



Kosmos Energy Ltd - Reserves Update

02/12/20 07:00 GMT

RNS Number : 6930C

Kosmos Energy Limited

12 February 2020

NEWS RELEASE

KOSMOS ENERGY INCREASES RESERVES FOR SEVENTH CONSECUTIVE YEAR

DALLAS, Texas, February 12, 2020 - [Kosmos Energy](#) (NYSE/LSE: KOS) announced today that total 1P reserves at year end 2019 were approximately 169 million barrels of oil equivalent (MMBoe) and 2P reserves were approximately 552 MMBoe.

In addition, following the recent signing of the Sale and Purchase Agreement (SPA) for the Phase 1 LNG offtake of the Greater Tortue Ahmeyim project, Kosmos intends to book additional net 1P reserves of approximately 100 MMBoe. Adjusting for these additional volumes increases total 1P reserves to approximately 268 MMBoe.

"The quality of our diverse portfolio was demonstrated again in 2019 as Kosmos organically replaced approximately 106 percent of production on a 1P basis, marking the seventh consecutive year of greater than 100 percent of production replacement," said Andrew G. Inglis, Chairman and Chief Executive Officer of Kosmos Energy. "In addition, we reached another milestone in the Greater Tortue Ahmeyim development with the signing of the Phase 1 SPA with BP Gas Marketing, enabling Kosmos to book our 1P reserves for the project. With a 1P reserve base of 268 MMBoe, split approximately 60% oil, 40% gas, we have a 1P reserve to production ratio of approximately 11 years, supporting growth with an increasing contribution of gas."

(MMBoe)	1P Reserves	2P Reserves
Year-End 2018 Reserves	167	513
- Production	-24	-24
+Revisions	25	63
Year-End 2019 Reserves	169	552
+ Greater Tortue Ahmeyim Phase 1 ¹	100	n/a

Adjusted Current Reserves	268	552
Reserve Replacement Ratio ²	518%	265%

The increase in 1P reserves (excluding the impact of the Greater Tortue Ahmeyim Phase 1 LNG SPA) is primarily driven by performance in Ghana, where additional drilling has increased oil in place estimates. Jubilee recent production performance has been impacted by facilities issues and gas handling constraints, and the reservoir performance remains strong.

The increase in 2P reserves was primarily driven by performance at Jubilee and an increase at Greater Tortue Ahmeyim following the GTA-1 appraisal well drilled in 2019. 2P reserves in Equatorial Guinea and the Gulf of Mexico were held relatively flat, with revisions replacing most of 2019 production.

The company's reported reserves are prepared by Ryder Scott Company, L.P., an independent third-party reserve engineering firm. Proved reserves have been calculated using SEC guidelines at a weighted average price of \$63.15/bbl Brent. Proved plus probable reserves have been calculated using PRMS guidelines using a nominal Brent oil price of \$60/bbl in 2020 increasing thereafter.

- 1) Tortue Phase 1 SPA was signed on February 11, 2020 and proved reserves from Tortue have been included in a certified reserve report by Ryder Scott Company L.P.. Probable reserves for Phase 1 of Tortue were booked in 2018 as a result of the approval of the Phase 1 plan of development.
- 2) Reserve replacement ratio (RRR) is the amount of oil and gas added to the company's reserves divided by the amount extracted for production in 2019.

About Kosmos Energy

Kosmos is a full-cycle deepwater independent oil and gas exploration and production company focused along the Atlantic Margins. Our key assets include production offshore Ghana, Equatorial Guinea and U.S. Gulf of Mexico, as well as a world-class gas development offshore Mauritania and Senegal. We also maintain a sustainable exploration program balanced between proven basin infrastructure-led exploration (Equatorial Guinea and U.S. Gulf of Mexico), emerging basins (Mauritania, Senegal and Suriname) and frontier basins (Cote d'Ivoire, Namibia, Sao Tome and Principe and South Africa). Kosmos is listed on the New York Stock Exchange and London Stock Exchange and is traded under the ticker symbol KOS. As an ethical and transparent company, Kosmos is committed to doing things the right way. The Company's Business Principles articulate our commitment to transparency, ethics, human rights, safety and the environment. Read more about this commitment in the Kosmos 2018 Corporate Responsibility Report. For additional information, visit www.kosmosenergy.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical facts, included in this press release that address activities, events or developments that Kosmos expects, believes or anticipates will or may occur in the future are forward-looking statements. Kosmos' estimates and forward-looking statements are mainly based on its current expectations and estimates of future events and trends, which affect or may affect its businesses and operations. Although Kosmos believes that these estimates and

forward-looking statements are based upon reasonable assumptions, they are subject to several risks and uncertainties and are made in light of information currently available to Kosmos. When used in this press release, the words "anticipate," "believe," "intend," "expect," "plan," "will" or other similar words are intended to identify forward-looking statements. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of Kosmos, which may cause actual results to differ materially from those implied or expressed by the forward-looking statements. Further information on such assumptions, risks and uncertainties is available in Kosmos' Securities and Exchange Commission ("SEC") filings. Kosmos undertakes no obligation and does not intend to update or correct these forward-looking statements to reflect events or circumstances occurring after the date of this press release, except as required by applicable law. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. All forward-looking statements are qualified in their entirety by this cautionary statement.

###

Source: Kosmos Energy Ltd.

Investor Relations

Jamie Buckland

+44 (0) 203 954 2831

jbuckland@kosmosenergy.com

Rhys Williams

+1-214-445-9693

rwilliams@kosmosenergy.com

Media Relations

Thomas Golembeski

+1-214-445-9674

tgolembeski@kosmosenergy.com

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

END

DRLKKDBKNBKBDBD