

Tullow Oil plc

Sale and Purchase Agreement for strategic sale of Kenyan assets to Gulf Energy Ltd

21 July 2025 - Following the announcement on 15 April 2025, Tullow Oil plc ("**Tullow**") is pleased to announce that Tullow Overseas Holdings BV (the "**Seller**"), a wholly owned subsidiary of Tullow, has signed a sale and purchase agreement (**SPA**) with Tullow (as guarantor for the Seller), Auron Energy E&P Limited (the "**Purchaser**"), an affiliate of Gulf Energy Ltd. Gulf Energy Ltd shall act as guarantor for the Purchaser (the "**Purchaser Guarantor**") for the sale and purchase of 100% of the shares in Tullow Kenya BV ("**Tullow Kenya**"), which holds Tullow's entire working interests in Kenya (the "**Disposed Assets**") for a minimum cash consideration of US 120 million (the "**Transaction**"), subject to customary adjustments.

The consideration will be split into a US 40 million payment due on completion, US 40 million payable at the earlier of Field Development Plan (FDP) approval or 30 June 2026, and US 40 million payable over five years from the third quarter of 2028 onwards. In addition, Tullow will be entitled to royalty payments subject to certain conditions. Tullow also retains a no cost back-in right for a 30% participation in potential future development phases. This right can be exercised if a third party investor participates in future development phases whether through a sale or farm-down of the Purchaser's interest in the assets.

Transaction highlights

- Corporate sale of Tullow's entire Kenyan portfolio of assets, representing c.463 million barrels of 2C resources.
- Minimum cash consideration of US 120 million, with additional royalty payments subject to certain conditions.
- Tullow retains a back-in right for a 30% participation in potential future development phases at no historic cost. This right can be exercised if a third party investor participates in future development phases, whether through a sale or farm-down of the Purchaser's interest in the assets.
- All past and future decommissioning liabilities and all material past and future environmental liabilities will be transferred to the Purchaser as part of the Transaction, details of which are noted in paragraph 2 of Part C of Appendix III.
- The conditions precedent to be met in advance of completion of the Transaction include (i) approval of the Transaction by the Competition Authority of Kenya, and (ii) the Seller and the Purchaser agreeing and implementing a plan to achieve a physical and functional separation of Tullow Kenya from the Tullow group.
- Completion of the Transaction, satisfaction of conditions precedent and receipt of funds from Tranche A and FDP approval (and consequent receipt of funds from Tranche B) are expected in 2025.

Richard Miller, Chief Financial Officer and Interim Chief Executive Officer, Tullow, commented:

"We are pleased to announce the signing of the Kenyan SPA, marking another step closer to completion of the Transaction with Gulf Energy. For a total consideration of at least US 120 million, the Transaction supports our strategic priority to strengthen the balance sheet, with the first two payments totalling US 80 million expected before the end of the year."

Furthermore, we are pleased to retain a potentially material zero cost value option to participate in future development phases.

We continue to advance plans to optimise our capital structure during 2025. Coupled with the sale of our Gabonese assets, the disposal of these non-core assets is expected to provide cash proceeds of US 380 million in 2025."

Consideration structure

- Minimum consideration of US 120 million, consisting of:
 - **Tranche A:** US 40 million payable on Transaction completion.
 - **Tranche B:** US 40 million payable at the earlier of FDP approval or 30 June 2026.
 - **Tranche C:** US 40 million payable no later than 30 June 2033, subject to the following payment schedule:
 - Payments of US 2 million per quarter starting in the third quarter of 2028, provided Dated Brent oil price averaged at least US 65/bbl during the preceding quarter.
 - If US 40 million in aggregate has not been paid by 30 June 2033, the remainder will be due as a bullet payment at that point irrespective of the prevailing oil price.
- **Royalty Payment:** In addition to the above, the Seller will receive quarterly royalty payments of US 0.5/bbl multiplied by 80% of total production, subject to oil price, resource and production related conditions to the extent that the Purchaser retains its interest in the Disposed Assets.

Rationale for and expected benefits of the Transaction

- Value accretive transaction that significantly reduces leverage, further strengthening Tullow's balance sheet following the disposal of interests in Gabon for US 300 million, where the SPA was signed on 13 May 2025 ([LINK](#)).
- The Transaction is in line with Tullow's strategy of focusing on high-margin, self-funded production with strong cash flows.
- Positions the Group well to finalise the optimisation of its capital structure in 2025 and accelerate deleveraging.
- Revised portfolio of assets will enable Tullow to leverage its technical skills and focus on more material positions in key fields to grow its reserve base.
- Provides strong foundations for organic growth within the core portfolio and inorganic growth opportunities, with a focus on deepwater operated positions in West Africa.
- Retains a no-cost re-entry option for Tullow's shareholders to participate in future upside of the Disposed Assets.

Use of proceeds

Net proceeds from the Transaction will be used to strengthen Tullow's balance sheet by materially reducing Tullow's net debt and the Transaction is therefore expected to reduce the risk associated with a holistic debt refinancing expected in 2025.

Information on the Disposed Assets

- The Disposed Assets comprise all of Tullow's working interests in Kenya, where significant discovered oil resources are progressing towards development in the South Lokichar Basin in Kenya. Since 2011 Tullow has undertaken exploration and appraisal of the assets as part of the longer-term development objective.
- The total asset value subject to the Transaction is c.US 112.2 million as at 31 December 2024.
- There was no gross profit attributable to the Disposed Assets for the year ended 31 December 2024.
- The Disposed Assets have no production and no 2P reserves as of 31 December 2024. The Disposed Assets have 463 million barrels of 2C resources as of 31 December 2024.
- Further information about the Disposed Assets is set out in Appendix I to this announcement and historical financial information relating to the Disposed Assets is set out in Appendix II to this announcement.

Effect of the Transaction on the Continuing Group

Financial impacts of the Transaction on Tullow are currently expected to be (based on audited consolidated financial statements as at 31 December 2024) as follows:

- No impact in pro forma gross profit due to the Disposed Assets currently having no production.
- Increase in pro forma operating profit before tax of c.US 145.0 million primarily due to exploration costs written off
- Reduction in pro forma total assets of c.US 112.2 million as at 31 December 2024.
- Reduction in pro forma total liabilities of c.US 5.8 million as at 31 December 2024.
- The net amount of the proceeds will be recognised in the Group's consolidated financial statements after completion, including any associated financial impacts of the Transaction.

Following completion, the Group will no longer recognise the contribution that the Disposed Assets currently make to the Group's financial results. In the Group's forthcoming interim consolidated financial results for the six months ended 30 June 2025, the Disposed Assets will be presented as a disposal group held for sale.

Risks to Tullow as a result of the Transaction

Details regarding the risks to Tullow as a result of the Transaction are set out in Appendix III to this announcement.

Board opinion

The Transaction is, in the opinion of the directors of Tullow (the "**Directors**"), in the best interests of the shareholders of Tullow as a whole.

Additional information

Due to the size of the Disposed Assets relative to Tullow, the Transaction constitutes a Significant Transaction for the purposes of the UK Listing Rules made by the Financial Conduct Authority (the "**FCA**") for the purposes of Part VI of the Financial Services and Markets Act 2000 (as amended), which came into effect on 29 July 2024 (the "**ULKR**") and is therefore notifiable in accordance with UKLR 7.3.1R and 7.3.2R. In accordance with the UKLRs, the Transaction is not subject to shareholder approval.

Peel Hunt LLP is acting as the Group's corporate broker and Herbert Smith Freehills Kramer LLP is acting as the Group's legal counsel.

Unless otherwise stated, all financial information relating to Tullow disclosed in this announcement (including the Appendices) has been extracted, without material adjustment, from Tullow's Full-Year 2023 and 2024 published audited consolidated financial statements.

