

May 2021

UBS Global Oil & Gas Conference

TALOS
ENERGY

Cautionary Statements

Cautionary Statement Regarding Forward-Looking Statements

This presentation contains “forward-looking statements” for purposes of the federal securities laws. All statements, other than statements of historical fact included in this presentation, regarding our strategy, future operations, the impact of regulatory changes, financial position, estimated capital expenditures, production, revenues and losses, projected costs, prospects, plans and objectives of management are forward-looking statements. When used in this presentation, the words “could,” “believe,” “anticipate,” “intend,” “estimate,” “expect,” “project” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. These forward-looking statements are based on our current expectations and assumptions about future events and are based on currently available information as to the outcome and timing of future events.

We caution you that these forward-looking statements are subject to numerous risks and uncertainties, most of which are difficult to predict and many of which are beyond our control. These risks include, but are not limited to, commodity price volatility, inflation, lack of availability of drilling and production equipment and services, environmental risks, orders, regulations and directives issued by the Biden administration, COVID-19 impacts, failure to find, acquire or gain access to other discoveries and prospects or to successfully develop and produce from our current discoveries and prospects, geologic risk, drilling and other operating risks, well control risk, regulatory changes, the uncertainty inherent in estimating reserves and in projecting future rates of production, cash flow and access to capital, the timing of development expenditures, risks related to the integration of recently acquired assets, including the possibility that the anticipated benefits of the acquisitions are not realized when expected or at all, as well as other factors discussed under the heading “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2020 and other filings with the U.S. Securities and Exchange Commission (“SEC”).

Should one or more of these risks or uncertainties occur, or should underlying assumptions prove incorrect, our actual results and plans could differ materially from those expressed in any forward-looking statements. All forward-looking statements, expressed or implied, are expressly qualified in their entirety by this cautionary statement. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that we or persons acting on our behalf may issue. All forward-looking statements speak only as of the date hereof. Except as otherwise required by applicable law, we disclaim any duty to update any forward-looking statements, to reflect events or circumstances after the date of this presentation.

Reserve Information

Reserve engineering is a process of estimating underground accumulations of oil, natural gas and NGLs that cannot be measured in an exact way. The accuracy of any reserve estimate depends on the quality of available data, the interpretation of such data and price and cost assumptions made by reserve engineers. In addition, the results of drilling, testing and production activities may justify revisions upward or downward of estimates that were made previously. If significant, such revisions would change the schedule of any further production and development drilling. Accordingly, reserve estimates may differ significantly from the quantities of oil, natural gas and NGLs that are ultimately recovered. In addition, we use the terms gross and net resource potential in this presentation, neither of which is a measure of “reserves” prepared in accordance with SEC guidelines or permitted to be included in SEC filings. These resource estimates are inherently more uncertain than estimates of reserves prepared in accordance with SEC guidelines.

Unless otherwise indicated, reserve estimates shown in this presentation were prepared based on specified management price parameters of \$55.00/bbl of oil and \$2.50 per MMBtu of natural gas in perpetuity, rather than price parameters that would be required in a filing with the SEC. We believe that the use of flat pricing provides useful information about our reserves, as the specified prices reflect what we believe to be reasonable assumptions as to average future commodity prices over the productive lives of our properties. However, we caution you that the pricing used in preparing the reserve report is not a projection of future oil and natural gas prices, and should be carefully considered in addition to, and not as a substitute for, SEC prices, when considering our oil, natural gas and NGL reserves. In addition, the SEC permits oil and gas companies, in their filings with the SEC, to disclose only proved, probable and possible reserves that meet the SEC’s definitions for such terms. In this presentation, we use certain broader terms such as “recoverable resources” that the SEC’s guidelines strictly prohibit from inclusion in filings with the SEC. These types of estimates do not represent, and are not intended to represent, any category of reserves based on SEC definitions, are by their nature more speculative than estimates of proved, probable and possible reserves and do not constitute “reserves” within the meaning of the SEC’s rules. These estimates are subject to greater uncertainties, and accordingly, are subject to a substantially greater risk of actually being realized. Investors are urged to consider closely the disclosures and risk factors in the reports we file with the SEC.

Use of Non-GAAP Financial Measures

This presentation includes the use of certain measures that have not been calculated in accordance with U.S. generally acceptable accounting principles (GAAP), including EBITDA, Net Debt, Free Cash Flow and PV-10. Non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP. This presentation also includes PV-10, which is a non-GAAP financial measure used by management, investors and analysts to estimate the present value, discounted at 10% per annum, of the estimated future cash flows of our estimated proved reserves before income tax and derivatives. Management believes that PV-10 provides useful information to investors because it is widely used by professional analysts and sophisticated investors in evaluating oil and natural gas companies. Because there are many unique factors that can impact an individual company when estimating the amount of future income taxes to be paid, we believe the use of a pre-tax measure is valuable for evaluating us. PV-10 should not be considered as an alternative to the standardized measure of discounted future net cash flows as computed under GAAP.

Use of Projections

This presentation contains projections, including production volumes and capital expenditures. Our independent auditors have not audited, reviewed, compiled, or performed any procedures with respect to the projections for the purpose of their inclusion in this presentation, and accordingly, have not expressed an opinion or provided any other form of assurance with respect thereto for the purpose of this presentation. These projections are for illustrative purposes only and should not be relied upon as being indicative of future results. The assumptions and estimates underlying the projected information are inherently uncertain and are subject to a wide variety of significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the projected information. Even if our assumptions and estimates are correct, projections are inherently uncertain due to a number of factors outside our control. Accordingly, there can be no assurance that the projected results are indicative of our future performance after completion of the transaction or that actual results will not differ materially from those presented in the projected information. Inclusion of the projected information in this presentation should not be regarded as a representation by any person that the results contained in the projected information will be achieved.

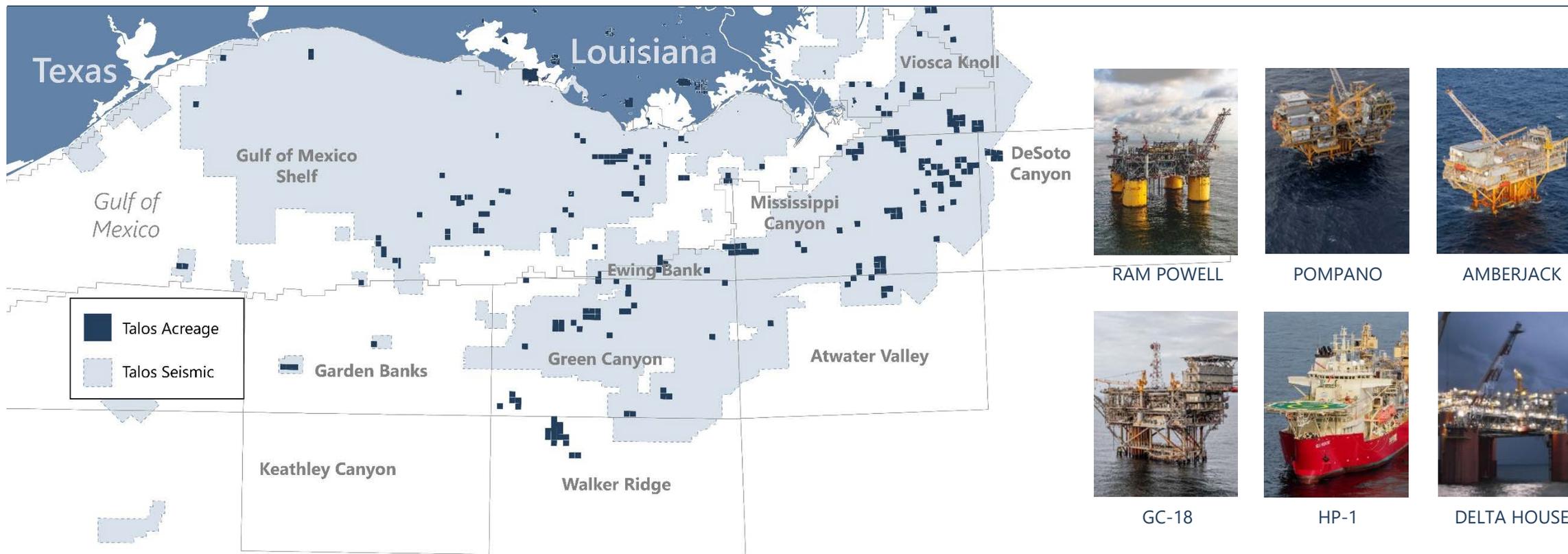
Industry and Market Data; Trademarks and Trade Names

