2015
ANNUAL REPORT & ACCOUNTS

NIGER DELTA
Exploration & Production Plc

Aerial View of Ogbele Flow Station

COVER IMAGE

The cover image is a photograph by **Christian Vaccese**, titled ***Man vs Wave***. We chose it as the front cover as it captures the experiences of the organisation in 2015. In dramatic and uncertain times, not only are we standing, but we are resolutely moving forward to achieve our goals.

CONTENTS

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twenty First (21st) Annual General Meeting of the members of NIGER DELTA EXPLORATION & PRODUCTION PLC will hold on Thursday the 28th July 2016, at the Agip Hall of the MUSON Center, No. 8/9 Marina, Onikan, Lagos at 11:00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To lay before the members the Audited Financial Statements for the year ended 31st December 2015 and the Report of the Directors, Auditors and Audit Committee thereon.
2. To declare a dividend
3. To re-elect Directors retiring by rotation.
4. To ratify the appointment of new Directors
5. To re-appoint the Auditors
6. To authorize the Directors to determine the remuneration of the Auditors.
7. To re-elect/elect members of the Audit Committee.

SPECIAL BUSINESS

8. To fix the remuneration of Directors for the year ending 31st December 2016.

9. To consider and if thought fit pass the following resolutions as Special Resolutions:
   i. That the Directors be and are hereby authorised, subject to the approval of the appropriate regulatory authorities, to terminate the process of subdividing the nominal value of each of the Company's ordinary shares from N10 into N0.50, and to file a new Form CAC2 at the Corporate Affairs Commission accordingly.
   ii. That the Directors are further authorized to take any and all necessary steps to maintain the status quo being the retention of theN10 nominal value of each of the Company's ordinary shares.

10. To consider and if thought fit pass the following resolutions as Special Resolutions:
    i. That the Directors be authorised, subject to the approval of the appropriate regulatory authorities, to take all steps necessary to effect the conversion of the Convertible Loans of up to US$100 Million made to the company under its ongoing funding program into equity in the company through the issuance of up to 44,843,049 ordinary shares of N10.00 each to the respective Lenders at a fixed price of US$2.23 (Two dollars and Twenty-Three cents) only, per share.
    ii. That the Directors be and are hereby authorized, subject to the approval of appropriate regulatory authorities, to allot up to 44,843,049 ordinary shares of N10.00 each at the price stated in (i) above, and to take all such incidental, consequential and supplementary actions and to execute all requisite documents as are necessary to give effect to the above resolutions.

Dated this 21st June 2016

BY ORDER OF THE BOARD

T. Omisore.

Titilola O. Omisore

COMPANY SECRETARY

FRC/2013/NBA/00000003574

NOTES:

i. PROXY

A member of the company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his/her place. A proxy for a corporation may vote on a show of hands and on a poll. A proxy need not be a member of the company.

To be valid, a Proxy Form, if intended to be used, should be duly stamped by the Commissioner for Stamp Duties and deposited at the Registered Office of the Company being 15 Babatunde Jose Road, Victoria Island, Lagos, not later than 48 hours before the time fixed for the meeting.

ii. DIVIDEND

If dividend of N2:00 (Two Naira Only) per every ordinary share recommended by the Board of Directors is approved and declared, shareholders whose names appear in the Register of Members as at the close of business on the 23rd June 2016, will have their dividend warrants dispatched to them immediately.

iii. AUDIT COMMITTEE

In accordance with Section 359(5) of the Companies and Allied Matters Act Cap C20 Laws of the Federation of Nigeria 2004, any member may nominate a shareholder as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 (Twenty-One) days before the Annual General Meeting.

iv. DIRECTORS RETIRING BY ROTATION

In accordance with the provisions of the Company's Articles of Association, Mr. Ladi Jadesimi, Mr. Thierry Georger and Mr. Osten Olorunsola retire by rotation.

v. RATIFICATION OF NEW DIRECTORS

Pursuant to Section 249 of the Companies and Allied Matters Act Cap C20, 2004, and Article 95 of the Company's Articles of Association, the Board of Directors have appointed Mr. Cyril Odu and Engineer Afolabi Oladele as additional directors. Their appointment is by virtue of the Company's Articles of Association eligible for ratification by the Shareholders.

vi. AGE DECLARATION

In accordance with Section 252 (1) of the Companies and Allied Matters Act Cap C20 Laws of the Federation of Nigeria 2004, Mr. Ladi Jadesimi intends to disclose at the Meeting that he is over 70 years of age.

