



CONFIDENTIAL

NOVEMBER 2025

DISCUSSION MATERIALS

Project Landman

Table of Contents

Situation Overview

We are pleased to share our perspectives with respect to the potential restructuring of Tullow Oil (the "Company")

Tullow Oil Company Overview	• Tullow Oil was founded in 1958 and is headquartered in London, England. It operates as an upstream exploration & production (E&P) company, it finds, drills, produces crude oil and gas, then sells liftings to traders/refiners; limited mid/downstream exposure • Main Operational Drivers include the offshore Ghana asset, and the TEN fields Jubilee asset that make up most of the volumes and cash generation • Tullow Oil generates appx. 45-50 kboe/d, with an energy production blend of 85% Oil, 15% Gas. It recently sold assets in Gabon and Kenya for a total of $427M and is extending its core production in Ghana till 2040
Preliminary View on Key Financial Metrics	• We believe an appropriate valuation range for Tullow Oil is between ~$2.4 to ~$2.8B, based on a 2025E EBITDA of $820M • Operationally, Tullow Oil maintains an EBITDA margin of 73% (FY 24), outperforming the industry of ~46% • Maintains a strong gross margin profile of around ~47% in line with the industry average
Capital Structure	• Capital structure is composed of a Revolving Credit Facility ($150M, maturing 2025), First Lein Secured Notes ($382, maturing 2028), Second Lein Senior Notes ($489M, maturing 2025), Second Lein Senior Notes ($1,276M, maturing 2026) • Revolver was paid down in 2025E, and the borrowing agreement was canceled, as the former CEO said the credit facility is no longer needed for liquidity management • Lease liabilities account for $733M ($581M long-term leases, $152M short-term leases). Charged at an average interest rate of 16%, lease liabilities are forecasted to decline to zero in 2032, upon which a new lease will start
Covenants	• **Revolver:** Revolver availability is the lesser between a minimum commitment of $150 or the present value of 2P Reserves / 1.1, less net senior secured debt. • **Secured Notes:** Incurrence covenants include a fixed charge ratio greater than 2.25x to incur additional debt, 2.0x 2P Reserves coverage ratio • **Senior Notes:** The same covenants as the secured notes, including restricted payments on dividends and restrictions on asset sales

Capital Structure Overview

Tullow Oil: has a maturity wall with 100% of debt maturing in 5 years, and cash interest making up 27% of Revenue

Tranches of Debt In Priority

Revolver

- Amount: $150M Maturity: 2025 Cost: 10.00%
- First Lein: Proven Res, PP&E, Rec, Sales Cash, Hedges

Senior Secured Note (Pari Passu with Senior Secured 2026)

- Amount: $382M Maturity: 2028 Cost: SOFR + 15.80%
- Second Lein: Glencore Facility Proven Res, PP&E, Rec, Cash

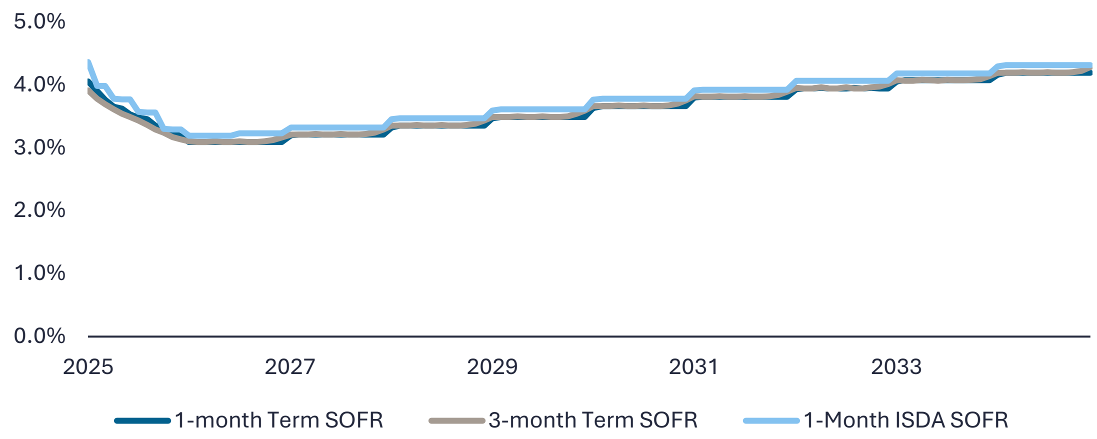
Senior Note (Pari Passu with Senior Secured 2026)