The person responsible for arranging for the release of this announcement on behalf of Tullow is Adam Holland, Company Secretary.

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Notes to editors

Tullow is an independent energy company that is building a better future through responsible oil and gas development in Africa. Tullow's operations are focused on its core producing assets in Ghana. Tullow is committed to becoming Net Zero on its Scope 1 and 2 emissions by 2030, with a Shared Prosperity strategy that delivers lasting socio-economic benefits for its host nations. The Group is quoted on the London and Ghanaian stock exchanges (symbol: TLW). For further information, please refer to: www.tullowoil.com.

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This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No 596/2014 (as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 as amended by virtue of the Market Abuse (Amendment) (EU Exit) Regulations 2019). Upon publication of this announcement, this inside information will be considered to be in the public domain. The person responsible for arranging the release of this announcement on behalf of Tullow is Adam Holland, Company Secretary.

This announcement is not intended to, and does not, constitute or form part of any offer, invitation or the solicitation of an offer to purchase, subscribe for or otherwise acquire, or to sell, transfer or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction, whether pursuant to this announcement or otherwise.

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Important Notices

Peel Hunt LLP ("**Peel Hunt**"), which is authorised and regulated by the Financial Conduct Authority in the UK, is acting as corporate broker exclusively for Tullow and for no one else and will not be responsible to anyone other than Tullow for providing the protections afforded to its clients or for providing advice in relation to the matters referred to in this announcement. Neither Peel Hunt, nor any of its affiliates, owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Peel Hunt in connection with this announcement, any statement contained herein or otherwise.

APPENDIX I

PRINCIPAL TERMS OF THE TRANSACTION

Background to and rationale for the Transaction

In recent years Tullow has undertaken a number of asset sales as it has restructured and focused the business towards operating mid to late life assets and on short-cycle, high-return opportunities that capture the substantial potential associated with Tullow's large resource base. Tullow's current strategy, alongside a rigorous focus on costs, is expected to enable reduction of its current debt levels and deliver significant value for its host nations and investors.

The Transaction would allow the Group to further accelerate its deleveraging pathway. The Directors believe that a lower net debt combined with a continuous focus on costs and capital investment would allow the Group to become more competitive in pursuing organic and inorganic growth opportunities by lowering return hurdles and providing access to additional funding sources, increasing the refinancing prospects of the Group for its remaining debt maturities.

Summary of the terms of the Transaction

The Seller, the Purchaser, Tullow and the Purchaser Guarantor entered into the SPA on 18 July 2025, under which the Seller has conditionally agreed to transfer the entire issued capital of Tullow Kenya to the Purchaser for a minimum cash consideration of US 120 million, consisting of:

- **Tranche A:** US 40 million payable on Transaction completion.
- **Tranche B:** US 40 million payable at the earlier of FDP approval or 30 June 2026.
- **Tranche C:** US 40 million payable no later than 30 June 2033, subject to the following payment schedule:
 - Payments of US 2 million per quarter starting in the third quarter of 2028, provided Dated Brent oil price averaged at least US 65/bbl during the preceding quarter.
 - If US 40 million in aggregate has not been paid by 30 June 2033, the remainder will be due to Tullow as a bullet payment at that point irrespective of the prevailing oil price.

In addition to the above, the Seller will receive quarterly royalty payments of US 0.5/bbl multiplied by 80% of total production, subject to oil price, resource and production related conditions to the extent that the Purchaser retains its interest in the Disposed Assets.

Subject to the satisfaction of the conditions precedent (summarised below) to the Transaction, the Transaction is expected to complete during the third quarter of 2025.

The Disposed Assets consist of:

- one hundred per cent. (100%) undivided participating legal and beneficial interest in the Block 10BA PSC and in and under the Block 10BA JOA;
- one hundred per cent. (100%) undivided participating legal and beneficial interest in the Block 10BB PSC and in and under the Block 10BB JOA; and
- one hundred per cent. (100%) undivided participating legal and beneficial interest in the Block 13T PSC and in and under the Block 13T JOA,

together with all related liabilities and obligations arising under or in respect of such interest documents and together with all rights and obligations attaching thereto.

Completion of the SPA is conditional upon the satisfaction of the following conditions precedent:

- Competition Authority of Kenya clearance; and
- agreement on and implementation of a transition plan to achieve physical and functional separation of Tullow Kenya from the Tullow group,
(together, the "**Conditions**").

The Seller and the Purchaser have undertaken to use all reasonable endeavours to procure the fulfilment of the Conditions as soon as reasonably practicable after the signed date of the SPA and in any event by no later than 5.00 pm London time on the date that is four (4) months following the date of the SPA (unless the Seller and the Purchaser mutually agree to extend such date) (being the "**Long Stop Date**").

Under the terms of the Transaction, the Purchaser will pay the US 40 million consideration for Tranche A in cash on completion. The consideration payable for Tranche B and Tranche C, and the Royalty Payment are payable at certain dates following completion of the Transaction subject to satisfaction of certain conditions (as described above).

The SPA includes customary covenants on the Seller in the period between signing and completion, including to procure that Tullow Kenya continues to operate its business in the ordinary course. Additionally, the Seller has provided the Purchaser with customary warranties in relation to the Transaction. The Purchaser Guarantor has provided a guarantee in support of certain payment obligations of the Purchaser under the SPA.

The SPA includes indemnities under which the Purchaser has agreed to indemnify the Seller with respect to decommissioning liabilities and substantially all environmental liabilities. The Seller will retain potential liability in respect of a pending community environmental petition, detailed in paragraph 2 of Part C of Appendix III.

The Seller has provided customary business and fundamental warranties under the SPA. The Seller's liability for claims under the SPA is subject to customary limitations and the aggregate liability of the Seller arising out of or in connection with the SPA is capped at 100 per cent. of the total consideration received by the Seller from the Purchaser. The Seller and Purchaser have agreed to customary de minimis limitations on the Purchaser's ability to bring claims under the warranties

given by the Seller.

The Seller and the Purchaser will each have the right to terminate the SPA:

- if the Conditions have not been fulfilled or waived in accordance with the SPA on the Long Stop Date; and
- if the other party fails to comply with its pre-completion obligations at pre-completion (being eight business days after the last condition precedent of the Transaction is satisfied, or such other date as the Seller and Purchaser may agree in writing); or
- the other party breaches or becomes subject to any applicable international sanctions.

The Purchaser has the right to terminate the SPA between signing and completion if a material adverse event has occurred which results in the aggregate value of the Disposed Assets decreasing by more than 35%, subject to carve-outs for certain matters and their corresponding consequences that may impact the value of the Disposed Assets.

The SPA is governed by English law. The parties have agreed that any disputes shall be finally settled under the arbitration rules of the London Court of International Arbitration in force at the date of applying for arbitration by three arbitrators, in London, England and in the English language.

Funding of the Transaction

The Purchaser intends to fund the Transaction from the Purchaser's cash on hand resources that it has confirmed to Tullow are available upon completion.

Use of proceeds of the Transaction

Net proceeds from the Transaction will be used to strengthen Tullow's balance sheet by materially reducing Tullow's net debt and the Transaction is therefore expected to reduce the risk associated with a holistic debt refinancing.

APPENDIX II

HISTORICAL FINANCIAL INFORMATION RELATING TO THE DISPOSED ASSETS

The following historical financial information relating to the Disposed Assets has been extracted without material adjustment from the consolidation schedules and supporting accounting records that underlie the audited consolidated financial statements of Tullow for the years ended 31 December 2023 and 31 December 2024.

