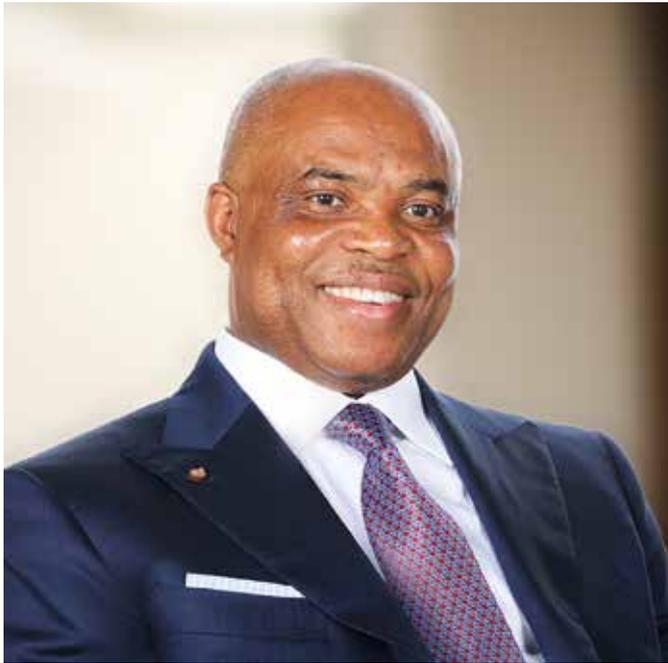


Delivering despite headwinds

Despite the obvious headwinds facing the sector we have made progress on all aspects of our strategy delivering best-in-class production and reserves growth, and transforming our gas business which achieved 185% year on year revenue growth.



A.B.C. Orjiako
Chairman

2015, our first full reporting year since our historic dual listing in the Nigeria Stock Exchange ('NSE') and the London Stock Exchange ('LSE'), has been one of strong operational performance against a difficult oil price environment. We exceeded our production target for the year, delivering 43,372 boepd and a 41% production increase throughout 2015. Despite the considerably lower oil price during the period we have remained profitable, and maintained the core dividend and a strong balance sheet. We have also grown the business through the acquisition of working interests in two new acreages in OMLs 53 & 55 and, most significantly, ramped up developments in our gas business.

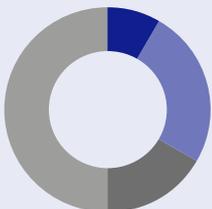
Like every other oil and gas company we have had to respond to the challenge of the collapsed oil price. We moved to reduce costs and pursued an extremely disciplined approach to capital expenditure. The strong fundamentals for the Nigerian E&P sector remain in place, and our strategy and business model remain unchanged. This year, we have demonstrated that even in a low oil price environment, Seplat's strategy and business model ensure that the Company remains profitable and well funded.

In March 2015, Nigeria held a peaceful general election, with the opposition party taking over the reign of power from the incumbent party, underlining the country's significant progress towards democratic stability. The new Government has set a key priority as the reform of the Nigerian National Petroleum Company ('NNPC'), improved security and the eradication of corruption. These are initiatives that we welcome. The indigenous oil and gas industry will benefit from the Government's desire to provide security and deliver improvements in pipeline network uptime, improve domestic refining capacity and performance, deliver guaranteed power supply to the nation, and create an environment that

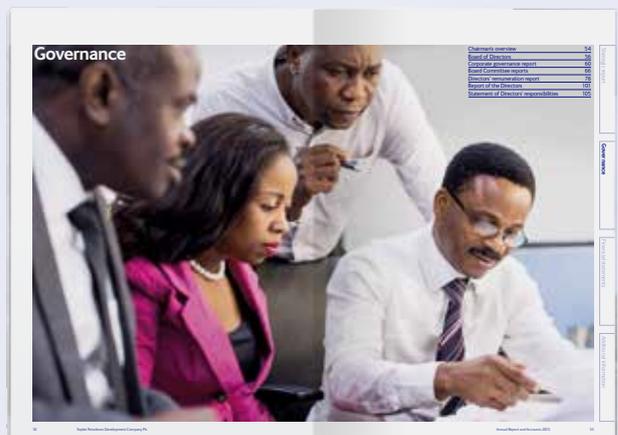
Governance

Seplat's Board of Directors is committed to the highest standards of corporate governance and to implementing and monitoring effective good governance policies and practices.

Board composition



● Chairman	1
● Executive Directors	3
● Non-Executive Directors	2
● Independent Non-Executive Directors	6



Governance:
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encourages the availability of capital. The early signs are positive and our excellent production performance is partly due to increased pipeline uptime in the second half of the year.

