Delivering solutions in our control

Core business protected and stabilised in 2017

The challenge
A complex price risk environment

Our solutions
- Growing our gas revenues
- Implementation of our oil hedging strategy

Outcomes
Our gas business is making an increasingly material contribution and 2017 was a record year. To guard against oil price downside, we also hedged 3.69 MMbbls of our oil production at an average of US$48.38/bbl in 2017. For 2018, we have hedged 6.6 MMbbls at an average of US$44.55/bbl.

- Gas revenues of US$124 million up 18% year on year from net production of 114 MMscfd.
- Completed and commissioned the 225 MMscfd Oben Phase II processing expansion project in 2017. Phase I + II total capacity is 375 MMscfd.
- Proceeding towards FID at the 300 MMscfd greenfield ANOH gas and condensate project at OML 53.

US$124m
Gas revenue in 2017

443 MMscfd
Working interest Seplat operated gas processing capacity

US$2.97/Mscf
Realised gas price in 2017

The challenge
Disrupted operating conditions

Our solutions
- Multiple crude oil export routes
- Excellent community and stakeholder relations

Outcomes
In 2017, Seplat continued to actively implement multiple export routes for oil production to mitigate future over-reliance on any one infrastructure system. Alongside this we continued to invest in our host communities across a number of initiatives.

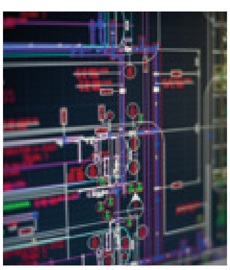
- Repairs and upgrades completed on two jetties at the Warri refinery to enable exports of 30,000 bopd gross if required in the future.
- Funding agreement with partners and contractor executed for the Amukpe-Escravos oil pipeline. Construction under way to connect to Escravos terminal.
- Invested across 177 projects under the Global Memorandum of Understanding with our host communities.

47,291 boepd
H2 2017 working interest production back to pre force majeure levels

81%
Production uptime in H2 following lifting of force majeure

US$59m
Invested in our host communities since 2010

The challenge
Positioning Seplat for future growth and diversification



Our solutions
- Strong financial discipline and risk management strategies
- Prioritisation of complementary portfolio expansion opportunities that can offset the current risk profile

Outcomes
In 2017, we retained discretion over spend, continued to de-leverage and strengthen the balance sheet, diligently preserved a liquidity buffer and kept downward pressure on our cost base. Effective risk management will always underpin Seplat's activities and we remain focused on the early identification of risks and future risks that are central to delivering our strategy.

- Concluded an over-subscribed one-year extension to our revolving credit facility ('RCF').
- Cash at bank US$437.2 million at end 2017, up from US$159.6 million at end 2016.
- Low cost production base with 2017 production opex of US$5.96/boe.

US$422m
Debt principal repaid since January 2015 refinancing

28%
Reduction in G&A year on year helped drive return to profitability

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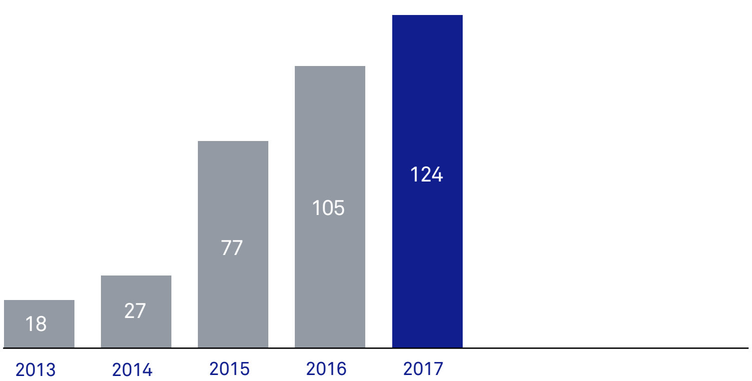
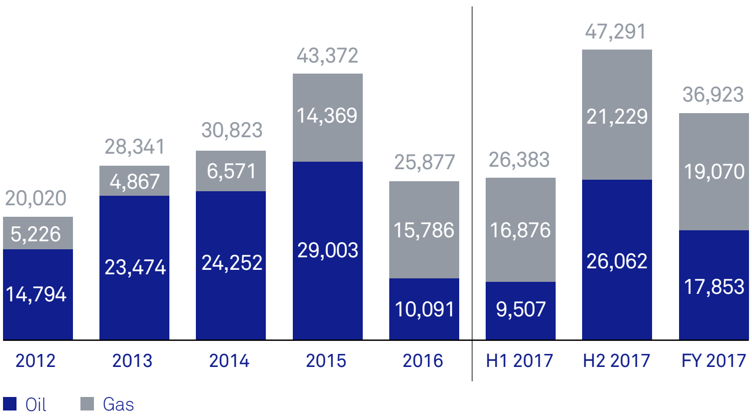
Risk Champions embedded within the business

Gas revenue
(US$m)

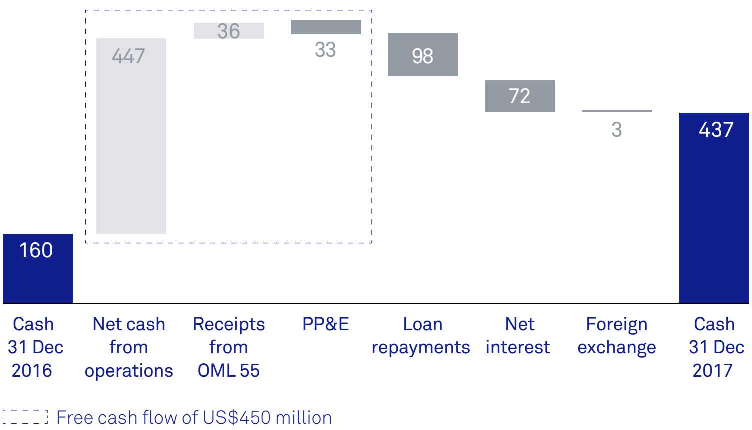


Average working interest production
(boepd)



Before reconciliation losses, volumes measured at the LACT unit.

Cash reconciliation – FY 2017
(US$m)



Outlook – a return to growth

Back into "build and grow" mode

Seplat has emerged from a period of unprecedented disruption to operating conditions in the Niger Delta which, coupled with macro uncertainty, presented a number of risks to the business.

These risks were effectively managed and our decisiveness, coupled with the strong underlying fundamentals of the business, allowed us to stabilise a platform upon which we will restore operational and financial momentum to deliver sustainable long-term value for our stakeholders.

Looking ahead we will reinstate a work programme to drill out the highest cash return production opportunities in our portfolio, prioritise further diversification of our oil export routes, prudently manage our financial position, further consolidate our position as a leading supplier of processed gas to the domestic market and progress the 300 MMscfd greenfield ANOH gas and condensate development. With our return to profitability, strong cash generation and strong balance sheet, we have the financial capacity to also capitalise on inorganic growth opportunities, in line with our price-disciplined approach, as and when they may become available.

Read more about how we are positioned to return to sustainable growth:
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