Ernst & Young LLP was the auditor of Tullow in respect of each of the years ended 31 December 2023 and 31 December 2024. The consolidated statutory accounts for the Group in respect of the year ended 31 December 2023 have been delivered to the Registrar of Companies and the Independent auditor's report in respect of these statutory accounts was unqualified.

The consolidated statutory accounts for the Group for the year ended 31 December 2024 have been delivered to the Registrar of Companies and the Independent auditor's report in respect of these statutory accounts was unqualified, with emphasis of matter relating to material uncertainties with regards to going concern and did not contain statements under section 498(2) or (3) of the Companies Act.

The following financial information does not constitute statutory accounts within the meaning of section 434 of the Companies Act. The financial information in this Appendix II (Historical Financial Information relating to the Disposed Assets) has been prepared using the IFRS accounting policies used to prepare the consolidated financial statements of the Group for the years ended 31 December 2023 and 31 December 2024.

The Income Statement of the Disposed Assets for years ending 31 December 2024 and 31 December 2023 is as follows:

Income Statement (US 000)	Dec-24	Dec-23
Revenue	-	-
Cost of sales	-	-
Gross profit	-	-
Administrative expenses	(1,073)	2,796
Exploration costs written off	(145,437)	(17,900)
Gain on disposal	46	7
Operating profit / (loss)	(146,464)	(15,097)
Finance revenue	27	51
Finance costs	1,400	(812)
Profit / (Loss) before tax	(145,037)	(15,914)
Income tax expense	-	-
Profit / (Loss) for the year after tax	(145,037)	(15,858)

Consolidated balance Sheet of the Disposed Assets as at 31 December 2024:

Net Asset Statement (US 000)	Dec-24
Intangible exploration and evaluation assets	103,170
Property, plant and equipment	39
Trade and other receivables	7,738
Non-current assets	110,947
Trade receivables	238
Cash and cash equivalents	1,049
Current assets	1,287
Total assets	112,234
Trade and other payables	(5,731)

Current liabilities	(5,731)
Trade and other payables	(86)
Non-current liabilities	(86)
Total liabilities	(5,817)
Net assets	106,417

APPENDIX III

ADDITIONAL INFORMATION

PART A - Risk factors

This Part A (Risk factors) addresses the risks known to the Group and the Directors which are material risk factors to the Transaction, will be material new risk factors to the Continuing Group as a result of the Transaction, or are existing material risk factors to the Group which will be impacted by the Transaction. The information given is as of the date of this announcement and, except as required by any applicable law, rules or regulations, will not be updated. Shareholders should carefully consider the risks and uncertainties described below, together with all other information contained in this announcement. The risks described below are not set out in any order of priority, assumed or otherwise.

Additional risks and uncertainties currently unknown to the Group and the Directors, or which the Group and the Directors currently deem immaterial, or deem material to the Group, but which will not result from or be impacted by the Disposal, may also have an adverse effect on the business, financial condition, operating results or prospects of the Continuing Group. In such cases, the market price of Tullow's shares may decline, and investors may lose all or part of their investment.

1. Risks related to the Transaction

The following risks and uncertainties relate to the Transaction:

(a) The Transaction may not proceed to completion

Completion of the SPA is conditional upon satisfaction of customary conditions (described in Appendix I).

There is no guarantee that these conditions will be satisfied by the Long Stop Date or at all. As a result, completion (and the timing of completion) are outside the control of Tullow. The Seller and the Purchaser will each have the right to terminate the SPA:

- if the Conditions have not been fulfilled or waived in accordance with the SPA on the Long Stop Date; and
- if the other party fails to comply with its pre-completion obligations at pre-completion (being eight business days after the last condition precedent of the Transaction is satisfied, or such other date as the Seller and Purchaser may agree in writing); or
- the other party breaches or becomes subject to any applicable international sanctions.

The Purchaser also has the right to terminate the SPA between signing and completion if a material adverse event has occurred which results in the aggregate value of the Disposed Assets decreasing by more than 35%, subject to carve-outs for certain matters and their corresponding consequences that may impact the value of the Disposed Assets.

There can be no assurance that these termination rights will not be exercised if applicable. If they are so exercised, the Transaction will fail to complete.

If Completion does not occur, or the SPA is terminated, Tullow will also have incurred significant costs and management time in connection with the Transaction, which it will not be able to recover. It will also not realise the anticipated benefits of the Transaction (including the Transaction proceeds) and its ability to implement its stated strategy may be prejudiced.

(b) Warranties and indemnities in the SPA

The SPA contains customary warranties and other contractual protections given by the Seller in favour of the Purchaser, with specific representations and warranties provided in respect of the Disposed Assets. Tullow has undertaken due diligence to minimise the risk of liability under these provisions. However, any liability to make a payment arising from a successful claim by the Purchaser under any of the relevant provisions of the SPA would reduce the net proceeds of the Transaction and could have an adverse effect on the business, financial condition, cash flow or prospects of the Group.

(c) Tullow is exposed to the Purchaser's credit risk and the Purchaser's ability to access funding

The Purchaser intends to fund the Transaction from the Purchaser's cash on hand resources that it has confirmed to Tullow are available upon completion.

The Purchaser has not provided any guarantee in respect of the payment of Tranches B or C (but is required to provide letters of credit in respect of Tranches B and C at completion) or the Royalty Payment. Tullow will therefore be subject to the credit risk of the Purchaser. There can be no assurance as to the payment of, or the quantum of, amounts payable in respect of the Royalty Payment.

2. Risks related to the Group and following Completion, the Continuing Group

The following risks and uncertainties relate to the Group and following Completion, the Continuing Group:

(a) The Continuing Group's contingent resources will reduce

As of 31 December 2024, the estimated contingent resources of the Disposed Assets net to the Group was 463 million barrels of 2C resources. Completion of the Transaction will reduce the Group's contingent resources accordingly.

A reduction in the Group's contingent resources may limit the Company's ability to replace existing reserves which in turn could materially and adversely affect the business, financial condition, results of operations and/or prospects of the Continuing Group. This may negatively impact the Group's future production, which in turn may negatively affect the Group's free cash flow.

Whilst the Continuing Group may seek to find or acquire additional assets containing contingent resources for it to develop, it may not be able to find or acquire suitable additional resources on commercially acceptable terms or at all.

(b) The Continuing Group's portfolio will be less diversified

Following Completion, the Continuing Group's portfolio will be concentrated on the Group's Ghanaian assets.

The long-term concentration of the Group's portfolio on its Ghanaian assets may in turn make the Group more vulnerable in the future to any political, economic, legal, regulatory and social uncertainties in Ghana, to which it would otherwise have been proportionally less exposed had its portfolio included the Disposed Assets.

The Continuing Group's business reputation and brand may be adversely affected as a result of its operations being less diversified and the sale of the entirety of its Kenyan assets. The Group's reputation is important to its business for reasons including, but not limited to, finding commercial partners for business ventures, securing licences or permits with governments, procuring offtake contracts, attracting contractors and employees and negotiating favourable terms with suppliers. As a less diversified business, governments and business partners, particularly in Africa, may consider that the Continuing Group has a reduced network and fewer commercial connections and as such is less attractive, both as an investor and partner.

(c) The reduction in size of the Continuing Group may make it more difficult to attract and retain key employees

The success of the Continuing Group depends on the efforts, abilities, experience and expertise of its senior management teams, and on recruiting, retaining, motivating and developing highly skilled and competent people at all levels of the organisation. The reduction in size, geographical footprint and diversification of the Continuing Group, may make it more difficult to attract and retain talented employees which may have an adverse effect on the Continuing Group's business, financial condition, results of operations and/or prospects.