- Amount: $1,276M Maturity: 2026 Cost: 10.25%

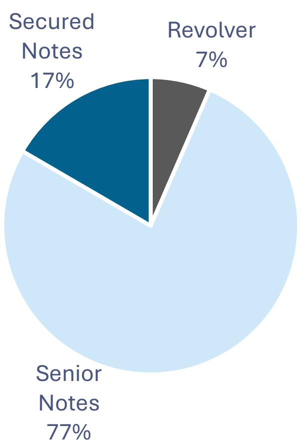
Senior Note

- Amount: $489M Maturity: 2025 Cost: 7.0%

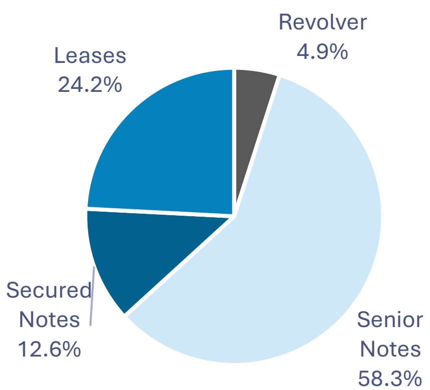
Forward SOFR Rates



Debt Breakdown



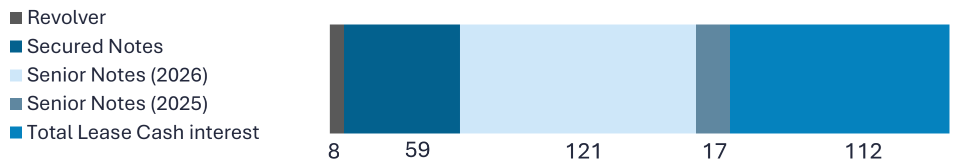
Total Breakdown



Metrics

	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E
Total debt/EBITDA	2.5x	2.2x	1.9x	1.4x	1.2x	1.0x	0.8x	0.7x
Net debt/EBITDA	2.0x	1.7x	1.2x	0.4x	-0.2x	-0.9x	-1.6x	-2.4x
Net debt/(EBITDA – Capex)	2.5x	2.1x	1.5x	0.5x	-0.3x	-1.2x	-2.2x	-3.3x
EBITDA/Total Interest	2.6x	3.1x	4.0x	5.3x	6.0x	7.2x	9.2x	21.7x
Debt Paydown (%)	33%	11%	9%	11%	14%	18%	27%	100%

Interest Composition As of 2025E Revenue



Turnaround Plan

Tullow Oil: a well-defined path for continued oil production driven by key strategic initiatives

Financial Highlights

~$1,146M+
Revenue
(2025E)

~$820M+
EBITDA
(2025E)

~72%
EBITDA Margin
(2025E)

~3.2x
Net Working Capital Ratio
(2025E)

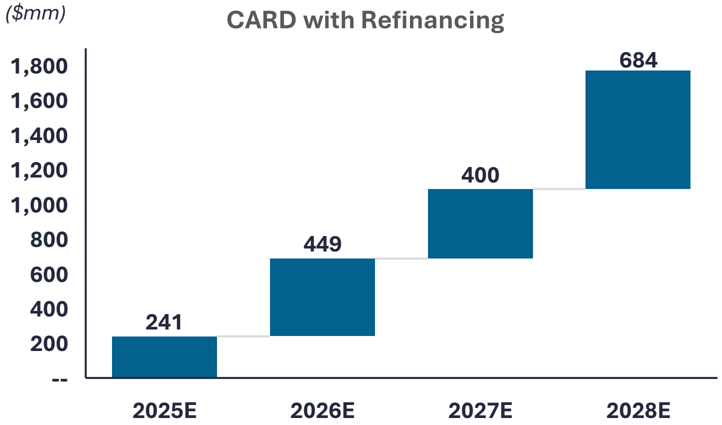
~14.9%
Capex, % of Revenue
(2025E)

~10%
FCF Conversion[1]
(2025E)

