



Kosmos Energy Announces Successful RCF Re-Financing and RBL Re-Determination

April 1, 2022

DALLAS--(BUSINESS WIRE)--Apr. 1, 2022-- [Kosmos Energy](#) (NYSE/LSE: KOS) ("Kosmos" or the "Company") announced today that it has successfully re-financed its revolving credit facility ("RCF") and completed the semi-annual re-determination of its reserve-based lending ("RBL") facility. Through these financing activities and strong free cash flow in the first quarter of 2022, liquidity has been further strengthened.

Revolving Credit Facility

Kosmos has re-financed its RCF with a total capacity of \$250 million while extending the maturity to the end of 2024. The reduced RCF size will offset an increase in the margin, resulting in slightly lower interest expenses going forward. In anticipation of the cessation of the London Interbank Offered Rate ("LIBOR"), this is one of the energy industry's first credit facilities linked to the Secured Overnight Financing Rate ("SOFR"). The facility remains undrawn.

Reserve-Based Lending Facility

Kosmos also announced today that in conjunction with the spring re-determination of the RBL, the Company's lending syndicate approved a borrowing base capacity of \$1.25 billion with current outstanding borrowings of \$0.9 billion. Total commitments as of April 1, 2022 were \$1.25 billion.

The RBL facility is secured against the Company's production assets in Ghana (excluding the incremental interests acquired from Occidental Petroleum in October 2021) and Equatorial Guinea with the first amortization payment scheduled for March 2024.

Liquidity

Total liquidity at the end of the first quarter of 2022 increased to approximately \$0.9 billion, including the impact of the reduced RCF size.

"We are pleased to have successfully completed the RCF re-financing and our RBL redetermination, which secures the liquidity necessary to support the growth of our differentiated portfolio. We appreciate the continued support of our key relationship banks. With strong free cash flow generation, coupled with the recent receipt of pre-emption proceeds, we are making excellent progress in reducing both leverage and absolute debt while growing liquidity. At current oil prices we expect leverage to be below our 1.5x target by year-end 2022 and are well on the way to achieving that outcome" said Neal Shah, Chief Financial Officer.

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 Sustainability 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.

Management does not provide a reconciliation for forward looking non GAAP financial measures where it is unable to provide a meaningful or accurate calculation or estimation of reconciling items and the information is not available without unreasonable effort. This is due to the inherent difficulty of forecasting the occurrence and the financial impact of various items that have not yet occurred, are out of our control or cannot be reasonably predicted. For the same reasons, management is unable to address the probable significance of the unavailable information. Forward looking non GAAP financial measures provided without the most directly comparable GAAP financial measures may vary materially from the corresponding GAAP financial measures.

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Source: Kosmos Energy Ltd.