This presentation has been prepared by us and includes market data and other statistical information from sources we believe to be reliable, including independent industry publications, governmental publications or other published independent sources. Some data is also based on our good faith estimates, which are derived from our review of internal sources as well as the independent sources described above. Although we believe these sources are reliable, we have not independently verified the information and cannot guarantee its accuracy and completeness. We own or have rights to various trademarks, service marks and trade names that we use in connection with the operation of our businesses. This presentation also contains trademarks, service marks and trade names of third parties, which are the property of their respective owners. The use or display of third parties’ trademarks, service marks, trade names or products in this presentation is not intended to, and does not imply, a relationship with us or an endorsement or sponsorship by us. Solely for convenience, the trademarks, service marks and trade names referred to in this presentation may appear without the ®, TM or SM symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, their rights or the right of the applicable licensor to these trademarks, service marks and trade names.

TALOS ENERGY OVERVIEW



Talos Energy at a Glance



Solid Foundation

- Premier pure-play offshore E&P
- Strong management track record over 20+ years in the Gulf of Mexico
- Goal of consistently generating free cash flow with high margins and a leading cost profile

Attractive Operating Profile

- >75% Liquids
- >70% Deepwater
- >60% Operated
- High-quality, diverse producing asset base

Strong Credit

- ~\$550 MM of liquidity
- ~3.0x Proved asset coverage
- Competitive leverage profile

Catalysts for Value Creation

- FID for world-class Zama project
- Inventory of identified, high-impact exploration prospects
- Positioned for rapidly-evolving consolidation
- Conventional offshore skillset applicable in numerous basins around the world

Talos Investment Case Highlights



MANAGEMENT TRACK RECORD OF SUCCESS



STRONG, OIL-LINKED MARGINS AND CONSISTENT FREE CASH FLOW GENERATION



HEALTHY CREDIT PROFILE



SOLID, DIVERSE INVENTORY OF ATTRACTIVE INVESTMENT OPPORTUNITIES



CATALYSTS TO DRIVE TANGIBLE LONG-TERM VALUE CREATION



LOGICAL OFFSHORE CONSOLIDATOR WITH M&A HISTORY



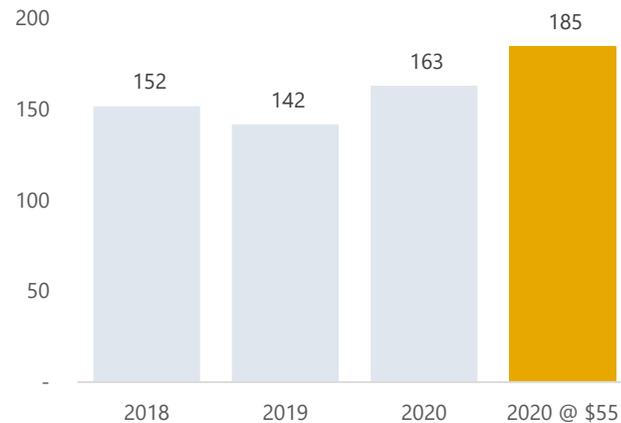
OFFSHORE FOCUSED CARRYING ESG ADVANTAGES



Solid Fundamental Trends

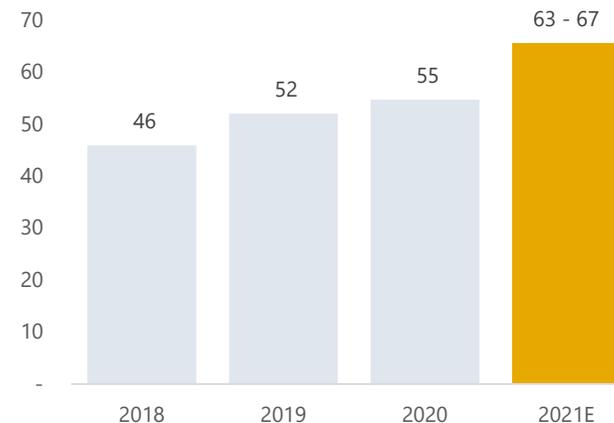
Since public listing, Talos has steadily improved fundamentals despite broader market challenges

Proved Reserves (MMBoe)



Prices: \$65.56/\$3.10 \$55.69/\$2.58 \$39.54/\$1.98 \$55.00/\$2.50

Avg. Daily Production (MBoe/d)



Capital Expenditures (\$MM)

