PROSPECTUS

TULLOW OIL plc

Tullow is one of the largest independent oil and gas exploration and production companies in Europe with operations located in Europe, Africa, South Asia and South America. The Company has its primary listing on the London Stock Exchange and is a constituent of its FTSE100 Index. It is also listed on the Irish Stock Exchange.

A SECONDARY LISTING OF 890,118,455 ORDINARY SHARES

AND

AN OFFER FOR SUBSCRIPTION OF 4,000,000 ORDINARY SHARES

AT GH¢31 PER SHARE

OF PAR VALUE GBP 0.10 EACH, ISSUED AND FULLY PAID

This Document is dated 10 June 2011

The information contained herein known as the "Offer Prospectus" ("Prospectus" or "Offer Document") gives details of:

1. the secondary listing of the Issued Tullow Shares of Tullow Oil plc ("Tullow" or the "Company" or the "Group") on the Ghana Stock Exchange ("GSE"); and
2. an Offer of 4,000,000 ordinary shares of Tullow on the GSE and the secondary listing of such shares on the GSE, (together, the "Transaction").

The Tullow Shares in terms of the Offer will carry the right to vote and to participate in all future dividends to be declared and paid on the ordinary share capital of the Company. The Tullow Shares for the Offer rank pari passu with the existing issued Tullow Shares, are freely transferable and are not subject to any restrictions on marketability or any pre-emptive rights on transfer.

This Prospectus provides a description of Tullow and its business activities. Responsibility for the accuracy of the information in this Prospectus lies with the Directors of Tullow. To the best of the knowledge and belief of the Directors, having taken all reasonable care, the information in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

An application has been made to the GSE for the listing of Tullow Shares hereby through a secondary listing and a subsequent offer to the public on the First Official List of the GSE (the "First Official List"). The GSE has given approval for the listing of the said shares on the First Official List. The GSE assumes no responsibility for the correctness of any of the statements made, opinions expressed and reports presented in this Offer Document. Admission to the First Official List is not to be taken as an indication of the merits of the Company or of the shares of the Company.

The Company has not authorised any person to give any information or to make any representation in relation to the Transaction other than those contained in this document, and if given or made, such information or representation must not be relied upon as having been authorised.

This Prospectus has been reviewed and approved by Ghana's Securities and Exchange Commission ("SEC") in accordance with Section 9 of the Securities Industry Law 1993 (P.N.D.C. L 333) as amended and the Securities and Exchange Commission Regulations 2003 (L.I 1728). In its review, the SEC examined the contents of the Prospectus to ensure that adequate disclosures have been made.

The distribution of this Prospectus in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Company to inform themselves about, and observe any such restriction. This Prospectus does not constitute an offer and may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer or solicitation is not authorised or is unlawful. Tullow accepts no responsibility for any violation by any person of any such restrictions.

Other than in Ghana, no action has been or will be taken in any jurisdiction that would permit any public offering of Tullow Shares or possession or distribution of this Prospectus where action for that purpose would be required.

Investors should rely exclusively on the information contained in this Prospectus. The information contained in this Prospectus is accurate only as of the date of the document, regardless of the time of delivery of this Prospectus or any offering or sale of Tullow Shares.

Before deciding whether to apply for Tullow Shares, you should consider whether Tullow Shares are a suitable investment for you. Their value can go down as well as up. Past performance is not necessarily indicative of future performance. If you need advice, you should consult a suitable professional advisor.

To ascertain the financial soundness or value of this Transaction, the investing public is advised to consult a dealer, investment advisor or other professionals duly authorised under the Securities Industry Law.

IC Securities (Ghana) Limited ("IC Securities") is acting as Transaction Advisor and Sponsoring Broker to the Transaction. The Transaction Advisor and Sponsoring Broker has relied on information provided by the Company and accordingly, does not provide any assurance of the accuracy of the information contained in this Prospectus and does not accept any responsibility or liability for the inaccuracy of the information contained in the Prospectus. The Transaction Advisor and Sponsoring Broker does however confirm that to the best of its knowledge, this Prospectus constitutes a full and fair disclosure of all material facts as required by P.N.D.C.L 333, LI 1728 and the GSE Rules about the Company. IC Securities consents to act in the capacity stated and to its name being stated in this Prospectus.

JLD & MB Legal Consultancy ("JLD & MB") is acting as legal advisor to Tullow in the Transaction. Any opinion expressed is limited to matters of the laws of the Republic of Ghana as in force and applied at the date of this Prospectus. JLD & MB has relied on information provided by the Company. Accordingly, JLD & MB does not provide any assurance of the accuracy of the information contained in this Prospectus and does not accept any responsibility or liability for the inaccuracy of the information contained in the Prospectus. JLD & MB does however confirm that to the best of its knowledge, this Prospectus constitutes a full and fair disclosure of all material facts as required by P.N.D.C.L 333, LI 1728 and the GSE Rules about the Company. JLD & MB consents to act in the capacity stated and to its name being stated in this Prospectus.

This Prospectus includes forward looking statements that reflect Tullow's intentions, beliefs or current expectations and projections about Tullow's future results, operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies, plans, opportunities, trends and the market in which Tullow operates. These forward looking statements are based on numerous assumptions regarding Tullow's present and future business and the environment in which the Company expects to operate in the future. Forward looking statements are subject to known and unknown risks, uncertainties and assumptions and other factors that could cause Tullow's actual results, operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies, plans or opportunities, as well as those of the markets Tullow serves or intends to serve, to differ materially from those expressed in, or suggested by, forward looking statements contained in this Prospectus.

Notice to investors in the United Kingdom

This Prospectus does not constitute a prospectus or a prospectus equivalent document for the purposes of UK law. This Prospectus does not constitute an offer or an invitation to purchase or subscribe for any securities or a solicitation of an offer to buy any securities in the UK. An application for admission of the Tullow Shares constituting the Offer to the Official List of the UK Listing Authority and to trading of such Tullow Shares on the London Stock Exchange's main market for listed securities will also be made.

Procedure

If you wish to apply for shares under the Offer then you must complete the procedures for application and payment set out in Parts 1 and 9 of this Prospectus as well as in the application form. This Prospectus is being presented to you to make an informed decision on acquiring Tullow Shares in the Offer. The procedures for trading are set out in this Prospectus. Prospective investors should carefully consider the matters set forth in section entitled 'Risk Factors' in this Prospectus.

Enquiries concerning this Prospectus may be made to the Transaction Advisor and Sponsoring Broker between 9.00 a.m. and 5.00 p.m. Monday to Friday (except public holidays) from the date hereof until the end of the Offer Period.

Timetable

Activity	Date	Time
• Commencement of Offer Period	13 June 2011	9:00am
• End of Offer Period	04 July 2011	5:00pm
• Application Forms review for allotment commences	05 July 2011	9:00am
• End of allotment and submission of results to the SEC	18 July 2011	5:00pm
• Crediting of Tullow Shares to successful applicants	22 July 2011	5:00pm
• Commence dispatching letters to successful applicants	25 July 2011	9:00am
• Secondary Listing of all Tullow Shares. First day of trading on GSE. Refunds to unsuccessful applicants.	27 July 2011	10:00am

All dates provided are subject to change by IC Securities in consultation with the Directors of Tullow (subject to obtaining the necessary regulatory approvals). All times provided are in Greenwich Mean Time, the time zone of the Republic of Ghana. Any amendment will be published in a national daily newspaper not later than 72 hours after receipt of regulatory approval.

TABLE OF EXHIBITS

Directors:	Pat Plunkett, Chairman Aidan Heavey, Chief Executive Officer Ian Springett, Chief Financial Officer Angus McCoss, Exploration Director Paul McDade, Chief Operating Officer Graham Martin, General Counsel and Company Secretary Steven McTiernan, Senior Independent Non-executive Director David Bamford, Non-executive Director David Williams, Non-executive Director Ann Grant, Non-executive Director Kofi Tutu Agyare, Non-executive Director Simon Thompson, Non-executive Director
Registered Office:	9 Chiswick Park 566 Chiswick High Road London W4 5XT England
Auditors:	Deloitte LLP Hill House 2 New Street Square London EC4A 3BZ England
UK Legal Advisors:	Dickson Minto W.S. Broadgate Tower 20 Primrose Street London EC2A 2EW England
Company Secretary:	Graham Martin Tullow Oil plc 9 Chiswick Park 566 Chiswick High Road London W4 5XT England
Registrars:	Computershare Investor Services PLC P.O Box 82 The Pavilions Bridgwater Road Bristol BS99 7NH England

Financial Advisor and Sponsoring Broker:	IC Securities (Ghana) Limited 2, 2nd Ridge Link, North Ridge PMB GP104, Accra Tel: +233 302 252623 Fax: +233 302 252517 Contact: Kwabena Osei-Boateng; Jeff Foli Email:kwabena.osei-boateng@icsecurities.com; jeff.foli@icsecurities.com
Legal Advisors:	JLD & MB Legal Consultancy # 6 Senchi Street Airport Residential Area, Accra, Ghana Post Office Box 410, Accra Tel +233 302 784298 /782711 Fax + 233 302 784477 Contacts: Merene Benyah; Joyce L. Darko; Victor Anku -Tsede Email: merene@jldmblaw.net; joyce@jldmblaw.net; victor@jldmblaw.net
Escrow Account Holder	Standard Chartered Bank Ghana Limited Third Floor Accra High Street Building Accra, Ghana PO Box 768 Tel +233 302 664591/8 Fax +233 302 667751 Contact: Richard Kokoih Email : richard.kokoih@sc.com
Receiving Banks	See Part 7 for full details
Receiving Agents	See Part 8 for full details
Registrars:	Computershare Pan Africa Ghana Limited No. 23, 11th Lane, Osu RE Accra, Ghana Tel + 233 302 770100 Contact : Kojo Adomakoh Email : kojo.adomakoh@computershare.co.uk

The following definitions apply in this document, unless the context requires otherwise:

"**ADB**"	Agricultural Development Bank
"**API**"	Degrees API are a reference system for the density of crude oils and constituent hydrocarbons. For example Brent is 38.5 degrees API.
"**Application Form**"	An application form for the Offer
"**bcf**"	Billion cubic feet
"**bpd**"	Barrels per day
"**boe**"	Barrels of oil equivalent
"**boepd**"	Barrels of oil equivalent per day
"**bopd**"	Barrels of oil per day
"**CMS**"	Caister Murdoch System
"**Companies Code**"	The Ghana Companies Code 1963 (Act 179) as amended
"**Conversion Rate**"	GBP 1: 2.4646 GH¢ as quoted on 10 June 2011 by Bloomberg
"**CSR**"	Corporate Social Responsibility
"**E&A**"	Exploration and Appraisal
"**EU**"	European Union
"**Financial Advisor**"	IC Securities
"**FPSO**"	Floating Production Storage and Offloading vessel
"**FTSE 100**"	Equity index whose constituents are the 100 largest UK companies (by market capitalisation) listed on the LSE's main market for listed securities
"**GBP**" **or** "**£**"	British Pound Sterling
"**GDP**"	Gross Domestic Product
"**GH¢**"	Ghanaian Cedi
"**Ghana**"	The Republic of Ghana
"**GSD**"	GSE Securities Depository
"**GSD Account**"	An electronic account held with the GSD where a successful applicant's Tullow Shares will be deposited
"**GSE**" or "**the Exchange**"	The Ghana Stock Exchange
"**IC Securities**"	IC Securities (Ghana) Limited, acting as Financial Advisor and Sponsoring Broker to Tullow Oil plc for the Transaction
"**ISE**"	Irish Stock Exchange
"**Issued Tullow Shares**"	All 890,118,455[1] Tullow Shares in issue as at 10 June 2011
"**JLD & MB**"	JLD & MB Legal Consultancy, Legal Advisor to Tullow Oil plc for the Transaction
"**Listing**"	The secondary listing of the Issued Tullow Shares on the First Official List of the GSE

"**Listing Date**"	27 July 2011
"**LNG**"	Liquefied Natural Gas
"**LPG**"	Liquefied Petroleum Gas
"**LSE**"	London Stock Exchange
"**m**"	Metres
"**MENA**"	Middle East and North Africa
"**mmbbl**"	Million barrels
"**mmboe**"	Million barrels of oil equivalent
"**mmscfd**"	Million standard cubic feet per day
"**OECD**"	Organisation for Economic Co-operation and Development
"**OPEC**"	Organisation of the Petroleum Exporting Countries
"**Offer**"	The Offer for subscription of 4,000,000 Tullow Shares at the Offer Price
"**Offer Document**" **or** "**Prospectus**"	This document dated 10 June 2011
"**Offer Period**"	The period between 13 June 2011 and 04 July 2011 when applications for Tullow Shares will be accepted.
"**Offer Price**"	31 GH¢.
"**Ordinary Share**" **or** "**Ordinary Shares**"	Tullow Shares
"**P/E Ratio**"	Price/Earnings Ratio
"**PSC**"	Production Sharing Contract
"**PSP**"	Performance Share Plan
"**Qualifying Applicant**"	Any natural person who is 18 years or over (whether applying on behalf of him/her self or on behalf of a minor), or a corporation, partnership or other unincorporated associations who are resident/incorporated in Ghana or some other state, or country provided that the offer to and acceptance by such an applicant of this Offer is not in contravention of the laws of either that state or country
"**Receiving Agent**" or "**Receiving Agents**"	IC Securities or any other company appointed by Tullow, or by IC Securities on behalf of Tullow, who will be receiving applications and payments from Qualifying Applicants under the Transaction. Full contact details of the receiving agents can be found in Part 8 of this Offer Document
"**Receiving Bank**" or "**Receiving Banks**"	SCBGL and ADB have been appointed by Tullow, or on behalf of Tullow, who will be receiving applications and payments from Qualifying Applicants under the Transaction. Full contact details of the receiving banks can be found in Part 7 of this Offer Document

[1] Source: Tullow Oil Plc; as at 10 June 2011, subject to change

"**Refund Date**"	27 July 2011
"**Registrars**"	Computershare Pan Africa Ghana Limited
"**Regulations**"	The Articles of Association of Tullow Oil plc
"**RoA**"	Return on Assets
"**RoE**"	Return on Equity
"**SEC**"	Securities and Exchange Commission, Ghana
"**Sponsoring Broker**"	IC Securities
"**sq km**"	Square Kilometres
"**Transaction**"	The secondary listing of the Issued Tullow Shares and an offer for subscription of 4,000,000 Tullow Shares on the Ghana Stock Exchange at the Offer Price
"**Tullow**" or "**Tullow Oil**" or the "**Group**" or the "**Company**"	Tullow Oil plc (incorporated in the United Kingdom with Registration Number 3919249)
"**Tullow Board**" or "**Tullow Board of Directors**" or the "**Directors**" or the "**Board**"	The Board of Directors of Tullow
"**Tullow Shares**"	Ordinary shares of GBP 0.10 each in the capital of Tullow and "Tullow Share" shall be construed accordingly
"**tcf**"	Trillion Cubic feet
"**TSR**"	Total Shareholder Return
"**UKLA**"	United Kingdom Listing Authority
"**United Kingdom**" or "**UK**"	The United Kingdom of Great Britain, Northern Ireland, Isle of Man and the Channel Islands
"**USD**" or "**US$**"	United States Dollars

1.1 Legal Basis and Reasons for the Transaction

Tullow has had its primary listing on the LSE since 2000. The Company, which is also listed on the ISE, is one of the largest independent oil and gas exploration and production companies in Europe with operations located in Europe, Africa, South Asia and South America. Tullow has interests, through its wholly owned subsidiary Tullow Ghana Limited, in two exploration licences offshore Ghana – Deepwater Tano and West Cape Three Points and as operator of the Jubilee Unit Area containing the Jubilee oil field discovered in 2007.

In view of Tullow's long-term interest in Ghana, it has decided to list its shares on the GSE. This step demonstrates the Company's long-term commitment to Ghana. The Tullow Board has, by a resolution dated 26 October 2010, approved the Transaction. The Directors believe that an offer of Tullow Shares on the GSE would give the communities in which it operates, the larger Ghanaian public and its employees the opportunity to own a share in the Company and share in its future.

1.2 Key Terms of the Transaction

1.2.1 Number of Shares and Price

The Transaction comprises the secondary listing of the Issued Tullow Shares on the GSE and an offer for subscription of 4,000,000 Tullow Shares at the Offer Price.

1.2.2 Dealings

The GSE has granted approval for the secondary listing of the Issued Tullow Shares and a subsequent listing of 4,000,000 Tullow Shares, pursuant to a public offer, on the First Official List of the GSE. It is expected that dealings in the listed ordinary shares will commence on the Listing Date. Upon completion of the Transaction, dealings in Tullow's ordinary shares can be done on the LSE, ISE or the GSE.

1.2.3 Use of Funds

Tullow intends to use all proceeds raised through the Offer to fund its Ghanaian operations, subject to meeting the costs of the Transaction from such proceeds.

1.2.4 Terms of the Transaction

The Tullow Shares hereby being listed and offered are subject to the terms of the Offer, the Application Form and the Regulations of the Company. The Tullow Shares shall be ordinary shares and will rank equally in all respects with all other issued ordinary shares of the Company, including voting rights and all other rights attached thereto. Purchase of Tullow Shares offered herein and subsequent transfers thereof shall only be made subject to the applicable laws.

1.3 Availability of Prospectus

Copies of this Prospectus may be obtained from the offices of the Sponsoring Broker, any of the Receiving Banks or Receiving Agents.

1.4 Lodgement of Completed Application Forms

All Qualifying Applicants resident in Ghana must deliver or lodge their duly completed Application Forms with the amount payable on application at the offices of the Sponsoring Broker or any of the named Receiving Banks or Receiving Agents during business hours and during the Offer Period. No application will be accepted for consideration by IC Securities or treated as binding after the Offer Period has expired.

Applicants who choose to mail their Application Forms to any of the Receiving Banks or Receiving Agents are advised to use registered mail services. However, all documents mailed to any of the Receiving Agents or Receiving Bank by applicants will be at the applicant's own risk, and IC Securities may treat applications received after the Offer Period as invalid. Applicants are to note that Application Forms must be lodged at the same Receiving Bank or Receiving Agent's office where payment is made for the Tullow Shares applied for. The Receiving Bank or Receiving Agent will acknowledge receipt of Application Forms and funds from applicants.

1.5 Unit of Sale

Each application under the Offer must be for a minimum of three (3) Tullow Shares and in whole numbers thereafter.

1.6 Terms of Payment

Payment for Tullow Shares must be in full on application. Payment by instalments will not be accepted. IC Securities reserves the right to reject multiple applications, applications not paid for in full or to be paid by instalments. Payment may be in cash, cheque, postal, and money order. Cheques, postal and money orders, which will be presented for payment, should be made payable to TULLOW SHARE OFFER and should be crossed and marked "COMMISSION TO DRAWER'S ACCOUNT". This endorsement must be signed by the drawer. Applications in respect of which cheques are returned unpaid will be rejected. Bank commissions and transfer charges on application monies must be paid by the applicant.

1.7 Minimum Amount to Raise during Offer

The minimum amount to be raised for the Offer to be declared successful is GH¢ 20 million. In the event that this amount is not obtained, then all monies paid for Tullow Shares under this Offer and deposited into the Escrow Account will be returned to Receiving Banks and Receiving Agents without interest for onward distribution to applicants after the Offer Period ends. In this case application monies are deemed to have been returned when notices have been given for Receiving Banks and Receiving Agents to collect monies received from applications that were lodged with them. If this condition is not complied with by Tullow, then the monies will attract interest (calculated on a per annum basis) on the unpaid amounts equivalent to the prevailing Bank of Ghana Prime rate for each day of default until the refund is made to Receiving Agents.

1.8 Oversubscription

Should Tullow receive applications for its shares in excess of the 4,000,000 Tullow Shares being issued under the Offer, Tullow may issue additional Tullow Shares to satisfy the extra demand, subject to the sole and absolute discretion of the Board of Directors of Tullow, any limitations applicable to Tullow under its Regulations and laws applicable for the issuance of such additional Tullow Shares.

1.9 Allotment

If the total number of Tullow Shares applied for under the Offer exceeds 4,000,000, the allotment strategy will be such that the Tullow Shares are pro-rated depending on the extent of the oversubscription. The allotment strategy will be at the discretion of the Directors of Tullow and subject to the Company's Regulations and all applicable laws.

1.10 Refund of Excess Application Funds

If any application is not accepted or is accepted for a fewer number of shares than applied for, the balance of the amount paid on application will be returned to Receiving Banks and Receiving Agents not later than the Refund Date, for onward distribution to applicants. Tullow will announce such refunds through a national daily newspaper with wide circulation within 72 hours of the making of such refunds.

If Tullow does not make refunds of extra application monies available to Receiving Banks and Receiving Agents by the Refund Date, then Tullow will pay to investors, interest (calculated on a per annum basis) on the unpaid amounts from the day that follows the Refund Date at the prevailing Bank of Ghana prime rate for each day of default until the refund is made to Receiving Banks and Receiving Agents.

1.11 Form of Shares

The shares pertaining to this Offer will, when issued, be held in dematerialised form. In compliance with the requirements of the GSE, share certificates will not be issued for Tullow Shares.

1.12 Securities Symbol

Tullow Shares will be quoted as "**TLW**" on the GSE.

1.13 Escrow Account

All application monies collected will be deposited into an escrow account opened at Standard Chartered Bank Ghana Limited, Accra High Street Branch. A copy of the Escrow Account Agreement has been lodged with the SEC and is available for inspection at the office of the Sponsoring Broker.

1.14 Cost and expenses of the Transaction

The total cost and expenses of the Transaction are not anticipated to exceed 5.00% of the Offer (assuming all Tullow Shares in the Offer are applied for and issued). Tullow will pay all fees out of the proceeds of the Transaction. Below are the summarised details of the estimated costs of the Offer:

Exhibit 1: Cost of Transaction

Item	Amount GH¢	% of Offer
Professional and Advisory Fees (Legal due diligence, accounting due diligence, financial advisory, other advisory, etc.)	**267,124**	**0.22**
Commissions*	**992,000**	**0.80**
Regulatory Fees (GSE and SEC)	**600,138**	**0.48**
Media publicity, marketing, printing, logistics, VAT etc.	**813,290**	**0.66**
TOTAL ESTIMATED COST	**2,672,533**	**2.16**

1.15 Transaction Details

Key details of the Transaction are:

Exhibit 2: Transaction Details

Secondary Listing of Tullow Shares	**890,118,455**
Tullow Shares on Offer	**4,000,000**
Price per Share (GH¢)	**31**
Expected Proceeds from the Offer (GH¢)*	**124,000,000**
Expected Outstanding Shares After Offer*	**894,118,455**
Market Capitalisation After Offer (GH¢)*	**27,717,672,105**

**Approximate market capitalisation using Offer Price and assuming that all shares are subscribed to by investors*

1.16 Transaction Timetable

Exhibit 3: Transaction Timetable

Activity	Date	Time
• Commencement of Offer Period	13 June 2011	9:00am
• End of Offer Period	04 July 2011	5:00pm
• Application Forms review for allotment commences	05 July 2011	9:00am
• End of allotment and submission of results to the SEC	18 July 2011	5:00pm
• Crediting of Tullow Shares to successful applicants	22 July 2011	5:00pm
• Commence dispatching letters to successful applicants	25 July 2011	9:00am
• Secondary Listing of all Tullow Shares. First day of trading on GSE. Refunds to unsuccessful applicants.	27 July 2011	10:00am

All dates provided are subject to change by IC Securities in consultation with the Directors of Tullow (subject to obtaining the necessary regulatory approvals). All times provided are in Greenwich Mean Time, the time zone of the Republic of Ghana. Any amendment will be published in a national daily newspaper not later than 72 hours after receipt of regulatory approval.

2.1 Background

The global economy has been recovering slowly since the financial crisis of 2008. IMF released a report on April 11 2011 which said that although financial conditions continue to improve after the global crisis, they remain unusually fragile. Though projected world growth is at about 4.5% in both 2011 and 2012, there is high unemployment and a risk of overheating in emerging market economies. The old challenges of fiscal and financial repair and reform and the rebalancing of global demand remain a work in progress[2].

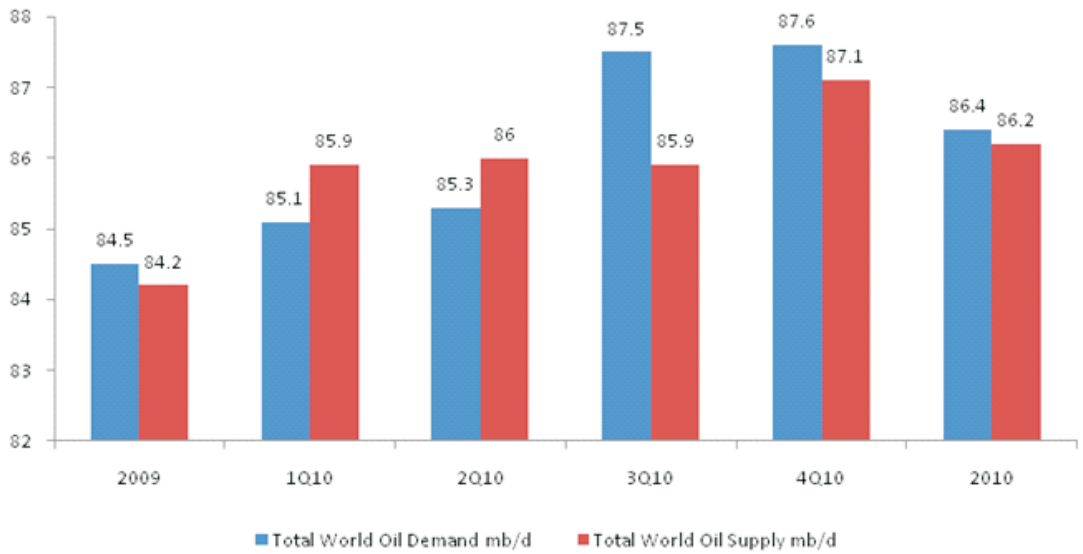
Net capital flows to developing countries fell 20% in 2009 to USD 598 billion and were a little over half the 2007 peak of USD 1.1 trillion. The Middle East and North Africa region recorded the sharpest rise among all regions in net capital inflows in 2009, driven by new official and private borrowing[3]. Developing countries will continue to drive the global economic recovery; however, their output will decrease from 7% in 2010 to 6% during 2011-2012[4].

Even though demand in many emerging market economies particularly in Sub-Saharan Africa has resumed fast and sustainable growth, new risks have emerged. These risks include rising food and commodity prices, high oil prices, weak sovereign balance sheets, civil unrest in the Middle East and North Africa ("MENA") and slow real estate markets in advanced economies[5].

2.2 Commodity Market

2009 and 2010 were characterised by high commodity prices, which presented new policy challenges. Commodity prices increased higher than expected, which reflected a combination of strong demand growth and a number of supply shocks. Oil prices rebounded in 2009, reaching the USD 80 barrier by the end of the year. The price of Brent crude hit USD 95 a barrel for the first time in 27 months in January 2011. In 2011, oil prices have risen significantly due to the unrest in the Middle East. The World Energy Outlook ("WEO") said that risks to global economic activity are minimal, given spare oil production capacity.[6]

Exhibit 4: World Oil Demand Supply[7]



[2] Source: International Monetary Fund: World Economic Outlook 2011
[3] Source: World Bank Global Development Finance 2011
[4] Source: United Nations, Department of Economic and Social Affairs: World Economic Situation and Prospects 2011
[5] Source: International Monetary Fund: World Economic Outlook 2011
[6] Source: International Monetary Fund: World Economic Outlook 2011
[7] Source: International Energy Agency: Oil Market Report April 2011

OPEC officials recently announced that they had no plans to change oil quotas. According to the International Energy Agency "IEA", oil consumption will increase by 1.3 million bpd, or 1.5%, to a record 88.8 million in 2011. For the 34 countries that make up OECD, oil import costs soared by USD 200 billion over the past year to reach USD 790 billion by the end of 2010. IEA calculates that the EU import bill rose by USD 70 billion during 2010 and that the ratio of countries' oil import bills to Gross Domestic Product is approaching levels observed before the financial crisis in 2008.

As at April 2011 Brent crude was approaching USD 121 per barrel. Spot crude oil prices jumped 10-15% in March as outages from Libya and unrest in the MENA region offset a seasonal drop in refinery runs. In April Brent futures stood near USD 126/bbl, with WTI at USD 112/bbl. Global oil output fell 0.7 mb/d to 88.3 md/d in March on reduced Libyan crude supply. Non-OPEC production rose 0.2 mb/d to 53.3 mb/d, even as unrest and strikes in various countries reduced supply. Global demand for 2011 is likely to be 89.4 mb/d, up from 87.9 mb/d in 2010. Due to the Japanese earthquake, there is likey to be higher demand for oil for power generation and reconstruction which will offset downward non-OECD adjustments[8]. At this high price, there is an increasing danger to the global recovery because increasing oil prices could strengthen inflation which could in turn stifle growth.

