



## Seplat Petroleum Development Company Plc

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### **UPDATE ON DEPOSIT FOR INVESTMENT – AGREEMENT REACHED FOR RELEASE OF SUMS FROM ESCROW**

**Lagos and London, 9 July 2015:** Seplat Petroleum Development Company Plc (“Seplat”), a leading Nigerian indigenous oil and gas company listed on both the Nigeria Stock Exchange and London Stock Exchange, announces that it has reached agreement through its wholly owned subsidiary Newton Energy Limited (“Newton”) hereafter the (“Group”) for the release of sums from escrow that had previously been allocated as a refundable deposit against a potential investment.

Pursuant to an agreement reached by the Group, the sum of US\$408 million which was held in an escrow account has been released. The escrow account was originally set up in connection with a potential acquisition of an asset by a consortium, which Newton has an option to invest into. There have been material delays with the underlying acquisition, prompting Seplat to reach agreement with the consortium for release of the Escrow amount. The remaining US\$45 million of the US\$453 million which was allocated as a refundable deposit remains as a deposit with the potential vendors of the asset whilst negotiations between the consortium and vendors continue.

Certain recent events have led to the restart of negotiations by the consortium to secure the asset, and Seplat continues to work with them. As this process continues, and following the release of the Escrow amount, a sum of US\$29 million has been placed into a new escrow account in London, pending agreement of final terms of the acquisition transaction. The remaining balance of US\$368 million has been returned to the Group.

In the event that terms can be agreed for the potential acquisition of the asset by the consortium and Newton agrees to proceed with the investment, the funds in escrow will be released back to Newton. Should Newton at its discretion decide not to proceed with the potential investment, an additional payment of US\$20 million will be made to other consortium members with the remaining funds in escrow released to Newton.

Newton has also agreed to pay a portion of previously incurred consortium costs equating to US\$11 million, payable US\$3.5 million now and US\$7.5 million on a deferred basis.

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#### **Enquiries:**

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**Notes to editors**

Seplat Petroleum Development Company Plc is a leading indigenous Nigerian oil and gas exploration and production company with a strategic focus on Nigeria, listed on the Main Market of the London Stock Exchange ("LSE") (LSE:SEPL) and Nigerian Stock Exchange ("NSE") (NSE:SEPLAT).

In July 2010, Seplat acquired a 45 percent participating interest in, and was appointed operator of, a portfolio of three onshore producing oil and gas leases in the Niger Delta (OMLs 4, 38 and 41), which includes the producing Oben, Ovhor, Sapele, Okporhuru, Amukpe and Orogho fields. Since acquisition, Seplat has more than tripled production from these OMLs.

In June 2013, Newton Energy Limited, a wholly-owned subsidiary of the Company, entered into an agreement with Pillar Oil Limited to acquire a 40 percent participating interest in the Umuseti/Igbuku marginal field area within OPL 283. In February 2015, Seplat completed the acquisition of a 40 percent operated working interest in OML 53 and a 22.5 percent operated effective working interest in OML 55, Onshore Nigeria.

Seplat is pursuing a Nigeria focused growth strategy and is well-positioned to participate in future divestment programmes by the international oil companies, farm-in opportunities and future licensing rounds. For further information please refer to the company website, <http://seplatpetroleum.com/>