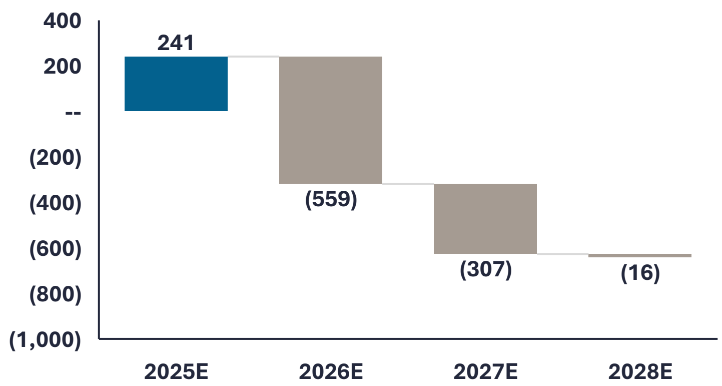
Strong Cash Flow Potential with Deleveraging

Forecasted Cash Available for Debt Repayment (CARD)

CARD with Refinancing



CARD without Refinancing



Debt Refinance

- The company is running into a liquidity wall in 2026, with senior notes of $1.28B maturing
- Senior notes sit below the Secured notes due in 2028. If brought to chapter 11, senior notes will have lower recoverability
- Refinancing the 2026 senior notes to 2032 give Tullow Oil strong liquidity and positioning to pay back debt
- The holders of the senior secured debt are incentivized to refinance because it gets paid more (coupon/fees), and move up in the capital structure to a secured position

Steps to Achieve Profitability

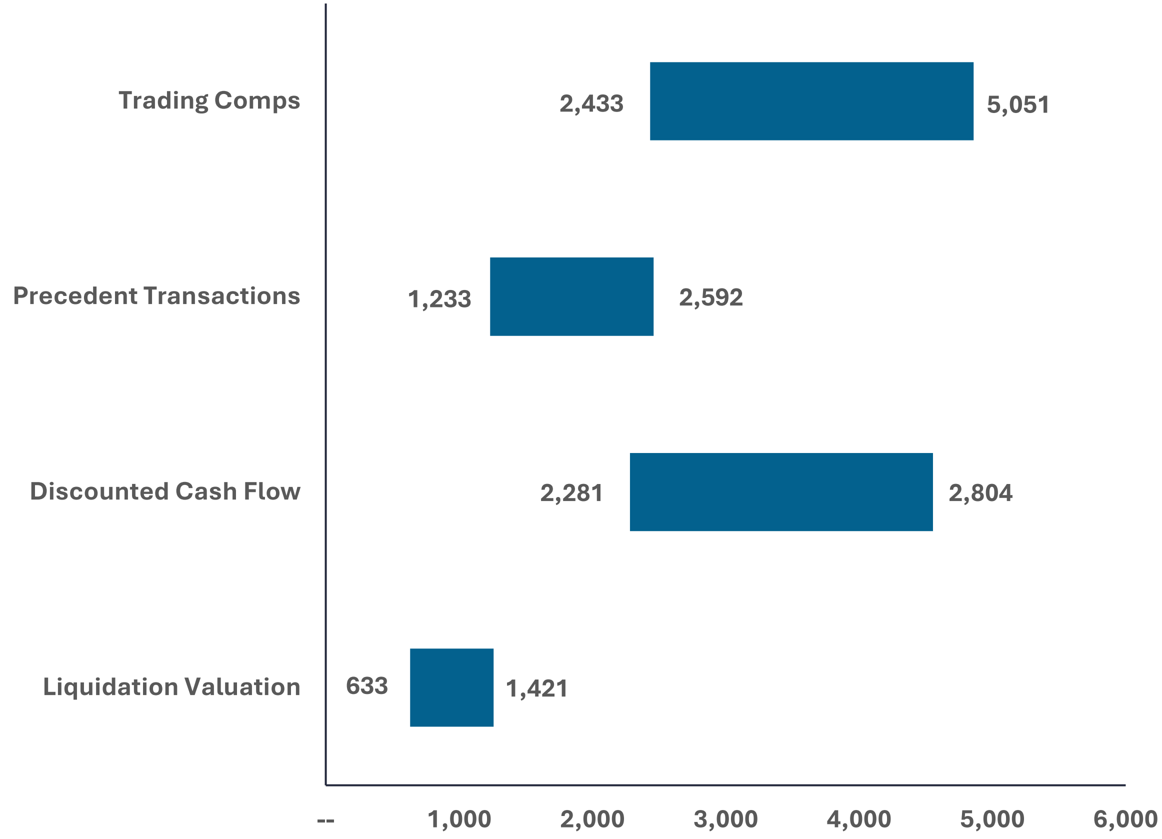
- **Optimizing Operations:** A large portion of the debt has gone to upgrading their drilling and production locations. Tullow Oil should let the investments cash flow
- **Monetizing Ghana License:** Capitalize on the extended energy license, focusing on drilling and production
- **Renegotiate leases:** Lease liabilities make up over 35% of interest as of 2025E
- **Asset Payments:** Tullow Oil sold its Kenya asset with three payment tranches. It's B and C tranche paying out till 2032 for $80M. It should negotiate timely, discounted payments to conserve cash

