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This announcement is an advertisement and not a prospectus. Investors should not purchase or subscribe for any transferable securities referred to in this announcement except on the basis of information in the prospectus (“Prospectus”) to be published by SEPLAT Petroleum Development Company Plc (“SEPLAT” or the “Company” including its affiliates and subsidiaries) in due course in connection with the admission of its ordinary shares (“Ordinary Shares”) to the standard listing segment of the Official List of the Financial Conduct Authority (“FCA”) and to trading on London Stock Exchange plc’s (“LSE”) main market for listed securities and for admission to the Official Trading List of The Nigerian Stock Exchange (“NSE”). Following publication, copies of the Prospectus will be available from the Company. This announcement is not an offer to sell, or a solicitation of an offer to acquire, securities in the United Kingdom, United States or any other jurisdiction.



SEPLAT Petroleum Development Company Plc

Announcement of Intention to Float

London and Lagos: 11 March 2014: SEPLAT, an indigenous independent oil and gas company incorporated and operating in Nigeria with a strategic focus on Nigeria, announces its intention to proceed with an initial public offer of its Ordinary Shares (the “Global Offer”). SEPLAT intends to apply for admission of its Ordinary Shares to the standard listing segment of the Official List of the FCA and to trading on the LSE’s main market and to the Official Trading List of the NSE.

Upon listing, SEPLAT will be the first Nigerian company to have its ordinary shares dual listed on both the LSE and the NSE.

The Global Offer is expected to be at least US\$500 million.

Business Introduction

- In July 2010, SEPLAT acquired a 45 per cent participating interest in, and was appointed operator of, a portfolio of three onshore producing oil mining leases (OMLs 4, 38 and 41) located in the Niger Delta. In June 2013, via a wholly-owned subsidiary, the Company entered into an agreement for the acquisition of a 40 per cent participating interest in the Umuseti/Igbuku marginal field area located within OPL 283 in the Niger Delta.
- SEPLAT is one of the leading indigenous independent oil and gas operators in Nigeria:
 - In 2013 the average gross operated oil production from OML’s 4, 38 and 41 was 51.3 thousand barrels per day (“Mbpd”), having grown from 13.9 Mbpd in August 2010; the exit rate in 2013 was 61.7 Mbpd;
 - The average gross operated gas production in 2013 from OML’s 4, 38 and 41 was 99 million standard cubic feet per day (“MMscfd”);
 - SEPLAT is targeting gross operated oil production from its existing assets of 85 Mbpd by the end of 2016.
- As of 31 October 2013, DeGolyer & MacNaughton (“D&M”) estimates that the Group has total working interest proved plus probable (“2P”) oil and condensate reserves of 111 million barrels (“MMbbl”) and total working interest best estimate contingent (“2C”) oil and condensate resources of 61 MMbbl. In addition, the Group has total working interest 2P natural gas reserves of 663 billion cubic feet (“bcf”) and total working interest 2C natural gas resources of 105 bcf. Total working interest 2P oil and gas reserves were 226 MMboe.

- For the year ended 31 December 2013 SEPLAT reported Revenue of US\$880 million (2012: US\$625 million), and Operating Profit of US\$479 million (2012: US\$330 million). SEPLAT's net debt as at 31 December 2013 was US\$141 million.
- For the year ended 31 December 2013 Seplat paid a dividend of 10 US cents per share comprising a core ordinary dividend of 5 US cents per share and a special dividend of 5 US cents per share.

Global Offer highlights

The Company intends to use the net proceeds of the Global Offer as follows: (i) US\$48 million to repay in full all outstanding amounts under its shareholder loan from MPI S.A. ("MPI"); and (ii) the remaining majority of the net proceeds to be available for acquiring and developing new acquisitions, and/or pay down any additional debt raised in connection therewith, of both onshore and shallow offshore acreages, assets or joint venture ("JV") farm-ins. The main source of acquisitions is expected to come from divestitures by various international oil companies ("IOC").