Aerial View of the Ogbele Field

THE BOARD OF DIRECTORS

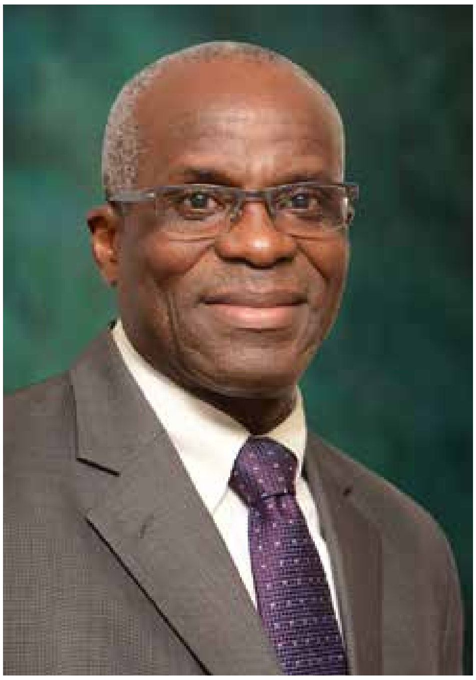
Mr. Goodie Ibru (OON)

Mr. Goodie Ibru (OON)

Chairman

A lawyer by training, Mr. Goodie Ibru graduated LLB (London) from the Holborn College of Law in 1965 and was called to the English Bar (Inner Temple) in 1966 and is currently a Principal Partner in the Law firm of G.M.Ibru & Co. An astute entrepreneur and businessman, he is well established in the hotel and hospitality industry in Nigeria and is the Chairman of Ikeja Hotels Plc, owners of the Lagos Sheraton Hotel & Towers and the Abuja Sheraton Hotel & Towers. He is also the Chairman of The Tourist Company of Nigeria Plc, owners and operators of the Federal Palace Hotel & Suites Victoria Island, Lagos.

Mr. Ibru is involved in many business associations and is a Past President and Chairman of the Council of the Nigerian Stock Exchange. He is also currently, the Honorary Consul of the Republic of Lithuania in Nigeria, Executive Vice President (West Africa Chapter) African Business Round Table, Chairman NEPAD Business Group and Vice President Lagos Chamber of Commerce. He remains on the board of several companies including The Guardian Press Ltd.; Dunlop Nigeria Plc and Crusader General Insurance Plc. He is an Officer of the Order of the Niger (OON).



Dr. 'Layi Fatona Ph.D., M.Sc., DIC, FNAPE

Dr. 'Layi Fatona Ph.D., M.Sc., DIC, FNAPE

Managing Director

Dr. 'Layi Fatona is a Petroleum Geologist with over forty-two years of practice, commencing with a seven year stint in the Petroleum Engineering and Exploration & Production Departments at The Shell Petroleum Development Company of Nigeria Ltd (SPDC). He obtained both the Master of Science and Doctorate degrees from the Royal School of Mines at the Imperial College of Science Technology and Medicine, University of London, in 1976 and 1980 respectively. He is the Chairman of Geotrex Systems Limited, Nigeria's foremost independent Exploration & Production Consultants, which has offered expertise to all the major oil operators in the country. He is a past President and Fellow of NAPE and a Certified Petroleum Geologist of the American Association of Petroleum Geologists (AAPG).

