

AFRICA'S LEADING INDEPENDENT OIL COMPANY

"We are committed to building strong relationships with the countries and communities in which we operate that will benefit all parties and stand the test of time."



Simon Thompson, Chairman

Dear Shareholder

This is an important document to notify you that the 2011 Annual Report and Accounts are available to read or download from www.tulloil.com/ara2011. You are receiving this Review as you are deemed to have agreed to view shareholder communications online. This document should not be regarded as a substitute for reading the 2011 Annual Report and Accounts. The Notice of Annual General Meeting (AGM), which will be held on 16 May 2012 at Haberdashers Hall, 18 West Smithfield, London EC1A 9HQ at 12 noon, and Proxy Form are enclosed.

I take over as Chairman of your Company at an exciting time for Tullow. 2011 has been a very good year for the Group. We have drilled 35 Exploration and Appraisal (E&A) wells with a 74% success ratio and have made further discoveries in Ghana and Uganda as well as opening up a major new basin with significant potential offshore French Guiana. Once again, this represents an industry-leading result for our exploration-led growth strategy.

Our financial performance has also been strong with record results for 2011. Sales revenue grew 111% to \$2.3 billion (2010: \$1.1 billion) as a result of a 41% increase in sales volumes and significantly higher average price realisations. Profit before tax was up 499% to \$1,073 million (2010: \$179 million). Profit after tax for the year increased 670% to \$689 million (2010: \$90 million). Basic earnings per share grew 795% to 72.5 cents (2010: 8.1 cents). During the year we invested \$1.4 billion in operations and spent \$737 million on acquisitions. We also increased the debt facilities available to us to strengthen the financial resources of the Group and position ourselves to pursue new opportunities.

We have enhanced our Environment, Health and Safety processes, aligning and embedding high standards across the business to ensure that we continue to improve the health and safety of our

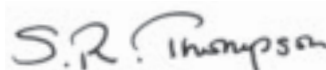
employees and contractors and safeguard the environment. In 2011, we achieved the best safety performance in our history with our lowest Lost Time Injury Frequency Rate (LTIFR) of 0.38. We also continued to foster the creation of shared prosperity in the countries and communities where we operate through localisation, local content development and social enterprise investment, which increased 346% to \$11.6 million in 2011.

Tullow's financial position has been significantly strengthened by production and cash flow from the Jubilee field. As a result, the Board feels that it is appropriate to increase the final dividend to 8.0 pence per share, which brings the total payout for the year to 12 pence per share. This represents an increase of 100% compared with 2010. The dividend will be paid on 24 May 2012 to shareholders on the register on 20 April 2012.

At the end of 2011, Pat Plunkett retired after 11 years as Chairman. David Williams, Chairman of the Audit Committee, will retire after the AGM in 2012 after six years on the Board. Steve McTiernan, the Senior Independent Director, will retire from the Board before the end of 2012 after 10 years on the Board. I would like to thank them on your behalf, and on behalf of the Board, for their contribution to a period of outstanding growth and success for Tullow. In March 2012, Steve Lucas was appointed as a non-executive Director with effect from 14 March 2012. In our search for two new directors, we have identified the personal attributes, background and experience that we require for the next phase of growth.

As part of my induction as Chairman, I conducted the Board evaluation in 2011. Timely approvals for the Plan of Development in Uganda and production ramp-up in Ghana are clearly key issues for the Board in 2012. Talent management, succession planning, and financial and portfolio management will also be areas of particular focus. In addition, we intend to continue to improve the quality of information and analysis available to the Board on political and economic risk, the competitive landscape and industry benchmarking.

The performance of Tullow is testament to the strength of our people. I thank Aidan Heavey, our Chief Executive Officer, the Executive Directors and all Tullow employees and contractors for their contribution to past performance and commitment to the future success of the Group. Tullow has consistently demonstrated the ability to create new opportunities for growth, develop major projects effectively and generate exceptional shareholder returns. Despite the current economic uncertainties, the outlook for oil price remains good and the Group's exploration programme and development pipeline have never been stronger. With these exciting opportunities ahead, Tullow looks forward with confidence and excitement.



Simon R Thompson
Chairman
13 March 2012

UNIQUE COMPETITIVE ADVANTAGE

This has been a period of rapid growth for the Group based on exceptional exploration discoveries and successful delivery of major development projects. As a result, we are carving out a unique competitive position and evolving to be the leading global independent oil company.