At the macro level, a slowdown in economic growth was witnessed in the second half of the year largely due to the impact of the lower oil price. Given the pressure that this places on the Government's resources, we deem it essential to open up the economy to promote private-sector investment. For Nigeria to continue on its upward trajectory, pipeline security and an improved power supply are crucial. Seplat has been a key supplier of gas for power generation in Nigeria, providing 86 MMscfd in 2015, about 25% of the total domestic gas supply. To meet the Government's 2020 target for power generation would require a tenfold increase in domestic gas production. Even the more modest IMF estimate of power generating capacity in 2020 would require domestic gas production to increase 166% from the current 1.2 Bscf/d to 3.2 Bscf/d and Seplat is committed to being a major driver of that production increase.

Given this opportunity, one of our key objectives in 2015 was the development of our gas business, which saw our processing capacity double to 300 MMscf/d and our plan is to increase that by a further 75% in 2016 to 525 MMscf/d. By 2020, we expect to be the largest supplier of gas to the domestic market. Already, we have seen that the increased gas revenue helped to offset the impact of the lower oil price and, given our strategically advantageous position to benefit from the planned expansion of the national gas infrastructure, we expect to see significant further growth in our gas revenues in the years ahead.

It is important to acknowledge that Seplat would not have been able to invest as significantly in its gas business without the Pioneer Tax Status ('PTS') that the Company was awarded in 2013. Seplat has fully re-invested the tax savings from its PTS status, with over US\$300 million invested in the gas business alone in the past three years.

Our position as Nigeria's leading independent E&P company has been reinforced in the past 12 months during which we delivered on corporate performance target despite the oil price volatility. Our resilience is testament to the quality of our business, our strategy, our management team and staff, and our adherence to strong corporate governance policies.

Seplat has a strong board comprised of reputable experts in the Nigerian and international oil and gas industry. This enables us to benchmark our governance policies against international standards and we remain focused on attaining the highest levels of corporate governance. This year we made a number of enhancements including making available to all staff an easy-to-read Code of Conduct handbook that documents our policies and guidelines regarding ethical standards, bribery and corruption, conflicts of interest, related party transactions, share dealing, and whistleblowing, to reiterate and embed our policy of zero tolerance for any form of corrupt practice by any employee or business partner. In addition, our Whistleblowing procedures were further strengthened to include external reporting lines and hotlines.

In these challenging times, it is the Board's duty to balance the capital requirements of the business with shareholder returns. To this end, an interim dividend of US\$0.04 per share was approved by the Board and paid in November 2015, and we are recommending a final dividend of US\$0.04 per share that will bring total payment for the full year to US\$0.08 per share, in line with our promise of continuous delivery of value to shareholders. My Board colleagues and I are fully committed to protecting the interests of all our shareholders and as before, will retain discretion over future dividend payments in 2016 and beyond.

A resounding success for the Company since its inception, and further built upon this year, has been the shared value model that was developed and agreed with our host communities. Since 2013, Seplat has created over 250 new jobs directly within the business and over one thousand further jobs through the Company's commitment to using local suppliers, therefore creating a multiplier effect. In addition, several infrastructure development projects have been completed for the direct socio-economic benefit of the local communities, such as the construction of roads, provision of clean water supply facilities, school buildings and electrification. Furthermore, we remain committed to the Seplat signature CSR programs such as the 'Eye Can See' program for various sight ailments, the 'Safe Motherhood' program to reduce infant and maternal mortality, and Education Scholarship programs. We are a Nigerian business and it is our responsibility to create shared opportunities and benefits for our local stakeholders. Critically, as we grow, it is vital that we replicate the positive and mutually beneficial relationships with our local communities that have protected our licence to operate. This strength of our community relationships is a key differentiator among operating companies. Our commitment to our local stakeholders is stronger than ever.

As always, our achievements over the past year were the result of the continued support and commitment from our employees and wider stakeholders. The drive for excellence across our business has propelled Seplat to be the leading Nigerian independent oil and gas company and we continue to count on our collective commitment to the Company's strategic goals to ensure we maintain that leading position.

The Board approaches 2016 with an ongoing zeal to deliver value for our shareholders. Our continued profitability, strong balance sheet and excellent operational performance leave us well placed to operate successfully in this low oil price environment and take advantage of the value-enhancing opportunities that arise as a result of these circumstances.

I remain confident in Seplat's future and look forward to reporting on another year of progress in twelve months' time.

Thank you.



A.B.C. Orjiako
Chairman