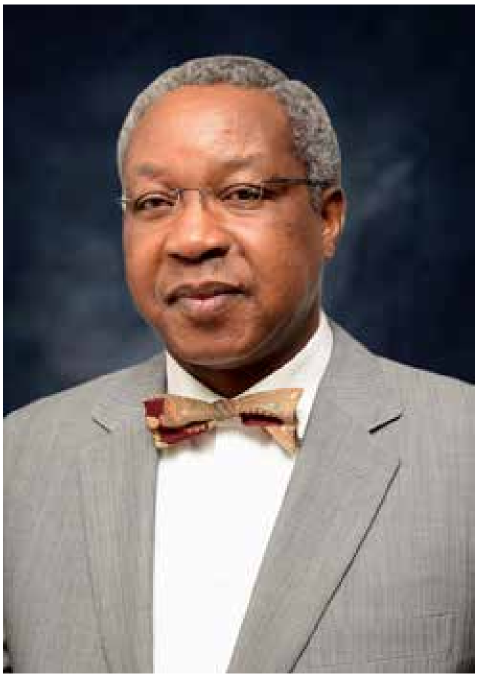
A 2010 recipient of the prestigious Aret Adams Award, bestowed by NAPE, Dr. Fatona is also a leading authority on the geology of the Niger Delta Oil and Gas Province. In 2011, Dr. Fatona was a Finalist for the Ernst & Young Entrepreneur of the Year Awards, West Africa 2011, Master Category.

Mr. Thierry Georger

Mr. Thierry Georger (French)

Director

Mr Georger joined the Petrolin Group (Switzerland) in 1995 and is responsible for all crude oil trading activities, including the sale of crude oil cargoes (approx. 60,000 barrels per day) from West Africa and the Far East. He is also responsible for operations on spot and short term contracts, in varied regions, including West Africa, Russia, the Middle East, Asia, South America and Egypt. Reporting directly to the Chief Executive Officer, he is responsible for all aspects of contracts including negotiation, credit exposure, legal requirements, logistics and the freight, sale and pricing mechanics. Mr Georger has a Master Degree in Commercial and Industrial Sciences from the University of Geneva, Switzerland.



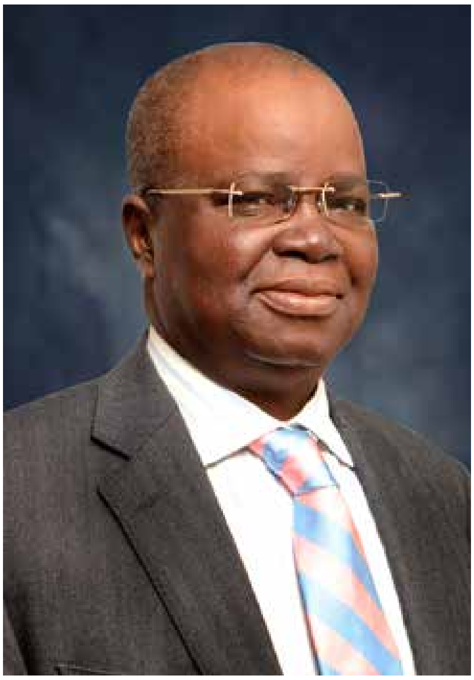
Mr. Osten A.O. Olorunsola

Mr. Osten A.O. Olorunsola

Director

Mr. Olorusola graduated with an Honours degree in Geology from the University of Ilorin, Nigeria and is a skilled Petroleum Engineer. After working at Agip-ENI, He then joined SPDC Limited as Production Geologist, and subsequently served in several positions, including Lead Geologist, Petroleum & Development Engineering Manager for SNEPCO, Business Interface Manager (BIM), before retiring as Vice President (Gas). Mr Olorusola then served the nation as Director, DPR, drawing from his experience as adviser to two Ministers of Petroleum Resources. Mr. Olorusola is currently Chairman and Chief Executive of both Capital One Energy Ltd and Energetikos Ltd.