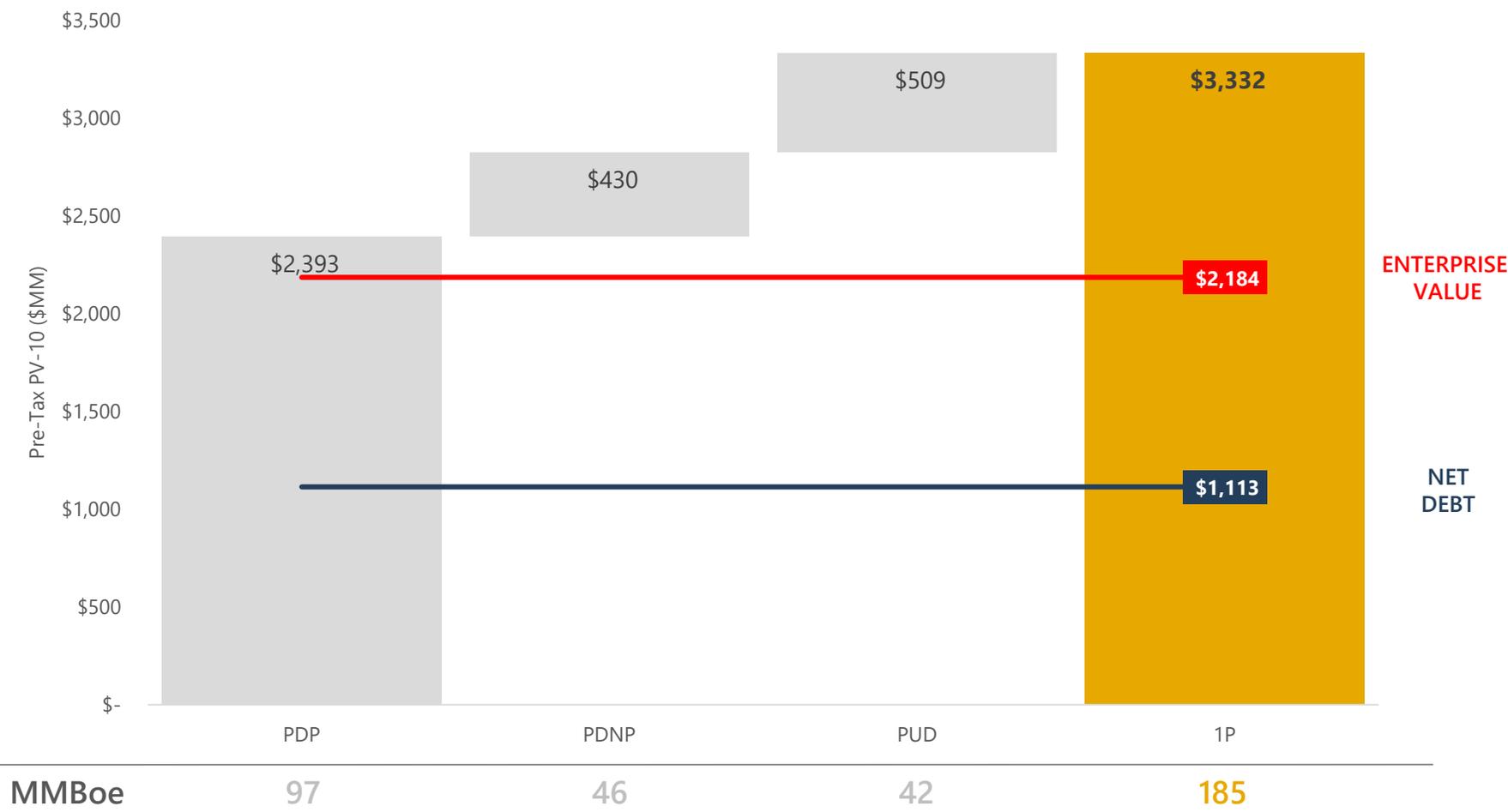


Commentary

- Since its public listing in May 2018, Talos has expanded reserves, increased production and reduced capital spending despite tumultuous commodity price and industry-specific challenges
- Simultaneously, the Company has managed a strong balance sheet, executed multiple acquisitions and achieved high-impact exploration success in offshore Mexico and deepwater U.S. GOM
- Capital program balances low-risk reinvestment and high-impact catalysts

Long-Term Value & Strong Credit Profile

Talos has an attractive profile with equity upside and solid asset coverage

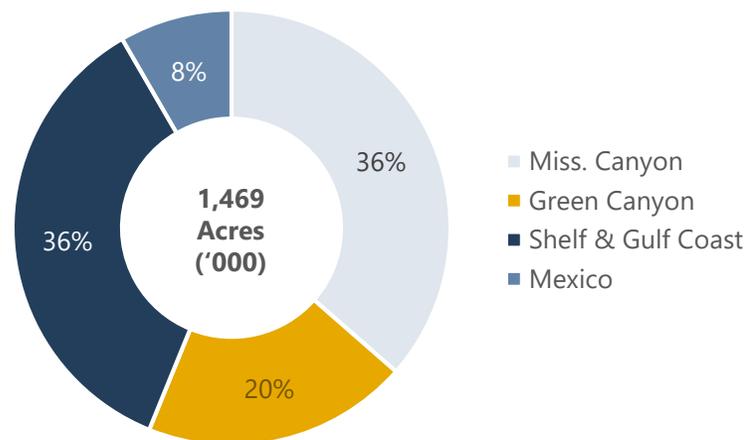


Key Highlights

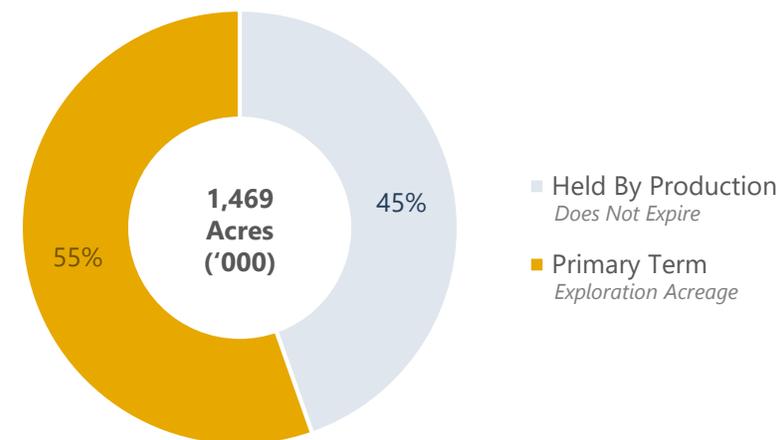
- Numerous re-completions in PDNP and low-risk PUD drilling opportunities
- Probables are primarily performance-based (no additional capital requirements)
- Zama, Xaxamani discoveries to convert into reserve report upon FID
- Puma West discovery to convert into reserve report upon FID
- >1.4 MM gross acres for future exploration

Acreage Footprint

Gross Acreage by Core Area



Gross Acreage by Term



Overview

- > 1.4 MM gross acres under lease as of December 31, 2020
 - >650k gross acres held by production (“HBP”) until end of field life
 - >800k gross acres in primary term (“PT”) with steady, moderate expiration schedule over coming several years
- **Federal lease sales are not required for Talos to execute its near-term business plan**
- Large majority of planned activity is on HBP acreage, but additional acreage can be accessed numerous ways
 - Successful organic exploration on PT acreage would eliminate expirations
 - Additional HBP and PT acreage can be added via acquisitions, farm-ins, swaps, etc.

Regulatory Environment

Talos does not expect any material impact to its business from recent regulatory actions

	Recent Action	Key Talos Facts	Additional Notes
Permits	<p>Jan 20th Secretarial Order:</p> <ul style="list-style-type: none"> Limited approval authority until mid to late March Doesn't apply to existing operations 	<ul style="list-style-type: none"> Multiple permits granted since order Zero delays or denied permits All processes continuing in line with precedent 2021 activity primarily on existing producing leases 	<ul style="list-style-type: none"> Numerous industry permits granted since order Not a ban or moratorium of any kind Order expired late March, with authorities returning to career staff
Leases	<p>Jan 27th Executive Order:</p> <ul style="list-style-type: none"> Suspends new federal land leasing Doesn't apply to existing operations or permits for valid, existing leases 	<ul style="list-style-type: none"> Near and medium term business plan does not require new leases to execute > 1.4 MM gross acres under lease (most exploration acreage of any SMID in the basin, per Enverus) 	<ul style="list-style-type: none"> Entirety of industry-leased acreage remains available for commercial trades, swaps, etc. (11.9 MM acres in GOM)

*"...we continue to obtain permits for operational activities in the ordinary course consistent with the timing we saw in previous administrations. **We've not experienced any delays from our operations, nor do we expect any regulatory delays** related to our work program going forward."*

– Tim Duncan, 1Q21 Earnings Call

U.S. Gulf of Mexico – The Responsible Source of Supply



A logical global supply source
by numerous ESG metrics

- **Emissions Leadership:** Lowest emissions intensity among global oil supply options (shale, heavy oil, etc.)
- **Safety Leadership:** Highly regulated with outstanding performance relative to other economic sectors
- **Environmental Justice:** Minimal physical footprint; remote facilities located away from population centers
- **National Security:** Provides a material portion of domestic production from U.S.-controlled lands
- **Revenue Generation:** #2 contributor to the U.S. Treasury; funds the Land & Water Conservation Fund
- **Job Creation:** Supports ~350k jobs across all 50 states

ESG Leadership & Safety Focus



- **>50% reduction in TRIR from 2018**
 - One recordable incident by Talos offshore and shore based employees in 2020
 - Ten total recordable incidents across >3,600,000 offshore hours
 - Highly competitive incident rate across all economic sectors; below GOM averages
- **Zero hydrocarbon releases** greater than one barrel in 2020
 - <3/4 of one barrel released from ~24,000,000 gross operated barrels produced (~0.000001%)
- **20% reduction** in Scope 1 GHG emissions from 2018
- **ESG Steering Committee** led by employees and created to focus on environmental responsibility and emissions improvement, among numerous ESG topics
- **~\$1.2 MM committed or raised** for local communities and charitable organizations since 2019
 - \$500 offered annually to every employee to donate to organization of their choice
- **Eight consecutive years** as a Top Workplace by the Houston Chronicle (every year since inception)
- Recently launched a higher education tuition reimbursement program for employees
- **Performance-based compensation** with stock ownership guidelines, clawback policies and an independent compensation consultant
- **Independent Board of Directors** and Independent Lead Director
 - **30% female representation** on Board of Directors
 - 4 distinct committees each with separate charters, including a Safety, Sustainability & Corporate Responsibility Committee