[8] Source: International Energy Agency: Oil Market Report April 2011

3.1 History and Background

Aidan Heavey, the Company's Chief Executive Officer, founded Tullow Oil in 1985. After being incorporated in 1986, Tullow was first listed on the ISE in 1989 and then the LSE in 1994. In 2000, following a corporate restructuring, Tullow moved its main listing from the ISE to the LSE. The Company began gas production and sales in Senegal in 1987 from a licence agreement it had signed in 1986. In 1989, Tullow began its UK development initiatives with its first onshore UK licences. Tullow's first incursion into South Asia came in 1990 when the Company signed its first licence agreement in Pakistan, discovering the Sara gas field in 1994. Two years on, Tullow acquired licences in Bangladesh and Côte d'Ivoire. The Côte d'Ivoire licences included the Espoir oil and gas fields, where first production was achieved in 2000.

The Company began a period of accelerated activity at the turn of the millennium, starting with a GBP 201 million acquisition of the producing gas fields and related infrastructure in the UK Southern North Sea from BP Plc ("BP"). Tullow went on to acquire Energy Africa and UK Schooner and Ketch producing assets for USD 570 million and GBP 200 million respectively. The Company's acquisitions transformed it into a balanced oil and gas exploration and production company with critical mass in both Africa and the UK Southern North Sea.

Tullow recorded its largest oil discovery, the Jubilee field offshore Ghana, in 2007 along with further successful exploration in Uganda. These African assets transformed the Company's business. In 2008, the Company drilled 99 exploration, appraisal and development wells, which included multi-well campaigns in Ghana and Uganda. The Company achieved a 77% exploration and appraisal success rate with 17 out of 22 successful wells in 2008.

In 2009 Tullow achieved 87% exploration and appraisal success with 13 out of 15 wells discovering hydrocarbons. The majority of the drilling took place in Ghana and Uganda where a total of 13 wells were drilled. The Company continued its success in exploration and appraisal delivery in 2010, achieving an 83% success ratio after finding hydrocarbons in 24 out of its 29 wells.

Tullow has over 90 licences in 22 countries spanning four geographic continents. Africa represents Tullow's largest area of operation. In 2010, Tullow's operations in Africa represented 67% of the Company's working interest production, 78% of the Group's revenue and 96% of the Group's reserves and resources. As at 31 December 2010, Tullow had reserves and resources of 1,388 mmboe and a working interest production of 58,100 boepd with a three year reserves replacement of 250%. Africa accounts for 93% of the Group's commercial reserves and contingent resources.

In Ghana, the Jubilee field was brought on production, some 40 months since discovery and within 5% of the original budget by the Jubilee Partners on 29 November and Ghana celebrated this achievement along with the President, His Excellency John Atta Mills on 15 December 2010. The Jubilee field has an estimated reserve potential of up to one billion barrels of oil. Two new major fields were also established in Tweneboa and Enyenra (formerly Owo) in 2009 and 2010 respectively which combined have the potential to be similar in size to Jubilee.

Tullow has interests in three licences in Uganda in the Lake Albert Rift Basin. The Group entered these licences through the acquisition of Energy Africa in 2004 and the subsequent acquisition of Hardman Resources in 2007. One million barrels of resources have been discovered in the Lake Albert Rift Basin since 2006.

Across the rest of the Group's African portfolio production and exploration and appraisal success continues to remain strong as major high-impact exploration opportunities are being matured.

3.2 Share Capital

The issued share capital of the Company (all of which are fully paid) as at 10 June 2011 is:

Exhibit 5: Issued Share Capital of Tullow Oil plc

Issued Share Capital	
890,118,455 Shares with a par value of GBP 0.10 each	GBP 89,011,845.50

Under the UK Companies Act 2006 the requirement for a company to have an authorised share capital was abolished and the Company, by shareholders' resolution passed on 12 May 2009, ceased to have an authorised share capital. In order to facilitate this change, certain amendments were made to the Company's memorandum and Articles of Association. The Directors will still be limited as to the number of Tullow Shares they can at any time allot, because allotment authority from shareholders continues to be required under the UK Companies Act 2006, save in respect of employee share schemes.

3.3 Operations of the Company

Tullow Oil is one of the largest independent oil and gas exploration and production companies in Europe. The Group is in its next phase of growth with a major focus on Africa, where Tullow already has significant exploration and production exposure.

Tullow has a large portfolio of exploration and production assets with a focus on balanced long-term growth. The Group has interests in over 90 licences across 22 countries. In 2010, average working interest production was 58,100 boepd, generating sales revenue of USD 1,090 million. In 2011, Tullow expects Group working interest production to average between 90-96,000 boepd as production from the Jubilee field increases.

By the end of 2010, Tullow had a workforce of 1,232, an increase of 40% on the previous year. The Company employs 680 people in Africa of whom over 65% are Africans.

Tullow's operations are organised into two groups: Africa and Rest of the World .

Africa

Tullow's first African licence was acquired in Senegal in 1986. The acquisition in 2004 of Energy Africa furthered the growth of the Company's African Portfolio, bringing with it five African producing countries. Then in 2007 the Hardman Resources acquisition brought Tullow the operatorship of Block 2 in Uganda and production in Mauritania. The first phase of Ghana's Jubilee field came on stream in November 2010 and is expected to be ramped up to plateau production by the middle of 2011. The Tweneboa and Enyenra fields discovered in Ghana have been confirmed as major discoveries. An extensive E&A programme in the West Cape Three Points licence commenced at the end of 2010 with the first well successfully discovering the Teak oil field up-dip of the Jubilee field.

Discovered resources in Uganda were advanced to 1 billion barrels of oil (P50) [9] after the completion of 10 E&A wells in 2010. Tullow and its partners are working on a development plan to produce in excess of 200,000 bopd by 2015. In its other East African play, Tullow completed a farm-in to five Kenyan and one Ethiopian licence that encompass a total acreage of about 100,000 sq km in January 2011. The Company has scheduled two initial exploration wells for late 2011.

As at the date of this document, Tullow has 53 licences across 15 countries in Africa The Company's African operations cover acreage of about 215,000 sq km. Following a successful year in 2009, after making 13 discoveries from 15 E&A wells, a further 23 discoveries were made from 28 E&A wells in 2010. The Company achieved an average interest production of 39,000 boepd in 2010.

[9] Reserves and/or resources estimates that have a 50 percent probability of being met or exceeded

Rest of the World

Outside Africa, Tullow has 41 licences across 7 countries covering 65,000 sq km. In 2010, Tullow achieved average working interest production of 19,100 in its non-African operations.

In Europe, Tullow has exploration, development and production activities across two countries, the United Kingdom and the Netherlands with the UK being the only country that has production assets. Two successful infill wells were drilled in 2010 in the CMS Area of the offshore UK Southern Gas Basin. Ketch-8z was brought on stream in August and Boulton-B5 commenced production in October. In 2010, average net production in the UK was 13,300 boepd.

The Netherlands exploration acreage aims to extend a similar geological play that is seen in the more mature UK sector, across into the Dutch sector. On 24 May 2011, Tullow announced that it entered into an agreement to acquire Nuon Exploration and Production (Nuon E&P) for a cash consideration of €300 million from the Vattenfall Group. The acquisition of Nuon E&P will significantly enhance Tullow's North Sea business adding a portfolio of 25 licences that include over 30 producing fields, numerous development and exploration opportunities and ownership of key infrastructure. This portfolio will increase the Group's North Sea gas production by 9,000 boepd to approximately 23,000 boepd and add reserves and resources of 28 mmboe.

In South Asia, Tullow has exploration, development and production activities in Pakistan and Bangladesh. In 2010, average working interest production was 5,800 boepd. The Sara-Suri field in Pakistan was shut in the fourth quarter of 2010 pending approval from the Government for the sale of the asset.

In South America, Tullow has exploration opportunities in three countries (French Guiana, Guyana and Suriname) with a total acreage of 43,869 sq km.

Tullow is aiming to expand and replicate its African success in South America by pursuing the Jubilee play across the Equatorial Atlantic region off the coast of South America. The Group is drilling a strategic deepwater basin-testing well on the Zaedyus prospect in French Guiana and targeting a similar, but deeper, Jaguar prospect in shallower water, offshore Guyana.

3.4 Significant Shareholders

As at 08 March 2011, the Company had been notified, in compliance with the rules of the UKLA, of the following significant holdings (being 3% or more) in the Company's ordinary share capital.

Exhibit 6: Significant Shareholders of Tullow Oil plc

Shareholder	Number of shares	% of Issued Capital
BlackRock Inc	106,470,128	11.99%
Prudential plc	72,123,865	8.12%
IFG International Trust Company Limited	38,960,366	4.38%
Legal & General Group plc	35,414,975	3.99%

3.5 Board of Directors and Corporate Governance Structures

The Board sets the Company's strategic aims, ensuring that the necessary resources are in place to achieve those aims. The Board also reviews management and the Company's financial performance. It is accountable to shareholders for the creation and delivery of strong, sustainable financial performance and long-term shareholder value. To achieve this, the Board directs and monitors the Company's affairs within a framework of controls which enables risk to be assessed and managed effectively through clear procedures, lines of responsibility and delegated authorities. The Board also has responsibility for setting the Company's core values and standards of business conduct and for ensuring that these, together with the Company's obligations to its stakeholders, are widely understood throughout the Company.

The Board currently comprises a non-executive Chairman, five Executive Directors and six independent non-executive Directors. Each of the Executive Directors has extensive knowledge of the oil and gas industry. Together, the non-executive Directors bring a broad range of business, commercial and other relevant experience to the Board, which is vital to the management of an expanding international company.

Pat Plunkett, Chairman (Age 60)
Pat Plunkett joined the Board as a non-executive Director in 1998 and was appointed non-executive Chairman in 2000. Mr Plunkett is an accountant with over 30 years' experience in the financial services sector, particularly in the areas of asset management, stockbroking and corporate finance. Since leaving ABN AMRO Bank in 1998, he has been providing strategic business advice to a number of private companies. He is a former director of The Irish Stock Exchange.

Aidan Heavey, Chief Executive Officer (Age 58)
A founding Director and shareholder of the Company, Aidan Heavey has played a key role in the development of Tullow from its formation in 1985 to its current international status as a leading independent oil and gas exploration and production group. A Chartered Accountant, he previously held roles in the airline and engineering sectors in Ireland. Aidan is a director of Traidlinks, an Irish-based charity established to develop and promote enterprise and diminish poverty in the developing world, particularly Africa. In November 2010, he was appointed a member of the Irish Advisory Board of the UCD Michael Smurfit Graduate Business School, Dublin.

Ian Springett, Chief Financial Officer (Age 53)
A Chartered Accountant, Ian Springett, was appointed Chief Financial Officer and to the Board in 2008. Prior to joining Tullow, he worked at BP for 23 years where he gained a wealth of international oil and gas experience. Most recently at BP, he was the Group Vice President for Planning with other senior positions including Commercial Director of the Supply and Trading Business, Upstream CFO, Vice President of Finance, US CFO and a Business Unit leader in Alaska. Prior to joining BP, he qualified with Coopers & Lybrand.

Angus McCoss, Exploration Director (Age 49)
Angus McCoss was appointed to the Board in December 2006. He is a geologist with a BP sponsored PhD and, prior to joining Tullow in April 2006 as General Manager Exploration, he had 21 years of wide-ranging exploration experience, working primarily with Shell in Africa, Europe, China, South America and the Middle East. He held a number of senior positions within Shell including Americas Regional Vice President Exploration and General Manager of Exploration in Nigeria. He is currently a non-executive Director of Ikon Science Limited and a member of the Advisory Board of the industry-backed Energy and Geoscience Institute of the University of Utah.

Paul McDade, Chief Operating Officer (Age 48)
Paul McDade was appointed to the Board in 2006. Mr McDade joined Tullow in 2001 and was appointed Chief Operating Officer following the Energy Africa acquisition in 2004, having previously managed Tullow's UK gas business. An engineer with over 25 years' experience, he has worked in various operational, commercial and management roles with Conoco, Lasmo and ERC. He has broad international experience having worked in the UK North Sea, Latin America, Africa and South East Asia and holds degrees in Civil Engineering and Petroleum Engineering.

Graham Martin, General Counsel and Company Secretary (Age 57)
Graham Martin is a UK solicitor and joined Tullow as Legal and Commercial Director in 1997 from Vinson & Elkins, a leading international law practice. Prior to that, he was a partner in Dickson Minto WS, a UK corporate law firm. He has over 30 years' experience of UK and international corporate and energy transactions and has been the principal legal adviser to Tullow since its formation in 1985. He was appointed General Counsel in 2004 and Company Secretary in 2008.

Steven McTiernan, Senior Independent Non-executive Director (Age 60)
Steven McTiernan was appointed as a non-executive Director in 2002 and was appointed Senior Independent Director in 2008. Mr McTiernan began his career as a petroleum engineer, working with BP, Amoco and Mesa in the Middle East and the UK. In 1979, he joined Chase Manhattan Bank, where he became Senior Vice-President and head of the bank's energy group based in New York. From 1996 to 2001 he held senior energy-related positions at NatWest Markets and CIBC World Markets. He is currently principal of Sandown Energy Consultants Limited, a natural resources advisory firm based in London, and a non-executive Director of First Quantum Minerals Limited.

David Bamford, Non-executive Director (Age 65)
David Bamford was appointed as a non-executive Director in 2004. With a PhD in Geological Sciences he has had over 23 years' exploration experience with BP where he was Chief Geophysicist from 1990 to 1995, General Manager for West Africa from 1995 to 1998, and acted as Vice President, Exploration, directing BP's global exploration programme, from 2001 to 2003. He is a director or adviser to several small companies, including his own consultancy, and he writes regularly for journals such as OilVoice and GeoExpro. He co-founded Finding Petroleum and OilEdge as vehicles for online communication in the oil and gas industry.

David Williams, Non-executive Director (Age 65)
David Williams was appointed as a non-executive Director in 2006. A Chartered Accountant, he brings a wealth of public company experience to Tullow from many years with Bunzl plc where he was Finance Director until he retired in 2006, and prior to that as Finance Director of Tootal Group plc. He is the Joint Chairman of Mondi plc. He is also the Senior Independent Director of Meggitt PLC and a non-executive Director of DP World Limited, a Dubai quoted company, and is Chairman of the audit committee at both companies. From 2007 to 2010, he was the Senior Independent Director of Taylor Wimpey plc.

Ann Grant, Non-executive Director (Age 62)
Ann Grant was appointed as a non-executive Director in May 2008. She joined the UK Diplomatic Service in 1971; from 1998, she worked at the Foreign and Commonwealth Office in London as Director for Africa and the Commonwealth, and from 2000 to 2005 was British High Commissioner to South Africa. In 2005, she joined Standard Chartered Bank as Vice Chairman, Standard Chartered Capital Markets. She is a Board Member of the Overseas Development Institute and an independent Trustee on the UK Disasters Emergency Committee.

Kofi Tutu Agyare[10], Non-executive Director (Age 48)
Tutu Agyare was appointed as a non-executive Director in August 2010. He is currently a Managing Partner at Nubuke Investments, an asset management firm focused solely on Africa, which he founded in 2007. Previously, he had a 21-year career with UBS Investment Bank, holding a number of senior positions, most recently as the Head of European Emerging Markets, and a member of the Investment Bank Board. Tutu brings a wealth of experience to the Tullow Board as the Group continues to expand its business in Africa. He has a degree in Mathematics and Computing and is a director of the Nubuke Foundation, a Ghanaian-based cultural and educational foundation.

Simon Thompson[11], Non-executive Director (Age 51)
Simon Thompson was appointed as a non-executive Director in May 2011. He holds a degree in geology and brings a wealth of international investment banking and natural resources knowledge and experience, especially in Africa. From 1985, he held investment banking roles at N M Rothschild and S G Warburg. In 1995, he joined the Anglo American group where he held a number of senior positions including Chief Executive of the Base Metals Division, Chairman of the Exploration Division and Chairman of the Tarmac Group. He was appointed an Executive Director of Anglo American plc in 2005. Since leaving Anglo American in 2007, he has held a number of Non-Executive Director positions. These currently include Newmont Mining Corporation (USA), Sandvik AB (Sweden) and AMEC plc (UK).

[10] Appointed on 25 August 2010
[11] Appointed 16 May 2011

Exhibit 7: Details of Other Directorships

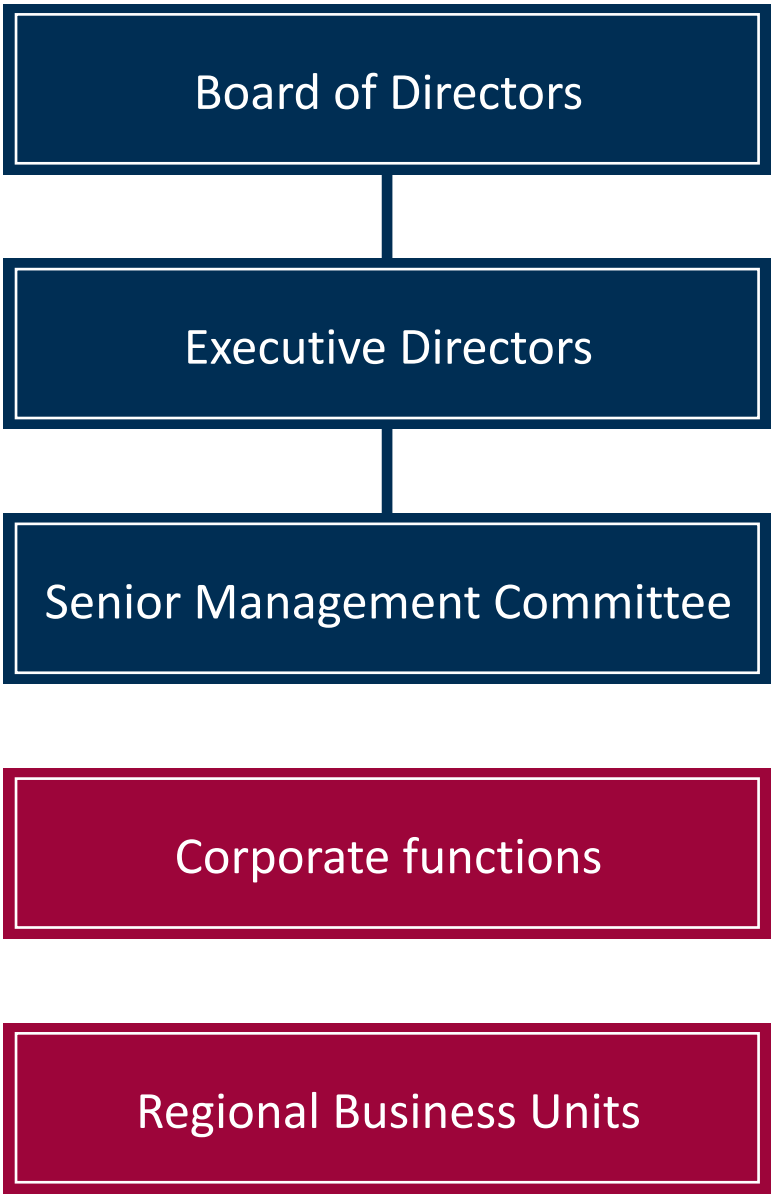
Director	Current directorships/ partnerships	Previous directorships/ partnerships
Patrick Plunkett	-	Sherkin Communications Limited Strawbridge Furnishing Limited
Aidan Heavey	Orchard Gate Residential Developments Limited Traidlinks	-
Graham Martin	Meadowside Twickenham Limited Sabelgrade Limited	Meadowside Freehold Limited
Angus McCoss	Ikon Science Limited	-
Paul McDade	-	-
Ian Springett	-	BP Oil International Limited BP Gas Marketing Limited BP Japan Trading Limited Britannic Energy Trading Limited Britannic Strategies Limited Britannic Trading Limited BP Investments Asia Limited
Tutu Agyare	Nubuke Investments LLP Nubuke Foundation Nubuke Investment Services Limited Wharton Sykes Limited	
David Bamford	Windward Exploration & Properties Limited	Paras Limited Welltec A/S
Ann Grant	Disasters Emergency Committee The Eastern Africa Association Overseas Development Institute Media Legal Defence Initiative	Standard Chartered Bank Nigeria Limited
Steven McTiernan	Sandown Energy Consultants First Quantum Minerals Limited	
Simon Thompson	AMEC plc Newmont Mining Corporation Sandvik AB	Anglo American plc AngloGold Ashanti Ltd Tarmac Limited UC Rusal
David Williams	Meggitt Plc Mondi Plc Mondi Limited DP World Limited The Rory Peck Trust Tormead Enterprises Limited Tormead Limited The Rory Peck Trading Company Limited	George Wimpey Limited Taylor Wimpey Plc

Group Governance Structure

A strong governance and organisational framework defines the roles and responsibilities of our Board and senior management. It is based on accountability, transparency and achieving the highest standards of ethics and integrity. Risk management is the overall responsibility of the Board, with additional resources provided by the Audit Committee.

In 2011, Tullow reorganised its business to ensure that it can continue to manage growth. The Group is now organised into three business regions: (1) Europe, North Africa & Asia, (2) Equatorial Atlantic and (3) South & East Africa. These Regional Business Units will be led by Regional Business Managers who will each have their own specific targets and dedicated teams to meet those targets. This will ensure that management and specialist functional skills remain close to business delivery.

Exhibit 8: Tullow Oil plc Governance Structure



3.6 Human Resource Management

Since 2000, Tullow's business has rapidly expanded. Tullow now operates in 22 countries and has over 1,200 employees at a full time capacity around the world, with 680 employed in the Company's Africa operations and the remaining in the rest of the World. The Group added over 250 people to its workforce on a permanent basis in 2010, increasing staff numbers to 1,232 employees. The increase in staff numbers in 2010 represents a 40% growth over 2009 staff numbers following staff number increases of 24% and 48% in 2009 and 2008 respectively. The Company maintained a staff turnover of 1.3% in 2010.

Tullow has a clear vision and a consistent strategy, an integral part of which are their core values. The Group's people vision and strategy are fully aligned with achieving Tullow's vision, executing the Group's strategy and living their values. The strategy is to:

- Provide a safe, healthy and stimulating work environment which encourages innovation and ideas for improvement so that everyone can make a difference;
- Successfully recruit, retain and develop our employees to realise their full potential;
- Recognise and reward employee performance and commitment;
- Appreciate and respect the contribution of its employees at every level and location throughout the organisation;
- Maintain its position as one of the best companies to work for in all countries where Tullow operates; and
- Celebrate success at an individual, team and regional level.

To deliver the Group's people vision, the Group's people strategy is focused on four linked areas which are Culture and Engagement, Talent Development, Performance Management and, Reward and Recognition.

Culture and Engagement

Tullow is a performance driven organisation. The Company's culture is entrepreneurial and innovative. A flat organisation and integrated decision-making allows the Group to anticipate and respond quickly to business issues and opportunities as they arise.

Tullow provides a creative environment which encourages, challenges and rewards performance. The Company has strong values which capture the spirit of Tullow and underpin the way things are done. The Company recognises the importance of maintaining this ethos as the Group transforms and grows.

Tullow's values - Focus on Results, Commitment to Tullow and each other, Integrity and Respect, Entrepreneurial Spirit and Initiative - capture the way the Group does business.

In 2009, the Company tested understanding and adoption of these values and many aspects of key Group-wide issues and initiatives in its first global employee and contractor survey called Tullow Talkback. Some highlights of the survey findings were:

1. 94.1% of staff feel passionate about their work;
2. 95.8% of employees believe their role contributes to Tullow achieving its strategy;
3. 88.8% feel motivated to improve the company's performance.

Reward & recognition

Tullow believes that its people give it a competitive advantage. The Group conducts salary benchmarking surveys around the Tullow world, to ensure that it knows what its competitors are doing in terms of salaries and benefits. The Group's total reward packages are highly competitive relative to the external marketplace and are also benchmarked against internal peer groups. Share options are offered to all employees to ensure that everyone has a stake in the business and its success. Performance bonus arrangements are designed to reward the best performance, both corporate and individual. These performance based rewards make a direct link between good performance and reward.

Talent development

The Group continually invests in its team and increases the capability of the business so that it is always prepared to move to the next level.

Talent development is focused on delivering development and training across Tullow so that each employee can reach their full potential. The Company's 'T for Talent' initiative supports its fast growing business by ensuring all staff – wherever they are in the organisation - are fully equipped to do their jobs.

Organisational development focuses on creating future business generalists and managers, whilst developing the knowledge, experience and range of functions across the business.

Functional development focuses on creating future specialists and experts, and building technical and functional depth throughout the Group.

A range of career development options are available to individuals with the opportunity to become a functional expert, a functional team leader, a manager or leader of the business. Every person, new or experienced, has the chance to grow and develop new skills.

Performance Management

Performance management is important to Tullow. The Company always aims to recruit the best and its performance management process, which is embedded across the business, gives it a tool to ensure strong performance throughout the Group.

Performance management in Tullow is designed to create a shared vision of the purpose and aims of the organisation. This helps each individual understand and recognise his or her part in contributing to achieving those aims, and in doing so, manages and enhances the performance of both individuals and the organisation.

3.7 Board Committees

The Board has established certain committees including the Audit Committee, the Nominations Committee and the Remuneration Committee.

Audit Committee

The Committee comprises six non-executive Directors, and oversees the Group's financial reporting and internal controls and provides a formal reporting link with the external auditors

The members of the Audit Committee are David Williams (Chairman), David Bamford, Ann Grant, Steven McTiernan, Kofi Tutu Agyare[12] and Simon Thompson[13].

The main responsibilities of the Audit Committee are:

1. monitoring the integrity of the financial statements and formal announcements relating to the Company's financial performance;
2. reviewing significant financial reporting issues and accounting policies and disclosures in financial reports;
3. reviewing the effectiveness of the Company's internal control procedures and risk management systems;
4. considering how the Company's internal audit requirements shall be satisfied and making recommendations to the Board;
5. making recommendations to the Board on the appointment or re-appointment of the Company's external auditors;
6. overseeing the Board's relationship with the external auditors, and, where appropriate, the selection of new external auditors; and
7. ensuring that an effective whistle-blowing procedure is in place.

Nominations Committee

The Committee continually reviews the composition and balance of the Board and senior executive team to ensure that the Group has the right structure, skills and experience in place for the effective management of the Group's expanding business. These reviews include forward-looking analyses of the skills and diversity required of Board members to take Tullow to the next stage of its development. These

[12] Appointed 25 August 2010
[13] Appointed 16 May 2011

analyses are reviewed and discussed with the Board, the primary aim being to schedule a progressive refreshment of the Board.

The members of the Nominations Committee are Pat Plunkett (Chairman), David Bamford, Ann Grant, Aidan Heavey, Steven McTiernan, David Williams, Kofi Tutu Agyare[14] and Simon Thompson[15].

The main responsibilities of the Nomination Committee are:

1. reviewing the structure, size and composition of the Board and making recommendations to the Board with regard to any changes required;
2. succession planning for Directors and other senior executives;
3. identifying and nominating, for Board approval, candidates to fill Board vacancies as and when they arise;
4. reviewing annually the time commitment required of non-executive Directors; and
5. making recommendations to the Board with regard to membership of the Audit and Remuneration Committees in consultation with the Chairman of each of those Committees.

Remuneration Committee

The members of the Remuneration Committee are David Bamford (Chairman), Ann Grant, Steven McTiernan, Pat Plunkett, David Williams, Kofi Tutu Agyare[14] and Simon Thompson[15].

The main responsibilities of the Remuneration Committee are:

1. determining and agreeing with the Board the remuneration policy for the Chief Executive Officer, Chairman, Executive Directors and senior executives;
2. approving the design of, and determining targets for, an annual performance-related pay scheme for the Executive Directors and senior executives;
3. reviewing the design of share incentive plans for approval by the Board and shareholders and determining the annual award policy to Executive Directors and senior executives under existing plans;
4. within the terms of the agreed policy, determining the remainder of the remuneration packages (principally comprising salary and pension) for each Executive Director and senior executive; and
5. reviewing and noting the remuneration trends across the Group.

3.8 Compensation Schemes

The Group's policy is to maintain levels of remuneration so as to attract, motivate and retain Executive Directors and senior executives of the highest calibre who can contribute their experience to the Group's operations. The elements of the remuneration package for Executive Directors and senior management are base salary, annual bonus, taxable benefits, pension payments and participation in the Group's share incentive arrangements. A significant element of the potential remuneration package is, therefore, performance-linked.

When determining the total remuneration of the Executive Directors and senior management, the Remuneration Committee predominately takes into account the remuneration practices adopted by UK listed companies of a similar market capitalisation and overseas complexity to Tullow. Practice within other relevant Oil & Gas companies is also considered.

The key elements of the remuneration package for the Executive Directors are set out below.

Executive Directors' remuneration

Base Salary

Base salaries are reviewed annually with effect from 1 January, and are set primarily by reference to external benchmarking data for other UK listed companies of similar market capitalisation and overseas complexity with practice in the Oil & Gas sector also taken into account.

When setting Executive Director salaries, the Remunerations Committee takes into account pay and conditions across the rest of the Group.

[14] Appointed 25 August 2010
[15] Appointed 16 May 2011

Annual Bonus

Each Executive Director is entitled to participate in the Executive Annual Bonus Scheme in respect of each financial year of the Company.