The Board of Directors

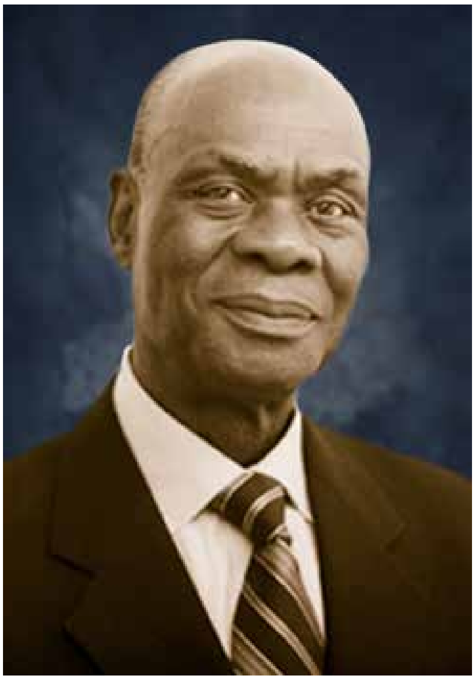


Mr. Ede Osayande

Mr. Osayande Ede

Director

Mr. Ede Osayande is a Capital Market Specialist with over 30 years of experience in Banking and Finance. He has served in key areas of finance, including governance, financial analysis, risk management, banking operations and regulatory Compliance. He is also the former Bank Treasurer and Chief Accountant at PricewaterhouseCoopers Nigeria. He is an Economics graduate of the University of Benin and obtained an MBA from the University of Lagos. He is currently a Director of LAPO Microfinance Bank Limited and GSCL Consulting, formerly known as Global Strategic Research Outcome Limited.



Professor S. J. S. Cookey

Professor S. J. S. Cookey, *OFR, KSC, Ph.D.*

Director

An astute Administrator and renowned historian, Professor Cookey undertook his Doctorate at the London School of Economics and Political Science (LSE), University of London, in International History. He is a retired Professor of History and a former Vice-Chancellor of the University of Port Harcourt as well as Pro-Chancellor of Obafemi Awolowo University, Ile Ife, Osun State, Nigeria. Earlier in his career, he was the Chairman at the Department of Afro-American Studies, State University of New York, Binghamton USA (1972-74) and at the Department of African Studies, Rutgers University, New Jersey USA (1974-80), and member of the UNDP-GEF (Global Environmental Facility) Mission to Kenya, Zimbabwe, Ghana and Mali. Professor Cookey was awarded the D. Sc. (Honoris Causa) of the University of Port Harcourt and is an Officer of the Order of the Federal Republic of Nigeria (OFR).

Mr. Ladi Jadesimi

Mr. Ladi Jadesimi

Director

A former Partner of Arthur Anderson in Nigeria, Mr Jadesimi is a graduate of Oxford University (Jurisprudence, 1966) and is a Fellow of the Institute of Chartered Accountants, England and Wales. Mr. Ladi Jadesimi is a Chartered Accountant, with over 15 years of practice and took early retirement from practice to engage in private business, primarily in banking, oil and gas and real estate. Mr Jadesimi serves on the board of several companies, including First City Monument Bank (FCMB) as a Non-Executive Director.

Mr. Femi Balogun

Mr. Femi Balogun

(Executive Director- Finance)

Mr. Femi Balogun is a Chartered Accountant with over thirty-five years working experience in the finance sector. He graduated from the University of Ibadan in 1973 with a BSc in Chemistry and Geology. He later became an Associate of the Chartered Institute of Taxation in London in 1979. He is a member of the ACCA and ICAN. He practiced as an accountant and started working with Shell Petroleum Development Corporation of Nigeria (SPDC) in 1980 as a Senior Internal Auditor. He later joined the Yinka Folawiyo Group as Group Finance Controller in 1983 and worked there till he joined the International Institute for Tropical Agriculture (IITA) as Finance Manager in 1988. In 1994 he returned to the Oil & Gas Industry and started working for Oilscan Limited in Port Harcourt as the Executive Director (Finance). He has been with NDEP since 2003.

