13,993	199	14,192	6,214	14,106	(2,493)	17,827	7,415	6,427	6,427
12-2019	89,901	1,819	91,721	29,337	57,882	1,047	88,266	33,290	26,232	32,659
12-2020	104,947	2,173	107,120	39,788	23,834	11,782	75,403	37,986	27,212	59,871
12-2021	91,715	1,703	93,418	37,618	3,563	12,239	53,419	40,005	26,052	85,923
12-2022	68,202	278	68,480	29,583	2,981	8,863	41,426	27,033	16,004	101,928
12-2023	48,058	8	48,066	22,909	2,545	4,965	30,418	17,663	9,506	111,434
12-2024	40,392	0	40,392	24,342	2,472	4,173	30,987	9,415	4,606	116,040
12-2025	36,277	0	36,277	21,744	2,472	3,932	28,149	8,116	3,610	119,650
12-2026	32,474	0	32,474	23,152	2,472	2,681	28,305	4,170	1,686	121,336
12-2027	28,597	0	28,597	14,288	2,399	3,891	20,578	8,013	2,946	124,282
12-2028	25,890	0	25,890	16,246	2,399	2,811	21,456	4,435	1,482	125,764
12-2029	23,659	0	23,659	14,388	2,399	2,124	18,911	4,734	1,438	127,202
12-2030	22,079	0	22,079	13,191	2,399	1,984	17,574	4,479	1,237	128,439
12-2031	0	0	0	0	0	0	0	0	0	128,439
12-2032	0	0	0	0	0	0	0	0	0	128,439
12-2033	0	0	0	0	0	0	0	0	0	128,439
12-2034	0	0	0	0	0	0	0	0	0	128,439
S-TOT	626,183	6,180	632,364	292,798	121,922	57,998	472,719	206,754	128,439	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	626,183	6,180	632,364	292,798	121,922	57,998	472,719	206,754	128,439	

LIFE - 14 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - COUNTRY OF GHANA
TOTAL PROVED RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	18	44,947	6,878	5,986	9,141	1,134	1,178	47.53	0.4850	0.0000
12-2018	19	53,286	13,825	5,986	10,924	2,280	1,178	52.29	1.0112	0.0000
12-2019	22	48,517	21,403	5,986	9,475	3,529	1,178	57.03	1.3008	0.0000
12-2020	24	43,954	18,739	6,002	8,541	3,090	1,181	57.03	1.4167	0.0000
12-2021	23	36,866	11,810	5,986	7,132	1,947	1,178	57.03	1.7341	0.0000
12-2022	23	29,465	3,315	5,986	5,593	547	1,178	57.02	1.1969	0.0000
12-2023	22	24,880	44	5,986	4,732	7	1,178	57.02	2.9100	0.0000
12-2024	22	22,105	0	6,002	4,229	0	1,181	57.02	0.0000	0.0000
12-2025	21	20,126	0	5,986	3,867	0	1,178	57.02	0.0000	0.0000
12-2026	21	17,080	0	5,986	3,244	0	1,178	57.02	0.0000	0.0000
12-2027	22	15,237	0	5,986	2,885	0	1,178	57.02	0.0000	0.0000
12-2028	22	13,101	0	6,002	2,452	0	1,181	57.02	0.0000	0.0000
12-2029	22	11,526	0	5,986	2,142	0	1,178	57.02	0.0000	0.0000
12-2030	21	10,597	0	5,986	1,965	0	1,178	57.02	0.0000	0.0000
12-2031	10	3,617	0	2,993	827	0	685	57.05	0.0000	0.0000
12-2032	9	3,548	0	3,001	812	0	686	57.05	0.0000	0.0000
12-2033	9	3,499	0	2,993	800	0	685	57.05	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	24	402,352	76,014	92,840	78,761	12,535	18,559			
REM	0	0	0	0	0	0	0			
TOTAL	24	402,352	76,014	92,840	78,761	12,535	18,559			
CUMULATIVE ULTIMATE		193,029	0	92,840						
		595,381	76,014	92,840						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	2,136,518	3,336	2,139,854	693,854	130,104	0	823,958	1,315,896	1,254,658	1,254,658
12-2018	2,786,039	13,980	2,800,018	645,963	192,000	0	837,963	1,962,056	1,700,679	2,955,337
12-2019	2,766,793	27,840	2,794,634	687,584	409,000	0	1,096,584	1,698,050	1,338,039	4,293,376
12-2020	2,506,559	26,548	2,533,107	690,369	251,577	0	941,946	1,591,161	1,139,829	5,433,205
12-2021	2,102,325	20,479	2,122,804	613,089	97,844	0	710,932	1,411,872	919,450	6,352,655
12-2022	1,680,197	3,967	1,684,165	543,871	97,844	0	641,715	1,042,450	617,157	6,969,812
12-2023	1,418,715	129	1,418,844	542,995	97,844	0	640,839	778,005	418,726	7,388,538
12-2024	1,260,500	0	1,260,500	544,109	97,844	0	641,952	618,547	302,641	7,691,179
12-2025	1,147,669	0	1,147,669	507,541	97,844	0	605,384	542,285	241,207	7,932,386
12-2026	973,958	0	973,958	497,524	97,844	0	595,367	378,591	153,087	8,085,473
12-2027	868,857	0	868,857	397,095	97,844	0	494,938	373,918	137,453	8,222,926
12-2028	747,013	0	747,013	396,917	97,844	0	494,761	252,253	84,299	8,307,224
12-2029	657,234	0	657,234	396,134	97,844	0	493,978	163,256	49,598	8,356,822
12-2030	604,254	0	604,254	339,255	72,844	0	412,099	192,155	53,070	8,409,892
12-2031	206,345	0	206,345	117,342	34,577	0	151,920	54,426	13,665	8,423,557
12-2032	202,437	0	202,437	115,114	34,577	0	149,691	52,746	12,039	8,435,596
12-2033	199,624	0	199,624	115,268	34,577	0	149,845	49,780	10,329	8,445,926
12-2034	0	0	0	0	0	0	0	0	0	8,445,926
S-TOT	22,265,037	96,280	22,361,316	7,844,021	2,039,849		9,883,870	12,477,446	8,445,926	
REM	0	0	0	0	0		0	0	0	
TOTAL	22,265,037	96,280	22,361,316	7,844,021	2,039,849		9,883,870	12,477,446	8,445,926	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	457,432	567	458,000	141,122	24,720	0	165,842	292,158	278,562	278,562
12-2018	601,269	2,377	603,646	130,639	36,480	0	167,119	436,527	378,375	656,936
12-2019	568,803	4,733	573,536	139,766	79,674	0	219,439	354,097	279,023	935,959
12-2020	512,766	4,513	517,279	137,806	52,261	0	190,067	327,212	234,398	1,170,358
12-2021	428,125	3,481	431,606	121,586	23,052	0	144,638	286,968	186,882	1,357,239
12-2022	335,766	674	336,440	107,103	23,052	0	130,155	206,286	122,126	1,479,366
12-2023	284,075	22	284,097	109,310	23,052	0	132,362	151,736	81,665	1,561,031
12-2024	253,840	0	253,840	107,070	23,052	0	130,122	123,718	60,532	1,621,563
12-2025	232,124	0	232,124	101,347	23,052	0	124,399	107,726	47,916	1,669,479
12-2026	194,736	0	194,736	96,848	23,052	0	119,900	74,836	30,261	1,699,740
12-2027	173,191	0	173,191	80,717	23,052	0	103,768	69,423	25,520	1,725,259
12-2028	147,190	0	147,190	78,163	23,052	0	101,215	45,975	15,364	1,740,623
12-2029	128,565	0	128,565	80,427	23,052	0	103,479	25,087	7,621	1,748,245
12-2030	117,929	0	117,929	67,738	16,338	0	84,076	33,853	9,350	1,757,595
12-2031	49,682	0	49,682	28,253	9,068	0	37,320	12,362	3,104	1,760,698
12-2032	48,741	0	48,741	27,716	9,068	0	36,784	11,957	2,729	1,763,428
12-2033	48,064	0	48,064	27,753	9,068	0	36,821	11,243	2,333	1,765,761
12-2034	0	0	0	0	0	0	0	0	0	1,765,761
S-TOT	4,582,299	16,368	4,598,667	1,583,363	444,142		2,027,505	2,571,162	1,765,761	
REM	0	0	0	0	0		0	0	0	
TOTAL	4,582,299	16,368	4,598,667	1,583,363	444,142		2,027,505	2,571,162	1,765,761	

LIFE - 17 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	457,432	567	458,000	141,122	24,720	9,061	174,903	283,097	269,922	269,922
12-2018	601,269	2,377	603,646	130,639	36,480	82,120	249,239	354,407	307,194	577,117
12-2019	568,803	4,733	573,536	139,766	79,674	90,268	309,707	263,829	207,893	785,010
12-2020	512,766	4,513	517,279	137,806	52,261	102,284	292,351	224,928	161,127	946,137
12-2021	428,125	3,481	431,606	121,586	23,052	90,787	235,425	196,181	127,758	1,073,896
12-2022	335,766	674	336,440	107,103	23,052	62,525	192,680	143,760	85,110	1,159,006
12-2023	284,075	22	284,097	109,310	23,052	45,793	178,155	105,942	57,019	1,216,024
12-2024	253,840	0	253,840	107,070	23,052	40,401	170,523	83,317	40,765	1,256,789
12-2025	232,124	0	232,124	101,347	23,052	38,051	162,449	69,675	30,991	1,287,781
12-2026	194,736	0	194,736	96,848	23,052	25,846	145,746	48,990	19,810	1,307,590
12-2027	173,191	0	173,191	80,717	23,052	24,645	128,413	44,778	16,460	1,324,051
12-2028	147,190	0	147,190	78,163	23,052	15,745	116,960	30,231	10,103	1,334,153
12-2029	128,565	0	128,565	80,427	23,052	9,127	112,606	15,960	4,849	1,339,002
12-2030	117,929	0	117,929	67,738	16,338	7,956	92,032	25,897	7,152	1,346,154
12-2031	49,682	0	49,682	28,253	9,068	1,737	39,057	10,625	2,668	1,348,822
12-2032	48,741	0	48,741	27,716	9,068	2,655	39,439	9,302	2,123	1,350,945
12-2033	48,064	0	48,064	27,753	9,068	2,875	39,696	8,368	1,736	1,352,681
12-2034	0	0	0	0	0	0	0	0	0	1,352,681
S-TOT	4,582,299	16,368	4,598,667	1,583,363	444,142	651,875	2,679,380	1,919,286	1,352,681	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	4,582,299	16,368	4,598,667	1,583,363	444,142	651,875	2,679,380	1,919,286	1,352,681	

LIFE - 17 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - JUBILEE PROJECT AREA
TOTAL PROVED RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	13	27,998	0	2,993	6,404	0	685	47.55	0.0000	0.0000
12-2018	13	34,483	0	2,993	7,887	0	685	52.30	0.0000	0.0000
12-2019	12	24,382	0	2,993	5,577	0	685	57.05	0.0000	0.0000
12-2020	13	21,460	0	3,001	4,909	0	686	57.05	0.0000	0.0000
12-2021	12	17,517	0	2,993	4,007	0	685	57.05	0.0000	0.0000
12-2022	12	12,416	0	2,993	2,840	0	685	57.05	0.0000	0.0000
12-2023	11	10,623	0	2,993	2,430	0	685	57.05	0.0000	0.0000
12-2024	11	9,796	0	3,001	2,241	0	686	57.05	0.0000	0.0000
12-2025	10	9,169	0	2,993	2,097	0	685	57.05	0.0000	0.0000
12-2026	10	7,223	0	2,993	1,652	0	685	57.05	0.0000	0.0000
12-2027	11	6,312	0	2,993	1,444	0	685	57.05	0.0000	0.0000
12-2028	11	5,002	0	3,001	1,144	0	686	57.05	0.0000	0.0000
12-2029	11	4,170	0	2,993	954	0	685	57.05	0.0000	0.0000
12-2030	10	3,766	0	2,993	861	0	685	57.05	0.0000	0.0000
12-2031	10	3,617	0	2,993	827	0	685	57.05	0.0000	0.0000
12-2032	9	3,548	0	3,001	812	0	686	57.05	0.0000	0.0000
12-2033	9	3,499	0	2,993	800	0	685	57.05	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	13	204,979	0	50,914	46,885	0	11,646			
REM	0	0	0	0	0	0	0			
TOTAL	13	204,979	0	50,914	46,885	0	11,646			
CUMULATIVE ULTIMATE		187,709	0	50,914						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	1,331,399	0	1,331,399	267,618	0	0	267,618	1,063,781	1,014,275	1,014,275
12-2018	1,803,602	0	1,803,602	234,535	0	0	234,535	1,569,067	1,360,043	2,374,318
12-2019	1,391,083	0	1,391,083	263,519	25,000	0	288,519	1,102,565	868,805	3,243,123
12-2020	1,224,380	0	1,224,380	229,133	59,577	0	288,710	935,670	670,268	3,913,391
12-2021	999,410	0	999,410	185,585	59,577	0	245,162	754,248	491,187	4,404,578
12-2022	708,375	0	708,375	147,204	59,577	0	206,781	501,594	296,956	4,701,534
12-2023	606,093	0	606,093	180,489	59,577	0	240,066	366,027	196,997	4,898,532
12-2024	558,910	0	558,910	146,167	59,577	0	205,744	353,166	172,796	5,071,328
12-2025	523,103	0	523,103	156,600	59,577	0	216,178	306,925	136,520	5,207,847
12-2026	412,077	0	412,077	119,406	59,577	0	178,983	233,094	94,254	5,302,102
12-2027	360,112	0	360,112	155,769	59,577	0	215,346	144,766	53,216	5,355,318
12-2028	285,400	0	285,400	120,118	59,577	0	179,696	105,704	35,325	5,390,642
12-2029	237,888	0	237,888	153,982	59,577	0	213,559	24,329	7,391	5,398,034
12-2030	214,867	0	214,867	117,086	34,577	0	151,664	63,204	17,456	5,415,489
12-2031	206,345	0	206,345	117,342	34,577	0	151,920	54,426	13,665	5,429,154
12-2032	202,437	0	202,437	115,114	34,577	0	149,691	52,746	12,039	5,441,194
12-2033	199,624	0	199,624	115,268	34,577	0	149,845	49,780	10,329	5,451,523
12-2034	0	0	0	0	0	0	0	0	0	5,451,523
S-TOT	11,265,108	0	11,265,108	2,824,936	759,081	0	3,584,017	7,681,091	5,451,523	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	11,265,108	0	11,265,108	2,824,936	759,081	0	3,584,017	7,681,091	5,451,523	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	320,562	0	320,562	64,435	0	0	64,435	256,128	244,208	244,208
12-2018	434,255	0	434,255	56,469	0	0	56,469	377,786	327,459	571,667
12-2019	334,933	0	334,933	63,448	6,714	0	70,161	264,771	208,636	780,303
12-2020	294,795	0	294,795	55,169	15,781	0	70,950	223,845	160,352	940,655
12-2021	240,629	0	240,629	44,683	15,781	0	60,465	180,164	117,328	1,057,983
12-2022	170,556	0	170,556	35,443	15,781	0	51,224	119,332	70,648	1,128,630
12-2023	145,930	0	145,930	43,457	15,781	0	59,238	86,692	46,658	1,175,288
12-2024	134,569	0	134,569	35,193	15,781	0	50,974	83,595	40,901	1,216,190
12-2025	125,948	0	125,948	37,705	15,781	0	53,486	72,462	32,231	1,248,421
12-2026	99,216	0	99,216	28,749	15,781	0	44,531	54,686	22,113	1,270,533
12-2027	86,705	0	86,705	37,505	15,781	0	53,286	33,419	12,285	1,282,818
12-2028	68,716	0	68,716	28,921	15,781	0	44,702	24,014	8,025	1,290,843
12-2029	57,277	0	57,277	37,074	15,781	0	52,856	4,421	1,343	1,292,186
12-2030	51,734	0	51,734	28,191	9,068	0	37,259	14,475	3,998	1,296,184
12-2031	49,682	0	49,682	28,253	9,068	0	37,320	12,362	3,104	1,299,288
12-2032	48,741	0	48,741	27,716	9,068	0	36,784	11,957	2,729	1,302,017
12-2033	48,064	0	48,064	27,753	9,068	0	36,821	11,243	2,333	1,304,350
12-2034	0	0	0	0	0	0	0	0	0	1,304,350
S-TOT	2,712,311	0	2,712,311	680,163	200,796	0	880,959	1,831,353	1,304,350	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	2,712,311	0	2,712,311	680,163	200,796	0	880,959	1,831,353	1,304,350	

LIFE - 17 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	320,562	0	320,562	64,435	0	56,062	120,496	200,066	190,755	190,755
12-2018	434,255	0	434,255	56,469	0	111,878	168,347	265,908	230,485	421,241
12-2019	334,933	0	334,933	63,448	6,714	87,544	157,706	177,227	139,652	560,893
12-2020	294,795	0	294,795	55,169	15,781	77,813	148,763	146,033	104,610	665,503
12-2021	240,629	0	240,629	44,683	15,781	65,767	126,232	114,397	74,499	740,002
12-2022	170,556	0	170,556	35,443	15,781	41,057	92,280	78,276	46,341	786,343
12-2023	145,930	0	145,930	43,457	15,781	31,522	90,760	55,170	29,693	816,036
12-2024	134,569	0	134,569	35,193	15,781	28,079	79,053	55,517	27,163	843,199
12-2025	125,948	0	125,948	37,705	15,781	26,541	80,028	45,920	20,425	863,624
12-2026	99,216	0	99,216	28,749	15,781	19,960	62,491	36,725	14,850	878,475
12-2027	86,705	0	86,705	37,505	15,781	12,876	66,162	20,542	7,551	886,026
12-2028	68,716	0	68,716	28,921	15,781	7,225	51,927	16,789	5,611	891,637
12-2029	57,277	0	57,277	37,074	15,781	2,727	55,583	1,694	515	892,151
12-2030	51,734	0	51,734	28,191	9,068	2,007	39,265	12,469	3,444	895,595
12-2031	49,682	0	49,682	28,253	9,068	1,737	39,057	10,625	2,668	898,263
12-2032	48,741	0	48,741	27,716	9,068	2,655	39,439	9,302	2,123	900,386
12-2033	48,064	0	48,064	27,753	9,068	2,875	39,696	8,368	1,736	902,122
12-2034	0	0	0	0	0	0	0	0	0	902,122
S-TOT	2,712,311	0	2,712,311	680,163	200,796	576,325	1,457,283	1,255,028	902,122	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	2,712,311	0	2,712,311	680,163	200,796	576,325	1,457,283	1,255,028	902,122	

LIFE - 17 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - TEN PROJECT AREA
TOTAL PROVED RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	5	16,950	6,878	2,993	2,737	1,134	494	47.50	0.4850	0.0000
12-2018	6	18,803	13,825	2,993	3,037	2,280	494	52.25	1.0112	0.0000
12-2019	10	24,135	21,403	2,993	3,898	3,529	494	57.00	1.3008	0.0000
12-2020	11	22,494	18,739	3,001	3,633	3,090	495	57.00	1.4167	0.0000
12-2021	11	19,349	11,810	2,993	3,125	1,947	494	57.00	1.7341	0.0000
12-2022	11	17,050	3,315	2,993	2,753	547	494	57.00	1.1969	0.0000
12-2023	11	14,257	44	2,993	2,302	7	494	57.00	2.9100	0.0000
12-2024	11	12,309	0	3,001	1,988	0	495	57.00	0.0000	0.0000
12-2025	11	10,957	0	2,993	1,770	0	494	57.00	0.0000	0.0000
12-2026	11	9,858	0	2,993	1,592	0	494	57.00	0.0000	0.0000
12-2027	11	8,925	0	2,993	1,441	0	494	57.00	0.0000	0.0000
12-2028	11	8,098	0	3,001	1,308	0	495	57.00	0.0000	0.0000
12-2029	11	7,357	0	2,993	1,188	0	494	57.00	0.0000	0.0000
12-2030	11	6,831	0	2,993	1,103	0	494	57.00	0.0000	0.0000
12-2031	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2032	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2033	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	11	197,373	76,014	41,927	31,876	12,535	6,914			
REM	0	0	0	0	0	0	0			
TOTAL	11	197,373	76,014	41,927	31,876	12,535	6,914			
CUMULATIVE ULTIMATE		5,320	0							
		202,693	76,014	41,927						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	805,119	3,336	808,455	426,236	130,104	0	556,340	252,115	240,382	240,382
12-2018	982,436	13,980	996,416	411,428	192,000	0	603,428	392,989	340,636	581,019
12-2019	1,375,710	27,840	1,403,550	424,065	384,000	0	808,065	595,485	469,234	1,050,252
12-2020	1,282,179	26,548	1,308,727	461,236	192,000	0	653,235	655,491	469,562	1,519,814
12-2021	1,102,915	20,479	1,123,394	427,504	38,266	0	465,770	657,624	428,263	1,948,077
12-2022	971,822	3,967	975,790	396,667	38,266	0	434,933	540,856	320,201	2,268,277
12-2023	812,623	129	812,751	362,506	38,266	0	400,773	411,978	221,729	2,490,006
12-2024	701,589	0	701,589	397,942	38,266	0	436,208	265,381	129,845	2,619,851
12-2025	624,566	0	624,566	350,940	38,266	0	389,207	235,359	104,687	2,724,538
12-2026	561,881	0	561,881	378,118	38,266	0	416,384	145,496	58,833	2,783,371
12-2027	508,745	0	508,745	241,326	38,266	0	279,592	229,152	84,237	2,867,608
12-2028	461,613	0	461,613	276,799	38,266	0	315,065	146,548	48,974	2,916,582
12-2029	419,346	0	419,346	242,152	38,266	0	280,418	138,927	42,206	2,958,789
12-2030	389,386	0	389,386	222,169	38,266	0	260,435	128,951	35,614	2,994,403
12-2031	0	0	0	0	0	0	0	0	0	2,994,403
12-2032	0	0	0	0	0	0	0	0	0	2,994,403
12-2033	0	0	0	0	0	0	0	0	0	2,994,403
12-2034	0	0	0	0	0	0	0	0	0	2,994,403
S-TOT	10,999,929	96,280	11,096,209	5,019,086	1,280,768		6,299,854	4,796,355	2,994,403	
REM	0	0	0	0	0		0	0	0	
TOTAL	10,999,929	96,280	11,096,209	5,019,086	1,280,768		6,299,854	4,796,355	2,994,403	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	136,870	567	137,437	76,687	24,720	0	101,407	36,030	34,354	34,354
12-2018	167,014	2,377	169,391	74,170	36,480	0	110,650	58,741	50,916	85,269
12-2019	233,871	4,733	238,604	76,318	72,960	0	149,278	89,325	70,387	155,657
12-2020	217,970	4,513	222,484	82,637	36,480	0	119,117	103,366	74,047	229,703
12-2021	187,495	3,481	190,977	76,903	7,271	0	84,173	106,804	69,554	299,257
12-2022	165,210	674	165,884	71,660	7,271	0	78,931	86,953	51,478	350,735
12-2023	138,146	22	138,168	65,853	7,271	0	73,124	65,044	35,007	385,742
12-2024	119,270	0	119,270	71,877	7,271	0	79,148	40,122	19,631	405,373
12-2025	106,176	0	106,176	63,642	7,271	0	70,913	35,264	15,685	421,058
12-2026	95,520	0	95,520	68,099	7,271	0	75,370	20,150	8,148	429,206
12-2027	86,487	0	86,487	43,212	7,271	0	50,483	36,004	13,235	442,441
12-2028	78,474	0	78,474	49,242	7,271	0	56,513	21,961	7,339	449,780
12-2029	71,289	0	71,289	43,352	7,271	0	50,623	20,666	6,278	456,059
12-2030	66,196	0	66,196	39,547	7,271	0	46,818	19,378	5,352	461,411
12-2031	0	0	0	0	0	0	0	0	0	461,411
12-2032	0	0	0	0	0	0	0	0	0	461,411
12-2033	0	0	0	0	0	0	0	0	0	461,411
12-2034	0	0	0	0	0	0	0	0	0	461,411
S-TOT	1,869,988	16,368	1,886,356	903,200	243,346		1,146,546	739,809	461,411	
REM	0	0	0	0	0		0	0	0	
TOTAL	1,869,988	16,368	1,886,356	903,200	243,346		1,146,546	739,809	461,411	

LIFE - 14 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	136,870	567	137,437	76,687	24,720	(47,000)	54,407	83,031	79,167	79,167
12-2018	167,014	2,377	169,391	74,170	36,480	(29,758)	80,892	88,499	76,709	155,876
12-2019	233,871	4,733	238,604	76,318	72,960	2,723	152,002	86,602	68,241	224,117
12-2020	217,970	4,513	222,484	82,637	36,480	24,471	143,588	78,896	56,517	280,634
12-2021	187,495	3,481	190,977	76,903	7,271	25,020	109,193	81,784	53,260	333,894
12-2022	165,210	674	165,884	71,660	7,271	21,469	100,400	65,484	38,768	372,662
12-2023	138,146	22	138,168	65,853	7,271	14,272	87,395	50,772	27,326	399,988
12-2024	119,270	0	119,270	71,877	7,271	12,322	91,470	27,800	13,602	413,590
12-2025	106,176	0	106,176	63,642	7,271	11,509	82,422	23,754	10,566	424,156
12-2026	95,520	0	95,520	68,099	7,271	7,886	83,255	12,265	4,959	429,115
12-2027	86,487	0	86,487	43,212	7,271	11,768	62,251	24,236	8,909	438,024
12-2028	78,474	0	78,474	49,242	7,271	8,519	65,032	13,442	4,492	442,516
12-2029	71,289	0	71,289	43,352	7,271	6,400	57,023	14,266	4,334	446,850
12-2030	66,196	0	66,196	39,547	7,271	5,949	52,767	13,429	3,709	450,559
12-2031	0	0	0	0	0	0	0	0	0	450,559
12-2032	0	0	0	0	0	0	0	0	0	450,559
12-2033	0	0	0	0	0	0	0	0	0	450,559
12-2034	0	0	0	0	0	0	0	0	0	450,559
S-TOT	1,869,988	16,368	1,886,356	903,200	243,346	75,551	1,222,097	664,259	450,559	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	1,869,988	16,368	1,886,356	903,200	243,346	75,551	1,222,097	664,259	450,559	

LIFE - 14 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - COUNTRY OF GHANA
TOTAL 2P RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	18	48,052	10,105	7,300	9,643	1,666	1,437	47.53	0.4850	0.0000
12-2018	21	58,826	17,545	7,300	11,956	2,893	1,437	52.28	0.8996	0.0000
12-2019	27	64,976	26,522	7,300	12,997	4,374	1,437	57.03	1.1433	0.0000
12-2020	30	67,419	23,339	7,320	13,616	3,849	1,441	57.03	1.2331	0.0000
12-2021	29	65,669	16,578	7,300	13,474	2,734	1,437	57.04	1.5382	0.0000
12-2022	31	61,674	12,479	7,300	12,719	2,058	1,437	57.04	1.8386	0.0000
12-2023	32	55,242	6,236	7,300	11,477	1,028	1,437	57.04	2.4459	0.0000
12-2024	33	50,187	3,396	7,320	10,486	560	1,441	57.04	2.9100	0.0000
12-2025	33	39,250	2,286	7,300	8,099	377	1,437	57.04	2.9100	0.0000
12-2026	32	32,390	1,539	7,300	6,622	254	1,437	57.03	2.9100	0.0000
12-2027	32	27,630	1,037	7,300	5,611	171	1,437	57.03	2.9100	0.0000
12-2028	31	23,928	698	7,320	4,833	115	1,441	57.03	2.9100	0.0000
12-2029	31	21,910	470	7,300	4,432	78	1,437	57.03	2.9100	0.0000
12-2030	30	20,004	316	7,300	4,040	52	1,437	57.03	2.9100	0.0000
12-2031	18	10,675	0	3,650	2,442	0	835	57.05	0.0000	0.0000
12-2032	18	9,170	0	3,660	2,098	0	837	57.05	0.0000	0.0000
12-2033	17	8,094	0	3,650	1,851	0	835	57.05	0.0000	0.0000
12-2034	17	5,402	0	3,650	1,236	0	835	57.05	0.0000	0.0000
S-TOT	33	670,496	122,547	116,870	137,632	20,208	23,468			
REM	0	0	0	0	0	0	0			
TOTAL	33	670,496	122,547	116,870	137,632	20,208	23,468			
CUMULATIVE ULTIMATE		193,029	0	116,870						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	2,283,973	4,901	2,288,874	693,854	293,858	0	987,712	1,301,163	1,240,610	1,240,610
12-2018	3,075,644	15,784	3,091,428	652,937	371,077	0	1,024,014	2,067,413	1,792,001	3,032,611
12-2019	3,705,625	30,323	3,735,948	707,320	745,538	0	1,452,858	2,283,091	1,799,042	4,831,654
12-2020	3,845,078	28,779	3,873,857	717,834	583,741	0	1,301,575	2,572,282	1,842,656	6,674,309
12-2021	3,745,440	25,500	3,770,940	725,788	284,869	0	1,010,658	2,760,283	1,797,573	8,471,882
12-2022	3,517,636	22,945	3,540,581	740,315	364,637	0	1,104,952	2,435,629	1,441,954	9,913,836
12-2023	3,150,849	15,254	3,166,102	675,199	267,277	0	942,476	2,223,626	1,196,766	11,110,602
12-2024	2,862,565	9,883	2,872,448	680,038	406,114	0	1,086,152	1,786,296	873,994	11,984,596
12-2025	2,238,640	6,652	2,245,292	655,737	405,230	0	1,060,967	1,184,325	526,785	12,511,381
12-2026	1,847,361	4,478	1,851,839	642,072	187,519	0	829,592	1,022,247	413,357	12,924,738
12-2027	1,575,811	3,018	1,578,828	480,856	108,754	0	589,611	989,218	363,637	13,288,375
12-2028	1,364,663	2,031	1,366,694	477,344	108,754	0	586,099	780,596	260,862	13,549,237
12-2029	1,249,605	1,368	1,250,973	456,733	108,754	0	565,488	685,485	208,252	13,757,489
12-2030	1,140,905	920	1,141,825	399,372	83,754	0	483,127	658,698	181,922	13,939,411
12-2031	609,032	0	609,032	168,291	45,488	0	213,779	395,252	99,239	14,038,650
12-2032	523,201	0	523,201	143,748	45,488	0	189,236	333,965	76,228	14,114,878
12-2033	461,771	0	461,771	142,597	45,488	0	188,085	273,686	56,790	14,171,668
12-2034	308,192	0	308,192	137,979	45,488	0	183,467	124,725	23,528	14,195,196
S-TOT	37,505,991	171,836	37,677,827	9,298,014	4,501,832		13,799,846	23,877,981	14,195,196	
REM	0	0	0	0	0		0	0	0	
TOTAL	37,505,991	171,836	37,677,827	9,298,014	4,501,832		13,799,846	23,877,981	14,195,196	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	482,500	833	483,333	141,122	68,696	0	209,817	273,516	260,787	260,787
12-2018	658,069	2,683	660,752	132,104	84,571	0	216,675	444,077	384,919	645,706
12-2019	780,310	5,155	785,465	144,235	170,050	0	314,285	471,180	371,283	1,016,989
12-2020	817,496	4,892	822,389	144,136	141,394	0	285,530	536,858	384,579	1,401,568
12-2021	809,002	4,335	813,337	148,420	73,209	0	221,629	591,708	385,337	1,786,904
12-2022	763,650	3,901	767,551	149,159	94,630	0	243,789	523,762	310,080	2,096,984
12-2023	689,095	2,593	691,688	140,752	68,484	0	209,236	482,452	259,658	2,356,642
12-2024	629,612	1,680	631,292	139,409	105,769	0	245,177	386,115	188,917	2,545,559
12-2025	486,264	1,131	487,395	136,640	105,531	0	242,171	245,225	109,075	2,654,634
12-2026	397,615	761	398,377	131,260	47,065	0	178,325	220,052	88,980	2,743,615
12-2027	336,909	513	337,422	99,026	25,913	0	124,939	212,483	78,109	2,821,724
12-2028	290,184	345	290,530	95,663	25,913	0	121,576	168,953	56,461	2,878,185
12-2029	266,123	233	266,356	94,607	25,913	0	120,520	145,836	44,305	2,922,490
12-2030	242,544	156	242,701	81,795	19,199	0	100,995	141,706	39,137	2,961,627
12-2031	146,637	0	146,637	40,520	11,929	0	52,448	94,189	23,649	2,985,276
12-2032	125,972	0	125,972	34,610	11,929	0	46,539	79,433	18,131	3,003,406
12-2033	111,181	0	111,181	34,333	11,929	0	46,262	64,919	13,471	3,016,877
12-2034	74,204	0	74,204	33,221	11,929	0	45,150	29,054	5,481	3,022,358
S-TOT	8,107,368	29,212	8,136,580	1,921,013	1,104,053		3,025,066	5,111,514	3,022,358	
REM	0	0	0	0	0		0	0	0	
TOTAL	8,107,368	29,212	8,136,580	1,921,013	1,104,053		3,025,066	5,111,514	3,022,358	

LIFE - 18 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	482,500	833	483,333	141,122	68,696	14,850	224,667	258,666	246,628	246,628
12-2018	658,069	2,683	660,752	132,104	84,571	95,150	311,825	348,928	302,445	549,073
12-2019	780,310	5,155	785,465	144,235	170,050	150,107	464,392	321,072	253,000	802,073
12-2020	817,496	4,892	822,389	144,136	141,394	187,045	472,575	349,813	250,589	1,052,662
12-2021	809,002	4,335	813,337	148,420	73,209	191,879	413,508	399,829	260,380	1,313,042
12-2022	763,650	3,901	767,551	149,159	94,630	173,840	417,629	349,921	207,162	1,520,205
12-2023	689,095	2,593	691,688	140,752	68,484	154,669	363,905	327,783	176,414	1,696,619
12-2024	629,612	1,680	631,292	139,409	105,769	139,593	384,770	246,522	120,618	1,817,236
12-2025	486,264	1,131	487,395	136,640	105,531	92,984	335,154	152,241	67,716	1,884,953
12-2026	397,615	761	398,377	131,260	47,065	65,020	243,345	155,032	62,689	1,947,642
12-2027	336,909	513	337,422	99,026	25,913	60,355	185,295	152,127	55,922	2,003,564
12-2028	290,184	345	290,530	95,663	25,913	47,213	168,789	121,740	40,683	2,044,247
12-2029	266,123	233	266,356	94,607	25,913	45,161	165,681	100,675	30,585	2,074,833
12-2030	242,544	156	242,701	81,795	19,199	45,025	146,019	96,681	26,702	2,101,534
12-2031	146,637	0	146,637	40,520	11,929	31,035	83,483	63,154	15,857	2,117,391
12-2032	125,972	0	125,972	34,610	11,929	26,818	73,357	52,614	12,009	2,129,400
12-2033	111,181	0	111,181	34,333	11,929	22,105	68,367	42,814	8,884	2,138,284
12-2034	74,204	0	74,204	33,221	11,929	10,356	55,506	18,697	3,527	2,141,811
S-TOT	8,107,368	29,212	8,136,580	1,921,013	1,104,053	1,553,203	4,578,269	3,558,311	2,141,811	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	8,107,368	29,212	8,136,580	1,921,013	1,104,053	1,553,203	4,578,269	3,558,311	2,141,811	

LIFE - 18 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - JUBILEE PROJECT AREA
TOTAL 2P RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	13	27,998	0	3,650	6,404	0	835	47.55	0.0000	0.0000
12-2018	15	36,527	0	3,650	8,355	0	835	52.30	0.0000	0.0000
12-2019	17	37,237	0	3,650	8,517	0	835	57.05	0.0000	0.0000
12-2020	19	40,575	0	3,660	9,281	0	837	57.05	0.0000	0.0000
12-2021	18	42,666	0	3,650	9,759	0	835	57.05	0.0000	0.0000
12-2022	20	41,026	0	3,650	9,384	0	835	57.05	0.0000	0.0000
12-2023	21	38,004	0	3,650	8,693	0	835	57.05	0.0000	0.0000
12-2024	22	35,410	0	3,660	8,099	0	837	57.05	0.0000	0.0000
12-2025	22	26,177	0	3,650	5,987	0	835	57.05	0.0000	0.0000
12-2026	21	20,696	0	3,650	4,734	0	835	57.05	0.0000	0.0000
12-2027	21	17,094	0	3,650	3,910	0	835	57.05	0.0000	0.0000
12-2028	20	14,412	0	3,660	3,296	0	837	57.05	0.0000	0.0000
12-2029	20	13,297	0	3,650	3,041	0	835	57.05	0.0000	0.0000
12-2030	19	12,034	0	3,650	2,753	0	835	57.05	0.0000	0.0000
12-2031	18	10,675	0	3,650	2,442	0	835	57.05	0.0000	0.0000
12-2032	18	9,170	0	3,660	2,098	0	837	57.05	0.0000	0.0000
12-2033	17	8,094	0	3,650	1,851	0	835	57.05	0.0000	0.0000
12-2034	17	5,402	0	3,650	1,236	0	835	57.05	0.0000	0.0000
S-TOT	22	436,491	0	65,740	99,840	0	15,037			
REM	0	0	0	0	0	0	0			
TOTAL	22	436,491	0	65,740	99,840	0	15,037			
CUMULATIVE ULTIMATE		187,709	0	65,740						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	1,331,399	0	1,331,399	267,618	163,754	0	431,372	900,027	858,142	858,142
12-2018	1,910,524	0	1,910,524	238,488	179,077	0	417,565	1,492,959	1,294,073	2,152,215
12-2019	2,124,507	0	2,124,507	279,255	361,538	0	640,793	1,483,714	1,169,146	3,321,361
12-2020	2,314,975	0	2,314,975	252,604	391,741	0	644,345	1,670,630	1,196,757	4,518,118
12-2021	2,434,288	0	2,434,288	294,037	246,603	0	540,640	1,893,648	1,233,196	5,751,314
12-2022	2,340,676	0	2,340,676	269,583	326,371	0	595,954	1,744,722	1,032,920	6,784,234
12-2023	2,168,270	0	2,168,270	307,208	229,011	0	536,219	1,632,051	878,378	7,662,612
12-2024	2,020,262	0	2,020,262	276,599	367,848	0	644,447	1,375,815	673,155	8,335,766
12-2025	1,493,488	0	1,493,488	299,305	366,963	0	666,268	827,220	367,945	8,703,712
12-2026	1,180,769	0	1,180,769	258,419	149,253	0	407,672	773,097	312,610	9,016,322
12-2027	975,275	0	975,275	213,281	70,488	0	283,769	691,505	254,198	9,270,520
12-2028	822,251	0	822,251	174,200	70,488	0	244,688	577,563	193,012	9,463,531
12-2029	758,648	0	758,648	208,782	70,488	0	279,270	479,378	145,636	9,609,168
12-2030	686,586	0	686,586	171,309	45,488	0	216,797	469,790	129,748	9,738,916
12-2031	609,032	0	609,032	168,291	45,488	0	213,779	395,252	99,239	9,838,155
12-2032	523,201	0	523,201	143,748	45,488	0	189,236	333,965	76,228	9,914,383
12-2033	461,771	0	461,771	142,597	45,488	0	188,085	273,686	56,790	9,971,173
12-2034	308,192	0	308,192	137,979	45,488	0	183,467	124,725	23,528	9,994,701
S-TOT	24,464,115	0	24,464,115	4,103,303	3,221,064		7,324,367	17,139,749	9,994,701	
REM	0	0	0	0	0		0	0	0	
TOTAL	24,464,115	0	24,464,115	4,103,303	3,221,064		7,324,367	17,139,749	9,994,701	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	320,562	0	320,562	64,435	43,976	0	108,411	212,152	202,279	202,279
12-2018	459,999	0	459,999	57,421	48,091	0	105,512	354,487	307,264	509,542
12-2019	511,520	0	511,520	67,236	97,090	0	164,327	347,193	273,583	783,125
12-2020	557,379	0	557,379	60,820	104,914	0	165,734	391,645	280,555	1,063,680
12-2021	586,106	0	586,106	70,796	65,938	0	136,734	449,372	292,644	1,356,324
12-2022	563,567	0	563,567	64,908	87,359	0	152,267	411,300	243,500	1,599,824
12-2023	522,057	0	522,057	73,967	61,214	0	135,180	386,876	208,219	1,808,042
12-2024	486,421	0	486,421	66,597	98,498	0	165,095	321,325	157,217	1,965,260
12-2025	359,589	0	359,589	72,064	98,260	0	170,324	189,264	84,184	2,049,444
12-2026	284,295	0	284,295	62,220	39,795	0	102,014	182,280	73,707	2,123,151
12-2027	234,818	0	234,818	51,352	18,642	0	69,994	164,823	60,589	2,183,740
12-2028	197,974	0	197,974	41,942	18,642	0	60,585	137,389	45,913	2,229,653
12-2029	182,660	0	182,660	50,269	18,642	0	68,911	113,749	34,557	2,264,211
12-2030	165,310	0	165,310	41,246	11,929	0	53,175	112,135	30,970	2,295,181
12-2031	146,637	0	146,637	40,520	11,929	0	52,448	94,189	23,649	2,318,829
12-2032	125,972	0	125,972	34,610	11,929	0	46,539	79,433	18,131	2,336,960
12-2033	111,181	0	111,181	34,333	11,929	0	46,262	64,919	13,471	2,350,431
12-2034	74,204	0	74,204	33,221	11,929	0	45,150	29,054	5,481	2,355,911
S-TOT	5,890,249	0	5,890,249	987,956	860,707		1,848,663	4,041,586	2,355,911	
REM	0	0	0	0	0		0	0	0	
TOTAL	5,890,249	0	5,890,249	987,956	860,707		1,848,663	4,041,586	2,355,911	