(d) The reduction in size of the Continuing Group may make it more difficult or more expensive to secure funding

The reduction in size and diversification of the Continuing Group may make raising funding more difficult or more expensive as the Continuing Group will not be able to use the Disposed Assets as collateral for future financing initiatives. The Disposed Assets are currently part of the collateral of the 10.25% Senior Secured Notes. This may result in a reduction of financing sources available to the Group, or a deterioration of the terms of financing sources, which may in turn result in a significant increase in the Group's financing costs.

(e) The market price of Tullow's shares may go down as well as up

Shareholders should be aware that the value of an investment in Tullow may go down as well as up and can be highly volatile. The price at which Tullow's shares may be quoted and the price which investors may realise for their shares in Tullow will be influenced by a large number of factors, some specific to the Continuing Group and its operations and some which may affect the industry as a whole.

The sentiments of the stock market regarding the Transaction, in particular whether the stock market considers whether the Group has secured a fair value for the Disposed Assets, will be one such factor and this, together with other factors, including the likelihood of Completion occurring, actual or anticipated fluctuations in the financial performance of the Continuing Group and its competitors, market fluctuations and legislative or regulatory changes in the industry or generally those affecting consumers, could lead to the market price of Tullow's shares going up or down. Such sentiments may vary between the date of this announcement and Completion depending on how certain pre-completion events progress, such as obtaining relevant governmental consents.

3. Risks related to the Transaction not proceeding

If the Transaction does not proceed, the following risks and uncertainties may affect the Group's business, financial condition, results of operations and/or prospects:

(a) Tullow may face risks associated with its funding position if Completion is delayed or the Transaction does not complete

If the Transaction is not completed, or the SPA is terminated, the Group will not receive any of the consideration payable in respect of it to accelerate deleveraging. This could potentially reduce the Group's ability to implement a holistic refinancing by May 2026 at the latest, and impact the Group's ability to obtain sufficient liquidity to cover the expiration of the revolving credit facility at the end of October 2025, if a holistic refinancing is not implemented by that date.

(b) Loss of shareholder value

The Board believes that the Transaction is in the best interests of Shareholders and that the Transaction provides the best opportunity to realise an attractive and certain value for the Disposed Assets. If the Transaction does not complete, as well as potentially having an adverse impact on the Group's reputation and business relationships, the value realised by the Group for the Disposed Assets may be lower than can be realised by way of the Transaction.

(c) No assurance of future sale

If the Transaction does not complete, there can be no assurance that the Group would be able to sell the Disposed Assets at a later date, in favourable or equivalent market circumstances, or to sell the Disposed Assets at all. If the Group is unable to identify another suitable purchaser for the Disposed Assets, this could lead to a loss of confidence amongst relevant stakeholders and a reduction in value of the Disposed Assets. In addition, even if the Group were able to identify another suitable purchaser for the Disposed Assets, the relevant governmental consents would need to be obtained. There is no assurance that such approvals, consents or agreements would be forthcoming under any such alternative transaction.

(d) There may be an adverse impact on the Group's reputation and business relationships if the Transaction does not complete

If the Transaction does not complete, there may be an adverse impact on the reputation of the Group due to amplified media and market scrutiny arising in connection with a failed Transaction. In particular, failure to complete the Transaction may result in a loss of trust and confidence on the part of shareholders, debt holders and other stakeholders in the ability of the Board and Tullow's management to deliver on its publicly stated strategy of raising material proceeds from non-core asset disposals. Any such reputational risk could adversely affect the Group's business, financial condition, results of operations and/or prospects.

In addition, failure to complete the Transaction may have an adverse impact on Tullow's relationships with its stakeholders in the Disposed Assets because its attractiveness as a counterparty may be reduced. This may negatively impact the Group's ability to monetise the Disposed Assets in the future as well as the Group's dealings with the same commercial partners and stakeholders going forward.

PART B - Material contracts

1. The Continuing Group

The following is a summary of each material contract (other than contracts entered into in the ordinary course of business) to which Tullow or any member of the Group is a party, for the two years immediately preceding the publication of this announcement, and each other contract (not being a contract entered into in the ordinary course of business) entered into by Tullow or any member of the Group which contains any provisions under which Tullow or any member of the Group has an obligation or entitlement which is material to Tullow as at the date of this announcement, in relation to the Continuing Group:

(a) Kenya Sale and Purchase Agreement

Details of the SPA are set out in Appendix I of this announcement.

(b) Gabon Sale and Purchase Agreement

On 13 May 2025, the Group announced that Tullow Gabon Limited, a wholly owned subsidiary of Tullow, had signed a sale and purchase agreement with Gabon Oil Company for the sale of 100% of the shares in Tullow's subsidiary, Tullow Oil Gabon S.A. (TOGSA), which holds all of Tullow's non-operated working interests in Gabon for cash consideration of US 300 million net of tax, subject to customary adjustments (the "**Gabon SPA**").

Completion of the Gabon SPA is conditional upon the satisfaction of certain conditions precedent, including all necessary government and regulatory approvals, and, subject to the satisfaction of such conditions precedent, is expected to complete around the middle the year.

(c) Guyana SPA

On 9 August 2023, Tullow Overseas Holdings B.V. entered into a sale and purchase agreement with Eco Guyana Oil and Gas Barbados Limited ("**Eco**") (the "**Guyana SPA**") which completed in November 2023.

Under the Guyana SPA, Tullow Overseas Holdings B.V. sold its entire interest in Tullow Guyana B.V., which included a 60% working interest in the operated Orinduik license in Guyana, to Eco for upfront cash and contingent consideration (the "**Guyana Disposal**"). In connection with the Guyana Disposal, Eco agreed to pay an initial consideration of US 700,000 and a contingent consideration of (i) US 4 million in the event of a commercial discovery, (ii) US 10 million upon the issuance of a production license from the government of Guyana and (iii) royalty payments on future production amounting to 1.75% of the 60% working interest entitlement revenue net of capital expenditure and lifting costs.

The Guyana SPA includes customary financial thresholds and *de minimis* limitations on Eco's ability to bring claims under the warranties given by Tullow Overseas Holdings B.V. As the completion of the Guyana Disposal occurred in November 2023, the time limit for claims under the Guyana SPA has expired, except for claims under the tax warranties or a UK tax indemnity provided by Tullow Overseas Holdings B.V.

(d) Perenco Asset Swap

On 27 April 2023, TOGSA signed an Asset Swap Agreement ("**ASA**") with Perenco Oil and Gas Gabon S.A. ("**Perenco**"), which completed on 29 February 2024.

Under the ASA, TOGSA assigned and transferred, through a cashless asset swap, certain existing participating interests in Limande, Turnix, M'oba, Oba and Simba assets to Perenco in return for the assignment and transfer by Perenco of certain existing participating interests in Kowe (Tchatamba) and the DE8 license.

The ASA includes customary warranties and indemnities given by TOGSA. As the completion of the ASA occurred in February 2024, the time limit for the majority of potential claims under the ASA has expired. However, Perenco remains able to raise (i) claims related to tax; and (ii) indemnity claims in respect of environmental and decommissioning liabilities for the period prior to the economic date of the ASA.

(e) Novation of Dussafu Sale and Purchase Agreement

On 9 February 2021, TOGSA, Tullow (as guarantor), Pan Petroleum Gabon B.V. and Panoro Energy ASA entered into the Dussafu sale and purchase agreement ("**Dussafu SPA**") which completed on 9 June 2021.

Under the Dussafu SPA, TOGSA agreed to transfer its (i) entire 10% undivided legal and beneficial interest in the Dussafu Marin Permit Exploration and Production Sharing contract ("**Dussafu PSC**") in Gabon and (ii) its interest in and under certain other documents related to the Dussafu PSC (the "**Dussafu Assets**") to Pan Petroleum Gabon B.V. for cash consideration of US 46 million payable at completion of the Dussafu transaction, subject to customary working capital and other adjustments at completion. Furthermore, additional contingent payments of up to US 24 million in aggregate are payable under the Dussafu SPA over a five-year period once production from the Hibiscus and Ruche discoveries meets an agreed daily average and where oil prices for the relevant year are greater than US 55/bbl (the "**Dussafu Contingent Consideration**").