2010 Annual Bonus Scheme

The key features of the Annual Bonus Scheme for the Executive Directors for 2010 were as follows:

1. The maximum annual bonus potential for the Executive Directors was 200% of salary;
2. For meeting target performance, a bonus of 80% of salary was payable (i.e. 40% of the maximum bonus payable);
3. Any bonus earned in excess of 75% of salary will be paid in shares and deferred for three years under the Deferred Share Bonus Plan (DSBP);
4. Bonuses in 2010 were based:
    I. 25% was based on Tullow's TSR performance relative to the same Oil & Gas group as is used to measure performance for the PSP awards made in 2010 – no bonus is paid unless median performance is delivered, with the full bonus for upper quartile performance;
    II. 25% was based on growth in absolute TSR, with a full bonus payable if Tullow's TSR grows by 15% over the year; and
    III. 50% on certain corporate key performance indicators ("KPIs") comprising Health & Safety, Operational & Financial and Project-specific targets.

The Remunerations Committee also has broad discretion before finalising any award level on the above parameters to take into account other factors and circumstances reflecting the general financial condition and the performance of the Group as it considers appropriate.

In recognition of the significant achievements made during 2010, the Remunerations Committee awarded Executive Directors in 2010 a bonus of 57.6% of maximum (i.e. 115.2% of salary). Bonus in excess of 75% of salary is paid in shares, and deferred for three years under the DSBP.

2011 Annual Bonus Scheme

The Remuneration Committee has undertaken a review of the Company's remuneration arrangements for 2011 and has made changes to the annual bonus structure following consultation with major shareholders. Full disclosure will be provided in the 2011 Directors Remuneration Report.

Pensions and Other Benefits

Each Executive Director is entitled to receive a payment of 25% of his base salary into the Company's group personal pension plan or his private pension arrangements. Each Executive Director is entitled to 30 days' annual leave, permanent health insurance, private medical insurance and life assurance benefits. The Group also reimburses the Executive Directors in respect of all expenses reasonably incurred by them in the proper performance of their duties.

Share incentive arrangements
Performance Share Plan ("PSP")

The Company has operated the PSP since 2005. At a general meeting of the Company held on 12 May 2011, certain changes were made to the rules of the PSP which affects awards made under the PSP after 12 May 2011. Awards which were made under the PSP prior to that date are not varied by the changes made. The following is a description of how the PSP operates for awards made prior to 12 May 2010, details of how the PSP operates for awards made on or after 12 May 2011 will be fully described in the 2011 Directors Remuneration Report.

Under the PSP, senior executives are eligible for conditional awards of rights over whole shares worth up to 200% of salary each year (300% in exceptional circumstances, such as to facilitate the recruitment of a new Executive Director).

PSP awards vest subject to a TSR-based performance condition under which the Company's TSR performance is measured over a fixed three-year period commencing on 1 January in the relevant financial

year in which the award is granted, with no opportunity to re-test.

For the awards made in 2008, 2009 and 2010, half of each award are subject to a performance condition measured against the constituents of the FTSE 100 Index at the start of the performance period (of which Tullow is a constituent) and the other half is subject to a performance condition measured against a comparator group of international oil & gas companies. The group used for the awards made in 2008 and 2009 is as follows:

Addax Petroleum	Niko Resources
Anadarko	Noble Energy Inc.
Apache Corporation	Pioneer Natural Resources
Cairn Energy	Premier Oil
Dana Petroleum	Santos
Forest Oil Corporation	SOCO International
Lundin Petroleum AB	Talisman Energy Inc.
Nexen Inc.	Venture Production

For the awards made in 2010, the group is as follows:

Anadarko	Marathon Oil Corporation
Apache Corporation	Nexen Inc.
BG Group	Niko Resources
Cairn Energy	Noble Energy Inc.
Canadian Natural Resources	Pioneer National Resources
Dana Petroleum	Premier Oil
EOG Resources	Santos
Forest Oil Corporation	Talisman Energy Inc.
Hess Corporation	Woodside Petroleum
Lundin Petroleum	

TSR is calculated, in common currency, in line with best practice.

For each portion of the award, vesting is as follows:

Company's ranking in comparator group	Vesting percentage
Below median	0%
Median	30%
Upper quintile	100%
Intermediate performance	Pro rata between 30% and 100%

In addition, no award will vest unless the Remuneration Committee considers that both the Group's underlying financial performance and its performance against other key factors (e.g. Health & Safety) over the relevant period is satisfactory.

This approach has served the Company well, as it encourages the Executive Directors to generate returns to shareholders in excess of both the market generally and a group of sector peers, and is a robust reflection of management's success in achieving the strategic targets required to ensure the Group's continued growth.

As highlighted above, the Remuneration Committee has reviewed the Company's long-term incentives for 2011 and future cycles and changes have been made to the PSP structure. These will be fully described in the 2011 Directors Remuneration Report.

Share Ownership Guidelines

To further align their interests with shareholders, the Executive Directors are required to retain at least 50% of the shares that vest under the PSP and DSBP (after selling sufficient shares to pay tax liabilities) until they have built up a shareholding worth at least 400% of base salary (with existing holdings taken into account).

Share Option Scheme

Before the introduction of the PSP in 2005, Executive Directors were eligible for grants of options under the 2000 Executive Share Option Scheme (the "2000 Scheme"). The 2000 Scheme expired in the year under review, with shareholder approval obtained for a replacement scheme – the 2010 Share Option Plan – at the 2010 AGM. It is intended that Executive Directors (and other PSP participants) will not be granted options under the 2010 Share Option Plan.

All-employee Share Incentive Plans

Executive Directors may also participate, on the same terms as other employees, in the Tullow Oil UK and Irish Share Incentive Plans. These all-employee plans enable employees to save out of salary up to prescribed limits each month. Each quarter's contributions are used by the trustees of the Share Incentive Plan to acquire Tullow Oil shares (Partnership shares). The Group makes a matching contribution to acquire a matching number of shares (Matching shares) on a one-for-one basis.

2010 Share Option Plan

On 12 May 2010, Tullow's shareholders adopted the "Tullow Oil 2010 Share Option Plan" (the "Plan"). The Plan replaced the 2000 Scheme which expired in 2010. The Plan will have the following attributes:

Eligibility: Any employee of the Company and its subsidiaries will be eligible to participate at the discretion of the Board. The Company's intention is that, as under the 2000 Scheme, options will be granted on an 'all-employee' basis but that participants in the Company's Performance Share Plan, including Executive Directors, will not be eligible to participate. Should there be any intention to change the policy regarding participation by Executive Directors, the Company will consult its major shareholders in advance (and any participation by Executive Directors would be supervised by the Remuneration Committee of the Board).

Grant of Options: The Board may grant options to acquire ordinary shares in the Company within six weeks following the Company's announcement of its financial results for any period. The Board may also grant options within six weeks of shareholder approval of the Plan or at any other time if the Board considers there are exceptional circumstances to justify the grant. No payment is required for the grant of an option. Options are not transferable, except on death. Options are not pensionable.

The Company may also grant 'share appreciation rights' and 'phantom share options'. These relate to a notional number of shares. On exercise, they respectively provide free shares and a cash bonus equal to the gain that could have been realised on the exercise of option over the notional number of shares. These facilities are most likely to be used when making awards to employees outside the UK, where conventional share options may not be practicable.

Individual Participation: An employee may not receive options in any financial year over shares with a market value exceeding 200% of his annual base salary (or such higher value as the Board considers appropriate).

Option Price: The price per share payable upon exercise of an option will not be less than:

1. the middle market price of a share on the London Stock Exchange on the dealing day immediately before the date of grant (or such other dealing day(s) as the Board may decide); and
2. if the option relates only to newly issued shares, the nominal value of a share.

Performance Conditions: The Board may impose performance conditions on the exercise of options. The Board may also vary any performance conditions applying to existing options if an event has occurred which causes the Board to consider that it would be appropriate to do so.

Exercise of options: Options will normally become capable of exercise three years after grant to the extent any performance conditions have been satisfied and provided the participant remains employed in the Company's group. Options will lapse on the day before the tenth anniversary of the date of grant or after such shorter period as determined by the Board at the time of grant.

Shares will be allotted or transferred to participants within 30 days of exercise. The Board can decide to satisfy options which are not tax-advantaged by the payment of a cash amount or shares equal in value to the gain made on the exercise of the option.

Leaving employment: As a general rule, an option will lapse upon a participant ceasing to hold employment within the Group. However, if a participant ceases to be an employee in the Group by reason of his death, injury, disability, redundancy, retirement, his employing company or the business for which he works being sold out of the Group, or in other circumstances at the discretion of the Board, then his option will be exercisable for a limited period. The extent to which it is exercisable will depend upon the extent to which any performance condition is satisfied by reference to the date of cessation.

Corporate events: On a takeover or winding up of the Company (other than an internal corporate re-organisation), options will be exercisable for a limited period. The extent to which they become exercisable will normally depend upon the extent to which any performance condition is satisfied by reference to the date of the corporate event.

In the event of an internal corporate re-organisation, options will be replaced by equivalent options over shares in a new holding company unless the Board decides that options should become exercisable as described above.

If a demerger, special dividend or other similar event is proposed which, in the opinion of the Board, would materially affect the market price of shares, the Board may decide that awards will vest on a similar basis to that on a takeover as described above.

Adjustment of Options: On a variation in the Company's share capital, the Board may adjust, as it considers appropriate, the number of shares under option and the price payable on an option's exercise. Options that are not tax advantaged may also be adjusted for a demerger, special dividend or other similar event which materially affects the market price of shares.

Rights attached to shares: Any ordinary shares allotted when an option is exercised will rank equally with the other ordinary shares then in issue (except for rights arising by reference to a record date occurring before their allotment).

Overall Plan Limits: The Plan may operate over newly issued shares, treasury shares or shares purchased in the market. In any 10 calendar year period, the Company may not issue (or grant rights to issue) more than:

1. 10% of the issued ordinary share capital of the Company under the Plan and any other employee share plan adopted by the Company; and
2. 5% of the issued ordinary share capital of the Company under the Plan and any other executive share plan adopted by the Company.

Treasury shares will count as newly issued shares for the purposes of these limits unless institutional investors no longer require them to.

Alterations to the Plan: The Board may, at any time, amend the Plan in any respect, provided that prior shareholder approval is obtained for any alterations which are to the advantage of participants; or made to the rules governing eligibility, limits on participation, overall limits on the issue of shares or the transfer of treasury shares; or the basis for determining a participant's entitlement to, and the terms of, the shares or cash to be acquired and the adjustment of options.

The requirement to obtain prior shareholder approval will not apply to any minor alteration made to benefit the administration of the Plan, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any company in the Group. Prior shareholder approval will also not be required for any amendment to performance conditions applying to an option.

Overseas Plans: The Board, without further shareholder approval, can establish further plans for overseas territories. Any such plan will be similar to the Plan, but modified to take account of local tax, exchange control or securities laws. Shares made available under such further plans count against the limits on individual and overall participation in the Plan.

Sourcing of shares and dilution

Awards under all the Group share schemes may be satisfied using either newly issued shares or shares purchased in the market and held in the Tullow Oil Employee Trust. Awards under the Group's discretionary schemes which may be satisfied by new issue shares must not exceed 5% of the Company's issued share capital in any rolling 10-year period, and the total of all awards satisfied via new issue shares under all plans must not exceed 10% of the Company's issued share capital in any rolling 10-year period.

As at 31 December 2010, the headroom under the Company's 5% and 10% limits was 6.7 million and 44.4 million shares respectively, out of an issued share capital of 888.2 million shares.

As at 31 December 2010, the Tullow Oil Employee Trust held 0.81 million shares..

3.9 Directors' Remuneration

The remuneration of the Directors for the year ended 31 December 2010 payable by Group companies was as follows:

Executive Directors	Salary/Fees £	Bonus		Pensions £	Taxable Benefits £	2010 Total £	2009 Total £
		Cash £	Shares £				
Aidan Heavey	679,450	509,588	273,138	169,863	38,870	1,670,909	1,659,855
Graham Martin	384,250	288,188	154,468	96,063	3,652	926,621	923,073
Angus McCoss	384,250	288,188	154,468	96,063	2,361	925,330	902,665
Paul McDade	384,250	288,188	154,468	96,063	8,955	931,924	903,300
Ian Springett	408,000	306,000	164,016	102,000	4,081	984,097	978,928
Subtotal	**2,240,200**	**1,680,152**	**900,558**	**560,052**	**57,919**	**5,438,881**	**5,367,821**
Non-Executive Directors							
Pat Plunkett	200,000	-	-	-	-	200,000	180,000
David Bamford	57,000	-	-	-	-	57,000	56,000
Ann Grant	57,000	-	-	-	-	57,000	56,000
Steven McTiernan	69,000	-	-	-	-	69,000	67,000
Clare Spottiswoode[16]	69,000	-	-	-	-	69,000	67,000
David Williams	69,000	-	-	-	-	69,000	67,000
Tutu Agyare[16a]	20,096	-	-	-	-	20,096	-
Subtotal	**541,096**	**-**	**-**	**-**	**-**	**541,096**	**493,000**
Total	**2,781,296**	**1,680,152**	**900,558**	**560,052**	**57,919**	**5,979,977**	**5,860,821**

3.10 Subsidiaries and Associate Companies

The Company operates as a holding company. The principal subsidiaries and subsidiary undertakings of the Company, each of which is considered by the Company to likely have a significant effect on the assessment of the assets and liabilities, the financial position and/or the profits and losses of the Company, are as follows:

[16] Retired on 12 May 2011
[16a] Appointed 25 August 2010

Exhibit 9: Subsidiaries and Associate Companies

Name	%	Country of operation	Country of registration
Directly held			
Tullow Oil SK Limited	100	United Kingdom	England & Wales
Tullow Oil SPE Limited	100	United Kingdom	England & Wales
Tullow Group Services Limited	100	United Kingdom	England & Wales
Tullow Oil Limited	100	Ireland	Ireland
Tullow Overseas Holdings B.V.	100	Netherlands	Netherlands
Tullow Gabon Holdings Limited (50% held indirectly)	100	Gabon	Isle of Man
Indirectly held			
Tullow (EA) Holdings Limited	100	Isle of Man	British Virgin Islands
Tullow Oil International Limited	100	Channel Islands	Jersey
Tullow Pakistan (Developments) Limited	100	Pakistan	Jersey
Tullow Bangladesh Limited	100	Bangladesh	Jersey
Tullow Côte d'Ivoire Limited	100	Côte d'Ivoire	Jersey
Tullow Côte d'Ivoire Exploration Limited	100	Côte d'Ivoire	Jersey
Tullow Ghana Limited	100	Ghana	Jersey
Tullow Kenya B.V.	100	Kenya	Netherlands
Tullow Ethiopia B.V.	100	Ethiopia	Netherlands
Tullow Tanzania B.V.	100	Tanzania	Netherlands
Tullow Netherlands B.V.	100	Netherlands	Netherlands
Tullow Guyane B.V.	100	Guyana	Netherlands
Tullow Liberia B.V.	100	Liberia	Netherlands
Tullow Sierra Leone B.V.	100	Sierra Leone	Netherlands
Tullow Suriname B.V.	100	Suriname	Netherlands
Tullow Congo Limited	100	Congo	Isle of Man
Tullow Equatorial Guinea Limited	100	Equatorial Guinea	Isle of Man
Tullow Kudu Limited	100	Namibia	Isle of Man
Tullow Uganda Limited	100	Uganda	Isle of Man
Tullow Oil Gabon SA	100	Gabon	Gabon
Tulipe Oil SA*	50	Gabon	Gabon
Tullow Chinguetti Production (Pty) Limited	100	Mauritania	Australia
Tullow Petroleum (Mauritania) (Pty) Limited	100	Mauritania	Australia
Tullow Oil (Mauritania) Limited	100	Mauritania	Guernsey
Tullow Uganda Operations (Pty) Limited	100	Uganda	Australia
Tullow Hardman Holdings B.V.	100	Netherlands	Netherlands
Tullow South Africa (Pty) Limited	100	South Africa	South Africa
Hardman Petroleum France SAS	100	French Guiana	France

* the group is deemed to control Tulipe Oil SA in accordance with International Accounting Standard 27 as it has a majority of the voting rights of the board of Tulipe Oil SA

Tullow Oil's subsidiaries and associated companies all undertake oil and gas business in their respective countries of operation. Below are details of the Company's operations in their respective countries on four continents – Africa, South Asia, South America and Europe:

Tullow Oil Plc African Operations

Congo (Brazzaville)

Congo (Brazzaville) – Industry Overview

Congo (Brazzaville) is the fifth largest oil producer in sub-Saharan Africa with the sector accounting for a bulky portion of the country's GDP and its exports. According to the Energy Information Association 2007, Congo (Brazzaville) has proven reserves of about 1.6 million barrels and an estimated production capacity of 240,000 bopd. These oil deposits also have hefty associated natural gas reserves but the majority of this gas is flared.

The city of Pointe Noire is the focal point of the oil industry where the Congolaise de Raffinage (CORAF) operates the country's only refinery, a 21,000 bopd capacity refinery[17]. The oil production of the country has been growing in recent years on the back of increased investment and high oil prices on the international market.

Congo (Brazzaville) – Company Overview

In Congo (Brazzaville) Tullow has development and production interests in the Eni operated M'Boundi onshore oil field. The field became a producing asset for Tullow in 2004 as part of the Energy Africa acquisition.

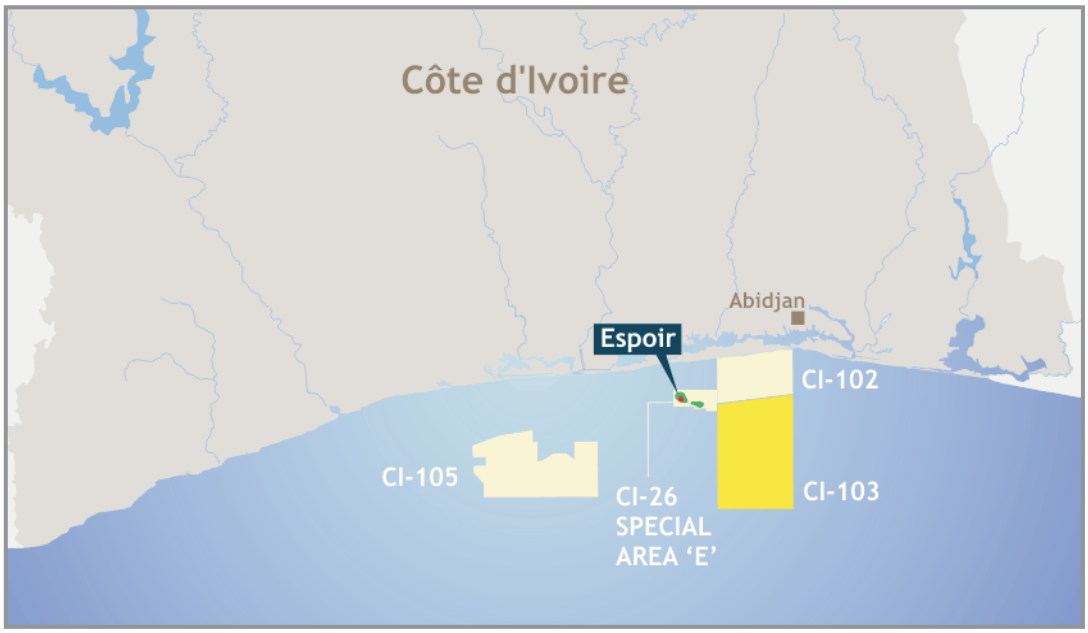
Working interest production for 2010 averaged 4,000 bopd, representing 7% of the Group's total production.

Production and Development

Net production from the M'Boundi field averaged 4,000 bopd in 2010, below expectations due to a combination of reservoir performance and delays in the ramp up of water injection. The latter has resulted in a decline in average reservoir pressure and hence a decline in well productivity. The M'Boundi crude is blended and sold as part of the N'Kossa blend, which has been trading close to parity with Brent.

[17] Source: IC Securities research

Côte d'Ivoire



Côte d'Ivoire – Industry Overview

Côte d'Ivoire has estimated oil reserves of 100 million barrels and recoverable gas reserves of about 1.1 tcf.[18] Although the country's oil reserves are modest, it boasts a complex refinery which is connected to the Lion and Panthere oil fields by pipeline. The Lion and Panthere oil fields represent the country's most productive fields.

Côte d'Ivoire is a major gas producer, producing gas out of the Panthere, Kudu, Eland, Ibex, Gazelle and Foxtrot fields. The majority of gas produced is used for power generation and exportation to Ghana. Plans are in advanced stages for the country to become a regional gas exporter to supplement the needs of its neighbours.

Côte d'Ivoire is self sufficient in producing refined petroleum products and is also a major supplier to the West African region. Six major oil companies are involved in marketing products in Côte d'Ivoire as well as the local PetroIvoire[19].

Côte d'Ivoire – Company Overview

In Côte d'Ivoire Tullow has exploration, development and production interests a cross four offshore blocks. Tullow seeks to replicate the success it has had in neighbouring deepwater Ghana in the exploration blocks CI-103 and CI-105 which lie on either side of the producing Espoir field.

Tullow has had interests in Côte d'Ivoire since 1997. The Espoir field came on-stream in 2002. Average working interest production for 2010 was 3,850 boepd, 7% of total Group production.

Exploration and Appraisal

Exploration in Côte d'Ivoire is focused on two offshore areas. To the west of the Espoir field, new 2D seismic data was acquired in Block CI-105 during 2008. In 2009, the South Grand Lahou well was drilled in the block but was unsuccessful in discovering hydrocarbons, despite a good quality reservoir with top and bottom seal being encountered.

To the east of the Espoir field, there is a commitment to reprocess existing 3D seismic data on block CI-102. Following the completion of seismic processing, interpretation of over 2,200 sq km of 3D seismic data from blocks CI-103 and CI-105 has commenced. While one well remains scheduled for each block during 2011, the political situation is being monitored closely before any operational commitments are made.

[18] Source: IC Securities research
[19] Source: IC Securities research

Production and Development

Net production from the East and West Espoir fields was in line with expectations averaging 3,850 boepd in 2010. The decrease in production from 2009 was due to planned shutdowns to facilitate an upgrade to the FPSO and because of the natural decline of the fields

Development of the West Espoir field completed in January 2008, with a total of eight production and three injection wells on line. An upgrade to the FPSO's processing capability began in 2009. The installation was delayed following difficult ocean conditions in the 2009 heavy lift window but was completed successfully in the middle of 2010. An investigation into the feasibility of adding extra well slots to both platforms is at an advanced stage and infill drilling from both the East and West wellhead towers is anticipated in 2012 or 2013.

Equatorial Guinea

Equatorial Guinea – Industry Overview

The upstream oil industry of the country is vibrant with an inflow of foreign companies and investment, edging the industry on a growth path. There are two offshore areas of interest for hydrocarbon industry participants in Equatorial Guinea: the shelf area of Bioko Island and off Rio Muni, these two areas present potential hydrocarbon reserves.

The downstream sector is dominated by state-owned Compañia Nacional de Petróleos de Guinea Ecuatorial ("GEPetrol") and Total S.A. ("Total") in an equal partnership. Regulation of the industry is by the Ministry of Mines and Hydrocarbons which is also authorised to issue licences for the sector.

Equatorial Guinea – Company Overview

Tullow has development and production interests in two Amerada Hess operated licences offshore Equatorial Guinea, encompassing the Ceiba field and the Okume Complex. In total, working interest production averaged 15,700 bopd in 2010, which represented 27% of the Group's total production. The Ceiba field has been on production since 2000 and Tullow gained its first interest in 2004 through the acquisition of Energy Africa.

Production and Development

Net production from the Ceiba field was ahead of expectations, averaging 3,950 bopd in 2010, due to the optimised use of the subsea pumps. Net production from the Okume Complex averaged 11,750 bopd in 2010 as new production wells kept the field on plateau whilst uptime and throughput were enhanced leading to slightly higher average production than 2009.

During the 2010, two drilling rigs completed separate development drilling campaigns on the deep water and shallow water sections of the Okume Complex, with eight new wells drilled ahead of schedule. In the third quarter of 2010, a time lapse 3D (4D) seismic survey was acquired over the Ceiba field and the deep water part of the Okume Complex which is expected to assist with selecting future infill well locations.

Ethiopia

Ethiopia – Industry Overview

Ethiopia has an endowment of natural resources such as natural gas, coal and biomass however; the country is not large consumer of petroleum fuels. The majority of energy consumed in Ethiopia is from traditional energy resources with the remaining balance derived from electricity and oil products. The Ethiopian energy industry is regulated by the Ministry of Mines and Energy. Issues and policy making is the responsibility of the Ethiopian National Committee ("ENEC") which operates through the Ministry of Mines and Energy.

Ethiopia's current proven hydrocarbon reserves are minimal, however, the country's similar geological attributes with its oil-producing neighbours such as the Arabian Peninsula and Sudan have brought Ethiopia to the attention of oil exploration companies. In recent years, Petronas, Africa Oil Corporation, East Exploration Limited and Tullow Oil have shown a keen interest in Ethiopian hydrocarbon exploration by acquiring exploration licences.

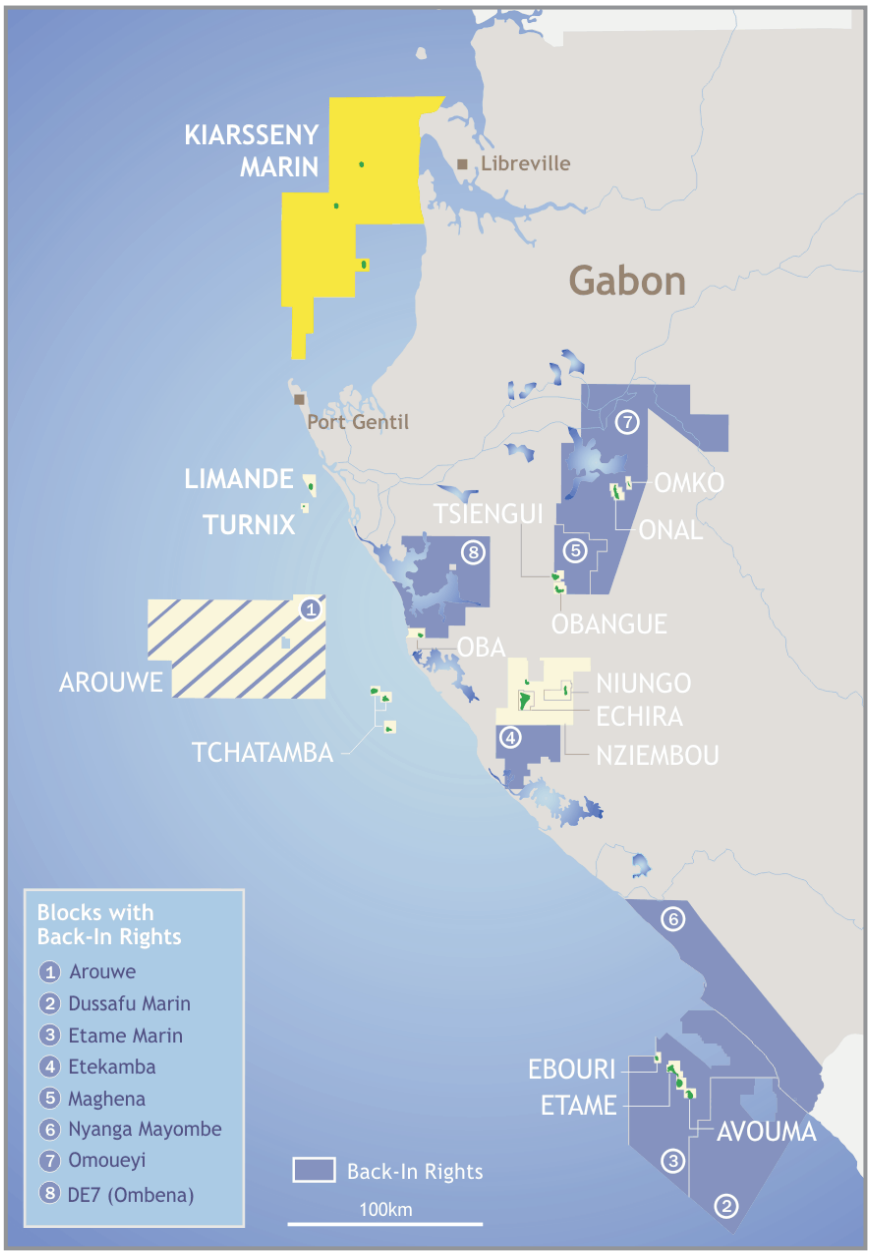
Ethiopia – Company Overview

In 2010, Tullow signed an agreement with Africa Oil to gain a 50% operated interest in the South Omo Block in Ethiopia. This has been complemented by the 50% operated interests agreed in five Kenyan licences. The combined acreage covers the Turkana Rift Basin which is similar in character to the Lake Albert Rift Basin and also a south-east extension of the geologically older Sudan rift basins trend.

Exploration and Appraisal

This East African Rift Basin acreage in Kenya and Ethiopia shares many geological attributes with Tullow's Lake Albert Rift Basin position in Uganda. The acreage, which is located 500 km to the east of Lake Albert has good evidence of a live oil system. The Loperot-1 well drilled in 1992 recovered 29 degree API waxy crude from Miocene sandstones. Seismic programmes in Kenya and Ethiopia commenced in 2010 and the first wells in Kenya are expected to be drilled by the end of 2011.

Gabon



Gabon – Industry Overview

According to the OPEC Annual Statistical Bulletin 2008, Gabon had proved oil reserves of 1.995 billion barrels at the end of 2008 or 0.15% of the world's reserves. For 2008, Gabon produced an average of 244,000 barrels of crude oil per day, 0.34% of the world total and a change of -2.5 % compared to 2007.