BNP Paribas and Standard Bank plc are acting as joint global co-ordinators and joint bookrunners; Renaissance Securities (Cyprus) Limited, Citigroup Global Markets Limited and RBC Europe Limited are acting as a joint bookrunner (together the "Joint Bookrunners"). Renaissance Securities (Nigeria) Limited and Stanbic IBTC Capital Limited, have been appointed as Nigerian joint issuing houses in relation to the Nigerian Offering.

Dr A.B.C. Bryant Orjiako, Chairman of SEPLAT, said:

"SEPLAT is a leader among the emerging indigenous Nigerian oil and gas operators. Our company was founded by Nigerians for the purpose of investing in Nigerian oil and gas opportunities and we are proud to have been the first Nigerian company to acquire and become operator of onshore oil and gas assets from international oil companies.

"Since we commenced operations in 2010, we have increased oil production and reserves year-on-year, and we have grown our revenues and our net profit each year. Our target is to grow gross operated production of oil and condensate to 85,000 barrels per day by the end of 2016, with at least 100% annual reserves replacement from our existing assets. We also plan to use our strategically located gas infrastructure to rapidly commercialise our gas reserves, as the Nigerian gas market develops. Our forward-looking targets are based on a tangible work plan, in-house operational capability and an innovative host community engagement programme.

"The Global Offer proceeds will allow us to further implement our business strategy, which includes acquiring new assets. SEPLAT has a disciplined approach to acquiring new onshore and shallow water assets in the Niger Delta, which will be strictly adhered to. We will be proud to be the first dual-listed Nigerian company to have its ordinary shares listed on the LSE and NSE simultaneously.

"We are confident that SEPLAT will continue to succeed and flourish as a leading Nigerian oil and gas operating company with a proven track record for delivering value to its investors, while fostering indigenous participation in the Nigerian oil and gas industry. We are committed to maintaining our track record and achieving our growth aspirations through sound corporate governance and best practice."

Key Strengths

1. Quality proven reserves and track record of converting contingent resources to reserves

- A strong reserve base with total working interest 2P oil and condensate reserves of 111 MMbbl, 2P gas reserves of 663 bcf, working interest 2C resources of 61 MMbbl of oil and condensate and 105 bcf of gas, as at 31 October 2013.
- A history of converting contingent resources to reserves to further its goal of replacing its reserves base in the existing assets on a 1:1 basis going forward. Between August 2012 and October 2013, the Company added 43 MMbbl of certified gross 2P reserves through its field development programme at the Okporhuru field, where first oil was achieved in May 2013.

2. Strong track record of increasing production

- The Company's management team has achieved a consistent increase in gross operated oil production – from 13.9 Mbpd in August 2010 to an exit rate of 61.7 Mbpd at the end of 2013 – by drilling additional wells on its existing acreage and employing advanced and proven technologies to increase production in mature fields.
- Total working interest oil production was 8.4 MMbbl for the year ended 31 December 2013, equivalent to average daily production of 23.1 Mbpd.
- Total working interest gas production was 16.3 bcf for the year ended 31 December 2013, equivalent to an average daily production of 45 MMscfd. The company entered into new long-term gas sales agreements at increased prices with a range of off-takers.

3. Operatorship of the OMLs 4, 38 and 41: SEPLAT can continue to successfully control, shape and advance the production, development and exploration activities of these assets

- SEPLAT is, to date, the only company to secure National Nigerian Petroleum Corporation (“NNPC”) approval for operatorship over the assets acquired as part of the previous Shell Petroleum Development Company of Nigeria Limited (“SPDC”) onshore divestment process.
- As operator the Company is able to set production and operational improvement goals and lead exploration activities, subject to the approval of its partner, Nigerian Petroleum Development Company Limited.
- The Company put in place a Lease Automatic Custody Transfer Unit that enables more accurate measurement of crude oil production, and this has significantly reduced the reconciliation factors attributable to metering inaccuracies. At the end of December 2013, the reconciliation factor applied was a reduction of 10% of oil production, compared to an average reduction of 18% in 2011.