**Inaugural ESG Report
Published November 2020**

[LINK](#)

STRATEGY & CATALYSTS



Talos Core Competencies

Technical Expertise

Geology & Engineering-led firm that consistently generates results

- Decades of experience specific to conventional offshore basins
- Entrepreneurial G&G team with broad prospect origination mandate
- Wealth of seismic data and proprietary evaluation techniques
- Prioritization of speed, flexibility, and commerciality

Offshore Operations Experience

Experienced, proven operator in numerous offshore environments

- Track record of efficient and successful operations across the basin
- Capabilities to operate in all water depths, conditions and facility types
- Experienced in exploration and subsea tie-back project delivery
- Safe and environmentally responsible practices central to license to operate

Technical & Commercial Differentiators

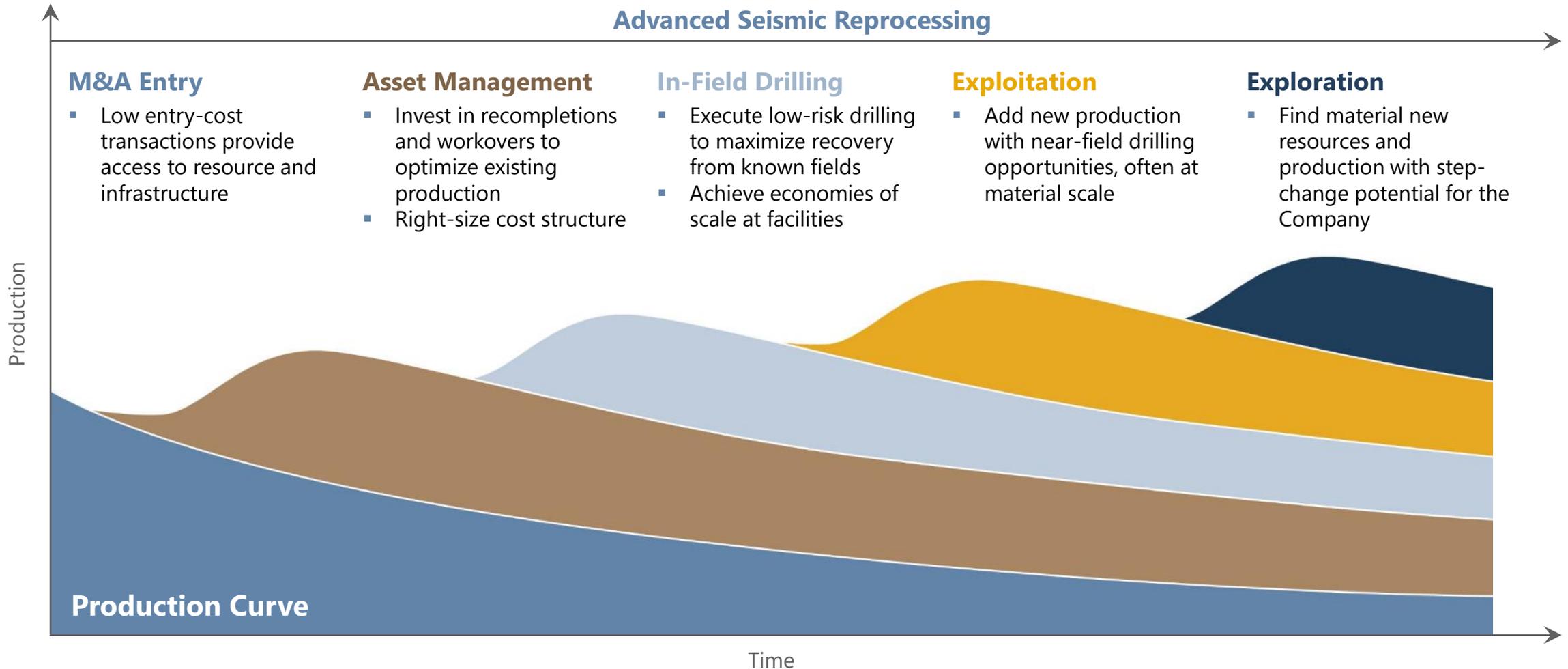
The Gulf of Mexico has remained a prolific basin for decades, yet continues to offer new frontiers

- **Favorable Geology:** High porosity conventional reservoirs with low decline rates and long lives
- **Rich Resources:** Prolific basin with stacked pay horizons, exploration potential over a huge physical area
- **Premium Pricing:** Sustained premium realizations to WTI
- **Ample Infrastructure:** Network of established facilities, pipelines and refinery/storage access
- **Attractive Fiscal Regime:** Low royalties and no severance or ad valorem taxes
- **Low Breakevens:** Competitive breakevens among all U.S. basins, onshore and offshore



Investing Across the Asset Lifecycle

Success driven by ability to invest across the asset lifecycle and consistently improve opportunity set



Active M&A and Business Development

Robust business development pipeline provides avenues for exploration and portfolio management

Key Takeaways

- Low entry-cost M&A and subsequent business development provide a pathway to leverage core competencies on organic E&P activities as the primary value creation focus – **transactions develop a diverse risk/reward inventory for better drilling results**
- In addition to asset acquisitions, ongoing business development through the asset lifecycle helps to optimize the risk profile of capital planning and provide project diversity
- Undercapitalization of basin has left behind great opportunities and few players to seize them
- **Talos is among a select group of E&Ps that possesses the technical, operational, and financial capability to execute on the wide spectrum of opportunities**

Single Asset Transactions & Stranded Assets

- Low entry-cost transactions
- Capital-starved assets held by Majors



Exploration and Development Joint Ventures

- Accelerates exploration
- Reduces capex and concentration risk



Strategic Opportunities

- Large portfolios of offshore assets
- Step-change potential



Key Operated Facilities

Key assets have available capacity for future drilling and hosting third party production



HP-1

Block: Green Canyon 236

Depth: ~2,200 ft

Nameplate: 45 Mbo/d

Spare Capacity: ~60%

Original Discovery:
Chevron / BHP

PHA Partners: Kosmos



Green Canyon 18

Block: Green Canyon 18

Depth: ~750 ft

Nameplate: 20 Mbo/d

Spare Capacity: ~65%

Original Discovery: ExxonMobil

PHA Partners: EnVen, Otto



Pompano

Block: Viosca Knoll 989

Depth: ~1,300 ft

Nameplate: 60 Mbo/d

Spare Capacity: ~80%

Original Discovery: bp

PHA Partners: Beacon, Red Willow, Ridgewood, LLOG, Houston Energy, CL&F, Hunt, Walter