Gabon – Company Overview

Tullow's activities in Gabon include exploration, development and production. Tullow has interests in 18 licences in Gabon, including 13 producing fields and back-in rights to 10 further licences. These licences are located in areas of significant potential and give the Group exposure to almost 40% of Gabon's licensed acreage.

With 2010 average working interest production at 12,850 bopd, Tullow's Gabon production accounted for 22% of the Group's total production in 2010.

Tullow and its partners drilled 53 wells in Gabon during 2010, including a series of very successful exploratory appraisal wells and in 2011 the level of drilling activity will be sustained with over 50 wells planned.

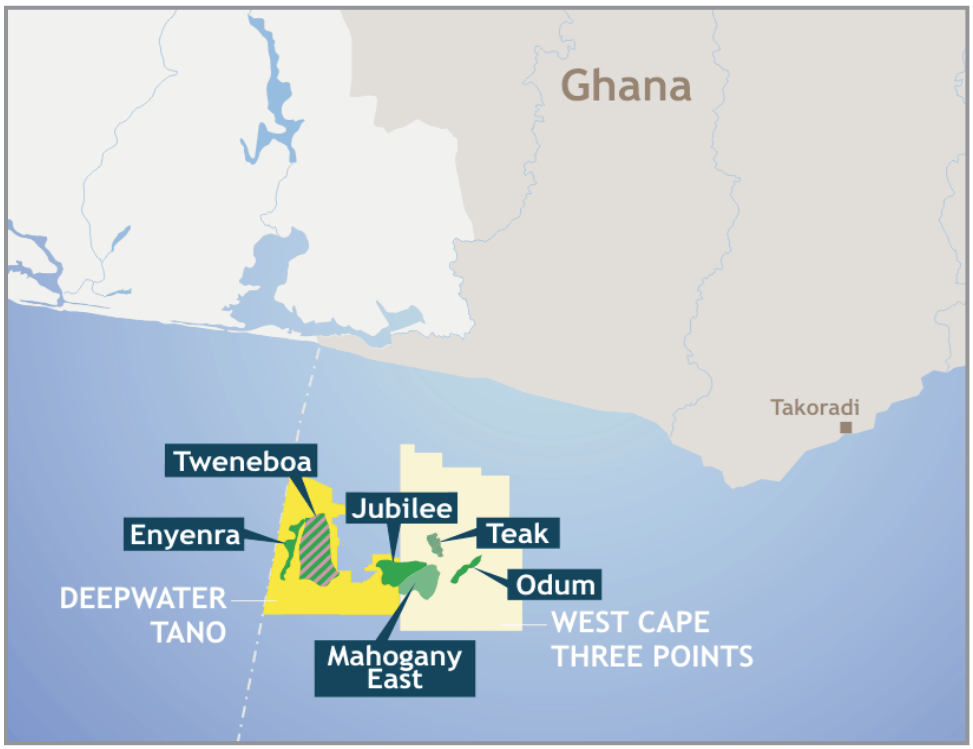
Exploration and Appraisal

In February 2010 the Maroc-Nord-1 exploration well discovered 50 metres of net oil pay in an emerging under-explored stratigraphic trap play which is currently being appraised and will be brought into the Onal area development in 2011. The Noix de Coco–1 exploration well was drilled in April 2010 on the Tullow operated Azobe exploration block but the well encountered non-commercial levels of hydrocarbons and following a full review the licence was relinquished. Tullow entered an agreement with Perenco to farm in to the offshore Arouwe exploration block for a 35% interest. The Falcon North-1 exploration well was drilled in December 2010 and encountered non-commercial volumes of hydrocarbon; however, material prospectivity remains in the licence for the new exploration campaign ahead.

Production and Development

Net production in Gabon averaged 12,850 bopd from 13 fields during 2010, an increase of 7% over the previous year. The Niungo, Echira and Tchat amba fields all performed well and work is ongoing to further enhance production. Tullow and its partners drilled 53 wells in Gabon during 2010, including a series of very successful exploratory appraisal wells and in 2011 the level of drilling activity will be sustained with over 50 wells planned. Further seismic evaluation is also planned to support the 2012 drilling campaign.

Ghana



Ghana – Industry Overview

The upstream industry in Ghana is an emerging one which is quickly coming to life with the discovery of oil. Ghana achieved first oil production from the Jubilee field in November 2010. The first phase of its biggest field, Jubilee (owned by Tullow (Operator), Anadarko Petroleum Corporation ("Anadarko"), Kosmos Energy Ghana ("Kosmos"), Ghana National Petroleum Corporation ("GNPC"), Sabre Oil and Gas Limited and E.O. Group[20], is currently the only offshore producing field and has the potential to reach plateau production of 120,000 bopd. Further discoveries have been made by other firms such as Vitol E&P which drilled the Sankofa-1 exploration well, encountering a net hydrocarbon column of approximately 36.3 metres, comprising a gas column of 33.1 metres and a 3.2-metre oil column in reservoir sands of Late Cretaceous, Campanian, age. The well is yet to be appraised by the licence holders. With other oil firms such as Hess Corporation, LUKOIL Overseas Ghana Limited ("Lukoil"), Oranto Petroleum Limited and Aker ASA undertaking exploration activities, there is anticipation of further discoveries over the next five years.

Regulatory Environment of the Oil and Gas Industry in Ghana

As with most of the country's extractive industrial sectors, the Oil and Gas Industry in Ghana is regulated.

The main legislations regulating and setting out the legal framework governing the oil and gas sector are:

1. Ghana National Petroleum Corporation Law, 1983 (PNDCL 64) which gives GNPC the right to the development of the oil sector, oil exploration and production;
2. Petroleum (Exploration and Production) Law, 1984 (PNDCL 84) placed the overall authority of the hydrocarbons sector with the Ministry of Energy although GNPC would continue to do the underground work including attracting foreign investors;
3. Petroleum Income Tax Law, 1987 (PNDCL 188);
4. National Petroleum Authority Act, 2005 (ACT 691) which was established to regulate, oversee and monitor activities in the petroleum downstream industry and where applicable do so in pursuance of the prescribed petroleum pricing formula; and
5. Energy Commission Act, 1997 (ACT 541) which establishes the Energy Commission. The object of the

[20] On 26 May 2011, Tullow announced that it entered into a conditional agreement to acquire the interests of EO Group Limited, see further details below.

Commission is to regulate and manage the utilisation of energy resources in Ghana and co-ordinate policies in relation to them. To this end, the Commission establishes and enforces, in consultation with the Public Utilities Regulatory Commission, standards of performance for public utilities engaged in the transmission, wholesale supply, distribution and sale of electricity and natural gas and promotes and ensures uniform rules of practice for the transmission, wholesale supply, distribution and sale of electricity and natural gas.

Ghana National Petroleum Corporation

The GNPC was established in 1983 to undertake exploration, development, production and management of the upstream petroleum sector in Ghana. More recently GNPC has adopted a new upstream policy and strategy of not directly engaging in exploration activities. GNPC is therefore focused on:

1. promoting Ghana's exploration potential to attract foreign capital and expertise;
2. evaluating potential investors, negotiating agreements and supporting direct investment from high calibre foreign investors;
3. approving development plans and monitoring activities of industry players as well as costs of exploration and production; and
4. GNPC retains the right to participate as a shareholder in commercially viable fields.

The GNPC can best be described as a regulator and a participant in the upstream oil and gas sector in Ghana. GNPC has participated in most oil blocks as a minority shareholder with a 10% carried interest.

National Petroleum Authority (NPA)

The NPA, established in 2005, is one of the bodies charged with the regulation of the downstream oil and gas sector in Ghana to ensure efficiency, growth and stakeholder satisfaction. The NPA therefore regulates the activities of Tema Oil Refinery ("TOR"), Bulk Oil Storage Transportation (BOST), petroleum traders such as Chase Petroleum Ghana Limited and Oil Marketing Companies (OMC) such as Total Petroleum Ghana Limited, Shell Ghana Limited and Ghana Oil Company Limited ("Goil").

Ghana – Company Overview

Tullow has interests in two exploration licences offshore Ghana where, in 2007, two successful exploration wells discovered the substantial Jubilee field which straddles the boundary between the two blocks; Deepwater Tano and West Cape Three Points.

The Minister of Energy in Ghana formally approved the Jubilee field Phase 1 Development Plan and Unitisation Agreement on behalf of the Government of Ghana in July 2009. Since then, significant progress has been made on the Phase 1 development of Jubilee with initial production commencing in November 2010 and the ramp up to plateau production expected in the summer 2011.

In March 2009, a further major discovery was made in the Deepwater Tano block. The Tweneboa-1 exploration well discovered a highly pressured light hydrocarbon accumulation. This was followed by the successful Tweneboa-2 well announced in January 2010 which encountered oil and gas-condensate 6km south of the original discovery. The Owo-1 well result in July 2010 successfully encountered 53m of net oil pay and was followed by the Owo-1 sidetrack which encountered a further 16m of net oil pay and an additional 19m of gas/gas-condensate in two deeper channels. These two wells proved up the third major discovery in Ghana which is now named the Enyenra field. Teak and Odum are two other discoveries that have been made in Ghana with further exploration still remaining.

On 26 May 2011, Tullow announced that it entered into a conditional agreement to acquire the interests of E.O. Group Limited, consisting of its entire interests offshore Ghana, for a combined share and cash consideration of $305 million. This acquisition will increase Tullow's interest in the West Cape Three Points licence offshore Ghana by 3.5% to 26.4% and increase the Group's interest in the world-class Jubilee Oil field, which Tullow Operates, by 1.75% to 36.5%. The effective date of the transaction is 1 December 2010. The agreement is conditional on the receipt of various consents, approvals and assurances, including from the Government of Ghana.

In early 2009, Tullow withdrew from the Shallow Water Tano licence where the sub-commercial Ebony field was discovered in November 2008.

Exploration and Appraisal

Ghana's Jubilee field, which straddles the Deepwater Tano and the West Cape Three Points licences, was discovered via the Mahogany-1 and Hyedua-1 exploration wells in 2007. The two wells were drilled five km apart and intersected a large continuous accumulation of light sweet crude oil in excellent quality stacked reservoir sandstones with net oil pays of 95m and 41m respectively.

Appraisal drilling commenced in 2008 to define the potential of the Greater Jubilee Area. Six successful exploratory appraisal wells, Mahogany-2, Hyedua-2, Mahogany-3, Mahogany-4, Mahogany Deep-2 and Mahogany-5 were drilled. Each of these discoveries intersected considerable hydrocarbon columns. The Jubilee Unit Area was established to allow for the accelerated Phase 1 development to commence.

Outside of this area, the Mahogany-3, Mahogany-4, Mahogany Deep-2 and Mahogany-5 wells successfully extended the field to the southeast establishing the Mahogany East Area.

Flow tests on the Mahogany-1 & 2 and Hyedua-2 wells confirmed that the Jubilee field is a highly productive and well connected reservoir. In addition, a water injection test, with rates in excess of 23,000 barrels of water per day, was conducted during the fourth quarter of 2009 demonstrating well communication over a distance of up to six km. In February 2010, the first appraisal well on the Tweneboa field, Tweneboa-2, in the Deepwater Tano licence offshore Ghana, intersected a significant combined hydrocarbon column. Coupled with the Tweneboa-1 discovery in 2009, Tweneboa was established as a major gas-condensate and oil field.

In July 2010, the Owo-1 and Owo-1 sidetrack wells continued the success of Tullow's West African Equatorial Atlantic drilling campaign. The wells intersected a total of 69 metres of net oil pay in a substantial gross oil column of 200 metres and established Enyenra (formerly Owo) as a major new oil field in its own right. The wells also intersected 13 metres of net condensate pay and six metres of net gas pay below the Enyenra oil field.

A campaign of appraisal wells and flow tests has now commenced across both the Enyenra and Tweneboa fields. The programme is designed to determine reservoir extent and connectivity and to provide rock and fluid data. The first well in this campaign was Tweneboa-3, drilled in December 2010, which confirmed producible gas-condensate at this location. In February 2011, Enyenra-2A was drilled and encountered oil in excellent quality reservoirs which are in communication with the original Owo-1 discovery well located 7km up-dip.

The result confirms Enyenra as a major light oil discovery. The activity programme this year will lead to a Declaration of Commerciality for the Enyenra and Tweneboa fields being submitted to the Government of Ghana later in 2011. The expected schedule of wells includes Tweneboa-DST, Enyenra-3A, Enyenra-DST and Enyenra-4A.

Development studies for both fields are focused on optimising the recovery of the light oil discovered at Enyenra and maximising both liquid and gas recovery from the Tweneboa field. Conceptual developments include the use of a large FPSO with liquid rates in the range of 75,000 to 125,000 bopd. Water and gas is expected to be injected into the reservoirs to optimise both oil and condensate recovery levels. Gas export infrastructure to shore will also be put in place to satisfy the growing demand in Ghana. A Plan of Development will be prepared for submission in the first quarter of 2012 and, pending approvals and a timely sanction of the project, first production would be anticipated before the end of 2014.

The West Cape Three Points licence drill-out campaign commenced in February 2011 with the Teak-1 and Teak-2 exploration wells. Both wells successfully encountered hydrocarbons demonstrating significant upside potential for further appraisal. Included in the programme of wells are Banda Deep, South Central Channel (Makore) and Dahoma Updip prospects.

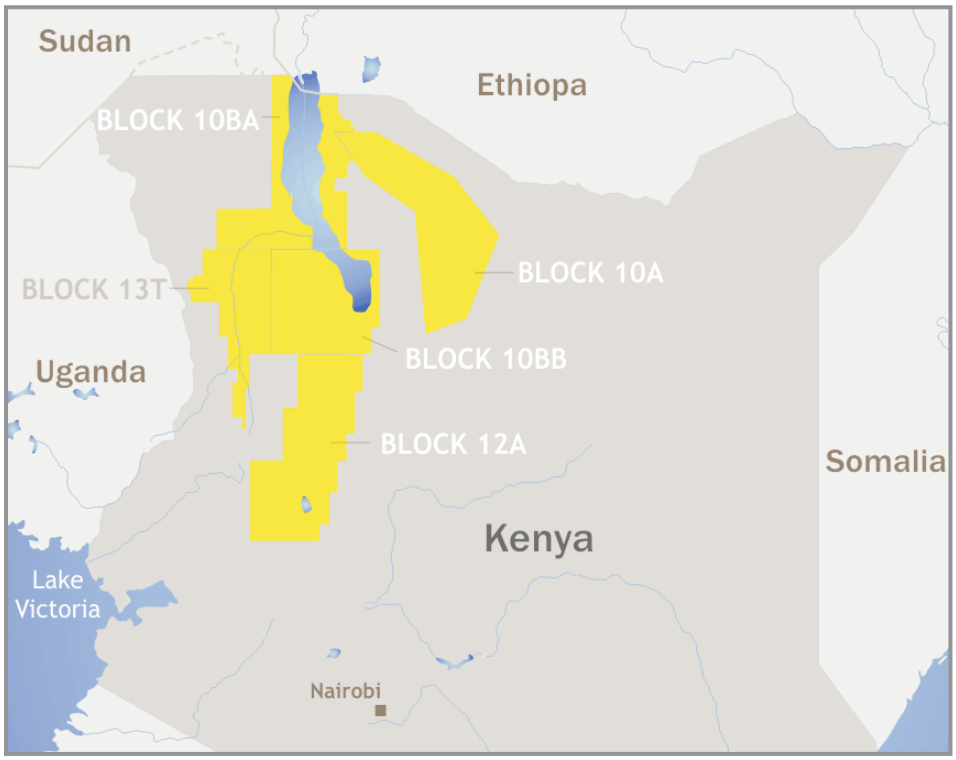
Production and Development

Production from the Phase 1 development of the Jubilee field commenced on 28 November and was inaugurated by the President of Ghana on 15 December 2010. First oil was achieved around 40 months after discovery of the field, with top quartile safety performance, and the final cost is expected to be within 5% of the original USD 3.1 billion budget.

Gross production of over 70,000 bopd has been achieved from five wells and full production capacity of 120,000 bopd is expected to be reached in summer 2011 as the remaining four production wells are completed and brought on line. On 5 January 2011, the first lifting of Jubilee crude oil, a 650,000 barrel Tullow cargo, was successfully completed. Once plateau production is reached an average of three offtakes are expected each month. Water injection to two wells is currently around 110,000 bwpd and a further four water injection wells will be completed during 2011 to maintain plateau oil production levels. Gas injection will commenced in Apriland a second injection well is expected to be completed in the third quarter of 2011.

Planning work for Phase 1a of the Jubilee development, to comprise between five and eight further wells, commenced in the fourth quarter of 2010 and is now at an advanced stage. A Plan of Development will be submitted to the Government of Ghana in the coming months with work expected to commence in 2012. This development will help maintain field production at plateau levels and develop further reserves. The operator of the West Cape Three Points ("WCTP") licence submitted a Declaration of Commerciality for the Mahogany East Area (previously known as Southeast Jubilee area) in September 2010. The development plan for Mahogany East is currently being discussed with the Government; options under consideration include a standalone development and integration with other discoveries.

Kenya



Kenya – Industry overview

Kenya has many energy sources such as wood fuel, coal, solar and wind power, much of which is untapped however; the country has no proven reserves of hydrocarbons. The country's commercial energy needs are supplied by electricity, coal, fuel wood and oil-derived products that are imported. Petroleum products are the main source of commercial energy in Kenya, accounting for about 80% of the country's commercial energy requirements.

Hydrocarbon exploration in Kenya began in the 1950's with initial wells being drilled in the Lamu Enbayment and seismic surveys being conducted in the Mandera Basin. However these activities did not yield commercially viable results. The National Oil Corporation of Kenya Limited ("NOC"), 100% owned by the Government of Kenya, was initially incorporated in 1981 to coordinate oil exploration activities and later mandated to supply the country's crude oil requirements. In recent years, the NOC has been actively promoting Kenyan exploration acreage which have led to the signing of numerous PSCs covering exploration blocks.

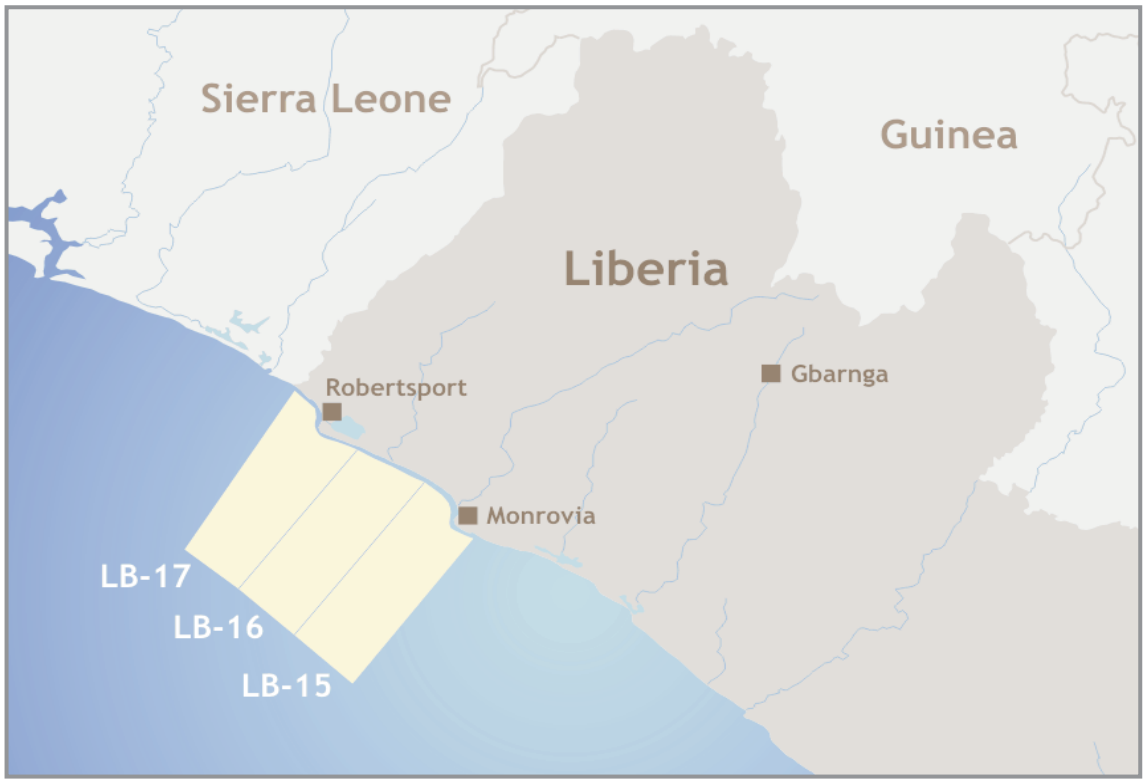
Kenya – Company Overview

In 2010, Tullow signed agreements with Africa Oil and Centric Energy to gain a 50% operated interest in five Kenyan licences; Blocks 10BA, 10BB, 10A, 12A and 13T covering over 67,000 sq km (six times the size of the licences in Uganda). In addition, Tullow gained a 50% operated interest in the South Omo Block in Ethiopia. The combined acreage covers the Turkana Rift Basin which is similar in character to the Lake Albert Rift Basin and also a south-east extension of the geologically older Sudan rift basins trend.

Exploration and Appraisal

The East African Rift Basin acreage in Kenya and Ethiopia share many geological attributes with Tullow's Lake Albert Rift Basin position in Uganda. The acreage, which is located 500 km to the east of Lake Albert has good evidence of a live oil system. The Loperot-1 well drilled in 1992 recovered 29 degree API waxy crude from Miocene sandstones. Seismic programmes in Kenya and Ethiopia commenced in 2010 and the first wells are expected to be drilled by the end of 2011 in Kenya.

Liberia



Liberia – Industry Overview

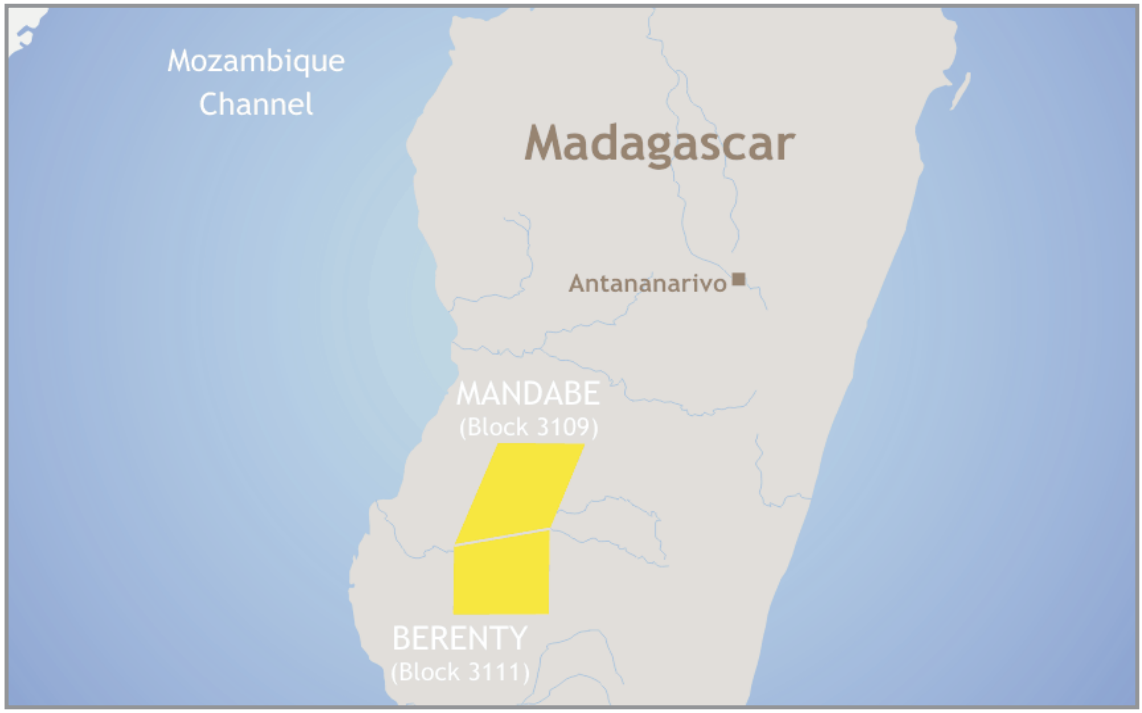
With relative peace in recent years, a number of international prospectors are showing interest in the offshore region of Liberia. The state has granted exploration licences to a number of firms to drill in the region.

The downstream sector is characterised by imports as Liberia is not self sufficient in this sector. Its only refinery is not capable of supplying the country.

Liberia – Company Overview

In January 2009, Tullow farmed in to three blocks offshore Liberia with a total acreage of 9,775 sq km. A 6,164 sq km 3D seismic survey across the three blocks was completed in the first half of 2009 to delineate high potential prospects identified on existing 2D seismic data. Interpretation of the 3D seismic is well advanced and has highlighted several prospects for drilling. The potentially high impact Montserrado (Cobalt) prospect is scheduled to commence drilling in June 2011 with the operator having secured the Transocean Discoverer Spirit drillship for a campaign in the region including two wells in Sierra Leone.

Madagascar



Madagascar – Industry Overview

The Malagasy territory has been relatively underexplored or unexploited for hydrocarbons although the island produces a modest level of crude oil on an annual basis. Exploration in the territory began in the 1940s however, no commercial discoveries were identified. Drilling ceased in the 1980s as political turmoil and government dissatisfaction drove out investment.

Exploration in Madagascar began again in the 1990s as the government, with a changed policy towards oil exploration, licenced a number of offshore permits to oil prospectors.

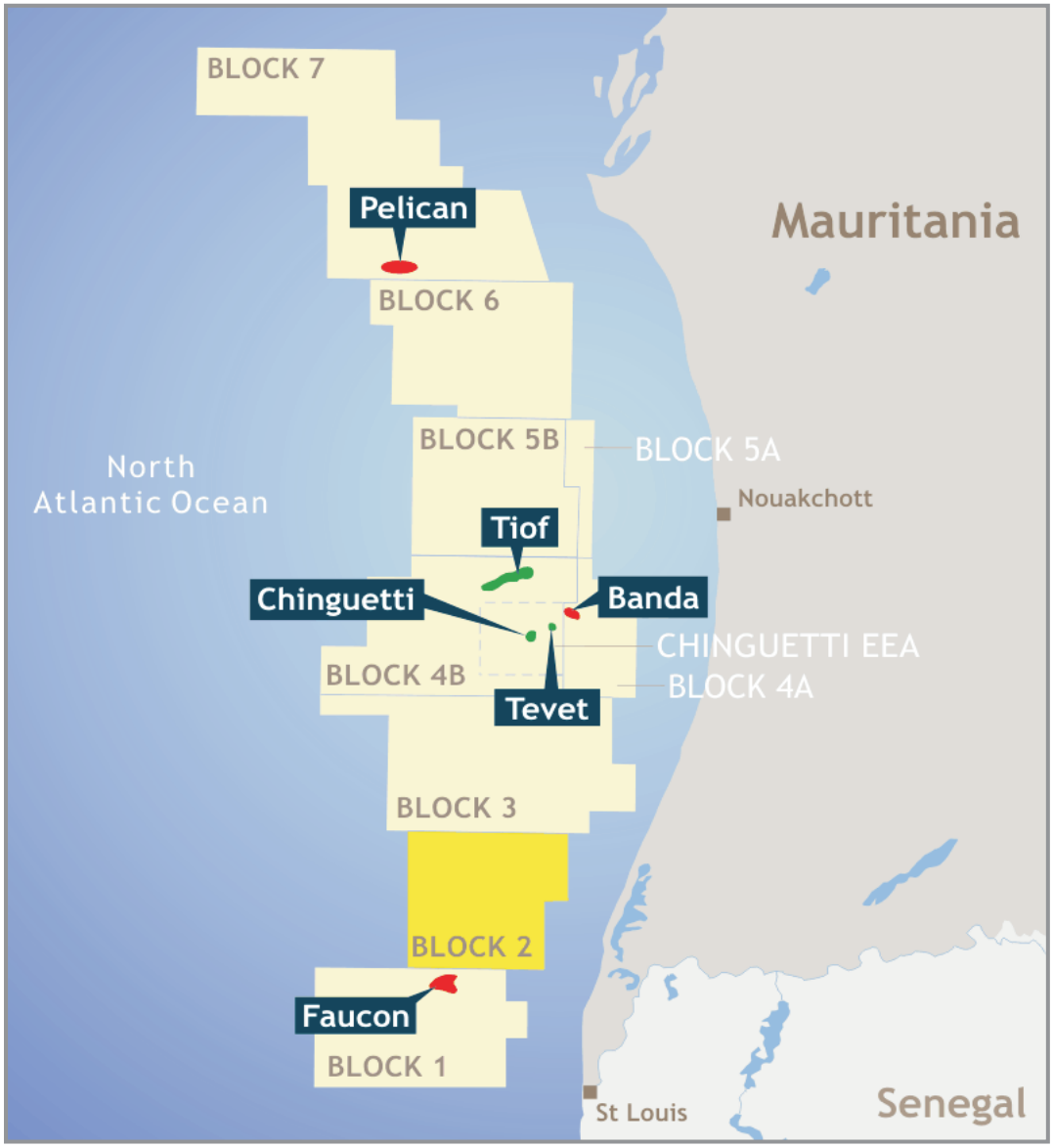
Madagascar – Company Overview

In Madagascar, Tullow has had an exploration interest since the government approved the Group's participation in the onshore Block 3109 in 2005. Since then, Tullow has added Block 3111 to its portfolio and now has a total of two exploration licences covering 20,100 sq km.

