

Buy-side Advisory Case Study: Talos Energy

February 2023

TALOS
ENERGY

acquired



~\$1,100,000,000

*The Undersigned Acted as
Buy-side Advisor*



Transaction Summary

On February 13, 2023, Talos Energy (NYSE:TALO) ("Talos") closed on its acquisition of EnVen Energy Corporation ("EnVen"), a private operator in the deepwater U.S. Gulf of Mexico, for approximately \$1.1 billion. The transaction expands Talos' Gulf of Mexico operations with high margin, oil-weighted assets.

- 13% accretive to Talos shareholders on 2023E free cash flow / share
- De-leveraging with pro forma net leverage to be <0.8x by year-end
- Acquisition was made at an implied 2.4x 2022E hedged adj. EBITDA (1.7x unhedged) or \$45,375 / Boe/d
- Consideration mix included ~\$827MM of equity and ~\$213MM of cash plus assumed debt

KeyBanc Capital Markets was selected as a buy-side advisor to Talos Energy because of its deep relationships and extensive experience in the Gulf of Mexico.

About EnVen Energy

Prior to the transaction, EnVen engaged in exploration and production of oil and gas in the Gulf of Mexico. At the time of the transaction, EnVen produced approximately 24 MBoe/d that was >80% oil-weighted. EnVen operated numerous platforms, including five major deepwater facilities with significant open capacity.

About Talos Energy

Talos is a technically driven independent exploration and production company with operations in the United States and offshore Mexico. With the addition of Enven's assets, Talos will produce nearly 90 MBoe/d. Talos is also actively expanding its carbon capture and sequestration business through several joint ventures.



KeyBanc Capital Markets is a trade name under which corporate and investment banking products and services of KeyCorp and its subsidiaries, KeyBanc Capital Markets Inc., Member FINRA/SIPC, and KeyBank National Association ("KeyBank N.A."), are marketed. Securities products and services are offered by KeyBanc Capital Markets Inc. and its licensed securities representatives, who may also be employees of KeyBank N.A. Banking products and services are offered by KeyBank N.A.