LIFE - 18 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	320,562	0	320,562	64,435	43,976	52,983	161,394	159,168	151,761	151,761
12-2018	459,999	0	459,999	57,421	48,091	114,110	219,622	240,377	208,355	360,116
12-2019	511,520	0	511,520	67,236	97,090	135,253	299,579	211,940	167,006	527,122
12-2020	557,379	0	557,379	60,820	104,914	147,928	313,662	243,717	174,587	701,709
12-2021	586,106	0	586,106	70,796	65,938	154,423	291,156	294,950	192,079	893,788
12-2022	563,567	0	563,567	64,908	87,359	143,443	295,711	267,856	158,578	1,052,366
12-2023	522,057	0	522,057	73,967	61,214	129,711	264,891	257,165	138,408	1,190,773
12-2024	486,421	0	486,421	66,597	98,498	118,637	283,732	202,688	99,171	1,289,944
12-2025	359,589	0	359,589	72,064	98,260	74,230	244,555	115,034	51,167	1,341,111
12-2026	284,295	0	284,295	62,220	39,795	50,967	152,981	131,313	53,098	1,394,209
12-2027	234,818	0	234,818	51,352	18,642	44,507	114,502	120,316	44,228	1,438,437
12-2028	197,974	0	197,974	41,942	18,642	35,333	95,918	102,057	34,106	1,472,543
12-2029	182,660	0	182,660	50,269	18,642	34,764	103,675	78,985	23,996	1,496,539
12-2030	165,310	0	165,310	41,246	11,929	35,508	88,683	76,627	21,663	1,517,702
12-2031	146,637	0	146,637	40,520	11,929	31,035	83,483	63,154	15,857	1,533,559
12-2032	125,972	0	125,972	34,610	11,929	26,818	73,357	52,614	12,009	1,545,568
12-2033	111,181	0	111,181	34,333	11,929	22,105	68,367	42,814	8,884	1,554,452
12-2034	74,204	0	74,204	33,221	11,929	10,356	55,506	18,697	3,527	1,557,979
S-TOT	5,890,249	0	5,890,249	987,956	860,707	1,362,111	3,210,774	2,679,475	1,557,979	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	5,890,249	0	5,890,249	987,956	860,707	1,362,111	3,210,774	2,679,475	1,557,979	

LIFE - 18 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - TEN PROJECT AREA
TOTAL 2P RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	5	20,054	10,105	3,650	3,239	1,666	602	47.50	0.4850	0.0000
12-2018	6	22,299	17,545	3,650	3,601	2,893	602	52.25	0.8996	0.0000
12-2019	10	27,739	26,522	3,650	4,480	4,374	602	57.00	1.1433	0.0000
12-2020	11	26,844	23,339	3,660	4,335	3,849	604	57.00	1.2331	0.0000
12-2021	11	23,003	16,578	3,650	3,715	2,734	602	57.00	1.5382	0.0000
12-2022	11	20,648	12,479	3,650	3,335	2,058	602	57.00	1.8386	0.0000
12-2023	11	17,238	6,236	3,650	2,784	1,028	602	57.00	2.4459	0.0000
12-2024	11	14,777	3,396	3,660	2,387	560	604	57.00	2.9100	0.0000
12-2025	11	13,073	2,286	3,650	2,111	377	602	57.00	2.9100	0.0000
12-2026	11	11,695	1,539	3,650	1,889	254	602	57.00	2.9100	0.0000
12-2027	11	10,536	1,037	3,650	1,702	171	602	57.00	2.9100	0.0000
12-2028	11	9,516	698	3,660	1,537	115	604	57.00	2.9100	0.0000
12-2029	11	8,613	470	3,650	1,391	78	602	57.00	2.9100	0.0000
12-2030	11	7,971	316	3,650	1,287	52	602	57.00	2.9100	0.0000
12-2031	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2032	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2033	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	11	234,005	122,547	51,130	37,792	20,208	8,431			
REM	0	0	0	0	0	0	0			
TOTAL	11	234,005	122,547	51,130	37,792	20,208	8,431			
CUMULATIVE ULTIMATE		5,320	0	51,130						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	952,574	4,901	957,475	426,236	130,104	0	556,340	401,135	382,468	382,468
12-2018	1,165,120	15,784	1,180,904	414,450	192,000	0	606,450	574,454	497,928	880,396
12-2019	1,581,118	30,323	1,611,441	428,065	384,000	0	812,065	799,376	629,897	1,510,292
12-2020	1,530,103	28,779	1,558,882	465,230	192,000	0	657,230	901,652	645,899	2,156,191
12-2021	1,311,152	25,500	1,336,652	431,751	38,266	0	470,017	866,635	564,377	2,720,568
12-2022	1,176,960	22,945	1,199,905	470,732	38,266	0	508,998	690,907	409,034	3,129,602
12-2023	982,579	15,254	997,832	367,991	38,266	0	406,257	591,575	318,388	3,447,991
12-2024	842,303	9,883	852,186	403,439	38,266	0	441,705	410,481	200,839	3,648,830
12-2025	745,152	6,652	751,804	356,432	38,266	0	394,699	357,106	158,840	3,807,669
12-2026	666,592	4,478	671,070	383,653	38,266	0	421,920	249,150	100,747	3,908,416
12-2027	600,536	3,018	603,554	267,575	38,266	0	305,841	297,713	109,439	4,017,855
12-2028	542,412	2,031	544,443	303,144	38,266	0	341,410	203,033	67,850	4,085,706
12-2029	490,956	1,368	492,324	247,952	38,266	0	286,218	206,106	62,616	4,148,321
12-2030	454,319	920	455,239	228,064	38,266	0	266,330	188,909	52,174	4,200,495
12-2031	0	0	0	0	0	0	0	0	0	4,200,495
12-2032	0	0	0	0	0	0	0	0	0	4,200,495
12-2033	0	0	0	0	0	0	0	0	0	4,200,495
12-2034	0	0	0	0	0	0	0	0	0	4,200,495
S-TOT	13,041,875	171,836	13,213,711	5,194,712	1,280,768		6,475,480	6,738,232	4,200,495	
REM	0	0	0	0	0		0	0	0	
TOTAL	13,041,875	171,836	13,213,711	5,194,712	1,280,768		6,475,480	6,738,232	4,200,495	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	161,938	833	162,771	76,687	24,720	0	101,407	61,364	58,508	58,508
12-2018	198,070	2,683	200,754	74,684	36,480	0	111,164	89,590	77,655	136,164
12-2019	268,790	5,155	273,945	76,998	72,960	0	149,958	123,987	97,700	233,863
12-2020	260,117	4,892	265,010	83,316	36,480	0	119,796	145,214	104,024	337,887
12-2021	222,896	4,335	227,231	77,625	7,271	0	84,895	142,336	92,693	430,580
12-2022	200,083	3,901	203,984	84,251	7,271	0	91,522	112,462	66,580	497,160
12-2023	167,038	2,593	169,631	66,786	7,271	0	74,056	95,575	51,439	548,600
12-2024	143,192	1,680	144,872	72,812	7,271	0	80,082	64,789	31,700	580,299
12-2025	126,676	1,131	127,807	64,576	7,271	0	71,846	55,960	24,891	605,191
12-2026	113,321	761	114,082	69,040	7,271	0	76,311	37,771	15,273	620,464
12-2027	102,091	513	102,604	47,674	7,271	0	54,945	47,659	17,520	637,983
12-2028	92,210	345	92,555	53,721	7,271	0	60,992	31,564	10,548	648,531
12-2029	83,463	233	83,695	44,338	7,271	0	51,609	32,086	9,748	658,279
12-2030	77,234	156	77,391	40,549	7,271	0	47,820	29,571	8,167	666,446
12-2031	0	0	0	0	0	0	0	0	0	666,446
12-2032	0	0	0	0	0	0	0	0	0	666,446
12-2033	0	0	0	0	0	0	0	0	0	666,446
12-2034	0	0	0	0	0	0	0	0	0	666,446
S-TOT	2,217,119	29,212	2,246,331	933,057	243,346		1,176,403	1,069,928	666,446	
REM	0	0	0	0	0		0	0	0	
TOTAL	2,217,119	29,212	2,246,331	933,057	243,346		1,176,403	1,069,928	666,446	

LIFE - 14 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	161,938	833	162,771	76,687	24,720	(38,133)	63,273	99,497	94,867	94,867
12-2018	198,070	2,683	200,754	74,684	36,480	(18,961)	92,203	108,551	94,090	188,957
12-2019	268,790	5,155	273,945	76,998	72,960	14,855	164,813	109,132	85,994	274,951
12-2020	260,117	4,892	265,010	83,316	36,480	39,117	158,913	106,096	76,002	350,954
12-2021	222,896	4,335	227,231	77,625	7,271	37,456	122,352	104,879	68,300	419,254
12-2022	200,083	3,901	203,984	84,251	7,271	30,397	121,919	82,065	48,585	467,839
12-2023	167,038	2,593	169,631	66,786	7,271	24,958	99,014	70,618	38,007	505,845
12-2024	143,192	1,680	144,872	72,812	7,271	20,956	101,038	43,834	21,447	527,292
12-2025	126,676	1,131	127,807	64,576	7,271	18,753	90,599	37,207	16,550	543,842
12-2026	113,321	761	114,082	69,040	7,271	14,053	90,364	23,718	9,591	553,433
12-2027	102,091	513	102,604	47,674	7,271	15,848	70,793	31,812	11,694	565,127
12-2028	92,210	345	92,555	53,721	7,271	11,880	72,872	19,683	6,578	571,705
12-2029	83,463	233	83,695	44,338	7,271	10,397	62,006	21,689	6,589	578,294
12-2030	77,234	156	77,391	40,549	7,271	9,517	57,337	20,054	5,539	583,832
12-2031	0	0	0	0	0	0	0	0	0	583,832
12-2032	0	0	0	0	0	0	0	0	0	583,832
12-2033	0	0	0	0	0	0	0	0	0	583,832
12-2034	0	0	0	0	0	0	0	0	0	583,832
S-TOT	2,217,119	29,212	2,246,331	933,057	243,346	191,092	1,367,495	878,836	583,832	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	2,217,119	29,212	2,246,331	933,057	243,346	191,092	1,367,495	878,836	583,832	

LIFE - 14 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - COUNTRY OF GHANA
TOTAL 3P RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	18	50,701	13,432	7,300	10,071	2,215	1,437	47.53	0.4850	0.0000
12-2018	18	67,804	21,388	7,300	13,804	3,527	1,437	52.28	0.8251	0.0000
12-2019	24	71,153	31,755	7,300	14,410	5,236	1,437	57.03	1.0348	0.0000
12-2020	27	72,571	28,015	7,320	14,729	4,620	1,441	57.03	1.1082	0.0000
12-2021	31	75,923	20,248	7,300	15,553	3,339	1,437	57.03	1.3473	0.0000
12-2022	33	77,671	15,945	7,300	16,141	2,629	1,437	57.04	1.5800	0.0000
12-2023	34	72,965	11,030	7,300	15,326	1,819	1,437	57.04	2.0680	0.0000
12-2024	34	64,455	7,200	7,320	13,569	1,187	1,441	57.04	2.9100	0.0000
12-2025	33	55,402	7,200	7,300	11,629	1,187	1,437	57.04	2.9100	0.0000
12-2026	32	46,464	7,065	7,300	9,692	1,165	1,437	57.04	2.9100	0.0000
12-2027	33	42,043	5,878	7,300	8,777	969	1,437	57.04	2.9100	0.0000
12-2028	33	38,028	4,702	7,320	7,944	775	1,441	57.04	2.9100	0.0000
12-2029	33	34,525	3,760	7,300	7,218	620	1,437	57.04	2.9100	0.0000
12-2030	33	30,950	3,007	7,300	6,455	496	1,437	57.04	2.9100	0.0000
12-2031	20	24,698	19,407	7,300	5,347	3,200	1,437	57.04	0.7855	0.0000
12-2032	20	16,519	0	3,660	3,778	0	837	57.05	0.0000	0.0000
12-2033	19	15,018	0	3,650	3,435	0	835	57.05	0.0000	0.0000
12-2034	18	7,077	0	3,650	1,619	0	835	57.05	0.0000	0.0000
S-TOT	34	863,964	200,032	120,520	179,495	32,985	24,070			
REM	0	0	0	0	0	0	0			
TOTAL	34	863,964	200,032	120,520	179,495	32,985	24,070			
CUMULATIVE ULTIMATE		193,029	0	120,520						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	2,409,809	6,515	2,416,323	693,854	293,858	0	987,712	1,428,612	1,362,128	1,362,128
12-2018	3,545,054	17,648	3,562,702	652,646	371,077	0	1,023,723	2,538,979	2,200,747	3,562,875
12-2019	4,058,048	32,861	4,090,909	707,802	745,538	0	1,453,340	2,637,570	2,078,367	5,641,242
12-2020	4,138,957	31,047	4,170,004	716,101	583,741	0	1,299,842	2,870,162	2,056,042	7,697,284
12-2021	4,330,253	27,280	4,357,533	728,507	281,391	0	1,009,898	3,347,636	2,180,073	9,877,357
12-2022	4,430,169	25,193	4,455,363	741,358	361,159	0	1,102,516	3,352,846	1,984,970	11,862,327
12-2023	4,161,841	22,809	4,184,650	747,528	263,799	0	1,011,326	3,173,324	1,707,898	13,570,225
12-2024	3,676,499	20,952	3,697,451	677,932	402,636	0	1,080,568	2,616,883	1,280,381	14,850,606
12-2025	3,160,061	20,952	3,181,013	663,045	401,751	0	1,064,796	2,116,217	941,288	15,791,894
12-2026	2,650,210	20,559	2,670,769	648,363	184,041	0	832,404	1,838,365	743,364	16,535,257
12-2027	2,398,023	17,105	2,415,128	567,871	105,276	0	673,147	1,741,981	640,354	17,175,612
12-2028	2,169,019	13,683	2,182,702	568,781	105,276	0	674,056	1,508,646	504,163	17,679,775
12-2029	1,969,224	10,941	1,980,165	569,850	105,276	0	675,126	1,305,039	396,474	18,076,249
12-2030	1,765,308	8,750	1,774,058	512,945	80,276	0	593,221	1,180,838	326,129	18,402,378
12-2031	1,408,868	15,245	1,424,113	482,583	80,276	0	562,859	861,254	216,241	18,618,619
12-2032	942,460	0	942,460	174,511	45,488	0	219,999	722,462	164,903	18,783,522
12-2033	856,825	0	856,825	172,554	45,488	0	218,042	638,784	132,548	18,916,070
12-2034	403,786	0	403,786	135,885	45,488	0	181,373	222,413	41,955	18,958,025
S-TOT	48,474,417	291,540	48,765,957	10,162,114	4,501,832		14,663,946	34,102,011	18,958,025	
REM	0	0	0	0	0		0	0	0	
TOTAL	48,474,417	291,540	48,765,957	10,162,114	4,501,832		14,663,946	34,102,011	18,958,025	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	503,892	1,107	504,999	141,122	68,696	0	209,817	295,182	281,445	281,445
12-2018	759,780	3,000	762,781	131,849	84,571	0	216,420	546,361	473,577	755,022
12-2019	865,159	5,586	870,745	144,099	170,050	0	314,149	556,596	438,590	1,193,611
12-2020	884,333	5,278	889,611	143,469	141,394	0	284,864	604,747	433,211	1,626,822
12-2021	933,806	4,638	938,443	148,818	72,548	0	221,365	717,078	466,981	2,093,803
12-2022	969,136	4,283	973,418	149,095	93,969	0	243,065	730,354	432,388	2,526,191
12-2023	920,262	3,878	924,140	152,958	67,823	0	220,782	703,358	378,551	2,904,742
12-2024	814,739	3,562	818,301	138,544	105,108	0	243,652	574,649	281,163	3,185,904
12-2025	698,233	3,562	701,795	138,033	104,870	0	242,903	458,892	204,114	3,390,019
12-2026	581,920	3,495	585,416	132,398	46,404	0	178,803	406,613	164,418	3,554,437
12-2027	526,979	2,908	529,887	119,595	25,252	0	144,847	385,039	141,541	3,695,978
12-2028	476,990	2,326	479,316	117,292	25,252	0	142,544	336,773	112,544	3,808,522
12-2029	433,403	1,860	435,263	119,990	25,252	0	145,243	290,020	88,109	3,896,631
12-2030	387,570	1,487	389,058	107,283	18,538	0	125,822	263,236	72,702	3,969,332
12-2031	321,084	2,592	323,675	101,614	18,538	0	120,152	203,523	51,100	4,020,432
12-2032	226,917	0	226,917	42,017	11,929	0	53,946	172,971	39,481	4,059,913
12-2033	206,299	0	206,299	41,546	11,929	0	53,475	152,824	31,711	4,091,624
12-2034	97,220	0	97,220	32,717	11,929	0	44,646	52,574	9,917	4,101,542
S-TOT	10,607,722	49,562	10,657,283	2,102,440	1,104,053		3,206,493	7,450,791	4,101,542	
REM	0	0	0	0	0		0	0	0	
TOTAL	10,607,722	49,562	10,657,283	2,102,440	1,104,053		3,206,493	7,450,791	4,101,542	

LIFE - 18 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	503,892	1,107	504,999	141,122	68,696	22,433	232,250	272,749	260,056	260,056
12-2018	759,780	3,000	762,781	131,849	84,571	130,949	347,369	415,412	360,072	620,128
12-2019	865,159	5,586	870,745	144,099	170,050	180,003	494,152	376,593	296,750	916,878
12-2020	884,333	5,278	889,611	143,469	141,394	210,806	495,670	393,941	282,200	1,199,078
12-2021	933,806	4,638	938,443	148,818	72,548	235,758	457,124	481,320	313,449	1,512,527
12-2022	969,136	4,283	973,418	149,095	93,969	249,955	493,020	480,399	284,408	1,796,935
12-2023	920,262	3,878	924,140	152,958	67,823	236,657	457,438	466,702	251,181	2,048,116
12-2024	814,739	3,562	818,301	138,544	105,108	212,807	456,459	361,842	177,041	2,225,157
12-2025	698,233	3,562	701,795	138,033	104,870	173,764	416,666	285,129	126,825	2,351,981
12-2026	581,920	3,495	585,416	132,398	46,404	136,144	314,946	270,469	109,367	2,461,349
12-2027	526,979	2,908	529,887	119,595	25,252	126,140	270,987	258,900	95,172	2,556,520
12-2028	476,990	2,326	479,316	117,292	25,252	110,936	253,480	225,836	75,471	2,631,991
12-2029	433,403	1,860	435,263	119,990	25,252	99,799	245,042	190,221	57,790	2,689,781
12-2030	387,570	1,487	389,058	107,283	18,538	91,277	217,099	171,959	47,492	2,737,273
12-2031	321,084	2,592	323,675	101,614	18,538	72,324	192,476	131,199	32,941	2,770,214
12-2032	226,917	0	226,917	42,017	11,929	62,442	116,387	110,530	25,229	2,795,442
12-2033	206,299	0	206,299	41,546	11,929	55,448	108,923	97,376	20,206	2,815,648
12-2034	97,220	0	97,220	32,717	11,929	19,409	64,055	33,165	6,256	2,821,904
S-TOT	10,607,722	49,562	10,657,283	2,102,440	1,104,053	2,427,051	5,633,544	5,023,739	2,821,904	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	10,607,722	49,562	10,657,283	2,102,440	1,104,053	2,427,051	5,633,544	5,023,739	2,821,904	

LIFE - 18 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - JUBILEE PROJECT AREA
TOTAL 3P RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	13	27,998	0	3,650	6,404	0	835	47.55	0.0000	0.0000
12-2018	12	42,447	0	3,650	9,709	0	835	52.30	0.0000	0.0000
12-2019	14	43,413	0	3,650	9,930	0	835	57.05	0.0000	0.0000
12-2020	16	44,755	0	3,660	10,237	0	837	57.05	0.0000	0.0000
12-2021	20	48,953	0	3,650	11,197	0	835	57.05	0.0000	0.0000
12-2022	22	53,496	0	3,650	12,236	0	835	57.05	0.0000	0.0000
12-2023	23	52,690	0	3,650	12,052	0	835	57.05	0.0000	0.0000
12-2024	23	46,990	0	3,660	10,748	0	837	57.05	0.0000	0.0000
12-2025	22	39,879	0	3,650	9,122	0	835	57.05	0.0000	0.0000
12-2026	21	32,539	0	3,650	7,443	0	835	57.05	0.0000	0.0000
12-2027	22	29,550	0	3,650	6,759	0	835	57.05	0.0000	0.0000
12-2028	22	26,811	0	3,660	6,133	0	837	57.05	0.0000	0.0000
12-2029	22	24,428	0	3,650	5,587	0	835	57.05	0.0000	0.0000
12-2030	22	21,662	0	3,650	4,955	0	835	57.05	0.0000	0.0000
12-2031	20	20,203	0	3,650	4,621	0	835	57.05	0.0000	0.0000
12-2032	20	16,519	0	3,660	3,778	0	837	57.05	0.0000	0.0000
12-2033	19	15,018	0	3,650	3,435	0	835	57.05	0.0000	0.0000
12-2034	18	7,077	0	3,650	1,619	0	835	57.05	0.0000	0.0000
S-TOT	23	594,427	0	65,740	135,965	0	15,037			
REM	0	0	0	0	0	0	0			
TOTAL	23	594,427	0	65,740	135,965	0	15,037			
CUMULATIVE ULTIMATE		187,709	0	65,740						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	1,331,399	0	1,331,399	267,618	163,754	0	431,372	900,027	858,142	858,142
12-2018	2,220,136	0	2,220,136	235,582	179,077	0	414,659	1,805,477	1,564,959	2,423,101
12-2019	2,476,868	0	2,476,868	276,175	361,538	0	637,713	1,839,155	1,449,228	3,872,329
12-2020	2,553,445	0	2,553,445	247,349	391,741	0	639,090	1,914,355	1,371,349	5,243,678
12-2021	2,792,993	0	2,792,993	293,119	246,603	0	539,722	2,253,270	1,467,392	6,711,070
12-2022	3,052,192	0	3,052,192	266,176	326,371	0	592,547	2,459,644	1,456,172	8,167,242
12-2023	3,006,165	0	3,006,165	305,940	229,011	0	534,951	2,471,213	1,330,019	9,497,261
12-2024	2,680,964	0	2,680,964	269,446	367,848	0	637,294	2,043,670	999,921	10,497,182
12-2025	2,275,266	0	2,275,266	301,433	366,963	0	668,397	1,606,870	714,731	11,211,913
12-2026	1,856,478	0	1,856,478	259,397	149,253	0	408,650	1,447,828	585,446	11,797,359
12-2027	1,685,931	0	1,685,931	294,901	70,488	0	365,389	1,320,542	485,433	12,282,791
12-2028	1,529,682	0	1,529,682	260,167	70,488	0	330,655	1,199,028	400,694	12,683,486
12-2029	1,393,716	0	1,393,716	295,733	70,488	0	366,221	1,027,495	312,156	12,995,641
12-2030	1,235,925	0	1,235,925	258,640	45,488	0	304,128	931,797	257,348	13,252,989
12-2031	1,152,676	0	1,152,676	251,459	45,488	0	296,947	855,729	214,853	13,467,842
12-2032	942,460	0	942,460	174,511	45,488	0	219,999	722,462	164,903	13,632,745
12-2033	856,825	0	856,825	172,554	45,488	0	218,042	638,784	132,548	13,765,294
12-2034	403,786	0	403,786	135,885	45,488	0	181,373	222,413	41,955	13,807,249
S-TOT	33,446,908	0	33,446,908	4,566,084	3,221,064		7,787,148	25,659,760	13,807,249	
REM	0	0	0	0	0		0	0	0	
TOTAL	33,446,908	0	33,446,908	4,566,084	3,221,064		7,787,148	25,659,760	13,807,249	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	320,562	0	320,562	64,435	43,976	0	108,411	212,152	202,279	202,279
12-2018	534,544	0	534,544	56,721	48,091	0	104,812	429,732	372,485	574,764
12-2019	596,358	0	596,358	66,495	97,090	0	163,585	432,773	341,019	915,782
12-2020	614,796	0	614,796	59,554	104,914	0	164,469	450,327	322,592	1,238,374
12-2021	672,472	0	672,472	70,575	65,938	0	136,512	535,959	349,031	1,587,406
12-2022	734,879	0	734,879	64,088	87,359	0	151,447	583,432	345,407	1,932,812
12-2023	723,797	0	723,797	73,661	61,214	0	134,875	588,922	316,961	2,249,773
12-2024	645,498	0	645,498	64,875	98,498	0	163,373	482,126	235,893	2,485,666
12-2025	547,818	0	547,818	57,576	98,260	0	170,837	376,981	167,680	2,653,346
12-2026	446,986	0	446,986	62,455	39,795	0	102,250	344,736	139,398	2,792,744
12-2027	405,923	0	405,923	71,004	18,642	0	89,646	316,277	116,264	2,909,008
12-2028	368,303	0	368,303	62,641	18,642	0	81,283	287,020	95,917	3,004,925
12-2029	335,566	0	335,566	71,204	18,642	0	89,846	245,720	74,650	3,079,575
12-2030	297,575	0	297,575	62,273	11,929	0	74,202	223,373	61,692	3,141,268
12-2031	277,531	0	277,531	60,544	11,929	0	72,473	205,058	51,485	3,192,753
12-2032	226,917	0	226,917	42,017	11,929	0	53,946	172,971	39,481	3,232,234
12-2033	206,299	0	206,299	41,546	11,929	0	53,475	152,824	31,711	3,263,945
12-2034	97,220	0	97,220	32,717	11,929	0	44,646	52,574	9,917	3,273,862
S-TOT	8,053,045	0	8,053,045	1,099,381	860,707		1,960,088	6,092,957	3,273,862	
REM	0	0	0	0	0		0	0	0	
TOTAL	8,053,045	0	8,053,045	1,099,381	860,707		1,960,088	6,092,957	3,273,862	

LIFE - 18 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	320,562	0	320,562	64,435	43,976	52,983	161,394	159,168	151,761	151,761
12-2018	534,544	0	534,544	56,721	48,091	140,446	245,258	289,286	250,749	402,510
12-2019	596,358	0	596,358	66,495	97,090	165,205	328,791	267,567	210,839	613,349
12-2020	614,796	0	614,796	59,554	104,914	168,466	332,935	281,860	201,911	815,260
12-2021	672,472	0	672,472	70,575	65,938	184,728	321,240	351,231	228,731	1,043,991
12-2022	734,879	0	734,879	64,088	87,359	207,497	358,944	375,935	222,563	1,266,554
12-2023	723,797	0	723,797	73,661	61,214	205,098	339,973	383,825	206,576	1,473,130
12-2024	645,498	0	645,498	64,875	98,498	182,145	345,518	299,981	146,774	1,619,904
12-2025	547,818	0	547,818	57,576	98,260	145,928	316,764	231,054	102,772	1,722,676
12-2026	446,986	0	446,986	62,455	39,795	113,654	215,904	231,082	93,441	1,816,117
12-2027	405,923	0	405,923	71,004	18,642	102,906	192,552	213,371	78,435	1,894,552
12-2028	368,303	0	368,303	62,641	18,642	92,690	173,973	194,330	64,942	1,959,494
12-2029	335,566	0	335,566	71,204	18,642	85,127	174,974	160,593	48,788	2,008,283
12-2030	297,575	0	297,575	62,273	11,929	78,158	152,360	145,215	40,106	2,048,389
12-2031	277,531	0	277,531	60,544	11,929	73,278	145,750	131,780	33,087	2,081,476
12-2032	226,917	0	226,917	42,017	11,929	62,442	116,387	110,530	25,229	2,106,704
12-2033	206,299	0	206,299	41,546	11,929	55,448	108,923	97,376	20,206	2,126,910
12-2034	97,220	0	97,220	32,717	11,929	19,409	64,055	33,165	6,256	2,133,166
S-TOT	8,053,045	0	8,053,045	1,099,381	860,707	2,135,609	4,095,696	3,957,349	2,133,166	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	8,053,045	0	8,053,045	1,099,381	860,707	2,135,609	4,095,696	3,957,349	2,133,166	

LIFE - 18 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - TEN PROJECT AREA
TOTAL 3P RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	5	22,703	13,432	3,650	3,667	2,215	602	47.50	0.4850	0.0000
12-2018	6	25,357	21,388	3,650	4,095	3,527	602	52.25	0.8251	0.0000
12-2019	10	27,740	31,755	3,650	4,480	5,236	602	57.00	1.0348	0.0000
12-2020	11	27,816	28,015	3,660	4,492	4,620	604	57.00	1.1082	0.0000
12-2021	11	26,969	20,248	3,650	4,356	3,339	602	57.00	1.3473	0.0000
12-2022	11	24,175	15,945	3,650	3,904	2,629	602	57.00	1.5800	0.0000
12-2023	11	20,275	11,030	3,650	3,274	1,819	602	57.00	2.0680	0.0000
12-2024	11	17,466	7,200	3,660	2,821	1,187	604	57.00	2.9100	0.0000
12-2025	11	15,523	7,200	3,650	2,507	1,187	602	57.00	2.9100	0.0000
12-2026	11	13,925	7,065	3,650	2,249	1,165	602	57.00	2.9100	0.0000
12-2027	11	12,493	5,878	3,650	2,018	969	602	57.00	2.9100	0.0000
12-2028	11	11,216	4,702	3,660	1,811	775	604	57.00	2.9100	0.0000
12-2029	11	10,097	3,760	3,650	1,631	620	602	57.00	2.9100	0.0000
12-2030	11	9,287	3,007	3,650	1,500	496	602	57.00	2.9100	0.0000
12-2031	0	4,495	19,407	3,650	726	3,200	602	57.00	0.7855	0.0000
12-2032	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2033	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	11	269,538	200,032	54,780	43,530	32,985	9,033			
REM	0	0	0	0	0	0	0			
TOTAL	11	269,538	200,032	54,780	43,530	32,985	9,033			
CUMULATIVE ULTIMATE		5,320	0	54,780						
		274,858	200,032							

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	1,078,410	6,515	1,084,924	426,236	130,104	0	556,340	528,585	503,986	503,986
12-2018	1,324,918	17,648	1,342,566	417,063	192,000	0	609,063	733,502	635,788	1,139,774
12-2019	1,581,180	32,861	1,614,041	431,627	384,000	0	815,627	798,415	629,139	1,768,913
12-2020	1,585,512	31,047	1,616,559	468,752	192,000	0	660,752	955,807	684,693	2,453,606
12-2021	1,537,261	27,280	1,564,541	435,388	34,788	0	470,176	1,094,365	712,681	3,166,287
12-2022	1,377,978	25,193	1,403,171	475,182	34,788	0	509,969	893,202	528,798	3,695,085
12-2023	1,155,676	22,809	1,178,485	441,588	34,788	0	476,375	702,110	377,879	4,072,964
12-2024	995,535	20,952	1,016,486	408,486	34,788	0	443,273	573,213	280,460	4,353,424
12-2025	884,795	20,952	905,747	361,611	34,788	0	396,399	509,348	226,557	4,579,981
12-2026	793,732	20,559	814,291	388,966	34,788	0	423,754	390,537	157,918	4,737,899
12-2027	712,093	17,105	729,198	272,970	34,788	0	307,758	421,440	154,922	4,892,820
12-2028	639,337	13,683	653,020	308,614	34,788	0	343,402	309,618	103,469	4,996,289
12-2029	575,508	10,941	586,449	274,117	34,788	0	308,905	277,544	84,319	5,080,608
12-2030	529,383	8,750	538,133	254,305	34,788	0	289,093	249,040	68,781	5,149,389
12-2031	256,193	15,245	271,437	231,124	34,788	0	265,912	5,526	1,387	5,150,776
12-2032	0	0	0	0	0	0	0	0	0	5,150,776
12-2033	0	0	0	0	0	0	0	0	0	5,150,776
12-2034	0	0	0	0	0	0	0	0	0	5,150,776
S-TOT	15,027,509	291,540	15,319,049	5,596,030	1,280,768		6,876,798	8,442,251	5,150,776	
REM	0	0	0	0	0		0	0	0	
TOTAL	15,027,509	291,540	15,319,049	5,596,030	1,280,768		6,876,798	8,442,251	5,150,776	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	183,330	1,107	184,437	76,687	24,720	0	101,407	83,030	79,166	79,166
12-2018	225,236	3,000	228,236	75,128	36,480	0	111,608	116,628	101,092	180,258
12-2019	268,801	5,586	274,387	77,604	72,960	0	150,564	123,823	97,571	277,829
12-2020	269,537	5,278	274,815	83,915	36,480	0	120,395	154,420	110,619	388,448
12-2021	261,334	4,638	265,972	78,243	6,610	0	84,853	181,119	117,950	506,398
12-2022	234,256	4,283	238,539	85,008	6,610	0	91,618	146,922	86,981	593,379
12-2023	196,465	3,878	200,343	79,297	6,610	0	85,907	114,436	61,590	654,969
12-2024	169,241	3,562	172,803	73,670	6,610	0	80,279	92,523	45,270	700,238
12-2025	150,415	3,562	153,977	65,456	6,610	0	72,066	81,911	36,434	736,672
12-2026	134,934	3,495	138,429	69,943	6,610	0	76,553	61,877	25,021	761,693
12-2027	121,056	2,908	123,964	48,592	6,610	0	55,201	68,762	25,277	786,970
12-2028	108,687	2,326	111,013	54,651	6,610	0	61,261	49,753	16,627	803,597
12-2029	97,836	1,860	99,696	48,787	6,610	0	55,396	44,300	13,459	817,055
12-2030	89,995	1,487	91,483	45,010	6,610	0	51,620	39,863	11,009	828,064
12-2031	43,553	2,592	46,144	41,070	6,610	0	47,679	(1,535)	(385)	827,679
12-2032	0	0	0	0	0	0	0	0	0	827,679
12-2033	0	0	0	0	0	0	0	0	0	827,679
12-2034	0	0	0	0	0	0	0	0	0	827,679
S-TOT	2,554,676	49,562	2,604,238	1,003,059	243,346		1,246,405	1,357,833	827,679	
REM	0	0	0	0	0		0	0	0	
TOTAL	2,554,676	49,562	2,604,238	1,003,059	243,346		1,246,405	1,357,833	827,679	

LIFE - 15 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	183,330	1,107	184,437	76,687	24,720	(30,550)	70,857	113,581	108,295	108,295
12-2018	225,236	3,000	228,236	75,128	36,480	(9,497)	102,111	126,126	109,324	217,618
12-2019	268,801	5,586	274,387	77,604	72,960	14,798	165,361	109,026	85,911	303,529
12-2020	269,537	5,278	274,815	83,915	36,480	42,340	162,734	112,081	80,289	383,818
12-2021	261,334	4,638	265,972	78,243	6,610	51,030	135,883	130,089	84,717	468,535
12-2022	234,256	4,283	238,539	85,008	6,610	42,458	134,075	104,464	61,845	530,381
12-2023	196,465	3,878	200,343	79,297	6,610	31,559	117,465	82,877	44,605	574,986
12-2024	169,241	3,562	172,803	73,670	6,610	30,663	110,942	61,861	30,267	605,253
12-2025	150,415	3,562	153,977	65,456	6,610	27,836	99,902	54,075	24,053	629,305
12-2026	134,934	3,495	138,429	69,943	6,610	22,490	99,043	39,387	15,926	645,232
12-2027	121,056	2,908	123,964	48,592	6,610	23,234	78,435	45,529	16,736	661,968
12-2028	108,687	2,326	111,013	54,651	6,610	18,246	79,507	31,506	10,529	672,497
12-2029	97,836	1,860	99,696	48,787	6,610	14,672	70,068	29,628	9,001	681,498
12-2030	89,995	1,487	91,483	45,010	6,610	13,119	64,739	26,744	7,386	688,884
12-2031	43,553	2,592	46,144	41,070	6,610	(954)	46,726	(581)	(146)	688,738
12-2032	0	0	0	0	0	0	0	0	0	688,738
12-2033	0	0	0	0	0	0	0	0	0	688,738
12-2034	0	0	0	0	0	0	0	0	0	688,738
S-TOT	2,554,676	49,562	2,604,238	1,003,059	243,346	291,443	1,537,848	1,066,391	688,738	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	2,554,676	49,562	2,604,238	1,003,059	243,346	291,443	1,537,848	1,066,391	688,738	