The Board of Directors

Mr. Nuhu Adaji

Mr. Nuhu Adaji

(Executive Director-Technical)

Mr. Nuhu Adaji is a highly skilled oil and gas specialist, with over 30 years of experience. After graduating with a BSc in Mechanical Engineering from the University of Manchester, Mr Adaji began his career as a Well Site Petroleum Engineer at the Shell Petroleum Development Company of Nigeria (SPDC) in 1976. Highlights from his career at Shell include an international posting to Brunei Shell Petroleum (BSP) in 1989 as a Senior Production Technologist, an appointment as Head of Production Technology Information Technology (PT IT) and in 2003, an appointment as the Corporate Chief Production Technologist for SPDC. Mr Adaji left Shell in 2004 to start an independent petroleum industry services consultancy. He joined Oando Exploration & Production Limited as Chief Technical Officer in 2009, before joining NDPR Ltd as Gas Business Adviser in 2010. Mr Adaji is also a member of the Society of Petroleum Engineers.

MANAGEMENT TEAM

Ms. Titi Omisore
(Company Secretary/Legal Adviser)

In addtion to Dr 'Layi Fatona, Mr Femi Balogun and Mr Nuhu Adaji who are featured in the Board section of this report, Ms Titi Omisore is a member of the NDEP Plc Managment.

Ms. Titi Omisore graduated with a BA (Political Science), and an LLB from the University of Illinois, Champaign Urbana, and the University of Buckingham respectively. Thereafter, she obtained her BL from the Nigerian Law School. She started her working career with Strachan Partners in 1993. In 1999 she attended Kings College, University of London where she obtained a Masters degree in Tax Law. Ms. Omisore returned to Strachan Partners where she was made a Partner, before joining NDEP as the Company Secretary and Legal Adviser, in 2001.

CHAIRMAN'S STATEMENT

Mr. Goodie Ibru (OON)

Esteemed Ladies and Gentlemen,

Welcome to the 21st Annual General Meeting for NDEP Plc.

I am deeply honored to present the NDEP Plc Annual Report & Accounts, for the 2015 Financial Year - a milestone year for your Company.

In August 2015, NDEP plc, through NDPR Ltd, successfully attained 10 years of consecutive, uninterrupted oil production from the Ogbele Oil & Gas Field. Given the challenges of the local operating environment, the enduring relationship we have with our host communities is truly remarkable. I am grateful to the work of the CASHES team, through the Host Community Development & Environment Trust, for ensuring host community residents are true partners in the NDEP success story.

Since my last report to you, there have been several developments within the global economy. Many macro and micro trends first seen in 2014, intensified in 2015, to the detriment of the global and Nigerian oil and gas industry. Overall, 2015 was a trying year for Nigerian industry as a whole and your Company was not exempt.

It was a mixed year for NDEP Plc, reflected in the financial results. While the Company's corporate objectives of increasing production and reserves were achieved, this resulted in a loss directly related to the price of oil.

Yet without the timely planning and foresight demonstrated by the NDEP Plc Board and Management, your Company would have fared worse. Many oil and gas companies worldwide are in distress, however, we are still forging ahead. Careful spending reviews and cost cutting initiatives have ensured that your Company is operating efficiently, with marked year-on-year increases in oil, gas and diesel production in 2015.

CHAIRMAN'S STATEMENT *continued*

Furthermore, the future plans for the company give cause for cautious optimism. Since the inception of your Company in 1992, many hurdles have been overcome and impressive milestones attained. Your Company is resilient and has an experienced Board and Management team to navigate the choppy waters that lie ahead. NDEP Plc is well positioned for the future.