The Dussafu SPA includes customary warranties and indemnities given by TOGSA. As the completion of the Dussafu SPA occurred in June 2021, the time limit for warranty claims by the purchaser under the Dussafu SPA has expired. However, the purchaser remains able to raise indemnity claims in respect of environmental and decommissioning liabilities for the period prior to the economic date of the Dussafu SPA.

On 25 April 2025, the parties to the Dussafu SPA entered into a deed of novation under which TOGSA transferred and Tullow agreed to accept and assume all of the rights (including the right to receive the Dussafu Contingent Consideration) and obligations of TOGSA under the Dussafu SPA.

(f) Notes Facility Agreement

On 11 November 2023, Tullow and certain of its subsidiaries, including Tullow Kenya, entered into a senior secured notes issuance facility described below (the "**Notes Facility Agreement**"), with, among others, Glencore Energy UK Ltd as mandated lead arranger, Law Debenture Corporate Services Limited as agent, Glas Trust Corporation Limited as security trustee, Law Debenture (Ireland) Limited as registrar and Glencore Energy UK Ltd as original noteholder ("**Glencore**"). The interest on the facility is Term Secured Overnight Financing Rate (SOFR) plus 10% on drawn amounts. The final maturity date of the Notes Facility Agreement is 11 November 2028.

The Notes Facility Agreement was entered into for liability management of Tullow's senior notes that were to mature in March 2025, and which have since been repaid in full. The Notes Facility Agreement has been utilised in full in connection with that repayment.

The Notes Facility Agreement is guaranteed by Tullow Kenya and certain other of Tullow's subsidiaries. It is subordinated to the guarantees of Tullow's senior secured notes maturing in May 2026 ("**2026 Notes**"). In addition, the Notes Facility Agreement was secured by the same collateral as the 2026 Notes but ranks contractually behind the 2026 Notes with respect to the right to receive proceeds from any enforcement of collateral.

The Notes Facility Agreement contains customary representations, information undertakings, general undertakings and events of default, in each case subject to certain exceptions and materiality qualifications. It also includes customary default interest provisions on overdue amounts and is redeemed in full immediately upon the occurrence of certain events, including a change of control of Tullow.

(g) Glencore Sale and Purchase Agreements

On 11 November 2023, in connection with the entry into the Notes Facility Agreement, Tullow Ghana Limited ("**Tullow Ghana**") entered into oil marketing and offtake contracts with Glencore for the crude oil produced and extracted from the Jubilee and TEN fields in Ghana and TOGSA entered into an oil marketing and offtake contract for the Rabi Light crude oil produced and extracted in Gabon (the "**TOGSA Glencore Sale and Purchase Agreement**") and together with the Tullow Ghana offtake contracts described above, the "**Glencore Sale and Purchase Agreements**") and certain ancillary arrangements, all of which run concurrently with the Notes Issuance Facility (together, the "**Glencore Sale and Purchase Agreements**").

Pursuant to those Glencore Sale and Purchase Agreements, TOGSA and Tullow Ghana (as applicable) agreed to sell and Glencore as buyer agreed to buy 100% (subject to the applicable royalties and other mandatory deductions) of quantities of (i) Rabi Light crude oil produced and extracted from various assets of TOGSA in Gabon, (ii) crude oil produced and extracted from Tullow Ghana's entitlements in the TEN Fields, offshore Ghana and (iii) crude oil produced and extracted from Tullow Ghana's entitlements in the Jubilee Field, offshore Ghana. Glencore also undertakes under those Glencore Sale and Purchase Agreements to perform certain marketing activities in relation to the oil delivered thereunder.

The Glencore Sale and Purchase Agreements expire in 2028 subject to certain early termination events such as the Notes Facility Agreement terminating or being repaid in full.

The Glencore Sale and Purchase Agreements contain customary representations, warranties, undertakings and trade restrictions, in each case subject to certain exceptions and materiality qualifications. The Glencore Sale and Purchase Agreements also set out various customary events of default and material breach provisions.

(h) Super Senior Revolving Facility Agreement

On 6 May 2021, Tullow, Tullow Kenya and certain of its subsidiaries entered into a super senior revolving facilities agreement, as amended and restated pursuant to an amendment and restatement deed on 14 May 2021 and as further amended on 12 August 2021, 30 March 2023, 21 November 2024 and 21 May 2025 by way of amendment letters and as further amended and/or restated from time to time, between, among others, ABSA Bank Limited, Barclays Bank PLC, J.P. Morgan Securities PLC, ING Belgium SA/NV, Nedbank Limited, London Branch, Standard Chartered Bank and The Standard Bank of South Africa Limited, Isle of Man Branch as mandated lead arrangers, J.P. Morgan Securities PLC as global coordinator and bookrunner, J.P. Morgan SE as agent and GLAS Trust Corporation Limited as security agent (the "**SSRCF Agreement**").

Tullow Kenya is a guarantor under the SSRCF Agreement.

The SSRCF Agreement provides for a senior revolving credit facility in an amount of US 150 million (the "**SSRCF**") for general corporate and working capital purposes of the Group (but not to redeem, defease, repurchase or repay any amount of the 2026 Notes (as defined further) (other than a scheduled amortisation) or any other principal indebtedness which may be borrowed or issued by the Group in the future).

The SSRCF is secured by the same security package as that provided in respect of the Notes Issuance Facility and 2026 Notes, that is, English law account charges (including a charge over accounts held by Tullow Kenya), an English law fixed and floating charges debenture, an English law assignment of intragroup loan receivables, a Gabonese law share pledge over the shares in Tullow Kenya, Isle of Man law security agreements in respect of shares, Dutch law deeds of pledge of shares, a Jersey law security interest agreement in respect of shares and a French law account pledge.

On account of the Transaction and Tullow Kenya being a guarantor under the SSRCF Agreement, certain steps will need to be taken pursuant to the terms of the SSRCF Agreement and Intercreditor Agreement (as defined further), including the release of certain security granted in favour of the lenders under the SSRCF Agreement.

Repayment and maturity

The final maturity date of the SSRCF Agreement is 31 October 2025.

Tullow can voluntarily cancel the whole or any part (being a minimum amount of US 10 million) of the available commitments under the SSRCF upon no less than five business days' notice (or such shorter period as the majority lenders may agree) to the facility agent.

Interest and fees

The rate of interest payable on loans under the SSRCF is the rate per annum equal to the aggregate of the applicable margin (being 4.5 per cent. per annum) plus either term reference rate or the applicable compounded reference rate for that day. Default interest is also payable, at a rate of 2 per cent. per annum higher than the standard rate of interest payable on loans under the SSRCF, on overdue amounts.

Tullow is required to pay a commitment fee under the SSRCF, quarterly in arrears, based on:

- the daily amount (if any) by which the aggregate commitments under the SSRCF (the "**Global Commitments**") exceed the amount which is the lower of: (i) the sum of the applicable borrowing base amount applicable on that day; and (ii) the Global Commitments applicable on that day (such lower amount being the "**Maximum Available Amount**"), at a percentage rate per annum calculated by multiplying the then applicable margin by a set rate; and
- the daily amount (if any) by which the applicable Maximum Available Amount exceeds the sum of the outstanding loans under the SSRCF in the base currency, at a percentage rate per annum calculated by multiplying the then applicable margin by a set rate.

Representations, covenants and events of default

The SSRCF Agreement contains customary representations, information undertakings, general undertakings and events of default, in each case subject to certain exceptions and materiality qualifications.