LIFE - 15 years

DISCOUNT RATE @ 10%

12.5.2 Price Sensitivity Runs

12.5.2.1 Gross and Net Economic
Projections: Case 1: Low Case

GRAND SUMMARY - COUNTRY OF GHANA
TOTAL PROVED PRODUCING RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	18	44,947	6,878	5,986	9,141	1,134	1,178	47.53	0.4850	0.0000
12-2018	18	51,710	12,666	5,735	10,670	2,089	1,137	47.54	1.0112	0.0000
12-2019	17	39,239	13,175	4,835	7,976	2,173	988	47.53	1.3008	0.0000
12-2020	18	33,124	9,717	4,557	6,792	1,602	943	47.54	1.4167	0.0000
12-2021	17	27,401	6,033	4,522	5,603	995	937	47.53	1.7341	0.0000
12-2022	17	22,427	1,946	4,750	4,457	321	974	47.53	1.1969	0.0000
12-2023	16	19,920	29	4,945	3,931	5	1,006	47.53	2.9100	0.0000
12-2024	16	17,936	0	4,986	3,555	0	1,014	47.53	0.0000	0.0000
12-2025	15	16,382	0	4,963	3,262	0	1,010	47.53	0.0000	0.0000
12-2026	15	13,729	0	4,968	2,703	0	1,010	47.53	0.0000	0.0000
12-2027	16	12,286	0	4,996	2,409	0	1,015	47.53	0.0000	0.0000
12-2028	16	10,429	0	5,012	2,021	0	1,018	47.53	0.0000	0.0000
12-2029	16	9,085	0	4,993	1,748	0	1,014	47.52	0.0000	0.0000
12-2030	15	8,319	0	4,988	1,597	0	1,014	47.52	0.0000	0.0000
12-2031	10	3,617	0	2,993	827	0	685	47.55	0.0000	0.0000
12-2032	9	3,548	0	3,001	812	0	686	47.55	0.0000	0.0000
12-2033	9	3,499	0	2,993	800	0	685	47.55	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	18	337,599	50,445	79,225	68,303	8,318	16,314			
REM	0	0	0	0	0	0	0			
TOTAL	18	337,599	50,445	79,225	68,303	8,318	16,314			
CUMULATIVE ULTIMATE		193,029	0	79,225						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	2,136,518	3,336	2,139,854	693,854	130,104	0	823,958	1,315,896	1,254,658	1,254,658
12-2018	2,458,102	12,809	2,470,911	611,491	117,760	0	729,251	1,683,506	1,459,236	2,713,894
12-2019	1,865,189	17,138	1,882,327	524,571	104,360	0	628,931	1,096,368	863,922	3,577,817
12-2020	1,574,545	13,766	1,588,311	468,295	126,137	0	594,433	960,882	688,328	4,266,145
12-2021	1,302,512	10,462	1,312,973	403,971	79,093	0	483,064	829,877	540,439	4,806,584
12-2022	1,065,955	2,330	1,068,285	380,120	82,154	0	462,274	606,118	358,837	5,165,421
12-2023	946,780	84	946,864	416,887	84,450	0	501,337	445,445	239,741	5,405,162
12-2024	852,507	0	852,507	409,343	84,833	0	494,176	358,279	175,298	5,580,460
12-2025	778,647	0	778,647	387,637	84,833	0	472,470	306,241	136,215	5,716,675
12-2026	652,509	0	652,509	368,973	84,833	0	453,806	198,702	80,347	5,797,022
12-2027	583,925	0	583,925	317,301	85,216	0	402,517	181,433	66,695	5,863,717
12-2028	495,645	0	495,645	305,597	85,216	0	390,813	104,829	35,032	5,898,749
12-2029	431,757	0	431,757	315,770	85,216	0	400,985	30,843	9,370	5,908,120
12-2030	395,348	0	395,348	265,152	60,216	0	325,368	70,115	19,365	5,927,484
12-2031	171,987	0	171,987	117,342	34,577	0	151,920	20,068	5,038	5,932,523
12-2032	168,729	0	168,729	115,114	34,577	0	149,691	19,038	4,345	5,936,868
12-2033	166,385	0	166,385	115,268	34,577	0	149,845	16,540	3,432	5,940,301
12-2034	0	0	0	0	0	0	0	0	0	5,940,301
S-TOT	16,047,041	59,924	16,106,965	6,216,686	1,398,153		7,614,839	8,244,182	5,940,301	
REM	0	0	0	0	0		0	0	0	
TOTAL	16,047,041	59,924	16,106,965	6,216,686	1,398,153		7,614,839	8,244,182	5,940,301	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	457,432	567	458,000	141,122	24,720	0	165,842	292,158	278,562	278,562
12-2018	533,928	2,177	536,106	124,425	22,374	0	146,799	378,257	327,867	606,429
12-2019	399,138	2,914	402,052	110,429	21,792	0	132,221	239,995	189,113	795,542
12-2020	339,895	2,340	342,235	98,018	28,428	0	126,446	209,520	150,090	945,632
12-2021	280,379	1,778	282,158	83,969	19,489	0	103,458	178,694	116,370	1,062,003
12-2022	222,997	396	223,393	77,520	20,071	0	97,591	125,823	74,490	1,136,493
12-2023	196,704	14	196,718	86,401	20,507	0	106,908	89,795	48,328	1,184,821
12-2024	177,895	0	177,895	82,728	20,580	0	103,308	74,577	36,489	1,221,310
12-2025	163,226	0	163,226	79,603	20,580	0	100,182	63,056	28,047	1,249,357
12-2026	135,234	0	135,234	73,697	20,580	0	94,276	40,957	16,562	1,265,918
12-2027	120,509	0	120,509	66,429	20,653	0	87,081	33,433	12,290	1,278,208
12-2028	101,095	0	101,095	61,918	20,653	0	82,570	18,524	6,190	1,284,399
12-2029	87,431	0	87,431	66,039	20,653	0	86,692	753	229	1,284,627
12-2030	79,883	0	79,883	54,547	13,939	0	68,486	11,423	3,155	1,287,782
12-2031	41,410	0	41,410	28,253	9,068	0	37,320	4,089	1,027	1,288,809
12-2032	40,625	0	40,625	27,716	9,068	0	36,784	3,842	877	1,289,686
12-2033	40,061	0	40,061	27,753	9,068	0	36,821	3,240	672	1,290,358
12-2034	0	0	0	0	0	0	0	0	0	1,290,358
S-TOT	3,417,843	10,187	3,428,030	1,290,565	322,220		1,612,784	1,768,136	1,290,358	
REM	0	0	0	0	0		0	0	0	
TOTAL	3,417,843	10,187	3,428,030	1,290,565	322,220		1,612,784	1,768,136	1,290,358	

LIFE - 17 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	457,432	567	458,000	141,122	24,720	9,061	174,903	283,097	269,922	269,922
12-2018	533,928	2,177	536,106	124,425	22,374	65,941	212,740	312,316	270,711	540,633
12-2019	399,138	2,914	402,052	110,429	21,792	61,303	193,524	178,692	140,807	681,440
12-2020	339,895	2,340	342,235	98,018	28,428	66,728	193,174	142,792	102,289	783,729
12-2021	280,379	1,778	282,158	83,969	19,489	58,938	162,396	119,756	77,988	861,717
12-2022	222,997	396	223,393	77,520	20,071	38,064	135,655	87,759	51,955	913,672
12-2023	196,704	14	196,718	86,401	20,507	27,069	133,977	62,726	33,759	947,432
12-2024	177,895	0	177,895	82,728	20,580	23,784	127,092	50,793	24,852	972,283
12-2025	163,226	0	163,226	79,603	20,580	22,701	122,883	40,355	17,950	990,233
12-2026	135,234	0	135,234	73,697	20,580	13,705	107,981	27,252	11,020	1,001,253
12-2027	120,509	0	120,509	66,429	20,653	12,324	99,405	21,109	7,760	1,009,013
12-2028	101,095	0	101,095	61,918	20,653	5,862	88,432	12,662	4,231	1,013,244
12-2029	87,431	0	87,431	66,039	20,653	1,498	88,189	(745)	(226)	1,013,018
12-2030	79,883	0	79,883	54,547	13,939	1,391	69,878	10,031	2,771	1,015,788
12-2031	41,410	0	41,410	28,253	9,068	0	37,320	4,089	1,027	1,016,815
12-2032	40,625	0	40,625	27,716	9,068	0	36,784	3,842	877	1,017,692
12-2033	40,061	0	40,061	27,753	9,068	0	36,821	3,240	672	1,018,364
12-2034	0	0	0	0	0	0	0	0	0	1,018,364
S-TOT	3,417,843	10,187	3,428,030	1,290,565	322,220	408,370	2,021,154	1,359,766	1,018,364	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	3,417,843	10,187	3,428,030	1,290,565	322,220	408,370	2,021,154	1,359,766	1,018,364	

LIFE - 17 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - JUBILEE PROJECT AREA
TOTAL PROVED PRODUCING RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	13	27,998	0	2,993	6,404	0	685	47.55	0.0000	0.0000
12-2018	13	34,483	0	2,993	7,887	0	685	47.55	0.0000	0.0000
12-2019	12	24,382	0	2,993	5,577	0	685	47.55	0.0000	0.0000
12-2020	13	21,460	0	3,001	4,909	0	686	47.55	0.0000	0.0000
12-2021	12	17,517	0	2,993	4,007	0	685	47.55	0.0000	0.0000
12-2022	12	12,416	0	2,993	2,840	0	685	47.55	0.0000	0.0000
12-2023	11	10,623	0	2,993	2,430	0	685	47.55	0.0000	0.0000
12-2024	11	9,796	0	3,001	2,241	0	686	47.55	0.0000	0.0000
12-2025	10	9,169	0	2,993	2,097	0	685	47.55	0.0000	0.0000
12-2026	10	7,223	0	2,993	1,652	0	685	47.55	0.0000	0.0000
12-2027	11	6,312	0	2,993	1,444	0	685	47.55	0.0000	0.0000
12-2028	11	5,002	0	3,001	1,144	0	686	47.55	0.0000	0.0000
12-2029	11	4,170	0	2,993	954	0	685	47.55	0.0000	0.0000
12-2030	10	3,766	0	2,993	861	0	685	47.55	0.0000	0.0000
12-2031	10	3,617	0	2,993	827	0	685	47.55	0.0000	0.0000
12-2032	9	3,548	0	3,001	812	0	686	47.55	0.0000	0.0000
12-2033	9	3,499	0	2,993	800	0	685	47.55	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	13	204,979	0	50,914	46,885	0	11,646			
REM	0	0	0	0	0	0	0			
TOTAL	13	204,979	0	50,914	46,885	0	11,646			
CUMULATIVE ULTIMATE		187,709	0	50,914						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	1,331,399	0	1,331,399	267,618	0	0	267,618	1,063,781	1,014,275	1,014,275
12-2018	1,639,808	0	1,639,808	234,535	0	0	234,535	1,405,273	1,218,069	2,232,344
12-2019	1,159,456	0	1,159,456	263,519	25,000	0	288,519	870,937	686,286	2,918,630
12-2020	1,020,511	0	1,020,511	229,133	59,577	0	288,710	731,800	524,226	3,442,856
12-2021	833,000	0	833,000	185,585	59,577	0	245,162	587,838	382,816	3,825,672
12-2022	590,425	0	590,425	147,204	59,577	0	206,781	383,643	227,126	4,052,799
12-2023	505,173	0	505,173	180,489	59,577	0	240,066	265,107	142,682	4,195,481
12-2024	465,847	0	465,847	146,167	59,577	0	205,744	260,103	127,262	4,322,743
12-2025	436,002	0	436,002	156,600	59,577	0	216,178	219,824	97,777	4,420,520
12-2026	343,463	0	343,463	119,406	59,577	0	178,983	164,480	66,509	4,487,029
12-2027	300,150	0	300,150	155,769	59,577	0	215,346	84,804	31,174	4,518,204
12-2028	237,878	0	237,878	120,118	59,577	0	179,696	58,183	19,444	4,537,647
12-2029	198,278	0	198,278	153,982	59,577	0	213,559	(15,282)	(4,643)	4,533,005
12-2030	179,090	0	179,090	117,086	34,577	0	151,664	27,426	7,575	4,540,580
12-2031	171,987	0	171,987	117,342	34,577	0	151,920	20,068	5,038	4,545,618
12-2032	168,729	0	168,729	115,114	34,577	0	149,691	19,038	4,345	4,549,963
12-2033	166,385	0	166,385	115,268	34,577	0	149,845	16,540	3,432	4,553,396
12-2034	0	0	0	0	0	0	0	0	0	4,553,396
S-TOT	9,747,582	0	9,747,582	2,824,936	759,081	0	3,584,017	6,163,565	4,553,396	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	9,747,582	0	9,747,582	2,824,936	759,081	0	3,584,017	6,163,565	4,553,396	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	320,562	0	320,562	64,435	0	0	64,435	256,128	244,208	244,208
12-2018	394,818	0	394,818	56,469	0	0	56,469	338,349	293,276	537,484
12-2019	279,163	0	279,163	63,448	6,714	0	70,161	209,002	164,691	702,174
12-2020	245,709	0	245,709	55,169	15,781	0	70,950	174,760	125,189	827,363
12-2021	200,562	0	200,562	44,683	15,781	0	60,465	140,098	91,235	918,599
12-2022	142,157	0	142,157	35,443	15,781	0	51,224	90,933	53,835	972,434
12-2023	121,631	0	121,631	43,457	15,781	0	59,238	62,393	33,580	1,006,014
12-2024	112,162	0	112,162	35,193	15,781	0	50,974	61,188	29,938	1,035,952
12-2025	104,977	0	104,977	37,705	15,781	0	53,486	51,491	22,903	1,058,855
12-2026	82,696	0	82,696	28,749	15,781	0	44,531	38,165	15,433	1,074,287
12-2027	72,267	0	72,267	37,505	15,781	0	53,286	18,982	6,978	1,081,265
12-2028	57,274	0	57,274	28,921	15,781	0	44,702	12,572	4,201	1,085,466
12-2029	47,740	0	47,740	37,074	15,781	0	52,856	(5,116)	(1,554)	1,083,912
12-2030	43,120	0	43,120	28,191	9,068	0	37,259	5,861	1,619	1,085,531
12-2031	41,410	0	41,410	28,253	9,068	0	37,320	4,089	1,027	1,086,558
12-2032	40,625	0	40,625	27,716	9,068	0	36,784	3,842	877	1,087,435
12-2033	40,061	0	40,061	27,753	9,068	0	36,821	3,240	672	1,088,107
12-2034	0	0	0	0	0	0	0	0	0	1,088,107
S-TOT	2,346,935	0	2,346,935	680,163	200,796	0	880,959	1,465,976	1,088,107	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	2,346,935	0	2,346,935	680,163	200,796	0	880,959	1,465,976	1,088,107	

LIFE - 17 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	320,562	0	320,562	64,435	0	56,062	120,496	200,066	190,755	190,755
12-2018	394,818	0	394,818	56,469	0	98,075	154,544	240,274	208,266	399,021
12-2019	279,163	0	279,163	63,448	6,714	68,025	138,186	140,977	111,088	510,109
12-2020	245,709	0	245,709	55,169	15,781	60,633	131,583	114,127	81,755	591,864
12-2021	200,562	0	200,562	44,683	15,781	51,744	112,208	88,354	57,538	649,403
12-2022	142,157	0	142,157	35,443	15,781	31,117	82,341	59,817	35,413	684,815
12-2023	121,631	0	121,631	43,457	15,781	23,017	82,255	39,376	21,192	706,008
12-2024	112,162	0	112,162	35,193	15,781	20,236	71,210	40,952	20,037	726,045
12-2025	104,977	0	104,977	37,705	15,781	19,201	72,688	32,289	14,362	740,407
12-2026	82,696	0	82,696	28,749	15,781	12,178	56,709	25,987	10,508	750,915
12-2027	72,267	0	72,267	37,505	15,781	7,823	61,109	11,158	4,102	755,017
12-2028	57,274	0	57,274	28,921	15,781	3,220	47,923	9,352	3,125	758,142
12-2029	47,740	0	47,740	37,074	15,781	0	52,856	(5,116)	(1,554)	756,588
12-2030	43,120	0	43,120	28,191	9,068	0	37,259	5,861	1,619	758,206
12-2031	41,410	0	41,410	28,253	9,068	0	37,320	4,089	1,027	759,233
12-2032	40,625	0	40,625	27,716	9,068	0	36,784	3,842	877	760,110
12-2033	40,061	0	40,061	27,753	9,068	0	36,821	3,240	672	760,782
12-2034	0	0	0	0	0	0	0	0	0	760,782
S-TOT	2,346,935	0	2,346,935	680,163	200,796	451,332	1,332,290	1,014,645	760,782	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	2,346,935	0	2,346,935	680,163	200,796	451,332	1,332,290	1,014,645	760,782	

LIFE - 17 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - TEN PROJECT AREA

TOTAL PROVED PRODUCING RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	5	16,950	6,878	2,993	2,737	1,134	494	47.50	0.4850	0.0000
12-2018	5	17,227	12,666	2,742	2,782	2,089	452	47.50	1.0112	0.0000
12-2019	5	14,858	13,175	1,842	2,399	2,173	304	47.50	1.3008	0.0000
12-2020	5	11,664	9,717	1,556	1,884	1,602	257	47.50	1.4167	0.0000
12-2021	5	9,884	6,033	1,529	1,596	995	252	47.50	1.7341	0.0000
12-2022	5	10,011	1,946	1,757	1,617	321	290	47.50	1.1969	0.0000
12-2023	5	9,297	29	1,952	1,501	5	322	47.50	2.9100	0.0000
12-2024	5	8,140	0	1,985	1,315	0	327	47.50	0.0000	0.0000
12-2025	5	7,214	0	1,970	1,165	0	325	47.50	0.0000	0.0000
12-2026	5	6,506	0	1,975	1,051	0	326	47.50	0.0000	0.0000
12-2027	5	5,974	0	2,003	965	0	330	47.50	0.0000	0.0000
12-2028	5	5,427	0	2,011	876	0	332	47.50	0.0000	0.0000
12-2029	5	4,915	0	2,000	794	0	330	47.50	0.0000	0.0000
12-2030	5	4,553	0	1,995	735	0	329	47.50	0.0000	0.0000
12-2031		0	0	0	0	0	0	0.00	0.0000	0.0000
12-2032		0	0	0	0	0	0	0.00	0.0000	0.0000
12-2033		0	0	0	0	0	0	0.00	0.0000	0.0000
12-2034		0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	5	132,620	50,445	28,312	21,418	8,318	4,669			
REM	0	0	0	0	0	0	0			
TOTAL	5	132,620	50,445	28,312	21,418	8,318	4,669			
CUMULATIVE ULTIMATE		5,320	0	28,312						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	805,119	3,336	808,455	426,236	130,104	0	556,340	252,115	240,382	240,382
12-2018	818,294	12,809	831,103	376,956	117,760	0	494,716	278,233	241,168	481,550
12-2019	705,733	17,138	722,871	261,052	79,360	0	340,412	225,431	177,636	659,186
12-2020	554,035	13,766	567,800	239,162	66,560	0	305,722	229,082	164,103	823,289
12-2021	469,512	10,462	479,973	218,387	19,516	0	237,902	242,039	157,622	980,912
12-2022	475,531	2,330	477,860	232,916	22,577	0	255,493	222,475	131,711	1,112,623
12-2023	441,607	84	441,691	236,398	24,873	0	261,271	180,338	97,059	1,209,682
12-2024	386,659	0	386,659	263,176	25,256	0	288,432	98,176	48,035	1,257,717
12-2025	342,645	0	342,645	231,036	25,256	0	256,292	86,416	38,438	1,296,155
12-2026	309,047	0	309,047	249,568	25,256	0	274,823	34,222	13,838	1,309,993
12-2027	283,775	0	283,775	161,532	25,638	0	187,171	96,629	35,521	1,345,514
12-2028	257,767	0	257,767	185,479	25,638	0	211,117	46,647	15,588	1,361,102
12-2029	233,479	0	233,479	161,788	25,638	0	187,426	46,125	14,013	1,375,115
12-2030	216,258	0	216,258	148,066	25,638	0	173,704	42,689	11,790	1,386,905
12-2031	0	0	0	0	0	0	0	0	0	1,386,905
12-2032	0	0	0	0	0	0	0	0	0	1,386,905
12-2033	0	0	0	0	0	0	0	0	0	1,386,905
12-2034	0	0	0	0	0	0	0	0	0	1,386,905
S-TOT	6,299,459	59,924	6,359,382	3,391,750	639,072		4,030,822	2,080,617	1,386,905	
REM	0	0	0	0	0		0	0	0	
TOTAL	6,299,459	59,924	6,359,382	3,391,750	639,072		4,030,822	2,080,617	1,386,905	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	136,870	567	137,437	76,687	24,720	0	101,407	36,030	34,354	34,354
12-2018	139,110	2,177	141,287	67,955	22,374	0	90,330	39,908	34,592	68,946
12-2019	119,975	2,914	122,888	46,981	15,078	0	62,059	30,993	24,422	93,368
12-2020	94,186	2,340	96,526	42,849	12,646	0	55,496	34,761	24,901	118,269
12-2021	79,817	1,778	81,595	39,285	3,708	0	42,993	38,596	25,135	143,404
12-2022	80,840	396	81,236	42,078	4,290	0	46,367	34,889	20,655	164,059
12-2023	75,073	14	75,087	42,944	4,726	0	47,670	27,402	14,748	178,807
12-2024	65,732	0	65,732	47,535	4,799	0	52,334	13,388	6,551	185,358
12-2025	58,250	0	58,250	41,898	4,799	0	46,696	11,565	5,144	190,502
12-2026	52,538	0	52,538	44,947	4,799	0	49,746	2,792	1,129	191,631
12-2027	48,242	0	48,242	28,924	4,871	0	33,795	14,451	5,312	196,943
12-2028	43,820	0	43,820	32,997	4,871	0	37,868	5,952	1,989	198,932
12-2029	39,691	0	39,691	28,965	4,871	0	33,836	5,869	1,783	200,715
12-2030	36,764	0	36,764	26,356	4,871	0	31,228	5,562	1,536	202,251
12-2031	0	0	0	0	0	0	0	0	0	202,251
12-2032	0	0	0	0	0	0	0	0	0	202,251
12-2033	0	0	0	0	0	0	0	0	0	202,251
12-2034	0	0	0	0	0	0	0	0	0	202,251
S-TOT	1,070,908	10,187	1,081,095	610,402	121,424		731,826	302,160	202,251	
REM	0	0	0	0	0		0	0	0	
TOTAL	1,070,908	10,187	1,081,095	610,402	121,424		731,826	302,160	202,251	

LIFE - 14 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	136,870	567	137,437	76,687	24,720	(47,000)	54,407	83,031	79,167	79,167
12-2018	139,110	2,177	141,287	67,955	22,374	(32,133)	58,196	72,042	62,445	141,611
12-2019	119,975	2,914	122,888	46,981	15,078	(6,722)	55,338	37,715	29,719	171,330
12-2020	94,186	2,340	96,526	42,849	12,646	6,096	61,591	28,665	20,534	191,865
12-2021	79,817	1,778	81,595	39,285	3,708	7,194	50,187	31,402	20,450	212,315
12-2022	80,840	396	81,236	42,078	4,290	6,947	53,315	27,942	16,542	228,857
12-2023	75,073	14	75,087	42,944	4,726	4,052	51,722	23,350	12,567	241,424
12-2024	65,732	0	65,732	47,535	4,799	3,548	55,882	9,840	4,815	246,239
12-2025	58,250	0	58,250	41,898	4,799	3,499	50,196	8,066	3,588	249,826
12-2026	52,538	0	52,538	44,947	4,799	1,527	51,273	1,265	512	250,338
12-2027	48,242	0	48,242	28,924	4,871	4,500	38,296	9,951	3,658	253,996
12-2028	43,820	0	43,820	32,997	4,871	2,641	40,509	3,311	1,106	255,102
12-2029	39,691	0	39,691	28,965	4,871	1,498	35,334	4,371	1,328	256,430
12-2030	36,764	0	36,764	26,356	4,871	1,391	32,619	4,170	1,152	257,582
12-2031	0	0	0	0	0	0	0	0	0	257,582
12-2032	0	0	0	0	0	0	0	0	0	257,582
12-2033	0	0	0	0	0	0	0	0	0	257,582
12-2034	0	0	0	0	0	0	0	0	0	257,582
S-TOT	1,070,908	10,187	1,081,095	610,402	121,424	(42,961)	688,864	345,121	257,582	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	1,070,908	10,187	1,081,095	610,402	121,424	(42,961)	688,864	345,121	257,582	

LIFE - 14 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - COUNTRY OF GHANA

TOTAL PROVED UNDEVELOPED RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2018	1	1,575	1,158	251	254	191	41	47.50	1.0112	0.0000
12-2019	5	9,278	8,227	1,151	1,498	1,357	190	47.50	1.3008	0.0000
12-2020	6	10,830	9,022	1,445	1,749	1,488	238	47.50	1.4167	0.0000
12-2021	6	9,465	5,777	1,464	1,529	953	241	47.50	1.7341	0.0000
12-2022	6	7,038	1,368	1,236	1,137	226	204	47.50	1.1969	0.0000
12-2023	6	4,960	15	1,041	801	3	172	47.50	2.9100	0.0000
12-2024	6	4,168	0	1,016	673	0	168	47.50	0.0000	0.0000
12-2025	6	3,744	0	1,023	605	0	169	47.50	0.0000	0.0000
12-2026	6	3,351	0	1,018	541	0	168	47.50	0.0000	0.0000
12-2027	6	2,951	0	990	477	0	163	47.50	0.0000	0.0000
12-2028	6	2,672	0	990	431	0	163	47.50	0.0000	0.0000
12-2029	6	2,442	0	993	394	0	164	47.50	0.0000	0.0000
12-2030	6	2,279	0	998	368	0	165	47.50	0.0000	0.0000
12-2031	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2032	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2033	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	6	64,753	25,569	13,615	10,458	4,216	2,245			
REM	0	0	0	0	0	0	0			
TOTAL	6	64,753	25,569	13,615	10,458	4,216	2,245			
CUMULATIVE ULTIMATE		0	0	0						
		64,753	25,569	13,615						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	74,830	1,171	76,001	34,471	74,240	0	108,711	25,443	22,054	22,054
12-2019	440,692	10,702	451,394	163,013	304,640	0	467,653	140,769	110,924	132,978
12-2020	514,448	12,782	527,230	222,073	125,440	0	347,513	212,713	152,377	285,355
12-2021	449,584	10,018	459,601	209,117	18,751	0	227,868	231,766	150,932	436,288
12-2022	334,321	1,638	335,959	163,751	15,689	0	179,440	156,411	92,599	528,887
12-2023	235,579	45	235,623	126,108	13,393	0	139,502	139,502	51,777	580,664
12-2024	197,998	0	197,998	134,766	13,011	0	147,776	50,273	24,598	605,261
12-2025	177,827	0	177,827	119,904	13,011	0	132,915	44,849	19,949	625,210
12-2026	159,187	0	159,187	128,550	13,011	0	141,561	17,628	7,128	632,338
12-2027	140,179	0	140,179	79,794	12,628	0	92,422	47,733	17,547	649,884
12-2028	126,911	0	126,911	91,320	12,628	0	103,948	22,966	7,675	657,559
12-2029	115,976	0	115,976	80,364	12,628	0	92,992	22,912	6,961	664,520
12-2030	108,231	0	108,231	74,103	12,628	0	86,731	21,365	5,901	670,421
12-2031	0	0	0	0	0	0	0	0	0	670,421
12-2032	0	0	0	0	0	0	0	0	0	670,421
12-2033	0	0	0	0	0	0	0	0	0	670,421
12-2034	0	0	0	0	0	0	0	0	0	670,421
S-TOT	3,075,762	36,356	3,112,118	1,627,335	641,696		2,269,031	1,091,030	670,421	
REM	0	0	0	0	0		0	0	0	
TOTAL	3,075,762	36,356	3,112,118	1,627,335	641,696		2,269,031	1,091,030	670,421	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	12,721	199	12,920	6,214	14,106	0	20,320	3,649	3,163	3,163
12-2019	74,918	1,819	76,737	29,337	57,882	0	87,219	19,354	15,250	18,414
12-2020	87,456	2,173	89,629	39,788	23,834	0	63,621	32,277	23,122	41,535
12-2021	76,429	1,703	78,132	37,618	3,563	0	41,180	36,958	24,068	65,604
12-2022	56,835	278	57,113	29,583	2,981	0	32,564	24,529	14,522	80,125
12-2023	40,048	8	40,056	22,909	2,545	0	25,454	14,618	7,867	87,993
12-2024	33,660	0	33,660	24,342	2,472	0	26,814	6,856	3,354	91,347
12-2025	30,231	0	30,231	21,744	2,472	0	24,216	6,002	2,670	94,017
12-2026	27,062	0	27,062	23,152	2,472	0	25,624	1,438	582	94,598
12-2027	23,830	0	23,830	14,288	2,399	0	16,687	7,139	2,624	97,222
12-2028	21,575	0	21,575	16,246	2,399	0	18,645	2,930	979	98,202
12-2029	19,716	0	19,716	14,388	2,399	0	16,787	2,915	886	99,087
12-2030	18,399	0	18,399	13,191	2,399	0	15,590	2,784	769	99,856
12-2031	0	0	0	0	0	0	0	0	0	99,856
12-2032	0	0	0	0	0	0	0	0	0	99,856
12-2033	0	0	0	0	0	0	0	0	0	99,856
12-2034	0	0	0	0	0	0	0	0	0	99,856
S-TOT	522,880	6,180	529,060	292,798	121,922		414,720	161,449	99,856	
REM	0	0	0	0	0		0	0	0	
TOTAL	522,880	6,180	529,060	292,798	121,922		414,720	161,449	99,856	

LIFE - 14 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	12,721	199	12,920	6,214	14,106	(2,938)	17,381	6,588	5,710	5,710
12-2019	74,918	1,819	76,737	29,337	57,882	(4,197)	83,021	23,551	18,558	24,268
12-2020	87,456	2,173	89,629	39,788	23,834	5,660	69,281	26,617	19,067	43,335
12-2021	76,429	1,703	78,132	37,618	3,563	6,889	48,069	30,069	19,582	62,917
12-2022	56,835	278	57,113	29,583	2,981	4,884	37,448	19,645	11,630	74,547
12-2023	40,048	8	40,056	22,909	2,545	2,161	27,615	12,456	6,704	81,252
12-2024	33,660	0	33,660	24,342	2,472	1,817	28,631	5,039	2,465	83,717
12-2025	30,231	0	30,231	21,744	2,472	1,816	26,032	4,186	1,862	85,579
12-2026	27,062	0	27,062	23,152	2,472	787	26,410	652	263	85,842
12-2027	23,830	0	23,830	14,288	2,399	2,223	18,910	4,915	1,807	87,649
12-2028	21,575	0	21,575	16,246	2,399	1,300	19,946	1,630	545	88,194
12-2029	19,716	0	19,716	14,388	2,399	744	17,531	2,171	660	88,854
12-2030	18,399	0	18,399	13,191	2,399	696	16,286	2,087	576	89,430
12-2031	0	0	0	0	0	0	0	0	0	89,430
12-2032	0	0	0	0	0	0	0	0	0	89,430
12-2033	0	0	0	0	0	0	0	0	0	89,430
12-2034	0	0	0	0	0	0	0	0	0	89,430
S-TOT	522,880	6,180	529,060	292,798	121,922	21,842	436,562	139,607	89,430	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	522,880	6,180	529,060	292,798	121,922	21,842	436,562	139,607	89,430	

LIFE - 14 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - JUBILEE PROJECT AREA

TOTAL PROVED UNDEVELOPED RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2018	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2019	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2020	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2021	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2022	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2023	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2024	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2025	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2026	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2027	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2028	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2029	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2030	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2031	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2032	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2033	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	0	0	0	0	0	0	0			
REM	0	0	0	0	0	0	0			
TOTAL	0	0	0	0	0	0	0			
CUMULATIVE		0	0							
ULTIMATE		0	0	0						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	0	0	0	0	0	0	0	0	0	0
12-2019	0	0	0	0	0	0	0	0	0	0
12-2020	0	0	0	0	0	0	0	0	0	0
12-2021	0	0	0	0	0	0	0	0	0	0
12-2022	0	0	0	0	0	0	0	0	0	0
12-2023	0	0	0	0	0	0	0	0	0	0
12-2024	0	0	0	0	0	0	0	0	0	0
12-2025	0	0	0	0	0	0	0	0	0	0
12-2026	0	0	0	0	0	0	0	0	0	0
12-2027	0	0	0	0	0	0	0	0	0	0
12-2028	0	0	0	0	0	0	0	0	0	0
12-2029	0	0	0	0	0	0	0	0	0	0
12-2030	0	0	0	0	0	0	0	0	0	0
12-2031	0	0	0	0	0	0	0	0	0	0
12-2032	0	0	0	0	0	0	0	0	0	0
12-2033	0	0	0	0	0	0	0	0	0	0
12-2034	0	0	0	0	0	0	0	0	0	0
S-TOT	0	0	0	0	0	0	0	0	0	0
REM	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	0	0	0	0	0	0	0	0	0	0
12-2019	0	0	0	0	0	0	0	0	0	0
12-2020	0	0	0	0	0	0	0	0	0	0
12-2021	0	0	0	0	0	0	0	0	0	0
12-2022	0	0	0	0	0	0	0	0	0	0
12-2023	0	0	0	0	0	0	0	0	0	0
12-2024	0	0	0	0	0	0	0	0	0	0
12-2025	0	0	0	0	0	0	0	0	0	0
12-2026	0	0	0	0	0	0	0	0	0	0
12-2027	0	0	0	0	0	0	0	0	0	0
12-2028	0	0	0	0	0	0	0	0	0	0
12-2029	0	0	0	0	0	0	0	0	0	0
12-2030	0	0	0	0	0	0	0	0	0	0
12-2031	0	0	0	0	0	0	0	0	0	0
12-2032	0	0	0	0	0	0	0	0	0	0
12-2033	0	0	0	0	0	0	0	0	0	0
12-2034	0	0	0	0	0	0	0	0	0	0
S-TOT	0	0	0	0	0	0	0	0	0	0
REM	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0

LIFE - 0 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	0	0	0	0	0	0	0	0	0	0
12-2019	0	0	0	0	0	0	0	0	0	0
12-2020	0	0	0	0	0	0	0	0	0	0
12-2021	0	0	0	0	0	0	0	0	0	0
12-2022	0	0	0	0	0	0	0	0	0	0
12-2023	0	0	0	0	0	0	0	0	0	0
12-2024	0	0	0	0	0	0	0	0	0	0
12-2025	0	0	0	0	0	0	0	0	0	0
12-2026	0	0	0	0	0	0	0	0	0	0
12-2027	0	0	0	0	0	0	0	0	0	0
12-2028	0	0	0	0	0	0	0	0	0	0
12-2029	0	0	0	0	0	0	0	0	0	0
12-2030	0	0	0	0	0	0	0	0	0	0
12-2031	0	0	0	0	0	0	0	0	0	0
12-2032	0	0	0	0	0	0	0	0	0	0
12-2033	0	0	0	0	0	0	0	0	0	0
12-2034	0	0	0	0	0	0	0	0	0	0
S-TOT	0	0	0	0	0	0	0	0	0	0
REM	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0

LIFE - 0 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - TEN PROJECT AREA

TOTAL PROVED UNDEVELOPED RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2018	1	1,575	1,158	251	254	191	41	47.50	1.0112	0.0000
12-2019	5	9,278	8,227	1,151	1,498	1,357	190	47.50	1.3008	0.0000
12-2020	6	10,830	9,022	1,445	1,749	1,488	238	47.50	1.4167	0.0000
12-2021	6	9,465	5,777	1,464	1,529	953	241	47.50	1.7341	0.0000
12-2022	6	7,038	1,368	1,236	1,137	226	204	47.50	1.1969	0.0000
12-2023	6	4,960	15	1,041	801	3	172	47.50	2.9100	0.0000
12-2024	6	4,168	0	1,016	673	0	168	47.50	0.0000	0.0000
12-2025	6	3,744	0	1,023	605	0	169	47.50	0.0000	0.0000
12-2026	6	3,351	0	1,018	541	0	168	47.50	0.0000	0.0000
12-2027	6	2,951	0	990	477	0	163	47.50	0.0000	0.0000
12-2028	6	2,672	0	990	431	0	163	47.50	0.0000	0.0000
12-2029	6	2,442	0	993	394	0	164	47.50	0.0000	0.0000
12-2030	6	2,279	0	998	368	0	165	47.50	0.0000	0.0000
12-2031	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2032	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2033	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	6	64,753	25,569	13,615	10,458	4,216	2,245			
REM	0	0	0	0	0	0	0			
TOTAL	6	64,753	25,569	13,615	10,458	4,216	2,245			
CUMULATIVE ULTIMATE		0	0	0						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	74,830	1,171	76,001	34,471	74,240	0	108,711	25,443	22,054	22,054
12-2019	440,692	10,702	451,394	163,013	304,640	0	467,653	140,769	110,924	132,978
12-2020	514,448	12,782	527,230	222,073	125,440	0	347,513	212,713	152,377	285,355
12-2021	449,584	10,018	459,601	209,117	18,751	0	227,868	231,766	150,932	436,288
12-2022	334,321	1,638	335,959	163,751	15,689	0	179,440	156,411	92,599	528,887
12-2023	235,579	45	235,623	126,108	13,393	0	139,502	139,502	51,777	580,664
12-2024	197,998	0	197,998	134,766	13,011	0	147,776	50,273	24,598	605,261
12-2025	177,827	0	177,827	119,904	13,011	0	132,915	44,849	19,949	625,210
12-2026	159,187	0	159,187	128,550	13,011	0	141,561	17,628	7,128	632,338
12-2027	140,179	0	140,179	79,794	12,628	0	92,422	47,733	17,547	649,884
12-2028	126,911	0	126,911	91,320	12,628	0	103,948	22,966	7,675	657,559
12-2029	115,976	0	115,976	80,364	12,628	0	92,992	22,912	6,961	664,520
12-2030	108,231	0	108,231	74,103	12,628	0	86,731	21,365	5,901	670,421
12-2031	0	0	0	0	0	0	0	0	0	670,421
12-2032	0	0	0	0	0	0	0	0	0	670,421
12-2033	0	0	0	0	0	0	0	0	0	670,421
12-2034	0	0	0	0	0	0	0	0	0	670,421
S-TOT	3,075,762	36,356	3,112,118	1,627,335	641,696		2,269,031	1,091,030	670,421	
REM	0	0	0	0	0		0	0	0	
TOTAL	3,075,762	36,356	3,112,118	1,627,335	641,696		2,269,031	1,091,030	670,421	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	12,721	199	12,920	6,214	14,106	0	20,320	3,649	3,163	3,163
12-2019	74,918	1,819	76,737	29,337	57,882	0	87,219	19,354	15,250	18,414
12-2020	87,456	2,173	89,629	39,788	23,834	0	63,621	32,277	23,122	41,535
12-2021	76,429	1,703	78,132	37,618	3,563	0	41,180	36,958	24,068	65,604
12-2022	56,835	278	57,113	29,583	2,981	0	32,564	24,529	14,522	80,125
12-2023	40,048	8	40,056	22,909	2,545	0	25,454	14,618	7,867	87,993
12-2024	33,660	0	33,660	24,342	2,472	0	26,814	6,856	3,354	91,347
12-2025	30,231	0	30,231	21,744	2,472	0	24,216	6,002	2,670	94,017
12-2026	27,062	0	27,062	23,152	2,472	0	25,624	1,438	582	94,598
12-2027	23,830	0	23,830	14,288	2,399	0	16,687	7,139	2,624	97,222
12-2028	21,575	0	21,575	16,246	2,399	0	18,645	2,930	979	98,202
12-2029	19,716	0	19,716	14,388	2,399	0	16,787	2,915	886	99,087
12-2030	18,399	0	18,399	13,191	2,399	0	15,590	2,784	769	99,856
12-2031	0	0	0	0	0	0	0	0	0	99,856
12-2032	0	0	0	0	0	0	0	0	0	99,856
12-2033	0	0	0	0	0	0	0	0	0	99,856
12-2034	0	0	0	0	0	0	0	0	0	99,856
S-TOT	522,880	6,180	529,060	292,798	121,922		414,720	161,449	99,856	
REM	0	0	0	0	0		0	0	0	
TOTAL	522,880	6,180	529,060	292,798	121,922		414,720	161,449	99,856	