4. Nigerian focus: SEPLAT's depth of highly skilled locally based management, strong community relationships and proven operational track record in Nigeria, offers an attractive independent, indigenous vehicle for future success in the prolific Nigerian oil and gas sector

- Nigeria provides an excellent platform for the growth of the Company, given its world-class reserve and resource base and established petroleum infrastructure.
- As a Nigerian Company with highly skilled local management, proven technical know-how, strong local ties and commitment to community relationships, the Company is strategically positioned to successfully bid for further oil and gas assets in Nigeria. A number of further divestitures of oil and gas assets in Nigeria by international oil companies are anticipated.

5. Track record of value accretive acquisitions and of being selected to participate in divestment bid rounds

- Since the acquisition of OMLs 4, 38 and 41 in 2010 SEPLAT has increased average daily oil production almost four-fold, to 51.3 Mbpd in 2013, and grown the 2P oil reserves of these assets by 38%.
- SEPLAT is well positioned to successfully bid for further oil and gas assets in Nigeria. The Company is participating in a number of divestitures of oil and gas assets in Nigeria that are underway currently, and further acquisition opportunities are anticipated in the future.

6. Experienced board of directors and highly skilled Nigerian senior executive and operational management; both board and management team have international and local E&P experience

- The Company has an experienced board of directors with both Nigerian and international experience. The Company's senior executive and operational management team has considerable technical and operating expertise in the oil and gas industry, having worked for companies such as ExxonMobil, Shell, Chevron, BG Group and Centrica.
 - The Company also benefits from a highly experienced geosciences team that includes explorers familiar with the geology of the Niger Delta, allowing the Company to efficiently screen prospects for its exploration programme.
- 7. SEPLAT has built strong relationships with key local communities while promoting trust and confidence amongst stakeholders resulting in a stable operating environment**
- The Company believes that its local ties and Nigerian management are a strategic advantage in liaising with local communities where the Company operates, such that strong community relations have reduced production interruptions.
 - The Company entered into a global memorandum of understanding with the communities that host its operations within OMLs 4, 38 and 41 and established a trust fund for community projects. In addition, SEPLAT developed a framework for employing local communities to manage the security of its assets and promote a stable operational environment.
 - The Company is committed to proactive engagement with local communities and the implementation of sustainable community development programmes. These initiatives include skills training, scholarships and grants; and local infrastructure projects such as road projects drilling water boreholes, installing street lighting and renovating local community buildings. Additionally, ongoing development projects include healthcare, education and other specific initiatives that include safe motherhood programmes and the Eye-Can-See programme (which has so far provided eye tests, ophthalmic surgery and medical treatment to over 10,000 individuals from the local area).
- 8. Strong cash flow and prudent balance sheet**
- OMLs 4, 38 and 41 are producing assets that generate robust cash flows which have so far allowed the Company to partially finance its operations and maintain a prudent balance sheet.
 - The Company has a good record of debt servicing and repayment.
 - The Company has access to the Nigerian and international bank financing markets, as needed, to provide additional committed funds to grow its business.
 - For the year ended 31 December 2013, SEPLAT's revenues increased by 41% to US\$880 million; operating profit increased by 45% to US\$479 million.
 - For the year ended 31 December 2013 net cash flows from operating activities were US\$261 million (2012 :US\$51 million); net debt at 31 December 2013 was US\$141 million.
 - The Company's cash flows will be further enhanced by a new tax status recently granted for all of the Company's existing assets.

Strategy

SEPLAT considers that the following strategies support its long-term aim to become a leading indigenous African independent oil and gas exploration and production company.

Maximise production, reserves and cash flows from operated assets

SEPLAT is currently executing a development plan through which it aims to increase oil production from OMLs 4, 38 and 41, with the potential to reach 85 Mbpd (gross) by the end of 2016. The Company believes that OMLs 4, 38 and 41 have significant potential for growth in production, mainly due to enhanced recovery from the existing fields and future conversion of contingent resources into reserves.