Among other things, the general undertakings contain restrictions on Tullow and its restricted subsidiaries (which includes Tullow Kenya) in relation to disposals, acquisitions, change of business, incurrence of financial indebtedness and the provision of security.

Prepayment

The SSRCF Facility is to be prepaid in full immediately upon the occurrence of certain events, including the sale of Tullow Oil Gabon S.Aa and a change of control of Tullow.

(i) 2026 Senior Secured Notes

On 17 May 2021, Tullow issued US 1,800 million in aggregate principal amount of 10.25 per cent. Senior Secured Notes (the "**2026 Notes**") pursuant to an indenture (the "**2026 SSN Indenture**"). The 2026 Notes mature on 15 May 2026. The 2026 Notes are guaranteed on a senior secured basis by certain subsidiaries of Tullow, including Tullow Kenya, and a collateral package. The 2026 SSN Indenture provides that the guarantee of Tullow Kenya shall be automatically and unconditionally released and discharged upon Completion.

As of 15 May 2025, Tullow may redeem all or part of the 2026 Notes at a redemption price equal to 100 per cent. of the principal amount thereof, plus accrued and unpaid interest, if any. The 2026 SSN Indenture limits, among other things, the ability of Tullow and its restricted subsidiaries to make certain payments, including dividends and other distributions, with respect to outstanding share capital, sell, lease or transfer certain assets, including shares of any of Tullow's restricted subsidiaries, to make certain investments or loans and to incur additional financial indebtedness. These limitations are, however, subject to a number of important qualifications and exceptions. The 2026 SSN Indenture also contains customary events of default.

The 2026 Notes and the 2026 SSN Indenture are governed by New York law.

(j) Guarantee Subordination Agreement

Tullow entered into a guarantee subordination agreement on 6 November 2013, as amended and restated on 12 July 2016, to which certain creditors and/or trustees have acceded from time to time including the trustees under the 2026 SSN Indenture and the Notes Facility Agreement (the "**Guarantee Subordination Agreement**").

The Guarantee Subordination Agreement governs the relationship and relative priorities among: (i) the creditors of the SSRCF (the "**SSRCF Creditors**"); (ii) certain banks and institutions that act as counterparties to hedging agreements (the "**Hedging Banks**"); (iii) the trustee for the 2026 SSN Indenture, on its own behalf and on behalf of the noteholders (the "**Notes Trustee**") and together with the SSRCF Creditors and Hedging Banks, the "**Senior Creditors**") and (iv) the trustee for the Notes Facility Agreement, on its own behalf and on behalf of the noteholders (the "**Notes Creditors**").

The Guarantee Subordination Agreement provides that the liabilities owed by the debtors to the Senior Creditors under the senior finance documents (the "**Senior Liabilities**") and the liabilities owed by the note guarantors to the Notes Creditors under the notes documents (the "**Notes Guarantee Liabilities**") will rank in right and priority of payment: (i) first, the Senior Liabilities *pari passu* and without any preference between them; and (ii) second, the Notes Guarantee Liabilities. The parties to the Guarantee Subordination Agreement agree that the liabilities owed by Tullow (or certain of Tullow's direct and indirect subsidiaries which may in the future issue notes and on-lend the proceeds of such issuance to Tullow) to the Notes Creditors under the notes documents, certain amounts owed to the trustee under the notes documents and certain notes security enforcement and preservation costs (if any) are senior obligations (and are therefore not Notes Guarantee Liabilities) and the Guarantee Subordination Agreement does not purport to rank, postpone and/or subordinate any of such liabilities in relation to the other liabilities.

The Guarantee Subordination Agreement does not purport to rank any of the Senior Liabilities as between themselves or any of the Notes Guarantee Liabilities as between themselves. In addition, the Guarantee Subordination Agreement does not purport to rank any of the liabilities of Tullow (or certain of Tullow's direct and indirect subsidiaries which may in the future issue notes and on-lend the proceeds of such issuance to Tullow).

(k) Intercreditor Agreement

On 6 May 2021, Tullow and certain of its subsidiaries entered into an intercreditor agreement with, among others, and GLAS Trust Corporation Limited as security agent, as amended and restated pursuant to an amendment and restatement agreement dated 11 November 2023, and as further amended and/or restated from time to time (the "**Intercreditor Agreement**").

The Intercreditor Agreement provides (among other things) that liabilities owed by the obligors to: (i) the lenders under the SSRCF Agreement; (ii) each noteholder under the Notes Facility Agreement, (iii) certain banks and institutions that act as counterparties to certain secured hedging agreements; and (iv) the senior secured noteholders and senior secured notes trustees under the 2026 Senior Secured Notes Indenture shall rank *pari passu* and without preference as between these liabilities. There is an application of proceeds waterfall governing the order of priority of application of all amounts received or recovered by the security agent in connection with the realisation or enforcement of security.

(l) Hedging arrangements

The Group maintains certain commodity hedges to manage its exposure to movements in oil prices. Such commodity derivatives tend to be priced using benchmarks, such as Platts Dated Brent crude oil, which correlate as closely as possible to the Group's underlying oil revenues. The Group hedges a portion of its estimated oil revenues on a portfolio basis (rather than on a single asset basis), aggregating its oil revenues from substantially all of its African oil interests. The Group only uses hedging counterparties with strong credit ratings. Tullow uses financial instruments such as put options, collars and three ways (put plus call spread trades) normally conducted rateably over time to hedge Tullow's exposure to these risks and may continue to do so in the future. As of the date of this announcement, Tullow has hedged approximately 60% of its production entitlement for 2025 with a weighted average price of c. US 60/bbl. Tullow has a commodity hedging policy in place to ensure 60% downside protection for the calendar year ahead, while maintaining full upside exposure for no less than 60% of Tullow's forecast production entitlement. Tullow's commodity hedging policy further includes a target to deliver downside protection for 30% of production entitlement *es*, subject to credit line availability and market conditions. Currently, there are no commodity hedges in place beyond 2025.

(m) Capital lease agreement-floating production storage and offloading unit

On August 14, 2013, Tullow Ghana entered into an engineering, procurement, installation, commissioning and bareboat charter agreement (the "**TEN FPSO Contract**") with T.E.N. Ghana MV25 B.V. (the "**TEN FPSO Contractor**"), a subsidiary of MODEC Inc., in respect of an FPSO for use at the TEN fields (the "**TEN FPSO**"). Tullow Ghana, as operator of the TEN fields, entered into the agreement on behalf of itself and its joint venture partners.

The TEN FPSO Contractor agreed to design, procure, construct, install and commission the TEN FPSO. Tullow Ghana will charter and lease the TEN FPSO from the TEN FPSO Contractor for an initial term of ten years commencing on the date on which the TEN FPSO's offshore completion certificate is issued. Upon the expiration of the initial term, Tullow Ghana has the option to extend the charter period for ten additional and consecutive one-year extension periods, provided it gives six months' written notice to the TEN FPSO Contractor prior to the expiration of the initial term or any extension thereto (as the case may be). Tullow Ghana is responsible for paying the hire cost during the charter period (which costs include a mobilization fee, compensation for demobilization and a specified daily rate).