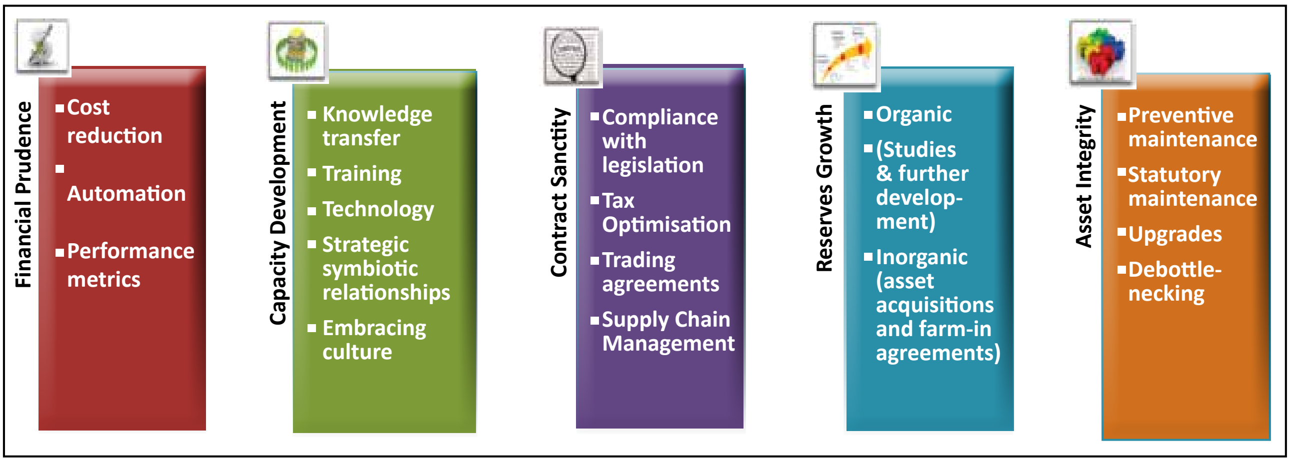
To place the 2015 experience of NDEP Plc in context, permit me to give a more detailed overview of global and local market conditions.

The Global Economy

Since the financial crisis of 2008, global economic growth remains subdued. 2015 was a modest year for the global economy, with projected growth of 3.1 %, slightly lower than 2014 (IMF). According to the IMF, three key transitions shaped the global economy in 2015 and into 2016, namely the gradual slowdown and rebalancing of economic activity in China, lower prices for energy and other commodities, and a gradual tightening in monetary policy in the United States in the context of a resilient U.S. recovery. The interplay of these transitions affected countries differently and within a global context of tepid growth, some countries performed better than others.

Advanced economies slightly improved, led by the USA and the UK, with more lukewarm performance from the Euro-zone and Japan. The pickup in advanced economies was tempered by lower growth in commodity exporting countries, particularly in Canada and Norway. Growth in emerging market and developing economies, declined for the fifth consecutive year, while still accounting for over 70 % of global growth (IMF). The decline was caused by a drop in commodity prices, tighter global financial conditions and more modest global growth (IMF).

STRATEGY



CHAIRMAN'S STATEMENT *continued*

NDPR members of staff at Ogbele

The slowdown in China and other emerging economies also contributed to the decline in commodity prices. Reduced demand weakened commodity prices and has negatively affected commodity exporting countries worldwide, leading to currency depreciation and higher inflation. Of particular relevance to your Company, the decline in the price of oil had a deep and lasting impact in the period under review.

Oil prices exhibited a clear downward trend since the second half of 2014, with a drop to less than $60/b on average in December 2014 and an average of less than $50/b in 2015 (OPEC). The lower prices reflected global oversupply, weaker global demand and the prospects of higher future output following the nuclear deal with the Islamic Republic of Iran.

Across the industry, there have been several consequences of oil price instability: many projects have been deferred or cancelled, dividends have been cut, rig counts have fallen, investment has reduced, and mass layoffs have occurred. Some companies have even folded up. We are reminded of the cyclical nature of the industry and the importance of diversification and long term planning. Your Company continues to take this approach to mitigate the uncertainties of the industry, while operating efficiently in a low oil price environment.