LIFE - 14 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	12,721	199	12,920	6,214	14,106	(2,938)	17,381	6,588	5,710	5,710
12-2019	74,918	1,819	76,737	29,337	57,882	(4,197)	83,021	23,551	18,558	24,268
12-2020	87,456	2,173	89,629	39,788	23,834	5,660	69,281	26,617	19,067	43,335
12-2021	76,429	1,703	78,132	37,618	3,563	6,889	48,069	30,069	19,582	62,917
12-2022	56,835	278	57,113	29,583	2,981	4,884	37,448	19,645	11,630	74,547
12-2023	40,048	8	40,056	22,909	2,545	2,161	27,615	12,456	6,704	81,252
12-2024	33,660	0	33,660	24,342	2,472	1,817	28,631	5,039	2,465	83,717
12-2025	30,231	0	30,231	21,744	2,472	1,816	26,032	4,186	1,862	85,579
12-2026	27,062	0	27,062	23,152	2,472	787	26,410	652	263	85,842
12-2027	23,830	0	23,830	14,288	2,399	2,223	18,910	4,915	1,807	87,649
12-2028	21,575	0	21,575	16,246	2,399	1,300	19,946	1,630	545	88,194
12-2029	19,716	0	19,716	14,388	2,399	744	17,531	2,171	660	88,854
12-2030	18,399	0	18,399	13,191	2,399	696	16,286	2,087	576	89,430
12-2031	0	0	0	0	0	0	0	0	0	89,430
12-2032	0	0	0	0	0	0	0	0	0	89,430
12-2033	0	0	0	0	0	0	0	0	0	89,430
12-2034	0	0	0	0	0	0	0	0	0	89,430
S-TOT	522,880	6,180	529,060	292,798	121,922	21,842	436,562	139,607	89,430	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	522,880	6,180	529,060	292,798	121,922	21,842	436,562	139,607	89,430	

LIFE - 14 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - COUNTRY OF GHANA
TOTAL PROVED RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	18	44,947	6,878	5,986	9,141	1,134	1,178	47.53	0.4850	0.0000
12-2018	19	53,286	13,825	5,986	10,924	2,280	1,178	47.54	1.0112	0.0000
12-2019	22	48,517	21,403	5,986	9,475	3,529	1,178	47.53	1.3008	0.0000
12-2020	24	43,954	18,739	6,002	8,541	3,090	1,181	47.53	1.4167	0.0000
12-2021	23	36,866	11,810	5,986	7,132	1,947	1,178	47.53	1.7341	0.0000
12-2022	23	29,465	3,315	5,986	5,593	547	1,178	47.52	1.1969	0.0000
12-2023	22	24,880	44	5,986	4,732	7	1,178	47.52	2.9100	0.0000
12-2024	22	22,105	0	6,002	4,229	0	1,181	47.52	0.0000	0.0000
12-2025	21	20,126	0	5,986	3,867	0	1,178	47.52	0.0000	0.0000
12-2026	21	17,080	0	5,986	3,244	0	1,178	47.52	0.0000	0.0000
12-2027	22	15,237	0	5,986	2,885	0	1,178	47.52	0.0000	0.0000
12-2028	22	13,101	0	6,002	2,452	0	1,181	47.52	0.0000	0.0000
12-2029	22	11,526	0	5,986	2,142	0	1,178	47.52	0.0000	0.0000
12-2030	21	10,597	0	5,986	1,965	0	1,178	47.52	0.0000	0.0000
12-2031	10	3,617	0	2,993	827	0	685	47.55	0.0000	0.0000
12-2032	9	3,548	0	3,001	812	0	686	47.55	0.0000	0.0000
12-2033	9	3,499	0	2,993	800	0	685	47.55	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	24	402,352	76,014	92,840	78,761	12,535	18,559			
REM	0	0	0	0	0	0	0			
TOTAL	24	402,352	76,014	92,840	78,761	12,535	18,559			
CUMULATIVE ULTIMATE		193,029	0	92,840						
		595,381	76,014	92,840						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	2,136,518	3,336	2,139,854	693,854	130,104	0	823,958	1,315,896	1,254,658	1,254,658
12-2018	2,532,932	13,980	2,546,912	645,963	192,000	0	837,963	1,708,949	1,481,290	2,735,948
12-2019	2,305,881	27,840	2,333,721	687,584	409,000	0	1,096,584	1,237,138	974,847	3,710,795
12-2020	2,088,993	26,548	2,115,541	690,369	251,577	0	941,946	1,173,595	840,705	4,551,500
12-2021	1,752,095	20,479	1,772,575	613,089	97,844	0	710,932	1,061,643	691,371	5,242,871
12-2022	1,400,277	3,967	1,404,244	543,871	97,844	0	641,715	762,529	451,437	5,694,308
12-2023	1,182,359	129	1,182,487	542,995	97,844	0	640,839	541,648	291,518	5,985,826
12-2024	1,050,505	0	1,050,505	544,109	97,844	0	641,952	408,553	199,895	6,185,721
12-2025	956,474	0	956,474	507,541	97,844	0	605,384	351,089	156,164	6,341,885
12-2026	811,697	0	811,697	497,524	97,844	0	595,367	216,329	87,475	6,429,360
12-2027	724,104	0	724,104	397,095	97,844	0	494,938	229,166	84,242	6,513,602
12-2028	622,556	0	622,556	396,917	97,844	0	494,761	127,796	42,707	6,556,309
12-2029	547,733	0	547,733	396,134	97,844	0	493,978	53,755	16,331	6,572,640
12-2030	503,579	0	503,579	339,255	72,844	0	412,099	91,480	25,265	6,597,905
12-2031	171,987	0	171,987	117,342	34,577	0	151,920	20,068	5,038	6,602,943
12-2032	168,729	0	168,729	115,114	34,577	0	149,691	19,038	4,345	6,607,289
12-2033	166,385	0	166,385	115,268	34,577	0	149,845	16,540	3,432	6,610,721
12-2034	0	0	0	0	0	0	0	0	0	6,610,721
S-TOT	19,122,803	96,280	19,219,083	7,844,021	2,039,849		9,883,870	9,335,212	6,610,721	
REM	0	0	0	0	0		0	0	0	
TOTAL	19,122,803	96,280	19,219,083	7,844,021	2,039,849		9,883,870	9,335,212	6,610,721	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	457,432	567	458,000	141,122	24,720	0	165,842	292,158	278,562	278,562
12-2018	546,649	2,377	549,026	130,639	36,480	0	167,119	381,907	331,031	609,593
12-2019	474,056	4,733	478,789	139,766	79,674	0	219,439	259,349	204,363	813,956
12-2020	427,351	4,513	431,865	137,806	52,261	0	190,067	241,798	173,212	987,168
12-2021	356,808	3,481	360,290	121,586	23,052	0	144,638	215,652	140,439	1,127,606
12-2022	279,832	674	280,506	107,103	23,052	0	130,155	150,352	89,012	1,216,618
12-2023	236,753	22	236,774	109,310	23,052	0	132,362	104,413	56,196	1,272,814
12-2024	211,554	0	211,554	107,070	23,052	0	130,122	81,433	39,843	1,312,657
12-2025	193,457	0	193,457	101,347	23,052	0	124,399	69,058	30,717	1,343,374
12-2026	162,296	0	162,296	96,848	23,052	0	119,900	42,395	17,143	1,360,517
12-2027	144,340	0	144,340	80,717	23,052	0	103,768	40,571	14,914	1,375,431
12-2028	122,669	0	122,669	78,163	23,052	0	101,215	21,454	7,170	1,382,600
12-2029	107,147	0	107,147	80,427	23,052	0	103,479	3,668	1,114	1,383,715
12-2030	98,283	0	98,283	67,738	16,338	0	84,076	14,207	3,924	1,387,638
12-2031	41,410	0	41,410	28,253	9,068	0	37,320	4,089	1,027	1,388,665
12-2032	40,625	0	40,625	27,716	9,068	0	36,784	3,842	877	1,389,542
12-2033	40,061	0	40,061	27,753	9,068	0	36,821	3,240	672	1,390,214
12-2034	0	0	0	0	0	0	0	0	0	1,390,214
S-TOT	3,940,722	16,368	3,957,090	1,583,363	444,142		2,027,505	1,929,585	1,390,214	
REM	0	0	0	0	0		0	0	0	
TOTAL	3,940,722	16,368	3,957,090	1,583,363	444,142		2,027,505	1,929,585	1,390,214	

LIFE - 17 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	457,432	567	458,000	141,122	24,720	9,061	174,903	283,097	269,922	269,922
12-2018	546,649	2,377	549,026	130,639	36,480	63,003	230,122	318,904	276,421	546,343
12-2019	474,056	4,733	478,789	139,766	79,674	57,106	276,545	202,243	159,365	705,708
12-2020	427,351	4,513	431,865	137,806	52,261	72,389	262,456	169,409	121,356	827,064
12-2021	356,808	3,481	360,290	121,586	23,052	65,826	210,464	149,825	97,570	924,634
12-2022	279,832	674	280,506	107,103	23,052	42,948	173,103	107,403	63,585	988,220
12-2023	236,753	22	236,774	109,310	23,052	29,231	161,592	75,182	40,464	1,028,683
12-2024	211,554	0	211,554	107,070	23,052	25,601	155,723	55,832	27,317	1,056,000
12-2025	193,457	0	193,457	101,347	23,052	24,517	148,916	44,541	19,812	1,075,812
12-2026	162,296	0	162,296	96,848	23,052	14,492	134,392	27,904	11,283	1,087,095
12-2027	144,340	0	144,340	80,717	23,052	14,547	118,315	26,025	9,567	1,096,662
12-2028	122,669	0	122,669	78,163	23,052	7,162	108,377	14,292	4,776	1,101,438
12-2029	107,147	0	107,147	80,427	23,052	2,242	105,720	1,427	433	1,101,872
12-2030	98,283	0	98,283	67,738	16,338	2,088	86,164	12,119	3,347	1,105,219
12-2031	41,410	0	41,410	28,253	9,068	0	37,320	4,089	1,027	1,106,245
12-2032	40,625	0	40,625	27,716	9,068	0	36,784	3,842	877	1,107,122
12-2033	40,061	0	40,061	27,753	9,068	0	36,821	3,240	672	1,107,794
12-2034	0	0	0	0	0	0	0	0	0	1,107,794
S-TOT	3,940,722	16,368	3,957,090	1,583,363	444,142	430,212	2,457,717	1,499,373	1,107,794	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	3,940,722	16,368	3,957,090	1,583,363	444,142	430,212	2,457,717	1,499,373	1,107,794	

LIFE - 17 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - JUBILEE PROJECT AREA
TOTAL PROVED RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	13	27,998	0	2,993	6,404	0	685	47.55	0.0000	0.0000
12-2018	13	34,483	0	2,993	7,887	0	685	47.55	0.0000	0.0000
12-2019	12	24,382	0	2,993	5,577	0	685	47.55	0.0000	0.0000
12-2020	13	21,460	0	3,001	4,909	0	686	47.55	0.0000	0.0000
12-2021	12	17,517	0	2,993	4,007	0	685	47.55	0.0000	0.0000
12-2022	12	12,416	0	2,993	2,840	0	685	47.55	0.0000	0.0000
12-2023	11	10,623	0	2,993	2,430	0	685	47.55	0.0000	0.0000
12-2024	11	9,796	0	3,001	2,241	0	686	47.55	0.0000	0.0000
12-2025	10	9,169	0	2,993	2,097	0	685	47.55	0.0000	0.0000
12-2026	10	7,223	0	2,993	1,652	0	685	47.55	0.0000	0.0000
12-2027	11	6,312	0	2,993	1,444	0	685	47.55	0.0000	0.0000
12-2028	11	5,002	0	3,001	1,144	0	686	47.55	0.0000	0.0000
12-2029	11	4,170	0	2,993	954	0	685	47.55	0.0000	0.0000
12-2030	10	3,766	0	2,993	861	0	685	47.55	0.0000	0.0000
12-2031	10	3,617	0	2,993	827	0	685	47.55	0.0000	0.0000
12-2032	9	3,548	0	3,001	812	0	686	47.55	0.0000	0.0000
12-2033	9	3,499	0	2,993	800	0	685	47.55	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	13	204,979	0	50,914	46,885	0	11,646			
REM	0	0	0	0	0	0	0			
TOTAL	13	204,979	0	50,914	46,885	0	11,646			
CUMULATIVE ULTIMATE		187,709	0	50,914						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	1,331,399	0	1,331,399	267,618	0	0	267,618	1,063,781	1,014,275	1,014,275
12-2018	1,639,808	0	1,639,808	234,535	0	0	234,535	1,405,273	1,218,069	2,232,344
12-2019	1,159,456	0	1,159,456	263,519	25,000	0	288,519	870,937	686,286	2,918,630
12-2020	1,020,511	0	1,020,511	229,133	59,577	0	288,710	731,800	524,226	3,442,856
12-2021	833,000	0	833,000	185,585	59,577	0	245,162	587,838	382,816	3,825,672
12-2022	590,425	0	590,425	147,204	59,577	0	206,781	383,643	227,126	4,052,799
12-2023	505,173	0	505,173	180,489	59,577	0	240,066	265,107	142,682	4,195,481
12-2024	465,847	0	465,847	146,167	59,577	0	205,744	260,103	127,262	4,322,743
12-2025	436,002	0	436,002	156,600	59,577	0	216,178	219,824	97,777	4,420,520
12-2026	343,463	0	343,463	119,406	59,577	0	178,983	164,480	66,509	4,487,029
12-2027	300,150	0	300,150	155,769	59,577	0	215,346	84,804	31,174	4,518,204
12-2028	237,878	0	237,878	120,118	59,577	0	179,696	58,183	19,444	4,537,647
12-2029	198,278	0	198,278	153,982	59,577	0	213,559	(15,282)	(4,643)	4,533,005
12-2030	179,090	0	179,090	117,086	34,577	0	151,664	27,426	7,575	4,540,580
12-2031	171,987	0	171,987	117,342	34,577	0	151,920	20,068	5,038	4,545,618
12-2032	168,729	0	168,729	115,114	34,577	0	149,691	19,038	4,345	4,549,963
12-2033	166,385	0	166,385	115,268	34,577	0	149,845	16,540	3,432	4,553,396
12-2034	0	0	0	0	0	0	0	0	0	4,553,396
S-TOT	9,747,582	0	9,747,582	2,824,936	759,081	0	3,584,017	6,163,565	4,553,396	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	9,747,582	0	9,747,582	2,824,936	759,081	0	3,584,017	6,163,565	4,553,396	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	320,562	0	320,562	64,435	0	0	64,435	256,128	244,208	244,208
12-2018	394,818	0	394,818	56,469	0	0	56,469	338,349	293,276	537,484
12-2019	279,163	0	279,163	63,448	6,714	0	70,161	209,002	164,691	702,174
12-2020	245,709	0	245,709	55,169	15,781	0	70,950	174,760	125,189	827,363
12-2021	200,562	0	200,562	44,683	15,781	0	60,465	140,098	91,235	918,599
12-2022	142,157	0	142,157	35,443	15,781	0	51,224	90,933	53,835	972,434
12-2023	121,631	0	121,631	43,457	15,781	0	59,238	62,393	33,580	1,006,014
12-2024	112,162	0	112,162	35,193	15,781	0	50,974	61,188	29,938	1,035,952
12-2025	104,977	0	104,977	37,705	15,781	0	53,486	51,491	22,903	1,058,855
12-2026	82,696	0	82,696	28,749	15,781	0	44,531	38,165	15,433	1,074,287
12-2027	72,267	0	72,267	37,505	15,781	0	53,286	18,982	6,978	1,081,265
12-2028	57,274	0	57,274	28,921	15,781	0	44,702	12,572	4,201	1,085,466
12-2029	47,740	0	47,740	37,074	15,781	0	52,856	(5,116)	(1,554)	1,083,912
12-2030	43,120	0	43,120	28,191	9,068	0	37,259	5,861	1,619	1,085,531
12-2031	41,410	0	41,410	28,253	9,068	0	37,320	4,089	1,027	1,086,558
12-2032	40,625	0	40,625	27,716	9,068	0	36,784	3,842	877	1,087,435
12-2033	40,061	0	40,061	27,753	9,068	0	36,821	3,240	672	1,088,107
12-2034	0	0	0	0	0	0	0	0	0	1,088,107
S-TOT	2,346,935	0	2,346,935	680,163	200,796	0	880,959	1,465,976	1,088,107	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	2,346,935	0	2,346,935	680,163	200,796	0	880,959	1,465,976	1,088,107	

LIFE - 17 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	320,562	0	320,562	64,435	0	56,062	120,496	200,066	190,755	190,755
12-2018	394,818	0	394,818	56,469	0	98,075	154,544	240,274	208,266	399,021
12-2019	279,163	0	279,163	63,448	6,714	68,025	138,186	140,977	111,088	510,109
12-2020	245,709	0	245,709	55,169	15,781	60,633	131,583	114,127	81,755	591,864
12-2021	200,562	0	200,562	44,683	15,781	51,744	112,208	88,354	57,538	649,403
12-2022	142,157	0	142,157	35,443	15,781	31,117	82,341	59,817	35,413	684,815
12-2023	121,631	0	121,631	43,457	15,781	23,017	82,255	39,376	21,192	706,008
12-2024	112,162	0	112,162	35,193	15,781	20,236	71,210	40,952	20,037	726,045
12-2025	104,977	0	104,977	37,705	15,781	19,201	72,688	32,289	14,362	740,407
12-2026	82,696	0	82,696	28,749	15,781	12,178	56,709	25,987	10,508	750,915
12-2027	72,267	0	72,267	37,505	15,781	7,823	61,109	11,158	4,102	755,017
12-2028	57,274	0	57,274	28,921	15,781	3,220	47,923	9,352	3,125	758,142
12-2029	47,740	0	47,740	37,074	15,781	0	52,856	(5,116)	(1,554)	756,588
12-2030	43,120	0	43,120	28,191	9,068	0	37,259	5,861	1,619	758,206
12-2031	41,410	0	41,410	28,253	9,068	0	37,320	4,089	1,027	759,233
12-2032	40,625	0	40,625	27,716	9,068	0	36,784	3,842	877	760,110
12-2033	40,061	0	40,061	27,753	9,068	0	36,821	3,240	672	760,782
12-2034	0	0	0	0	0	0	0	0	0	760,782
S-TOT	2,346,935	0	2,346,935	680,163	200,796	451,332	1,332,290	1,014,645	760,782	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	2,346,935	0	2,346,935	680,163	200,796	451,332	1,332,290	1,014,645	760,782	

LIFE - 17 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - TEN PROJECT AREA
TOTAL PROVED RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	5	16,950	6,878	2,993	2,737	1,134	494	47.50	0.4850	0.0000
12-2018	6	18,803	13,825	2,993	3,037	2,280	494	47.50	1.0112	0.0000
12-2019	10	24,135	21,403	2,993	3,898	3,529	494	47.50	1.3008	0.0000
12-2020	11	22,494	18,739	3,001	3,633	3,090	495	47.50	1.4167	0.0000
12-2021	11	19,349	11,810	2,993	3,125	1,947	494	47.50	1.7341	0.0000
12-2022	11	17,050	3,315	2,993	2,753	547	494	47.50	1.1969	0.0000
12-2023	11	14,257	44	2,993	2,302	7	494	47.50	2.9100	0.0000
12-2024	11	12,309	0	3,001	1,988	0	495	47.50	0.0000	0.0000
12-2025	11	10,957	0	2,993	1,770	0	494	47.50	0.0000	0.0000
12-2026	11	9,858	0	2,993	1,592	0	494	47.50	0.0000	0.0000
12-2027	11	8,925	0	2,993	1,441	0	494	47.50	0.0000	0.0000
12-2028	11	8,098	0	3,001	1,308	0	495	47.50	0.0000	0.0000
12-2029	11	7,357	0	2,993	1,188	0	494	47.50	0.0000	0.0000
12-2030	11	6,831	0	2,993	1,103	0	494	47.50	0.0000	0.0000
12-2031	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2032	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2033	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	11	197,373	76,014	41,927	31,876	12,535	6,914			
REM	0	0	0	0	0	0	0			
TOTAL	11	197,373	76,014	41,927	31,876	12,535	6,914			
CUMULATIVE ULTIMATE		5,320	0							
		202,693	76,014	41,927						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	805,119	3,336	808,455	426,236	130,104	0	556,340	252,115	240,382	240,382
12-2018	893,124	13,980	907,104	411,428	192,000	0	603,428	303,676	263,222	503,604
12-2019	1,146,425	27,840	1,174,265	424,065	384,000	0	808,065	366,200	288,560	792,165
12-2020	1,068,482	26,548	1,095,030	461,236	192,000	0	653,235	441,795	316,480	1,108,645
12-2021	919,096	20,479	939,575	427,504	38,266	0	465,770	473,805	308,555	1,417,199
12-2022	809,852	3,967	813,819	396,667	38,266	0	434,933	378,886	224,310	1,641,509
12-2023	677,185	129	677,314	362,506	38,266	0	400,773	276,541	148,836	1,790,345
12-2024	584,658	0	584,658	397,942	38,266	0	436,208	148,450	72,633	1,862,978
12-2025	520,472	0	520,472	350,940	38,266	0	389,207	131,265	58,386	1,921,365
12-2026	468,234	0	468,234	378,118	38,266	0	416,384	51,850	20,966	1,942,331
12-2027	423,954	0	423,954	241,326	38,266	0	279,592	144,362	53,067	1,995,398
12-2028	384,678	0	384,678	276,799	38,266	0	315,065	69,613	23,263	2,018,661
12-2029	349,455	0	349,455	242,152	38,266	0	280,418	69,036	20,973	2,039,635
12-2030	324,489	0	324,489	222,169	38,266	0	260,435	64,053	17,691	2,057,325
12-2031	0	0	0	0	0	0	0	0	0	2,057,325
12-2032	0	0	0	0	0	0	0	0	0	2,057,325
12-2033	0	0	0	0	0	0	0	0	0	2,057,325
12-2034	0	0	0	0	0	0	0	0	0	2,057,325
S-TOT	9,375,221	96,280	9,471,500	5,019,086	1,280,768		6,299,854	3,171,647	2,057,325	
REM	0	0	0	0	0		0	0	0	
TOTAL	9,375,221	96,280	9,471,500	5,019,086	1,280,768		6,299,854	3,171,647	2,057,325	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	136,870	567	137,437	76,687	24,720	0	101,407	36,030	34,354	34,354
12-2018	151,831	2,377	154,208	74,170	36,480	0	110,650	43,558	37,755	72,109
12-2019	194,892	4,733	199,625	76,318	72,960	0	149,278	50,347	39,673	111,782
12-2020	181,642	4,513	186,155	82,637	36,480	0	119,117	67,038	48,023	159,804
12-2021	156,246	3,481	159,728	76,903	7,271	0	84,173	75,554	49,203	209,008
12-2022	137,675	674	138,349	71,660	7,271	0	78,931	59,418	35,177	244,185
12-2023	115,122	22	115,143	65,853	7,271	0	73,124	42,020	22,615	266,800
12-2024	99,392	0	99,392	71,877	7,271	0	79,148	20,244	9,905	276,705
12-2025	88,480	0	88,480	63,642	7,271	0	70,913	17,568	7,814	284,519
12-2026	79,600	0	79,600	68,099	7,271	0	75,370	4,230	1,711	286,229
12-2027	72,072	0	72,072	43,212	7,271	0	50,483	21,590	7,936	294,166
12-2028	65,395	0	65,395	49,242	7,271	0	56,513	8,882	2,968	297,134
12-2029	59,407	0	59,407	43,352	7,271	0	50,623	8,784	2,669	299,803
12-2030	55,163	0	55,163	39,547	7,271	0	46,818	8,345	2,305	302,107
12-2031	0	0	0	0	0	0	0	0	0	302,107
12-2032	0	0	0	0	0	0	0	0	0	302,107
12-2033	0	0	0	0	0	0	0	0	0	302,107
12-2034	0	0	0	0	0	0	0	0	0	302,107
S-TOT	1,593,788	16,368	1,610,155	903,200	243,346		1,146,546	463,609	302,107	
REM	0	0	0	0	0		0	0	0	
TOTAL	1,593,788	16,368	1,610,155	903,200	243,346		1,146,546	463,609	302,107	

LIFE - 14 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	136,870	567	137,437	76,687	24,720	(47,000)	54,407	83,031	79,167	79,167
12-2018	151,831	2,377	154,208	74,170	36,480	(35,072)	75,578	68,630	68,155	147,322
12-2019	194,892	4,733	199,625	76,318	72,960	(10,919)	138,359	61,266	48,277	195,598
12-2020	181,642	4,513	186,155	82,637	36,480	11,756	130,873	55,282	39,601	235,200
12-2021	156,246	3,481	159,728	76,903	7,271	14,083	98,256	61,472	40,032	275,232
12-2022	137,675	674	138,349	71,660	7,271	11,831	90,763	47,587	28,173	303,404
12-2023	115,122	22	115,143	65,853	7,271	6,213	79,337	35,807	19,271	322,676
12-2024	99,392	0	99,392	71,877	7,271	5,365	84,513	14,879	7,280	329,956
12-2025	88,480	0	88,480	63,642	7,271	5,316	76,228	12,252	5,450	335,405
12-2026	79,600	0	79,600	68,099	7,271	2,314	77,683	1,917	775	336,180
12-2027	72,072	0	72,072	43,212	7,271	6,723	57,206	14,866	5,465	341,645
12-2028	65,395	0	65,395	49,242	7,271	3,942	60,455	4,940	1,651	343,296
12-2029	59,407	0	59,407	43,352	7,271	2,242	52,864	6,543	1,988	345,284
12-2030	55,163	0	55,163	39,547	7,271	2,088	48,906	6,257	1,728	347,012
12-2031	0	0	0	0	0	0	0	0	0	347,012
12-2032	0	0	0	0	0	0	0	0	0	347,012
12-2033	0	0	0	0	0	0	0	0	0	347,012
12-2034	0	0	0	0	0	0	0	0	0	347,012
S-TOT	1,593,788	16,368	1,610,155	903,200	243,346	(21,119)	1,125,427	484,728	347,012	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	1,593,788	16,368	1,610,155	903,200	243,346	(21,119)	1,125,427	484,728	347,012	

LIFE - 14 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - COUNTRY OF GHANA
TOTAL 2P RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	18	48,052	10,105	7,300	9,643	1,666	1,437	47.53	0.4850	0.0000
12-2018	21	58,826	17,545	7,300	11,956	2,893	1,437	47.53	0.8996	0.0000
12-2019	27	64,976	26,522	7,300	12,997	4,374	1,437	47.53	1.1433	0.0000
12-2020	30	67,419	23,339	7,320	13,616	3,849	1,441	47.53	1.2331	0.0000
12-2021	29	65,669	16,578	7,300	13,474	2,734	1,437	47.54	1.5382	0.0000
12-2022	31	61,674	12,479	7,300	12,719	2,058	1,437	47.54	1.8386	0.0000
12-2023	32	55,242	6,236	7,300	11,477	1,028	1,437	47.54	2.4459	0.0000
12-2024	33	50,187	3,396	7,320	10,486	560	1,441	47.54	2.9100	0.0000
12-2025	33	39,250	2,286	7,300	8,099	377	1,437	47.54	2.9100	0.0000
12-2026	32	32,390	1,539	7,300	6,622	254	1,437	47.53	2.9100	0.0000
12-2027	32	27,630	1,037	7,300	5,611	171	1,437	47.53	2.9100	0.0000
12-2028	31	23,928	698	7,320	4,833	115	1,441	47.53	2.9100	0.0000
12-2029	31	21,910	470	7,300	4,432	78	1,437	47.53	2.9100	0.0000
12-2030	30	20,004	316	7,300	4,040	52	1,437	47.53	2.9100	0.0000
12-2031	18	10,675	0	3,650	2,442	0	835	47.55	0.0000	0.0000
12-2032	18	9,170	0	3,660	2,098	0	837	47.55	0.0000	0.0000
12-2033	17	8,094	0	3,650	1,851	0	835	47.55	0.0000	0.0000
12-2034	17	5,402	0	3,650	1,236	0	835	47.55	0.0000	0.0000
S-TOT	33	670,496	122,547	116,870	137,632	20,208	23,468			
REM	0	0	0	0	0	0	0			
TOTAL	33	670,496	122,547	116,870	137,632	20,208	23,468			
CUMULATIVE ULTIMATE		193,029	0	116,870						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	2,283,973	4,901	2,288,874	693,854	293,858	0	987,712	1,301,163	1,240,610	1,240,610
12-2018	2,796,219	15,784	2,812,004	652,937	371,077	0	1,024,014	1,787,989	1,549,801	2,790,411
12-2019	3,088,356	30,323	3,118,680	707,320	745,538	0	1,452,858	1,665,822	1,312,644	4,103,054
12-2020	3,204,598	28,779	3,233,377	717,834	583,741	0	1,301,575	1,931,802	1,383,848	5,486,902
12-2021	3,121,585	25,500	3,147,085	725,788	284,869	0	1,010,658	2,136,428	1,391,301	6,878,203
12-2022	2,931,734	22,945	2,954,679	740,315	364,637	0	1,104,952	1,849,727	1,095,085	7,973,288
12-2023	2,626,050	15,254	2,641,304	675,199	267,277	0	942,476	1,698,828	914,317	8,887,605
12-2024	2,385,791	9,883	2,395,673	680,038	406,114	0	1,086,152	1,309,521	640,719	9,528,324
12-2025	1,865,770	6,652	1,872,422	655,737	405,230	0	1,060,967	811,455	360,933	9,889,257
12-2026	1,539,654	4,478	1,544,132	642,072	187,519	0	829,592	714,540	288,932	10,178,190
12-2027	1,313,330	3,018	1,316,348	480,856	108,754	0	589,611	726,737	267,149	10,445,339
12-2028	1,137,349	2,031	1,139,380	477,344	108,754	0	586,099	553,282	184,897	10,630,236
12-2029	1,041,457	1,368	1,042,825	456,733	108,754	0	565,488	477,337	145,016	10,775,252
12-2030	950,863	920	951,783	399,372	83,754	0	483,127	468,656	129,435	10,904,688
12-2031	507,623	0	507,623	168,291	45,488	0	213,779	293,843	73,777	10,978,465
12-2032	436,084	0	436,084	143,748	45,488	0	189,236	246,848	56,343	11,034,808
12-2033	384,882	0	384,882	142,597	45,488	0	188,085	196,797	40,836	11,075,644
12-2034	256,876	0	256,876	137,979	45,488	0	183,467	73,409	13,848	11,089,492
S-TOT	31,872,194	171,836	32,044,031	9,298,014	4,501,832		13,799,846	18,244,185	11,089,492	
REM	0	0	0	0	0		0	0	0	
TOTAL	31,872,194	171,836	32,044,031	9,298,014	4,501,832		13,799,846	18,244,185	11,089,492	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	482,500	833	483,333	141,122	68,696	0	209,817	273,516	260,787	260,787
12-2018	598,288	2,683	600,971	132,104	84,571	0	216,675	384,296	333,102	593,889
12-2019	650,339	5,155	655,494	144,235	170,050	0	314,285	341,209	268,868	862,756
12-2020	681,335	4,892	686,228	144,136	141,394	0	285,530	400,697	287,040	1,149,796
12-2021	674,261	4,335	678,596	148,420	73,209	0	221,629	456,967	297,590	1,447,386
12-2022	636,464	3,901	640,365	149,159	94,630	0	243,789	396,576	234,783	1,682,168
12-2023	574,328	2,593	576,921	140,752	68,484	0	209,236	367,685	197,890	1,880,058
12-2024	524,754	1,680	526,434	139,409	105,769	0	245,177	281,256	137,612	2,017,670
12-2025	405,277	1,131	406,408	136,640	105,531	0	242,171	164,237	73,052	2,090,723
12-2026	331,391	761	332,153	131,260	47,065	0	178,325	153,827	62,202	2,152,925
12-2027	280,795	513	281,308	99,026	25,913	0	124,939	156,368	57,481	2,210,406
12-2028	241,852	345	242,197	95,663	25,913	0	121,576	120,620	40,309	2,250,715
12-2029	221,798	233	222,031	94,607	25,913	0	120,520	101,511	30,839	2,281,554
12-2030	202,146	156	202,303	81,795	19,199	0	100,995	101,308	27,980	2,309,534
12-2031	122,221	0	122,221	40,520	11,929	0	52,448	69,772	17,518	2,327,052
12-2032	104,996	0	104,996	34,610	11,929	0	46,539	58,457	13,343	2,340,395
12-2033	92,668	0	92,668	34,333	11,929	0	46,262	46,406	9,629	2,350,024
12-2034	61,848	0	61,848	33,221	11,929	0	45,150	16,698	3,150	2,353,174
S-TOT	6,887,262	29,212	6,916,474	1,921,013	1,104,053		3,025,066	3,891,408	2,353,174	
REM	0	0	0	0	0		0	0	0	
TOTAL	6,887,262	29,212	6,916,474	1,921,013	1,104,053		3,025,066	3,891,408	2,353,174	

LIFE - 18 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	482,500	833	483,333	141,122	68,696	14,850	224,667	258,666	246,628	246,628
12-2018	598,288	2,683	600,971	132,104	84,571	74,226	290,901	310,070	268,764	515,392
12-2019	650,339	5,155	655,494	144,235	170,050	104,618	418,903	236,591	186,430	701,822
12-2020	681,335	4,892	686,228	144,136	141,394	139,389	424,919	261,309	187,189	889,011
12-2021	674,261	4,335	678,596	148,420	73,209	144,719	366,348	312,248	203,344	1,092,355
12-2022	636,464	3,901	640,365	149,159	94,630	129,325	373,114	267,251	158,219	1,250,574
12-2023	574,328	2,593	576,921	140,752	68,484	112,809	322,046	254,876	137,175	1,387,749
12-2024	524,754	1,680	526,434	139,409	105,769	100,759	345,936	180,497	88,313	1,476,063
12-2025	405,277	1,131	406,408	136,640	105,531	63,432	305,603	100,805	44,838	1,520,901
12-2026	331,391	761	332,153	131,260	47,065	40,462	218,787	113,365	45,841	1,566,741
12-2027	280,795	513	281,308	99,026	25,913	39,452	164,391	116,916	42,979	1,609,720
12-2028	241,852	345	242,197	95,663	25,913	29,227	150,803	91,394	30,542	1,640,262
12-2029	221,798	233	222,031	94,607	25,913	28,822	149,342	72,689	22,083	1,662,345
12-2030	202,146	156	202,303	81,795	19,199	30,085	131,079	71,223	19,671	1,682,016
12-2031	122,221	0	122,221	40,520	11,929	21,831	74,279	47,942	12,037	1,694,053
12-2032	104,996	0	104,996	34,610	11,929	18,930	65,469	39,527	9,022	1,703,075
12-2033	92,668	0	92,668	34,333	11,929	15,182	61,444	31,224	6,479	1,709,554
12-2034	61,848	0	61,848	33,221	11,929	5,844	50,994	10,854	2,047	1,711,601
S-TOT	6,887,262	29,212	6,916,474	1,921,013	1,104,053	1,113,962	4,139,028	2,777,446	1,711,601	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	6,887,262	29,212	6,916,474	1,921,013	1,104,053	1,113,962	4,139,028	2,777,446	1,711,601	

LIFE - 18 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - JUBILEE PROJECT AREA
TOTAL 2P RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	13	27,998	0	3,650	6,404	0	835	47.55	0.0000	0.0000
12-2018	15	36,527	0	3,650	8,355	0	835	47.55	0.0000	0.0000
12-2019	17	37,237	0	3,650	8,517	0	835	47.55	0.0000	0.0000
12-2020	19	40,575	0	3,660	9,281	0	837	47.55	0.0000	0.0000
12-2021	18	42,666	0	3,650	9,759	0	835	47.55	0.0000	0.0000
12-2022	20	41,026	0	3,650	9,384	0	835	47.55	0.0000	0.0000
12-2023	21	38,004	0	3,650	8,693	0	835	47.55	0.0000	0.0000
12-2024	22	35,410	0	3,660	8,099	0	837	47.55	0.0000	0.0000
12-2025	22	26,177	0	3,650	5,987	0	835	47.55	0.0000	0.0000
12-2026	21	20,696	0	3,650	4,734	0	835	47.55	0.0000	0.0000
12-2027	21	17,094	0	3,650	3,910	0	835	47.55	0.0000	0.0000
12-2028	20	14,412	0	3,660	3,296	0	837	47.55	0.0000	0.0000
12-2029	20	13,297	0	3,650	3,041	0	835	47.55	0.0000	0.0000
12-2030	19	12,034	0	3,650	2,753	0	835	47.55	0.0000	0.0000
12-2031	18	10,675	0	3,650	2,442	0	835	47.55	0.0000	0.0000
12-2032	18	9,170	0	3,660	2,098	0	837	47.55	0.0000	0.0000
12-2033	17	8,094	0	3,650	1,851	0	835	47.55	0.0000	0.0000
12-2034	17	5,402	0	3,650	1,236	0	835	47.55	0.0000	0.0000
S-TOT	22	436,491	0	65,740	99,840	0	15,037			
REM	0	0	0	0	0	0	0			
TOTAL	22	436,491	0	65,740	99,840	0	15,037			
CUMULATIVE ULTIMATE		187,709	0	65,740						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	1,331,399	0	1,331,399	267,618	163,754	0	431,372	900,027	858,142	858,142
12-2018	1,737,020	0	1,737,020	238,488	179,077	0	417,565	1,319,455	1,143,683	2,001,825
12-2019	1,770,758	0	1,770,758	279,255	361,538	0	640,793	1,129,966	890,397	2,892,221
12-2020	1,929,512	0	1,929,512	252,604	391,741	0	644,345	1,285,167	920,630	3,812,852
12-2021	2,028,958	0	2,028,958	294,037	246,603	0	540,640	1,488,318	969,234	4,782,086
12-2022	1,950,934	0	1,950,934	269,583	326,371	0	595,954	1,354,980	802,182	5,584,268
12-2023	1,807,235	0	1,807,235	307,208	229,011	0	536,219	1,271,016	684,067	6,268,335
12-2024	1,683,871	0	1,683,871	276,599	367,848	0	644,447	1,039,424	508,566	6,776,902
12-2025	1,244,810	0	1,244,810	299,305	366,963	0	666,268	578,541	257,334	7,034,235
12-2026	984,161	0	984,161	258,419	149,253	0	407,672	576,489	233,110	7,267,345
12-2027	812,883	0	812,883	213,281	70,488	0	283,769	529,114	194,503	7,461,848
12-2028	685,339	0	685,339	174,200	70,488	0	244,688	440,651	147,258	7,609,106
12-2029	632,327	0	632,327	208,782	70,488	0	279,270	353,057	107,260	7,716,365
12-2030	572,264	0	572,264	171,309	45,488	0	216,797	355,467	98,174	7,814,540
12-2031	507,623	0	507,623	168,291	45,488	0	213,779	293,843	73,777	7,888,317
12-2032	436,084	0	436,084	143,748	45,488	0	189,236	246,848	56,343	7,944,660
12-2033	384,882	0	384,882	142,597	45,488	0	188,085	196,797	40,836	7,985,496
12-2034	256,876	0	256,876	137,979	45,488	0	183,467	73,409	13,848	7,999,344
S-TOT	20,756,936	0	20,756,936	4,103,303	3,221,064		7,324,367	13,432,570	7,999,344	
REM	0	0	0	0	0		0	0	0	
TOTAL	20,756,936	0	20,756,936	4,103,303	3,221,064		7,324,367	13,432,570	7,999,344	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	320,562	0	320,562	64,435	43,976	0	108,411	212,152	202,279	202,279
12-2018	418,224	0	418,224	57,421	48,091	0	105,512	312,712	271,054	473,333
12-2019	426,347	0	426,347	67,236	97,090	0	164,327	262,020	206,468	679,801
12-2020	464,571	0	464,571	60,820	104,914	0	165,734	298,836	214,072	893,873
12-2021	488,514	0	488,514	70,796	65,938	0	136,734	351,781	229,089	1,122,962
12-2022	469,728	0	469,728	64,908	87,359	0	152,267	317,461	187,945	1,310,907
12-2023	435,130	0	435,130	73,967	61,214	0	135,180	299,949	161,434	1,472,341
12-2024	405,427	0	405,427	66,597	98,498	0	165,095	240,332	117,589	1,589,930
12-2025	299,714	0	299,714	72,064	98,260	0	170,324	129,390	57,552	1,647,482
12-2026	236,957	0	236,957	62,220	39,795	0	102,014	134,943	54,566	1,702,048
12-2027	195,719	0	195,719	51,352	18,642	0	69,994	125,724	46,216	1,748,264
12-2028	165,010	0	165,010	41,942	18,642	0	60,585	104,425	34,897	1,783,161
12-2029	152,246	0	152,246	50,269	18,642	0	68,911	83,335	25,317	1,808,479
12-2030	137,785	0	137,785	41,246	11,929	0	53,175	84,610	23,368	1,831,847
12-2031	122,221	0	122,221	40,520	11,929	0	52,448	69,772	17,518	1,849,365
12-2032	104,996	0	104,996	34,610	11,929	0	46,539	58,457	13,343	1,862,708
12-2033	92,668	0	92,668	34,333	11,929	0	46,262	46,406	9,629	1,872,337
12-2034	61,848	0	61,848	33,221	11,929	0	45,150	16,698	3,150	1,875,487
S-TOT	4,997,668	0	4,997,668	987,956	860,707		1,848,663	3,149,004	1,875,487	
REM	0	0	0	0	0		0	0	0	
TOTAL	4,997,668	0	4,997,668	987,956	860,707		1,848,663	3,149,004	1,875,487	

