



Kosmos Energy Completes Farm Down of Exploration Assets to Shell

December 10, 2020

DALLAS--(BUSINESS WIRE)--Dec. 10, 2020-- [Kosmos Energy](#) (NYSE/LSE: KOS) ("Kosmos" or the "Company") today announced that it has closed the previously announced transaction with B.V. Dordtsche Petroleum Maatschappij ("Shell"), a wholly-owned subsidiary of Royal Dutch Shell PLC (LSE: RDSA), to farm down interests in Suriname, Sao Tome & Principe and Namibia for approximately \$95 million, plus future contingent payments of up to \$100 million. The transfer of interests in South Africa is expected to take place in 2021.

Andrew G. Inglis, Kosmos Energy's chairman and chief executive officer said: "We are pleased to complete this transaction with Shell on schedule. The proceeds enable Kosmos to strengthen the balance sheet while accelerating high graded exploration opportunities in proven basins. The contingent payments locked into the agreement with Shell ensure we retain upside from frontier exploration with no further investment."

Kosmos has allocated up to one-third of the initial proceeds for two high-quality infrastructure-led exploration prospects in the Gulf of Mexico, each offering hub scale potential with a low-cost, lower-carbon development scheme. The first test on the Winterfell prospect is currently drilling with results expected early next year. The company expects to use the remainder of the proceeds to reduce borrowings outstanding under its credit facilities.

Post completion of the transaction, Kosmos retains a focused exploration portfolio with over six billion barrels of gross resource potential in proven basins in West Africa and the Gulf of Mexico.

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. 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.

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