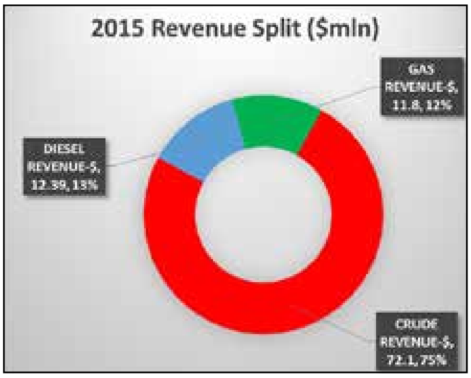
Africa

For decades commodity prices have shaped Africa's economic outlook, in part due to the legacy of colonialism. The continent is home to a high proportion of the world's mineral reserves, precious metals, oil and diamonds. As such, the decline in oil prices and other commodities inevitably had a negative effect on Africa in 2015, with slower growth of 4.1 % in 2015, down from 4.5 % in 2014.

The ongoing expansion of non-oil sectors and infrastructure investment is expected to lift growth in Africa in 2016, although lower commodity prices will continue to dampen activity in countries that export metals and other key commodities. (World Bank: 2015)

If managed well, lower commodity prices provide an opportunity to promote meaningful diversification, introduce reforms and transform economies. Already, Angola has removed its fuel subsidy and Nigeria may follow suit in the future. NDEP Plc is also considering low cost entry opportunities in Africa that will potentially add value and expand the operational footprint of your Company.

CHAIRMAN'S STATEMENT *continued*



Nigeria

Nigeria also succumbed to lower growth in 2015. The IMF estimated that Nigeria's economy grew by just 2.8-2.9 % in 2015, down considerably from an average of 6.8 % in the decade to 2014. Growth of less than 3 % will be negligible against Nigeria's population growth, painting a pessimistic picture for Africa's largest economy.

Nigeria was hit hard by the collapse in the oil price, with oil exports dramatically reducing Nigeria's revenue, forex earnings and its ability to maintain adequate reserves. Data from the Nigerian Bureau of Statistics show that the value of Nigeria's crude oil export for the nine month period January - September 2015, represented a decline of 45.39 % or N4.4 trillion when compared to crude oil export of N9.7 trillion recorded in the same period in 2014.

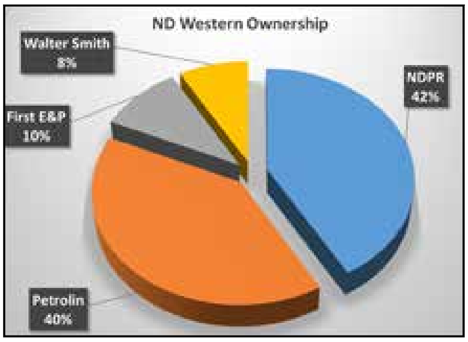
This decline led to a weakened currency. The naira was devalued to the dollar first in 2014, and then in early 2015 to N155 and then to N199. As at time of writing, the Central Bank remains committed to keeping the official naira exchange rate stable against the US$, however, forex restrictions have led to distortion, with a widening gap between the official and parallel rates and a scarcity of dollars, which has increased business costs. Inflation rose to an annual rate of 9.6% in December 2015 (NBS) due to growth in food inflation, increases in importation costs, and transport challenges due to PMS supply shortages. Inflation has exceeded the central bank's target range of 6-9%, further increasing pressure on household disposable income and corporate spending.

Sadly, insecurity also negatively affected Nigeria in 2015. Boko Haram has hurt the economy by limiting agricultural production and free movement of Nigerians in the North East part of the country. Instability in the oil producing areas of the country also continued, with pipeline vandalism, crude oil theft and shut-ins being adverse features of the industry. All these contributed to a more challenging operating environment.

Positively, anticipated violence in connection to the 2015 elections did not materialize. The opposition party, APC, defeated the ruling party, in what was widely considered a peaceful and fair election. Since taking office, President Muhammadu Buhari GCFR, has introduced wide ranging reviews and reforms, especially within the oil and gas sector.