LIFE - 18 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	320,562	0	320,562	64,435	43,976	52,983	161,394	159,168	151,761	151,761
12-2018	418,224	0	418,224	57,421	48,091	99,489	205,001	213,223	184,818	336,580
12-2019	426,347	0	426,347	67,236	97,090	105,442	269,769	156,578	123,381	459,961
12-2020	464,571	0	464,571	60,820	104,914	115,445	281,179	183,392	131,373	591,334
12-2021	488,514	0	488,514	70,796	65,938	120,265	256,999	231,515	150,769	742,103
12-2022	469,728	0	469,728	64,908	87,359	110,600	262,867	206,861	122,467	864,570
12-2023	435,130	0	435,130	73,967	61,214	97,596	232,776	202,354	108,908	973,478
12-2024	405,427	0	405,427	66,597	98,498	88,156	253,251	152,176	74,456	1,047,934
12-2025	299,714	0	299,714	72,064	98,260	52,068	222,393	77,321	34,392	1,082,326
12-2026	236,957	0	236,957	62,220	39,795	33,020	135,034	101,923	41,214	1,123,540
12-2027	195,719	0	195,719	51,352	18,642	29,559	99,554	96,165	35,350	1,158,890
12-2028	165,010	0	165,010	41,942	18,642	22,725	83,310	81,700	27,303	1,186,193
12-2029	152,246	0	152,246	50,269	18,642	23,293	92,204	60,042	18,241	1,204,434
12-2030	137,785	0	137,785	41,246	11,929	25,073	78,248	59,537	16,443	1,220,877
12-2031	122,221	0	122,221	40,520	11,929	21,831	74,279	47,942	12,037	1,232,914
12-2032	104,996	0	104,996	34,610	11,929	18,930	65,469	39,527	9,022	1,241,936
12-2033	92,668	0	92,668	34,333	11,929	15,182	61,444	31,224	6,479	1,248,415
12-2034	61,848	0	61,848	33,221	11,929	5,844	50,994	10,854	2,047	1,250,462
S-TOT	4,997,668	0	4,997,668	987,956	860,707	1,037,503	2,886,166	2,111,501	1,250,462	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	4,997,668	0	4,997,668	987,956	860,707	1,037,503	2,886,166	2,111,501	1,250,462	

LIFE - 18 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - TEN PROJECT AREA
TOTAL 2P RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	5	20,054	10,105	3,650	3,239	1,666	602	47.50	0.4850	0.0000
12-2018	6	22,299	17,545	3,650	3,601	2,893	602	47.50	0.8996	0.0000
12-2019	10	27,739	26,522	3,650	4,480	4,374	602	47.50	1.1433	0.0000
12-2020	11	26,844	23,339	3,660	4,335	3,849	604	47.50	1.2331	0.0000
12-2021	11	23,003	16,578	3,650	3,715	2,734	602	47.50	1.5382	0.0000
12-2022	11	20,648	12,479	3,650	3,335	2,058	602	47.50	1.8386	0.0000
12-2023	11	17,238	6,236	3,650	2,784	1,028	602	47.50	2.4459	0.0000
12-2024	11	14,777	3,396	3,660	2,387	560	604	47.50	2.9100	0.0000
12-2025	11	13,073	2,286	3,650	2,111	377	602	47.50	2.9100	0.0000
12-2026	11	11,695	1,539	3,650	1,889	254	602	47.50	2.9100	0.0000
12-2027	11	10,536	1,037	3,650	1,702	171	602	47.50	2.9100	0.0000
12-2028	11	9,516	698	3,660	1,537	115	604	47.50	2.9100	0.0000
12-2029	11	8,613	470	3,650	1,391	78	602	47.50	2.9100	0.0000
12-2030	11	7,971	316	3,650	1,287	52	602	47.50	2.9100	0.0000
12-2031	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2032	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2033	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	11	234,005	122,547	51,130	37,792	20,208	8,431			
REM	0	0	0	0	0	0	0			
TOTAL	11	234,005	122,547	51,130	37,792	20,208	8,431			
CUMULATIVE ULTIMATE		5,320	0	51,130						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	952,574	4,901	957,475	426,236	130,104	0	556,340	401,135	382,468	382,468
12-2018	1,059,200	15,784	1,074,984	414,450	192,000	0	606,450	468,534	406,118	788,586
12-2019	1,317,598	30,323	1,347,921	428,065	384,000	0	812,065	535,857	422,247	1,210,833
12-2020	1,275,085	28,779	1,303,865	465,230	192,000	0	657,230	646,635	463,217	1,674,050
12-2021	1,092,627	25,500	1,118,127	431,751	38,266	0	470,017	648,110	422,067	2,096,117
12-2022	980,800	22,945	1,003,745	470,732	38,266	0	508,998	494,747	292,903	2,389,020
12-2023	818,815	15,254	834,069	367,991	38,266	0	406,257	427,812	230,250	2,619,270
12-2024	701,919	9,883	711,802	403,439	38,266	0	441,705	270,097	132,152	2,751,422
12-2025	620,960	6,652	627,612	356,432	38,266	0	394,699	232,914	103,599	2,855,022
12-2026	555,493	4,478	559,972	383,653	38,266	0	421,920	138,052	55,823	2,910,844
12-2027	500,447	3,018	503,464	267,575	38,266	0	305,841	197,623	72,647	2,983,491
12-2028	452,010	2,031	454,041	303,144	38,266	0	341,410	112,631	37,639	3,021,130
12-2029	409,130	1,368	410,498	247,952	38,266	0	286,218	124,280	37,757	3,058,887
12-2030	378,599	920	379,519	228,064	38,266	0	266,330	113,189	31,261	3,090,148
12-2031	0	0	0	0	0	0	0	0	0	3,090,148
12-2032	0	0	0	0	0	0	0	0	0	3,090,148
12-2033	0	0	0	0	0	0	0	0	0	3,090,148
12-2034	0	0	0	0	0	0	0	0	0	3,090,148
S-TOT	11,115,258	171,836	11,287,095	5,194,712	1,280,768		6,475,480	4,811,615	3,090,148	
REM	0	0	0	0	0		0	0	0	
TOTAL	11,115,258	171,836	11,287,095	5,194,712	1,280,768		6,475,480	4,811,615	3,090,148	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	161,938	833	162,771	76,687	24,720	0	101,407	61,364	58,508	58,508
12-2018	180,064	2,683	182,747	74,684	36,480	0	111,164	71,584	62,048	120,556
12-2019	223,992	5,155	229,147	76,998	72,960	0	149,958	79,189	62,399	182,955
12-2020	216,765	4,892	221,657	83,316	36,480	0	119,796	101,861	72,968	255,923
12-2021	185,747	4,335	190,082	77,625	7,271	0	84,895	105,186	68,500	324,424
12-2022	166,736	3,901	170,637	84,251	7,271	0	91,522	79,115	46,838	371,261
12-2023	139,199	2,593	141,792	66,786	7,271	0	74,056	67,736	36,456	407,717
12-2024	119,326	1,680	121,006	72,812	7,271	0	80,082	40,924	20,023	427,740
12-2025	105,563	1,131	106,694	64,576	7,271	0	71,846	34,848	15,500	443,241
12-2026	94,434	761	95,195	69,040	7,271	0	76,311	18,885	7,636	450,877
12-2027	85,076	513	85,589	47,674	7,271	0	54,945	30,644	11,265	462,141
12-2028	76,842	345	77,187	53,721	7,271	0	60,992	16,195	5,412	467,554
12-2029	69,552	233	69,785	44,338	7,271	0	51,609	18,176	5,522	473,076
12-2030	64,362	156	64,518	40,549	7,271	0	47,820	16,698	4,612	477,687
12-2031	0	0	0	0	0	0	0	0	0	477,687
12-2032	0	0	0	0	0	0	0	0	0	477,687
12-2033	0	0	0	0	0	0	0	0	0	477,687
12-2034	0	0	0	0	0	0	0	0	0	477,687
S-TOT	1,889,594	29,212	1,918,806	933,057	243,346		1,176,403	742,404	477,687	
REM	0	0	0	0	0		0	0	0	
TOTAL	1,889,594	29,212	1,918,806	933,057	243,346		1,176,403	742,404	477,687	

LIFE - 14 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	161,938	833	162,771	76,687	24,720	(38,133)	63,273	99,497	94,867	94,867
12-2018	180,064	2,683	182,747	74,684	36,480	(25,263)	85,901	96,847	93,945	178,812
12-2019	223,992	5,155	229,147	76,998	72,960	(824)	149,134	80,013	63,049	241,861
12-2020	216,765	4,892	221,657	83,316	36,480	23,944	143,740	77,917	55,816	297,677
12-2021	185,747	4,335	190,082	77,625	7,271	24,454	109,349	80,732	52,575	350,252
12-2022	166,736	3,901	170,637	84,251	7,271	18,725	110,247	60,389	35,752	386,004
12-2023	139,199	2,593	141,792	66,786	7,271	15,214	89,270	52,522	28,268	414,272
12-2024	119,326	1,680	121,006	72,812	7,271	12,603	92,685	28,321	13,857	428,129
12-2025	105,563	1,131	106,694	64,576	7,271	11,364	83,210	23,484	10,446	438,574
12-2026	94,434	761	95,195	69,040	7,271	7,443	83,753	11,442	4,627	443,201
12-2027	85,076	513	85,589	47,674	7,271	9,892	64,837	20,752	7,628	450,830
12-2028	76,842	345	77,187	53,721	7,271	6,501	67,493	9,694	3,240	454,069
12-2029	69,552	233	69,785	44,338	7,271	5,529	57,137	12,647	3,842	457,911
12-2030	64,362	156	64,518	40,549	7,271	5,011	52,831	11,687	3,228	461,139
12-2031	0	0	0	0	0	0	0	0	0	461,139
12-2032	0	0	0	0	0	0	0	0	0	461,139
12-2033	0	0	0	0	0	0	0	0	0	461,139
12-2034	0	0	0	0	0	0	0	0	0	461,139
S-TOT	1,889,594	29,212	1,918,806	933,057	243,346	76,459	1,252,861	665,945	461,139	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	1,889,594	29,212	1,918,806	933,057	243,346	76,459	1,252,861	665,945	461,139	

LIFE - 14 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - COUNTRY OF GHANA
TOTAL 3P RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	18	50,701	13,432	7,300	10,071	2,215	1,437	47.53	0.4850	0.0000
12-2018	18	67,804	21,388	7,300	13,804	3,527	1,437	47.53	0.8251	0.0000
12-2019	24	71,153	31,755	7,300	14,410	5,236	1,437	47.53	1.0348	0.0000
12-2020	27	72,571	28,015	7,320	14,729	4,620	1,441	47.53	1.1082	0.0000
12-2021	31	75,923	20,248	7,300	15,553	3,339	1,437	47.53	1.3473	0.0000
12-2022	33	77,671	15,945	7,300	16,141	2,629	1,437	47.54	1.5800	0.0000
12-2023	34	72,965	11,030	7,300	15,326	1,819	1,437	47.54	2.0680	0.0000
12-2024	34	64,455	7,200	7,320	13,569	1,187	1,441	47.54	2.9100	0.0000
12-2025	33	55,402	7,200	7,300	11,629	1,187	1,437	47.54	2.9100	0.0000
12-2026	32	46,464	7,065	7,300	9,692	1,165	1,437	47.54	2.9100	0.0000
12-2027	33	42,043	5,878	7,300	8,777	969	1,437	47.54	2.9100	0.0000
12-2028	33	38,028	4,702	7,320	7,944	775	1,441	47.54	2.9100	0.0000
12-2029	33	34,525	3,760	7,300	7,218	620	1,437	47.54	2.9100	0.0000
12-2030	33	30,950	3,007	7,300	6,455	496	1,437	47.54	2.9100	0.0000
12-2031	20	20,203	0	3,650	4,621	0	835	47.55	0.0000	0.0000
12-2032	20	16,519	0	3,660	3,778	0	837	47.55	0.0000	0.0000
12-2033	19	15,018	0	3,650	3,435	0	835	47.55	0.0000	0.0000
12-2034	18	7,077	0	3,650	1,619	0	835	47.55	0.0000	0.0000
S-TOT	34	859,470	180,625	116,870	178,769	29,785	23,468			
REM	0	0	0	0	0	0	0			
TOTAL	34	859,470	180,625	116,870	178,769	29,785	23,468			
CUMULATIVE ULTIMATE		193,029	0	116,870						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	2,409,809	6,515	2,416,323	693,854	293,858	0	987,712	1,428,612	1,362,128	1,362,128
12-2018	3,222,985	17,648	3,240,633	652,646	371,077	0	1,023,723	2,216,911	1,921,583	3,283,711
12-2019	3,382,099	32,861	3,414,960	707,802	745,538	0	1,453,340	1,961,620	1,545,729	4,829,440
12-2020	3,449,535	31,047	3,480,582	716,101	583,741	0	1,299,842	2,180,740	1,562,174	6,391,614
12-2021	3,608,986	27,280	3,636,266	728,507	284,869	0	1,013,377	2,622,890	1,708,099	8,099,713
12-2022	3,692,291	25,193	3,717,484	741,358	364,637	0	1,105,995	2,611,489	1,546,068	9,645,780
12-2023	3,468,676	22,809	3,491,486	747,528	267,277	0	1,014,805	2,476,680	1,332,961	10,978,741
12-2024	3,064,174	20,952	3,085,126	677,932	406,114	0	1,084,046	2,001,079	979,082	11,957,824
12-2025	2,633,744	20,952	2,654,696	663,045	405,230	0	1,068,275	1,586,422	705,636	12,663,460
12-2026	2,208,802	20,559	2,229,361	648,363	187,519	0	835,882	1,393,479	563,469	13,226,928
12-2027	1,998,619	17,105	2,015,724	567,871	108,754	0	676,626	1,339,098	492,254	13,719,183
12-2028	1,807,758	13,683	1,821,441	568,781	108,754	0	677,535	1,143,906	382,274	14,101,456
12-2029	1,641,241	10,941	1,652,182	569,850	108,754	0	678,605	973,577	295,775	14,397,231
12-2030	1,471,286	8,750	1,480,036	512,945	83,754	0	596,699	883,336	243,964	14,641,195
12-2031	960,745	0	960,745	251,459	45,488	0	296,947	663,798	166,664	14,807,859
12-2032	785,533	0	785,533	174,511	45,488	0	219,999	565,534	129,084	14,936,943
12-2033	714,157	0	714,157	172,554	45,488	0	218,042	496,115	102,944	15,039,887
12-2034	336,553	0	336,553	135,885	45,488	0	181,373	155,179	29,273	15,069,160
S-TOT	40,856,992	276,296	41,133,288	9,930,990	4,501,832		14,432,822	26,700,466	15,069,160	
REM	0	0	0	0	0		0	0	0	
TOTAL	40,856,992	276,296	41,133,288	9,930,990	4,501,832		14,432,822	26,700,466	15,069,160	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	503,892	1,107	504,999	141,122	68,696	0	209,817	295,182	281,445	281,445
12-2018	690,760	3,000	693,760	131,849	84,571	0	216,420	477,340	413,751	695,196
12-2019	721,060	5,586	726,646	144,099	170,050	0	314,149	412,497	325,042	1,020,238
12-2020	737,041	5,278	742,319	143,469	141,394	0	284,864	457,455	327,698	1,347,936
12-2021	778,278	4,638	782,916	148,818	73,209	0	222,026	560,889	365,267	1,713,203
12-2022	807,729	4,283	812,012	149,095	94,630	0	243,726	568,287	336,440	2,049,643
12-2023	767,000	3,878	770,877	152,958	68,484	0	221,443	549,435	295,708	2,345,351
12-2024	679,052	3,562	682,613	138,544	105,769	0	244,313	438,300	214,450	2,559,801
12-2025	581,948	3,562	585,509	138,033	105,531	0	243,564	341,946	152,097	2,711,898
12-2026	485,004	3,495	488,499	132,398	47,065	0	179,464	309,036	124,962	2,836,860
12-2027	439,213	2,908	442,121	119,595	25,913	0	145,508	296,613	109,035	2,945,895
12-2028	397,550	2,326	399,876	117,292	25,913	0	143,205	256,672	85,775	3,031,670
12-2029	361,222	1,860	363,082	119,990	25,913	0	145,904	217,179	65,979	3,097,650
12-2030	323,022	1,487	324,510	107,283	19,199	0	126,483	198,027	54,692	3,152,342
12-2031	231,320	0	231,320	60,544	11,929	0	72,473	158,847	39,883	3,192,224
12-2032	189,133	0	189,133	42,017	11,929	0	53,946	135,188	30,857	3,223,081
12-2033	171,948	0	171,948	41,546	11,929	0	53,475	118,473	24,583	3,247,665
12-2034	81,032	0	81,032	32,717	11,929	0	44,646	36,386	6,864	3,254,528
S-TOT	8,946,204	46,970	8,993,174	2,061,370	1,104,053		3,165,423	5,827,751	3,254,528	
REM	0	0	0	0	0		0	0	0	
TOTAL	8,946,204	46,970	8,993,174	2,061,370	1,104,053		3,165,423	5,827,751	3,254,528	

LIFE - 14 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	503,892	1,107	504,999	141,122	68,696	22,433	232,250	272,749	260,056	260,056
12-2018	690,760	3,000	693,760	131,849	84,571	106,792	323,212	370,548	321,185	581,241
12-2019	721,060	5,586	726,646	144,099	170,050	129,569	443,718	282,929	222,944	804,185
12-2020	737,041	5,278	742,319	143,469	141,394	159,254	444,118	298,201	213,617	1,017,802
12-2021	778,278	4,638	782,916	148,818	73,209	181,092	403,118	379,797	247,334	1,265,136
12-2022	807,729	4,283	812,012	149,095	94,630	189,424	433,149	378,863	224,296	1,489,432
12-2023	767,000	3,878	770,877	152,958	68,484	178,568	400,011	370,866	199,602	1,689,034
12-2024	679,052	3,562	682,613	138,544	105,769	158,221	402,534	280,080	137,036	1,826,071
12-2025	581,948	3,562	585,509	138,033	105,531	127,493	371,056	214,453	95,388	1,921,459
12-2026	485,004	3,495	488,499	132,398	47,065	96,764	276,227	176,716	85,835	2,007,294
12-2027	439,213	2,908	442,121	119,595	25,913	90,372	235,880	206,241	75,815	2,083,108
12-2028	397,550	2,326	399,876	117,292	25,913	79,955	223,160	176,716	59,056	2,142,164
12-2029	361,222	1,860	363,082	119,990	25,913	73,202	219,105	143,977	43,740	2,185,904
12-2030	323,022	1,487	324,510	107,283	19,199	67,476	193,959	130,551	36,056	2,221,960
12-2031	231,320	0	231,320	60,544	11,929	56,192	128,664	102,655	25,774	2,247,735
12-2032	189,133	0	189,133	42,017	11,929	48,472	102,417	86,716	19,793	2,267,528
12-2033	171,948	0	171,948	41,546	11,929	42,747	96,222	75,726	15,713	2,283,241
12-2034	81,032	0	81,032	32,717	11,929	13,424	58,070	22,962	4,332	2,287,573
S-TOT	8,946,204	46,970	8,993,174	2,061,370	1,104,053	1,821,448	4,986,871	4,006,303	2,287,573	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	8,946,204	46,970	8,993,174	2,061,370	1,104,053	1,821,448	4,986,871	4,006,303	2,287,573	

LIFE - 14 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - JUBILEE PROJECT AREA
TOTAL 3P RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	13	27,998	0	3,650	6,404	0	835	47.55	0.0000	0.0000
12-2018	12	42,447	0	3,650	9,709	0	835	47.55	0.0000	0.0000
12-2019	14	43,413	0	3,650	9,930	0	835	47.55	0.0000	0.0000
12-2020	16	44,755	0	3,660	10,237	0	837	47.55	0.0000	0.0000
12-2021	20	48,953	0	3,650	11,197	0	835	47.55	0.0000	0.0000
12-2022	22	53,496	0	3,650	12,236	0	835	47.55	0.0000	0.0000
12-2023	23	52,690	0	3,650	12,052	0	835	47.55	0.0000	0.0000
12-2024	23	46,990	0	3,660	10,748	0	837	47.55	0.0000	0.0000
12-2025	22	39,879	0	3,650	9,122	0	835	47.55	0.0000	0.0000
12-2026	21	32,539	0	3,650	7,443	0	835	47.55	0.0000	0.0000
12-2027	22	29,550	0	3,650	6,759	0	835	47.55	0.0000	0.0000
12-2028	22	26,811	0	3,660	6,133	0	837	47.55	0.0000	0.0000
12-2029	22	24,428	0	3,650	5,587	0	835	47.55	0.0000	0.0000
12-2030	22	21,662	0	3,650	4,955	0	835	47.55	0.0000	0.0000
12-2031	20	20,203	0	3,650	4,621	0	835	47.55	0.0000	0.0000
12-2032	20	16,519	0	3,660	3,778	0	837	47.55	0.0000	0.0000
12-2033	19	15,018	0	3,650	3,435	0	835	47.55	0.0000	0.0000
12-2034	18	7,077	0	3,650	1,619	0	835	47.55	0.0000	0.0000
S-TOT	23	594,427	0	65,740	135,965	0	15,037			
REM	0	0	0	0	0	0	0			
TOTAL	23	594,427	0	65,740	135,965	0	15,037			
CUMULATIVE ULTIMATE		187,709	0	65,740						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	1,331,399	0	1,331,399	267,618	163,754	0	431,372	900,027	858,142	858,142
12-2018	2,018,515	0	2,018,515	235,582	179,077	0	414,659	1,603,855	1,390,196	2,248,339
12-2019	2,064,449	0	2,064,449	276,175	361,538	0	637,713	1,426,736	1,124,247	3,372,586
12-2020	2,128,275	0	2,128,275	247,349	391,741	0	639,090	1,489,185	1,066,779	4,439,365
12-2021	2,327,936	0	2,327,936	293,119	246,603	0	539,722	1,788,213	1,164,534	5,603,899
12-2022	2,543,976	0	2,543,976	266,176	326,371	0	592,547	1,951,429	1,155,295	6,759,194
12-2023	2,505,613	0	2,505,613	305,940	229,011	0	534,951	1,970,662	1,060,620	7,819,814
12-2024	2,234,561	0	2,234,561	269,446	367,848	0	637,294	1,597,267	781,506	8,601,320
12-2025	1,896,415	0	1,896,415	301,433	366,963	0	668,397	1,228,018	546,219	9,147,539
12-2026	1,547,359	0	1,547,359	259,397	149,253	0	408,650	1,138,709	460,450	9,607,989
12-2027	1,405,209	0	1,405,209	294,901	70,488	0	365,389	1,039,820	382,239	9,990,228
12-2028	1,274,977	0	1,274,977	260,167	70,488	0	330,655	944,323	315,576	10,305,804
12-2029	1,161,651	0	1,161,651	295,733	70,488	0	366,221	795,430	241,654	10,547,458
12-2030	1,030,133	0	1,030,133	258,640	45,488	0	304,128	726,005	200,511	10,747,969
12-2031	960,745	0	960,745	251,459	45,488	0	296,947	663,798	166,664	10,914,633
12-2032	785,533	0	785,533	174,511	45,488	0	219,999	565,534	129,084	11,043,717
12-2033	714,157	0	714,157	172,554	45,488	0	218,042	496,115	102,944	11,146,662
12-2034	336,553	0	336,553	135,885	45,488	0	181,373	155,179	29,273	11,175,934
S-TOT	28,267,455	0	28,267,455	4,566,084	3,221,064		7,787,148	20,480,307	11,175,934	
REM	0	0	0	0	0		0	0	0	
TOTAL	28,267,455	0	28,267,455	4,566,084	3,221,064		7,787,148	20,480,307	11,175,934	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	320,562	0	320,562	64,435	43,976	0	108,411	212,152	202,279	202,279
12-2018	486,000	0	486,000	56,721	48,091	0	104,812	381,188	330,407	532,686
12-2019	497,059	0	497,059	66,495	97,090	0	163,585	333,474	262,773	795,459
12-2020	512,427	0	512,427	59,554	104,914	0	164,469	347,958	249,260	1,044,719
12-2021	560,499	0	560,499	70,575	65,938	0	136,512	423,987	276,112	1,320,831
12-2022	612,516	0	612,516	64,088	87,359	0	151,447	461,069	272,964	1,593,795
12-2023	603,279	0	603,279	73,661	61,214	0	134,875	468,404	252,097	1,845,892
12-2024	538,017	0	538,017	64,875	98,498	0	163,373	374,645	183,305	2,029,197
12-2025	456,602	0	456,602	72,576	98,260	0	170,837	285,765	127,107	2,156,305
12-2026	372,559	0	372,559	62,455	39,795	0	102,250	270,309	109,303	2,265,607
12-2027	338,333	0	338,333	71,004	18,642	0	89,646	248,687	91,418	2,357,025
12-2028	306,978	0	306,978	62,641	18,642	0	81,283	225,694	75,423	2,432,448
12-2029	279,692	0	279,692	71,204	18,642	0	89,846	189,845	57,676	2,490,124
12-2030	248,026	0	248,026	62,273	11,929	0	74,202	173,825	48,008	2,538,131
12-2031	231,320	0	231,320	60,544	11,929	0	72,473	158,847	39,883	2,578,014
12-2032	189,133	0	189,133	42,017	11,929	0	53,946	135,188	30,857	2,608,871
12-2033	171,948	0	171,948	41,546	11,929	0	53,475	118,473	24,583	2,633,454
12-2034	81,032	0	81,032	32,717	11,929	0	44,646	36,386	6,864	2,640,318
S-TOT	6,805,983	0	6,805,983	1,099,381	860,707		1,960,088	4,845,895	2,640,318	
REM	0	0	0	0	0		0	0	0	
TOTAL	6,805,983	0	6,805,983	1,099,381	860,707		1,960,088	4,845,895	2,640,318	

LIFE - 18 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	320,562	0	320,562	64,435	43,976	52,983	161,394	159,168	151,761	151,761
12-2018	486,000	0	486,000	56,721	48,091	123,455	228,268	257,732	223,398	375,159
12-2019	497,059	0	497,059	66,495	97,090	130,451	294,036	203,023	159,979	535,139
12-2020	512,427	0	512,427	59,554	104,914	132,637	297,106	215,321	154,245	689,384
12-2021	560,499	0	560,499	70,575	65,938	145,538	282,050	278,449	181,334	870,717
12-2022	612,516	0	612,516	64,088	87,359	160,863	312,310	300,206	177,730	1,048,447
12-2023	603,279	0	603,279	73,661	61,214	158,701	293,577	309,702	166,683	1,215,130
12-2024	538,017	0	538,017	64,875	98,498	137,662	301,035	236,983	115,950	1,331,081
12-2025	456,602	0	456,602	72,576	98,260	108,662	279,499	177,102	78,775	1,409,855
12-2026	372,559	0	372,559	62,455	39,795	82,376	184,626	177,933	75,993	1,485,848
12-2027	338,333	0	338,333	71,004	18,642	74,431	164,077	174,257	64,057	1,549,905
12-2028	306,978	0	306,978	62,641	18,642	68,280	149,563	157,414	52,605	1,602,510
12-2029	279,692	0	279,692	71,204	18,642	64,468	154,315	125,377	38,090	1,640,600
12-2030	248,026	0	248,026	62,273	11,929	59,838	134,040	113,986	31,481	1,672,081
12-2031	231,320	0	231,320	60,544	11,929	56,192	128,664	102,655	25,774	1,697,856
12-2032	189,133	0	189,133	42,017	11,929	48,472	102,417	86,716	19,793	1,717,649
12-2033	171,948	0	171,948	41,546	11,929	42,747	96,222	75,726	15,713	1,733,362
12-2034	81,032	0	81,032	32,717	11,929	13,424	58,070	22,962	4,332	1,737,693
S-TOT	6,805,983	0	6,805,983	1,099,381	860,707	1,661,181	3,621,269	3,184,714	1,737,693	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	6,805,983	0	6,805,983	1,099,381	860,707	1,661,181	3,621,269	3,184,714	1,737,693	

LIFE - 18 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - TEN PROJECT AREA
TOTAL 3P RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	5	22,703	13,432	3,650	3,667	2,215	602	47.50	0.4850	0.0000
12-2018	6	25,357	21,388	3,650	4,095	3,527	602	47.50	0.8251	0.0000
12-2019	10	27,740	31,755	3,650	4,480	5,236	602	47.50	1.0348	0.0000
12-2020	11	27,816	28,015	3,660	4,492	4,620	604	47.50	1.1082	0.0000
12-2021	11	26,969	20,248	3,650	4,356	3,339	602	47.50	1.3473	0.0000
12-2022	11	24,175	15,945	3,650	3,904	2,629	602	47.50	1.5800	0.0000
12-2023	11	20,275	11,030	3,650	3,274	1,819	602	47.50	2.0680	0.0000
12-2024	11	17,466	7,200	3,660	2,821	1,187	604	47.50	2.9100	0.0000
12-2025	11	15,523	7,200	3,650	2,507	1,187	602	47.50	2.9100	0.0000
12-2026	11	13,925	7,065	3,650	2,249	1,165	602	47.50	2.9100	0.0000
12-2027	11	12,493	5,878	3,650	2,018	969	602	47.50	2.9100	0.0000
12-2028	11	11,216	4,702	3,660	1,811	775	604	47.50	2.9100	0.0000
12-2029	11	10,097	3,760	3,650	1,631	620	602	47.50	2.9100	0.0000
12-2030	11	9,287	3,007	3,650	1,500	496	602	47.50	2.9100	0.0000
12-2031	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2032	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2033	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	11	265,043	180,625	51,130	42,804	29,785	8,431			
REM	0	0	0	0	0	0	0			
TOTAL	11	265,043	180,625	51,130	42,804	29,785	8,431			
CUMULATIVE ULTIMATE		5,320	0	51,130						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	1,078,410	6,515	1,084,924	426,236	130,104	0	556,340	528,585	503,986	503,986
12-2018	1,204,471	17,648	1,222,119	417,063	192,000	0	609,063	613,055	531,387	1,035,372
12-2019	1,317,650	32,861	1,350,511	431,627	384,000	0	815,627	534,885	421,481	1,456,854
12-2020	1,321,260	31,047	1,352,307	468,752	192,000	0	660,752	691,555	495,396	1,952,249
12-2021	1,281,051	27,280	1,308,331	435,388	38,266	0	473,655	834,676	543,564	2,495,814
12-2022	1,148,315	25,193	1,173,508	475,182	38,266	0	513,448	660,060	390,772	2,886,586
12-2023	963,063	22,809	985,873	441,588	38,266	0	479,854	506,019	272,342	3,158,928
12-2024	829,612	20,952	850,564	408,486	38,266	0	446,752	403,812	197,576	3,356,504
12-2025	737,329	20,952	758,281	361,611	38,266	0	399,878	358,403	159,417	3,515,921
12-2026	661,443	20,559	682,002	388,966	38,266	0	427,232	254,770	103,019	3,618,939
12-2027	593,411	17,105	610,515	272,970	38,266	0	311,237	299,279	110,015	3,728,955
12-2028	532,781	13,683	546,464	308,614	38,266	0	346,880	199,583	66,697	3,795,652
12-2029	479,590	10,941	490,531	274,117	38,266	0	312,384	178,147	54,122	3,849,773
12-2030	441,153	8,750	449,903	254,305	38,266	0	292,572	157,331	43,452	3,893,226
12-2031	0	0	0	0	0	0	0	0	0	3,893,226
12-2032	0	0	0	0	0	0	0	0	0	3,893,226
12-2033	0	0	0	0	0	0	0	0	0	3,893,226
12-2034	0	0	0	0	0	0	0	0	0	3,893,226
S-TOT	12,589,538	276,296	12,865,833	5,364,906	1,280,768		6,645,674	6,220,159	3,893,226	
REM	0	0	0	0	0		0	0	0	
TOTAL	12,589,538	276,296	12,865,833	5,364,906	1,280,768		6,645,674	6,220,159	3,893,226	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	183,330	1,107	184,437	76,687	24,720	0	101,407	83,030	79,166	79,166
12-2018	204,760	3,000	207,760	75,128	36,480	0	111,608	96,152	83,343	162,510
12-2019	224,000	5,586	229,587	77,604	72,960	0	150,564	79,023	62,269	224,779
12-2020	224,614	5,278	229,892	83,915	36,480	0	120,395	109,497	78,438	303,217
12-2021	217,779	4,638	222,416	78,243	7,271	0	85,514	136,903	89,155	392,372
12-2022	195,213	4,283	199,496	85,008	7,271	0	92,279	107,218	63,476	455,848
12-2023	163,721	3,878	167,598	79,297	7,271	0	86,568	81,031	43,611	499,459
12-2024	141,034	3,562	144,596	73,670	7,271	0	80,940	63,656	31,145	530,604
12-2025	125,346	3,562	128,908	65,456	7,271	0	72,727	56,181	24,989	555,593
12-2026	112,445	3,495	115,940	69,943	7,271	0	77,214	38,727	15,660	571,253
12-2027	100,880	2,908	103,788	48,592	7,271	0	55,862	47,925	17,617	588,870
12-2028	90,573	2,326	92,899	54,651	7,271	0	61,922	30,977	10,352	599,222
12-2029	81,530	1,860	83,390	48,787	7,271	0	56,057	27,333	8,304	607,526
12-2030	74,996	1,487	76,483	45,010	7,271	0	52,281	24,203	6,684	614,211
12-2031	0	0	0	0	0	0	0	0	0	614,211
12-2032	0	0	0	0	0	0	0	0	0	614,211
12-2033	0	0	0	0	0	0	0	0	0	614,211
12-2034	0	0	0	0	0	0	0	0	0	614,211
S-TOT	2,140,221	46,970	2,187,192	961,990	243,346		1,205,336	981,856	614,211	
REM	0	0	0	0	0		0	0	0	
TOTAL	2,140,221	46,970	2,187,192	961,990	243,346		1,205,336	981,856	614,211	

LIFE - 15 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	183,330	1,107	184,437	76,687	24,720	(30,550)	70,857	113,581	108,295	108,295
12-2018	204,760	3,000	207,760	75,128	36,480	(16,664)	94,944	112,816	97,787	206,082
12-2019	224,000	5,586	229,587	77,604	72,960	(882)	149,681	79,906	62,964	269,047
12-2020	224,614	5,278	229,892	83,915	36,480	26,617	147,011	82,881	59,372	328,418
12-2021	217,779	4,638	222,416	78,243	7,271	35,555	121,068	101,348	66,001	394,419
12-2022	195,213	4,283	199,496	85,008	7,271	28,561	120,840	78,657	46,567	440,985
12-2023	163,721	3,878	167,598	79,297	7,271	19,867	106,435	61,164	32,919	473,904
12-2024	141,034	3,562	144,596	73,670	7,271	20,559	101,499	43,097	21,086	494,990
12-2025	125,346	3,562	128,908	65,456	7,271	18,830	91,557	37,351	16,613	511,604
12-2026	112,445	3,495	115,940	69,943	7,271	14,387	91,601	24,339	9,842	521,446
12-2027	100,880	2,908	103,788	48,592	7,271	15,941	71,803	31,985	11,758	533,203
12-2028	90,573	2,326	92,899	54,651	7,271	11,675	73,597	19,302	6,450	539,654
12-2029	81,530	1,860	83,390	48,787	7,271	8,734	64,791	18,600	5,651	545,304
12-2030	74,996	1,487	76,483	45,010	7,271	7,638	59,919	16,565	4,575	549,879
12-2031	0	0	0	0	0	0	0	0	0	549,879
12-2032	0	0	0	0	0	0	0	0	0	549,879
12-2033	0	0	0	0	0	0	0	0	0	549,879
12-2034	0	0	0	0	0	0	0	0	0	549,879
S-TOT	2,140,221	46,970	2,187,192	961,990	243,346	160,267	1,365,603	821,589	549,879	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	2,140,221	46,970	2,187,192	961,990	243,346	160,267	1,365,603	821,589	549,879	

LIFE - 15 years

DISCOUNT RATE @ 10%

12.5.2.2 Gross and Net Economic
Projections: Case 2: High Case

GRAND SUMMARY - COUNTRY OF GHANA
TOTAL PROVED PRODUCING RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	18	44,947	6,878	5,986	9,141	1,134	1,178	52.28	0.4850	0.0000
12-2018	18	51,710	12,666	5,735	10,670	2,089	1,137	61.79	1.0112	0.0000
12-2019	17	39,239	13,175	4,835	7,976	2,173	988	66.53	1.3008	0.0000
12-2020	18	33,124	9,717	4,557	6,792	1,602	943	66.54	1.4167	0.0000
12-2021	17	27,401	6,033	4,522	5,603	995	937	66.53	1.7341	0.0000
12-2022	17	22,427	1,946	4,750	4,457	321	974	66.53	1.1969	0.0000
12-2023	16	19,920	29	4,945	3,931	5	1,006	66.53	2.9100	0.0000
12-2024	16	17,936	0	4,986	3,555	0	1,014	66.53	0.0000	0.0000
12-2025	15	16,382	0	4,963	3,262	0	1,010	66.53	0.0000	0.0000
12-2026	15	13,729	0	4,968	2,703	0	1,010	66.53	0.0000	0.0000
12-2027	16	12,286	0	4,996	2,409	0	1,015	66.53	0.0000	0.0000
12-2028	16	10,429	0	5,012	2,021	0	1,018	66.53	0.0000	0.0000
12-2029	16	9,085	0	4,993	1,748	0	1,014	66.52	0.0000	0.0000
12-2030	15	8,319	0	4,988	1,597	0	1,014	66.52	0.0000	0.0000
12-2031	10	3,617	0	2,993	827	0	685	66.55	0.0000	0.0000
12-2032	9	3,548	0	3,001	812	0	686	66.55	0.0000	0.0000
12-2033	9	3,499	0	2,993	800	0	685	66.55	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	18	337,599	50,445	79,225	68,303	8,318	16,314			
REM	0	0	0	0	0	0	0			
TOTAL	18	337,599	50,445	79,225	68,303	8,318	16,314			
CUMULATIVE ULTIMATE		193,029	0	79,225						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	2,350,018	3,336	2,353,354	693,854	130,104	0	823,958	1,529,396	1,458,222	1,458,222
12-2018	3,194,973	12,809	3,207,781	611,491	117,760	0	729,251	2,420,377	2,097,944	3,556,166
12-2019	2,610,736	17,138	2,627,875	524,571	104,360	0	628,931	1,841,916	1,451,403	5,007,569
12-2020	2,203,898	13,766	2,217,664	468,295	126,137	0	594,433	1,590,235	1,139,166	6,146,735
12-2021	1,823,137	10,462	1,833,599	403,971	79,093	0	483,064	1,350,502	879,484	7,026,220
12-2022	1,492,069	2,330	1,494,398	380,120	82,154	0	462,274	1,032,232	611,107	7,637,327
12-2023	1,325,262	84	1,325,346	416,887	84,450	0	501,337	823,927	443,442	8,080,768
12-2024	1,193,297	0	1,193,297	409,343	84,833	0	494,176	699,070	342,039	8,422,807
12-2025	1,089,907	0	1,089,907	387,637	84,833	0	472,470	617,501	274,663	8,697,470
12-2026	913,357	0	913,357	368,973	84,833	0	453,806	459,549	185,824	8,883,294
12-2027	817,358	0	817,358	317,301	85,216	0	402,517	414,867	152,505	9,035,799
12-2028	693,795	0	693,795	305,597	85,216	0	390,813	302,979	101,250	9,137,049
12-2029	604,370	0	604,370	315,770	85,216	0	400,985	203,456	61,810	9,198,860
12-2030	553,405	0	553,405	265,152	60,216	0	325,368	228,173	63,018	9,261,878
12-2031	240,704	0	240,704	117,342	34,577	0	151,920	88,784	22,292	9,284,169
12-2032	236,144	0	236,144	115,114	34,577	0	149,691	86,453	19,733	9,303,902
12-2033	232,864	0	232,864	115,268	34,577	0	149,845	83,019	17,226	9,321,129
12-2034	0	0	0	0	0	0	0	0	0	9,321,129
S-TOT	21,575,293	59,924	21,635,217	6,216,686	1,398,153		7,614,839	13,772,434	9,321,129	
REM	0	0	0	0	0		0	0	0	
TOTAL	21,575,293	59,924	21,635,217	6,216,686	1,398,153		7,614,839	13,772,434	9,321,129	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	503,139	567	503,706	141,122	24,720	0	165,842	337,865	322,141	322,141
12-2018	693,972	2,177	696,149	124,425	22,374	0	146,799	538,301	466,591	788,732
12-2019	558,666	2,914	561,580	110,429	21,792	0	132,221	399,523	314,819	1,103,551
12-2020	475,741	2,340	478,082	98,018	28,428	0	126,446	345,367	247,404	1,350,954
12-2021	392,440	1,778	394,218	83,969	19,489	0	103,458	290,754	189,347	1,540,302
12-2022	312,132	396	312,528	77,520	20,071	0	97,591	214,957	127,260	1,667,562
12-2023	275,331	14	275,345	86,401	20,507	0	106,908	168,421	90,645	1,758,207
12-2024	249,001	0	249,001	82,728	20,580	0	103,308	145,683	71,280	1,829,486
12-2025	228,469	0	228,469	79,603	20,580	0	100,182	128,299	57,067	1,886,553
12-2026	189,290	0	189,290	73,697	20,580	0	94,276	95,013	38,420	1,924,973
12-2027	168,680	0	168,680	66,429	20,653	0	87,081	81,603	29,998	1,954,970
12-2028	141,506	0	141,506	61,918	20,653	0	82,570	58,936	19,695	1,974,666
12-2029	122,382	0	122,382	66,039	20,653	0	86,692	35,704	10,847	1,985,513
12-2030	111,817	0	111,817	54,547	13,939	0	68,486	43,357	11,974	1,997,487
12-2031	57,954	0	57,954	28,253	9,068	0	37,320	20,634	5,181	2,002,668
12-2032	56,857	0	56,857	27,716	9,068	0	36,784	20,073	4,582	2,007,249
12-2033	56,067	0	56,067	27,753	9,068	0	36,821	19,246	3,994	2,011,243
12-2034	0	0	0	0	0	0	0	0	0	2,011,243
S-TOT	4,593,443	10,187	4,603,630	1,290,565	322,220		1,612,784	2,943,736	2,011,243	
REM	0	0	0	0	0		0	0	0	
TOTAL	4,593,443	10,187	4,603,630	1,290,565	322,220		1,612,784	2,943,736	2,011,243	

LIFE - 17 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	503,139	567	503,706	141,122	24,720	25,059	190,900	312,806	298,249	298,249
12-2018	693,972	2,177	696,149	124,425	22,374	121,957	268,756	416,344	360,881	659,130
12-2019	558,666	2,914	561,580	110,429	21,792	117,138	249,359	282,385	222,516	881,645
12-2020	475,741	2,340	478,082	98,018	28,428	114,275	240,720	231,092	165,543	1,047,188
12-2021	392,440	1,778	394,218	83,969	19,489	98,159	201,617	192,595	125,423	1,172,611
12-2022	312,132	396	312,528	77,520	20,071	69,261	166,852	145,696	86,256	1,258,867
12-2023	275,331	14	275,345	86,401	20,507	54,588	161,496	113,833	61,266	1,320,133
12-2024	249,001	0	249,001	82,728	20,580	48,672	151,980	97,012	47,466	1,367,598
12-2025	228,469	0	228,469	79,603	20,580	45,536	145,718	82,763	36,813	1,404,411
12-2026	189,290	0	189,290	73,697	20,580	32,625	126,901	62,388	25,227	1,429,638
12-2027	168,680	0	168,680	66,429	20,653	29,183	116,265	52,420	19,270	1,448,908
12-2028	141,506	0	141,506	61,918	20,653	20,006	102,576	38,930	13,010	1,461,918
12-2029	122,382	0	122,382	66,039	20,653	13,119	99,811	22,584	6,861	1,468,779
12-2030	111,817	0	111,817	54,547	13,939	11,560	80,046	31,797	8,782	1,477,561
12-2031	57,954	0	57,954	28,253	9,068	4,632	41,952	16,002	4,018	1,481,578
12-2032	56,857	0	56,857	27,716	9,068	5,496	42,279	14,577	3,327	1,484,906
12-2033	56,067	0	56,067	27,753	9,068	5,676	42,497	13,570	2,816	1,487,721
12-2034	0	0	0	0	0	0	0	0	0	1,487,721
S-TOT	4,593,443	10,187	4,603,630	1,290,565	322,220	816,942	2,429,726	2,126,795	1,487,721	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	4,593,443	10,187	4,603,630	1,290,565	322,220	816,942	2,429,726	2,126,795	1,487,721	

LIFE - 17 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - JUBILEE PROJECT AREA
TOTAL PROVED PRODUCING RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	13	27,998	0	2,993	6,404	0	685	52.30	0.0000	0.0000
12-2018	13	34,483	0	2,993	7,887	0	685	61.80	0.0000	0.0000
12-2019	12	24,382	0	2,993	5,577	0	685	66.55	0.0000	0.0000
12-2020	13	21,460	0	3,001	4,909	0	686	66.55	0.0000	0.0000
12-2021	12	17,517	0	2,993	4,007	0	685	66.55	0.0000	0.0000
12-2022	12	12,416	0	2,993	2,840	0	685	66.55	0.0000	0.0000
12-2023	11	10,623	0	2,993	2,430	0	685	66.55	0.0000	0.0000
12-2024	11	9,796	0	3,001	2,241	0	686	66.55	0.0000	0.0000
12-2025	10	9,169	0	2,993	2,097	0	685	66.55	0.0000	0.0000
12-2026	10	7,223	0	2,993	1,652	0	685	66.55	0.0000	0.0000
12-2027	11	6,312	0	2,993	1,444	0	685	66.55	0.0000	0.0000
12-2028	11	5,002	0	3,001	1,144	0	686	66.55	0.0000	0.0000
12-2029	11	4,170	0	2,993	954	0	685	66.55	0.0000	0.0000
12-2030	10	3,766	0	2,993	861	0	685	66.55	0.0000	0.0000
12-2031	10	3,617	0	2,993	827	0	685	66.55	0.0000	0.0000
12-2032	9	3,548	0	3,001	812	0	686	66.55	0.0000	0.0000
12-2033	9	3,499	0	2,993	800	0	685	66.55	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	13	204,979	0	50,914	46,885	0	11,646			
REM	0	0	0	0	0	0	0			
TOTAL	13	204,979	0	50,914	46,885	0	11,646			
CUMULATIVE ULTIMATE		187,709	0	50,914						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	1,464,387	0	1,464,387	267,618	0	0	267,618	1,196,769	1,141,075	1,141,075
12-2018	2,131,190	0	2,131,190	234,535	0	0	234,535	1,896,655	1,643,991	2,785,066
12-2019	1,622,711	0	1,622,711	263,519	25,000	0	288,519	1,334,192	1,051,324	3,836,390
12-2020	1,428,250	0	1,428,250	229,133	59,577	0	288,710	1,139,540	816,310	4,652,699
12-2021	1,165,820	0	1,165,820	185,585	59,577	0	245,162	920,659	599,558	5,252,258
12-2022	826,326	0	826,326	147,204	59,577	0	206,781	619,544	366,786	5,619,044
12-2023	707,013	0	707,013	180,489	59,577	0	240,066	466,946	251,313	5,870,356
12-2024	651,974	0	651,974	146,167	59,577	0	205,744	446,230	218,330	6,088,686
12-2025	610,204	0	610,204	156,600	59,577	0	216,178	394,026	175,262	6,263,948
12-2026	480,691	0	480,691	119,406	59,577	0	178,983	301,709	121,999	6,385,947
12-2027	420,074	0	420,074	155,769	59,577	0	215,346	204,728	75,258	6,461,205
12-2028	332,921	0	332,921	120,118	59,577	0	179,696	153,226	51,205	6,512,411
12-2029	277,499	0	277,499	153,982	59,577	0	213,559	63,939	19,425	6,531,836
12-2030	250,644	0	250,644	117,086	34,577	0	151,664	98,981	27,337	6,559,173
12-2031	240,704	0	240,704	117,342	34,577	0	151,920	88,784	22,292	6,581,464
12-2032	236,144	0	236,144	115,114	34,577	0	149,691	86,453	19,733	6,601,197
12-2033	232,864	0	232,864	115,268	34,577	0	149,845	83,019	17,226	6,618,424
12-2034	0	0	0	0	0	0	0	0	0	6,618,424
S-TOT	13,079,416	0	13,079,416	2,824,936	759,081	0	3,584,017	9,495,399	6,618,424	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	13,079,416	0	13,079,416	2,824,936	759,081	0	3,584,017	9,495,399	6,618,424	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	352,582	0	352,582	64,435	0	0	64,435	288,147	274,738	274,738
12-2018	513,129	0	513,129	56,469	0	0	56,469	456,660	395,825	670,563
12-2019	390,702	0	390,702	63,448	6,714	0	70,161	320,540	252,581	923,144
12-2020	343,881	0	343,881	55,169	15,781	0	70,950	272,931	195,514	1,118,659
12-2021	280,696	0	280,696	44,683	15,781	0	60,465	220,231	143,421	1,262,079
12-2022	198,955	0	198,955	35,443	15,781	0	51,224	147,732	87,461	1,349,540
12-2023	170,228	0	170,228	43,457	15,781	0	59,238	110,990	59,736	1,409,276
12-2024	156,976	0	156,976	35,193	15,781	0	50,974	106,002	51,865	1,461,140
12-2025	146,919	0	146,919	37,705	15,781	0	53,486	93,433	41,559	1,502,699
12-2026	115,737	0	115,737	28,749	15,781	0	44,531	71,206	28,793	1,531,492
12-2027	101,142	0	101,142	37,505	15,781	0	53,286	47,856	17,592	1,549,084
12-2028	80,158	0	80,158	28,921	15,781	0	44,702	35,456	11,849	1,560,932
12-2029	66,814	0	66,814	37,074	15,781	0	52,856	13,958	4,240	1,565,173
12-2030	60,348	0	60,348	28,191	9,068	0	37,259	23,089	6,377	1,571,550
12-2031	57,954	0	57,954	28,253	9,068	0	37,320	20,634	5,181	1,576,731
12-2032	56,857	0	56,857	27,716	9,068	0	36,784	20,073	4,582	1,581,312
12-2033	56,067	0	56,067	27,753	9,068	0	36,821	19,246	3,994	1,585,306
12-2034	0	0	0	0	0	0	0	0	0	1,585,306
S-TOT	3,149,144	0	3,149,144	680,163	200,796	0	880,959	2,268,185	1,585,306	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	3,149,144	0	3,149,144	680,163	200,796	0	880,959	2,268,185	1,585,306	

LIFE - 17 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	352,582	0	352,582	64,435	0	67,268	131,703	220,879	210,600	210,600
12-2018	513,129	0	513,129	56,469	0	139,483	195,953	317,176	274,923	485,523
12-2019	390,702	0	390,702	63,448	6,714	107,063	177,225	213,477	168,217	653,740
12-2020	343,881	0	343,881	55,169	15,781	94,993	165,943	177,938	127,466	781,206
12-2021	280,696	0	280,696	44,683	15,781	79,790	140,255	140,441	91,459	872,665
12-2022	198,955	0	198,955	35,443	15,781	50,996	102,220	96,735	57,270	929,935
12-2023	170,228	0	170,228	43,457	15,781	40,026	99,264	70,964	38,193	968,128
12-2024	156,976	0	156,976	35,193	15,781	35,921	86,895	70,081	34,289	1,002,417
12-2025	146,919	0	146,919	37,705	15,781	33,881	87,368	59,552	26,489	1,028,905
12-2026	115,737	0	115,737	28,749	15,781	23,742	68,273	47,464	19,192	1,048,098
12-2027	101,142	0	101,142	37,505	15,781	17,929	71,215	29,926	11,001	1,059,099
12-2028	80,158	0	80,158	28,921	15,781	11,230	55,932	24,226	8,096	1,067,195
12-2029	66,814	0	66,814	37,074	15,781	6,065	58,921	7,893	2,398	1,069,593
12-2030	60,348	0	60,348	28,191	9,068	5,022	42,280	18,068	4,990	1,074,583
12-2031	57,954	0	57,954	28,253	9,068	4,632	41,952	16,002	4,018	1,078,600
12-2032	56,857	0	56,857	27,716	9,068	5,496	42,279	14,577	3,327	1,081,928
12-2033	56,067	0	56,067	27,753	9,068	5,676	42,497	13,570	2,816	1,084,743
12-2034	0	0	0	0	0	0	0	0	0	1,084,743
S-TOT	3,149,144	0	3,149,144	680,163	200,796	729,216	1,610,175	1,538,969	1,084,743	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	3,149,144	0	3,149,144	680,163	200,796	729,216	1,610,175	1,538,969	1,084,743	

LIFE - 17 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - TEN PROJECT AREA

TOTAL PROVED PRODUCING RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	5	16,950	6,878	2,993	2,737	1,134	494	52.25	0.4850	0.0000
12-2018	5	17,227	12,666	2,742	2,782	2,089	452	61.75	1.0112	0.0000
12-2019	5	14,858	13,175	1,842	2,399	2,173	304	66.50	1.3008	0.0000
12-2020	5	11,664	9,717	1,556	1,884	1,602	257	66.50	1.4167	0.0000
12-2021	5	9,884	6,033	1,529	1,596	995	252	66.50	1.7341	0.0000
12-2022	5	10,011	1,946	1,757	1,617	321	290	66.50	1.1969	0.0000
12-2023	5	9,297	29	1,952	1,501	5	322	66.50	2.9100	0.0000
12-2024	5	8,140	0	1,985	1,315	0	327	66.50	0.0000	0.0000
12-2025	5	7,214	0	1,970	1,165	0	325	66.50	0.0000	0.0000
12-2026	5	6,506	0	1,975	1,051	0	326	66.50	0.0000	0.0000
12-2027	5	5,974	0	2,003	965	0	330	66.50	0.0000	0.0000
12-2028	5	5,427	0	2,011	876	0	332	66.50	0.0000	0.0000
12-2029	5	4,915	0	2,000	794	0	330	66.50	0.0000	0.0000
12-2030	5	4,553	0	1,995	735	0	329	66.50	0.0000	0.0000
12-2031	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2032	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2033	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	5	132,620	50,445	28,312	21,418	8,318	4,669			
REM	0	0	0	0	0	0	0			
TOTAL	5	132,620	50,445	28,312	21,418	8,318	4,669			
CUMULATIVE ULTIMATE		5,320	0	28,312						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	885,631	3,336	888,967	426,236	130,104	0	556,340	332,627	317,148	317,148
12-2018	1,063,782	12,809	1,076,591	376,956	117,760	0	494,716	523,721	453,953	771,101
12-2019	988,026	17,138	1,005,164	261,052	79,360	0	340,412	507,724	400,079	1,171,180
12-2020	775,648	13,766	789,414	239,162	66,560	0	305,722	450,695	322,856	1,494,036
12-2021	657,317	10,462	667,778	218,387	19,516	0	237,902	429,844	279,926	1,773,962
12-2022	665,743	2,330	668,072	232,916	22,577	0	255,493	412,687	244,321	2,018,283
12-2023	618,249	84	618,333	236,398	24,873	0	261,271	356,981	192,129	2,210,412
12-2024	541,323	0	541,323	263,176	25,256	0	288,432	252,840	123,709	2,334,121
12-2025	479,703	0	479,703	231,036	25,256	0	256,292	223,474	99,401	2,433,522
12-2026	432,665	0	432,665	249,568	25,256	0	274,823	157,841	63,825	2,497,346
12-2027	397,285	0	397,285	161,532	25,638	0	187,171	210,139	77,247	2,574,594
12-2028	360,874	0	360,874	185,479	25,638	0	211,117	149,753	50,045	2,624,639
12-2029	326,871	0	326,871	161,788	25,638	0	187,426	139,517	42,385	2,667,024
12-2030	302,761	0	302,761	148,066	25,638	0	173,704	129,192	35,681	2,702,705
12-2031	0	0	0	0	0	0	0	0	0	2,702,705
12-2032	0	0	0	0	0	0	0	0	0	2,702,705
12-2033	0	0	0	0	0	0	0	0	0	2,702,705
12-2034	0	0	0	0	0	0	0	0	0	2,702,705
S-TOT	8,495,877	59,924	8,555,801	3,391,750	639,072	0	4,030,822	4,277,035	2,702,705	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	8,495,877	59,924	8,555,801	3,391,750	639,072	0	4,030,822	4,277,035	2,702,705	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	150,557	567	151,124	76,687	24,720	0	101,407	49,717	47,404	47,404
12-2018	180,843	2,177	183,020	67,955	22,374	0	90,330	81,641	70,765	118,169
12-2019	167,964	2,914	170,878	46,981	15,078	0	62,059	78,983	62,238	180,407
12-2020	131,860	2,340	134,200	42,849	12,646	0	55,496	72,435	51,889	232,296
12-2021	111,744	1,778	113,522	39,285	3,708	0	42,993	70,523	45,927	278,222
12-2022	113,176	396	113,572	42,078	4,290	0	46,367	67,225	39,799	318,022
12-2023	105,102	14	105,117	42,944	4,726	0	47,670	57,431	30,910	348,931
12-2024	92,025	0	92,025	47,535	4,799	0	52,334	39,681	19,415	368,346
12-2025	81,549	0	81,549	41,898	4,799	0	46,696	34,865	15,508	383,854
12-2026	73,553	0	73,553	44,947	4,799	0	49,746	23,807	9,627	393,481
12-2027	67,538	0	67,538	28,924	4,871	0	33,795	33,748	12,406	405,887
12-2028	61,349	0	61,349	32,997	4,871	0	37,868	23,480	7,847	413,733
12-2029	55,568	0	55,568	28,965	4,871	0	33,836	21,746	6,606	420,340
12-2030	51,469	0	51,469	26,356	4,871	0	31,228	20,267	5,598	425,937
12-2031	0	0	0	0	0	0	0	0	0	425,937
12-2032	0	0	0	0	0	0	0	0	0	425,937
12-2033	0	0	0	0	0	0	0	0	0	425,937
12-2034	0	0	0	0	0	0	0	0	0	425,937
S-TOT	1,444,299	10,187	1,454,486	610,402	121,424	0	731,826	675,551	425,937	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	1,444,299	10,187	1,454,486	610,402	121,424	0	731,826	675,551	425,937	

LIFE - 14 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	150,557	567	151,124	76,687	24,720	(42,210)	59,197	91,927	87,649	87,649
12-2018	180,843	2,177	183,020	67,955	22,374	(17,527)	72,803	99,168	85,958	173,607
12-2019	167,964	2,914	170,878	46,981	15,078	10,075	72,134	68,908	54,299	227,905
12-2020	131,860	2,340	134,200	42,849	12,646	19,282	74,778	53,154	38,077	265,982
12-2021	111,744	1,778	113,522	39,285	3,708	18,368	61,362	52,155	33,965	299,947
12-2022	113,176	396	113,572	42,078	4,290	18,265	64,632	48,961	28,986	328,932
12-2023	105,102	14	105,117	42,944	4,726	14,562	62,232	42,869	23,072	352,005
12-2024	92,025	0	92,025	47,535	4,799	12,750	65,085	26,931	13,177	365,181
12-2025	81,549	0	81,549	41,898	4,799	11,654	58,351	23,211	10,324	375,506
12-2026	73,553	0	73,553	44,947	4,799	8,882	58,628	14,925	6,035	381,541
12-2027	67,538	0	67,538	28,924	4,871	11,254	45,050	22,494	8,269	389,809
12-2028	61,349	0	61,349	32,997	4,871	8,776	46,644	14,704	4,914	394,723
12-2029	55,568	0	55,568	28,965	4,871	7,054	40,890	14,691	4,463	399,186
12-2030	51,469	0	51,469	26,356	4,871	6,538	37,766	13,729	3,792	402,978
12-2031	0	0	0	0	0	0	0	0	0	402,978
12-2032	0	0	0	0	0	0	0	0	0	402,978
12-2033	0	0	0	0	0	0	0	0	0	402,978
12-2034	0	0	0	0	0	0	0	0	0	402,978
S-TOT	1,444,299	10,187	1,454,486	610,402	121,424	87,725	819,551	587,826	402,978	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	1,444,299	10,187	1,454,486	610,402	121,424	87,725	819,551	587,826	402,978	

LIFE - 14 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - COUNTRY OF GHANA

TOTAL PROVED UNDEVELOPED RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2018	1	1,575	1,158	251	254	191	41	61.75	1.0112	0.0000
12-2019	5	9,278	8,227	1,151	1,498	1,357	190	66.50	1.3008	0.0000
12-2020	6	10,830	9,022	1,445	1,749	1,488	238	66.50	1.4167	0.0000
12-2021	6	9,465	5,777	1,464	1,529	953	241	66.50	1.7341	0.0000
12-2022	6	7,038	1,368	1,236	1,137	226	204	66.50	1.1969	0.0000
12-2023	6	4,960	15	1,041	801	3	172	66.50	2.9100	0.0000
12-2024	6	4,168	0	1,016	673	0	168	66.50	0.0000	0.0000
12-2025	6	3,744	0	1,023	605	0	169	66.50	0.0000	0.0000
12-2026	6	3,351	0	1,018	541	0	168	66.50	0.0000	0.0000
12-2027	6	2,951	0	990	477	0	163	66.50	0.0000	0.0000
12-2028	6	2,672	0	990	431	0	163	66.50	0.0000	0.0000
12-2029	6	2,442	0	993	394	0	164	66.50	0.0000	0.0000
12-2030	6	2,279	0	998	368	0	165	66.50	0.0000	0.0000
12-2031	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2032	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2033	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	6	64,753	25,569	13,615	10,458	4,216	2,245			
REM	0	0	0	0	0	0	0			
TOTAL	6	64,753	25,569	13,615	10,458	4,216	2,245			
CUMULATIVE ULTIMATE		0	0	0						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	97,279	1,171	98,450	34,471	74,240	0	108,711	47,892	41,512	41,512
12-2019	616,969	10,702	627,671	163,013	304,640	0	467,653	317,046	249,828	291,340
12-2020	720,227	12,782	733,009	222,073	125,440	0	347,513	418,492	299,787	591,127
12-2021	629,417	10,018	639,435	209,117	18,751	0	227,868	411,599	268,045	859,172
12-2022	468,050	1,638	469,688	163,751	15,689	0	179,440	290,139	171,770	1,030,942
12-2023	329,810	45	329,855	126,108	13,393	0	139,502	190,434	102,493	1,133,435
12-2024	277,197	0	277,197	134,766	13,011	0	147,776	129,473	63,348	1,196,783
12-2025	248,958	0	248,958	119,904	13,011	0	132,915	115,980	51,587	1,248,370
12-2026	222,862	0	222,862	128,550	13,011	0	141,561	81,302	32,876	1,281,246
12-2027	196,251	0	196,251	79,794	12,628	0	92,422	103,804	38,159	1,319,404
12-2028	177,675	0	177,675	91,320	12,628	0	103,948	73,731	24,640	1,344,044
12-2029	162,366	0	162,366	80,364	12,628	0	92,992	69,302	21,054	1,365,098
12-2030	151,523	0	151,523	74,103	12,628	0	86,731	64,657	17,857	1,382,955
12-2031	0	0	0	0	0	0	0	0	0	1,382,955
12-2032	0	0	0	0	0	0	0	0	0	1,382,955
12-2033	0	0	0	0	0	0	0	0	0	1,382,955
12-2034	0	0	0	0	0	0	0	0	0	1,382,955
S-TOT	4,298,584	36,356	4,334,940	1,627,335	641,696	0	2,269,031	2,313,852	1,382,955	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	4,298,584	36,356	4,334,940	1,627,335	641,696	0	2,269,031	2,313,852	1,382,955	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	16,537	199	16,737	6,214	14,106	0	20,320	7,466	6,471	6,471
12-2019	104,885	1,819	106,704	29,337	57,882	0	87,219	49,321	38,864	45,335
12-2020	122,439	2,173	124,612	39,788	23,834	0	63,621	67,260	48,181	93,517
12-2021	107,001	1,703	108,704	37,618	3,563	0	41,180	67,530	43,977	137,494
12-2022	79,568	278	79,847	29,583	2,981	0	32,564	47,263	27,981	165,475
12-2023	56,068	8	56,075	22,909	2,545	0	25,454	30,637	16,489	181,964
12-2024	47,124	0	47,124	24,342	2,472	0	26,814	20,320	9,942	191,906
12-2025	42,323	0	42,323	21,744	2,472	0	24,216	18,094	8,048	199,954
12-2026	37,887	0	37,887	23,152	2,472	0	25,624	12,263	4,959	204,913
12-2027	33,363	0	33,363	14,288	2,399	0	16,687	16,671	6,128	211,041
12-2028	30,205	0	30,205	16,246	2,399	0	18,645	11,560	3,863	214,904
12-2029	27,602	0	27,602	14,388	2,399	0	16,787	10,802	3,282	218,186
12-2030	25,759	0	25,759	13,191	2,399	0	15,590	10,143	2,801	220,987
12-2031	0	0	0	0	0	0	0	0	0	220,987
12-2032	0	0	0	0	0	0	0	0	0	220,987
12-2033	0	0	0	0	0	0	0	0	0	220,987
12-2034	0	0	0	0	0	0	0	0	0	220,987
S-TOT	730,759	6,180	736,940	292,798	121,922	0	414,720	369,329	220,987	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	730,759	6,180	736,940	292,798	121,922	0	414,720	369,329	220,987	

LIFE - 14 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	16,537	199	16,737	6,214	14,106	(1,603)	18,717	9,069	7,860	7,860
12-2019	104,885	1,819	106,704	29,337	57,882	6,291	93,510	43,030	33,907	41,767
12-2020	122,439	2,173	124,612	39,788	23,834	17,904	81,525	49,356	35,356	77,123
12-2021	107,001	1,703	108,704	37,618	3,563	17,589	58,769	49,941	32,523	109,646
12-2022	79,568	278	79,847	29,583	2,981	12,841	45,405	34,422	20,378	130,025
12-2023	56,068	8	56,075	22,909	2,545	7,768	33,222	22,869	12,308	142,333
12-2024	47,124	0	47,124	24,342	2,472	6,529	33,343	13,790	6,747	149,080
12-2025	42,323	0	42,323	21,744	2,472	6,048	30,265	12,046	5,358	154,438
12-2026	37,887	0	37,887	23,152	2,472	4,575	30,199	7,688	3,109	157,547
12-2027	33,363	0	33,363	14,288	2,399	5,559	22,247	11,111	4,085	161,631
12-2028	30,205	0	30,205	16,246	2,399	4,321	22,966	7,239	2,419	164,051
12-2029	27,602	0	27,602	14,388	2,399	3,504	20,291	7,298	2,217	166,268
12-2030	25,759	0	25,759	13,191	2,399	3,272	18,862	6,871	1,898	168,165
12-2031	0	0	0	0	0	0	0	0	0	168,165
12-2032	0	0	0	0	0	0	0	0	0	168,165
12-2033	0	0	0	0	0	0	0	0	0	168,165
12-2034	0	0	0	0	0	0	0	0	0	168,165
S-TOT	730,759	6,180	736,940	292,798	121,922	94,600	509,320	274,729	168,165	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	730,759	6,180	736,940	292,798	121,922	94,600	509,320	274,729	168,165	

LIFE - 14 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - JUBILEE PROJECT AREA

TOTAL PROVED UNDEVELOPED RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2018	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2019	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2020	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2021	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2022	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2023	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2024	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2025	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2026	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2027	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2028	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2029	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2030	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2031	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2032	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2033	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	0	0	0	0	0	0	0			
REM	0	0	0	0	0	0	0			
TOTAL	0	0	0	0	0	0	0			
CUMULATIVE		0	0							
ULTIMATE		0	0	0						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	0	0	0	0	0	0	0	0	0	0
12-2019	0	0	0	0	0	0	0	0	0	0
12-2020	0	0	0	0	0	0	0	0	0	0
12-2021	0	0	0	0	0	0	0	0	0	0
12-2022	0	0	0	0	0	0	0	0	0	0
12-2023	0	0	0	0	0	0	0	0	0	0
12-2024	0	0	0	0	0	0	0	0	0	0
12-2025	0	0	0	0	0	0	0	0	0	0
12-2026	0	0	0	0	0	0	0	0	0	0
12-2027	0	0	0	0	0	0	0	0	0	0
12-2028	0	0	0	0	0	0	0	0	0	0
12-2029	0	0	0	0	0	0	0	0	0	0
12-2030	0	0	0	0	0	0	0	0	0	0
12-2031	0	0	0	0	0	0	0	0	0	0
12-2032	0	0	0	0	0	0	0	0	0	0
12-2033	0	0	0	0	0	0	0	0	0	0
12-2034	0	0	0	0	0	0	0	0	0	0
S-TOT	0	0	0	0	0	0	0	0	0	0
REM	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	0	0	0	0	0	0	0	0	0	0
12-2019	0	0	0	0	0	0	0	0	0	0
12-2020	0	0	0	0	0	0	0	0	0	0
12-2021	0	0	0	0	0	0	0	0	0	0
12-2022	0	0	0	0	0	0	0	0	0	0
12-2023	0	0	0	0	0	0	0	0	0	0
12-2024	0	0	0	0	0	0	0	0	0	0
12-2025	0	0	0	0	0	0	0	0	0	0
12-2026	0	0	0	0	0	0	0	0	0	0
12-2027	0	0	0	0	0	0	0	0	0	0
12-2028	0	0	0	0	0	0	0	0	0	0
12-2029	0	0	0	0	0	0	0	0	0	0
12-2030	0	0	0	0	0	0	0	0	0	0
12-2031	0	0	0	0	0	0	0	0	0	0
12-2032	0	0	0	0	0	0	0	0	0	0
12-2033	0	0	0	0	0	0	0	0	0	0
12-2034	0	0	0	0	0	0	0	0	0	0
S-TOT	0	0	0	0	0	0	0	0	0	0
REM	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0

LIFE - 0 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	0	0	0	0	0	0	0	0	0	0
12-2019	0	0	0	0	0	0	0	0	0	0
12-2020	0	0	0	0	0	0	0	0	0	0
12-2021	0	0	0	0	0	0	0	0	0	0
12-2022	0	0	0	0	0	0	0	0	0	0
12-2023	0	0	0	0	0	0	0	0	0	0
12-2024	0	0	0	0	0	0	0	0	0	0
12-2025	0	0	0	0	0	0	0	0	0	0
12-2026	0	0	0	0	0	0	0	0	0	0
12-2027	0	0	0	0	0	0	0	0	0	0
12-2028	0	0	0	0	0	0	0	0	0	0
12-2029	0	0	0	0	0	0	0	0	0	0
12-2030	0	0	0	0	0	0	0	0	0	0
12-2031	0	0	0	0	0	0	0	0	0	0
12-2032	0	0	0	0	0	0	0	0	0	0
12-2033	0	0	0	0	0	0	0	0	0	0
12-2034	0	0	0	0	0	0	0	0	0	0
S-TOT	0	0	0	0	0	0	0	0	0	0
REM	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0

LIFE - 0 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - TEN PROJECT AREA

TOTAL PROVED UNDEVELOPED RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2018	1	1,575	1,158	251	254	191	41	61.75	1.0112	0.0000
12-2019	5	9,278	8,227	1,151	1,498	1,357	190	66.50	1.3008	0.0000
12-2020	6	10,830	9,022	1,445	1,749	1,488	238	66.50	1.4167	0.0000
12-2021	6	9,465	5,777	1,464	1,529	953	241	66.50	1.7341	0.0000
12-2022	6	7,038	1,368	1,236	1,137	226	204	66.50	1.1969	0.0000
12-2023	6	4,960	15	1,041	801	3	172	66.50	2.9100	0.0000
12-2024	6	4,168	0	1,016	673	0	168	66.50	0.0000	0.0000
12-2025	6	3,744	0	1,023	605	0	169	66.50	0.0000	0.0000
12-2026	6	3,351	0	1,018	541	0	168	66.50	0.0000	0.0000
12-2027	6	2,951	0	990	477	0	163	66.50	0.0000	0.0000
12-2028	6	2,672	0	990	431	0	163	66.50	0.0000	0.0000
12-2029	6	2,442	0	993	394	0	164	66.50	0.0000	0.0000
12-2030	6	2,279	0	998	368	0	165	66.50	0.0000	0.0000
12-2031	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2032	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2033	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	6	64,753	25,569	13,615	10,458	4,216	2,245			
REM	0	0	0	0	0	0	0			
TOTAL	6	64,753	25,569	13,615	10,458	4,216	2,245			
CUMULATIVE ULTIMATE		0	0	0						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	97,279	1,171	98,450	34,471	74,240	0	108,711	47,892	41,512	41,512
12-2019	616,969	10,702	627,671	163,013	304,640	0	467,653	317,046	249,828	291,340
12-2020	720,227	12,782	733,009	222,073	125,440	0	347,513	418,492	299,787	591,127
12-2021	629,417	10,018	639,435	209,117	18,751	0	227,868	411,599	268,045	859,172
12-2022	468,050	1,638	469,688	163,751	15,689	0	179,440	290,139	171,770	1,030,942
12-2023	329,810	45	329,855	126,108	13,393	0	139,502	190,434	102,493	1,133,435
12-2024	277,197	0	277,197	134,766	13,011	0	147,776	129,473	63,348	1,196,783
12-2025	248,958	0	248,958	119,904	13,011	0	132,915	115,980	51,587	1,248,370
12-2026	222,862	0	222,862	128,550	13,011	0	141,561	81,302	32,876	1,281,246
12-2027	196,251	0	196,251	79,794	12,628	0	92,422	103,804	38,159	1,319,404
12-2028	177,675	0	177,675	91,320	12,628	0	103,948	73,731	24,640	1,344,044
12-2029	162,366	0	162,366	80,364	12,628	0	92,992	69,302	21,054	1,365,098
12-2030	151,523	0	151,523	74,103	12,628	0	86,731	64,657	17,857	1,382,955
12-2031	0	0	0	0	0	0	0	0	0	1,382,955
12-2032	0	0	0	0	0	0	0	0	0	1,382,955
12-2033	0	0	0	0	0	0	0	0	0	1,382,955
12-2034	0	0	0	0	0	0	0	0	0	1,382,955
S-TOT	4,298,584	36,356	4,334,940	1,627,335	641,696	0	2,269,031	2,313,852	1,382,955	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	4,298,584	36,356	4,334,940	1,627,335	641,696	0	2,269,031	2,313,852	1,382,955	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	16,537	199	16,737	6,214	14,106	0	20,320	7,466	6,471	6,471
12-2019	104,885	1,819	106,704	29,337	57,882	0	87,219	49,321	38,864	45,335
12-2020	122,439	2,173	124,612	39,788	23,834	0	63,621	67,260	48,181	93,517
12-2021	107,001	1,703	108,704	37,618	3,563	0	41,180	67,530	43,977	137,494
12-2022	79,568	278	79,847	29,583	2,981	0	32,564	47,263	27,981	165,475
12-2023	56,068	8	56,075	22,909	2,545	0	25,454	30,637	16,489	181,964
12-2024	47,124	0	47,124	24,342	2,472	0	26,814	20,320	9,942	191,906
12-2025	42,323	0	42,323	21,744	2,472	0	24,216	18,094	8,048	199,954
12-2026	37,887	0	37,887	23,152	2,472	0	25,624	12,263	4,959	204,913
12-2027	33,363	0	33,363	14,288	2,399	0	16,687	16,671	6,128	211,041
12-2028	30,205	0	30,205	16,246	2,399	0	18,645	11,560	3,863	214,904
12-2029	27,602	0	27,602	14,388	2,399	0	16,787	10,802	3,282	218,186
12-2030	25,759	0	25,759	13,191	2,399	0	15,590	10,143	2,801	220,987
12-2031	0	0	0	0	0	0	0	0	0	220,987
12-2032	0	0	0	0	0	0	0	0	0	220,987
12-2033	0	0	0	0	0	0	0	0	0	220,987
12-2034	0	0	0	0	0	0	0	0	0	220,987
S-TOT	730,759	6,180	736,940	292,798	121,922	0	414,720	369,329	220,987	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	730,759	6,180	736,940	292,798	121,922	0	414,720	369,329	220,987	