Exploration and Appraisal

Due to the political instability in Madagascar during 2010, Tullow elected to delay a 2D seismic acquisition programme until 2011. However, Tullow completed an extensive geological field study programme to better define areas of high prospectivity targeting a light oil play in the Permo-Triassic Karoo interval. Oil sampled from natural seepages along the faults that bound the prospects is being analysed. Tullow has also completed a reprocessing project of the historical seismic data which has resulted in a large improvement of the dataset. The assignment of Madagascar Oil's 50% equity in Block 3109 to Tullow completed by the end of 2010 and a well in Block 3111 is planned for 2012.

Mauritania



Mauritania – Industry Overview

Since the return to democratic elections in 2007, the Mauritanian oil and gas industry has been attracting a wave of renewed investment from prospecting companies. The increased interest in the country's upstream sector was triggered by a flourish of acquisitions led by Tullow, which acquired the parent company of Hardman Resources Limited. The country's onshore 500,000 sq km Taoudeni Basin has also been an area of interest for many international firms.

The industry is regulated by the Ministry of Water and Energy.

Mauritania – Company Overview

In Mauritania, Tullow has exploration, development and production activities across seven offshore licences. Tullow has significant acreage of 35,459 sq km extending along 750 km of coastline and includes the Chinguetti oil field.

Chinguetti was the first discovery in Mauritania in 2001 and since then further discoveries have included Banda in 2002, Pelican and Tiof in 2003, Tevet in 2004 and Faucon in 2005. In January 2011, the successful Cormoran-1 exploration well successfully appraised the Pelican gas field and discovered two new underlying fields, Cormoran and Petronia. Tullow is the operator in Block 2 with Dana and Petronas operating all of the other blocks.

Exploration and Appraisal

Regional evaluation of the Mauritanian acreage is at an advanced stage and detailed prospect specific mapping continues to define good drilling candidates. Seismic interpretation has focused on generating prospects in the Cretaceous turbidite sequences, which are similar to those being successfully explored in Ghana.

The Cormoran-1 exploration well successfully intersected gas in both Pelican and Cormoran. The Pelican interval was flow tested at a stabilised flow rate of approximately 23 mmscfd. In the deeper Petronia target, the well encountered rich gas in Turonian-age reservoirs. However, drilling had to be stopped for operational reasons soon after penetrating the trap. The result from the Gharabi-1 well, in Block 6, was announced in February 2011. The well, which was selected by the operator to meet licence commitments, intersected poorly developed water-bearing reservoirs. The result has no impact on Tullow's future plans for its Mauritanian or other West African acreage. In 2011, Tullow will continue defining prospects throughout the Mauritania-Senegal basin with further planned exploration activity in 2011 and 2012. The Sidewinder well is scheduled for the second half 2011 to test the Jubilee play in Mauritania.

In 2008, two successful appraisal wells were drilled on the Banda discovery; Banda North West and Banda East. The same oil and gas contact was encountered at all three wells in the Banda field. During 2009 the seismic and well data was incorporated into the geological model to determine the commercial potential of the field and this work is ongoing.

In February 2008, Tullow drilled the Khop-1 exploration well in Block 6 in Mauritania. Only minor oil shows were encountered and the well was abandoned. However, the well provided important stratigraphic data.

Production and Development

The Chinguetti field production rate declined in line with expectations, averaging 1,500 boepd net to Tullow. Towards the end of 2010, a programme of well and flowline optimisation resulted in a reduction in the rate of decline and the potential for further optimisation in 2011 and beyond is being evaluated. Production from Chinguetti represented about 3% of the Group's total production for 2010.

Namibia

Namibia – Industry Overview

Namibia's upstream oil sector is still in its infancy with only a few exploration wells drilled. These consist of eleven offshore and seven onshore wells, leading to the discovery of a significant gas field in Kudu. The Ministry of Mines and Energy of Namibia regulates its oil industry through the Petroleum (Exploration and Production) Act, 1991 (the "Petroleum Act"), the Petroleum (Taxation) Act, 1991 (both as amended principally by the Petroleum Laws Amendment Act, 1998) and the Model Petroleum Agreement 1998[21].

National Petroleum Corporation of Namibia (NAMCOR), a state-owned oil company, has the mandate to act as the commercial wing of the Ministry of Mines and Energy as well as providing consulting services on petroleum policy.

Namibia – Company Overview

Tullow has development activities in Production Licence 002 which includes the Kudu gas field located 170 km offshore the south-west coast of Namibia. Tullow, which acquired the licence as part of the Energy Africa acquisition, is the operator of the 4,567 sq km licence and the current focus is on evaluating the development options for the Kudu field.

Production and Development

The terms of a new Kudu Petroleum Agreement have been agreed with the Ministry of Mines and Energy and a revised 25-year Production Licence is expected to be issued in 2011. Tullow, on behalf of the Production Licence partners NAMCOR, Gazprom International and Itochu, has completed the concept selection study for the offshore development of the Kudu gas field and is now entering into technical integration discussions with NamPower to optimise design concepts of both the offshore development and the Kudu Power Station. In parallel, discussions are underway with NamPower on the gas supply agreements and for a 800MW power station and, subject to progress, Tullow expects to initiate detailed design of the offshore development in the second quarter of 2011.

[21] Source: IC Securities research

Senegal

Senegal – Industry Overview

Senegal has an emerging upstream hydrocarbon industry. The State through Société des Pétroles du Sénégal ("Petrosen") has been actively promoting its offshore and onshore acreage to oil exploration companies. Petrosen has granted several permits in the form of Production Sharing Contracts ("PSC") to multinational explorers. Senegal imports crude oil to refine in Dakar, which has the capacity to refine 1 million tons of oil per annum and boasts good storage facilities for crude oil and finished petroleum products.

Petrosen and the Ministry of Energy, Mines and Industries regulate the oil industry in Senegal.

Senegal – Company Overview

In 1986, Tullow signed its first ever licence agreement in Senegal. Tullow now operates the 2,807 sq km St Louis exploration licence, partnering with Petrosen and Dana. The Group is looking to replicate the success of its West African Cretaceous play in Senegal and Mauritania .

Exploration and Appraisal

The St Louis exploration licence covers the northern-most inshore section of the Senegalese offshore area and adjoins Mauritanian Block 1 where the Group has exploration interests across seven contiguous licences.

A 1,000 sq km 3D seismic survey, which straddled the boundary between St Louis and Block 1 in Mauritania, was carried out in 2008. The data acquired has been processed and was interpreted during 2009. To the north in Mauritania, two exploration wells have been drilled since 2010 to test the Cretaceous turbidite play, the same interval where in Ghana Tullow has been success ful in discovering the Jubilee field. The Cormoran-1 well provided the most encouraging results intersecting two new intervals discovering the Cormoran and Petronia fields.

Sierra Leone

Sierra Leone – Industry Overview

The Sierra Leonean oil sector is regulated by the Department of Trade, Industry and State Enterprises. Until discoveries by Anadarko in its Venus field of oil deposits, there were no significant records of the country's oil resources. The discovery of deposits increased interest for Sierra Leonean acreage and reduced exploration risks for firms already prospecting in the region and those looking to start.

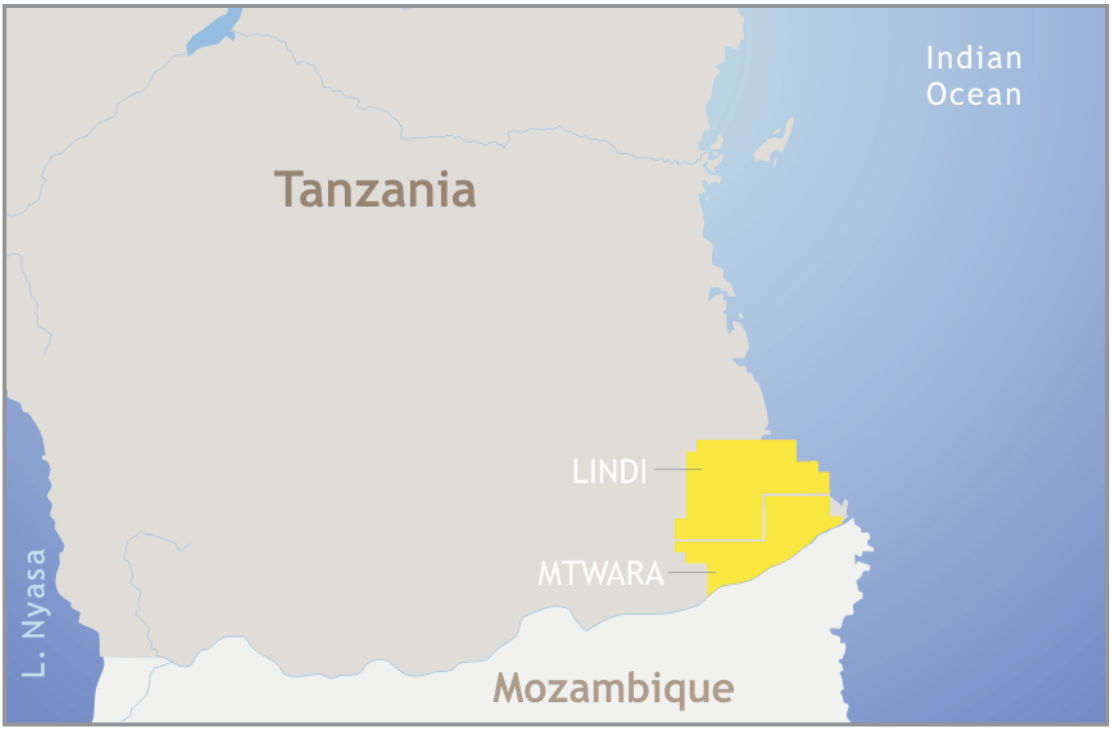
Sierra Leone – Company Overview

Tullow has continued to progress the Jubilee play in the West African Equatorial Atlantic region which include Sierra Leone. In addition to the successes with Enyenra and Tweneboa, Tullow has also made other important discoveries through a campaign of wells in Ghana and Sierra Leone. Tullow acquired a 10% interest one licence SL-07B-10 offshore Sierra Leone following a farm-in deal with Anadarko. The licence covers a total of 5,493 sq km.

In September 2009, Tullow and its partners, made a discovery at the Venus B-1 well. The discovery of 14m net hydrocarbon pay was made, around 1,100 km west of the Jubilee field in Ghana. This discovery confirmed the existence of a working petroleum system in the Liberian basin and de-risked further prospects in Tullow's Sierra Leone and Liberian acreage.

Following the interpretation of 10,000 sq km of 3D data over Tullow's acreage in Sierra Leone and Liberia, several Jubilee-type prospects have been identified. The Mercury-1 well offshore Sierra Leone was drilled in November 2010 and encountered 35 metres of excellent quality oil pay in the primary objective and a further six metre oil pay in a shallower secondary objective. These accumulations are currently being assessed with an appraisal well planned in the second half 2011 along with the Jupiter exploration well.

Tanzania



Tanzania – Industry Overview

The vast majority of Tanzania's resources such as biomass, natural gas and coal are untapped by the country. The country relies on wood-fuel to provide most of its energy needs with oil-derived products only accounting for minor part of its energy needs. The government's reliance on its downstream industry has put a strain on its foreign exchange reserves. To alleviate this, the government is actively pursuing a policy of petroleum product substitution and the promotion of the exploration and production of hydrocarbons. Songo Songo and Mnazi Bay have been identified as having good deposits of gas and are being developed.

The oil sector is under the jurisdiction of the Ministry for Energy and Minerals. The two major laws that govern the industry are the Petroleum (Exploration and Production) Act 1980 and the National Investment (Promotion and Protection) Act 1990.

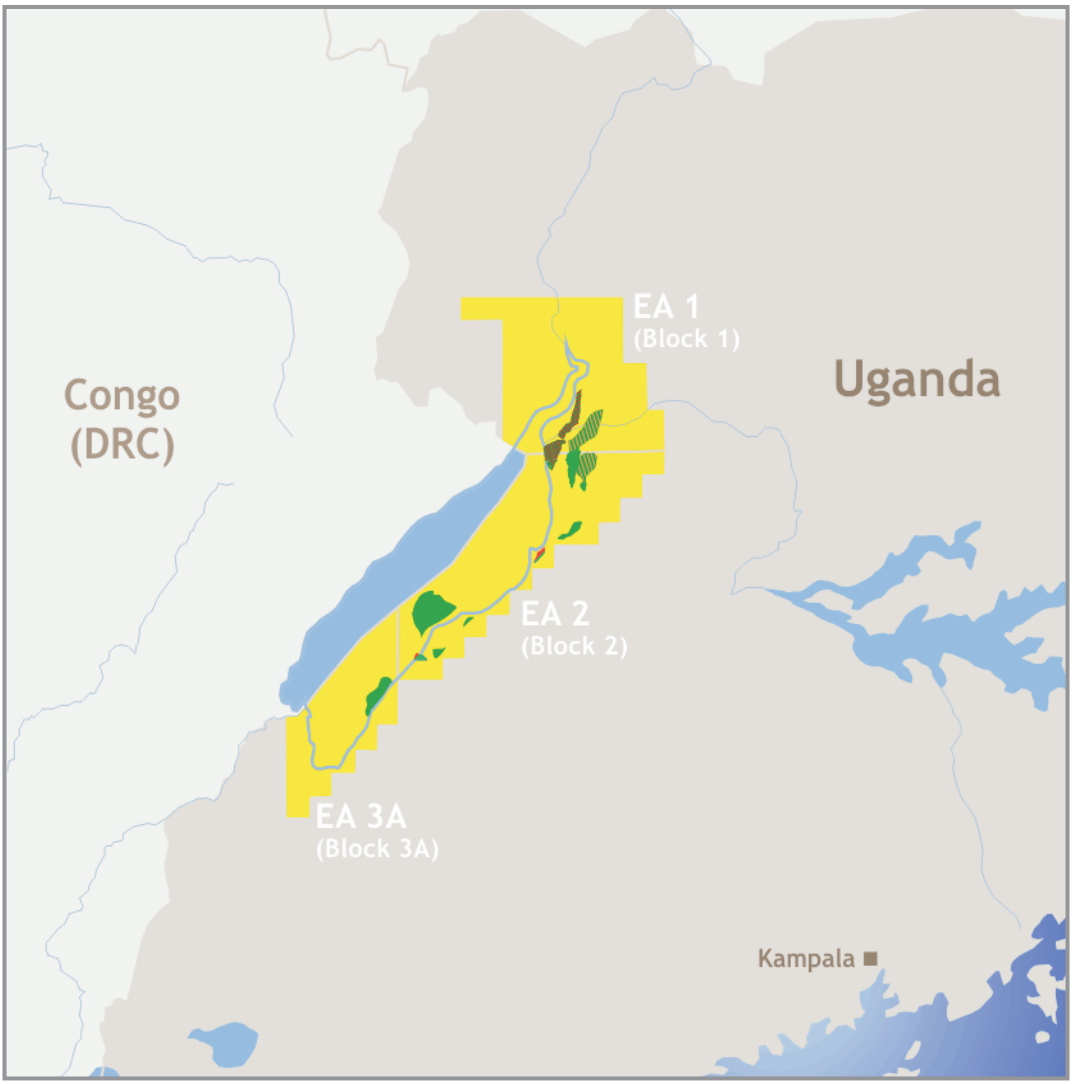
Tanzania – Company Overview

Tullow operates two onshore licences in the Tanzanian portion of the Ruvuma Basin with partners Aminex and Solo. The combined 12,360 sq km acreage lies approximately 500 km south of Dar es Salaam, along the Mozambique border and comprises of the Mtwara and Lindi licences. The licences are adjacent to the Mnazi Bay gas field which was discovered in the 1980s. Tullow acquired the licences through the acquisition of Hardman Resources in January 2007 and drilled the Likonde-1 well in April 2010.

Exploration and Appraisal

In April 2010, the Likonde-1 exploration well in the Lindi Block was drilled to a depth of 3,647 metres testing Tertiary and Cretaceous sequences. Significant amounts of residual oil and gas were found; however, no commercial quantities would have been producible from the well. Tullow's strategy of exploring for oil in the Ruvuma Basin continued throughout 2010 with the entire seismic dataset being reprocessed to better image potential objectives in the Lindi and Mtwara blocks with a second commitment well planned later in 2011.

Uganda



Uganda – Industry Overview

The dominant factor of the Ugandan oil and gas industry has been its downstream sector; however, recent discoveries of oil in the Rift Valley area may change the industry. Substantial commercial deposits of hydrocarbons have been discovered by Tullow and its joint venture partner in recent years around the western part of the country. These oil discoveries will give birth to Uganda's upstream oil sector which has been the aim of the Petroleum Exploration and Production Department of Uganda. The Petroleum Exploration and Production Department was charged with promoting acreage in Uganda to boost exploration activities.

The industry is regulated by the Ministry of Energy and Mineral Development. The National Oil and Gas Policy (2008) was created to provide guidelines to the development of Uganda's emerging oil and gas industry following the discovery of commercial prospects. The National Oil and Gas policy takes into account various Acts and Regulations that provide the legal framework for development and exploitation of oil and gas. Further legislation includes the Petroleum Exploration and Production Act (1993) and the Uganda Mining Act (2003). A new Petroleum Bill, which has been approved by Cabinet and is due to be presented to Parliament, establishes enforcement and monitoring body, the Petroleum Authority of Uganda and a national oil company.

Uganda – Company Overview

Tullow has had interests in the Lake Albert Rift Basin in Uganda since 2004 when it acquired Energy Africa. Since then, the Group has drilled approximately 40 wells with all but one encountering hydrocarbons. To date, one billion barrels of P50 resources have been discovered and 1.5 billion barrels of P50 prospective resources remain. Over this period, Tullow has acquired additional equity by purchasing Hardman Resources in 2007 and Heritage Oil and Gas Limited's (Heritage) interests in 2010. Tullow is now finalising plans to farm down a one-third interest to both China National Offshore Oil Corporation ("CNOOC") and Total S.A to align interests across the basin and accelerate basin-wide development. Ultimately, Tullow expects the basin to be producing in excess of 200,000 bopd.

On 17 January 2010, Tullow exercised its right to pre-empt the sale by Heritage of its interests in Uganda to a third party. The acquisition resulted in Tullow acquiring a 50% interest in Exploration Areas 1 and 3A (EA 1 and EA 3A) for a consideration of USD 1.45 billion on 26 July 2010. Tullow paid USD 1.05 billion to Heritage; USD 121 million to the Ugandan Revenue Authority and USD 283 million was deposited into escrow pending a resolution of a dispute between the Government of Uganda and Heritage over payment of capital gains tax.

Tullow and the Government of Uganda have been engaged in negotiations aimed at resolving this issue. A legally binding Memorandum of Understanding was signed on 15 March 2011. This agreement paved the way for the farm-down and development of all assets within the Lake Albert Rift Basin by Tullow, Total and CNOOC. The Sale and Purchase Agreements (SPAs) for the farm down were signed on 29 March 2011. The remaining conditions are now being finalised and the deals are expected to complete soon. The transactions, which include a total cash consideration payable to Tullow of US$2.9 billion, will create an aligned partnership with each partner having a one third interest in the EA-1, EA-2 and EA-3A licences.

Exploration and Appraisal

Since 2008 onshore drilling activity has been focused on the Butiaba area of Blocks 1 and 2. The largest discovery in the basin to date is Jobi-Rii (formerly called Buffalo-Giraffe), in Block 1, which has a continuous oil column of 140 metres and very high quality sandstone reservoirs. The scale of the discoveries in the Butiaba area has confirmed the Group's view that this is a major hydrocarbon province in its own right within the Lake Albert Rift Basin.

In Block 3A, the Kingfisher-3 appraisal well was completed in December 2008, having encountered up to 40 metres of oil bearing sands confirming Kingfisher to be a highly productive 200 million barrel field. In February 2009, the Kingfisher-3 well was successfully sidetracked for use as a future producer and this completed the initial appraisal drilling programme for the field.

In August 2009, the Ngassa-2 well drilled to a total depth of 3,392 meters and encountered 7 meters of net oil pay. Pressure data indicates the potential for a significant oil column down-dip, which could fill the entire 150 sq km closure. Ngassa has the potential to be the largest discovery in the basin, with further appraisal work required to understand the full extent of the discovery.

The Ngara-1 discovery in August 2009 was the last well in a Butiaba Block 2 programme. The drilling and seismic data was then integrated with recently acquired weight-drop 3D seismic data. Detailed consideration has been given to commercialisation options and Tullow is now embarking on the next phase of exploration, appraisal and development drilling in Block 2. Kasamene-2 was announced as a successful appraisal well in January 2010, supporting the development proposal for the field.

To date, only the Awaka well has been unsuccessful in discovering hydrocarbons. However, the well did confirm a new reservoir fairway.

In 2010, Tullow's exploration and appraisal campaign in Uganda continued with ten wells being drilled, all of which encountered hydrocarbons. This led to the estimated P50 resource base for Uganda being revised upwards from 800 million barrels at the beginning of the year to 1 billion barrels at year-end 2010.

The 2010 drilling campaign, which commenced in January with the Kasamene appraisal programme where the OGEC-750 rig drilled three wells: Kasamene-2, 3 and 3A yielding positive results to give strong support to the development of this field. In May, the Nzizi-3 appraisal well was drilled, establishing reservoir connectivity with the Nzizi-2 well and proving the well's viability as a future gas producer for the integrated power project. In June, the OGEC-600 rig arrived in EA 1 and a comprehensive two-rig exploration and

appraisal campaign commenced across EA 1 and EA 2. In total, a further six successful appraisal wells were drilled and the Mpyo-1 exploration well made a material discovery.

Good progress is being made in defining numerous new exploration and appraisal drilling targets for the drill-out campaign in 2011 which has now recommenced. Following a short drilling hiatus, two rigs are now operational in EA 1, a third will commence operations in June and two further rigs will be contracted later in 2011.

To date in 2011, five successful exploration and appraisal wells have been drilled: Nsoga -2, Kigogole-6, Ngege-2, Jobi-East-1 and Mpyo-3.

During 2010, three 2D seismic surveys were completed in the Butiaba Area of the basin resulting in a total of 767 line kilometres of good quality data. These surveys have firmed up a series of large prospects and have assisted in the placement of wells to finalise the appraisal of a number of discoveries. In addition, an extensive 3D survey is ongoing and will run through to the fourth quarter of 2011.

Tullow's Kampala team has grown with the focus firmly on maximising recruitment of Ugandan nationals in order to ensure the long-term sustainability of the project and of the industry as a whole. Over 80% of the team working in Kampala, Cape Town and London are Ugandans and competencies continue to build through on-the-job experience and formal training. Tullow has also stepped up its programme this year to build capacity in the supply sector by encouraging local businesses to partner with international specialists.

Production and Development

Following the significant exploration success in 2008/2009 and the progress made in forming a new aligned partnership with CNOOC and Total, the focus is now on delivering an accelerated development programme. Development planning for the basin has continued throughout the year and we anticipate discussing this, in collaboration with CNOOC and Total, with the Government of Uganda over the coming months. Tullow is also working with the Government to finalise opportunities for the early sale of crude to local industry and power users including the crude produced as a result of testing activities. Development plans for the Nzizi gas field as fuel for a new Integrated Power Project are also being discussed. Field Development Plans have also been submitted to the Government of Uganda for the Waraga, Mputa and Nzizi discoveries as required at the end of the appraisal period. It is anticipated that the Kasamene Field Development Plan will be submitted in 2011.

The Front-End Engineering and Design (FEED) phase for the Nzizi and Kasamene development projects has been completed and work is underway to progress these developments to sanction. The Nzizi gas field development will deliver gas to a new power plant in the Lake Albert area. First gas from Nzizi is subject to gas sales agreements and the readiness of the new Lake Albert Power Plant, which is expected in 2012. The timing of the Kasamene development, based on a production facility with an initial capacity of up to 10,000 bopd, is under review to determine how this development will be best integrated into the overall Lake Albert development plan.

Following completion of the farm-down to CNOOC and Total S.A, the partners will work closely with the Government of Uganda on a development plan aimed at delivering in excess of 200,000 bopd which will include refinery options to supply petroleum products for the region as well as pipeline export routes to international markets. The target for achieving significant oil production from this phase of the development is currently 2015.

Tullow Oil plc Rest of the World Operations

Bangladesh

Bangladesh – Industry Overview

Hydrocarbon exploration has been carried out in Bangladesh since the 19th century, oil finds have been limited but large gas fields have been discovered over the course of time. The Kutubdia offshore gas field was discovered by 7 firms awarded exploration licences after the introduction of the Bangladesh Petroleum Act. According to the OPEC Annual Statistical Bulletin 2009, Bangladesh had 370 bcf of gas reserves, representing 0.20% of world reserves.

Bangladesh's first commercial oil find was in 1986 by the national company, Bangladesh Oil, Gas & Mineral Corporation ("Petrobangla"), in Sylhet. Many exploratory wells have been drilled by the national and international prospectors since the discovery at Sylhet but all significant discoveries have been gas fields. The Government of Bangladesh in adopting its new National Energy policy, divided its sites into 23 blocks and auctioned them to foreign oil explorers.

Bangladesh – Company Overview

Tullow first became involved in oil and gas exploration activities in Bangladesh in 1997 and now participates in exploration, development and production activities in Block 9. Tullow operates the 1,770 sq km Block 9 with partners Niko Resources and the Bangladesh Petroleum Exploration & Production Company.

A three-well drilling programme carried out in 2003 and 2004 resulted in two gas discoveries, Bangora and Lalmai. The appraisal programme for these discoveries was completed in 2006 and production from the Bangora-1 well commenced in the same year. In 2010, average working interest production from the Bangora field averaged 5,650 boepd, representing 10% of the Group's total production for the year.

Exploration and Appraisal

Tullow has undertaken reprocessing and reinterpretation work on the southerly extension of the Bangora structure where there is significant potential for satellite traps which could be tied into the Bangora facilities. The viability of exploration drilling and life-of-field optimisation programmes will be considered during 2011.

The offshore exploration block SS-08-05 is due to be awarded to Tullow following competitive bidding. However, the award is being delayed until a maritime border dispute between India and Bangladesh is resolved.

Production and Development

Following the initial production from Bangora-1 in 2006, additional production was added in 2007 from the Bangora-2 and Bangora-5 wells.

Net production from the Bangora field increased to 120 mmscfd in mid-October 2009 following the tie-in of the Bangora-3 well. Production from the Bangora field in 2010 was marginally ahead of expectations averaging 5,650 boepd (2009: 5,050 boepd). In March, the installation of a Hydrocarbon Dew Point unit to improve the gas sales specification was completed, increasing condensate yield from 140 to 400 barrels per day whilst delivering on-spec gas at a maximum permissible rate of 120 mmscfd.

Pakistan

Pakistan – Industry Overview

Oil production began in Pakistan in the early part of the 20th century. The central and southern parts of the country have proven to be successful locations for hydrocarbon exploration as many discoveries have been made in the region. As at 2006, Pakistan produced 58,000 bopd but is in advanced stages of increasing this number to 100,000. Pakistan has proved natural gas reserves of about 0.85 trillion cubic metres according to the OPEC Annual Statistical Bulletin.

The industry is regulated by the Ministry of Petroleum and Natural Resources.

Pakistan – Company Overview

Tullow has been active in Pakistan since 1991 and currently has exploration, development and production interests across seven licences covering 13,171 sq km.

Average working interest production in 2010 was 150 boepd, representing less than 1% of the Group's total production.

Exploration and Appraisal

The Mesozoic and Tertiary aged Tethys Basin between Kurdistan and Pakistan forms one of the richest petroleum provinces in the world and provides Tullow with access to significant upside potential. Existing hydrocarbon infrastructure provides a ready link to a growing regional energy market and creates lucrative opportunities to quickly monetise discoveries.

In July 2010, the Shekhan-1 exploration well penetrated a total net gas pay of 45 metres in sandstone reservoirs over a gross interval of 93 metres. A pipeline and gas processing and production facilities were then installed so that an extended well test could be performed with gas sold into the Pakistan gas grid. This was achieved in record time allowing sales of around 15 mmscfd of gas plus 100 barrels per day of

condensate to commence in December 2010. The test will continue into 2011 and will assist in deciding upon forward programmes for the Shekhan area.

In the first half of 2011, a second exploration well, Jabbi-1, commenced drilling 20 km to the west, along the same geological structural trend as Shekhan. If successful, Jabbi-1 gas could be quickly tied-in to the Shekhan production facilities. Tullow has equity in several other high-impact exploration blocks in Pakistan and is working with the local authorities to enable activity in these blocks to recommence as soon as local security conditions permit.

Production and Development

Tullow has an interest in the Sara/Suri field. The Sara/Suri field continued producing gas at very low levels until the fourth quarter of 2010 when it was shut in pending approval from the Government for the sale of the asset.

French Guiana

French Guiana – Industry Overview

The territory of French Guiana does not currently produce nor have any proved oil reserves. Seismic exercises done in neighbouring regions such as Suriname and Guyana have increased interest in the region. The main region of interest is the Guyene Maritime Block jointly held by Tullow Oil Plc, Shell and recently Total S.A.