Tullow Ghana may terminate the TEN FPSO Contract on not less than 30 days' written notice to the TEN FPSO Contractor, provided Tullow Ghana pays the TEN FPSO Contractor hire costs up to the date of termination and, if applicable, interest rate hedging unwinding costs. If the termination occurs during the initial ten-year charter period, Tullow Ghana will also be required to pay demobilization costs and an early termination fee which will be equal to the value of the remaining initial hire period (less 5% Ghanaian withholding tax) discounted using a discount rate of 6.5% per annum on a 360 days per year basis grossed up by 25% in relation to Ghanaian corporate income tax. An early termination payment is also due by Tullow Ghana in the event that there is an unauthorized requisitioning or taking of the TEN FPSO or Tullow Ghana terminates the agreement for continuing force majeure. No early termination fee is incurred in the event that termination occurs as a result of other conditions, including the actual or constructive total loss of the TEN FPSO or breach of the TEN FPSO Contractor's material obligations under the TEN FPSO Contract. The TEN FPSO Contractor is also entitled to terminate the contract during the charter period under certain circumstances, including a breach of Tullow Ghana's obligations to pay undisputed amounts under the TEN FPSO Contract when they fall due.

Tullow Ghana has the option to purchase the TEN FPSO at any time during the charter period, provided that 180 days' written notice is given to the TEN FPSO Contractor. In addition, if the TEN FPSO Contractor wishes to sell the TEN FPSO to a non-affiliated third party during the charter period, Tullow Ghana has a right of first refusal to purchase the TEN FPSO at the same price and on substantially the same terms as those offered by such third party, and has 60 days within which to exercise such right. Upon any purchase of the TEN FPSO, the TEN FPSO Contract will terminate automatically.

As of December 31, 2024, the present value of the TEN FPSO gross lease liability was US 650 million, compared to US 763.5 million in 2023. A receivable from the joint venture partners of US 244.9 million, compared with US 288.8 million in 2023, was recognized in other assets to reflect the value of future payments that will be met by cash calls from partners relating

was recognized in other assets to reflect the value of future payments that will be met by cash calls from partners relating to the TEN FPSO lease.

In addition, on August 14, 2013, Tullow Ghana entered into an operation and maintenance services contract (the "**TEN O&M Contract**") with the TEN FPSO Contractor pursuant to which the TEN FPSO Contractor will provide certain operation and maintenance services in connection with the TEN FPSO during the initial ten-year charter period (the "**O&M Period**"), such charter period commenced on 26 March 2017. Upon the expiration of the O&M Period, Tullow Ghana has the option to extend the TEN O&M Contract for ten additional and consecutive one year extension periods. Provided that Tullow Ghana has terminated the charter of the TEN FPSO, Tullow Ghana may terminate the TEN O&M Contract for convenience on giving at least 30 days' notice. In such event, Tullow Ghana must pay the TEN FPSO Contractor for the services provided to the date of termination and any other amounts owing under the TEN O&M Contract, together with any other cancellation costs incurred by the TEN FPSO Contractor as a result of such termination (including in relation to the demobilization of personnel and equipment). In addition, the parties to the TEN O&M Contract have termination rights typical for a contract of this nature, including as a result of the occurrence of insolvency events or a material breach by the other party of the terms of the TEN O&M Contract. If the TEN FPSO Contract is terminated, the TEN O&M Contract terminates automatically.

2. Disposed Assets

The following is a summary of each material contract (other than contracts entered into in the ordinary course of business) to which Tullow or any member of the Group is a party, for the two years immediately preceding the publication of this announcement, and each other contract (not being a contract entered into in the ordinary course of business) entered into by Tullow or any member of the Group which contains any provisions under which Tullow or any member of the Group has an obligation or entitlement which is material to Tullow as at the date of this announcement, in relation to the Disposed Assets:

(a) Kenya Sale and Purchase Agreement

Details of the SPA are set out in Appendix I of this announcement.

PART C - Legal and arbitration proceedings

1. Continuing Group

Tullow becomes involved from time to time in various claims and lawsuits arising in the ordinary course of Tullow's business. In addition, Tullow may be affected by the various claims and lawsuits of other parties. Other than as discussed below, Tullow is not, nor has Tullow been during the past twelve months, involved in any governmental, legal or arbitration proceedings which, either individually or in the aggregate, have had, or are expected to have, a significant effect on Tullow's financial position or profitability, nor, so far as Tullow is aware, are any such proceedings pending or threatened.

(a) High Court dispute with Vallourec

On behalf of the Group and Tullow's Jubilee field joint venture partners, Tullow Ghana Limited is claiming from Vallourec Oil and Gas France ("**Vallourec**") losses of approximately £256 million, arising from the supply by Vallourec of defective tubular goods, which Tullow believes constitutes a breach of contract from which Tullow Ghana and the Jubilee field joint venture partners have suffered loss.

A preliminary issues trial took place in the Commercial Court on 20-22 May 2025. The parties await the judgement on the preliminary issue.

(b) Additional Oil Entitlement

In February 2018, Tullow Ghana received an assessment from the Ghana Revenue Authority (the "**GRA**") for additional oil entitlement ("**AOE**") totalling US 64 million plus penalties, which the GRA originally withdrew and later re-submitted in June 2018. Tullow Ghana considers that the assessment represents a misapplication of the net cash flow formula in the petroleum agreements, and that on a proper application of the formula it should not be subject to any assessment for AOE. Tullow Ghana issued an objection notice to the GRA in August 2018. In October 2018, the GRA wrote to Tullow Ghana maintaining the assessment for US 64 million but without reference to the penalties. In November 2018, the Ministry of Finance of Ghana requested all parties to suspend all actions to enforce the AOE assessment until they determined the Government's position, which is still awaited. Subsequently, the MoF has advised the formation of a Working Group to resolve the positions.

(c) Loan interest

In December 2022, Tullow Ghana received a US 190.5 million corporate income tax assessment and payment demand from the GRA relating to the disallowance of loan interest for the financial years 2010 to 2020. The GRA took a position to disallow all interest charged on intercompany loans granted by Tullow from inception to date in its revised assessments of December 2019 raising an income tax assessment of US 190,552,387 and related penalty of same amount. Tullow Ghana's view is that the disallowance of the intercompany loan interest resulting in the loan interest assessment was not conducted in accordance with the provisions of the petroleum agreements and Petroleum Income Tax Law ("**PITL**") and is therefore a breach of the petroleum agreements, which stipulate that Tullow Ghana must be taxed in accordance with the PITL.

Tullow Ghana filed a Request for Arbitration on February 13, 2023. On June 14, 2023, the ICC confirmed the appointment of arbitrators and agreed the procedural documents and timetable. Tullow continues to engage with the Government of Ghana, including the GRA, with the aim of resolving the assessment on a mutually acceptable basis.

(d) Insurance

In December 2022, Tullow Ghana received a US 196.5 million corporate income tax assessment and an associated penalty of an additional US 196.6million in a payment demand from the GRA relating to proceeds received by Tullow during the financial years 2016 to 2019 under Tullow's corporate Business Interruption Insurance policy. This income was disclosed in the relevant tax returns of Tullow and Tullow considers the assessment to breach Tullow Ghana's rights under its petroleum agreements.

Tullow Ghana filed a Request for Arbitration on February 13, 2023. Tullow continues to engage with the Government of Ghana, including the GRA, with the aim of resolving the assessment on a mutually acceptable basis.

(e) Bangladesh Tax Dispute

Tullow Oil International Limited ("**TOIL**") has conduct of a dispute between Tullow Bangladesh Limited ("**TBL**") and the National Board of Revenue ("**NBR**") of Bangladesh relating to certain taxes payable in Bangladesh relating to the assets of TBL in Block 9, Bangladesh. The dispute arose in respect of the disallowance of tax relief for US 118.6 million of development costs. TBL was successful at the High Court of Bangladesh in 2013. The NBR then appealed to the Supreme Court of Bangladesh and in March 2017 the Supreme Court handed down its decision granting NBR's appeal and subsequently provided its written judgment in March 2018. The judgment found in favour of the NBR but was not conclusive as to the position or liability of TBL. In April 2018, TBL filed a civil review petition seeking a review of the Supreme Court's

decision. In November 2019, the civil review hearing was held by the Supreme Court and TBL was unsuccessful. The NBR subsequently issued a payment demand to TBL in February 2020 for Taka 3,094 million (C. US 25 million) requesting payment by March 15, 2020 (the "**Payment Demand**").