LIFE - 14 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	0	0	0	0	0	0	0	0	0	0
12-2018	16,537	199	16,737	6,214	14,106	(1,603)	18,717	9,069	7,860	7,860
12-2019	104,885	1,819	106,704	29,337	57,882	6,291	93,510	43,030	33,907	41,767
12-2020	122,439	2,173	124,612	39,788	23,834	17,904	81,525	49,356	35,356	77,123
12-2021	107,001	1,703	108,704	37,618	3,563	17,589	58,769	49,941	32,523	109,646
12-2022	79,568	278	79,847	29,583	2,981	12,841	45,405	34,422	20,378	130,025
12-2023	56,068	8	56,075	22,909	2,545	7,768	33,222	22,869	12,308	142,333
12-2024	47,124	0	47,124	24,342	2,472	6,529	33,343	13,790	6,747	149,080
12-2025	42,323	0	42,323	21,744	2,472	6,048	30,265	12,046	5,358	154,438
12-2026	37,887	0	37,887	23,152	2,472	4,575	30,199	7,688	3,109	157,547
12-2027	33,363	0	33,363	14,288	2,399	5,559	22,247	11,111	4,085	161,631
12-2028	30,205	0	30,205	16,246	2,399	4,321	22,966	7,239	2,419	164,051
12-2029	27,602	0	27,602	14,388	2,399	3,504	20,291	7,298	2,217	166,268
12-2030	25,759	0	25,759	13,191	2,399	3,272	18,862	6,871	1,898	168,165
12-2031	0	0	0	0	0	0	0	0	0	168,165
12-2032	0	0	0	0	0	0	0	0	0	168,165
12-2033	0	0	0	0	0	0	0	0	0	168,165
12-2034	0	0	0	0	0	0	0	0	0	168,165
S-TOT	730,759	6,180	736,940	292,798	121,922	94,600	509,320	274,729	168,165	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	730,759	6,180	736,940	292,798	121,922	94,600	509,320	274,729	168,165	

LIFE - 14 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - COUNTRY OF GHANA
TOTAL PROVED RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	18	44,947	6,878	5,986	9,141	1,134	1,178	52.28	0.4850	0.0000
12-2018	19	53,286	13,825	5,986	10,924	2,280	1,178	61.79	1.0112	0.0000
12-2019	22	48,517	21,403	5,986	9,475	3,529	1,178	66.53	1.3008	0.0000
12-2020	24	43,954	18,739	6,002	8,541	3,090	1,181	66.53	1.4167	0.0000
12-2021	23	36,866	11,810	5,986	7,132	1,947	1,178	66.53	1.7341	0.0000
12-2022	23	29,465	3,315	5,986	5,593	547	1,178	66.52	1.1969	0.0000
12-2023	22	24,880	44	5,986	4,732	7	1,178	66.52	2.9100	0.0000
12-2024	22	22,105	0	6,002	4,229	0	1,181	66.52	0.0000	0.0000
12-2025	21	20,126	0	5,986	3,867	0	1,178	66.52	0.0000	0.0000
12-2026	21	17,080	0	5,986	3,244	0	1,178	66.52	0.0000	0.0000
12-2027	22	15,237	0	5,986	2,885	0	1,178	66.52	0.0000	0.0000
12-2028	22	13,101	0	6,002	2,452	0	1,181	66.52	0.0000	0.0000
12-2029	22	11,526	0	5,986	2,142	0	1,178	66.52	0.0000	0.0000
12-2030	21	10,597	0	5,986	1,965	0	1,178	66.52	0.0000	0.0000
12-2031	10	3,617	0	2,993	827	0	685	66.55	0.0000	0.0000
12-2032	9	3,548	0	3,001	812	0	686	66.55	0.0000	0.0000
12-2033	9	3,499	0	2,993	800	0	685	66.55	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	24	402,352	76,014	92,840	78,761	12,535	18,559			
REM	0	0	0	0	0	0	0			
TOTAL	24	402,352	76,014	92,840	78,761	12,535	18,559			
CUMULATIVE ULTIMATE		193,029	0	92,840						
		595,381	76,014	92,840						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	2,350,018	3,336	2,353,354	693,854	130,104	0	823,958	1,529,396	1,458,222	1,458,222
12-2018	3,292,252	13,980	3,306,231	645,963	192,000	0	837,963	2,468,269	2,139,456	3,597,679
12-2019	3,227,705	27,840	3,255,546	687,584	409,000	0	1,096,584	2,158,962	1,701,231	5,298,909
12-2020	2,924,125	26,548	2,950,673	690,369	251,577	0	941,946	2,008,727	1,438,953	6,737,862
12-2021	2,452,554	20,479	2,473,034	613,089	97,844	0	710,932	1,762,101	1,147,529	7,885,392
12-2022	1,960,118	3,967	1,964,086	543,871	97,844	0	641,715	1,322,371	782,877	8,668,269
12-2023	1,655,072	129	1,655,201	542,995	97,844	0	640,839	1,014,362	545,934	9,214,203
12-2024	1,470,494	0	1,470,494	544,109	97,844	0	641,952	828,542	405,387	9,619,590
12-2025	1,338,865	0	1,338,865	507,541	97,844	0	605,384	733,480	326,250	9,945,840
12-2026	1,136,219	0	1,136,219	497,524	97,844	0	595,367	540,852	218,699	10,164,539
12-2027	1,013,609	0	1,013,609	397,095	97,844	0	494,938	518,671	190,664	10,355,203
12-2028	871,470	0	871,470	396,917	97,844	0	494,761	376,710	125,890	10,481,093
12-2029	766,735	0	766,735	396,134	97,844	0	493,978	272,758	82,864	10,563,958
12-2030	704,929	0	704,929	339,255	72,844	0	412,099	292,830	80,875	10,644,833
12-2031	240,704	0	240,704	117,342	34,577	0	151,920	88,784	22,292	10,667,124
12-2032	236,144	0	236,144	115,114	34,577	0	149,691	86,453	19,733	10,686,857
12-2033	232,864	0	232,864	115,268	34,577	0	149,845	83,019	17,226	10,704,084
12-2034	0	0	0	0	0	0	0	0	0	10,704,084
S-TOT	25,873,877	96,280	25,970,157	7,844,021	2,039,849		9,883,870	16,086,286	10,704,084	
REM	0	0	0	0	0		0	0	0	
TOTAL	25,873,877	96,280	25,970,157	7,844,021	2,039,849		9,883,870	16,086,286	10,704,084	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	503,139	567	503,706	141,122	24,720	0	165,842	337,865	322,141	322,141
12-2018	710,509	2,377	712,886	130,639	36,480	0	167,119	545,767	473,062	795,203
12-2019	663,551	4,733	668,284	139,766	79,674	0	219,439	448,844	353,683	1,148,886
12-2020	598,180	4,513	602,693	137,806	52,261	0	190,067	412,626	295,585	1,444,471
12-2021	499,441	3,481	502,922	121,586	23,052	0	144,638	358,284	233,325	1,677,796
12-2022	391,700	674	392,375	107,103	23,052	0	130,155	262,220	155,241	1,833,036
12-2023	331,398	22	331,420	109,310	23,052	0	132,362	199,059	107,134	1,940,171
12-2024	296,125	0	296,125	107,070	23,052	0	130,122	166,003	81,222	2,021,392
12-2025	270,792	0	270,792	101,347	23,052	0	124,399	146,393	65,115	2,086,507
12-2026	227,176	0	227,176	96,848	23,052	0	119,900	107,276	43,378	2,129,886
12-2027	202,043	0	202,043	80,717	23,052	0	103,768	98,274	36,126	2,166,011
12-2028	171,711	0	171,711	78,163	23,052	0	101,215	70,496	23,559	2,189,570
12-2029	149,984	0	149,984	80,427	23,052	0	103,479	46,505	14,128	2,203,698
12-2030	137,576	0	137,576	67,738	16,338	0	84,076	53,500	14,776	2,218,474
12-2031	57,954	0	57,954	28,253	9,068	0	37,320	20,634	5,181	2,223,655
12-2032	56,857	0	56,857	27,716	9,068	0	36,784	20,073	4,582	2,228,237
12-2033	56,067	0	56,067	27,753	9,068	0	36,821	19,246	3,994	2,232,230
12-2034	0	0	0	0	0	0	0	0	0	2,232,230
S-TOT	5,324,202	16,368	5,340,570	1,583,363	444,142		2,027,505	3,313,065	2,232,230	
REM	0	0	0	0	0		0	0	0	
TOTAL	5,324,202	16,368	5,340,570	1,583,363	444,142		2,027,505	3,313,065	2,232,230	

LIFE - 17 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	503,139	567	503,706	141,122	24,720	25,059	190,900	312,806	298,249	298,249
12-2018	710,509	2,377	712,886	130,639	36,480	120,354	287,473	425,413	368,741	666,990
12-2019	663,551	4,733	668,284	139,766	79,674	123,429	342,869	325,415	256,422	923,412
12-2020	598,180	4,513	602,693	137,806	52,261	132,179	322,246	280,448	200,899	1,124,311
12-2021	499,441	3,481	502,922	121,586	23,052	115,748	260,386	242,536	157,946	1,282,257
12-2022	391,700	674	392,375	107,103	23,052	82,102	212,257	180,118	106,634	1,388,892
12-2023	331,398	22	331,420	109,310	23,052	62,356	194,718	136,702	73,574	1,462,465
12-2024	296,125	0	296,125	107,070	23,052	55,201	185,322	110,802	54,213	1,516,678
12-2025	270,792	0	270,792	101,347	23,052	51,584	175,983	94,809	42,171	1,558,849
12-2026	227,176	0	227,176	96,848	23,052	37,200	157,100	70,076	28,336	1,587,185
12-2027	202,043	0	202,043	80,717	23,052	34,743	138,511	63,531	23,354	1,610,539
12-2028	171,711	0	171,711	78,163	23,052	24,327	125,542	46,169	15,429	1,625,968
12-2029	149,984	0	149,984	80,427	23,052	16,624	120,102	29,882	9,078	1,635,046
12-2030	137,576	0	137,576	67,738	16,338	14,832	98,909	38,668	10,679	1,645,726
12-2031	57,954	0	57,954	28,253	9,068	4,632	41,952	16,002	4,018	1,649,743
12-2032	56,857	0	56,857	27,716	9,068	5,496	42,279	14,577	3,327	1,653,071
12-2033	56,067	0	56,067	27,753	9,068	5,676	42,497	13,570	2,816	1,655,887
12-2034	0	0	0	0	0	0	0	0	0	1,655,887
S-TOT	5,324,202	16,368	5,340,570	1,583,363	444,142	911,542	2,939,046	2,401,523	1,655,887	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	5,324,202	16,368	5,340,570	1,583,363	444,142	911,542	2,939,046	2,401,523	1,655,887	

LIFE - 17 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - JUBILEE PROJECT AREA
TOTAL PROVED RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	13	27,998	0	2,993	6,404	0	685	52.30	0.0000	0.0000
12-2018	13	34,483	0	2,993	7,887	0	685	61.80	0.0000	0.0000
12-2019	12	24,382	0	2,993	5,577	0	685	66.55	0.0000	0.0000
12-2020	13	21,460	0	3,001	4,909	0	686	66.55	0.0000	0.0000
12-2021	12	17,517	0	2,993	4,007	0	685	66.55	0.0000	0.0000
12-2022	12	12,416	0	2,993	2,840	0	685	66.55	0.0000	0.0000
12-2023	11	10,623	0	2,993	2,430	0	685	66.55	0.0000	0.0000
12-2024	11	9,796	0	3,001	2,241	0	686	66.55	0.0000	0.0000
12-2025	10	9,169	0	2,993	2,097	0	685	66.55	0.0000	0.0000
12-2026	10	7,223	0	2,993	1,652	0	685	66.55	0.0000	0.0000
12-2027	11	6,312	0	2,993	1,444	0	685	66.55	0.0000	0.0000
12-2028	11	5,002	0	3,001	1,144	0	686	66.55	0.0000	0.0000
12-2029	11	4,170	0	2,993	954	0	685	66.55	0.0000	0.0000
12-2030	10	3,766	0	2,993	861	0	685	66.55	0.0000	0.0000
12-2031	10	3,617	0	2,993	827	0	685	66.55	0.0000	0.0000
12-2032	9	3,548	0	3,001	812	0	686	66.55	0.0000	0.0000
12-2033	9	3,499	0	2,993	800	0	685	66.55	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	13	204,979	0	50,914	46,885	0	11,646			
REM	0	0	0	0	0	0	0			
TOTAL	13	204,979	0	50,914	46,885	0	11,646			
CUMULATIVE ULTIMATE		187,709	0	50,914						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	1,464,387	0	1,464,387	267,618	0	0	267,618	1,196,769	1,141,075	1,141,075
12-2018	2,131,190	0	2,131,190	234,535	0	0	234,535	1,896,655	1,643,991	2,785,066
12-2019	1,622,711	0	1,622,711	263,519	25,000	0	288,519	1,334,192	1,051,324	3,836,390
12-2020	1,428,250	0	1,428,250	229,133	59,577	0	288,710	1,139,540	816,310	4,652,699
12-2021	1,165,820	0	1,165,820	185,585	59,577	0	245,162	920,659	599,558	5,252,258
12-2022	826,326	0	826,326	147,204	59,577	0	206,781	619,544	366,786	5,619,044
12-2023	707,013	0	707,013	180,489	59,577	0	240,066	466,946	251,313	5,870,356
12-2024	651,974	0	651,974	146,167	59,577	0	205,744	446,230	218,330	6,088,686
12-2025	610,204	0	610,204	156,600	59,577	0	216,178	394,026	175,262	6,263,948
12-2026	480,691	0	480,691	119,406	59,577	0	178,983	301,709	121,999	6,385,947
12-2027	420,074	0	420,074	155,769	59,577	0	215,346	204,728	75,258	6,461,205
12-2028	332,921	0	332,921	120,118	59,577	0	179,696	153,226	51,205	6,512,411
12-2029	277,499	0	277,499	153,982	59,577	0	213,559	63,939	19,425	6,531,836
12-2030	250,644	0	250,644	117,086	34,577	0	151,664	98,981	27,337	6,559,173
12-2031	240,704	0	240,704	117,342	34,577	0	151,920	88,784	22,292	6,581,464
12-2032	236,144	0	236,144	115,114	34,577	0	149,691	86,453	19,733	6,601,197
12-2033	232,864	0	232,864	115,268	34,577	0	149,845	83,019	17,226	6,618,424
12-2034	0	0	0	0	0	0	0	0	0	6,618,424
S-TOT	13,079,416	0	13,079,416	2,824,936	759,081	0	3,584,017	9,495,399	6,618,424	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	13,079,416	0	13,079,416	2,824,936	759,081	0	3,584,017	9,495,399	6,618,424	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	352,582	0	352,582	64,435	0	0	64,435	288,147	274,738	274,738
12-2018	513,129	0	513,129	56,469	0	0	56,469	456,660	395,825	670,563
12-2019	390,702	0	390,702	63,448	6,714	0	70,161	320,540	252,581	923,144
12-2020	343,881	0	343,881	55,169	15,781	0	70,950	272,931	195,514	1,118,659
12-2021	280,696	0	280,696	44,683	15,781	0	60,465	220,231	143,421	1,262,079
12-2022	198,955	0	198,955	35,443	15,781	0	51,224	147,732	87,461	1,349,540
12-2023	170,228	0	170,228	43,457	15,781	0	59,238	110,990	59,736	1,409,276
12-2024	156,976	0	156,976	35,193	15,781	0	50,974	106,002	51,865	1,461,140
12-2025	146,919	0	146,919	37,705	15,781	0	53,486	93,433	41,559	1,502,699
12-2026	115,737	0	115,737	28,749	15,781	0	44,531	71,206	28,793	1,531,492
12-2027	101,142	0	101,142	37,505	15,781	0	53,286	47,856	17,592	1,549,084
12-2028	80,158	0	80,158	28,921	15,781	0	44,702	35,456	11,849	1,560,932
12-2029	66,814	0	66,814	37,074	15,781	0	52,856	13,958	4,240	1,565,173
12-2030	60,348	0	60,348	28,191	9,068	0	37,259	23,089	6,377	1,571,550
12-2031	57,954	0	57,954	28,253	9,068	0	37,320	20,634	5,181	1,576,731
12-2032	56,857	0	56,857	27,716	9,068	0	36,784	20,073	4,582	1,581,312
12-2033	56,067	0	56,067	27,753	9,068	0	36,821	19,246	3,994	1,585,306
12-2034	0	0	0	0	0	0	0	0	0	1,585,306
S-TOT	3,149,144	0	3,149,144	680,163	200,796	0	880,959	2,268,185	1,585,306	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	3,149,144	0	3,149,144	680,163	200,796	0	880,959	2,268,185	1,585,306	

LIFE - 17 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	352,582	0	352,582	64,435	0	67,268	131,703	220,879	210,600	210,600
12-2018	513,129	0	513,129	56,469	0	139,483	195,953	317,176	274,923	485,523
12-2019	390,702	0	390,702	63,448	6,714	107,063	177,225	213,477	168,217	653,740
12-2020	343,881	0	343,881	55,169	15,781	94,993	165,943	177,938	127,466	781,206
12-2021	280,696	0	280,696	44,683	15,781	79,790	140,255	140,441	91,459	872,665
12-2022	198,955	0	198,955	35,443	15,781	50,996	102,220	96,735	57,270	929,935
12-2023	170,228	0	170,228	43,457	15,781	40,026	99,264	70,964	38,193	968,128
12-2024	156,976	0	156,976	35,193	15,781	35,921	86,895	70,081	34,289	1,002,417
12-2025	146,919	0	146,919	37,705	15,781	33,881	87,368	59,552	26,489	1,028,905
12-2026	115,737	0	115,737	28,749	15,781	23,742	68,273	47,464	19,192	1,048,098
12-2027	101,142	0	101,142	37,505	15,781	17,929	71,215	29,926	11,001	1,059,099
12-2028	80,158	0	80,158	28,921	15,781	11,230	55,932	24,226	8,096	1,067,195
12-2029	66,814	0	66,814	37,074	15,781	6,065	58,921	7,893	2,398	1,069,593
12-2030	60,348	0	60,348	28,191	9,068	5,022	42,280	18,068	4,990	1,074,583
12-2031	57,954	0	57,954	28,253	9,068	4,632	41,952	16,002	4,018	1,078,600
12-2032	56,857	0	56,857	27,716	9,068	5,496	42,279	14,577	3,327	1,081,928
12-2033	56,067	0	56,067	27,753	9,068	5,676	42,497	13,570	2,816	1,084,743
12-2034	0	0	0	0	0	0	0	0	0	1,084,743
S-TOT	3,149,144	0	3,149,144	680,163	200,796	729,216	1,610,175	1,538,969	1,084,743	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	3,149,144	0	3,149,144	680,163	200,796	729,216	1,610,175	1,538,969	1,084,743	

LIFE - 17 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - TEN PROJECT AREA
TOTAL PROVED RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	5	16,950	6,878	2,993	2,737	1,134	494	52.25	0.4850	0.0000
12-2018	6	18,803	13,825	2,993	3,037	2,280	494	61.75	1.0112	0.0000
12-2019	10	24,135	21,403	2,993	3,898	3,529	494	66.50	1.3008	0.0000
12-2020	11	22,494	18,739	3,001	3,633	3,090	495	66.50	1.4167	0.0000
12-2021	11	19,349	11,810	2,993	3,125	1,947	494	66.50	1.7341	0.0000
12-2022	11	17,050	3,315	2,993	2,753	547	494	66.50	1.1969	0.0000
12-2023	11	14,257	44	2,993	2,302	7	494	66.50	2.9100	0.0000
12-2024	11	12,309	0	3,001	1,988	0	495	66.50	0.0000	0.0000
12-2025	11	10,957	0	2,993	1,770	0	494	66.50	0.0000	0.0000
12-2026	11	9,858	0	2,993	1,592	0	494	66.50	0.0000	0.0000
12-2027	11	8,925	0	2,993	1,441	0	494	66.50	0.0000	0.0000
12-2028	11	8,098	0	3,001	1,308	0	495	66.50	0.0000	0.0000
12-2029	11	7,357	0	2,993	1,188	0	494	66.50	0.0000	0.0000
12-2030	11	6,831	0	2,993	1,103	0	494	66.50	0.0000	0.0000
12-2031	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2032	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2033	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	11	197,373	76,014	41,927	31,876	12,535	6,914			
REM	0	0	0	0	0	0	0			
TOTAL	11	197,373	76,014	41,927	31,876	12,535	6,914			
CUMULATIVE ULTIMATE		5,320	0							
		202,693	76,014	41,927						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	885,631	3,336	888,967	426,236	130,104	0	556,340	332,627	317,148	317,148
12-2018	1,161,061	13,980	1,175,041	411,428	192,000	0	603,428	571,613	495,465	812,613
12-2019	1,604,995	27,840	1,632,835	424,065	384,000	0	808,065	824,770	649,907	1,462,520
12-2020	1,495,875	26,548	1,522,423	461,236	192,000	0	653,235	869,188	622,643	2,085,163
12-2021	1,286,734	20,479	1,307,213	427,504	38,266	0	465,770	841,443	547,971	2,633,134
12-2022	1,133,793	3,967	1,137,760	396,667	38,266	0	434,933	702,827	416,091	3,049,225
12-2023	948,060	129	948,188	362,506	38,266	0	400,773	547,416	294,622	3,343,847
12-2024	818,521	0	818,521	397,942	38,266	0	436,208	382,313	187,057	3,530,904
12-2025	728,660	0	728,660	350,940	38,266	0	389,207	339,454	150,988	3,681,892
12-2026	655,527	0	655,527	378,118	38,266	0	416,384	239,143	96,700	3,778,592
12-2027	593,535	0	593,535	241,326	38,266	0	279,592	313,943	115,406	3,893,998
12-2028	538,549	0	538,549	276,799	38,266	0	315,065	223,484	74,685	3,968,682
12-2029	489,237	0	489,237	242,152	38,266	0	280,418	208,818	63,440	4,032,122
12-2030	454,284	0	454,284	222,169	38,266	0	260,435	193,849	53,538	4,085,660
12-2031	0	0	0	0	0	0	0	0	0	4,085,660
12-2032	0	0	0	0	0	0	0	0	0	4,085,660
12-2033	0	0	0	0	0	0	0	0	0	4,085,660
12-2034	0	0	0	0	0	0	0	0	0	4,085,660
S-TOT	12,794,461	96,280	12,890,741	5,019,086	1,280,768		6,299,854	6,590,887	4,085,660	
REM	0	0	0	0	0		0	0	0	
TOTAL	12,794,461	96,280	12,890,741	5,019,086	1,280,768		6,299,854	6,590,887	4,085,660	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	150,557	567	151,124	76,687	24,720	0	101,407	49,717	47,404	47,404
12-2018	197,380	2,377	199,757	74,170	36,480	0	110,650	89,107	77,237	124,640
12-2019	272,849	4,733	277,582	76,318	72,960	0	149,278	128,304	101,102	225,742
12-2020	254,299	4,513	258,812	82,637	36,480	0	119,117	139,695	100,070	325,813
12-2021	218,745	3,481	222,226	76,903	7,271	0	84,173	138,053	89,904	415,716
12-2022	192,745	674	193,419	71,660	7,271	0	78,931	114,488	67,780	483,496
12-2023	161,170	22	161,192	65,853	7,271	0	73,124	88,068	47,399	530,895
12-2024	139,148	0	139,148	71,877	7,271	0	79,148	60,001	29,357	560,252
12-2025	123,872	0	123,872	63,642	7,271	0	70,913	52,960	23,556	583,808
12-2026	111,440	0	111,440	68,099	7,271	0	75,370	36,070	14,585	598,394
12-2027	100,901	0	100,901	43,212	7,271	0	50,483	50,418	18,534	616,928
12-2028	91,553	0	91,553	49,242	7,271	0	56,513	35,040	11,710	628,638
12-2029	83,170	0	83,170	43,352	7,271	0	50,623	32,547	9,888	638,525
12-2030	77,228	0	77,228	39,547	7,271	0	46,818	30,411	8,399	646,924
12-2031	0	0	0	0	0	0	0	0	0	646,924
12-2032	0	0	0	0	0	0	0	0	0	646,924
12-2033	0	0	0	0	0	0	0	0	0	646,924
12-2034	0	0	0	0	0	0	0	0	0	646,924
S-TOT	2,175,058	16,368	2,191,426	903,200	243,346		1,146,546	1,044,880	646,924	
REM	0	0	0	0	0		0	0	0	
TOTAL	2,175,058	16,368	2,191,426	903,200	243,346		1,146,546	1,044,880	646,924	

LIFE - 14 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	150,557	567	151,124	76,687	24,720	(42,210)	59,197	91,927	87,649	87,649
12-2018	197,380	2,377	199,757	74,170	36,480	(19,130)	91,520	108,237	93,818	181,467
12-2019	272,849	4,733	277,582	76,318	72,960	16,366	165,644	111,938	88,205	269,673
12-2020	254,299	4,513	258,812	82,637	36,480	37,186	156,303	102,509	73,432	343,105
12-2021	218,745	3,481	222,226	76,903	7,271	35,957	120,131	102,096	66,488	409,593
12-2022	192,745	674	193,419	71,660	7,271	31,106	110,037	83,382	49,364	458,957
12-2023	161,170	22	161,192	65,853	7,271	22,330	95,454	65,738	35,381	494,338
12-2024	139,148	0	139,148	71,877	7,271	19,280	98,427	40,721	19,924	514,261
12-2025	123,872	0	123,872	63,642	7,271	17,703	88,615	35,257	15,682	529,944
12-2026	111,440	0	111,440	68,099	7,271	13,458	88,827	22,613	9,144	539,087
12-2027	100,901	0	100,901	43,212	7,271	16,813	67,296	33,605	12,353	551,440
12-2028	91,553	0	91,553	49,242	7,271	13,097	69,610	21,943	7,333	558,774
12-2029	83,170	0	83,170	43,352	7,271	10,559	61,182	21,989	6,680	565,454
12-2030	77,228	0	77,228	39,547	7,271	9,811	56,628	20,600	5,689	571,143
12-2031	0	0	0	0	0	0	0	0	0	571,143
12-2032	0	0	0	0	0	0	0	0	0	571,143
12-2033	0	0	0	0	0	0	0	0	0	571,143
12-2034	0	0	0	0	0	0	0	0	0	571,143
S-TOT	2,175,058	16,368	2,191,426	903,200	243,346	182,325	1,328,872	862,554	571,143	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	2,175,058	16,368	2,191,426	903,200	243,346	182,325	1,328,872	862,554	571,143	

LIFE - 14 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - COUNTRY OF GHANA
TOTAL 2P RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	18	48,052	10,105	7,300	9,643	1,666	1,437	52.28	0.4850	0.0000
12-2018	21	58,826	17,545	7,300	11,956	2,893	1,437	61.78	0.8996	0.0000
12-2019	27	64,976	26,522	7,300	12,997	4,374	1,437	66.53	1.1433	0.0000
12-2020	30	67,419	23,339	7,320	13,616	3,849	1,441	66.53	1.2331	0.0000
12-2021	29	65,669	16,578	7,300	13,474	2,734	1,437	66.54	1.5382	0.0000
12-2022	31	61,674	12,479	7,300	12,719	2,058	1,437	66.54	1.8386	0.0000
12-2023	32	55,242	6,236	7,300	11,477	1,028	1,437	66.54	2.4459	0.0000
12-2024	33	50,187	3,396	7,320	10,486	560	1,441	66.54	2.9100	0.0000
12-2025	33	39,250	2,286	7,300	8,099	377	1,437	66.54	2.9100	0.0000
12-2026	32	32,390	1,539	7,300	6,622	254	1,437	66.53	2.9100	0.0000
12-2027	32	27,630	1,037	7,300	5,611	171	1,437	66.53	2.9100	0.0000
12-2028	31	23,928	698	7,320	4,833	115	1,441	66.53	2.9100	0.0000
12-2029	31	21,910	470	7,300	4,432	78	1,437	66.53	2.9100	0.0000
12-2030	30	20,004	316	7,300	4,040	52	1,437	66.53	2.9100	0.0000
12-2031	18	10,675	0	3,650	2,442	0	835	66.55	0.0000	0.0000
12-2032	18	9,170	0	3,660	2,098	0	837	66.55	0.0000	0.0000
12-2033	17	8,094	0	3,650	1,851	0	835	66.55	0.0000	0.0000
12-2034	17	5,402	0	3,650	1,236	0	835	66.55	0.0000	0.0000
S-TOT	33	670,496	122,547	116,870	137,632	20,208	23,468			
REM	0	0	0	0	0	0	0			
TOTAL	33	670,496	122,547	116,870	137,632	20,208	23,468			
CUMULATIVE ULTIMATE		193,029	0	116,870						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	2,512,219	4,901	2,517,120	693,854	293,858	0	987,712	1,529,408	1,458,233	1,458,233
12-2018	3,634,491	15,784	3,650,276	652,937	371,077	0	1,024,014	2,626,261	2,276,402	3,734,635
12-2019	4,322,893	30,323	4,353,216	707,320	745,538	0	1,452,858	2,900,358	2,285,441	6,020,076
12-2020	4,485,557	28,779	4,514,336	717,834	583,741	0	1,301,575	3,212,762	2,301,464	8,321,539
12-2021	4,369,295	25,500	4,394,795	725,788	284,869	0	1,010,658	3,384,138	2,203,844	10,525,384
12-2022	4,103,539	22,945	4,126,484	740,315	364,637	0	1,104,952	3,021,532	1,788,823	12,314,207
12-2023	3,675,647	15,254	3,690,901	675,199	267,277	0	942,476	2,748,425	1,479,215	13,793,422
12-2024	3,339,340	9,883	3,349,223	680,038	406,114	0	1,086,152	2,263,071	1,107,269	14,900,691
12-2025	2,611,511	6,652	2,618,163	655,737	405,230	0	1,060,967	1,557,196	692,637	15,593,327
12-2026	2,155,068	4,478	2,159,546	642,072	187,519	0	829,592	1,329,954	537,782	16,131,109
12-2027	1,838,292	3,018	1,841,309	480,856	108,754	0	589,611	1,251,699	460,126	16,591,235
12-2028	1,591,977	2,031	1,594,008	477,344	108,754	0	586,099	1,007,909	336,826	16,928,061
12-2029	1,457,752	1,368	1,459,120	456,733	108,754	0	565,488	893,632	271,488	17,199,549
12-2030	1,330,948	920	1,331,867	399,372	83,754	0	483,127	848,741	234,409	17,433,957
12-2031	710,441	0	710,441	168,291	45,488	0	213,779	496,661	124,700	17,558,657
12-2032	610,319	0	610,319	143,748	45,488	0	189,236	421,083	96,113	17,654,770
12-2033	538,660	0	538,660	142,597	45,488	0	188,085	350,575	72,745	17,727,515
12-2034	359,509	0	359,509	137,979	45,488	0	183,467	176,042	33,208	17,760,723
S-TOT	43,647,455	171,836	43,819,292	9,298,014	4,501,832		13,799,846	30,019,446	17,760,723	
REM	0	0	0	0	0		0	0	0	
TOTAL	43,647,455	171,836	43,819,292	9,298,014	4,501,832		13,799,846	30,019,446	17,760,723	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	530,713	833	531,546	141,122	68,696	0	209,817	321,729	306,757	306,757
12-2018	777,631	2,683	780,315	132,104	84,571	0	216,675	563,639	488,554	795,310
12-2019	910,280	5,155	915,435	144,235	170,050	0	314,285	601,150	473,698	1,269,008
12-2020	953,658	4,892	958,550	144,136	141,394	0	285,530	673,020	482,118	1,751,126
12-2021	943,743	4,335	948,078	148,420	73,209	0	221,629	726,449	473,084	2,224,210
12-2022	890,836	3,901	894,737	149,159	94,630	0	243,789	650,947	385,377	2,609,587
12-2023	803,862	2,593	806,455	140,752	68,484	0	209,236	597,218	321,426	2,931,013
12-2024	734,470	1,680	736,150	139,409	105,769	0	245,177	490,973	240,222	3,171,235
12-2025	567,252	1,131	568,383	136,640	105,531	0	242,171	326,212	145,098	3,316,333
12-2026	463,840	761	464,601	131,260	47,065	0	178,325	286,276	115,759	3,432,092
12-2027	393,023	513	393,536	99,026	25,913	0	124,939	268,597	98,737	3,530,829
12-2028	338,517	345	338,862	95,663	25,913	0	121,576	217,286	72,613	3,603,442
12-2029	310,448	233	310,681	94,607	25,913	0	120,520	190,161	57,771	3,661,213
12-2030	282,942	156	283,099	81,795	19,199	0	100,995	182,104	50,294	3,711,507
12-2031	171,054	0	171,054	40,520	11,929	0	52,448	118,605	29,779	3,741,286
12-2032	146,947	0	146,947	34,610	11,929	0	46,539	100,408	22,918	3,764,204
12-2033	129,694	0	129,694	34,333	11,929	0	46,262	83,432	17,312	3,781,516
12-2034	86,559	0	86,559	33,221	11,929	0	45,150	41,409	7,811	3,789,328
S-TOT	9,435,469	29,212	9,464,681	1,921,013	1,104,053		3,025,066	6,439,615	3,789,328	
REM	0	0	0	0	0		0	0	0	
TOTAL	9,435,469	29,212	9,464,681	1,921,013	1,104,053		3,025,066	6,439,615	3,789,328	

LIFE - 18 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	530,713	833	531,546	141,122	68,696	31,725	241,542	290,005	276,509	276,509
12-2018	777,631	2,683	780,315	132,104	84,571	136,996	353,672	426,643	369,807	646,316
12-2019	910,280	5,155	915,435	144,235	170,050	195,597	509,882	405,553	319,570	965,886
12-2020	953,658	4,892	958,550	144,136	141,394	234,701	520,232	438,318	313,990	1,279,876
12-2021	943,743	4,335	948,078	148,420	73,209	239,838	461,467	486,611	316,895	1,596,770
12-2022	890,836	3,901	894,737	149,159	94,630	221,788	465,577	429,160	254,073	1,850,844
12-2023	803,862	2,593	806,455	140,752	68,484	198,707	407,943	398,512	214,481	2,065,325
12-2024	734,470	1,680	736,150	139,409	105,769	181,945	427,123	309,028	151,200	2,216,525
12-2025	567,252	1,131	568,383	136,640	105,531	124,802	366,973	201,410	89,587	2,306,111
12-2026	463,840	761	464,601	131,260	47,065	91,753	270,079	194,523	78,657	2,384,769
12-2027	393,023	513	393,536	99,026	25,913	83,167	208,107	185,430	68,164	2,452,933
12-2028	338,517	345	338,862	95,663	25,913	66,813	188,390	150,473	50,285	2,503,218
12-2029	310,448	233	310,681	94,607	25,913	62,844	183,364	127,317	38,679	2,541,897
12-2030	282,942	156	283,099	81,795	19,199	61,229	162,223	120,875	33,384	2,575,281
12-2031	171,054	0	171,054	40,520	11,929	41,313	93,761	77,292	19,406	2,594,688
12-2032	146,947	0	146,947	34,610	11,929	35,612	82,151	64,796	14,790	2,609,477
12-2033	129,694	0	129,694	34,333	11,929	29,791	76,053	53,641	11,131	2,620,608
12-2034	86,559	0	86,559	33,221	11,929	15,281	60,431	26,128	4,929	2,625,536
S-TOT	9,435,469	29,212	9,464,681	1,921,013	1,104,053	2,053,902	5,078,968	4,385,713	2,625,536	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	9,435,469	29,212	9,464,681	1,921,013	1,104,053	2,053,902	5,078,968	4,385,713	2,625,536	

LIFE - 18 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - JUBILEE PROJECT AREA
TOTAL 2P RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	13	27,998	0	3,650	6,404	0	835	52.30	0.0000	0.0000
12-2018	15	36,527	0	3,650	8,355	0	835	61.80	0.0000	0.0000
12-2019	17	37,237	0	3,650	8,517	0	835	66.55	0.0000	0.0000
12-2020	19	40,575	0	3,660	9,281	0	837	66.55	0.0000	0.0000
12-2021	18	42,666	0	3,650	9,759	0	835	66.55	0.0000	0.0000
12-2022	20	41,026	0	3,650	9,384	0	835	66.55	0.0000	0.0000
12-2023	21	38,004	0	3,650	8,693	0	835	66.55	0.0000	0.0000
12-2024	22	35,410	0	3,660	8,099	0	837	66.55	0.0000	0.0000
12-2025	22	26,177	0	3,650	5,987	0	835	66.55	0.0000	0.0000
12-2026	21	20,696	0	3,650	4,734	0	835	66.55	0.0000	0.0000
12-2027	21	17,094	0	3,650	3,910	0	835	66.55	0.0000	0.0000
12-2028	20	14,412	0	3,660	3,296	0	837	66.55	0.0000	0.0000
12-2029	20	13,297	0	3,650	3,041	0	835	66.55	0.0000	0.0000
12-2030	19	12,034	0	3,650	2,753	0	835	66.55	0.0000	0.0000
12-2031	18	10,675	0	3,650	2,442	0	835	66.55	0.0000	0.0000
12-2032	18	9,170	0	3,660	2,098	0	837	66.55	0.0000	0.0000
12-2033	17	8,094	0	3,650	1,851	0	835	66.55	0.0000	0.0000
12-2034	17	5,402	0	3,650	1,236	0	835	66.55	0.0000	0.0000
S-TOT	22	436,491	0	65,740	99,840	0	15,037			
REM	0	0	0	0	0	0	0			
TOTAL	22	436,491	0	65,740	99,840	0	15,037			
CUMULATIVE ULTIMATE		187,709	0	65,740						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	1,464,387	0	1,464,387	267,618	163,754	0	431,372	1,033,015	984,941	984,941
12-2018	2,257,532	0	2,257,532	238,488	179,077	0	417,565	1,839,967	1,594,854	2,579,796
12-2019	2,478,255	0	2,478,255	279,255	361,538	0	640,793	1,837,463	1,447,894	4,027,690
12-2020	2,700,437	0	2,700,437	252,604	391,741	0	644,345	2,056,093	1,472,883	5,500,573
12-2021	2,839,618	0	2,839,618	294,037	246,603	0	540,640	2,298,978	1,497,158	6,997,731
12-2022	2,730,419	0	2,730,419	269,583	326,371	0	595,954	2,134,465	1,263,657	8,261,388
12-2023	2,529,306	0	2,529,306	307,208	229,011	0	536,219	1,993,087	1,072,689	9,334,077
12-2024	2,356,653	0	2,356,653	276,599	367,848	0	644,447	1,712,206	837,743	10,171,820
12-2025	1,742,167	0	1,742,167	299,305	366,963	0	666,268	1,075,898	478,557	10,650,377
12-2026	1,377,377	0	1,377,377	258,419	149,253	0	407,672	969,705	392,111	11,042,488
12-2027	1,137,666	0	1,137,666	213,281	70,488	0	283,769	853,897	313,893	11,356,381
12-2028	959,163	0	959,163	174,200	70,488	0	244,688	714,474	238,765	11,595,146
12-2029	884,969	0	884,969	208,782	70,488	0	279,270	605,700	184,013	11,779,159
12-2030	800,909	0	800,909	171,309	45,488	0	216,797	584,112	161,323	11,940,482
12-2031	710,441	0	710,441	168,291	45,488	0	213,779	496,661	124,700	12,065,182
12-2032	610,319	0	610,319	143,748	45,488	0	189,236	421,083	96,113	12,161,294
12-2033	538,660	0	538,660	142,597	45,488	0	188,085	350,575	72,745	12,234,039
12-2034	359,509	0	359,509	137,979	45,488	0	183,467	176,042	33,208	12,267,247
S-TOT	28,477,786	0	28,477,786	4,103,303	3,221,064		7,324,367	21,153,420	12,267,247	
REM	0	0	0	0	0		0	0	0	
TOTAL	28,477,786	0	28,477,786	4,103,303	3,221,064		7,324,367	21,153,420	12,267,247	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	352,582	0	352,582	64,435	43,976	0	108,411	244,171	232,808	232,808
12-2018	543,548	0	543,548	57,421	48,091	0	105,512	438,036	379,683	612,491
12-2019	596,692	0	596,692	67,236	97,090	0	164,327	432,365	340,697	953,189
12-2020	650,187	0	650,187	60,820	104,914	0	165,734	484,453	347,038	1,300,227
12-2021	683,698	0	683,698	70,796	65,938	0	136,734	546,964	356,198	1,656,425
12-2022	657,406	0	657,406	64,908	87,359	0	152,267	505,139	299,055	1,955,480
12-2023	608,983	0	608,983	73,967	61,214	0	135,180	473,803	255,003	2,210,483
12-2024	567,414	0	567,414	66,597	98,498	0	165,095	402,319	196,845	2,407,328
12-2025	419,463	0	419,463	72,064	98,260	0	170,324	249,139	110,816	2,518,145
12-2026	331,632	0	331,632	62,220	39,795	0	102,014	229,618	92,849	2,610,993
12-2027	273,917	0	273,917	51,352	18,642	0	69,994	203,923	74,962	2,685,955
12-2028	230,939	0	230,939	41,942	18,642	0	60,585	170,354	56,929	2,742,885
12-2029	213,075	0	213,075	50,269	18,642	0	68,911	144,164	43,797	2,786,682
12-2030	192,836	0	192,836	41,246	11,929	0	53,175	139,661	38,572	2,825,254
12-2031	171,054	0	171,054	40,520	11,929	0	52,448	118,605	29,779	2,855,033
12-2032	146,947	0	146,947	34,610	11,929	0	46,539	100,408	22,918	2,877,951
12-2033	129,694	0	129,694	34,333	11,929	0	46,262	83,432	17,312	2,895,263
12-2034	86,559	0	86,559	33,221	11,929	0	45,150	41,409	7,811	2,903,075
S-TOT	6,856,625	0	6,856,625	987,956	860,707		1,848,663	5,007,962	2,903,075	
REM	0	0	0	0	0		0	0	0	
TOTAL	6,856,625	0	6,856,625	987,956	860,707		1,848,663	5,007,962	2,903,075	

