This presentation firstly outlines Kosmos’s business development process, updates its current status and presents plans for its future execution. Secondly, current projects are summarized to provide examples of our philosophy and approach.
To summarize who we are and what we are trying to do, Kosmos Energy is a combination of a strong management team with a proven track record of success in West Africa, well-funded by very resourceful financial private equity partners including Warburg Pincus and Blackstone Capital Partners.

The company’s goal is to deliver substantial investor returns by building a highly marketable regional E & P enterprise using a $300 Million line of equity. We are seeking to create a value of one to two billion dollars in five to seven years.
Kosmos has a single strategy to build a business involving serial exploration success with the drill-bit.

Our objective is to drill between ten and twelve basin, play or fairway-opening exploration wells in a range of petroleum systems. Based on historical finding statistics, this exposure should ensure our business goals are achieved, assuming we perform at or above the industry average.

The strategy is technically-driven, seeking to unlock under-described or under-explored basins through franchising of newer ideas in both old and new geographies. The company is applying its technical insights to thematically pursue Upper Cretaceous and Lower Tertiary structural/stratigraphic plays. It is this strategy which differentiates the company. This approach is coupled with taking pre-emptive above and below ground risk to create ‘first mover’ competitive advantage.
Kosmos divides the E & P value chain into four stages. These include Frontier (no established charge, reservoir and/or trap), Emerging (all play elements proven but no commercial success), Growing (a commercial hydrocarbon province) and Maturing (an exploited basin).

The industry as a whole is largely focused at the Growing and Maturing sectors as evidenced by the 2005 wildcat exploration drilling statistics.

Kosmos is centering its portfolio on Emerging basin opportunities. It is this segment of the industry structure which is considered to provide the most significant value creation potential. The portfolio is being balanced with Growing basin assets to enhance delivery of success in the near term and a Frontier project of choice to provide longer term options for growth.
Kosmos’s playing field is the Atlantic Margin of Africa from Morocco to South Africa. The company is principally focused in the *Emerging* Transform Margin, the Growing deepwater Niger Delta and West Africa Salt Basin, as well as Frontier North West Africa.
As of 2Q’06, Kosmos Energy has interests in 6 licenses including Ghana (two), Cameroon (two), Benin and Morocco, as well as an economic interest in a seventh (Nigeria). Included are three operatorships and strategic working equities.

Our projects are at the seismic stage of evaluation. 3D has been acquired and processed in Ghana, Nigeria and Benin. Notwithstanding this business immaturity, multiple, high quality ready-to-drill prospects have been defined. Up to eight wells are envisaged in the current portfolio, assuming no success. An active new venture program is ongoing to capture an additional two to four exploration drilling opportunities.
Kosmos is a member of a consortium which provides the company access to a dynamically-positioned deep water drillship, the Aban Abraham (formerly Peregrine III). This is currently under renovation. It will be upgraded to have a water depth capability of between 5,000 feet and 6,600 feet and will be available mid-2007. Kosmos has a 90-day firm commitment together with a 90-day option.
Let us now look at our current asset portfolio. An early focus for the company has been the Transform Margin from north west Nigeria to Cote D'Ivoire.

This has a bad business address due to repeated failed exploration attempts over time. It provides an example of Kosmos applying new ideas in an old geography.
Over 100 wells have been drilled in shallow water (<200m) along the Transform Margin. The primary play is Lower Cretaceous structural traps. Technical success has been high with 37 discoveries giving a finding rate of approximately 1 in 3. greater than 800MMBOE has been found but the average field size is only 20MMBOE. The commercial success rate is >1 in 10 due to a combination of two limiting factors: reservoir quality and trap size.
Regional petroleum systems evaluation has identified the Tano Basin in Ghana and offshore Benin as potential hydrocarbon sweet spots. This is based on a series of key criteria.

Both are outboard of proven shallow water petroleum systems; they are within or have direct access to mature source kitchens; the areas are down-dip of major re-entrants for Upper Cretaceous deep water slope/channel systems and base of slope fans; and critically, they contain plunging structural noses which provide both a regional hydrocarbon migration focus and trap making opportunities.
In the Tano Basin, offshore Ghana, the plunging Tano Ridge distinguishes the West Cape Three Points and Tano Deep blocks. The structure sets up numerous combination traps involving Upper Cretaceous reservoirs along its south flank and down-dip nose, adjacent to a mature late Cretaceous source kitchen.

A large lead/prospect inventory has been defined and ranked, basin-ward and along trend from the shallow water South Tano oil and gas discovery. Several deep water prospects have been matured for drilling.
The Mahogany Prospect will be the first well objective. A well is planned for 2007.

This prospect is a moderate risk, high reward combination structural (fault/dip) and stratigraphic (pinchout) play. It has seismic support for reservoir and hydrocarbon charge including amplitude and AVO, as well as attribute fit to trap.
Conversely, Teak is a moderate risk, high reward fault/dip depth closure with stacked, draped early and late Cretaceous reservoir targets. The prospect has seismic amplitude support for reservoir and a coincident gas cloud suggests hydrocarbon charging.
Block 4 in Benin is a very large, under-explored deep water license in a proven petroleum system which hosts two undeveloped Lower Cretaceous finds.

A series of Upper Cretaceous slope/channel and base of slope fan fairways offer significant exploration upside. These are currently being evaluated based on re-processing of existing 3D and new 3D acquisition. A large number of leads/prospects are identified along and around two plunging structural noses.

An ultra-deep water rig is being procured for drilling.
A large, highly diverse inventory of exploration leads and prospects has been defined. Two contrasting examples include an Upper and Lower Cretaceous structural play involving an inversion anticline with good seismic DHI support and attribute coincidence with trap; as well as a large, base of slope Upper Cretaceous fan play.
Cameroon provides an example of sleeping geology in the Salt Basin. Kosmos has two assets in the country including Kombe-Nsepe and N'Dian River.
Cameroon offers the opportunity to explore the extensions of proven petroleum systems inboard and onshore the Douala and Rio Del Ray basins.

Kosmos is focusing on under-defined and under-explored Early Tertiary and Upper Cretaceous structural/stratigraphic fairways either up-dip of producing areas or along trend from recent discoveries.

Oil is targeted but emerging gas commercialization options potentially manage phase risk.
In board of the prolific Rio Del Ray Basin, the N’Dian River license provides the opportunity for exploration of deeper, Upper Cretaceous structural oil plays, as well as shallower Tertiary stratigraphic gas/condensate plays. Aeromagnetic as well as 2D seismic surveys are in planning.

To the south in Nsepe-Kombe, Upper Cretaceous and Lower Tertiary combination oil plays are being pursued. These have analogy to recent finds in the Rio Muni Basin of Equatorial Guinea.
Kosmos’s initiative in deep water Nigeria involves a contrarian idea in a new geography.

The high-priced blocks awarded in licensing rounds have typically involved anticline plays. Their exploration has had mixed results.

Kosmos is looking in the lows rather than the highs of the west Niger Delta, pursuing combination structural-stratigraphic slope/channel and base of slope fan plays.
Deep Water Nigeria Prospect Example

- Lower risk, very high reward structurally-enhanced stratigraphic plays with strong seismic support for reservoir and charge

- Good analogy with existing fields in Congo Fan and

Kosmos’s acreage offers the company lower risk, higher reward lead/prospect opportunities which have strong seismic support for reservoir and charge and display good analogy with fields in the Congo Fan of Congo and Angola.

New 3D is currently being interpreted and a well is scheduled for 2H 2007.
For Kosmos, South Morocco represents our Frontier project of choice, both below and above the ground. Politically it is disputed with Western Sahara. The taking of pre-emptive risk in acquiring this acreage reflects our confidence in a timely and favorable resolution of the rights.
Morocco Boujdour Prospect Examples

- Offers Kosmos high risk, high reward structural plays in a large unexplored early Cretaceous delta
- Key risks are charge presence, quality, timing and migration, as well as trap preservation

Below the ground, the Boujdour block represents an opportunity to explore an untested early Cretaceous delta, similar in size to the Niger Delta, with proven Cretaceous reservoirs and numerous, large structural trapping trap geometries. The key petroleum system risk is charge presence and timing of generation/migration.

A re-description of the block is in progress and partners will be secured before drilling.
The key messages are shown.