

Africa's leading independent oil company



Dear Shareholder,

This is an important document to notify you that the 2010 Annual Report and Accounts are available to read or download from www.tullowoil.com/ara2010. You are receiving this Review as you are deemed to have agreed to view our shareholder communications online. Please note that this document is not a full summary of the 2010 Annual Report and Accounts and should not be regarded as a substitute for reading them.

Annual General Meeting (AGM)

The AGM will be held at 11.00 a.m. on 12 May 2011 at Haberdashers' Hall, 18 West Smithfield, London EC1A 9HQ. The Notice of AGM and Proxy Form are enclosed. The Notice of AGM contains important information for you to read and consider before voting. You may vote in person at the AGM, or by completing and returning the Proxy Form to our registrars in the envelope provided. You may, if you wish, electronically register the appointment of a proxy through the internet by going to www.eproxyappointment.com. If you wish to attend the AGM in person, please bring your attendance card which detaches from the Proxy Form.

Separately, a business presentation will be given at a meeting for shareholders in Ireland to be held at 12 noon on 2 June 2011 at the Royal College of Physicians of Ireland, No 6 Kildare Street, Dublin 2.

Delivering a strong performance

In 2010, we demonstrated continued exploration and appraisal success and delivered first production from the Jubilee development in record time. Our reported financial results for 2010 are materially ahead of 2009. The successful equity placing in 2010 coupled with the planned Uganda farm-down, and the increased cash flow from Ghana, will ensure that the Group remains well funded to execute its exploration-led growth strategy.

Making history in Ghana

Tullow's highlight of 2010 was achieving First Oil from the Jubilee field offshore Ghana. We are now a deepwater development operator having delivered production on schedule, within 5% of the original budget. The facilities uptime has been exceptional to date at approximately 90% and we will continue to ramp-up towards plateau production of 120,000 barrels of oil per day over the coming months.

Exceptional operational success

2010 was another year of exceptional exploration and appraisal delivery. We achieved an 83% success ratio, finding hydrocarbons in 24 out of 29 E&A wells during the year.

The performance of our global assets in 2010 was very strong with production of 58,100 boepd. Contingent Resources increased by 500 mmeob during the year and our three-year reserves replacement ratio is 250%.

The Tullow team

The quality and commitment of the Tullow team is our leading strength as an organisation and we welcomed over 250 new employees during 2010 to the Group who will further enhance our capabilities in many parts of the business. Our total workforce grew to 1,232, also up 40% year-on-year. We employ 680 people in Africa, of whom over 65% are local nationals.

Environment, Health and Safety

The management of EHS remains a core priority. During 2010, we delivered a strong EHS performance across the organisation while progressing a number of key EHS initiatives. Of particular note was the EHS performance on the Jubilee deepwater development, which delivered excellent EHS results during the course of a diverse and challenging project with many complex and potentially hazardous operations.

Dividend policy

The Board feels it is appropriate to continue to observe a stable dividend policy for 2010. The final dividend proposed is 4.0 pence per share, which brings the total payout for 2010 to 6.0 pence per share. The dividend will be paid on 20 May 2011 to shareholders on the register on 15 April 2011.

"It has been an exceptional period for Tullow. We have developed our deepwater operating capability and major changes are underway in production and cash flow. We have new oil fields to develop and our exploration potential is better than ever."

Aidan Heavey, Chief Executive Officer



Board changes

In August 2010, Tutu Agyare was appointed to the Board as a non-executive Director. Tutu has had an extensive career in investment banking and is currently a Managing Partner at an Africa-focused hedge fund. Tutu brings a wealth of experience in banking and invaluable knowledge of doing business in Africa to the Group. In terms of other changes to the Board, Simon Thompson has been appointed as a non-executive Director, with effect from 16 May 2011, and Clare Spottiswoode CBE will retire from the Board at the AGM in May.

I would like to announce that after over 12 years as a non-executive Director of Tullow and 10 years as the Chairman, I have advised the Board that now would be a good time to identify my successor. The Board plans to commence the search after this year's AGM and expects to make an appointment prior to the AGM in 2012.