"By investing in a great team of people and looking out towards a long-term horizon, we have been able to seek out success in frontier areas and deliver consistent multi-basin exploration success."



Aidan Heavey, Chief Executive Officer

This period of success is another step on our journey and is part of the natural evolution of the Group. Over the years, Tullow has developed a wide range of skills and competencies. These include managing mature assets, becoming one of the best deal makers in the sector, building a track record as a world-class explorer and developing superior operating capability. Tullow also has a number of key attributes that form the bedrock of our success. While assets and licences come and go, we have consistently invested in having a great team of people and ensuring we put relationships ahead of short-term gains. This long-term approach has enabled us to be successful in seeking out frontier areas and finding new basins.

In 2011, Group working interest production increased 35% to 78,200 boepd. While there was a strong performance from the Jubilee production facilities overall, with average FPSO uptime of over 95%, productivity issues were experienced with some of the Jubilee wells. Recoverable resource estimates are unchanged and we remains focused on the field's long-term upside potential. Strong oil prices and good growth in production underpinned the excellent financial performance for the Group this year.

Phase 1A development of the Jubilee field was sanctioned in January 2012 and drilling of the first production well commenced on schedule in February 2012. This development will be conducted over an 18 month period and the total cost is expected to be approximately \$1.1 billion. During 2011, good progress was also made in appraising the TEN discoveries in Ghana. The Plan of Development is expected to be submitted in the third quarter of 2012, with first oil forecast 30 months after approval.

Throughout the year we continued to negotiate with the Government of Uganda and finally achieved a successful outcome with the completion of the \$2.9 billion farm-down in February 2012. We are investing in the success of Uganda, not

just in oil exploration and appraisal, and there is an opportunity to increase our economic contribution considerably as the partners commence the basin development.

Tullow has created significant shareholder value and delivered total shareholder return of 389% over five years to the end of 2010, outperforming the FTSE 350 oil and gas sector as a comparator index by 351%. In 2011, total shareholder return was 12%, compared with a negative 2% return for the FTSE 100 for the same period. The resilience of our investment proposition and the high regard in which Tullow is held recognises, in my view, our consistent and clear strategy.

The competition for access to new opportunities continues to increase but we are very well positioned to compete. Our portfolio of opportunities is rich and deep and our 2012 / 2013 exploration and appraisal programme is as exciting as any we have undertaken in the last five years. In addition, we are forging new strategic exploration partnerships including a non-exclusive partnership with Shell in the Atlantic Margins, announced in January 2012, which draws on the complementary skills of both companies.

Tullow is establishing a distinctive competitive advantage and evolving into the leading global independent exploration and production company with a solid financial foundation and differentiated from our E&P peers by high-impact exploration-led growth. The Group has a unique exploration inventory which is focused on frontier areas and concentrates on specific core regions and geological plays. Our multi-basin opportunities are complemented by a series of major development projects. Material growth in production and cash flow gives us the ability to fund aggressive exploration and development programmes as well as deliver returns to shareholders via a growing dividend.

Tullow's core strategy is unchanged. We are still focused on consistently growing our reserves and production, balancing quality high-impact exploration with development, pursuing selective acquisitions and ensuring rigorous capital allocation and portfolio management. What has changed is the scale of the business and the game-changing opportunities we have to pursue. In 2012, we expect significant progress in Ghana and Uganda. We have a very exciting exploration programme ahead of us to open new basins, and we expect to extend our reach in Africa and elsewhere along the Atlantic Margins. With many opportunities for growth, 2012 promises to be another excellent year for Tullow.

A handwritten signature of Aidan Heavey in dark ink.

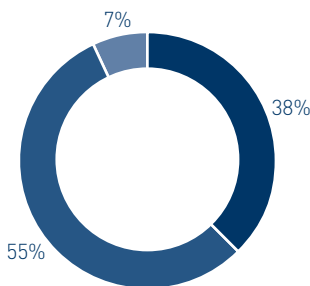
Aidan Heavey
Chief Executive Officer
13 March 2012

RECORD RESULTS

Industry-leading exploration success continued with the opening of a major new basin offshore French Guiana, as well as further discoveries in Africa. The Group's financial performance has also been strong with record results for the year based on a 35% increase in production and significantly higher commodity prices helping to deliver an increase in profit after tax of 670%. Since year-end, Tullow has completed the \$2.9 billion farm-down in Uganda. The Group has a strong balance sheet providing financial flexibility for future growth.

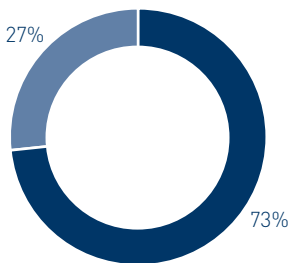
Group reserves and resources

1,743 MMBOE



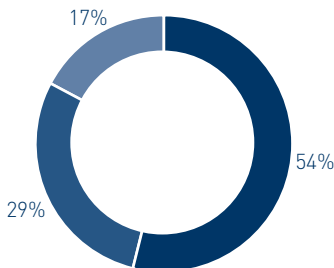
Group working interest production

78,200 BOEPD



Capital expenditure

\$1.432 BILLION



- West & North Africa
- South & East Africa
- Europe, South America & Asia

74%

EXPLORATION & APPRAISAL
SUCCESS RATIO

The highlight of the year was the discovery of a substantial new oil basin, offshore French Guiana. In addition, reserves and resources replacement was 959% in 2011.

\$2.9 BILLION

UGANDA FARM-DOWN

In February 2012, Tullow signed two new Production Sharing Agreements with the Government of Uganda and completed the farm-down of two thirds of its Ugandan licences for a consideration of \$2.9 billion.

26%

INCREASE IN TOTAL
WORKFORCE

371 new people joined Tullow in 2011, 37% of whom joined our African operations. This represents a year-on-year increase of 26% and brought our total workforce to 1,548 people by year-end.

78,200 BOEPD

WORKING INTEREST
PRODUCTION

In 2011, Group working interest production increased 35% to 78,200 boepd. In 2012, Tullow expects to deliver total net production of 78,000 to 86,000 boepd.

0.38

LOST TIME INJURY
FREQUENCY RATE (LTIFR)

In 2011, Tullow achieved the best safety performance in its history with the lowest annual Lost Time Injury Frequency Rate (LTIFR) of 0.38. This represents a top quartile industry safety performance for the year.

85%

LOCAL NATIONAL EMPLOYEES
IN GHANA AND 84% IN UGANDA

Developing an industry run by nationals will help to create real opportunities for local people to participate in their country's developing oil and gas industry.

Financial results summary

	2011	2010	Change
Sales revenue (\$m)	2,304	1,090	Up 111%
Operating profit (\$m)	1,132	262	Up 332%
Profit after tax (\$m)	689	90	Up 670%
Operating cash flow (\$m)	1,832	789	Up 132%
Basic earnings per share (cents)	72.5	8.1	Up 795%
Dividend per share (pence)	12.0	6.0	Up 100%

FOCUSED PORTFOLIO OF WORLD-CLASS ASSETS

Tullow has more than 100 licences in 22 countries, organised into three Regional Businesses. The Group has key producing assets in six countries in Africa as well as in the UK, the Netherlands and Bangladesh. There are major development projects under way in Ghana and Uganda and high-impact exploration prospects in Africa and the Atlantic Margins.

WEST & NORTH AFRICA



SOUTH & EAST AFRICA



EUROPE, SOUTH AMERICA & ASIA



2011	Total
Countries (with EDP)	9
Licences	42
Employees	374
Acreage (sq km)	66,425
E&A wells	22
Successful E&A wells	16
Development wells	59
Production (boepd)	57,400

2011	Total
Countries (with ED)	6
Licences	18
Employees	297
Acreage (sq km)	151,677
E&A wells	9
Successful E&A wells	8
Development wells	0
Production (boepd)	0

2011	Total
Countries (with EDP)	7
Licences	47
Employees	154
Acreage (sq km)	57,793
E&A wells	4
Successful E&A wells	2
Development wells	1
Production (boepd)	20,800

Tullow's African production comes from Ghana, Equatorial Guinea, Gabon, Côte d'Ivoire, Congo (Brazzaville) and Mauritania. Productivity issues were experienced with some of the Jubilee wells related to problems with the original well completion design. The intention is to use 2012 to resolve these issues and a remedial work programme is already under way. The main development and operating focus this year is on the Jubilee Phase 1A and Tweneboa-Enyenra-Ntomme (TEN) projects, offshore Ghana. The Group also has significant ongoing development activities elsewhere in its operational areas in West & North Africa. In addition, the Group has high-impact exploration acreage across this region in Mauritania, Senegal, Liberia, Sierra Leone, Côte d'Ivoire and Ghana.

Following the sale of a two thirds interest in the Lake Albert Rift Basin to CNOOC and Total in February 2012, the Group now has an aligned partnership focused on completion of the Exploration and Appraisal programme and development of the basin.

Tullow recently embarked upon the next stage of its exploration strategy in South & East Africa by securing significant acreage in Kenya and Ethiopia in 2011, with drilling commencing in Kenya in January 2012.

In Namibia, following the signing of the Kudu field Petroleum Agreement in the third quarter of 2011, development activities are being advanced pending finalisation of the commercial agreements.

Tullow has gas production assets, ongoing developments and exploration acreage in the UK and the Netherlands. Tullow's experience in the North Sea provides a strong platform for expansion in this region. Tullow has recently qualified as an Operator in Norway as a first step in the Group's strategy in the North Atlantic.

In South America, Tullow has significant exploration acreage in French Guiana, Guyana and Suriname where the Group is attempting to replicate the success of the West African Jubilee play across the Atlantic. The first test of this was the successful Zaedyus-1 well in French Guiana in September 2011. In 2012, follow-up drilling in French Guiana and Guyana aims to further establish this area as a new and exciting petroleum province.

In March 2012, Tullow took the decision to commence a process to sell its Asian assets in order to focus on its core African and Atlantic Margin strategy.

EXPLORATION-LED GROWTH STRATEGY

Our exploration-led growth strategy is based on building a balanced resource portfolio that includes a diversified mix of high-impact exploration, near-term development projects and material production growth, underpinned by a strong balance sheet based on a broad range of funding from operational cash flow, portfolio management and the capital markets. Our strategy is focused on building sustainable long-term value growth and our objectives are to deliver substantial returns to shareholders as well as fulfil our commitments to make a positive and lasting contribution where we operate.



OUR BUSINESS MODEL

We create value in two ways. We find oil through successful exploration and strategic acquisitions. We sell oil, by developing to produce or farming down to enhance our portfolio of assets and skills, both of which generate cash flow for reinvestment in the business and support a well funded balance sheet. How we run our business is equally important in enabling us to successfully deliver our business plans and continue our growth strategy. Protecting our business, sustaining our good reputation, maintaining our entrepreneurial culture and contributing to social and economic development are the cornerstones of what we are building our business on. In the special feature, 'Clear Vision', in the 2011 Annual Report, we set out how our business model creates long-term value and delivers our strategic priorities in each area of activity.

Visit: www.tulloil.com/clearvision

OUR STRATEGIC PRIORITIES

- 1 Execute selective high-impact exploration and appraisal programmes.
- 2 Safely manage and deliver all major projects and production operations, increasing cash flow and commercial reserves.
- 3 Manage financial and business assets to enhance our portfolio, replenish upside potential and support funding needs.
- 4 Ensure safe people, procedures and operations and minimise environmental impacts.
- 5 Achieve strong governance across Tullow activities and continue to build trust and reputation with all stakeholders.
- 6 Build a strong unified team with excellent commercial, technical and financial skills and entrepreneurial flair.
- 7 Nurture long-term relationships with local governments, communities and key stakeholders.

Go online

STAY UP TO DATE

This year in review is complemented by online information and resources, particularly the 2011 Annual Report and Accounts.

WWW.TULLOWOIL.COM/ARA2011



WWW.TULLOWOIL.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, and a mobile site. My Tullow is a facility where you can customise the site to suit your preferences and information needs.

SOCIAL MEDIA TOOLS

Tullow now uses a number of social media tools. Stay in touch with us and join the conversation.



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Facebook



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WWW.TULLOWOIL.COM/REPORTS

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

2011 Corporate Responsibility Report

Our 2011 Corporate Responsibility Report will be published in June 2012. This will also be available online.

Visit: www.tulloil.com/reports

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.
- For every shareholder who signs up for electronic communications, a donation is made to the eTree initiative run by Woodland Trust. You can register for email communication at: www.etreeuk.com/tulloilplc

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