LIFE - 18 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	352,582	0	352,582	64,435	43,976	64,190	172,601	179,981	171,605	171,605
12-2018	543,548	0	543,548	57,421	48,091	143,352	248,864	294,684	255,427	427,033
12-2019	596,692	0	596,692	67,236	97,090	165,063	329,390	267,302	210,630	637,663
12-2020	650,187	0	650,187	60,820	104,914	180,411	346,145	304,042	217,801	855,464
12-2021	683,698	0	683,698	70,796	65,938	189,379	326,113	357,585	232,869	1,088,333
12-2022	657,406	0	657,406	64,908	87,359	179,719	331,987	325,419	192,656	1,280,990
12-2023	608,983	0	608,983	73,967	61,214	164,005	299,185	309,798	166,735	1,447,724
12-2024	567,414	0	567,414	66,597	98,498	152,637	317,732	249,682	122,163	1,569,888
12-2025	419,463	0	419,463	72,064	98,260	98,659	268,984	150,480	66,933	1,636,821
12-2026	331,632	0	331,632	62,220	39,795	71,090	173,105	158,528	64,102	1,700,923
12-2027	273,917	0	273,917	51,352	18,642	61,364	131,359	142,558	52,405	1,753,328
12-2028	230,939	0	230,939	41,942	18,642	49,554	110,139	120,800	40,369	1,793,697
12-2029	213,075	0	213,075	50,269	18,642	47,578	116,489	96,586	29,343	1,823,040
12-2030	192,836	0	192,836	41,246	11,929	47,207	100,381	92,454	25,534	1,848,574
12-2031	171,054	0	171,054	40,520	11,929	41,313	93,761	77,292	19,406	1,867,981
12-2032	146,947	0	146,947	34,610	11,929	35,612	82,151	64,796	14,790	1,882,771
12-2033	129,694	0	129,694	34,333	11,929	29,791	76,053	53,641	11,131	1,893,901
12-2034	86,559	0	86,559	33,221	11,929	15,281	60,431	26,128	4,929	1,898,830
S-TOT	6,856,625	0	6,856,625	987,956	860,707	1,736,206	3,584,869	3,271,756	1,898,830	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	6,856,625	0	6,856,625	987,956	860,707	1,736,206	3,584,869	3,271,756	1,898,830	

LIFE - 18 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - TEN PROJECT AREA
TOTAL 2P RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	5	20,054	10,105	3,650	3,239	1,666	602	52.25	0.4850	0.0000
12-2018	6	22,299	17,545	3,650	3,601	2,893	602	61.75	0.8996	0.0000
12-2019	10	27,739	26,522	3,650	4,480	4,374	602	66.50	1.1433	0.0000
12-2020	11	26,844	23,339	3,660	4,335	3,849	604	66.50	1.2331	0.0000
12-2021	11	23,003	16,578	3,650	3,715	2,734	602	66.50	1.5382	0.0000
12-2022	11	20,648	12,479	3,650	3,335	2,058	602	66.50	1.8386	0.0000
12-2023	11	17,238	6,236	3,650	2,784	1,028	602	66.50	2.4459	0.0000
12-2024	11	14,777	3,396	3,660	2,387	560	604	66.50	2.9100	0.0000
12-2025	11	13,073	2,286	3,650	2,111	377	602	66.50	2.9100	0.0000
12-2026	11	11,695	1,539	3,650	1,889	254	602	66.50	2.9100	0.0000
12-2027	11	10,536	1,037	3,650	1,702	171	602	66.50	2.9100	0.0000
12-2028	11	9,516	698	3,660	1,537	115	604	66.50	2.9100	0.0000
12-2029	11	8,613	470	3,650	1,391	78	602	66.50	2.9100	0.0000
12-2030	11	7,971	316	3,650	1,287	52	602	66.50	2.9100	0.0000
12-2031	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2032	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2033	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	11	234,005	122,547	51,130	37,792	20,208	8,431			
REM	0	0	0	0	0	0	0			
TOTAL	11	234,005	122,547	51,130	37,792	20,208	8,431			
CUMULATIVE ULTIMATE		5,320	0	51,130						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	1,047,832	4,901	1,052,733	426,236	130,104	0	556,340	496,393	473,292	473,292
12-2018	1,376,960	15,784	1,392,744	414,450	192,000	0	606,450	786,294	681,548	1,154,840
12-2019	1,844,637	30,323	1,874,960	428,065	384,000	0	812,065	1,062,896	837,546	1,992,386
12-2020	1,785,120	28,779	1,813,899	465,230	192,000	0	657,230	1,156,669	828,580	2,820,967
12-2021	1,529,677	25,500	1,555,178	431,751	38,266	0	470,017	1,085,160	706,686	3,527,653
12-2022	1,373,120	22,945	1,396,065	470,732	38,266	0	508,998	887,067	525,166	4,052,819
12-2023	1,146,342	15,254	1,161,595	367,991	38,266	0	406,257	755,338	406,526	4,459,345
12-2024	982,687	9,883	992,570	403,439	38,266	0	441,705	550,865	269,526	4,728,871
12-2025	869,344	6,652	875,996	356,432	38,266	0	394,699	481,298	214,080	4,942,951
12-2026	777,691	4,478	782,169	383,653	38,266	0	421,920	360,249	145,671	5,088,621
12-2027	700,626	3,018	703,643	267,575	38,266	0	305,841	397,802	146,232	5,234,854
12-2028	632,814	2,031	634,845	303,144	38,266	0	341,410	293,435	98,061	5,332,915
12-2029	572,782	1,368	574,151	247,952	38,266	0	286,218	287,933	87,475	5,420,390
12-2030	530,039	920	530,958	228,064	38,266	0	266,330	264,628	73,086	5,493,476
12-2031	0	0	0	0	0	0	0	0	0	5,493,476
12-2032	0	0	0	0	0	0	0	0	0	5,493,476
12-2033	0	0	0	0	0	0	0	0	0	5,493,476
12-2034	0	0	0	0	0	0	0	0	0	5,493,476
S-TOT	15,169,669	171,836	15,341,506	5,194,712	1,280,768		6,475,480	8,866,026	5,493,476	
REM	0	0	0	0	0		0	0	0	
TOTAL	15,169,669	171,836	15,341,506	5,194,712	1,280,768		6,475,480	8,866,026	5,493,476	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	178,131	833	178,965	76,687	24,720	0	101,407	77,558	73,948	73,948
12-2018	234,083	2,683	236,766	74,684	36,480	0	111,164	125,603	108,871	182,819
12-2019	313,588	5,155	318,743	76,998	72,960	0	149,958	168,785	133,000	315,819
12-2020	303,470	4,892	308,363	83,316	36,480	0	119,796	188,567	135,080	450,899
12-2021	260,045	4,335	264,380	77,625	7,271	0	84,895	179,485	116,886	567,785
12-2022	233,430	3,901	237,331	84,251	7,271	0	91,522	145,809	86,323	654,107
12-2023	194,878	2,593	197,471	66,786	7,271	0	74,056	123,415	66,423	720,530
12-2024	167,057	1,680	168,737	72,812	7,271	0	80,082	88,655	43,377	763,906
12-2025	147,788	1,131	148,919	64,576	7,271	0	71,846	77,073	34,282	798,188
12-2026	132,207	761	132,969	69,040	7,271	0	76,311	56,658	22,910	821,099
12-2027	119,106	513	119,619	47,674	7,271	0	54,945	64,674	23,774	844,873
12-2028	107,578	345	107,924	53,721	7,271	0	60,992	46,932	15,684	860,557
12-2029	97,373	233	97,606	44,338	7,271	0	51,609	45,997	13,974	874,531
12-2030	90,107	156	90,263	40,549	7,271	0	47,820	42,443	11,722	886,253
12-2031	0	0	0	0	0	0	0	0	0	886,253
12-2032	0	0	0	0	0	0	0	0	0	886,253
12-2033	0	0	0	0	0	0	0	0	0	886,253
12-2034	0	0	0	0	0	0	0	0	0	886,253
S-TOT	2,578,844	29,212	2,608,056	933,057	243,346		1,176,403	1,431,653	886,253	
REM	0	0	0	0	0		0	0	0	
TOTAL	2,578,844	29,212	2,608,056	933,057	243,346		1,176,403	1,431,653	886,253	

LIFE - 14 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	178,131	833	178,965	76,687	24,720	(32,466)	68,941	110,023	104,903	104,903
12-2018	234,083	2,683	236,766	74,684	36,480	(6,356)	104,807	131,959	114,380	219,283
12-2019	313,588	5,155	318,743	76,998	72,960	30,534	180,492	138,251	108,940	328,223
12-2020	303,470	4,892	308,363	83,316	36,480	54,291	174,087	134,276	96,189	424,411
12-2021	260,045	4,335	264,380	77,625	7,271	50,458	135,354	129,026	84,026	508,437
12-2022	233,430	3,901	237,331	84,251	7,271	42,068	133,590	103,741	61,417	569,854
12-2023	194,878	2,593	197,471	66,786	7,271	34,701	108,758	88,714	47,746	617,600
12-2024	167,057	1,680	168,737	72,812	7,271	29,309	109,391	59,346	29,037	646,637
12-2025	147,788	1,131	148,919	64,576	7,271	26,143	97,989	50,931	22,654	669,291
12-2026	132,207	761	132,969	69,040	7,271	20,663	96,974	35,995	14,555	683,846
12-2027	119,106	513	119,619	47,674	7,271	21,803	76,748	42,871	15,760	699,605
12-2028	107,578	345	107,924	53,721	7,271	17,259	78,251	29,673	9,916	709,521
12-2029	97,373	233	97,606	44,338	7,271	15,266	66,875	30,731	9,336	718,857
12-2030	90,107	156	90,263	40,549	7,271	14,022	61,842	28,421	7,849	726,707
12-2031	0	0	0	0	0	0	0	0	0	726,707
12-2032	0	0	0	0	0	0	0	0	0	726,707
12-2033	0	0	0	0	0	0	0	0	0	726,707
12-2034	0	0	0	0	0	0	0	0	0	726,707
S-TOT	2,578,844	29,212	2,608,056	933,057	243,346	317,696	1,494,099	1,113,957	726,707	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	2,578,844	29,212	2,608,056	933,057	243,346	317,696	1,494,099	1,113,957	726,707	

LIFE - 14 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - COUNTRY OF GHANA
TOTAL 3P RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MBBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MBBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	18	50,701	13,432	7,300	10,071	2,215	1,437	52.28	0.4850	0.0000
12-2018	18	67,804	21,388	7,300	13,804	3,527	1,437	61.78	0.8251	0.0000
12-2019	24	71,153	31,755	7,300	14,410	5,236	1,437	66.53	1.0348	0.0000
12-2020	27	72,571	28,015	7,320	14,729	4,620	1,441	66.53	1.1082	0.0000
12-2021	31	75,923	20,248	7,300	15,553	3,339	1,437	66.53	1.3473	0.0000
12-2022	33	77,671	15,945	7,300	16,141	2,629	1,437	66.54	1.5800	0.0000
12-2023	34	72,965	11,030	7,300	15,326	1,819	1,437	66.54	2.0680	0.0000
12-2024	34	64,455	7,200	7,320	13,569	1,187	1,441	66.54	2.9100	0.0000
12-2025	33	55,402	7,200	7,300	11,629	1,187	1,437	66.54	2.9100	0.0000
12-2026	32	46,464	7,065	7,300	9,692	1,165	1,437	66.54	2.9100	0.0000
12-2027	33	42,043	5,878	7,300	8,777	969	1,437	66.54	2.9100	0.0000
12-2028	33	38,028	4,702	7,320	7,944	775	1,441	66.54	2.9100	0.0000
12-2029	33	34,525	3,760	7,300	7,218	620	1,437	66.54	2.9100	0.0000
12-2030	33	30,950	3,007	7,300	6,455	496	1,437	66.54	2.9100	0.0000
12-2031	20	24,698	19,407	7,300	5,347	3,200	1,437	66.54	0.7855	0.0000
12-2032	20	16,519	0	3,660	3,778	0	837	66.55	0.0000	0.0000
12-2033	19	15,018	0	3,650	3,435	0	835	66.55	0.0000	0.0000
12-2034	18	7,077	0	3,650	1,619	0	835	66.55	0.0000	0.0000
S-TOT	34	863,964	200,032	120,520	179,495	32,985	24,070			
REM	0	0	0	0	0	0	0			
TOTAL	34	863,964	200,032	120,520	179,495	32,985	24,070			
CUMULATIVE ULTIMATE		193,029	0	120,520						
		1,056,993	200,032							

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	2,650,638	6,515	2,657,153	693,854	293,858	0	987,712	1,669,441	1,591,750	1,591,750
12-2018	4,189,192	17,648	4,206,840	652,646	371,077	0	1,023,723	3,183,117	2,759,076	4,350,825
12-2019	4,733,997	32,861	4,766,859	707,802	745,538	0	1,453,340	3,313,519	2,611,005	6,961,830
12-2020	4,828,380	31,047	4,859,427	716,101	583,741	0	1,299,842	3,559,585	2,549,911	9,511,741
12-2021	5,051,520	27,280	5,078,800	728,507	281,391	0	1,009,898	4,068,902	2,649,782	12,161,523
12-2022	5,168,049	25,193	5,193,242	741,358	361,159	0	1,102,516	4,090,726	2,421,813	14,583,336
12-2023	4,855,006	22,809	4,877,816	4,877,816	747,528	0	1,011,326	3,866,489	2,080,963	16,664,299
12-2024	4,288,825	20,952	4,309,777	677,932	402,636	0	1,080,568	3,229,209	1,579,978	18,244,276
12-2025	3,686,378	20,952	3,707,330	663,045	401,751	0	1,064,796	2,642,534	1,175,392	19,419,669
12-2026	3,091,618	20,559	3,112,177	648,363	184,041	0	832,404	2,279,773	921,852	20,341,521
12-2027	2,797,427	17,105	2,814,532	567,871	105,276	0	673,147	2,141,385	787,175	21,128,696
12-2028	2,530,281	13,683	2,543,963	568,781	105,276	0	674,056	1,869,907	624,891	21,753,587
12-2029	2,297,208	10,941	2,308,149	569,850	105,276	0	675,126	1,633,023	496,117	22,249,703
12-2030	2,059,331	8,750	2,068,081	512,945	80,276	0	593,221	1,474,860	407,333	22,657,036
12-2031	1,643,497	15,245	1,658,742	482,583	80,276	0	562,859	1,095,883	275,151	22,932,187
12-2032	1,099,388	0	1,099,388	174,511	45,488	0	219,999	879,389	200,722	23,132,909
12-2033	999,494	0	999,494	172,554	45,488	0	218,042	781,452	162,152	23,295,061
12-2034	471,020	0	471,020	135,885	45,488	0	181,373	289,647	54,638	23,349,699
S-TOT	56,441,248	291,540	56,732,789	10,162,114	4,501,832		14,663,946	42,068,842	23,349,699	
REM	0	0	0	0	0		0	0	0	
TOTAL	56,441,248	291,540	56,732,789	10,162,114	4,501,832		14,663,946	42,068,842	23,349,699	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	554,245	1,107	555,352	141,122	68,696	0	209,817	345,535	329,454	329,454
12-2018	897,822	3,000	900,822	131,849	84,571	0	216,420	684,402	593,229	922,683
12-2019	1,009,257	5,586	1,014,844	144,099	170,050	0	314,149	700,695	552,137	1,474,820
12-2020	1,031,624	5,278	1,036,902	143,469	141,394	0	284,864	752,038	538,723	2,013,543
12-2021	1,089,334	4,638	1,093,971	148,818	72,548	0	221,365	872,606	568,265	2,581,809
12-2022	1,130,542	4,283	1,134,825	149,095	93,969	0	243,065	891,760	527,945	3,109,753
12-2023	1,073,525	3,878	1,077,402	152,958	67,823	0	220,782	856,621	461,037	3,570,791
12-2024	950,427	3,562	953,989	138,544	105,108	0	243,652	710,337	347,552	3,918,342
12-2025	814,519	3,562	818,080	138,033	104,870	0	242,903	575,178	255,838	4,174,180
12-2026	678,837	3,495	682,332	132,398	46,404	0	178,803	503,529	203,608	4,377,787
12-2027	614,745	2,908	617,652	119,595	25,252	0	144,847	472,805	173,804	4,551,591
12-2028	556,431	2,326	558,757	117,292	25,252	0	142,544	416,213	139,091	4,690,682
12-2029	505,583	1,860	507,443	119,990	25,252	0	145,242	362,201	110,038	4,800,720
12-2030	452,118	1,487	453,606	107,283	18,538	0	125,822	327,784	90,529	4,891,249
12-2031	374,554	2,592	377,145	101,614	18,538	0	120,152	256,993	64,525	4,955,774
12-2032	264,701	0	264,701	42,017	11,929	0	53,946	210,755	48,105	5,003,879
12-2033	240,649	0	240,649	41,546	11,929	0	53,475	187,174	38,839	5,042,718
12-2034	113,408	0	113,408	32,717	11,929	0	44,646	68,762	12,971	5,055,689
S-TOT	12,352,319	49,562	12,401,881	2,102,440	1,104,053		3,206,493	9,195,388	5,055,689	
REM	0	0	0	0	0		0	0	0	
TOTAL	12,352,319	49,562	12,401,881	2,102,440	1,104,053		3,206,493	9,195,388	5,055,689	

LIFE - 18 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	554,245	1,107	555,352	141,122	68,696	40,056	249,874	305,478	291,262	291,262
12-2018	897,822	3,000	900,822	131,849	84,571	179,263	395,683	505,139	437,846	729,108
12-2019	1,009,257	5,586	1,014,844	144,099	170,050	230,438	544,587	470,257	370,556	1,099,664
12-2020	1,031,624	5,278	1,036,902	143,469	141,394	262,358	547,222	489,680	350,783	1,450,447
12-2021	1,089,334	4,638	1,093,971	148,818	72,548	294,330	515,695	578,276	376,590	1,827,036
12-2022	1,130,542	4,283	1,134,825	149,095	93,969	314,665	557,730	577,095	341,655	2,168,691
12-2023	1,073,525	3,878	1,077,402	152,958	67,823	298,134	518,916	558,487	300,580	2,469,271
12-2024	950,427	3,562	953,989	138,544	105,108	262,420	506,072	447,917	219,156	2,688,427
12-2025	814,519	3,562	818,080	138,033	104,870	216,264	459,167	358,914	159,644	2,848,071
12-2026	678,837	3,495	682,332	132,398	46,404	171,533	350,336	331,995	134,246	2,982,317
12-2027	614,745	2,908	617,652	119,595	25,252	158,192	303,039	314,613	115,652	3,097,969
12-2028	556,431	2,326	558,757	117,292	25,252	139,951	282,495	276,262	92,322	3,190,291
12-2029	505,583	1,860	507,443	119,990	25,252	126,166	271,408	236,035	71,708	3,261,999
12-2030	452,118	1,487	453,606	107,283	18,538	114,847	240,669	212,937	58,810	3,320,809
12-2031	374,554	2,592	377,145	101,614	18,538	91,951	212,103	165,043	41,438	3,362,247
12-2032	264,701	0	264,701	42,017	11,929	76,412	130,358	134,343	30,664	3,392,911
12-2033	240,649	0	240,649	41,546	11,929	68,149	121,623	119,026	24,698	3,417,609
12-2034	113,408	0	113,408	32,717	11,929	25,395	70,041	43,367	8,181	3,425,790
S-TOT	12,352,319	49,562	12,401,881	2,102,440	1,104,053	3,070,523	6,277,016	6,124,865	3,425,790	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	12,352,319	49,562	12,401,881	2,102,440	1,104,053	3,070,523	6,277,016	6,124,865	3,425,790	

LIFE - 18 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - JUBILEE PROJECT AREA
TOTAL 3P RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	13	27,998	0	3,650	6,404	0	835	52.30	0.0000	0.0000
12-2018	12	42,447	0	3,650	9,709	0	835	61.80	0.0000	0.0000
12-2019	14	43,413	0	3,650	9,930	0	835	66.55	0.0000	0.0000
12-2020	16	44,755	0	3,660	10,237	0	837	66.55	0.0000	0.0000
12-2021	20	48,953	0	3,650	11,197	0	835	66.55	0.0000	0.0000
12-2022	22	53,496	0	3,650	12,236	0	835	66.55	0.0000	0.0000
12-2023	23	52,690	0	3,650	12,052	0	835	66.55	0.0000	0.0000
12-2024	23	46,990	0	3,660	10,748	0	837	66.55	0.0000	0.0000
12-2025	22	39,879	0	3,650	9,122	0	835	66.55	0.0000	0.0000
12-2026	21	32,539	0	3,650	7,443	0	835	66.55	0.0000	0.0000
12-2027	22	29,550	0	3,650	6,759	0	835	66.55	0.0000	0.0000
12-2028	22	26,811	0	3,660	6,133	0	837	66.55	0.0000	0.0000
12-2029	22	24,428	0	3,650	5,587	0	835	66.55	0.0000	0.0000
12-2030	22	21,662	0	3,650	4,955	0	835	66.55	0.0000	0.0000
12-2031	20	20,203	0	3,650	4,621	0	835	66.55	0.0000	0.0000
12-2032	20	16,519	0	3,660	3,778	0	837	66.55	0.0000	0.0000
12-2033	19	15,018	0	3,650	3,435	0	835	66.55	0.0000	0.0000
12-2034	18	7,077	0	3,650	1,619	0	835	66.55	0.0000	0.0000
S-TOT	23	594,427	0	65,740	135,965	0	15,037			
REM	0	0	0	0	0	0	0			
TOTAL	23	594,427	0	65,740	135,965	0	15,037			
CUMULATIVE ULTIMATE		187,709	0	65,740						

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	1,464,387	0	1,464,387	267,618	163,754	0	431,372	1,033,015	984,941	984,941
12-2018	2,623,380	0	2,623,380	235,582	179,077	0	414,659	2,208,721	1,914,484	2,899,425
12-2019	2,889,287	0	2,889,287	276,175	361,538	0	637,713	2,251,574	1,774,208	4,673,634
12-2020	2,978,616	0	2,978,616	247,349	391,741	0	639,090	2,339,526	1,675,921	6,349,554
12-2021	3,258,049	0	3,258,049	293,119	246,603	0	539,722	2,718,327	1,770,250	8,119,804
12-2022	3,560,408	0	3,560,408	266,176	326,371	0	592,547	2,967,861	1,757,049	9,876,853
12-2023	3,506,717	0	3,506,717	305,940	229,011	0	534,951	2,971,766	1,599,419	11,476,272
12-2024	3,127,368	0	3,127,368	269,446	367,848	0	637,294	2,490,073	1,218,336	12,694,607
12-2025	2,654,117	0	2,654,117	301,433	366,963	0	668,397	1,985,721	883,243	13,577,851
12-2026	2,165,598	0	2,165,598	259,397	149,253	0	408,650	1,756,948	710,442	14,288,292
12-2027	1,966,652	0	1,966,652	294,901	70,488	0	365,389	1,601,263	588,626	14,876,918
12-2028	1,784,388	0	1,784,388	260,167	70,488	0	330,655	1,453,733	485,813	15,362,731
12-2029	1,625,782	0	1,625,782	295,733	70,488	0	366,221	1,259,561	382,658	15,745,389
12-2030	1,441,717	0	1,441,717	258,640	45,488	0	304,128	1,137,589	314,184	16,059,573
12-2031	1,344,606	0	1,344,606	251,459	45,488	0	296,947	1,047,659	263,043	16,322,615
12-2032	1,099,388	0	1,099,388	174,511	45,488	0	219,999	879,389	200,722	16,523,337
12-2033	999,494	0	999,494	172,554	45,488	0	218,042	781,452	162,152	16,685,490
12-2034	471,020	0	471,020	135,885	45,488	0	181,373	289,647	54,638	16,740,128
S-TOT	38,960,974	0	38,960,974	4,566,084	3,221,064		7,787,148	31,173,826	16,740,128	
REM	0	0	0	0	0		0	0	0	
TOTAL	38,960,974	0	38,960,974	4,566,084	3,221,064		7,787,148	31,173,826	16,740,128	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	352,582	0	352,582	64,435	43,976	0	108,411	244,171	232,808	232,808
12-2018	631,634	0	631,634	56,721	48,091	0	104,812	526,821	456,640	689,449
12-2019	695,657	0	695,657	66,495	97,090	0	163,585	532,071	419,265	1,108,713
12-2020	717,164	0	717,164	59,554	104,914	0	164,469	552,695	395,924	1,504,637
12-2021	784,444	0	784,444	70,575	65,938	0	136,512	647,931	421,951	1,926,588
12-2022	857,243	0	857,243	64,088	87,359	0	151,447	705,796	417,849	2,344,437
12-2023	844,316	0	844,316	73,661	61,214	0	134,875	709,441	381,824	2,726,261
12-2024	752,979	0	752,979	64,875	98,498	0	163,373	589,607	288,481	3,014,742
12-2025	639,034	0	639,034	72,576	98,260	0	170,837	468,197	208,253	3,222,995
12-2026	521,413	0	521,413	62,455	39,795	0	102,250	419,163	169,493	3,392,488
12-2027	473,513	0	473,513	71,004	18,642	0	89,646	383,867	141,110	3,533,598
12-2028	429,629	0	429,629	62,641	18,642	0	81,283	348,346	116,411	3,650,009
12-2029	391,441	0	391,441	71,204	18,642	0	89,846	301,595	91,625	3,741,635
12-2030	347,124	0	347,124	62,273	11,929	0	74,202	272,922	75,377	3,817,011
12-2031	323,742	0	323,742	60,544	11,929	0	72,473	251,269	63,088	3,880,099
12-2032	264,701	0	264,701	42,017	11,929	0	53,946	210,755	48,105	3,928,204
12-2033	240,649	0	240,649	41,546	11,929	0	53,475	187,174	38,839	3,967,043
12-2034	113,408	0	113,408	32,717	11,929	0	44,646	68,762	12,971	3,980,014
S-TOT	9,380,672	0	9,380,672	1,099,381	860,707		1,960,088	7,420,584	3,980,014	
REM	0	0	0	0	0		0	0	0	
TOTAL	9,380,672	0	9,380,672	1,099,381	860,707		1,960,088	7,420,584	3,980,014	

LIFE - 18 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	352,582	0	352,582	64,435	43,976	64,190	172,601	179,981	171,605	171,605
12-2018	631,634	0	631,634	56,721	48,091	174,427	279,239	352,394	305,450	477,055
12-2019	695,657	0	695,657	66,495	97,090	199,960	363,545	332,111	261,699	738,754
12-2020	717,164	0	717,164	59,554	104,914	204,295	368,764	348,400	249,576	988,331
12-2021	784,444	0	784,444	70,575	65,938	228,055	364,568	419,876	273,435	1,261,766
12-2022	857,243	0	857,243	64,088	87,359	258,543	409,990	447,253	264,785	1,526,551
12-2023	844,316	0	844,316	73,661	61,214	255,115	389,990	454,326	244,520	1,771,071
12-2024	752,979	0	752,979	64,875	98,498	221,885	385,257	367,722	179,918	1,950,989
12-2025	639,034	0	639,034	72,576	98,260	179,654	350,491	288,544	128,343	2,079,333
12-2026	521,413	0	521,413	62,455	39,795	141,172	243,422	277,991	112,409	2,191,741
12-2027	473,513	0	473,513	71,004	18,642	127,896	217,543	255,970	94,095	2,285,836
12-2028	429,629	0	429,629	62,641	18,642	115,364	196,647	232,981	77,858	2,363,695
12-2029	391,441	0	391,441	71,204	18,642	105,786	195,633	195,808	59,487	2,423,182
12-2030	347,124	0	347,124	62,273	11,929	96,478	170,680	176,444	48,731	2,471,913
12-2031	323,742	0	323,742	60,544	11,929	90,364	162,837	160,905	40,400	2,512,312
12-2032	264,701	0	264,701	42,017	11,929	76,412	130,358	134,343	30,664	2,542,976
12-2033	240,649	0	240,649	41,546	11,929	68,149	121,623	119,026	24,698	2,567,674
12-2034	113,408	0	113,408	32,717	11,929	25,395	70,041	43,367	8,181	2,575,855
S-TOT	9,380,672	0	9,380,672	1,099,381	860,707	2,633,141	4,593,229	4,787,444	2,575,855	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	9,380,672	0	9,380,672	1,099,381	860,707	2,633,141	4,593,229	4,787,444	2,575,855	

LIFE - 18 years

DISCOUNT RATE @ 10%

GRAND SUMMARY - TEN PROJECT AREA
TOTAL 3P RESERVES SPE-PRMS

END MO-YEAR	NO. OF WELLS	ESTIMATED 8/8ths PRODUCTION			COMPANY NET PRODUCTION			AVERAGE REALIZED PRICE		
		OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND MMBL	SALES GAS MMCF	FUEL GAS MMCF	OIL/COND \$/B	GAS \$/M	FUEL GAS \$/M
12-2017	5	22,703	13,432	3,650	3,667	2,215	602	52.25	0.4850	0.0000
12-2018	6	25,357	21,388	3,650	4,095	3,527	602	61.75	0.8251	0.0000
12-2019	10	27,740	31,755	3,650	4,480	5,236	602	66.50	1.0348	0.0000
12-2020	11	27,816	28,015	3,660	4,492	4,620	604	66.50	1.1082	0.0000
12-2021	11	26,969	20,248	3,650	4,356	3,339	602	66.50	1.3473	0.0000
12-2022	11	24,175	15,945	3,650	3,904	2,629	602	66.50	1.5800	0.0000
12-2023	11	20,275	11,030	3,650	3,274	1,819	602	66.50	2.0680	0.0000
12-2024	11	17,466	7,200	3,660	2,821	1,187	604	66.50	2.9100	0.0000
12-2025	11	15,523	7,200	3,650	2,507	1,187	602	66.50	2.9100	0.0000
12-2026	11	13,925	7,065	3,650	2,249	1,165	602	66.50	2.9100	0.0000
12-2027	11	12,493	5,878	3,650	2,018	969	602	66.50	2.9100	0.0000
12-2028	11	11,216	4,702	3,660	1,811	775	604	66.50	2.9100	0.0000
12-2029	11	10,097	3,760	3,650	1,631	620	602	66.50	2.9100	0.0000
12-2030	11	9,287	3,007	3,650	1,500	496	602	66.50	2.9100	0.0000
12-2031	0	4,495	19,407	3,650	726	3,200	602	66.50	0.7855	0.0000
12-2032	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2033	0	0	0	0	0	0	0	0.00	0.0000	0.0000
12-2034	0	0	0	0	0	0	0	0.00	0.0000	0.0000
S-TOT	11	269,538	200,032	54,780	43,530	32,985	9,033			
REM	0	0	0	0	0	0	0			
TOTAL	11	269,538	200,032	54,780	43,530	32,985	9,033			
CUMULATIVE ULTIMATE		5,320	0	54,780						
		274,858	200,032							

END MO-YEAR	FUTURE GROSS REVENUE (FGR)			DEDUCTIONS				FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	1,186,251	6,515	1,192,765	426,236	130,104	0	556,340	636,426	606,808	606,808
12-2018	1,565,812	17,648	1,583,460	417,063	192,000	0	609,063	974,397	844,591	1,451,400
12-2019	1,844,710	32,861	1,877,571	431,627	384,000	0	815,627	1,061,945	836,797	2,288,197
12-2020	1,849,764	31,047	1,880,811	468,752	192,000	0	660,752	1,220,059	873,990	3,162,187
12-2021	1,793,471	27,280	1,820,751	435,388	34,788	0	470,176	1,350,575	879,532	4,041,719
12-2022	1,607,640	25,193	1,632,834	475,182	34,788	0	509,969	1,122,865	664,764	4,706,483
12-2023	1,348,289	22,809	1,371,098	441,588	34,788	0	476,375	894,723	481,544	5,188,027
12-2024	1,161,457	20,952	1,182,409	408,486	34,788	0	443,273	739,136	361,642	5,549,669
12-2025	1,032,261	20,952	1,053,213	361,611	34,788	0	396,399	656,814	292,149	5,841,818
12-2026	926,020	20,559	946,579	388,966	34,788	0	423,754	522,826	211,410	6,053,229
12-2027	830,775	17,105	847,880	272,970	34,788	0	307,758	540,122	198,549	6,251,778
12-2028	745,893	13,683	759,576	308,614	34,788	0	343,402	416,174	139,078	6,390,856
12-2029	671,426	10,941	682,367	274,117	34,788	0	308,905	373,462	113,459	6,504,315
12-2030	617,614	8,750	626,364	254,305	34,788	0	289,093	337,271	93,149	6,597,464
12-2031	298,892	15,245	314,136	231,124	34,788	0	265,912	48,224	12,108	6,609,572
12-2032	0	0	0	0	0	0	0	0	0	6,609,572
12-2033	0	0	0	0	0	0	0	0	0	6,609,572
12-2034	0	0	0	0	0	0	0	0	0	6,609,572
S-TOT	17,480,274	291,540	17,771,814	5,596,030	1,280,768		6,876,798	10,895,016	6,609,572	
REM	0	0	0	0	0		0	0	0	
TOTAL	17,480,274	291,540	17,771,814	5,596,030	1,280,768		6,876,798	10,895,016	6,609,572	

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME BEFORE INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	OTHER M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	201,663	1,107	202,770	76,687	24,720	0	101,407	101,363	96,646	96,646
12-2018	266,188	3,000	269,188	75,128	36,480	0	111,608	157,580	136,588	233,234
12-2019	313,601	5,586	319,187	77,604	72,960	0	150,564	168,624	132,873	366,107
12-2020	314,460	5,278	319,738	83,915	36,480	0	120,395	199,343	142,799	508,907
12-2021	304,890	4,638	309,528	78,243	6,610	0	84,853	224,675	146,315	655,221
12-2022	273,299	4,283	277,582	85,008	6,610	0	91,618	185,964	110,096	765,317
12-2023	229,209	3,878	233,087	79,297	6,610	0	85,907	147,180	79,213	844,530
12-2024	197,448	3,562	201,010	73,670	6,610	0	80,279	120,730	59,071	903,600
12-2025	175,484	3,562	179,046	65,456	6,610	0	72,066	106,980	47,585	951,185
12-2026	157,423	3,495	160,918	69,943	6,610	0	76,553	84,366	34,114	985,299
12-2027	141,232	2,908	144,140	48,592	6,610	0	55,201	88,938	32,694	1,017,993
12-2028	126,802	2,326	129,128	54,651	6,610	0	61,261	67,867	22,680	1,040,673
12-2029	114,142	1,860	116,002	48,787	6,610	0	55,396	60,606	18,412	1,059,085
12-2030	104,994	1,487	106,482	45,010	6,610	0	51,620	54,862	15,152	1,074,237
12-2031	50,812	2,592	53,403	41,070	6,610	0	47,679	5,724	1,437	1,075,674
12-2032	0	0	0	0	0	0	0	0	0	1,075,674
12-2033	0	0	0	0	0	0	0	0	0	1,075,674
12-2034	0	0	0	0	0	0	0	0	0	1,075,674
S-TOT	2,971,647	49,562	3,021,208	1,003,059	243,346		1,246,405	1,774,803	1,075,674	
REM	0	0	0	0	0		0	0	0	
TOTAL	2,971,647	49,562	3,021,208	1,003,059	243,346		1,246,405	1,774,803	1,075,674	

LIFE - 15 years

DISCOUNT RATE @ 10%

END MO-YEAR	COMPANY FUTURE GROSS REVENUE (FGR)			COMPANY DEDUCTIONS				COMPANY FUTURE NET INCOME AFTER INCOME TAXES		
	OIL/COND M\$	SALES GAS M\$	TOTAL FGR M\$	OPERATING COSTS M\$	DEVELOPMENT COSTS M\$	TAXES & ADJUSTMENTS M\$	TOTAL M\$	ANNUAL FNI M\$	DISC FNI M\$	DISC CUM M\$
12-2017	201,663	1,107	202,770	76,687	24,720	(24,134)	77,273	125,497	119,657	119,657
12-2018	266,188	3,000	269,188	75,128	36,480	4,836	116,444	152,744	132,396	252,053
12-2019	313,601	5,586	319,187	77,604	72,960	30,478	181,041	138,146	108,857	360,910
12-2020	314,460	5,278	319,738	83,915	36,480	58,063	178,457	141,280	101,206	462,116
12-2021	304,890	4,638	309,528	78,243	6,610	66,275	151,128	158,400	103,154	565,271
12-2022	273,299	4,283	277,582	85,008	6,610	56,123	147,740	129,842	76,870	642,140
12-2023	229,209	3,878	233,087	79,297	6,610	43,019	128,926	104,161	56,060	698,200
12-2024	197,448	3,562	201,010	73,670	6,610	40,535	120,814	80,195	39,238	737,438
12-2025	175,484	3,562	179,046	65,456	6,610	36,610	108,676	70,370	31,301	768,738
12-2026	157,423	3,495	160,918	69,943	6,610	30,361	106,914	54,005	21,837	790,576
12-2027	141,232	2,908	144,140	48,592	6,610	30,295	85,497	58,643	21,557	812,133
12-2028	126,802	2,326	129,128	54,651	6,610	24,587	85,847	43,281	14,464	826,597
12-2029	114,142	1,860	116,002	48,787	6,610	20,379	75,775	40,227	12,221	838,818
12-2030	104,994	1,487	106,482	45,010	6,610	18,369	69,989	36,493	10,079	848,896
12-2031	50,812	2,592	53,403	41,070	6,610	1,587	49,266	4,137	1,039	849,935
12-2032	0	0	0	0	0	0	0	0	0	849,935
12-2033	0	0	0	0	0	0	0	0	0	849,935
12-2034	0	0	0	0	0	0	0	0	0	849,935
S-TOT	2,971,647	49,562	3,021,208	1,003,059	243,346	437,382	1,683,787	1,337,421	849,935	
REM	0	0	0	0	0	0	0	0	0	
TOTAL	2,971,647	49,562	3,021,208	1,003,059	243,346	437,382	1,683,787	1,337,421	849,935	

LIFE - 15 years

DISCOUNT RATE @ 10%