Source: Company Information
1 Free Cash Flow Conversion defined as Unlevered Free Cash Flow / TEV

Valuation Summary

Key Valuations Price Tullow Oil at a Selected Valuation Range of 2,400 to 2,800 TEV

Football Field Valuation Summary



Valuation Commentary

- **Trading Comps:** Peer set comprises highly levered European E&Ps with West African reserves. Applying the median 5.9x EV/EBITDA yields TEV = $3,910m and an implied share price of $1.10
- **Precedent Transactions:** Majority buyouts of European E&Ps over the last five years average $368m. Using the 75th-percentile 3.9x EV/EBITDA gives TEV = $2,592m and an implied share price of $0.21

  Discounted Cash Flow: At WACC 20.78% with 0% terminal growth, TEV = $2,529m, with value 82% from discrete FCF and 18% from terminal, implying an equity value of $0.26/share.
- **Liquidation Valuation:** Applying 39.5%–77.5% asset recovery gives TEV = $633–$1,421m. TEV = 100% Net Debt, indicating no residual equity recovery
- **Other Commentary:** Equity beta of 1.46 vs peer median of 1.18 indicates higher capital structure risk

Selected TEV Range	**2,400**	**to**	**2,800**

Valuation Range:
Selected TEV range is 2,400 to 2,800, aligning with the low of Trading Comps and the high of the DCF. Range reflects the 25th percentile of highly comparable companies and a blue-sky WACC of 17.15% for the DCF

Public Comparables

Trading Comparables for Tullow Oil include Highly Levered European E&P Businesses with West African Reserves

Company Name	Price	Multiples EV/EBITDA	EV/Sales	P/Sales	Equity Beta	ETR	D/E	Asset Beta	Lev. Ratio
DNO ASA (OB:DNO)	1.37	5.5x	2.8x	1.7x	1.51	104%	116.5x	(0.44)	2.2x
Nostrum Oil & Gas PLC (LSE:NOG)	0.05	10.1x	3.7x	0.1x	(0.04)	NA	NM	NM	9.9x
OKEA ASA (OB:OKEA)	1.80	0.3x	0.2x	0.2x	1.52	83%	392.6x	0.02	1.2x
Savannah Energy PLC (AIM:SAVE)	0.09	6.7x	3.4x	0.5x	0.47	NA	153.9x	NM	5.2x
Energean PLC (LSE:ENOG)	12.66	6.2x	4.4x	2.0x	1.28	32%	543.6x	0.00	3.4x
BlueNord ASA (OB:BNOR)	45.73	4.8x	2.5x	1.4x	1.08	NA	147.8x	NM	2.1x
Tullow Oil	**0.10**	**2.6x**	**1.9x**	**0.2x**	**1.46**	**60%**	**NM**	**NM**	**3.4x**
Minimum		**0.3x**	**0.2x**	**0.1x**	**-0.04**		**116.5x**	**-0.44**	**1.2x**
25th percentile		**3.6x**	**1.9x**	**0.2x**	**0.34**		**132.1x**	**-0.44**	**1.9x**
Median		**5.9x**	**3.1x**	**1.0x**	**1.18**		**153.9x**	**0.00**	**2.8x**
Mean		**5.6x**	**2.8x**	**1.0x**	**0.97**		**270.9x**	**-0.14**	**4.0x**
75th percentile		**7.6x**	**3.9x**	**1.8x**	**1.51**		**468.1x**	**0.02**	**6.4x**
Maximum		**10.1x**	**4.4x**	**2.0x**	**1.52**		**543.6x**	**0.02**	**9.9x**