SEPLAT aims to achieve efficient recovery through improvements in reliability of existing facilities, planned work-overs of existing wells and the further assessment and development of discoveries. The Company has prepared integrated field development plans for all its fields as a basis for re-development and it is in the process of installing water treatment facilities with a view to reducing the water content in the crude oil produced.

SEPLAT intends to convert its existing resources into reserves with a focused drilling programme, which includes new infill wells (including the Sapele Shallow development) within OMLs 4, 38 and 41.

SEPLAT's development plan is to bring at least one new field into production each year, which is in line with its aim to replace and add reserves year-on-year. OMLs 4, 38 and 41 provide significant upside potential from the further appraisal of the five developed fields and the other discoveries made to date, namely Okoporo, Ubaleme, Mosogar, Orogho, Sapele Shallow and Okwefe.

The Company also intends to further develop OMLs 4, 38 and 41 by exploring hydrocarbon prospects in this portfolio to discover new oil and gas resources that, if commercial, could be developed and converted into reserves and eventually into production. SEPLAT plans to focus its exploration activities initially on its existing acreage in areas that are adjacent to its current fields and infrastructure.

Pursue a focused acquisition and farm-in strategy

SEPLAT intends to pursue an acquisition strategy focused on maintaining a balanced portfolio of assets in Nigeria with development opportunities and potential for exploration in order to add value by increasing production and cash flows in the near term.

The Company aims to acquire rights to additional upstream assets in Nigeria, whether by acquiring new OMLs or entering into farm-in agreements. It is actively seeking acquisition or farm-in opportunities, whilst maintaining a prudent balance sheet.

The Company expects that regulatory developments encouraging the transfer of oil and gas assets from international oil companies to Nigerian companies, and the shifting focus of international oil companies to offshore assets, will continue to give rise to further acquisition opportunities in the Niger Delta. The Company believes it is well positioned to acquire additional blocks from international oil companies, local companies divesting their interests in the Niger Delta region, or through government tenders. Given its strong operational and technical track record, SEPLAT is an attractive partner for both Nigerian and international companies interested in co-investing in some of the larger assets that could come onto the market.

Commercialise gas production

SEPLAT aims to take advantage of improving market conditions in order to monetise its significant existing gas reserves over and above its domestic supply obligations, by selling to commercial ventures in Nigeria, such as power plants and manufacturing plants as and when such opportunities develop. The Company's working interest natural gas reserve and resource base is 768 bcf of gas (2P and 2C) which provides a platform for significant potential growth. Pursuant to the Nigerian Gas Master Plan 2008, Nigeria is currently undergoing significant changes in the domestic gas pricing environment which has resulted in increased gas demand and improving pricing dynamics.

Until recently, gas produced by the Company was used solely to satisfy its ongoing domestic supply obligations ("DSO"). The Company signed two gas supply agreements, under which it agreed to supply the Geregu and Sapele power plants with approximately 130 MMscfd at a price of US\$1.40/Mscf, which is scheduled to increase to US\$2.00/Mscf during 2014. Thereafter the Company expects the DSO pricing to increase in line with commercial gas pricing in Nigeria.

The Company will be left with significant 2P and 2C potential gas production un-contracted after fulfilling the Company's ten-year DSO obligations in respect of OMLs 4, 38 and 41. Consequently the Company has targeted marketing the surplus gas and its eventual monetisation at commercial rates. To date, the Company has initialled two gas sales agreements with commercial off-takers, Azura Power and Southfield Petroleum, at a minimum unit price of US\$3.00/Mscf and the Company is in advanced discussions with a number of other potential commercial off-takers.

Progressive Dividend Policy

SEPLAT's policy is to establish a core Ordinary dividend, paid annually, which can be increased progressively under conservative long-term oil price assumptions and through the economic cycle.

The Board also intends to pay Special dividends when it considers these appropriate after taking into account the level of profits earned in the period under review, the cash position of the Company, and significant known or expected funding commitments.