Under the Production Sharing Contract for Block 9, the Government of the People's Republic of Bangladesh (the "**Bangladesh Government**") has given an indemnity to TBL for all taxes levied by any public authority, and the share of production paid to Petrobangla, Bangladesh's national oil company ("**PB**"), is deemed to include all taxes due which PB is then to pay to the NBR. TBL sent the Payment Demand to PB and Bangladesh Government requesting the payment or discharge of the Payment Demand under their respective PSC indemnities. On June 14, 2021, TBL issued a formal notice of dispute to the Bangladesh Government and PB. A further request for payment was received from NBR on October 28, 2021, demanding settlement by November 15, 2021. Arbitration proceedings were initiated on December 29, 2021, and the tribunal hearing took place between May 20-24, 2024 with a decision expected in 2025.

(f) TechnipFMC Ghana Limited

Technip Ghana Limited ("**TFMC**") is claiming sums from Tullow Ghana in respect of the Jubilee South East Contract in the amount of US 64.2 million (plus interest and legal costs). TFMC is claiming that the contract is largely reimbursable and that Tullow Ghana has failed to pay all reimbursable sums due thereunder. TFMC also alleges that Tullow Ghana has withheld certain sums it is not entitled to withhold. Tullow Ghana argues that there are certain sums that TFMC has claimed which it is not entitled to be paid under the contract, and Tullow Ghana has made permitted deductions.

The Jubilee South East Contract is governed by English law and the dispute has been referred to arbitration under the rules of the London Court of International Arbitration. The hearing is scheduled for December 2025. Settlement of the dispute is a possibility.

2. Disposed Assets

Joyce Enukan & Others (Kenya)

A petition has been filed by a section of the local community of Turkana County, Kenya alleging that Tullow's operations have adversely affected the environment including pollution of soil and ground water; contribution to climate change; and contamination of water leading to death of livestock. The main relief sought by the petitioners is in the form of an environmental bond rather than direct compensation; however, the petitioners have also asked for unspecified general damages, which, if awarded, will be determined by the court. Tullow, the Ministry of Energy & Petroleum of Kenya and the Attorney General of Kenya have filed their responses to the petition, denying all allegations made by the 73 Petitioners. Tullow's substantive and detailed affidavits setting out the evidentiary issues in response to the petition were all filed by 16 December 2024. The Ministry of Energy & Petroleum and the Attorney General filed their responses to the petition, denying all allegations made by the 73 petitioners on 19 March 2025. The matter came up for further court directions on 10 June 2025 and the court directed that: (i) Legal Counsel for one of the Interested Parties, National Environmental Management Authority (NEMA) file and serve their Response together with all supporting documentation within 15 days (ii) the parties file and exchange their written submissions on the issues necessitating the referral of the Chief Justice empanelment of a wider bench to hear the matter, within 14 days of NEMA filing their response. The matter shall be mentioned on 10th July 2025 for purposes of confirming compliance and to take further directions and the matter. The substantive hearing is likely to commence in Q3 2025.

Other than as described in paragraph 2 above, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Tullow is aware) during a period covering at least the previous 12 months preceding the date of this announcement which may have, or have had in the recent past, a significant effect on the Disposed Assets' financial position or profitability.

PART D - Significant change

1. Continuing Group

On 22 May 2025, Tullow announced that it had extended its Revolving Credit Facility (RCF) to the end of October 2025, with all lenders participating in the extension, demonstrating their ongoing support. The RCF, which is currently drawn to manage near-term working capital, has been reduced to US 150 million, in line with working capital requirements in a low oil price environment. The facility will be repaid and cancelled in full on completion of the Gabon disposal when it will no longer be required for liquidity management.

On 24 March 2025, Tullow announced that it had signed a binding heads of terms agreement with Gabon Oil Company for the sale of Tullow Oil Gabon SA, which holds 100% of Tullow's working interests in Gabon for a cash consideration of 300 million net of tax. The SPA in respect of this transaction was signed on 13 May 2025.

Other than the above, matters disclosed in Tullow's 2024 Full Year Results and/or otherwise disclosed in this announcement (including the Appendices), there has been no significant change in the financial position of Tullow since 31 December 2024, the end of the most recent financial period for which historical financial information of the Group has been published.

2. Disposed Assets

Other than those matters disclosed in Tullow's 2024 Full Year Results and/or otherwise disclosed in this announcement (including the Appendices), there has been no significant change in the financial position of the Disposed Assets since 31 December 2024, the end of the most recent financial period for which historical financial information of the Disposed Assets has been published.

PART E - Related party transactions

1. Continuing Group

Other than those matters disclosed previously in the published Annual Report and Accounts of Tullow and/or otherwise disclosed in this announcement (including its Appendices), there were no related party transactions entered into by Tullow during the period since 31 December 2024.

**APPENDIX IV
DEFINITIONS**

The following definitions apply in this announcement unless the context otherwise requires:

"Block 10BA JOA"	the joint operating agreement relating to the Block 10BA PSC dated 27 September 2010, as amended, novated and supplemented from time to time
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	amended, novated and supplemented from time to time
"Block 10BA PSC"	the exploration and production sharing contract dated 27 September 2010 in respect of Block 10BA in the Republic of Kenya, as amended, novated and supplemented from time to time
"Block 10BB JOA"	the joint operating agreement relating to the Block 10BB PSC dated 31 May 2010, as amended, novated and supplemented from time to time
"Block 10BB PSC"	the exploration and production sharing contract dated 25 October 2007 in respect of Block 10BB in the Republic of Kenya, as amended, novated and supplemented from time to time
"Block 13T JOA"	the joint operating agreement relating to the Block 13T PSC dated 26 January 2011, as amended, novated and supplemented from time to time
"Block 13T PSC"	the exploration and production sharing contract dated 13 September 2008 in respect of Block 13T in the Republic of Kenya, as amended, novated and supplemented from time to time
"Board"	the board of directors of Tullow
"Cabinet Secretary"	has the meaning given in the Petroleum Act No. 2 of 2019
"Companies Act"	the Companies Act 2006, as amended from time to time
"Continuing Group"	the Group following Completion
"Conditions"	has the meaning given to it in Appendix I
"Directors"	the directors of Tullow and "Director" means any one of them
"Disposed Assets"	100% of the shares in Tullow Kenya BV (Tullow Kenya), which holds Tullow's entire working interests in Kenya
"FDP"	Field Development Plan
"GoK"	Government of Kenya
"Group"	Tullow and its consolidated subsidiaries and subsidiary undertakings as at the date of this announcement
"JDA"	a Joint Development Agreement dated 24 October 2017 between the Government of Kenya and the Seller
"Kenya"	the Republic of Kenya
"Long Stop Date"	means 5 p.m. on the date that is four (4) months following the date of the SPA or such later date as the Seller and Purchaser may mutually agree in writing
"Perenco"	Perenco Oil and Gas Gabon S.A.
"Purchaser"	Auron Energy E&P Limited
"Purchaser Guarantor"	Gulf Energy Ltd
"Seller"	Tullow Overseas Holdings BV
"SPA"	the sale and purchase agreement between Tullow, the Seller, the Purchaser and the Purchaser Guarantor
"TOGSA"	Tullow Oil Gabon S.A.
"Transaction"	the proposed sale of Tullow Kenya to the Purchaser on the terms and subject to the conditions set out in the SPA
"Tullow"	Tullow Oil plc
"Tullow Kenya"	Tullow Kenya BV

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