French Guiana – Company Overview

Tullow has exploration opportunities in the Guyane Maritime licence in French Guiana, which was acquired as part of the Hardman Resources acquisition in 2007. In November 2009, Tullow announced that it had agreed to farm down 33% of its interest in the Guyane Martime licence to Shell. This was followed in December 2009 by a further farm down of 25% to Total S.A. In September 2010, Shell exercised its option, pending applicable Government approvals, to increase its interest in the Guyane Maritime block by 12% to 45%, which will result in Tullow having a 27.5% interest in the 32,120 sq km licence.

Exploration and Appraisal

Following a complete re-evaluation of the exploration potential of the extensive (32,120 sq km) Guyane Maritime block in 2008, the focus of attention shifted to high-impact leads in the southeast portion of the block, the 'Eastern Slope' play. These leads comprise high-risk stratigraphic traps analogous to the Jubilee field offshore Ghana being formed in similarly aged Upper Cretaceous turbidite fans.

Seismic acquisition on the Eastern Slope part of the Guyane Maritime permit in French Guiana, which started in September 2009, was completed in early 2010 with a total of 2,500 sq km 3D and 180 km 2D seismic acquired. Interpretation of this data during 2010 confirmed the presence of the major Late Cretaceous turbidite system previously identified on the existi ng regional 2D seismic in 2008. A portfolio of high risk but high-impact deepwater prospects analogous to the Jubilee field in Ghana has been interpreted and the first well on the Zaedyus prospect commenced drilling with the ENSCO 8503 in early March 2011. The well has the potential to open up a major new oil province in French Guiana with a significant number of further prospects and leads already identified. Tullow is operator of this well with 27.5% equity in the licence and Shell will be the Operator thereafter.

Guyana

Guyana – Industry Overview

Seismic data for the region shows signs of an existence of hydrocarbons in the region.

The Georgetown Block off the coast of Guyana is the largest prospect block of the country. Several multinationals have a stake in the block which is believed to have a potential to hold significant oil deposits.

Guyana – Company Overview

Tullow has a 30% interest in the Georgetown Block in Guyana where, following analysis of a 3D seismic survey acquired and processed during 2008-2009, a number of prospects were identified in 2010. Jaguar, a Late Cretaceous turbidite fan prospect, will be the first well to be drilled in the licence. The Atwood Beacon jack-up rig has been contracted and the well is expected to commence drilling in the third quarter of 2011.

Suriname

Suriname – Industry Overview

The oil and gas sector of Suriname presents the country with good potential upside evidenced by the US Geological Survey in 2000 which estimated that the country may hold about 15 billion barrels of oil in its Guyana Plateau. The industry is dominated by Staatsolie Maatschappij Suriname ("Staatsolie"), a state-owned company, which has a law enforced monopoly. Staatsolie is the only company authorised to operate in the country's oil sector but other entities may participate through Product Sharing !greements with the company.

In recent years, activity in the sector has been vigorous, multiple test drillings have been carried out off the coast of Suriname by international oil exploration companies. Spanish company Repsol YPF, U.S.A based Murphy Oil Corporation and Japanese Tokeiku have all completed drilling and seismic research done offshore Suriname recently.

Suriname – Company Overview

In February 2007 Tullow signed Production Sharing Contracts and related agreements with Staatsolie and its affiliate, Paradise Oil NV, in respect of a 40% interest in th e onshore Uitkijk and Coronie exploration blocks The two blocks cover 3,349 sq km and lie adjacent to Suriname's main Tambanedjo heavy oil producing field.

Exploration and Appraisal

In the onshore Uitkijk block the drilling programme was completed in early 2009. The wells were targeting stratigraphically-trapped heavy oil at shallow depths in Lower Tertiary sands analogous to the adjacent Tamberadjo field. Oil pay was encountered in two wells.

In September 2010, Tullow signed a Production Sharing Contract for the deepwater Block 47. While previous industry focus in this area had been on an Early Cretaceous tilted fault block play, Tullow's focus is on the Late Cretaceous turbidite fan play analogous to Tullow's West African discoveries. Planning for a large 3D seismic programme (2,000 sq km) is currently ongoing with an anticipated commencement date of late 2011/early 2012. Onshore activity in Suriname is focused on continued preparation for the five-well Coronie and two-well Uitkijk drilling programmes in 2011.

Netherlands

Netherlands – Industry Overview

The oil and gas industry represents the Netherlands' major mineral product. The country had 1.24 trillion cubic metres of proved gas reserves as at 2008.[22] An estimated 40% of hydrocarbon production is from the country's offshore territory. The production landscape is dominated by Nederlandse Aardolie Maatschappij (NAM), a joint venture between Shell and Exxon Mobil Corporation ("Esso") which produces some 75% of the total offshore production, including over 95% of the onshore production[23]. Other major producers include Total S.A. and BP with some 12% and 4% of the total, respectively.[24]

Netherlands – Company Overview

Netherlands provides Tullow with offshore exploration opportunities adjacent to its UK Southern North Sea acreage. Tullow is the operator of seven out of eight licences it holds in Quadrants D & E with a total acreage position of 2,608 sq km. The growth in Tullow's acreage in the Netherlands is in response to the maturity and future materiality limits of the UK CMS Area. Tullow acquired the first two licences in 2007 with the Group adding more blocks to its portfolio in 2008 and 2009.

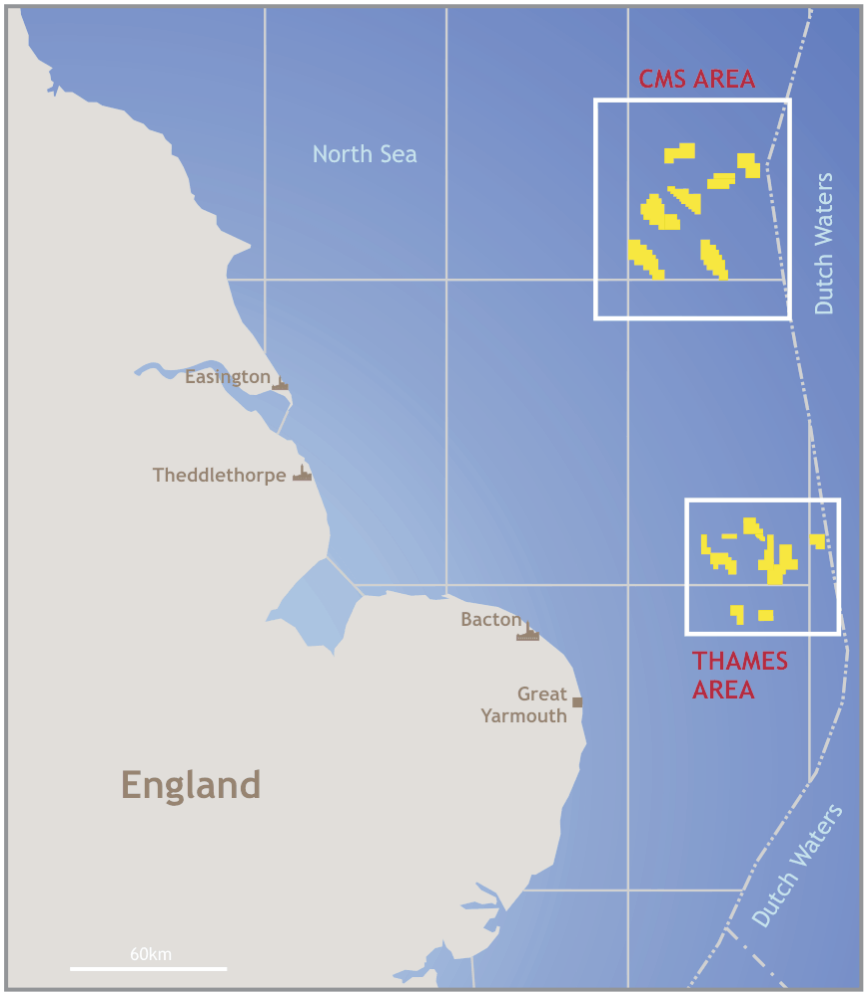
On 24 May 2011, Tullow announced that it entered into an agreement to acquire Nuon Exploration and Production (Nuon E&P) for a cash consideration of €300 million from the Vattenfall Group. The acquisition of Nuon E&P will significantly enhance Tullow's North Sea business adding a portfolio of 25 licences that include over 30 producing fields, numerous development and exploration opportunities and ownership of key infrastructure. This portfolio will increase the Group's North Sea gas production by 9,000 boepd to approximately 23,000 boepd and add reserves and resources of 28 mmboe. The Nuon E&P transaction has an effective date of 1 January 2011 and is expected to complete by July 2011.

[22] Source: OPEC Annual Statistical Bulletin
[23] Source: IC Securities research
[24] Source: IC Securities research

Exploration and Appraisal

Building on the successful exploitation of the Carboniferous play in the UK CMS Area, Tullow has been building an extensive operated position in the adjacent underexplored Carboniferous province of the Dutch offshore sector and now has interests in 10 blocks. In early 2010, Tullow and its partners participated in two major 3D seismic reprocessing programmes and the results led to the acquisition of a significant 1,600 sq km high specification 3D seismic survey during the summer. The data will be used in 2011 to mature the prospect inventory for a potential drilling campaign in 2012 and 2013.Tullow participated with a 4.3% working interest in the drilling of the non-operated Muscovite prospect, which extends into Block E13b and sits immediately south of the Tullow operated acreage in the E blocks. The purpose of participating was to calibrate geological risk factors in the area at a low cost to Tullow. The well found only residual gas and was plugged and abandoned. Valuable insights from this well will now be applied to Tullow's Carboniferous acreage in the Netherlands.

United Kingdom



United Kingdom – Industry Overview

The UK, the largest producer of petroleum and natural gas in the European Union, had proved oil reserves of 3.6 billion barrels at the end of 2008 and proved natural gas reserves of 0.63 trillion cubic metres [25]. The importance of oil to the UK economy has steadily declined over the past two decades, with oil's contribution to total energy consumption falling from 41% in 1980 to 36% in 2002[26].

The UK Continental Shelf ("UKCS") holds a majority of the UK's oil reserves. According to the OPEC Annual Statistical Bulletin 2008, the UK exported about 840,000 bopd to the United States and its European counterparts in 2008. BP is the largest oil producer in the UK. Other large oil players include Chevron Corporation, Shell, and Total S.A.

Production from UK oil and natural gas fields peaked in the late 1990s and has declined steadily over the past several years, as the discovery of new reserves has not kept pace with the maturation of existing fields. In response, the government has begun a three-pronged approach to address the predicted domestic shortfalls: 1) increasing domestic production through efficiency gains and the exploitation of marginal fields; 2) establishing necessary import infrastructure, such as liquefied natural gas (LNG) receiving terminals and transnational pipelines; and 3) investing in energy conservation and renewables[27].

[25] Source: OPEC Annual Statistical Bulletin
[26] Source: IC Securities research
[27] Source: IC Securities research

United Kingdom – Company Overview

Tullow first entered the UK offshore exploration, development and production arena in 2000, when it acquired a significant number of Southern North Sea gas assets from BP. The acquisition comprised of assets in the CMS and Thames-Hewett Areas. The portfolio has since been expanded through a number of new licence awards and bolt-on acquisitions including transactions with Shell, Chevron Corporation and ConocoPhillips Company ("ConocoPhilips"). Tullow has succeeded in extending the life of these mature assets through focused cost reduction, successful exploration and innovative developments. Tullow's first offshore operated development was the Horne and Wren project in the Thames Area where production commenced in 2005.

In 2010, average working interest production was 13,300 boepd from 16 fields, which represents 23% of the Group's total production.

In June 2008 the £35 million sale of non-core CMS exploration and development assets to Venture Production was completed. Following this, in November 2008, Tullow completed the sale of its whole interest in the Hewett-Bacton producing assets and terminal to Eni for £210 million.

Exploration and Appraisal

In January 2008, Tullow drilled the Doris prospect in the Hewett Area but this was unsuccessful and was plugged and abandoned. No exploration and appraisal wells were drilled in 2009 or 2010 in the UK whilst capital was prioritised to Tullow's African operations. Two wells are planned to be drilled in 2011.

In the Thames Area, in December 2010, Tullow acquired a 100% interest in Block 49/29d and in February 2011 agreed a deal for a further 65% in 49/30b and 49/29e. These blocks are considered to have material gas prospectivity. Tullow intends to drill a well on the Foxtrot prospect following completion of the drilling of the well in the Cameron prospect and in the event of a success, the well will be tied back to Thames, deferring field abandonment and generating additional revenues.

Production and Development

Production in 2010 from the UK assets exceeded expectations averaging 13,300 boepd (2009: 14,450 boepd). In the Thames Area, production was in line with expectations supported by a full year of combined flow from the Tullow-operated Horne, Wren and Wissey fields. In the CMS Area, higher rates were achieved as a result of the successful implementation of a detailed well performance improvement programme on the Ketch field, the earlier than forecast tie-in of the Ketch-8z well, the successful in-fill drilling on the Boulton field and various well interventions across the portfolio.

2010 marked a busy year of operational activity in the CMS Area. The Boulton B5 infill well was drilled and brought on stream; successful well interventions took place on the Kelvin field; and a development concept and export route was agreed for the Harrison development in block 44/19b with gas production anticipated to commence in the second half of 2012. In addition, the Ketch-8z well was brought on production ahead of schedule in August 2010 and the Ketch-10 well is now planned for 2011. Following a farm-in agreement with ConocoPhillips in January 2011, Tullow increased its equity in the Cameron prospect located south of the Harrison discovery in 44/19b. Tullow has commenced drilling an exploration well will in the Cameron prospect.

Tullow Oil plc Global Licence Interests

Exhibit 10: Current exploration, development and production interests I

Licence	Fields	Area sq km	Tullow interest	Operator	Other partners
AFRICA					
Congo (Brazzaville)					
M'Boundi	M'Boundi	146	11.00%	ENI	SNPC
Côte d'Ivoire					
CI-26 Special Area "E"	Espoir	235	21.33%	CNR	PETROCI
CI-102[1]		865	31.50%	Edison	Kufpec, PETROCI
CI-103		1,884	45.00%	Tullow	Anadarko, PETROCI
CI-105		1,551	22.37%	Anadarko	PETROCI, Al Thani
Equatorial Guinea					
Ceiba	Ceiba	70	14.25%	Hess	GEPetrol
Okume Complex	Okume, Oveng, Ebano & Elon	192	14.25%	Hess	GEPetrol
Ethiopia					
South Omo		29,465	50.00%	Tullow	Africa Oil, Agriterra
Gabon					
Arouwe[2]		4,414	35.00%	Perenco	
Avouma	Avouma, South Tchibala	52	7.50%	Vaalco	Addax (Sinopec), Sasol, Sojitz, PetroEnergy
Ebouri	Ebouri	15	7.50%	Vaalco	Addax (Sinopec), Sasol, Sojitz, PetroEnergy
Echira	Echira	76	40.00%	Perenco	
Etame	Etame	49	7.50%	Vaalco	Addax (Sinopec), Sasol, Sojitz, PetroEnergy
Kiarsseny Marin		5,442	52.78%	Tullow	Addax (Sinopec)
Limande	Limande	10	40.00%	Perenco	
Niungo	Niungo	96	40.00%	Perenco	
Nziembou		1,027	40.00%	Perenco	Total
Oba	Oba	44	5.00%[3]	Perenco	AIC Petrofi
Obangue	Obangue	40	3.75%[3]	Addax (Sinopec)	AIC Petrofi
Omko	Omko	16	7.50%[3]	Maurel & Prom	AIC Petrofi
Onal	Onal	46	7.50%[3]	Maurel & Prom	AIC Petrofi
Tchatamba Marin	Tchatamba Marin	30	25.00%	Perenco	Oranje Nassau
Tchatamba South	Tchatamba South	40	25.00%	Perenco	Oranje Nassau
Tchatamba West	Tchatamba West	25	25.00%	Perenco	Oranje Nassau
Tsiengui	Tsiengui	26	3.75%[3]	Addax (Sinopec)	AIC Petrofi
Turnix	Turnix	18	27.50%	Perenco	
Back-In Rights [4]					
DE7 (formerly Ombena)		2,188	5.00%[5]	Perenco	
Dussafu Marin		2,780	5.00%[5]	Harvest Natural Res	Pan-Petroleum
Etame Marin		2,972	7.50%	Vaalco	Addax (Sinopec), Sasol, Sojitz, PetroEnergy
Etekamba		773	5.00%[5]	Maurel & Prom	
Maghena		631	3.75%[5]	Addax (Sinopec)	
Nyanga Mayombe		2,831	3.75%[5]	Maurel & Prom	
Omoueyi		4,133	7.50%[5]	Maurel & Prom	
Ghana					
Deepwater Tano	Jubilee, Tweneboa	831	49.95%	Tullow	Kosmos, Anadarko, GNPC, Sabre
West Cape Three Points	Jubilee	1,497	22.90%	Kosmos	Anadarko, GNPC, E.O. Group, Sabre
Jubilee Field Unit Area[6]	Jubilee		34.70%	Tullow/Kosmos[7]	Anadarko, GNPC, Sabre, E.O Group

Exhibit 11: Current exploration, development and production interests II

Licence	Fields	Area sq km	Tullow interest	Operator	Other partners
AFRICA continued					
Kenya					
Block L8 [8]		5,115	10.00%	Origin	Pancontinental
Block 10A		14,747	50.00%	Tullow	Africa Oil, EAX (Afren)
Block 10BA		16,205	50.00%	Tullow	Centric Energy (Africa Oil)
Block 10BB		12,491	50.00%	Tullow	Africa Oil, Lion
Block 12A		15,389	50.00%	Tullow	Africa Oil
Block 13T		8,429	50.00%	Tullow	Africa Oil
Liberia					
LB-15		3,400	25.00%	Anadarko	Repsol,
LB-16		3,225	25.00%	Anadarko	Repsol,
LB-17		3,150	25.00%	Anadarko	Repsol,
Madagascar					
Mandabe (Block 3109)		11,050	100.00%	Tullow	
Berenty (Block 3111)		9,050	100.00%	Tullow	
Mauritania					
Block 1		2,624	38.00%	Dana	GDF, Roc Oil
Block 2		4,898	83.78%	Tullow	Dana, Roc Oil
PSC – Area A Block 3 Blocks 4 & 5 shallow		6,969	24.30%	Petronas	Premier, Kufpec , Roc Oil
PSC – Area B Blocks 4 & 5 deep		8,028	21.60%	Petronas	Premier, Kufpec, Roc Oil
PSC – Area B Chinguetti Chinguetti EEA		929	19.01%	Petronas	SMH, Premier, Kufpec, Roc Oil
Block 6		4,023	22.42%	Petronas	Roc Oil
Block 7		6,676	16.20%	Dana	Petronas, GDF, Roc Oil
Namibia					
Production Licence 002	Kudu	4,567	31.00% [9]	Tullow	Gazprom/NAMCOR JV, Itochu
Senegal					
St Louis		2,807	60.00%	Tullow	Dana, Petrosen
Sierra Leone					
SL-07B -10		5,493	10.00%	Anadarko	Repsol,
Tanzania					
Lindi		7,315	50.00%	Tullow	Aminex, Solo
Mtwara		5,045	50.00%	Tullow	Aminex, Solo
Uganda					
Exploration Area 1 [10]	Jobi-Rii	4,285	100.00% [11]	Tullow	
Exploration Area 2	Mputa, Waraga, Kasamene	3,900	100.00% [11]	Tullow	
Exploration Area 3A [10]	Kingfisher	1,991	100.00% [11]	Tullow	

1. Tullow is in the process of withdrawing from this licence.
2. Tullow has 'Back-In Rights' on this licence as well as a working interest.
3. Tullow's interest in this licence is held through its 50% holding in Tulipe Oil SA.
4. Back-In Rights : Tullow has the option, in the event of a development, to acquire varying interests in these licences.
5. Tullow has the option to acquire an interest in this licence through its 50% holding in Tulipe Oil SA.
6. A unitisation agreement has been agreed by the partners of the West Cape Three Points and Deepwater Tano licences for the area covering the Jubilee Field Phase 1 Development Area.
7. Tullow is the Unit Operator and Kosmos is the Technical Operator for Phase 1 of the Jubilee Development.
8. Tullow has agreed to farm in to Block L8 acquiring a 10% stake from Pancontinental. Apache is also farming in to this block and will become operator.
9. Awaiting signing of formal documentation.
10. On 26 July 2010 Tullow completed the acquisition of Heritage Oil plc's 50% interest in E! 1 and E! 3!/ The deal has received government approval and is awaiting completion of final paperwork.
11. Tullow has farmed down 66.6666% of its interest in EA 1, EA 2 and EA 3A to CNOOC and Total. The deal has received government approval and is awaiting completion of final paperwork.

Exhibit 12: Current exploration, development and production interests III

Licence / Unit Area	Blocks	Fields	Area sq km	Tullow interest	Operator	Other partners
EUROPE						
United Kingdom						
CMS Area						
P450	44/21a	Boulton B & F	77	9.50%	ConocoPhillips	GDF
P451	44/22a 44/22b	Murdoch Boulton H[12]	88	34.00%	ConocoPhillips	GDF
P452	44/23a (part)	Murdoch K[12]	48	6.91%	ConocoPhillips	GDF
P453	44/28b	Ketch	85	100.00%	Tullow	
P516	44/26a	Schooner[13]	99	100.00%	Tullow	
P1006	44/17b	Munro[14]	48	20.00%	GDF	ConocoPhillips
P1058	44/18b 44/23b	 Kelvin	46	22.50%	ConocoPhillips	GDF
P1139	44/19b 44/19b part (Cameron)		60	22.50% 60.00% [15]	ConocoPhillips Tullow	GDF ConocoPhillips, GDF
CMS III Unit[16]	44/17a (part) 44/17c (part) 44/21a (part) 44/22a (part) 44/22b (part) 44/22c (part) 44/23a (part)	Boulton H, Hawksley, McAdam, Murdoch K		14.10%	ConocoPhillips	GDF
Munro Unit[16]	44/17b 44/17a	Munro		15.00%	ConocoPhillips	GDF
Schooner Unit[16]	44/26a 43/30a	Schooner		93.10%	Tullow	Faroe Petroleum
Thames Area						
P007	49/24aF1 (Excl Gawain) 49/24aF1 (Gawain)	 Gawain[17]	163	100.00% 50.00%	Tullow Perenco	
P037	49/28a 49/28b 49/28a (part)	Thames, Yare, Bure, Deben, Wensum Thurne	90	66.67% 86.96%	Perenco Tullow	Centrica Centrica
P039	53/04d	Wissey	29	62.50%	Tullow	First Oil, Faroe Petroleum
P060	50/26a	Orwell	27	100.00%	Tullow	
P105	49/29a (part)	Gawain[17]	17	50.00%	Perenco	
P786	53/03c	Horne	8	50.00%	Tullow	Centrica
P852	53/04b	Horne & Wren	17	50.00%	Tullow	Centrica
P1715	49/29d		50	100.00%	Tullow	
P1716	49/29e 49/30b		87	65.00% [18]	Tullow	Volantis
Gawain Unit[16]	49/24F1 (Gawain) 49/29a (part)	Gawain		50.00%	Perenco	

Exhibit 13: Current exploration, development and production interests IV

Licence	Fields	Area sq km	Tullow interest	Operator	Other partners
EUROPE continued					
Netherlands					
E10		401	32.00%	Tullow	XTO, GTO, EBN
E11		401	30.00%	Tullow	XTO, EBN
E13a		234	50.00%	Tullow	EBN, Gas Plus
E13b		168	10.00%	GDF	Wintershall, EBN, Dyas
E14		403	32.00%	Tullow	XTO, GTO , EBN
E15c		343	30.00%	Tullow	XTO, GTO, Gas Plus, EBN
E18b		192	32.00%	Tullow	XTO, GTO, EBN
L12c		30	30.00%	Tullow	EBN, Nuon, Wintershall
L12d		225	30.00%	Tullow	EBN, Nuon, Wintershall
L15d		62	30.00%	Tullow	EBN, Nuon, Wintershall
SOUTH ASIA					
Bangladesh					
Block 9	Bangora / Lalmai	1,770	30.00%	Tullow	Niko, Bapex
Pakistan					
Bannu West		1,230	40.00%	Tullow	OGDCL, MGCL, SEL
Block 28		6,200	95.00%	Tullow	OGDCL
Kalchas		2,068	30.00%	OGDCL	MGCL
Kohat	Shekhan	1,107	40.00%	OGDCL	MGCL, SEL
Kohlu		2,459	30.00%	OGDCL	MGCL
Sara D&PL	Sara[19]	83	38.18%	Tullow	OGDCL, POL, Attock
Suri D&PL	Suri[19]	24	38.18%	Tullow	OGDCL , POL, Attock
SOUTH AMERICA					
French Guiana					
Guyane Maritime		32,120	39.50%[20]	Tullow	Shell[21], Total[21], Northpet Investments
Guyana					
Georgetown Block		8,400	30.00%	Repsol	YPF, CGX Resources
Suriname					
Block 47		2,369	100.00%	Tullow	
Coronie[22]		2,592	40.00%[23]	Paradise Oil	
Uitkijk		757	36.50%	Paradise Oil	Portsea

12. Refer to CMS III Unit for field interest.
13. Refer to Schooner Unit for field interest.
14. Refer to Munro Unit for field interest.
15. Tullow has agreed a farm-in with ConocoPhillips whereby it will increase its interest in the Cameron Area of 44/19b.
16. For the UK offshore area, fields that extend across more than one licence area with differing partner interests become part o f a unitised area. The interest held in the Unitised Field Area is split amongst the holders of the relevant licences according to their proportional ownership of the field. The unitised areas in which Tullow is involved are listed in addition to the nominal licence holdings.
17. Refer to Gawain Unit for field interest.
18. Tullow has agreed a farm-in deal with Volantis whereby it will acquire a 65% interest in P1716.
19. The Sara/Suri fields were shut in during Q4 2010.
20. Shell has exercised its option to acquire a further 12% from Tullow. Tullow's interest will reduce to 27.5% on completion of the deal which is awaiting government approval.
21. Shell and Total farm-in deals awaiting final government approval.
22. Tullow will acquire its interests on completion of work programme.
23. Tullow has a 40% title interest (36.5% economic interest).

3.11 Litigation

Neither the Company nor any of its subsidiaries has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the 12 months prior to the publication of this Prospectus which may have, or have had during the recent past, a significant effect on the Company's financial position or profitability.

3.12 Material Agreements

The following are all of the contracts (not being contracts entered into in the ordinary course of business) that have been entered into by the Company or any of its subsidiaries (a) within the two years immediately preceding the date of this Prospectus and are or may be material; or (b) which contain provisions under which any subsidiary has any obligation or entitlement which is or may be material to the Company as at the date of this Prospectus:

1. On 12 May 2010, Tullow agreed to issue 131,657 Shares to Castle Construction Co. Limited ("Castle") in consideration of the acquisition by Tullow from Castle of 500 shares of US$1 each in Tullow Bangladesh Limited, representing 5% of the issued share capital of that company. The remaining 95% is already owned by Tullow. Castle was Tullow's original joint venture partner in Bangladesh and acquired its 5% interest in Tullow Bangladesh in 1997. On 12 May 2010, Tullow agreed to purchase that interest for US$2,120,000 to be satisfied by the issue of the Shares, the number of shares being determined using the share price and exchange rates at close of business the previous day, being 11 May 2010.

2. In connection with a placing of 66,938,141 Shares on 21 January 2009, the following agreements, all dated 21 January 2009, were entered into (a) a placing agreement entered into between Tullow Oil plc, Merrill Lynch International ("Merrill Lynch") and RBS Hoare Govett Limited ("RBS Hoare Govett"); (b) an option agreement entered into between the Tullow Oil plc, Tullow (Jersey) Limited ("JerseyCo") and Merrill Lynch; and (c) a subscription and transfer agreement entered into between Tullow Oil plc, JerseyCo, Merrill Lynch and RBS Hoare Govett.

   Pursuant to the terms of these agreements (i) the Company agreed to subscribe for 89 per cent. of the issued ordinary share capital of JerseyCo with Merrill Lynch holding the remainder of the issued ordinary share capital of JerseyCo; (ii) Tullow Oil plc and Merrill Lynch entered into put and call options in respect of the ordinary shares in the capital of JerseyCo which were exercisable had the placing not proceeded; (iii) Merrill Lynch and RBS Hoare Govett applied money received from placees to subscribe for redeemable preference shares of no par value in the capital of JerseyCo (the "2009 Redeemable Preference Shares") equal to such monies received (after deduction of an amount of commission and expenses); and (iv) Tullow Oil plc allotted and issued Shares to those persons entitled thereto in consideration of Merrill Lynch and RBS Hoare Govett transferring their holding of 2009 Redeemable Preference Shares and ordinary shares in the capital of JerseyCo to Tullow Oil plc.

3. In connection with a placing of 80,431,796 Shares on 27 January 2010, the following agreements, all dated 27 January 2010, were entered into (a) a placing agreement entered into between Tullow Oil plc, Merrill Lynch, RBS Hoare Govett, BNP PARIBAS, CALYON and Natixis; (b) an option agreement entered into between Tullow Oil plc, Tullow Jersey 2 Limited ("JerseyCo 2") and RBS Hoare Govett; and (c) a subscription and transfer agreement entered into between Tullow Oil plc, JerseyCo 2 and RBS Hoare Govett.