In respect of the year ended 31 December 2013 a core Ordinary dividend of 5 US cents per share and a Special dividend of 5 US cents per share were paid.

Enquiries

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NOTES TO EDITORS

PRELIMINARY, UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER

	The Group		
	2013	2012	2011
	\$000	\$000	\$000
Revenue	880,227	624,546	451,320
Cost of sales	(330,943)	(250,302)	(206,356)
Gross profit	549,284	374,244	244,964
Other operating income	404	2,183	-
Other general and administrative expenses	(71,977)	(48,326)	(56,857)
Gain on foreign exchange	1,473	1,894	(165)
Fair value movements in contingent consideration	(514)	(142)	(8,618)
Operating profit	478,670	329,853	179,324
Finance income	658	1,788	-
Finance costs	(21,805)	(35,986)	(24,866)
Profit before taxation	457,523	295,655	154,458
Taxation	(4,750)	(186,556)	(101,034)
Profit for the year	452,773	109,099	53,424
Other Comprehensive income:			
Other comprehensive income to be reclassified to profit or loss in the subsequent periods			
Foreign translation difference	58	-	-
Total comprehensive income net of tax	452,831	109,099	53,424
Basic and diluted earnings per share	1.13	0.27	0.13

PRELIMINARY, UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31-Dec 2013	31-Dec 2012	31-Dec 2011
ASSETS	\$000	\$000	\$000
Non-current assets			
Oil & gas properties	577,954	379,931	301,334
Other property, plant & equipment	7,553	6,184	3,411
Intangible assets	141	234	324
Deferred tax asset	1,213	26,042	52,298
Prepayments	108,910	14,208	1,000
Investment in Subsidiaries	-	-	-
	-----	-----	-----
Total non-current assets	695,771	426,599	358,367
	=====	=====	=====
Current assets			
Inventories	43,112	24,949	10,903
Trade and other receivables	410,430	294,302	100,136
Cash & short term deposits	169,461	154,332	201,777
	-----	-----	-----
Total current Assets	623,003	473,583	312,816
	-----	-----	-----
Total assets	1,318,774	900,182	671,183
	=====	=====	=====
Equity and liabilities			
Equity			
Issued share capital	1,334	690	690
Capital contribution	40,000	40,000	40,000
Retained earnings	593,312	141,183	66,084
Foreign Translation reserve	58	-	-
	-----	-----	-----
Total shareholders' equity	634,704	181,873	106,774
	-----	-----	-----
Non-current liabilities			
Interest bearing loans & borrowings	120,850	146,358	247,281
Contingent Consideration	8,245	-	-
Provision for Decommissioning	15,176	15,727	10,112
Deferred tax liabilities	98,708	119,404	54,521
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Total non-current liabilities	242,979	281,489	311,914
	-----	-----	-----
Current liabilities			
Short term borrowings	189,753	101,247	54,250
Contingent Consideration	-	-	32,858
Trade and other payables	251,338	258,355	102,386
Tax Payable	-	77,218	63,001
	-----	-----	-----
Total current liabilities	441,091	436,820	252,495
	=====	=====	=====
Total liabilities	684,070	718,309	564,409
	=====	=====	=====
Total shareholder equity & liabilities	1,318,774	900,182	671,183
	=====	=====	=====

PRELIMINARY, UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER

	2013	2012	2011
	\$000	\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	367,286	165,165	250,300
Income taxes paid	(106,584)	(81,199)	(32,258)
Payment of contingent consideration	-	(33,000)	-
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Net cash flows from operating activities	<u>260,702</u>	<u>50,966</u>	<u>218,042</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment in Oil and gas Properties	(184,733)	(72,680)	(1,888)
Investment in other property, plant and equipment	(4,492)	(4,931)	(2,652)
Acquisition of subsidiary	-	-	-
Proceeds from sale of assets	85	72	-
Interest received	658	1,568	-
	-----	-----	-----
Net cash flows from investing activities	<u>(188,482)</u>	<u>(75,971)</u>	<u>(4,540)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from bank financing	129,000	-	275,000
Repayments of bank financing	(68,096)	(54,250)	(184,313)
Loan to subsidiary undertaking	-	-	-
Repayment of Shareholder Financing	-	-	(105,960)
Dividends paid	(-)	(34,000)	-
Interest paid	(20,053)	(31,894)	(26,983)
	-----	-----	-----
Net cash inflows/(outflows) from financing activities	<u>40,851</u>	<u>(120,144)</u>	<u>(42,256)</u>
Net decrease in cash and cash equivalents	113,071	(145,149)	171,246
Cash and cash equivalents at beginning of year	56,332	201,777	30,368
Foreign translation reserve	58	(296)	163
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Cash and cash equivalents at end of year	<u>169,461</u>	<u>56,332</u>	<u>201,777</u>

NOTES TO EDITORS

Directors of the Company

Chairman

Ambrosie Bryant Chukwueloka (A.B.C.) Orjiako *(Chairman)*

A.B.C. Orjiako, a co-founder of SEPLAT, was appointed as a director on 14 December 2009 and as Chairman on 3 March 2010. After obtaining an M.B.B.Ch. degree in 1985 from the College of Medical Sciences, University of Calabar, Nigeria, he trained as a General Surgeon at the Lagos University Teaching Hospital, Lagos, and later sub-specialised in orthopaedic and trauma surgery and became a fellow of the West African College of Surgeons in 1996. While still practicing at the National Orthopaedic Hospital, Igbobi, Lagos, he established and managed various companies in the upstream, downstream and services sector of the oil and gas industry in Nigeria. These include Abbeycourt Trading Company Limited (with which he traded crude oil and refined petroleum products with, amongst others, Glencore UK Limited), Abbeycourt Energy Services Limited, Zebbra Energy Limited and Shebah Exploration and Production Company Limited.

Executive Directors

Ojunekwu Augustine (Austin) Avuru *(Managing Director and Chief Executive Officer)*

Austin Avuru, a co-founder of SEPLAT, was appointed Managing Director and Chief Executive Officer on 1 May 2010. He holds a geology degree from the University of Nigeria, Nsukka and a postgraduate diploma in petroleum engineering from the University of Ibadan, Nigeria. Prior to joining SEPLAT, Mr. Avuru spent twelve years at NNPC. In 2002, Mr. Avuru established Platform Petroleum Limited and held the role of managing director until 2010, when he left to take up the managing director position at SEPLAT.

William Stuart Connal *(Chief Operating Officer)*

Mr. Connal was appointed Chief Operating Officer in August 2010 and as an Executive Director of the Company in March 2013. He is a chartered engineer with over 30 years' experience in major oil and gas companies in the United Kingdom and Nigeria. Prior to joining SEPLAT, he spent 10 years at Centrica Energy where he held various positions including project manager for a number of offshore gas field developments and the Langeled gas receiving and conditioning terminal for pipeline gas from Norway to the UK. In 2006, he was one of the founders of Centrica Resources' first ever international office in Nigeria where he held the position of Managing Director of Centrica Resources Nigeria for four years between 2007 and 2010 and was a member of Centrica Energy's upstream leadership team in London.

Roger Thompson Brown *(Chief Financial Officer)*

Mr. Brown started on 22 July 2013 as Chief Financial Officer and as an Executive Director. Prior to joining the Company he held the position of head of the CEEMEA (Central and Eastern Europe, the Middle East and Africa) Business Company for Oil and Gas for Standard Bank plc. He has over 18 years of experience in the energy industry primarily in emerging markets and was responsible for the bank's leading position of financing over USD1.25 billion of debt in the recent Shell divestments in Nigeria. During his time at the bank he also led the Power and Infrastructure Company. Prior to Standard Bank he worked in the Corporate Finance team of PricewaterhouseCoopers after qualifying as a Chartered Accountant with the company. He is FCA qualified and a member the Institute of Chartered Accountants of Scotland.

Non-Executive Directors

Michael Richard Alexander *(Senior Independent Non-Executive Director)*

Mr. Alexander was appointed as Senior Independent Non-Executive Director on 1 June 2013.

He currently holds a number of senior board positions including the position of independent non-executive director at the Payments Council Limited and senior board adviser at EGS Limited. He is also a member of the European Advisory Board of Landis & Gyr Limited. Mr Alexander recently announced that he would be concluding a seven year period with Costain Plc with effect from 31st March 2014, where he held the position of independent non-executive director and chairman of the remuneration committee. He also served as a non-executive independent director of The Energy Savings Trust Ltd and Associated British Foods Plc and as senior independent non-executive director and chairman of the remuneration committee at Russian Platinum Plc. Mr Alexander's previous chairmanships include executive chairman of ATOC Ltd and non-executive chairman at TGE AG, GT Solar Limited and Goldfish Bank Limited.

He held the position of Chief Executive Officer of British Energy Group Plc between 2003 and 2005 and executive director of Centrica Plc prior to that, having held a number of senior positions within British Gas Plc including managing director of British Gas Trading and commercial director of British Gas Exploration & Production. Before joining British Gas Plc in 1991, he spent 25 years at BP Plc in various roles.

Dr. Charles Okeahalam (*Independent Non-Executive Director*)

Dr. Charles Okeahalam was appointed as an Independent Non-Executive Director on 22 March 2013. Dr. Okeahalam is a co-founder of AGH Capital Group, a private equity and diversified investment holding company based in Johannesburg, with assets in several African countries. He has significant expertise and strategic and operational experience in a number of areas of banking, central banking, development finance and financial sector reform.

Dr. Okeahalam has extensive board experience, including, in the past, Cadiz Holdings, ABSA Corporate and Merchant Bank, Sun International South Africa, South African Airways (where he was Chairman of the Audit Committee and of the Investment Committee), and Société Générale Bank Nigeria (Non-Executive Chairman). He was awarded a senior fellowship of the Bank of England in 2000.

Basil Omiyi (*Independent Non-Executive Director*)

Mr. Omiyi was appointed as an Independent Non-Executive Director on 22 March 2013. He graduated with a degree in chemistry and a post-graduate diploma in petroleum technology from the University of Ibadan. He has held the position of Chairman and Managing Director of Michael-Philips Nigeria Limited since 2011. He spent over 40 years at Royal Dutch Shell where he spend 40 years in various roles both in Nigeria and Europe, including Head of Production Technology, Chief Petroleum Engineer, Managing Director of Shell Petroleum Development Company of Nigeria Limited, and ultimately Country Chairman of Shell Companies, Nigeria.

Mrs. Ifueko M. Omoigui-Okauru (*Independent Non-Executive Director*)

Mrs. Ifueko M. Omoigui-Okauru was appointed as an Independent Non-Executive Director on 22 March 2013. She is a Fellow of the Institute of Chartered Accountants of Nigeria (FCA), 2001 and a Fellow of the Chartered Institute of Taxation of Nigeria (FCTI), 2007, having been awarded a Master of Science, Management Science from Imperial College, University of London and a Bachelor of Science (First Class), Accounting from the University of Lagos. Mrs. Omoigui-Okauru is the Managing Partner of Compliance Professionals Plc., a management consulting firm; Non-Executive Director on the Boards of ReStraL Ltd (which she founded in 1996) and Nigerian Breweries Plc.; Independent Non-Executive Director on the Boards of Diamond Bank Plc. and Central Securities Clearing System Plc.; a member of the Executive Council of Women in Management, Business and Public Service (WIMBIZ), a non-governmental organisation; and a founding member of the Board of Trustees of DAGOMO Foundation Nigeria, a family-based non-governmental organisation geared to community development.

Lord Mark Malloch-Brown (*Independent Non-Executive Director*)

Lord Malloch-Brown was appointed as an Independent Non-Executive Director on 19 February 2014.

Lord Malloch-Brown served as a minister of the UK government under Prime Minister Gordon Brown from 2007 to 2009 where he had particular responsibility for strengthening relationships with Africa and Asia. He served as the Chief of Staff of the United Nations and then as the Deputy Secretary General under Kofi Annan from 2005 to 2006. During the six years prior to that, he was an administrator of the United Nations Development Programme. Between 1994 and 1999, he was Vice-President for External Affairs at the World Bank and, during the early years of his career, he was as a journalist at The Economist. Lord Malloch-Brown joined FTI Consulting in September 2010 and currently serves in the role of chairman of EMEA.

Michel Hochard (*Non-Executive Director*)

M. Hochard was appointed as a Non-Executive Director on 14 December 2009 as a nominee of MPI. M. Hochard is the chief executive officer of MPI and graduated from the Commercial Institute of Nancy, France and has held the position of administrative and finance manager of Etablissements Maurel et Prom since September 2007.

Macaulay Agbada Ofurhie (*Non-Executive Director*)

Chief Ofurhie was appointed as a Non-Executive Director on 14 December 2009 as a nominee of one of the Company's major shareholders, Shebah Petroleum Development Company Limited. He has worked in the oil and gas industry for over three decades including various executive positions at NNPC (including managing director) and the Nigerian Department of Petroleum Resources.

Disclaimers

The contents of this announcement, which have been prepared by and are the sole responsibility of the Company, have been approved by BNP Paribas solely for the purposes of section 21(2)(b) of the Financial Services and Markets Act 2000.

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Any purchase of Ordinary Shares in the Global Offer should be made solely on the basis of the information contained in the final Prospectus to be issued by the Company in connection with the Global Offer. No reliance may or should be placed by any person for any purposes whatsoever on the information contained in this announcement or on its completeness, accuracy or fairness. The information in this announcement is subject to change.

This announcement does not constitute a recommendation concerning the Global Offer. The price and value of securities can go down as well as up. Past performance is not a guide to future performance. Information in this announcement or any of the documents relating to the Global Offer cannot be relied upon as a guide to future performance. Potential investors should consult their professional advisors as to the suitability of the Global Offer for the persons concerned.

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Each of the Joint Bookrunners is regulated in the UK by the Financial Conduct Authority and is acting exclusively for the Company and no one else in connection with the Global Offer and will not regard any other person as its client in relation to the Global Offer and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients or for giving advice in relation to the Global Offer or the contents of this announcement or any transaction, arrangement or other matter referred to herein.

None of the Joint Bookrunners or any of their respective subsidiary undertakings, affiliates or any of their respective directors, officers, employees, advisers, agents or any other person accepts any responsibility or liability whatsoever for, or makes any representation or warranty, express or implied, as to the truth, accuracy, completeness or fairness of, the information or opinions in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Company, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

In connection with the Global Offer, Standard Bank plc, as stabilising manager, or any of its agents, may (but will be under no obligation to), to the extent permitted by applicable law, over-allot Ordinary Shares or effect other transactions with a view to supporting the market price of the Ordinary Shares at a higher level than that which might otherwise prevail in the open market. The stabilising manager will not be required to enter into such transactions and such transactions may be effected on any stockmarket, over-the-counter market, stock exchange or otherwise and may be undertaken at any time during the period commencing on the date of the commencement of conditional dealings of the Ordinary Shares on the LSE and ending no later than 30 calendar days thereafter. However, there will be no obligation on the part of the stabilising manager or any of its agents to effect stabilising transactions and there is no assurance that stabilising transactions will be undertaken. Such

stabilising measures, if commenced, may be discontinued at any time without prior notice. In no event will measures be taken to stabilise the market price of the Ordinary Shares above the Global Offer price. Save as required by law or regulation, neither the stabilising manager nor any of its agents intends to disclose the extent of any over-allotments made and/or stabilisation transactions conducted in relation to the Global Offer. The stabilising arrangement described above only relate to the International Placing. There will be not be any stabilisation in respect of the Nigerian Placing.

Certain figures contained in this document, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum or percentage change of the numbers contained in this document may not conform exactly with the total figure given.