Relevant Financial Measures

EBITDA (2024E):	
Adjusted EBITDA	667

Selected Multiples

Low	Med	High
3.6x	5.9x	7.6x

Indicated Enterprise Value

Low	Med	High
2,433	3,910	5,051

Precedent Transactions

Transactions in Oil & Gas Exploration & Production over the Past Five Years

Date	Target	Acquirer	Transaction Value ($mm)	EV/EBITDA	EV/Sales
3/31/2021	Premier Oil plc (LSE:PMO)	Harbour Energy plc (LSE:HBR)	$286	NA	NA
6/30/2022	Siccar Point Energy Limited	Ithaca Energy (UK) Limited	$1,623	1.9x	6.3x
6/8/2023	Hurricane Energy plc (AIM:HUR)	Prax Global Finance I PLC	$239	1.1x	0.8x
11/5/2024	Trinity Exploration plc (AIM:TRIN)	Lease Operators Limited	$31	1.7x	0.4x
9/15/2023	Egdon Resources plc (AIM:EDR)	Petrichor Partners LP	$11	3.9x	2.5x
12/16/2024	Tethys Oil AB (STO:TETY)	Roc Oil Company Pty Limited (:ROC)	$146	2.4x	1.2x
3/24/2025	Serinus Energy plc	Xtellus Capital Partners, Inc.	$5	3.9x	0.4x
12/5/2022	Wentworth Resources plc	Etablissements Maurel & Prom S.A. (ENXTPA	$37	2.1x	1.3x
6/30/2023	Suncor Energy UK Limited	Equinor UK Limited	$906	NA	NA
1/5/2024	KUFPEC Norway AS	ORLEN Upstream Norway AS	$445	NA	NA
10/31/2024	Gran Tierra UK Limited	Gran Tierra Energy Inc. (NYSEAM:GTE)	$323	4.4x	1.6x

	EV/EBITDA	EV/Sales
Minimum	1.1x	0.4x
25th percentile	1.8x	0.7x
Median	2.3x	1.3x
Mean	2.7x	1.8x
75th percentile	3.9x	1.8x
Maximum	4.4x	6.3x

Relevant Financial Measures		Selected Multiples			Indicated Enterprise Value		
EBITDA (2024E):		Low	Med	High	Low	Med	High
Adjusted EBITDA	667	1.8x	2.3x	3.9x	1,233	1,510	2,592

Discounted Cash Flow

DCF using the Gordan's Growth Approach

	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E
EBITDA	**820**	**714**	**704**	**794**	**732**	**684**	**622**	**583**
Depreciation	(616)	(559)	(540)	(662)	(604)	(559)	(489)	(456)
EBIT	204	155	164	133	128	125	133	127
Income Taxes	(122)	(93)	(99)	(80)	(77)	(75)	(80)	(76)
Net Operating Profit After Tax	**81**	**62**	**65**	**53**	**51**	**50**	**53**	**51**
Depreciation (Add-back)	616	559	540	662	604	559	489	456
Capital Expenditures	(171)	(154)	(160)	(162)	(164)	(165)	(164)	(163)
Net Working Capital	(116)	81	2	13	13	14	19	19
Unlevered Free Cash Flows	**411**	**549**	**448**	**566**	**505**	**457**	**396**	**362**
PV of Debt-Free Cash Flow @ 24.41%	**398**	**428**	**281**	**285**	**204**	**149**	**104**	**76**
PV of Debt-Free Cash Flow @ 20.78%	**400**	**442**	**299**	**313**	**231**	**173**	**124**	**94**
PV of Debt-Free Cash Flow @ 17.15%	**402**	**458**	**319**	**344**	**262**	**203**	**150**	**117**

Terminal Value	Low	Med	High
FY 32 Adjusted EBITDA	**583**	**583**	**583**
1+ Terminal Growth Rate	1.00	1.00	1.00
Terminal Adjusted EBITDA	**580**	**583**	**580**
Terminal Deprecation	(456)	(456)	(456)
Terminal Adjusted EBIT	**124**	**127**	**124**
Income Taxes	(75)	(76)	(75)
Terminal NOPAT	**49**	**51**	**49**
Terminal Deprecation	456	456	456
Terminal Net Working Capital Change	19	19	19
Terminal Debt-Free Cash Flow	**362**	**362**	**362**
Terminal Value	**1,701**	**1,744**	**1,701**
PV of Terminal Value	**357**	**452**	**549**

Enterprise Value Calculation			
PV of Cash Flow	1,924	2,077	2,255
PV of Terminal Value	357	452	549
Enterprise Value Indication	**2,281**	**2,529**	**2,804**
Debt	(2,709)	(2,709)	(2,709)
Cash	555	555	555
Equity Value	**128**	**376**	**650**
Shares Outstanding (in mil.)	1,465	1,465	1,465
Implied Share Price	**0.09**	**0.26**	**0.44**

Distribution of Value			
Period Cash Flow	84%	82%	80%
Terminal	16%	18%	20%
Total	**100%**	**100%**	**100%**

Weighted Average Cost of Capital (WACC)			
Valuation Ranges	**Low**	**Med**	**High**
Risk Free Rate	4.11%	4.11%	4.11%
Beta	1.38	1.38	1.38
Equity Risk Premium	**5.75%**	**5.75%**	**5.75%**
Size Premium	5.50%	5.50%	5.50%
Company Specific Premium	8.50%	8.50%	8.50%
Country Risk Premium	0.80%	0.80%	0.80%
Capital Asset Pricing Model (CAPM)	**26.84%**	**26.84%**	**26.84%**
Cost of Debt	6.55%	6.55%	6.55%
Total Debt	2,709	2,709	2,709
Market Value of Equity	147	147	147
Weight of Debt	90.00%	75.00%	60.00%
Weight of Equity	10.00%	25.00%	40.00%
WACC	**24.41%**	**20.78%**	**17.15%**

Liquidation Valuation

Liquidation Valuation With Asset Values and Debt Tranche Recoveries

Specific Account	2024A	Estimated Recovery			Liquidation Value		
		Low	Med	High	Low	Med	High
Assets							
Cash & Equivalent	555	96%	98%	100%	533	544	555
Receivables – Trade receivables	138	50%	75%	90%	69	103	124
Receivables – Amounts due from JV partners	357	40%	60%	80%	143	214	286
Inventory	132	40%	60%	80%	53	79	106
Other Current Assets	25	0%	25%	50%	--	6	12
Total Current Assets	**1,207**				**798**	**947**	**1,083**
Property Plant & Equipment	2,324	10%	30%	50%	232	697	1,162
Other non-current assets – Amounts due from JV partners	333	40%	60%	80%	133	200	266
Other non-current assets – VAT recoverable	8	40%	60%	90%	3	5	7
Total Assets	**3,872**				**1,166**	**1,849**	**2,519**
Liabilities							
Payable	76	0%	0%	2%	--	--	1
Accrued Expenses	374	0%	0%	2%	--	--	6
Curr. Port. of LT Debt	589	54%	86%	100%	320	507	589
Curr. Income Taxes Payable	175	0%	0%	100%	--	--	175
Current trade & other payables – Other payables	97	0%	0%	2%	--	--	1
Current trade & other payables – Overlifts	38	0%	0%	2%	--	--	1
Current provisions	24	0%	0%	100%	--	--	24
Current derivative liabilities	12	0%	0%	2%	--	--	0
Total Current Liabilities	**1,386**				**320**	**507**	**798**
Long-Term borrowings	1,386	54%	86%	100%	752	1,192	1,386
Long-Term Leases	581	0%	0%	2%	--	--	9
Short-Term Leases	152	0%	0%	2%	--	--	2
Non-current provisions (incl. decommissioning/ARO)	322	0%	0%	100%	--	--	322
Other non-current payables	85	0%	0%	2%	--	--	1
Total Liabilities	**3,911**				**1,071**	**1,698**	**2,519**

Recovery Waterfall	Low % Rec.	Med % Rec.	High % Rec.
Distribution to Curr. Port. of LT Debt	54%	86%	100%
Distribution to Long-Term borrowings	54%	86%	100%
Distribution to Current income taxes payable	0%	0%	100%
Distribution to Current provisions	0%	0%	100%
Distribution to Non-current provisions	0%	0%	100%
Distribution to Payable	0%	0%	2%
Distribution to Accrued expenses	0%	0%	2%
Distribution to Current trade – Other payables	0%	0%	2%
Distribution to Current trade – Overlifts	0%	0%	2%
Distribution to Current derivative liabilities	0%	0%	2%
Distribution to Long-Term Leases	0%	0%	2%
Distribution to Short-Term Leases	0%	0%	2%
Distribution to Other non-current payables	0%	0%	2%

