

# Strong operational track record

Seplat is underpinned by a high quality asset base and has invested to consistently grow oil production capacity. Looking ahead, we have a large inventory of production drilling opportunities in our current portfolio that we will high-grade and implement a work programme to exploit.



## 2018 production within guidance range

2018 full year average working interest production stood at 49,867 boepd and represents an overall increase of 35% year-on-year. Within this liquids production was up 44% year-on-year whilst gas production was up 27% year-on-year. The 2018 figures reflect an uptime level of 85% while overall reconciliation losses arising from use of third party infrastructure were around 8% for the year.

## Multiple oil export routes to de-risk access to market

Seplat's policy is to establish multiple export routes for all of its current and any future oil producing assets. This resulted in the Company actively pursuing alternative crude oil evacuation options for production at OMLs 4, 38 and 41 and potential strategies to further grow and diversify production in order to reduce any over-reliance on one particular third party operated export system. In line with this objective, repairs and upgrades undertaken on two jetties at the Warri refinery in 2017 provide a back-up option that can sustain exports of 30,000 bopd (gross) if required in the future. Longer term, the Amukpe to Escravos 160,000 bopd capacity pipeline will provide a third export option for liquids production at OMLs 4, 38 and 41 once completed in 2019. With line of sight on the availability of three independent export routes it is Seplat's ultimate intention to utilise all three to ensure there is adequate redundancy in evacuation routes, reducing downtime which has adversely affected the business over a number of years, significantly de-risking the distribution of production to market.



➤ See our operational review on page 52

## A safe and responsible operator

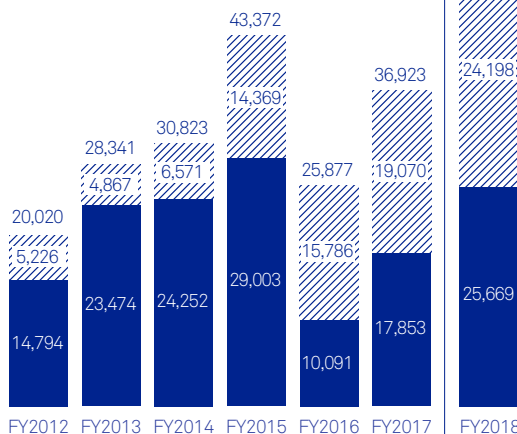
The health and safety of our people and communities together with minimising our environmental impact are at the core of how we conduct our business. We have been working to deliver safe and reliable processes in our business since we began operations in 2010 and have taken a proactive approach to HSSE management to ensure continual improvement towards our clearly defined key performance indicators. In 2018, we continued to promote best practice operating procedures and a safe culture at every Seplat location.

In tandem with this we have built strong relationships with our host communities since inception, promoting trust and confidence amongst the various stakeholders, ultimately resulting in a stable environment at our operated facilities and infrastructure. In December 2010 (renewed in 2016), we entered into a five year Global Memorandum of Understanding with the host communities within OMLs 4, 38 and 41 and established a trust fund structure for projects based on sustainable development principles. These initiatives seek to support capacity building, community participation and enhance quality of life through provision of high-standard healthcare, education and development programmes. Since 2011, we have not suffered a single day of production downtime due to disruption at our operated facilities and infrastructure. It is this successful model of engagement that also forms the basis of our community engagement activities at our other operated assets.



### Strong operational track record (boepd)

■ Oil production  
 ▨ Gas production



**85%**

Production uptime in 2018 and reconciliation losses around 8%

**35%**

Overall production increase in 2018