Ram Powell

Block: Viosca Knoll 912

Depth: ~3,200 ft

Nameplate: 60 Mbo/d

Spare Capacity: ~80%

Original Discovery: Shell

PHA Partners: Beacon, Red Willow, Ridgewood, LLOG, Houston Energy



Amberjack

Block: Mississippi Canyon 109

Depth: ~1,100 ft

Nameplate: 22 Mbo/d

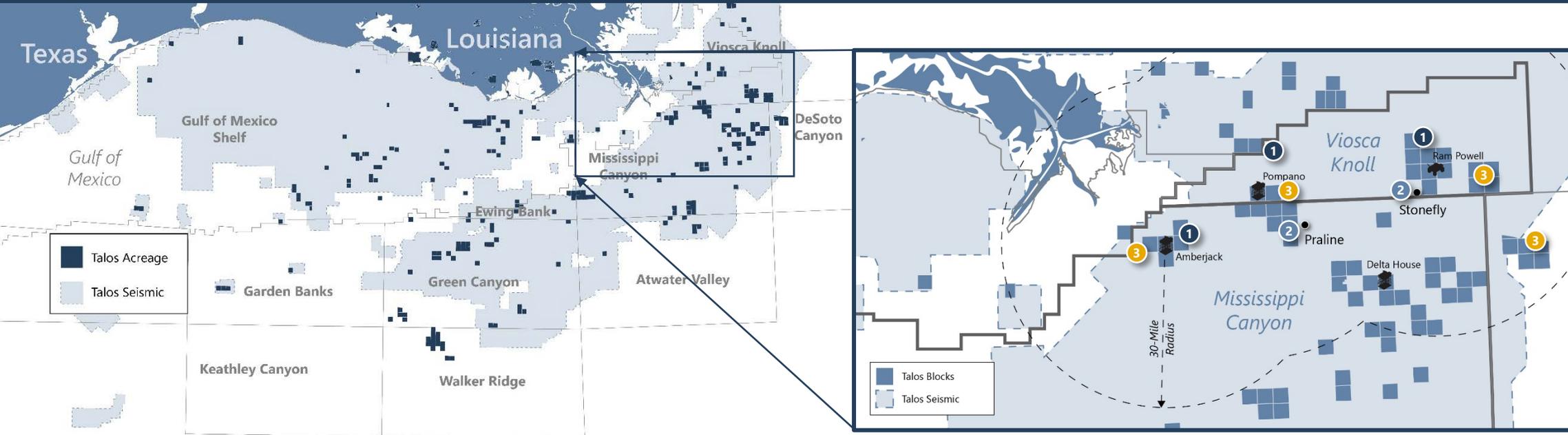
Spare Capacity: ~85%

Original Discovery: bp

PHA Partners: Fieldwood

Full-Cycle Regional Case Study – Mississippi Canyon

Technical expertise unlocks resource opportunity; leveraging infrastructure provides strong full-cycle value creation



1 Substantial Regional Infrastructure

- Mississippi Canyon assets include several operated facilities with significant spare capacity and overlapping tie-back footprints
- Facilities acquired at low entry costs and optimized to extend field life and significantly defer P&A

2 PHA Partners

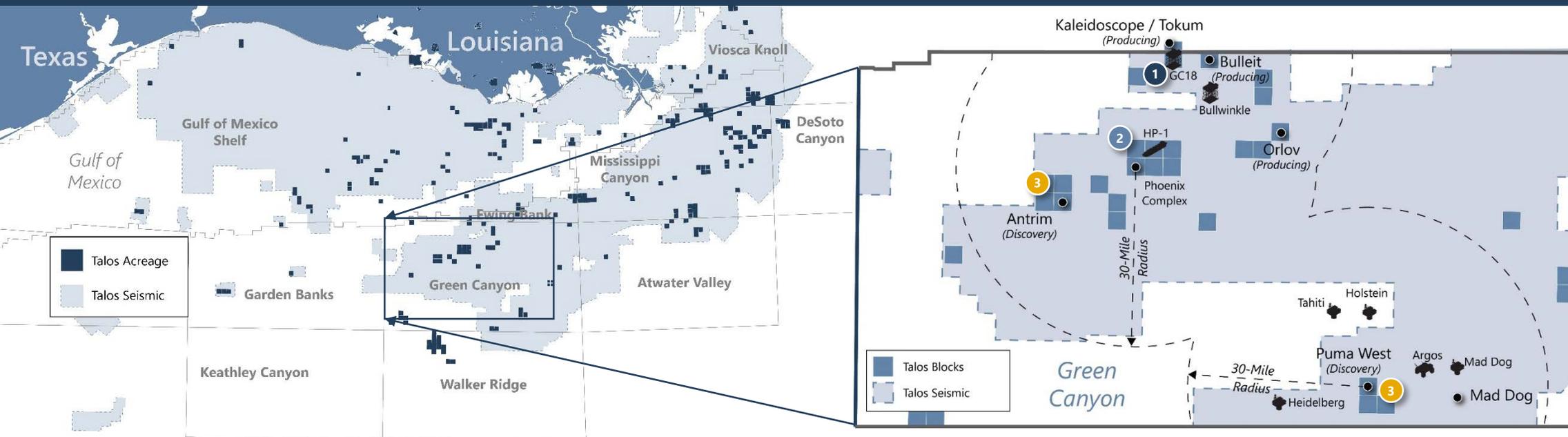
- PHAs provide fee-based cash flow and cover substantial amount of fixed costs, making incremental Talos production very high margin
- Stonefly discovery achieved first oil through Ram Powell platform
- Praline discovery being tied back to Pompano platform

3 Access for Future Exploration

- Tie-back radius to operated facilities provides flow assurance for future exploration activities
- Eliminates need for long-lead, expensive host platform
- Adding acreage and prospects via lease sales and business development
- Several emerging exploration plays within Talos seismic and proximal to Talos infrastructure

Full-Cycle Regional Case Study – Green Canyon

Technical expertise unlocks resource opportunity; leveraging infrastructure provides strong full-cycle value creation



1 Green Canyon 18

- Acquired GC-18 for <\$15mm in 2018
- Existing asset has produced over 100 MMBoe historically
- Unlocked drilling and business development opportunities
 - Drilled Kaleidoscope well, brought online 4Q 2020
 - Drilled Tokum well, brought online 1Q 2021

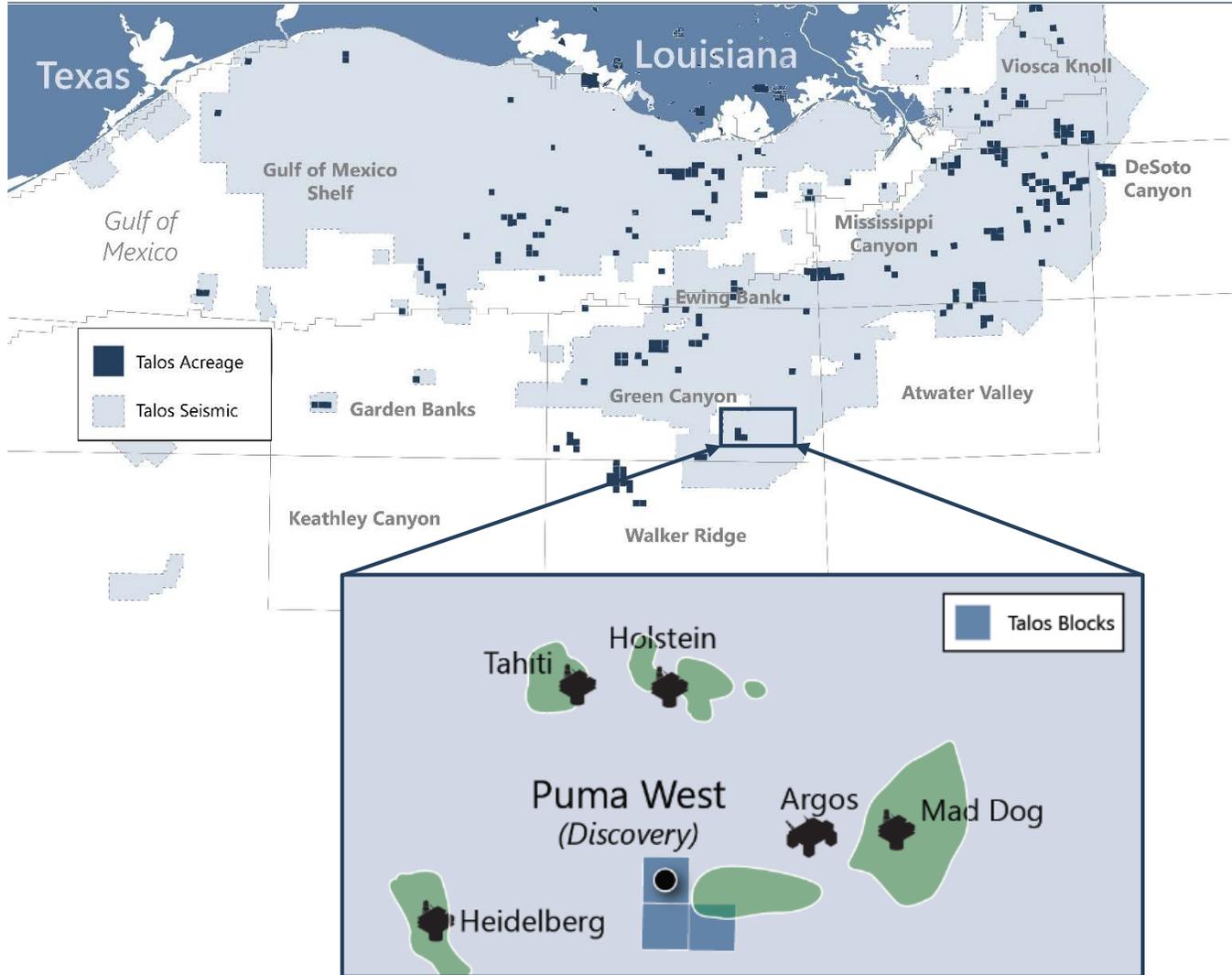
2 Phoenix Complex

- Since acquiring asset in 2013 increased production from ~10 MBoe/d to up to ~43 MBoe/d in 2Q 2019
- Tornado field (Talos discovery) recently initiated successful water flood project – increased production rates and pressures
- Only independent to operate a Floating Production Unit in the U.S. GOM (Shell and Murphy operate one FPSO each)

3 High Impact Exploration

- Expertise in seismic reprocessing around acquired assets led to business development activities with bp/Chevron on Puma West, the Antrim discovery and surrounding Middle Miocene sub-salt prospects
- High-impact Puma West discovery announced April 2021

High-Impact Exploration – Puma West



Project Overview

- High-impact test of sub-salt Miocene exploration targets
- Located on Talos-controlled acreage; farmed-in bp and Chevron in 2019
- Amplitude-supported objectives in close proximity to bp's Mad Dog field (<15 miles east)

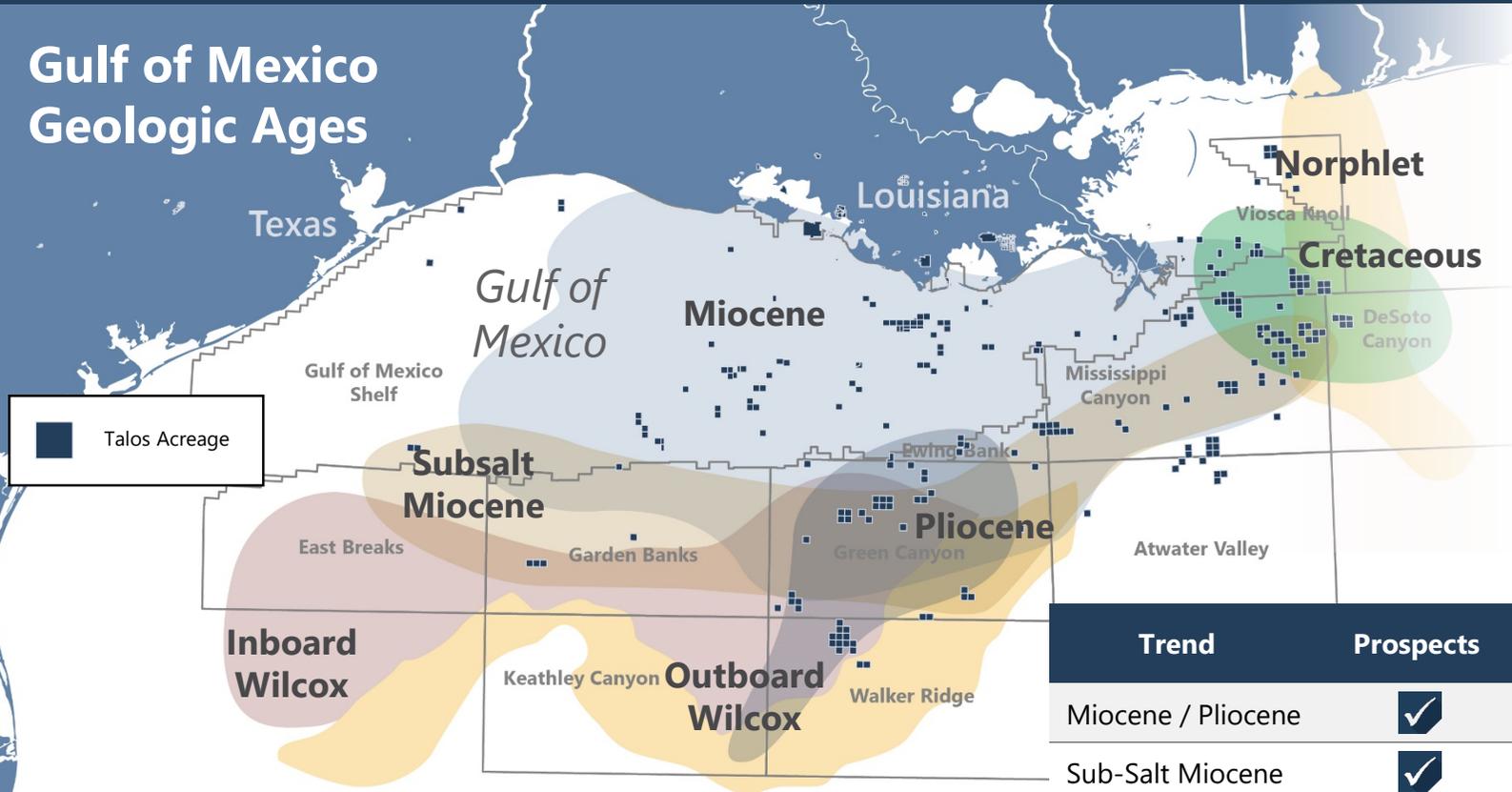
Key Details & Statistics

- Project Category: Exploration
- Working Interest: 25%; Operated by bp
- Discovered oil pay in a high-quality, sub-salt Miocene sand
- Fluid properties consistent with other productive reservoirs in the area
- >17,000 gross acres held by Talos in the immediate area
- Wellbore suspended as "keeper" well to preserve future utility
- Planning appraisal program to better define the discovered resource

Catalysts – High-Impact Exploration

Talos possesses the capability, acreage and prospect leads to generate significant value through exploration

Gulf of Mexico Geologic Ages



Well-Positioned to Execute

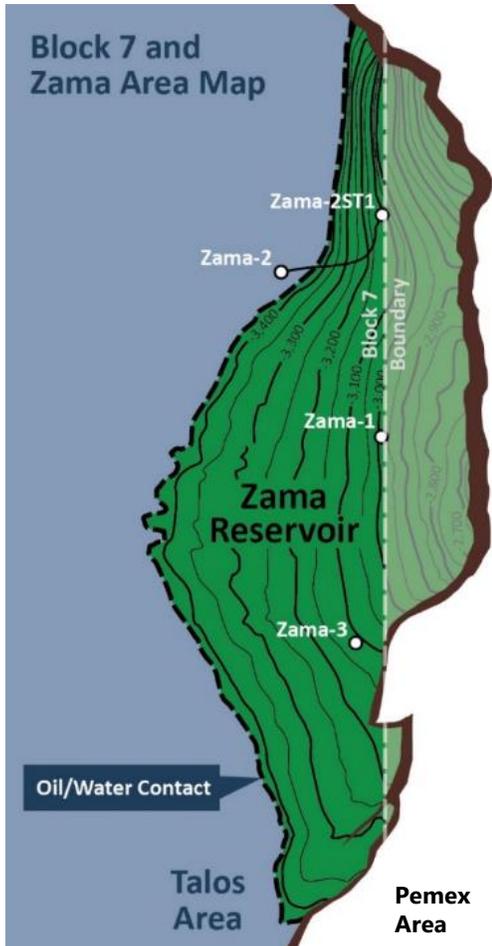
Talos holds a strategic position in every major exploration trend in the basin:

- Inventory of prospects
- Held By Production and Primary Term acreage under lease
- Facilities to host future Talos and 3rd party discoveries
- Active partnerships with Majors and leading Independents

Trend	Prospects	Acreage	Facilities	Partnerships
Miocene / Pliocene	✓	✓	✓	✓
Sub-Salt Miocene	✓	✓	✓	✓
Wilcox	✓	✓		✓
Norphlet	✓	✓	✓	✓
Cretaceous	✓	✓	✓	

Catalysts – Zama

Sanctioning of the generational Zama project represents a huge milestone for Talos



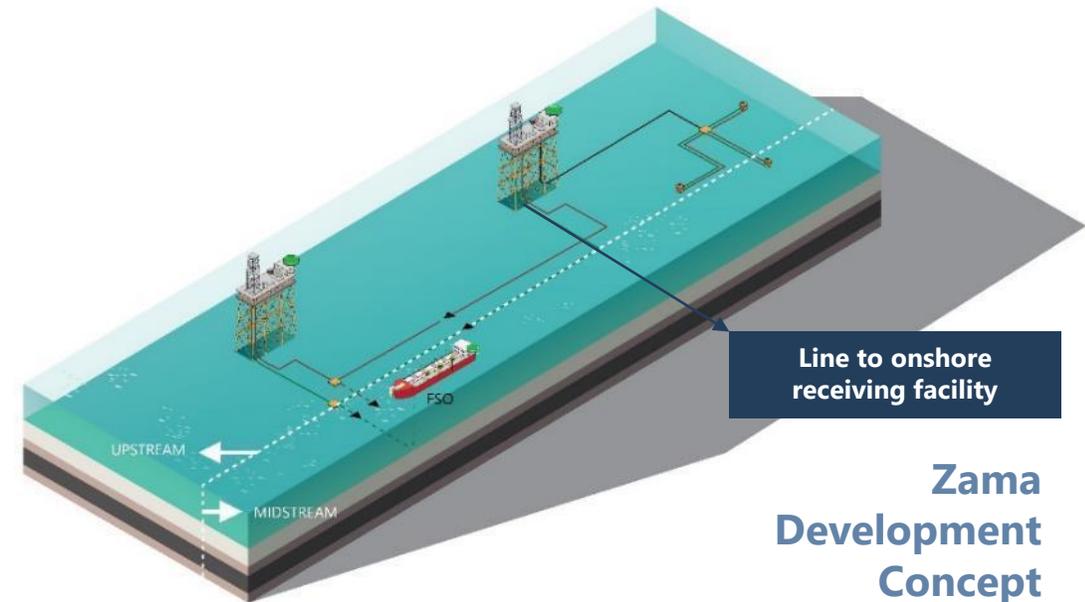
Program Overview

- Largest shallow water oil discovery in past ~20 years; named 2017 WoodMac Global Discovery of the Year
- Talos-led appraisal performed on time, under budget with zero safety incidents
- **Expect Zama resources to convert into Proved, Probable reserves upon FID**
- **Proof of Talos’s ability to create value through exploration, regardless of basin and jurisdiction**

NSAI estimates gross contingent resource⁽¹⁾ volumes of

735 MMBoe

Participating Interest	Current Block 7
Talos (Operator)	35%
Premier Oil	25%
Wintershall Dea	40%



Catalysts – Global M&A Opportunity

Opportunity Set

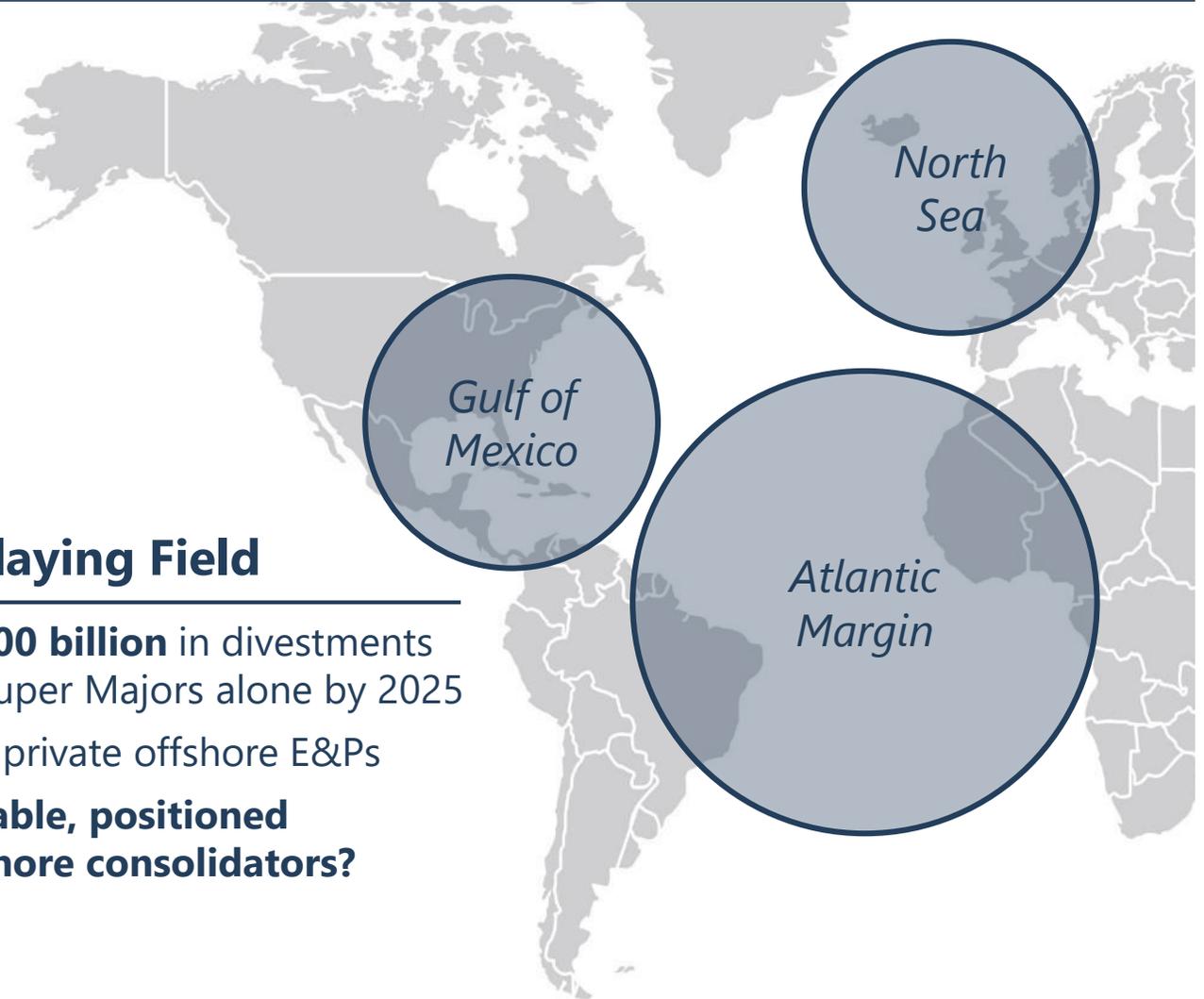
- Unprecedented consolidation opportunity driven by:
 - Record near-term divestment targets
 - Long-dated private investments
 - Push for scale and cost-efficiency
 - Limited universe of capable, well-positioned consolidators
- Talos is among a handful of offshore companies globally that can capitalize

M&A Track Record

- 11 acquisitions completed in 8 years since founding:
 - Asset transactions with numerous Majors
 - Corporate transactions with private companies
 - Reverse mergers and other complicated corporate deals
- Dedicated Corporate/Bus. Dev. team focused exclusively on global inorganic opportunities
- Proven ability to optimize assets and add value through M&A
- Basin entry capability demonstrated by Zama discovery

The Playing Field

- **~\$100 billion** in divestments by Super Majors alone by 2025
- **>40** private offshore E&Ps
- **Capable, positioned offshore consolidators?**



