GHANA
STOCK
EXCHANGE

PRESS RELEASE

PR. No. 492/2018

TULLOW OIL PLC – (TLW)
NOVEMBER TRADING UPDATE

TLW has released the attached announcement for the information of the general investing public.

Issued in Accra, this 19th
day of November, 2018.

- **E N D –**

att'd.

Distribution:
1. All LDMs
2. General Public
3. Listed Companies
4. Central Securities Depository
5. CSD Registrars, (Registrars for TLW shares)
6. Custodians
7. Securities and Exchange Commission
8. GSE Council Members
9. GSE Notice Board

For enquiries, contact:
Head of Listing, GSE on 0302 669908, 669914, 669935
*GA

November Trading Statement

Released : 15.11.2018 07:00

RNS Number : 4011H
Tullow Oil PLC
15 November 2018

Tullow Oil plc
November Trading Update

15 November 2018 - Tullow Oil plc (Tullow) issues the following Trading Update for the period 26 July to 15 November 2018.

Tullow will be hosting a Capital Markets Day on 29 November 2018. Please see full details below. The Group will also publish a Trading Statement and Operational Update on 16 January 2019 and Full Year Results for 2018 will be announced on 13 February 2019.

PAUL MCDADE, CHIEF EXECUTIVE OFFICER, TULLOW OIL PLC, COMMENTED TODAY:

"This has been another period of very solid delivery from Tullow against the backdrop of continued volatility in the oil price. We are generating high levels of free cash flow from our West African assets, making good progress towards project sanctions in East Africa and are finalising our 2019 exploration programme which we expect to include high-impact wells in Guyana. Having taken the time to lay strong foundations for our business, embed a financially disciplined culture across the Group and repair our balance sheet, we are now focused on delivering growth and returns to our shareholders."

Trading Update summary

- All fields producing in line with expectations, full year oil production guidance narrowed to 87-91,000 bopd
- Full year free cash flow forecast to be c.$700 million, including Uganda farm-down proceeds of $200m, with net debt and gearing reducing from $3.5 billion and 2.6x to c.$2.8 billion and c.1.8x respectively by year-end
- Four new infill wells in Ghana expected to be on line by early 2019, increasing gross production to around 180,000 bopd
- Uganda farm-down expected to close around year-end 2018; development work on track with FID targeted for first half 2019
- Kenya Foundation Stage development to include the Ngamia, Amosing and Twiga fields; targeting FID in late 2019
- Cormorant-1 wildcat well drilled in Namibia for net cost below $5 million; no significant reservoir quality rocks encountered
- Multiple attractive prospects identified in Guyana acreage with drilling programme expected to commence in mid-2019

Operational Update

GROUP PRODUCTION

Tullow's West Africa oil assets have performed strongly throughout the year and have delivered production in line with expectations. The Group's full year oil production, including production-equivalent insurance payments, is now expected to average between 87,000 bopd and 91,000 bopd. Gas production is expected to average around 2,300 boepd for the full year.

Tullow's overall Group production for oil and gas in 2018 is therefore expected to average between 89,300 boepd and 93,300 boepd.

WEST AFRICA

Ghana

Drilling programme

Tullow has two rigs operating in Ghana, the Maersk Venturer since March 2018 and the Stena Forth which commenced operation in October 2018. These rigs are allowing simultaneous drilling and completion activity across the TEN and Jubilee fields. The drilling programme is running to plan with four production wells and two water injector wells expected to be completed by the end of the year and gross production expected to increase to around 180,000 bopd in early 2019.

Jubilee and TEN Fields

The Jubilee field has performed well throughout the year. One production well and one injection well have been brought on line and a further new production well is expected to be completed before year-end. Tullow forecasts full year gross production to average around 81,200 bopd (net: 28,800 bopd) and expects net production-equivalent insurance payments for the full year to be around 8,000 bopd. Accordingly, full year net production guidance from Jubilee, including production-equivalent insurance payments, is now around 36,800 bopd, in line with expectations.

The Turret Remediation Project has been progressing to plan. Before the end of the year, Tullow expects to rotate the vessel to its optimum heading where it will be permanently spread moored. No shutdown is now expected to be required for this work.

The TEN fields have performed in line with expectations with full year 2018 gross production expected to average around 65,000 bopd (net: 30,600 bopd). A new production well was completed and tied-in as planned during August 2018 and together with a second production well in January 2019, gross production is expected to increase to around 80,000 bopd in early 2019.

Non-operated Portfolio

The West Africa non-operated portfolio has continued to perform in line with expectations and production is expected to average around 21,500 bopd net in 2018.

Gas production

Full year gas production from the TEN fields and the UK is expected to average 2,300 boepd.

Decommissioning

Tullow ceased production from its remaining operated UK North Sea wells during the third quarter of 2018 and the planned well plug and abandonment (P&A) operations are now complete. The decommissioning programme for these wells and Tullow's non-operated assets continues on schedule and on budget. In Mauritania, planning continues for P&A of the Chinguetti field following the FPSO demobilisation and temporary suspension of wells earlier this year.