   Pursuant to the terms of these agreements (i) Tullow Oil plc agreed to subscribe for 89 per cent. of the issued ordinary share capital of JerseyCo 2 with RBS Hoare Govett holding the remainder of the issued ordinary share capital of JerseyCo 2; (ii) Tullow Oil plc and RBS Hoare Govett entered into put and call options in respect of the ordinary shares in the capital of JerseyCo 2 which were exercisable had the placing not proceeded; (iii) RBS Hoare Govett applied money received from placees to subscribe for redeemable preference shares of no par value in the capital of JerseyCo (the "2010 Redeemable Preference Shares") equal to such monies received (after deduction of an amount of commission and expenses); and (iv) Tullow Oil plc allotted and issued Shares to those persons entitled thereto in consideration of RBS Hoare Govett transferring its holding of 2010 Redeemable Preference Shares and ordinary shares in the capital of JerseyCo 2 to Tullow Oil plc.

4. US$ 2.785 billion senior secured revolving credit facility agreement between, among others, the Company and certain subsidiaries of the Company, BNP Paribas S.A, Bank of Scotland plc, The Royal Bank of Scotland plc, Standard Chartered Bank Plc, Lloyds TSB Bank plc and Crédit Agricole CIB and the lenders specified therein pursuant to which each lender thereunder may demand repayment of all outstanding amounts owed by the Company and certain subsidiaries of the Company to it under the agreement and any connected finance document, which amount will become immediately due and payable and, in respect of each letter of credit issued under the agreement, full cash cover will be required immediately, in the event that any person (or group of persons acting in concert) gains control of the Company.
5. US$ 100 million junior secured revolving credit facility agreement between, among others, the Company and certain subsidiaries of the Company, BNP Paribas S.A, Bank of Scotland plc, The Royal Bank of Scotland plc and Lloyds TSB Bank plc and the lenders specified therein pursuant to which each lender thereunder may demand repayment of all outstanding amounts owed by the Company and certain subsidiaries of the Company to it under the agreement and any connected finance document, which amount will become immediately due and payable, in the event that any person (or group of persons acting in concert) gains control of the Company.
6. US$ 115 million finance contract in respect of a senior secured revolving credit facility agreement between, among others, the Company and certain subsidiaries of the Company and International Finance Corporation and the lenders specified therein pursuant to which each lender thereunder may demand repayment of all outstanding amounts owed by the Company and certain subsidiaries of the Company to it under the agreement and any connected finance document, which amount will become immediately due and payable, in the event that any person (or group of persons acting in concert) gains control of the Company.
7. US$ 650 million secured revolving credit facility agreement between, among others, the Company and certain subsidiaries of the Company, BNP Paribas S.A, Crédit Agricole CIB, Natixis, Standard Chartered Bank Plc and The Royal Bank of Scotland plc and the lenders specified therein pursuant to which each lender thereunder may demand repayment of all outstanding amounts owed by the Company and certain subsidiaries of the Company to it under the agreement and any connected finance document, which amount will become immediately due and payable, in the event that any person (or group of persons acting in concert) gains control of the Company.
8. US$ 1.55 billion secured irrevocable guarantee facility agreement between, among others, the Company and certain subsidiaries of the Company, Standard Chartered Bank Plc, Crédit Agricole CIB, BNP Paribas and The Royal Bank of Scotland plc and the lenders specified therein pursuant to which each lender thereunder may demand that full cash cover is provided immediately in respect of outstanding amounts or the buyer guarantee provided thereunder is otherwise repaid immediately and repayment of all outstanding amounts owed by the Company and certain subsidiaries of the Company to it under the agreement and any connected finance document, which amount will become immediately due and payable, in the event that any person (or group of persons acting in concert) gains control of the Company. This guarantee facility has now been terminated in accordance with its terms.

3.13 Disclosure of Interests by Directors

As at 31 December 2010, the following Directors held directly or indirectly relevant interests in Ordinary Shares of Tullow Oil as follows:

Exhibit 14: Directors' Interest

Director	No. of Ordinary Shares held
Aidan Heavey	6,401,511
Graham Martin	1,527,320
Patrick Plunkett	761,326
Paul McDade	260,801
Angus McCoss	112,396
David Bamford	13,445
Ian Springett	12,000
David Williams	5,000
Ann Grant	2,371
Steven McTiernan	-
Clare Spottiswoode[28]	990
Kofi Tutu Agyare	-
Simon Thompson[29]	1,747

3.14 Disclosure of Interests by Advisors

As at the date of this Document:

i. IC Securities holds no Tullow Shares. No employee or principal of IC Securities holds any interest in any Tullow Shares; and

ii. JLD & MB holds no Tullow Shares. No employee or partner of JLD & MB holds any interest in Tullow Shares.

3.15 Other Disclosures

None of the Directors of the Company has:

i. had any convictions relating to fraudulent offences within the last five years;

ii. been declared bankrupt or has entered into any individual voluntary arrangements, or been associated with any bankruptcy, receivership or liquidation in their capacity as a director within the last five years;

iii. been a director or a member of the administrative, management or supervisory body, or a manager of any company within a 12 month period preceding any receivership, compulsory liquidation, creditors voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with such company's creditors generally or any class of creditors of such company;

iv. been a partner of any partnership within a 12 month period preceding any compulsory liquidation, administration or partnership voluntary arrangement of such partnership;

v. held assets which have been subject of a receivership;

vi. been a partner of any partnership within a 12 month period preceding any receivership of the assets of such partnership; or

vii. within the previous five years received any official public incrimination and/or sanction by any statutory or regulatory authorities (including designated professional bodies) and has not been

[28] Retired on 12 May 2011
[29] Appointed 16 May 2011, shareholding as at date of appointment.

disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of a company.

3.16 Dividend History

Tullow has paid the following dividends on each Tullow Share by way of final dividend in the last five financial years.

Exhibit 15: Dividend History

Date	Dividend Per Share (GBP)
2010 Interim	0.0200
2009	0.0400
2008	0.0400
2007	0.0400
2006	0.0350
2005	0.0300
2004	0.0125

3.17 Risk Factors

Oil and Gas Industry

Successfully exploring for, appraising and developing, and producing oil and gas requires efficient risk management. Below is the summary of the more common risks associated with the industry.

Exploration and Development

Political Risks

Competition to gain licenced access to exploration acreage and potential reserves has heightened in recent years as the world's oil consumption has grown and industry players have sought to replenish and increase the global stock of proven oil reserves. Governments that own oil resources typically have the ability to dictate terms of oil contracts, making oil companies susceptible to political risk associated with obtaining and retaining exploration and development licences from these governments.

Geological Risks

Even when exploration and development licences have been obtained and exploration commences, firms in the industry are susceptible to the risk of the geological exercise not being a complete success.

Exploration Cost and Delay Risks

Cost of exploring and extracting reserves are increasing as companies have had to focus on more complex fields and exploration acreages because traditional and relatively easy oil locations are becoming less common. The focus on complex fields may increase the risk of cost over-runs and delays to projects which could negatively impact a firm's financial position.

Safety and Environmental Risks

Given the magnitude of oil and gas industry operations, stakeholders are exposed to risks that include major safety incidents, effects of natural disasters, social unrest, civil war and terrorism, exposure to general operational hazards, personal health and safety, and crime. The consequences of such risks materialising can be injuries, loss of life, and environmental harm and disruption to business activities. Depending on their cause and severity, they can affect a company's reputation, operational performance and financial position.

Equipment and Human Resource Risks

Oil and gas assets require constant investment to ensure that operations remain efficient and that supply shocks are avoided. The processing and delivery of oil and gas is dependent on infrastructure in some regions of the world where these facilities are old and require refurbishment or replacement. Aging oil and gas infrastructure may impede business operations and increase safety risks. Further, the industry often

requires highly specialised personnel to conduct complex exploration and development activity. Depending on where in the world the exploration and development activity is being carried out, such highly skilled personnel may not be readily available or may be expensive.

Production, Storage and Distribution

Demand Side and Price Volatility Risks

The production, storage and distribution stages are not without risk. The major risks are associated with an ability to secure end markets at predictable and profitable prices and to be able to store and distribute the oil and gas in a safe and cost effective manner. In recent years, the oil and gas industry has witnessed price volatility as demand and supply shocks have seen prices rise to record highs and fall to record lows.

Hedging Risks

The price volatility inherent in the industry continues to force many oil companies to enter into forward contracts that are aimed at fixing the price at which their output would be sold at some point in the future, thereby providing revenue predictability to the company. However, these contracts can also add additional financial risks to the companies that are parties to them.

Tullow Oil

Below is a summary of the potential risks in relation to the Group's financial performance in 2011. Identifying and managing these risks is a critical element in the safe delivery of Tullow's business plans and strategic objectives. Further information on Tullow's risk management procedures can be obtained from pages 42 to 47 of its 2010 Annual Report. Tullow's 2010 Annual Report is available at the registered offices of Tullow Oil plc and IC Securities (each as described on pages 5 and 6) during normal business hours of any working day. The Company's 2010 Annual Report can also be obtained on its website: www.tullowoil.com.

Risk	KPI	Impact	Executive Responsibility	Policies and Systems	Mitigation	Progress in 2010
Strategic Risk						
Strategy fails to meet shareholder expectations	TSR Performance	Ineffective or poorly-executed strategy fails to create shareholder value. It also fails to meet shareholder expectations, leading to a loss of investor confidence and a reduction in the share price. This in turn reduces the Group's ability to access finance and increases vulnerability to hostile takeover	Aidan Heavey	Annual business plan, SMC responsibility, monthly reporting, annual strategy review, IR programme	Strategy focused on delivering Ghana and Uganda developments and selective high-impact exploration programme. Effective communication with all stakeholders, based on open and transparent dialogue.	Ghana: Jubilee production commenced on schedule at the end of November. The Mahogany East discovery and Enyenra and Tweneboa areas were progressed during the year. Uganda: acquisition of Heritage equity in Blocks 1 and 3A agreed. Progress made in preparation of a legally-binding MoU to pave the way for farm-down and development of all assets within the Lake Albert Rift Basin.

Risk	KPI	Impact	Executive Responsibility	Policies and Systems	Mitigation	Progress in 2010
Strategic Risk						
Loss of key staff and succession planning	Staff turnover	The loss of key staff and a lack of internal succession to key roles within the Group, causes short- and medium-term disruption to the business	Graham Martin	Living our values, HR function and policies, training and development	Clearly defined people strategy based on culture and engagement, talent development, performance management and reward and recognition; together with the continuing success of the Group.	Staff numbers increased by 40% to support continued business growth. Employee survey results were used to develop targeted improvements in people management. Tailored training programmes also implemented with a focus on developing coaching and mentoring skills.

Risk	KPI	Impact	Executive Responsibility	Policies and Systems	Mitigation	Progress in 2010
Financial Risks						
Insufficient liquidity, inappropriate financial strategy	Liquidity profile	Asset performance and excessive leverage leads to the Group being unable to meet its financial obligations. This scenario, in the extreme, impacts on the Group's ability to continue as a going concern, or causes a breach of bank covenants.	Ian Springett	Financial strategy, cash flow forecasting and management, capital allocation processes	Prudent approach to debt and equity, with balance maintained through refinancing, equity placing and M&A activity. Regular Board review and approval for financing options. Short- and long-term cash forecasts reported on a monthly basis to senior management and the Board. Maintenance of strong banking and equity relationships.	Balance sheet was strengthened through equity placing of US$ 1.45 billion. Commitment increases of US$ 500 million and US$ 400 million agreed with the Reserve Based Lending Facility and revolving credit facility, respectively. The Group now has total debt facilities of US$ 3.15 billion.
Cost and capital discipline	Operating cost per barrel Full finding costs per barrel Capital expenditure and cost management targets	Ineffective cost control leads to reduced margins and profitability, reducing operating cash flow and ability to fund the business.	Paul McDade Angus McCoss	DoA and budgeting and reporting processes, project approval process for all significant categories of expenditure	Comprehensive annual budgeting processes covering all expenditure are approved by the Board. Executive management approval is required for major categories of expenditure and investment and divestment opportunities are ranked on a consistent basis, resulting in effective management of capital allocation.	Capital expenditure in 2010 of US$ 1.2 billion was principally focused on Phase I development of the Jubilee field, and on Ghana and Uganda exploration and appraisal.

Risk	KPI	Impact	Executive Responsibility	Policies and Systems	Mitigation	Progress in 2010
Operational Risks						
EHS failures and security incident	No significant environmental incidents LTIFR <1.0 and top quartile industry safety performance	Major event from drilling or production operations impacts staff, contractors, communities or the environment, leading to loss of reputation and/or revenue.	Paul McDade	EHS policies, IMS, toes, EMS, crisis management procedures, EHS policy, EHS Leadership Team	Consistent ethical standards established and applied through Code of Business Conduct, and through contract and procurement procedures. Regular review of compliance requirements with periodic Board reporting.	Compliance Manager was appointed to monitor the application of revised Code of Business Conduct.
Key development failure	Specific yearly base and stretch targets that reflect key project milestones	Development projects fail to meet cost and schedule budgets, causing returns to be eroded.	Paul McDade	IMS, EHS systems and policies, DOA, Code of Business Conduct, risk management process and DLT.	Technical, financial and Board approval required for all projects, and for all dedicated project teams. Risk evaluation and progress reporting initiated for all projects. Project milestone KPIs established for Ghana and Uganda.	Jubilee project was delivered within 5% of the original US$ 3.1 billion budget, and on schedule. First phase of Uganda EA 2 development got under way, with field development plans submitted to the GoU. The farm-down to CNOOC and Total is pending final approval.
Sustained exploration failure	Reserves and resources organic replacement Full finding costs per barrel	Failure to sustain exploration success limits replacement of reserves and resources, which impacts investor confidence on long-term strategic delivery.	Angus McCoss	GELT, competitive capital allocation process, clear exploration strategy	Board approval of E&A programme. Monthly reporting to Board on full finding costs per barrel and high grading of Group's portfolio, with a view to measuring success of exploration spend. Continued use of appropriate technologies and technical excellence in exploration methodologies.	Exploration and appraisal success ratio of 83% was achieved. This included discovery of the Enyenra and Tweneboa fields in Ghana, and successful exploration wells in Gabon, Pakistan and Sierra Leone.

Risk	KPI	Impact	Executive Responsibility	Policies and Systems	Mitigation	Progress in 2010
External Risks						
Corporate responsibility	TSR performance	The overall political, industry or market environment negatively impacts the Group's ability to grow and manage its business.	Graham Martin	Code of Business Conduct, CR policies	Consistent ethical standards established and applied through Code of Business Conduct, and through contract and procurement procedures. Regular review of compliance requirements with periodic Board reporting.	Compliance Manager was appointed to monitor the application of revised Code of Business Conduct.
Country risk	TSR performance	Government regulations change rapidly, resulting in expropriation of the Group's assets and the introduction of burdensome tariffs or taxes. Political changes affect the competitive environment, with political instability and civil disturbances disrupting the Group's operations.	Aidan Heavey	Social Enterprise project selection criteria and guidelines Stakeholder engagement strategy and plan	Successful relationships with Governments and other external stakeholders built and maintained. Through these relationships, trust is grown, key issues identified and processes improved. Social Enterprise projects aligned with the needs of stakeholders and the business in support of creating shared prosperity.	Detailed stakeholder mapping exercise and planning carried out for stakeholder engagement programme. Community relations teams expanded in Ghana and Uganda. New Social Enterprise project selection criteria developed. New Social Enterprise Committee and terms of reference launched.
Oil and gas price volatility	Realised commodity prices	Volatility in commodity prices impacts the Group's revenue streams, with adverse effect on liquidity.	Ian Springett	Hedging strategy	Hedging strategy agreed by Board, with monthly reporting of hedging activity.	Conservative hedging policy implemented, with realised oil and gas prices of US$ 78/bbl and 42 pence per therm. Detailed monthly Board reporting of hedge positions. Board also reviewed and approved ongoing hedging strategy throughout the year.
Hostile acquisition	Remaining independent	Hostile acquisition if not handled correctly causes major distraction and value erosion.	Graham Martin	Documented defence manual	Robust defence strategies against hostile acquisitions. Effective investor engagement and ongoing open and transparent communications programmes.	Defence strategy was reviewed with key advisers. Independent full-value review of reserves and resources completed.

3.18 Additional Information

- Save as disclosed in this Prospectus, there has been no material change in the financial or operating position of Tullow other than in the ordinary course of business since 31st December 2009 the date to which the last audited accounts of Tullow were prepared.
- Save as disclosed in this Prospectus, Tullow has not engaged in any litigation or arbitration of material importance to affect its financial position, and the Directors are not aware of any such litigation or arbitration.

3.19 Documents Available for Inspection

Copies of the following documents in respect of the business and affairs of Tullow and the Listing may be inspected at the registered offices of Tullow Oil plc and IC Securities (each as described on pages 5 and 6) during normal business hours of any working day:

i. The Memorandum and Articles of Association of Tullow Oil plc;

ii. The extract from the minutes of a meeting of the Board resolving to list the Tullow Shares on the Ghana Stock Exchange;

iii. The Company's audited annual reports for the five years to 31 December 2010;

iv. A copy of the escrow agreement;

v. This Prospectus; and

vi. The Certificate of Incorporation and Commencement of Business of Tullow.

3.20 Historical Financial Statements

The financial statements that follow have been extracted without change from Tullow's 2010 Annual Report. Further information on Tullow's financial affairs, including its accounting policies, notes to its financial statements and the independent auditor's report can be obtained by referring to pages 106 to 152 of its 2010 Annual Report. The 2010 Annual Report is available at the registered offices of Tullow Oil plc and IC Securities (each as described on pages 5 and 6) during normal business hours of any working day and can also be obtained on the Company's website: www.tullowoil.com.

Group income statement

	Notes	2010 $m	2009 $m
Sales revenue	2	**1,089.8**	915.9
Cost of sales		**(611.4)**	(625.5)
Gross profit		**478.4**	290.4
Administrative expenses		**(89.6)**	(77.6)
Profit on disposal of subsidiaries	25	**–**	16.0
Profit on disposal of oil and gas assets		**0.5**	4.9
Exploration costs written off	9	**(154.7)**	(82.7)
Operating profit	3	**234.6**	151.0
Loss on hedging instruments	18	**(27.7)**	(59.8)
Finance revenue	2	**15.1**	2.1
Finance costs	5	**(70.1)**	(60.8)
Profit from continuing activities before tax		**151.9**	32.5
Income tax expense	6	**(79.4)**	(1.9)
Profit for the year from continuing activities		**72.5**	30.6
Attributable to:			
Owners of the parent		**54.0**	25.2
Non-controlling interest	23	**18.5**	5.4
		72.5	30.6
Earnings per ordinary share	8	**¢**	¢
Basic		**6.1**	3.2
Diluted		**6.1**	3.1

Group statement of comprehensive income and expense

Year ended 31 December 2010

	Notes	2010 $m	2009 $m
Profit for the year		**72.5**	30.6
Cash flow hedges			
Losses arising in the year	18	**(26.8)**	(18.0)
Reclassification adjustments for losses included in profit on realisation	18	**(10.3)**	(13.3)
		(37.1)	(31.3)
Exchange differences on translation of foreign operations		**(11.4)**	42.0
Other comprehensive income		**(48.5)**	10.7
Tax relating to components of other comprehensive income	18	**8.2**	(12.4)
Other comprehensive income for the year		**(40.3)**	(1.7)
Total comprehensive income for the year		**32.2**	28.9
Attributable to:			
Owners of the parent		**13.7**	23.5
Non-controlling interest		**18.5**	5.4
		32.2	28.9

Group balance sheet

	Notes	2010 $m	2009 $m	2008 $m
ASSETS				
Non-current assets				
Intangible exploration and evaluation assets	9	**4,001.2**	2,121.6	2,052.8
Property, plant and equipment	10	**2,974.4**	2,199.8	1,428.2
Investments	11	**1.0**	1.0	0.6
Deferred tax assets	20	**110.7**	50.4	–
Derivative financial instruments	18	**–**	–	42.4
		7,087.3	4,372.8	3,524.0
Current assets				
Inventories	13	**138.2**	109.6	54.8
Trade receivables	12	**158.9**	92.4	100.4
Other current assets	14	**655.3**	296.0	87.2
Cash and cash equivalents	15	**338.3**	252.2	450.3
Derivative financial instruments	18	**–**	2.3	28.9
		1,290.7	752.5	721.6
Total assets		**8,378.0**	5,125.3	4,245.6
LIABILITIES				
Current liabilities				
Trade and other payables	16	**(1,008.2)**	(557.1)	(478.1)
Other financial liabilities	17	**(309.8)**	–	(304.8)
Current tax liabilities		**(120.0)**	(73.8)	(154.1)
Derivative financial instruments	18	**(47.1)**	–	–
		(1,485.1)	(630.9)	(937.0)
Non-current liabilities				
Trade and other payables	16	**(354.0)**	(31.8)	(8.8)
Other financial liabilities	17	**(1,890.0)**	(1,314.6)	(708.1)
Deferred tax liabilities	20	**(466.1)**	(473.5)	(503.8)
Provisions	20	**(278.6)**	(223.5)	(194.0)
Derivative financial instruments	18	**(35.3)**	(20.0)	–
		(3,024.0)	(2,063.4)	(1,414.7)
Total liabilities		**(4,509.1)**	(2,694.3)	(2,351.7)
Net assets		**3,868.9**	2,431.0	1,893.9
EQUITY				
Called up share capital	21	**143.5**	130.1	119.7
Share premium	21	**251.5**	242.3	231.1
Other reserves	22	**574.2**	614.5	607.8
Retained earnings		**2,839.1**	1,402.0	898.6
Equity attributable to equity holders of the parent		**3,808.3**	2,388.9	1,857.2
Non-controlling interest	23	**60.6**	42.1	36.7
Total equity		**3,868.9**	2,431.0	1,893.9

Approved by the Board and authorised for issue on 8 March 2011

Aidan Heavey
Chief Executive Officer

Ian Springett
Chief Financial Officer

Group statement of changes in equity

	Share capital $m	Share premium $m	Other reserves (note 23) $m	Retained earnings $m	Total $m	Non-controlling interest $m	Total equity $m
At 1 January 2008	117.4	178.0	541.9	555.0	1,392.3	31.0	1,423.2
Total recognised income and expense for the year	–	–	73.2	423.5	496.7	5.7	502.4
Purchase of treasury shares	–	–	(20.9)	–	(20.9)	–	(20.9)
New shares issued in respect of employee share options	1.3	11.1	–	–	12.4	–	12.4
New shares issued in respect of royalty obligation	1.0	42.0	–	–	43.0	–	43.0
Vesting of PSP shares	–	–	13.6	(13.6)	–	–	–
Share-based payment charges	–	–	–	14.6	14.6	–	14.6
Dividends paid (note 7)	–	–	–	(80.9)	(80.9)	–	(80.9)
At 1 January 2009	119.7	231.1	607.8	898.6	1,857.2	36.7	1,893.9
Total recognised income and expense for the year	–	–	(1.7)	25.2	23.5	5.4	28.9
Purchase of treasury shares	–	–	(5.7)	–	(5.7)	–	(5.7)
Issue of equity shares (note 22)	9.7	–	–	549.3	559.0	–	559.0
New shares issued in respect of employee share options	0.7	11.2	–	–	11.9	–	11.9
Vesting of PSP shares	–	–	14.1	(14.1)	–	–	–
Share-based payment charges	–	–	–	18.3	18.3	–	18.3
Dividends paid (note 7)	–	–	–	(75.3)	(75.3)	–	(75.3)
At 1 January 2010	**130.1**	**242.3**	**614.5**	**1,402.0**	**2,388.9**	**42.1**	**2,431.0**
Total recognised income and expense for the year	**–**	**–**	**(40.3)**	**54.0**	**13.7**	**18.5**	**32.2**
Purchase of treasury shares	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Issue of equity shares (note 22)	**13.1**	**2.1**	**–**	**1,432.9**	**1,448.1**	**–**	**1,448.1**
New shares issued in respect of employee share options	**0.3**	**7.1**	**–**	**–**	**7.4**	**–**	**7.4**
Vesting of PSP shares	**–**	**–**	**–**	**(0.2)**	**(0.2)**	**–**	**(0.2)**
Share-based payment charges	**–**	**–**	**–**	**29.6**	**29.6**	**–**	**29.6**
Dividends paid (note 7)	**–**	**–**	**–**	**(79.2)**	**(79.2)**	**–**	**(79.2)**
At 31 December 2010	**143.5**	**251.5**	**574.2**	**2,839.1**	**3,808.3**	**60.6**	**3,868.9**

Group cash flow statement

	Notes	2010 $m	2009 $m
Cash flows from operating activities			
Cash generated from operations	24	**818.0**	463.6
Income taxes paid		**(85.6)**	(187.1)
Net cash from operating activities		**732.4**	276.5
Cash flows from investing activities			
Disposal of subsidiaries	25	**–**	5.1
Disposal of oil and gas assets		**6.7**	12.3
Purchase of intangible exploration and evaluation assets		**(2,006.1)**	(668.4)
Purchase of property, plant and equipment		**(625.6)**	(520.9)
Advances to contractors		**(172.4)**	–
Finance revenue		**5.4**	1.2
Net cash used in investing activities		**(2,792.0)**	(1,170.7)
Cash flows from financing activities			
Net proceeds from issue of share capital		**1,453.3**	570.6
Debt arrangement fees		**(16.7)**	(100.5)
Repayment of bank loans		**(20.9)**	(376.3)
Drawdown of bank loan		**907.0**	701.9
Finance costs		**(94.2)**	(49.2)
Dividends paid	7	**(79.2)**	(75.3)
Purchase of treasury shares		**–**	(5.5)
Net cash generated by financing activities		**2,149.3**	665.7
Net increase/(decrease) in cash and cash equivalents		**89.7**	(228.5)
Cash and cash equivalents at beginning of year		**252.2**	450.3
Foreign exchange		**(3.6)**	30.4
Cash and cash equivalents at end of year	15	**338.3**	252.2

Five year financial summary

	2010 $m	2009 $m	2008 $m	2007 (as restated*) $m	2006 $m
Group income statement					
Sales revenue	**1,089.8**	915.9	1,310.6	1,279.5	1,066.7
Cost of sales	**(611.4)**	(625.5)	(687.3)	(708.0)	(481.6)
Gross profit	**478.4**	290.4	623.3	571.5	585.1
Administrative expenses	**(89.6)**	(77.6)	(79.2)	(63.3)	(41.5)
Profit/(loss) on disposal of subsidiaries	**–**	16.0	395.6	(1.2)	–
Profit on disposal of oil and gas assets	**0.5**	4.9	57.8	–	–
Exploration costs written off	**(154.7)**	(82.7)	(419.0)	(128.5)	(59.8)
Operating profit	**234.6**	151.0	578.5	378.5	483.8
(Loss)/profit on hedging instruments	**(27.7)**	(59.8)	66.6	(58.7)	28.9
Finance revenue	**15.1**	2.1	7.3	6.2	5.5
Finance costs	**(70.1)**	(60.8)	(87.5)	(97.4)	(33.1)
Profit from continuing activities before taxation	**151.9**	32.5	564.9	228.6	485.1
Taxation	**(79.4)**	(1.9)	(135.7)	(123.3)	(195.2)
Profit for the year from continuing activities	**72.5**	30.6	429.2	105.3	289.9
Earnings per share					
Basic – ¢	**6.1**	3.2	58.8	14.2	44.7
Diluted – ¢	**6.1**	3.1	58.1	13.9	43.6
Dividends paid	**79.2**	75.3	80.9	78.9	59.9
Group balance sheet					
Non-current assets	**7,087.3**	4,372.8	3,524.0	3,689.8	3,438.8
Net current assets /(liabilities)	**(194.4)**	121.6	(215.4)	(134.8)	(570.0)
Total assets less current liabilities	**6,892.9**	4,494.4	3,308.6	3,555.0	2,868.8
Long-term liabilities	**(3,024.0)**	(2,063.4)	(1,414.7)	(2,131.7)	(1,367.3)
Net assets	**3,868.9**	2,431.0	1,893.9	1,423.3	1,501.5
Called up equity share capital	**143.5**	130.1	119.7	117.4	104.1
Share premium	**251.5**	242.3	231.1	178.0	173.3
Other reserves	**574.2**	614.5	607.8	541.9	695.7
Retained earnings	**2,839.1**	1,402.0	898.6	555.0	528.4
Equity attributable to equity holders of the parent	**3,808.3**	2,388.9	1,857.2	1,392.3	1,501.5
Non-controlling interest	**60.6**	42.1	36.7	31.0	–
Total equity	**3,868.9**	2,431.0	1,893.9	1,423.3	1,501.7

* The 2007 comparatives have been restated due to an asset held for sale being reclassified during 2008.

4.1 Overview of the Ghana Stock Exchange

The Ghana Stock Exchange ("GSE") was incorporated as a company limited by guarantee in July 1989 with trading commencing two years later on November 12, 1990. A 13-member Council governs the bourse. The operations of the GSE are regulated by the Securities and Exchange Commission ("SEC"), which is empowered by the Securities Industry Law, (PNDCL 333) of 1993 (later amended by the Securities Industry (Amendment) Act 2000, (Act 590). Criteria for listing on the GSE include capital adequacy, profitability, spread of shares, years of existence and management efficiency.