Talos Financial Principles

Conservative balance sheet combined with calculated risk-taking, active hedging program



Leverage

- Balance debt load to cash flow and total capitalization
- Minimize borrowing costs and financial leakage
- Maintain attractive credit profile



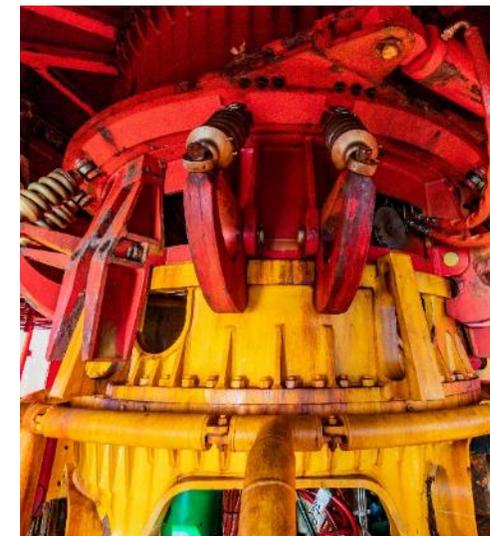
Liquidity

- Maintain ample liquidity
- Retain quick access to capital through sizeable RBL facility
- Manage working capital cycles
- Prioritize debt paydown in uncertain environments



Maturity Profile

- Access market windows for refinancing opportunities
- Improve ratings positioning to increase attractiveness
- Reduce or eliminate onerous call premiums



Risk Management

- Grow high-quality, diverse asset base
- Hedge to fund base business and capital program
- Minimize long-term contracts
- Optimize drilling capital
- Maintain adequate insurance

2021 Operational & Financial Guidance

Production

- Modest growth from normalized 2020 results (~2%)
- Includes 1H impacts of Praline tie-in and platform rig construction at Pompano as well as increased weather-related risking

Cash Expenses

- Includes full year of expenses from 2020 acquisitions
- Incremental workover activity compared to 2020 that is not capitalized (contributes to 2021 production; ~\$15 MM)

Capital Expenditures

- Lower-risk capital program focused around key infrastructure assets for quick turnaround to production
- High-impact exploration at Puma West



	2020A	2021E	
Production	Oil (MMBbl)	13.7	15.7 – 16.6
	Natural Gas (Bcf)	28.7	34.5 – 37.0
	NGL (MMBbl)	1.6	1.6 – 1.7
	Total MMBoe	20.0	23.0 – 24.5
	Avg. Daily Production (MBoe/d)	54.7	63.0 – 67.0
Expenses	Cash Expenses	\$247	\$290 – \$310
	G&A	\$56	\$60 – \$65
	Capital Expenditures	\$406	\$340 – \$370

Solid Capital Structure

Talos maintains high liquidity, low leverage and refinanced a key maturity out to 2026

Overview of Recent Actions

- Resolved April 2022 maturity with recent capital markets activities
 - ~\$350 MM maturity overhang risk eliminated
- Increased liquidity and financing flexibility
 - Significant increase in liquidity from pre-offering levels
 - Added optionality for future M&A financing
 - Added Project financing basket for Zama development
 - Acquired solid credit ratings from all three major agencies
- Currently working to extend May 2022 credit facility maturity
 - Spring redetermination and extension results expected in 2Q21

Key Credit Statistics

~\$550 MM

Liquidity

2.6x

Leverage

3.0x

Asset Coverage

The image features a sunset over the ocean. The sun is low on the horizon, casting a golden glow across the sky and water. The sky is filled with soft, wispy clouds. The water in the foreground is dark blue with gentle ripples. The Talos Energy logo is centered in the image. The word "TALOS" is written in a large, white, bold, sans-serif font. Below it, the word "ENERGY" is written in a smaller, white, bold, sans-serif font. A horizontal white line is positioned between the two words, starting under the "A" and ending under the "Y".

TALOS

ENERGY

Sensitivity of PV-10 At Various Oil Prices

\$/Bbl WTI	SEC	\$50.00	\$55.00	\$60.00	\$65.00
PDP	\$1,556	\$2,124	\$2,393	\$2,656	\$2,922
PDNP	\$198	\$356	\$430	\$504	\$579
Total Proved Developed	\$1,754	\$2,480	\$2,823	\$3,160	\$3,501
Proved Undeveloped	\$244	\$421	\$509	\$600	\$688
Total Proved (1P)	\$1,998	\$2,901	\$3,332	\$3,761	\$4,189
Asset Coverage <i>(1P PV-10 / Net Debt)</i>	1.8x	2.6x	3.0x	3.4x	3.8x



Hedge Position As of May 4, 2021

Instrument	Avg. Daily Volume	Weighted Avg. Price (\$)
WTI Oil Hedges (Bbls/d)		
April - December 2021 Swaps	25,098	\$45.33
April - December 2021 Collars	1,000	\$30.00 x \$40.00
January - December 2022 Swaps	18,849	\$48.41
January - June 2023 Swaps	3,000	\$54.07
LLS Oil Hedges (Bbls/d)		
April - December 2021 Swaps	3,335	\$41.06
HH Natural Gas Hedges (MMBtu/d)		
April - December 2021 Swaps	55,724	\$2.53
April - December 2021 Collars	5,000	\$2.50 x \$3.10
January - December 2022 Swaps	32,641	\$2.61
January - June 2023 Swaps	5,000	\$2.61

Non-GAAP Reconciliations

Reconciliation of net income (loss) to Adjusted EBITDA: (\$MM)	Three months ended March 31, 2021	Three months ended December 31, 2020	Three months ended September 30, 2020	Three months ended June 30, 2020
Net income (loss)	(\$121)	(\$431)	(\$52)	(\$141)
Interest expense	\$34	\$23	\$24	\$26
Income tax expense (benefit)	\$1	\$58	(\$28)	(\$49)
Depreciation, depletion and amortization	\$102	\$102	\$81	\$88
Accretion expense	\$15	\$12	\$12	\$14
EBITDA	\$30	(\$236)	\$36	(\$62)
Write-down of oil and natural gas properties	\$0	\$268	\$0	\$0
Transaction and non-recurring expenses	\$2	\$2	\$2	\$3
Derivative fair value (gain) loss ⁽¹⁾	\$138	\$67	\$20	\$69
Net cash receipts (payments) on settled derivative instruments ⁽¹⁾	(\$48)	\$2	\$19	\$86
Loss (Gain) on extinguishment of debt	\$13	(\$0)	(\$0)	(\$1)
Non-cash write-down of other well equipment inventory	\$0	\$1	\$0	\$0
Non-cash equity-based compensation expense	\$3	\$2	\$2	\$2
Adjusted EBITDA	\$137	\$106	\$79	\$98
Net cash receipts (payments) on settled derivative instruments ⁽¹⁾	\$48	(\$2)	(\$19)	(\$86)
Adjusted EBITDA Excluding Hedges	\$185	\$104	\$60	\$11

Non-GAAP Reconciliations

Reconciliation of Net Debt (\$MM):	As of March 31, 2021
Bank Credit Facility - matures May 2022	\$465
12.00% Second-Priority Senior Secured Notes - due January 2026	\$650
7.50% Senior Notes - due May 2022	\$6
Finance lease	\$57
Total Debt	\$1,178
Less: Cash and cash equivalent	(\$65)
Net Debt	\$1,113

Calculation of LTM EBITDA (\$MM):	Twelve Months Ended March 31, 2021
Adjusted EBITDA for three months period ended June 30, 2020	\$98
Adjusted EBITDA for three months period ended September 30, 2020	\$79
Adjusted EBITDA for three months period ended December 31, 2020	\$106
Adjusted EBITDA for three months period ended March 31, 2021	\$137
LTM Adjusted EBITDA	\$419
Acquired Assets Adjusted EBITDA for pre-closing periods	\$2
Credit Facility LTM Adjusted EBITDA	\$422