EAST AFRICA

Kenya

Good progress continues to be made on the Kenya development project. The upstream and pipeline Front End Engineering and Design work is progressing to plan and is expected to be completed in the first quarter of 2019. Environmental and Social Impact Assessments are also on schedule for submission to the regulators in the second quarter of 2019. Following the completion of all field work, including the production and water injection trials, and further subsurface analysis, the decision has also been taken to include the Twiga field alongside the Ngamia and Amosing fields in the Foundation Stage development. Tullow, its Joint Venture Partners and the Government of Kenya remain focused on targeting FID in late 2019 and First Oil in 2022.

The transfer of stored crude oil from Turkana to Mombasa by road continues as part of the Early Oil Pilot Scheme with four trucks continuing to be dispatched every two days, transporting approximately 600 bopd. To date, approximately 30,000 barrels of oil have been transported to Mombasa. The first lifting of sweet Kenyan crude oil stored in Mombasa is expected in the second quarter of 2019.

Uganda

Tullow and its Joint Venture Partners, Total and CNOOC Ltd, await approval of the farm-down transaction from the Government of Uganda. At completion of the farm-down, which is expected around the end of 2018, Tullow anticipates receiving a cash completion payment of $100 million and a payment of approximately $100 million to reimburse Tullow for pre-completion capital expenditure. A further $50 million of cash consideration is due to be received when FID is taken.

Technical work on the development and the upstream pipeline is well advanced and the Operators are now targeting FID in the first half of 2019 once agreements with the Governments of Uganda and Tanzania have been completed.

NEW VENTURES

South America

Guyana will be the main focus for Tullow's 2019 exploration drilling programme. Following the interpretation of extensive 3D seismic, multiple high-quality prospects have been identified across both the Orinduik and Kanuku licences. Furthermore, the success of the neighbouring Hammerhead-1 well in August 2018, only seven kilometres from the Orinduik block boundary, has further de-risked this acreage. Planning continues to determine which prospects will be selected for a drilling programme across both licences that we expect to commence in mid-2019.

Tullow has expanded its acreage position in Suriname by signing a 100% operated interest in Block 62. This is the Group's third licence and it sits adjacent to Blocks 47 and 54 which are also operated by Tullow. Tullow plans to carry out initial geological work on the area ahead of capturing 2D seismic data. This month, Tullow also completed a farm-down of a 30% interest in the Block 47 licence to Pluspetrol.

Africa

In September, Tullow announced the results of the Cormorant-1 well offshore Namibia. The well encountered non-commercial hydrocarbons and has since been plugged and abandoned. Gas signatures, indicative of oil, were encountered in the overlying shale section, supporting the concept of a working oil system in the area. The combination of an efficient well design, efficient operations and a farm-out in 2017 resulted in net expenditure on this well of less than $5 million. Data gained from the well, in combination with high quality 3D seismic data, will be used to evaluate next steps for the Group's Namibian acreage in PEL-37. Tullow has also decided to exit block PEL-30 in Namibia.

Financial update

Strong production and higher oil prices for much of the second half of the year continued to positively impact cash flow generation. For the full year 2018, Tullow expects to generate free cash flow of around $700 million subject to year-end working capital movements. This includes exceptional payments of approximately $200 million associated with the Seadrill litigation paid in July and assumes the receipt of approximately $200 million of Uganda deal completion proceeds before year-end.

This strong performance has enabled the Group to further deleverage the balance sheet during 2018. Net debt at the end of 2018 is expected to reduce to c.$2.8 billion (from $3.5 billion at the beginning of the year), gearing is expected to be approximately 1.8x and the Group expects to maintain liquidity headroom and free cash in excess of $1 billion.

Forecast capital expenditure for the year has reduced to approximately $430 million following savings, farm-downs and some work programme deferrals. This forecast excludes revised expenditure of approximately $40 million in Uganda which will be reimbursed on completion of the Uganda farm-down.

In October 2018, Tullow began a competitive tender process for its external auditor and expects to complete the process in the coming months.

Notes to Editors

Tullow is a leading independent oil & gas, exploration and production group, quoted on the London, Irish and Ghanaian stock exchanges (symbol: TLW). The Group has interests in over 80 exploration and production licences across 16 countries which are managed as three business delivery teams: West Africa, East Africa and New Ventures.

FOR FURTHER INFORMATION CONTACT:

Tullow Oil plc (London)	**Murray Consultants (Dublin)**
(+44 20 3249 9000)	(+353 1 498 0300)
Chris Perry	Pat Walsh
George Cazenove	Joe Heron
Nicola Rogers	

For further information please refer to our website at www.tullowoil.com

UPCOMING EVENT: CAPITAL MARKETS DAY - 29 November 2018, 13:30 - 17:00 (GMT)

Tullow Oil will hold a Capital Markets Event during the afternoon of Thursday 29 November 2018 in central London. Presentations will be given by members of the management team to provide insights into the Group's strategy and key areas of operations. The event will also be broadcast live and saved on our website www.tullowoil.com/reports.

Follow Tullow on:

Twitter: www.twitter.com/TullowOilplc
You Tube: www.youtube.com/TullowOilplc
Facebook: www.facebook.com/TullowOilplc
LinkedIn: www.linkedin.com/company/Tullow-Oil.