4.2 Developments and Trends

The Ghana Stock Exchange started operating with 11 listed companies which included Fan Milk Limited ("FML"), Standard Chartered Bank Ghana Limited ("SCBGL"), Unilever Ghana Limited ("UNIL") and Enterprise Group Limited ("EGL") (formally Enterprise Insurance Company). As at 2002, 26 stocks, 4 corporate bonds and 2 government bonds were listed on the First Official List. This increase to 36 listed equities and a number of government bonds by the year-end 2009 as companies such as Golden Star Resources ("GSR"), State Insurance Company ("SIC") and UT Financial Services Limited ("UT") listed on the First Official. The Ghana banking sector recapitalisation exercise was listed banks raise approximately GH¢ 170 million through rights issues in 2009.

In 2007, the Central Securities Depository Act, 2007 (Act 733) was passed permitting the issue by a company of uncertificated or dematerialised shares where its shareholders and board of directors have authorised this. The passing of the law paved the way for the Exchange to achieve several milestones in its development. These milestones include the incorporation and operation of the GSE Securities Depository Company Ltd from its own resources together with a Clearing and Settlement System.

Further to that, the GSE has completed the automation of its trading system with the support of the Government of Ghana's Economic Management and Capacity Building ("EMCB") project.

4.3 Performance of the GSE

The Ghana Stock Exchange has performed well in recent years. The market's benchmark index, the All Share Index, returned an all time high of 155% in 2003. This continued in 2004 driven by four new listings, two rights issues and two bonus issues. Two of the four new listings included the IPOs of CAL Bank Limited and Benso Oil Palm Plantation Limited, which were oversubscribed by 342% and 144% respectively. As a result, GSE All Share Index increased by 91% to 6,799 points in 2004 but dipped by 30% in 2005.

The bourse started recovery in 2006 following the listings of Ecobank Transnational Incorporated, Ecobank Ghana Limited, Ayrton Drugs Manufacturing Company Ltd and Transaction Solutions (Ghana) Limited which pushed the equities component of the market up by 22% resulting in a market capitalisation of GH¢ 11 billion by the end of 2006. The market continued its recovery in 2007 with a 32% gain, driven by a rights issue for Ghana Commercial Bank in the first half of the year and three IPOs in the second half. Driven by strong operating results of listed companies, the impressive growth in the GSE All Share Index continued through 2008, posting a 58.06% year-to-date gain. However, market prices started falling at the beginning of 2009, as a result of profit taking and the fact that they had not been supported by strong fundamentals. At the end of December 2009, the benchmark index had lost 47% compared to a gain of over 58% in 2008. 2010 saw the market recover, returning 32.25% on the back of record earnings by banks and optimistic investors taking early positions before first oil. Below is a summary of the GSE's performance from 2005 to 31 December 2010.

4.4 Other Information

Trading Days	Trading takes place every working day
Trading Hours	Pre-Opening period: 9:30hrs to 10:00hrs (GMT) Market opens for continuous trading: 10:00hrs to 13:00hrs (GMT)
Clearing & Settlement	Settlement of trades is done electronically using a web based application. Settlement occurs three business days (T+3) after the trade date. The System allows for mutual settlement of trade on T+0 or T+1 basis

Trade and General Information on the GSE can be found on the GSE website - http://www.gse.com.gh; Bloomberg.

5.1 Listing of Ordinary Shares

The GSE has granted permission to list all Issued Tullow Shares and an additional 4,000,000 Tullow Shares pursuant to the Listing and the Offer on the First Official List of the GSE, respectively. It is expected that dealings in Tullow Shares will commence on the GSE on the Listing Date. Following the completion of the Listing and Offer, all dealings in Tullow Shares can be done on the LSE, ISE and the GSE after the conclusion of the Transaction. Where applicable, dealings would need to be announced on the GSE in accordance with its rules.

5.2 Rights and Obligations attached to ordinary shares

Holders of Tullow Oil plc ordinary shares are entitled to the following rights and obligations attached to their shares:

- **Dividend Rights** - holders of Tullow Shares may, by ordinary resolution, declare dividends but may not declare dividends in excess of the amount recommended by the Directors. The Directors may also pay interim dividends. No dividend may be paid other than out of profits available for distribution. Subject to shareholder approval, payment or satisfaction of a dividend may be made wholly or partly by distribution of specific assets.
- **Voting Rights** – Voting at a general meeting can take place by a show of hands or on a poll. On a vote by a show of hands, each shareholder (present in person or by proxy) will have one vote. On a vote on a poll, each shareholder (present in person or by proxy) has one vote for every share held by that shareholder.
- **Return on Capital** - in the event of the liquidation of the Company, after payment of all liabilities and deductions taking priority, the balance of assets available for distribution will be distributed among the holders of ordinary shares according to the amounts paid up on the shares held by them. A liquidator may, with the sanction of a special resolution of the shareholders and any other sanction required by the applicable legislation, (a) divide among the shareholders the whole or any part of the Company's assets; or (b) vest the Company's assets in whole or in part in trustees upon such trusts for the benefit of shareholders, but no shareholder is compelled to accept any assets upon which there is a liability.

5.3 Exchange Controls

Exchange control is currently governed by the Foreign Exchange Act 2006, (Act 723). This repeals the Exchange Control Act of 1961 (Act 71). The new Act legalises payments in foreign currency to and from Ghana between residents and non-residents and between non-residents made through banks. Tullow has sought permission from the Bank of Ghana to undertake the Transaction.

5.4 Taxation

The following is a general guide to the material taxation consequences in the Republic of Ghana arising for investors regarding the ownership and disposition of Ordinary Shares in the Company. The summary, which is intended as a general guide only, does not purport to be an exhaustive analysis of all possible tax considerations and investors should in all cases satisfy themselves as to the tax consequences of the ownership or disposition of shares by consulting their own tax advisers.

If you are in any doubt as to your taxation position or if you are subject to tax in any jurisdiction other than the Republic Ghana, you should consult an appropriate professional adviser immediately.

5.4. 1 Republic of Ghana – taxation

The following is a summary of certain material Ghanaian tax consequences arising for investors regarding the ownership and disposition of Ordinary Shares in the Company, where those Ordinary Shares are held as capital assets. It is based on current Ghanaian tax laws and practice and rates of taxation in force at the date of this Prospectus, which may be subject to change. In particular, it does not purport to address the tax consequences for special classes of investors, such as dealers in securities, of owning Ordinary Shares. Neither does it consider in any detail the impact which a double tax agreement may have on liability to tax. All potential investors should satisfy themselves as to the consequences of ownership or disposition of Ordinary Shares in the Company by consulting with their own tax advisers.

Taxation of dividends on Ordinary Shares

An individual investor who is resident or ordinarily resident in Ghana for Ghana tax purposes will be subject to Ghana income tax and levies at the applicable marginal rates on the cash amount of a dividend received. Under current Ghanaian tax law, all dividend payments are subject to a dividend withholding tax of 8%. No further tax is payable on dividends received.

Capital Gains Tax

The ordinary shares of a company listed on the GSE have been exempt from capital gains tax liability in Ghana since November 1990 and the latest exemption expired in November 2010. While the process for extension has been initiated, such exemption had not been formally obtained at the time this Prospectus went to print.

Stamp Duty

Under the Stamp Duty Act, 2005 (Act 689), Citizens and non-citizens of Ghana can make transfers in listed Ordinary Shares without having to pay stamp duty.

5.5 Application

Qualifying Applicant:
Any natural person who is 18 years or over, or a corporation, partnership or other unincorporated associations who are resident/incorporated in Ghana or some other state, or country provided that the offer to and acceptance by such an applicant of this Offer is not in contravention of the laws of either that state or country.

5.6 Offer to subscribe for Tullow Shares

a) As an applicant, you offer to subscribe to the number of shares indicated on your Application Form under the terms and conditions of the Offer and on the basis of the information set out in this Prospectus and subject to the Regulations of Tullow.

b) You agree that your application to acquire Tullow Shares cannot be revoked after the end of the Offer Period or such later date as the Directors and Sponsoring Broker may agree, and promise that any cheque, banker's draft or money or postal order will be honoured on first presentation and that this paragraph constitutes an agreement between you and Tullow. It becomes binding when your application is posted, or in the case of delivery by hand, received by a Receiving Bank or Receiving Agents. However, the Company will not be held liable if you use a wrong address in posting. You must pay all bank commissions, transfers and other bank charges related to your application.

c) A thumbprint on an Application Form will be accepted instead of a signature thereon only if it is duly certified in accordance with the Laws of Ghana.

d) If your Application Form is not completed correctly or is amended, or if any cheque, banker's draft, money or postal order is found to be less than the amount stated on your Application Form, it may still be treated as valid. In such case, the Company's decision as to whether to treat the application as valid, and how to construe, amend or complete it shall be final. You will not, however, be treated as having applied to purchase a number of shares which, when multiplied by the offer price, gives a value greater than the amount remitted.

e) An application may be rejected in whole or in part at the discretion of the Sponsoring Broker and Tullow if the application is incomplete or illegible, or if it is determined that the applicant is not eligible to participate in the Offer.

5.7 Acceptance of the Offer

a) Acceptance of your offer will be made (if your application is received, valid, processed and not rejected) by notifying the SEC and GSE of the basis of allocation and by notifying acceptance to Receiving Banks or Receiving Agents.

b) Acceptance of your offer may be of the whole or any part thereof.

c) If your application to subscribe for shares is accepted (in whole or in part), there will be a binding contract under which you will be required to purchase the shares in respect of which your application has been accepted.

5.8 Payment for Tullow Shares

a) You undertake to pay the subscription price of the Tullow Shares in respect of which your application is accepted. The cheque or banker's draft or other remittances may be presented for payment before acceptance of your application, but this will not constitute acceptance of your application, either in whole or in part.

b) In the case of excess applications, if your application is invalid, rejected or not accepted in full, or if the amount of the application divided by the offer price does not result in a whole number of shares, the proceeds of the cheque or other remittances or the unused balance of those proceeds (as the case may be) will be refunded to you without interest.

c) If the remittances are not honoured on first presentation, then at any time until the Company has received cleared funds in respect of your application, the Sponsoring Broker, on behalf of Tullow may terminate the agreement to subscribe for that share. The termination will be effected by notifying the Receiving Agent to whom you submitted your application.

5.9 Warranties

You warrant and represent that:

a) You are qualified to apply;

b) The applicant on whose behalf you are applying is qualified to apply;

c) You will submit a complete application including all supporting documents required under the terms of the Offer;

d) In making your application you are not relying on any information or representation concerning the Company not contained in this Prospectus. You agree that no person responsible for the Offer Document or any part of it will have liability for any such other information or representation;

e) If any person signing, or making a thumb print on the Application Form is not the applicant, that person warrants that he/she has authority to do so on behalf of the applicant and that this authority is vested in him or her; and

f) If the applicant is other than a natural person, the person signing the Application Form warrants that he/she has authority to do so on behalf of the applicant.

5.10 Supply and Disclosure of Information

The Company, Directors, Sponsoring Broker and their agents shall have full access to all information relating to, or deriving from, the cheque or banker's draft or other remittance accompanying your application and its processing. If the Directors or their agents request any information about your application you must promptly disclose it to them.

10th June, 2011

LEGAL ADVISOR'S COMPLIANCE CERTIFICATE

The Director-General
Securities and Exchange Commission
No. 30, 3rd Circular Road
Cantonments
Accra.

The Managing Director
Ghana Stock Exchange
5th Floor, Cedi House
Accra

Dear Sirs,

RE: TULLOW OIL PLC – SECONDARY LISTING AND OFFER FOR SUBSCRIPTION OF SHARES ON THE GHANA STOCK EXCHANGE.

1. Introduction:

1.1 Background:-

We act as Ghanaian legal advisors to Tullow Oil Plc ("Tullow" or "The Company") in connection with Tullow's listing of shares ("the Listing") and public offering ("the Offer") on the Ghana Stock Exchange ("the Transaction").

1.2 Documents Seen:

In writing this opinion we have referred to and examined copies of a number of documents including the following:

- Tullow's Articles of Association and other relevant corporate documents;
- Tullow's Prospectus dated 10th June 2011;
- List of Directors of Tullow;
- List of key Management Staff of Tullow; and
- List of key Shareholders of Tullow;

1.3 Scope of the Opinion:

1.3.1 This opinion confirms the matters below and that all corporate documents relating to the incorporation of Tullow in England as a public limited company are valid and that the Company is in good standing.

1.3.2 This opinion is subject to the Assumptions set out in Section 3 below.

2. Opinion:

In conclusion, after a review of the relevant documents provided, JLD & MB Legal Consultancy is of the opinion that:

2.1 Incorporation:

Tullow is validly incorporated in England as a public limited company.

2.2 Corporate authorisations:

Tullow has obtained a resolution of its Board of Directors dated 26th October 2010, authorising the Transaction.

2.3 Approval and Consents:

Tullow has obtained regulatory and statutory approvals required under laws of the Republic of Ghana from the Securities and Exchange Commission of Ghana ("SEC") and the Ghana Stock Exchange ("GSE") in connection with the Transaction, subject to exemptions.

2.4 Compliance with LSE and ISE requirements:

We have seen letters from the London Stock Exchange (LSE) and the Irish Stock E xchange (ISE), confirming that Tullow is in compliance with the requirements of those Stock Exchanges.

2.5 Prospectus to Shareholders

The Prospectus in connection with the Transaction, as approved by the SEC and GSE substantially complies with the requirements of the Securities and Exchange Regulations, 2003 (LI 1728), the Listing Rules of the Ghana Stock Exchange and the Companies Act, 1963 (Act 179).

2.6 Authorisation to operate in Ghana:

Tullow's subsidiary company Tullow Oil Ghana Limited, through which Tullow's operations in Ghana are executed, holds a valid Petroleum Agreement in accordance with the Petroleum (Exploration and Production) Law, 1984 (PNDCL 84).

3. Assumptions

3.1 We have relied on information and documents obtained from the Company and this opinion is limited to matters relating to the laws of the Republic of Ghana as in force at the date of this opinion. We have not investigated the laws of any country other than those of Ghana and express no opinion on the laws of any other jurisdiction.

3.2 In addition, we have assumed that:-

(i) All documents supplied to us by the Company are complete, accurate and valid;

(ii) Person or persons who signed documents referred to were authorised to do so; and

(iii) The authorising Resolution was duly passed at a properly convened meeting of Tullow's Board of Directors.

Yours truly,

JLD & MB Legal Consultancy

Lead Receiving Bank

Standard Chartered Bank Ghana Limited
Accra High Street Building
Accra, Ghana
PO Box 768
Tel +233 302 664591/8
Fax +233 302 667751

Ancillary Receiving Bank

Agricultural Development Bank
ADB House,
Independence Avenue,
P.O.Box 4191,
Accra, Ghana
Tel: + 233-302 770403, 762104, 783122, 784394
Fax: + 233-302 784893, 770411

IC Securities (Ghana) Limited
No. 2,2nd Ridge Link North Ridge
Tel: +233 (0) 302 252 621/3
Contact Person: Kwabena Osei-Boateng
Email: tullowshareoffer@icsecurities.com

African Alliance Securities Ghana Limited 2nd Floor, Heritage Towers, 6th Avenue Ridge Ambassadorial Enclave PMB 45 Ministries, Accra Tel: +233 (0) 302 610 610-Email: securities.gh@africanalliance.com	**CAL Brokers Limited** No.23 Independence Avenue, Ridge, Accra P.O.Box 14596, Accra North Tel: +233 (0) 302 680 051/ 680 061-9 Email: info@calbrokersghana.com	**CDH Securities Limited** 36 Independence Avenue, North Ridge P.O.Box 14911, Accra North Tel: +233 (0) 302 667 425-8 Email: info@chdfinanciaholdings.com
Databank Brokerage Limited No.61, Barnes Road, Adabraka, Accra PMB, Ministries Post Office, Accra Tel: +233 (0) 302 665 124/ 663 763 Email: info@databankgroup.com	**EDC Stockbrokers Limited** No.5, 2nd Ridge Link, North Ridge, Accra P.O.Box 16746, Accra North Tel: +233 (0) 302 251 720/4/9 Email: edc@ecobank.com	**First Atlantic Brokers Limited** No.1, 7th Avenue, Ridge West, Accra P.O.Box Ct 1620, Cantonments, Accra, Ghana Tel: +233 (0) 302 679 259/ 680 825-6 Email: brokers@firstatlanticbank.com.gh
Gold Coast Securities Limited 5 Mozambique Link, North Ridge Accra P.O.Box GP 17187, Accra Tel: +233 (0) 302 211 411/5 Email : info@gcsinvestments.com	**HFC Brokerage Services Limited** No.6, Sixth Avenue, Ambassadorial Area, Ridge, Accra P.O.Box: CT 4603, Cantonments, Accra, Tel; +233 (0) 302 683 891/ 683 892 Email: info@hfcinvestments.com	**Liberty Capital Ghana Limited** Chez Julie Plaza, 30 Paa Grant Street, Comm.10, Tema P.O.Box CS 8876 Tel : +233 (0) 303 301 486 Email: info@libertygh.com
Merban Stockbrokers Limited 57 Examination Loop, North Ridge, Accra P.O.Box 401, Accra Tel: +233 (0) 302 251 131-3/251 135 Email : mbd@merbangh.com	**New World Renaissance Securities** 2nd Floor, Heritage Tower, Ambassadorial Enclave, Off Liberia Road, Accra P.O.Box CT 2868, Cantonments, Accra Tel: +233 (0) 302 660 163/ 676 979 Email: info@rencap.com	**NTHC Securities Limited** Martco House, Okai-Mensah Link, Adabraka, Accra P.O.Box KIA 9563, Airport, Accra Tel: +233 (0) 302 238 492 /3, 235 814 -6 Email: info@nthcghana.com
Prudential Securities Limited No.8, Nima Avenue, Kanda Ring Road Central, Accra P.O.Box CT 628 Accra, Ghana Tel: +233 (0) 302 771 284/770 936 Email: info@prudentialsecuritiesgh.com.gh	**SDC Brokerage Services Limited** No. D921/3, Adjacent (AMA), Asafoatse Nettey Street, Post Office Square, Accra P.O.Box 14198, Accra Tel: +233 (0) 302 669 894/ 669 372-9 Email : brokerage@sdcgh.com	**SIC_ Financial Services Limited** No. 67 A&B Switchback Road. Cantonments, Accra P.O.Box PMB CT314, Cantonments Tel: +233 (0)302 767 051 Email: infofsl@sic-gh.com
Strategic African Securities Limited 2nd Ring Link, North Ridge, Accra P.O. Box KA 16446, Airport, Accra Tel: +233 (0) 302 251 546/7/9 Email: info@sasghana.com	**Worldwide Securities Limited** No.80, Ringway Link, Ringway Estates, Accra P.O.Box CT 01072, Osu, Accra Tel : +233 (0) 302 256 001/2, 764 578/9 Email: info@worldwidesecuritiesggh.com	**FirstBanc Brokerage** No. 6 South Liberia Road P.O Box 1464 Osu, Accra Tel: +233 (0) 302 250 624, 250 380 Email: info@firstbancgroup.com
Stanbic Investment Management Services Limited Valco Trust Towers, Castle Road , Ridge West P.O Box CT 2344, Cantonments Accra **Email:** Brokerage@stanbic.com.gh		

It is important that the Application Form is correctly completed. Applicants in doubt should consult any of the Receiving Banks or Receiving Agents for assistance. The Offer is open from 9:00am on* 13 June 2011 *and closes at 5:00pm on* 04 July 2011*. Applications received after the Offer has closed shall not be considered.

A sample copy of the Application Form is included in this Offer Document for reference. Qualifying Applicants may obtain Application Forms from the Receiving Banks or Receiving Agents whose details are shown in Part 7 and Part 8 of this Offer Document, respectively. Please note that terms defined in the Offer Document have the same meaning when used in the Application Form. All applicants are advised to read the Offer Document in its entirety and consult a licenced professional before filling the Application Form.

1. There are multiple sections of the Application Form for this Offer. The sections to be filled in by applicants will be determined by the applicant's status as an individual applicant with a GSD Account or an individual applicant without a GSD Account or a corporate applicant. Please ensure that you complete the appropriate sections of the Application Form and return the completed form to a Receiving Bank or Receiving Agent together with supporting documents and full payment for your application.

   Corporate applicants without GSD Accounts should submit their Application Forms directly to the Sponsoring Broker, or any of the other Receiving Agents listed in Part 8 of this Offer Document, so that GSD Accounts are opened for them.

2. Multiple applications are not permitted.
3. The Application Form must be completed in block letters and returned to a Receiving Bank or Receiving Agent with full payment before the end of the Offer Period.
4. Only Qualifying Applicants can subscribe for shares to be registered in their own name. Shares may be bought for a minor by a parent, grandparent or guardian of the minor who may complete an application to buy shares in his/her name on behalf of the minor.
5. Power(s) of Attorney must be enclosed if anyone is signing on behalf of an applicant other than a minor.
6. You must provide valid identification ("ID"). For the purpose of this Offer, a valid ID constitutes a national passport, driver's licence and voter's ID card for individuals, and registration documents, Registrar General's Form A or Form 3 or a duly executed resolution from organisations or institutions, clubs and other bodies. Persons applying on behalf of minors must submit valid IDs for the minor, and for this purpose, a valid ID constitutes a national passport, birth or baptismal certificates of the minor.
7. A photocopy of the Application Form will be accepted only if it is clear and legible.

GUIDE TO COMPLETING THE APPLICATION FORM

Section 1 – Individual Application ***(This section is to be filled in by individual applicants only)***
Insert in Section 1 your surname, all your other names and the title you are addressed as (i.e. Mr, Ms, Miss, Mrs, Dr, etc). State the form of ID being used and the ID number. A photocopy of a valid ID must be submitted with your application. Information on joint applicants or minors may be inserted in the additional text boxes provided after ticking the appropriate option.

Applications on behalf of minors must include photocopies of the parents/guardian's ID as well as the minor's ID. Applications for persons other than minors must have attached to the form, a valid ID and a Power of Attorney from the beneficiary.

Section 2 – Corporate Application ***(This section is to be filled by corporate applicants only)***
Insert in Section 2 the company or organisation's name and registration number as quoted on its certificate of incorporation or certificate to commence of business, if applicable. Applications from corporations and partnerships must bear the institutions common seal/stamp if applicable and be completed under the hand of a duly authorised official who should also state his/her designation/title in Section 5.

Section 3 – Subscription Information *(This section is to be filled in by all applicants)*
Insert number of shares and the amount due in Ghana Cedis for the application. Payment must be realised in its full amount before the end of the Offer Period.

Insert correspondence address (if applicable) and applicant's postal address. The address must be current and reliable.

In the event that any of your personal details such as your address or bank account change after you submit this Application, you should immediately inform your broker or the Registrar, as the case may be. This will ensure you receive all shareholder communications and your dividend on time.

Applicants should provide their bank account information. This will enable Tullow to pay the successful applicants' dividends directly into their bank accounts. Applicants who leave this blank will have their dividend payments warrant mailed to them at their stated address.

Section 4 – GSD Information
Individual and corporate applicants with GSD Accounts must provide GSD account details. Individuals without GSD Accounts should complete the Supplementary Information Section on the reverse of the Application Form. Corporate applicants without GSD Accounts should submit their application to a Receiving Agent named in Part 8 of the Offer Document to ensure that GSD Accounts are opened on their behalf.

Section 5 – Declaration (*This section is to be filled in by all applicants)*
Multiple applications are not permitted. Please read the declaration carefully before you sign (or, if unable to sign make your thumb print) in the space provided. By signing or thumb printing this Section, you will be applying for the Tullow Shares under the terms and conditions set out in the Prospectus and this Application Form. Proceedings may be instituted against anyone knowingly making a false declaration. This applies whether an application is made solely or jointly with other persons.

Power(s) of Attorney must be enclosed if anyone is signing on behalf of any joint applicant(s) .

SUPPLEMENTARY INFORMATION FOR INDIVIDUALS WHO WISH TO OPEN GSD ACCOUNTS

Sections 6 to 11 of the Application Form are to be completed by individuals without GSD Accounts who are applying through any of the Receiving Banks. Information provided in these Sections will enable the Sponsoring Broker to open GSD Accounts on behalf of individual applicants to enable them to receive dematerialised Tullow Shares following a successful application.

Section 6 – Individual Application
Please insert your date of birth, occupation, date and place of issue of ID indicated in Section 1 of the Application Form and your mobile telephone number. Please note that there is space in this Section for Joint Applications to be made.

Section 7 – Financial and Investment Profile
Please tick the appropriate boxes to indicate your approximate income, net worth, investment horizon, objectives, investment knowledge and risk tolerance.

Section 8 – Next of Kin
Please provide information on your next of kin indicating their name, relationship to you, address and ID type, ID number and date of birth.

Section 9 – Residential Status
Indicate your residential status as appropriate.

Section 10 – Statement Delivery Method
Please indicate the method of delivery for your GSD Account Statements.

Section 11 – Declaration
Please read the declaration carefully before you sign (or, if unable to sign make your thumb print) in the space provided.

SERIAL NUMBER:

TULLOW OIL PLC SHARE OFFER APPLICATION FORM (Please complete the Application Form in block letters)

1

Individual Application:

☐ Mr. ☐ Mrs. ☐ Miss. ☐ Ms. ☐ Dr. ☐ Other

First Name:
Other Names:
Surname:
Previous Names:
ID Type:
ID Number:

Joint Application: ☐ **In Trust For:** ☐

☐ Mr. ☐ Mrs. ☐ Miss. ☐ Ms. ☐ Dr. ☐ Other

First Name:
Other Names:
Surname:
Previous Names:
ID Type:
ID Number:

2

Corporate Application:

Name:
Registration Number:
Registered Address:
Place of Business:
Contact Person:
Country of Incorporation:
Date of Incorporat D D Y Y Y Y

3

Subscription Information:

Number of Shares:
Amou ue (GH¢:)
Correspondence Address:
Town/
Applicant's Postal Address:
Town/City:
Co
Email:
Telephone:
Fa umber:
Bank Name:
Account Name:
Branch Code:
Account ber:
Branch:

4

GSD Information: (Inc s without GSD Accounts should complete the supplementary information section overleaf.)

GSD Client Code:
GSD Broker Code:

5

Declaration:

I/We hereby apply for Tullow Shares under terms and conditions set out in the Prospectus. I/We confirm that Tullow may use the email address provided on this Application Form for all shareholder communications, unless otherwise requested in writing by me/us. I/We also confirm that Tullow may use the bank details provided on this Application Form for the payment of dividends and any refunds that may arise as a result of the Offer, unless otherwise requested in writing by me/us.To my/our knowledge there is no other application being made on my/our behalf (or that of any persons for whose behalf I/We are applying) for Tullow Shares for which I/We have applied for on this Application Form. I/We certify that all statements made on this Application Form are correct and that the responses are my/our own.

Name:
Designation:
(If Corporate Applicant:)
Signature/ Thumbprint:

Joint Applicant/Second Signatory of Corporate Applicant:

Name:
Designation:
(If Corporate Applicant:)
Signature/ Thumbprint:

Date: D D M M Y Y Y Y

Receiving Agent:

Company Stamp:

Receiving Agent Stamp:

SUPPLEMENTARY INFORMATION FOR INDIVIDUALS WHO DO NOT HAVE GSD ACCOUNTS

6

Individual Application:

Date of Birth: D D M M Y Y Y Y

Occupation:

Date of Issue of ID: D D M M Y Y Y Y

Place of Issue:

Mobile:

Joint Application:

Date of Birth: D D M M Y Y Y Y

Occupation:

Date of Issue of ID: D D M M Y Y Y Y

Place of Issue:

Tel. Number:

7

Financial and Investment Profile:

Approximate Income (GH¢)	Net Worth (GH¢)	Investment Horizon	Objectives	Investment Knowledge	Risk Tolerance
☐ Under 2,000 p.a.	☐ Under 25,000	☐ Under 1 year	☐ Security	☐ Professional	☐ 0 Zero
☐ 2,000 - 4,999	☐ 25,000 - 49,999	☐ 1 - 2 years	☐ Income	☐ Sophisticated	☐ 1
☐ 5,000 - 9,999	☐ 50,000 - 99,999	☐ 3 - 5 years	☐ Balance	☐ Good	☐ 2 Low
☐ 10,000 - 24,999	☐ 100,000 - 249,999	☐ 5 - 10 years	☐ Growth	☐ Fair	☐
☐ 25,000 - 49,999	☐ 250,000 - 500,000	☐ 10 + years	☐ Aggressive	☐ Limited	☐ 4 Medium
☐ 50,00 - 100,000	☐ Over 500,000		☐ Speculative	☐ Novice	☐ 5
☐ Over 100,000 p.a.					☐ 6 High

8

Next of Kin:

Title: Surname:

First Name: Other Names:

Relationship to Applicant:

Address:

ID Type: ID Number:

D D M M Y Y

9

Residential Status:

☐ Resident Ghanaian ☐ Resident Foreigner ☐ Non-Resident Ghanaian ☐ Non-Resident Foreigner

10

Statement Delivery:

☐ Email ☐ Post ☐ Hold

11

Declaration:

I/We declare that I/we do not have valid GSD accounts and therefore authorise that a GSD Account is opened on my/our behalf using information provided on this Application Form. This will enable us to receive dematerialised Tullow Shares following successful application.

Individual Applicant:

Signature/ Thumbprint:

Joint Applicant:

Signature/ Thumbprint: