



Kosmos Energy Ltd - Completion of GTA Sale and Lease Back Transaction

08/09/21 06:00 GMT

RNS Number : 9270H
Kosmos Energy Limited
09 August 2021

KOSMOS ENERGY ANNOUNCES COMPLETION OF GREATER TORTUE AHMEYIM FPSO SALE AND LEASE BACK TRANSACTION

DALLAS, Texas, August 9, 2021 - [Kosmos Energy](#) (NYSE/LSE: KOS) ("Kosmos" or the "Company") announced today that the transaction for the sale and lease back of the Greater Tortue Ahmeyim ("GTA") floating, production, storage, and offloading vessel ("FPSO") has been successfully completed.

Completion of the transaction secures additional funding for Kosmos' future development costs on the GTA project. Capital expenditures associated with the GTA project in 2021 net to Kosmos were previously estimated to be around \$350 million. With the completion of the GTA FPSO sale and lease back transaction, Kosmos' 2021 capital expenditures associated with the GTA project have been reduced to approximately \$190 million, with remaining cash calls on the project for 2021 covered through the proceeds of the sale. The balance of the sale proceeds, as well as the additional savings from the transfer of remaining FPSO construction payments to BP Buyer, are expected to be largely realized in 2022.

The company expects to refinance National Oil Company loans later this year, providing approximately \$100 million in additional financing for the GTA project.

FPSO Sale and Purchase Agreement (FPSO SPA) and Lease Agreement

BP, as the operator of the GTA project (BP Operator), with the consent of the GTA Unit participants and the respective States, agreed to sell the GTA FPSO (which is currently under construction by Technip Energies in China) to an affiliate of BP (BP Buyer). The FPSO will be leased back to BP Operator under a long-term lease agreement, for exclusive use in the GTA project.

BP Operator will continue to manage and supervise the construction contract with Technip Energies. Delivery of the FPSO to BP Buyer will occur after construction is complete and the FPSO has entered international waters, with the lease to BP Operator becoming effective on the same date, currently estimated to be late third quarter of

2022.

Kosmos will reimburse BP Operator for its pro rata share of cost under the lease agreement, which will be classified as an operating expense.

GTA Project Status

Key workstreams across the GTA project continue to make good progress year-to-date with the following milestones achieved:

- Floating LNG vessel: The four remaining sponsons have been integrated in the final dry dock
- FPSO: The living quarters have been installed
- Breakwater: Seven caissons have now been transported offshore with three caissons installed
- Subsea: All subsea trees have been constructed

Andrew G. Inglis, Kosmos Energy's Chairman and Chief Executive Officer, said: "We are pleased to have successfully completed this transaction, which secures additional funding for our future development costs on the GTA project. This transaction demonstrates the strength and alignment of the GTA partnership. Kosmos, BP, the Governments of Mauritania and Senegal, and the respective national oil companies, all recognize the strategic importance of the project and are working together to bring it to fruition."

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 our 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.

###

Investor Relations

Jamie Buckland

+44 (0) 203 954 2831

jbuckland@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.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

MSCBRGDIGXGDGBI