Establishing a major new partnership in Uganda

After many months of discussion, we have signed a Memorandum of Understanding with the Government of Uganda (GoU). This agreement will satisfy the GoU's taxation concerns and enable Tullow, CNOOC and Total to proceed with the basin-wide development with the full support and commitment of the GoU. Finalising the Ugandan farm-down will secure our funding for the medium-term and ensure we are adequately capitalised to develop our major projects, fund our high-impact exploration programme and achieve our strategic objectives.

Outlook

This time last year I wrote that Tullow had a very bright future after an outstanding 2009. We continued to make remarkable progress in 2010 towards our vision of being the leading global independent exploration and production company. Our excellent performance is due to Aidan Heavey, his Executive colleagues and all our employees who are building the Group year-on-year. Tullow is in great shape and in a strong position as Africa's leading independent oil company.

Pat Plunkett, Chairman

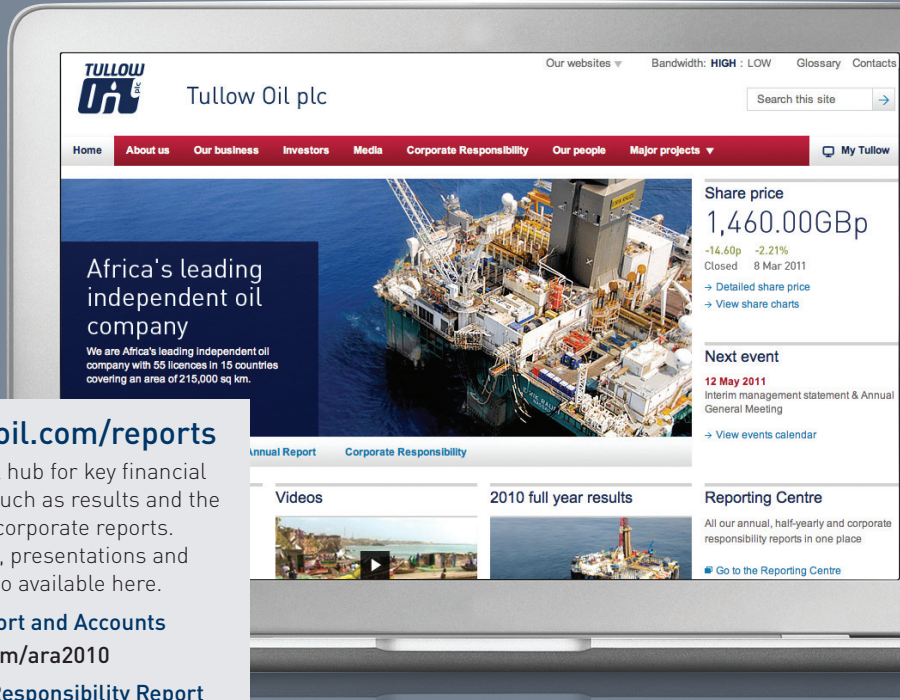
You can also receive an email notification that shareholder communications are available to view online, by registering at www.etreeuk.com/tullooilplc. This supports our aim to reduce the impact on the environment of printing, mailing and distributing shareholder communications.

Go online to find out more...

This report is complemented by a range of online information and resources.

www.tullooil.com

This is our main corporate site. Key sections include our business, investors, media, corporate responsibility and our people. There is also information on our major projects and links to our other websites. Site tools include alert services, social media, low band width version, mobile site and My Tullow, a facility where you can customise the site to suit your preferences and information needs.



www.tullooil.com/reports

We have a central hub for key financial calendar events such as results and the AGM and for our corporate reports. Results webcasts, presentations and fact books are also available here.

2010 Annual Report and Accounts

www.tullooil.com/ara2010

2010 Corporate Responsibility Report

www.tullooil.com/crr2010

Published June 1

Jubilee special feature

Read more information on delivering First Oil in Ghana.

www.tullooil.com/ara2010/jubilee



E-communications

All documents on the website are available to view without any particular software requirement other than the software which is available on the Group's website.