Relevant Financial Measures	
EBITDA (2024E):	
Adjusted EBITDA	667

Avg. Asset Recovery Values		
Low	Med	High
39.5%	58.5%	77.5%

Indicated Enterprise Value		
Low	Med	High
633	1,305	1,421

Waterfall Analysis

Proceeds are Exhausted by the Secured Stack at Sub-par Levels, Leaving Zero Value for Equity

Proceeds Waterfall						
Account	Low	Med	High	Low % Rec.	Med % Rec.	High % Rec.
Assets Available for Secured Debt	**1,166**	**1,849**	**2,519**			
Less: Distribution to Curr. Port. of LT Debt	(589)	(589)	(589)	54%	86%	100%
Assets Available for Secured Debt	**577**	**1,260**	**1,929**			
Less: Distribution to Long-Term borrowings	(1,386)	(1,386)	(1,386)	54%	86%	100%
Assets Available for Statutory Debt	**--**	**--**	**543**			
Less: Distribution to Current income taxes payable	(175)	(175)	(175)	0%	0%	100%
Assets Available for Statutory Debt	**--**	**--**	**368**			
Less: Distribution to Current provisions	(24)	(24)	(24)	0%	0%	100%
Assets Available for Statutory Debt	**--**	**--**	**343**			
Less: Distribution to Non-current provisions	(322)	(322)	(322)	0%	0%	100%
Assets Available for General Unsecured	**--**	**--**	**22**			
Less: Distribution to Payable	(76)	(76)	(76)	0%	0%	2%
Assets Available for General Unsecured	**--**	**--**	**--**			
Less: Distribution to Accrued expenses	(374)	(374)	(374)	0%	0%	2%
Assets Available for General Unsecured	**--**	**--**	**--**			
Less: Distribution to Current trade – Other payables	(97)	(97)	(97)	0%	0%	2%
Assets Available for General Unsecured	**--**	**--**	**--**			
Less: Distribution to Current trade – Overlifts	(38)	(38)	(38)	0%	0%	2%
Assets Available for General Unsecured	**--**	**--**	**--**			
Less: Distribution to Current derivative liabilities	(12)	(12)	(12)	0%	0%	2%
Assets Available for General Unsecured	**--**	**--**	**--**			
Less: Distribution to Long-Term Leases	(581)	(581)	(581)	0%	0%	2%
Assets Available for General Unsecured	**--**	**--**	**--**			
Less: Distribution to Short-Term Leases	(152)	(152)	(152)	0%	0%	2%
Assets Available for General Unsecured	**--**	**--**	**--**			
Less: Distribution to Other non-current payables	(85)	(85)	(85)	0%	0%	2%
Value Available for Equity Holders Equity Value	**--**	**--**	**--**			

Preliminary Recommendation for a Strategic Alternative

Tullow Oil Should Amend and Extend its Maturity for its Senior Notes

Key Factors	Recommendation Details
Situation	✓ Maturity wall with their most significant tranche of debt, the $1.28B Senior notes maturing in 2026, creates a near-term liquidity wall ✓ Without refinancing the Senior note, in 2026E, the company will run into a ~$600mm funding gap when the Senior note matures ✓ Failure to pay back the senior notes, creditors could pressure for a liquidity solution, such as an asset sale, moving to court-supervised bankruptcy
Strategic Alternative	✓ Refinance the $1.28B senior notes by extending maturity to 2032; this removes the 2026 liquidity wall and allows strong cash flow to service the full debt stack ✓ It is in the best interest of the Senior note's holders to refinance because they are Pari Passu with the 2028 secured notes and will have a lower recoverability if they call. Also, by extending maturity, it gives the holder more coupons at a higher rate
Key Risks	✓ Debt holders may demand excessively higher returns on a distressed credit to refinance, raising the company's effective cost of capital ✓ The debt holders could elect to call their debt and decline to refinance, and force the company to a liquidity situation