



## Kosmos Energy Announces 140% Reserve Replacement Ratio and 2014 Capital Program

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DALLAS--(BUSINESS WIRE)--Feb. 3, 2014-- Kosmos Energy Ltd. ("Kosmos") (NYSE:KOS) announced today an oil and gas reserve replacement ratio of 140% supported by increased oil reserves in the Jubilee field. Additionally, the company reported a 2014 capital spending plan of approximately \$575 million.

2013 capital spend came in under budget at \$425 million primarily related to the deferral of certain development and appraisal activities into 2014. As a result, the company's overall liquidity position at year-end 2013 was stronger than expected with cash and cash equivalents of \$598 million and total available liquidity of \$1.2 billion.

"Our foundation as a self-funded explorer underlies our capital program for the year as we continue the momentum we have created to deliver new, meaningful value for our shareholders," stated Brian F. Maxted, chief executive officer and chief exploration officer at Kosmos. "In addition to advancing our development projects in Ghana, we are highly focused on our upcoming exploration drilling campaign. Further, we are continuing to build and mature our potentially transformational exploration portfolio."

### 2014 Capital Program

Ghana-related development and appraisal capital spending comprises approximately two-thirds of the 2014 forecast program, with around \$70 million of the Ghana expenditure ascribed to spending deferred from 2013. The remaining one-third is allocated for exploration activities and reflects the benefits of last year's farm-out initiatives in Morocco.

The company's 2014 Ghana development and appraisal activity is targeted at around \$400 million, about equally divided between the Greater Jubilee and TEN (Tweneboa, Enyenra and Ntomme) projects. This includes funds for further development at Jubilee, including the remaining activities associated with the Phase 1A development, facility upgrades, and long-lead equipment and engineering for the next phase of development, as well as additional appraisal activities for the Mahogany, Teak and Akasa discoveries. The capital program also provides funds for continued development at TEN.

As part of the company's planned exploration activities, which total approximately \$175 million for the year, Kosmos expects to participate in the drilling of two offshore exploration wells. The FA-1 well is anticipated to spud on the Eagle prospect in the first half of 2014 on the Fom Assaka Offshore block, and late in the year, the company plans to spud a well on the Gargaa prospect in the Cap Boujdour Contract Area. Each well is expected to take about three months to complete. Additionally, two large 3D seismic surveys are planned, one in the Tarhazoute Offshore block and the other in the Cap Boujdour Contract Area. Exploration-based new venture activities are also included in the forecast program.

### Year-End 2013 Reserves

The company's proved net reserves at the end of 2013 were 46.8 million barrels of oil equivalent, an increase of 3.3 million barrels of oil equivalent from year-end 2012. The year-end 2013 volumes include natural gas reserves of 1.8 million barrels of oil equivalent, essentially unchanged from the previous year, which represents only the gas anticipated to be used for power generation on the Jubilee floating production, storage and offloading (FPSO) vessel.

A reserve replacement ratio of 140%, on a net proved basis, was realized in the Jubilee field at year-end 2013. The increase in reserves was largely related to observed field performance and Phase 1A well results. The company's reported reserves are prepared by Netherland Sewell & Associates, Inc., an independent reserve engineering firm.

### About Kosmos Energy

Kosmos Energy is a leading independent oil and gas exploration and production company focused on frontier and emerging areas along the Atlantic Margin. The company's asset portfolio includes existing production and other major development projects offshore Ghana, as well as exploration licenses with significant hydrocarbon potential offshore Ireland, Mauritania, Morocco (including Western Sahara) and Suriname. 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 [2012 Corporate Responsibility Report](#). Kosmos is listed on the New York Stock Exchange and is traded under the ticker symbol KOS. For additional information, visit [www.kosmosenergy.com](http://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.

Kosmos Energy Ltd.

Investor Relations

Jon Cappon, +1-214-445-9669

[jcappon@kosmosenergy.com](mailto:jcappon@kosmosenergy.com)

or

Media Relations

Thomas Golembeski, +1-214-445-9674

[tgolembeski@kosmosenergy.com](mailto:tgolembeski@kosmosenergy.com)