A new Group Managing Director (GMD) of the Nigerian National

CHAIRMAN'S STATEMENT *continued*



Petroleum Corporation (NNPC), Dr Ibe Kachikwu, was appointed to spearhead reforms and promote profitability. The NNPC is set to be restructured into seven divisions. Regarding the long awaited PIB, media reports suggest that the Bill will be broken up into smaller, more manageable pieces of legislation. Your Company will continue to monitor its changing operating environment, to stay abreast of industry and regulatory changes.

NDEP Plc in 2015

As stated, 2015 was a mixed year for the company, and the collapse in oil prices affected the Company's financial results. Revenue dropped by 12% from N19.3bn in 2014 to N17bn in 2015. While production was at a high level, crude proceeds were low, given reduced oil and gas prices.

Profit before tax was down compared to last year, from N12.1bn to N1.6bn, again due to the oil price collapse. The write-back of redundant provisions including deferred tax and an accumulation of capital allowances, allowed the Company to maintain a modest profit before tax position.

Currency devaluation also pushed up the cost of doing business for your Company. Fortunately, your Company was cushioned in part by diesel production, which provided a much needed revenue stream. This demonstrated the value of being an integrated operating company, with a diversified income stream.

Production

The drilling campaign continued in 2015, with more wells completed. In light of the low oil price, your Company prudently suspended its drilling campaign in the second half of 2015, until there is a turnaround in the industry. Fortunately, most projects were close to completion. For the year crude oil production was 1.4MMbls, a marked increase compared to 1.2MMbls in 2014. Unfortunately, NDPR Ltd was affected by the repeated shut down of the key Trans Niger Pipeline in 2015. This constrained our oil exports and production during the year under review.

Total Gas Production was at 12.185BScf, again, up significantly from 2014. This was made up from 1.112Bscf of Associated Gas (AG) and 11.073Bscf Non Associated Gas (NAG) and enabled your Company to comfortably meet its contractual obligations.

CHAIRMAN'S STATEMENT *continued*

From the Ogbele Mini Refinery, 20MMLtrs. (127kbls) was produced, resulting in more than 60MMLtrs. diesel sold directly into the domestic market since commissioning of the plant. Again, this is a marked increase against what was produced in 2014. Due to the profitability of the Mini Refinery, plans to increase its capacity from 1,000bbpd to 6,000bpd were approved in 2015. This will generate additional income for your Company, especially in a low oil price environment.

NDPR Ltd remains firmly committed to supporting and complying with the Government policy on Gas Flare Out, and became the first independent Nigerian oil and gas producing company to endorse the World Bank 2030 Global Gas Flares Out initiative. In 2015, NDPR was recognized by the World Bank Global Gas Flare Reduction Group for the efforts in reducing routine gas flaring and for successfully demonstrating this landmark achievement in the Ogbele Field. This was another impressive achievement for NDPR Ltd.

Dividend

Given the uncertain operating environment and moderate performance of your Company in the period under review, the Board has recommended a dividend payment of N2 per share. While undoubtedly a more modest payment when compared to previous years, I am pleased to state it will be our 9th year of consistent dividend payment, demonstrating our commitment to long term shareholder value.

Capital Raising

Although much work was undertaken, the Company's stated objective of raising additional capital was not achieved in 2015. Since NDEP Plc commenced the capital raising exercise, global oil prices have dropped considerably, which have negatively affected investor appetite for oil and gas investment. Many investors are waiting for stability before returning to the sector.

However, in 2015 and into 2016, Management had advanced discussions with an Investor group, who expressed serious interest and put forward an offer. A Virtual Data Room (VDR) and Physical Data Room (PDR) were set up in June 2015 and equipped with all relevant data to aid the painstaking Due Diligence (DD) process. The DD process, originally meant to be a 5-week exercise, commenced on 31st August 2015 and was concluded in January 2016. As of time

CHAIRMAN'S STATEMENT *continued*

First Oil at Ogbele

of writing, we have completed all requirements for the first tranche of $80m and are awaiting drawdown.

Changes to the Board

Mr Femi Balogun, who has been the Finance Director of the Company since 2012, retired from the NDEP Plc Board on 31 December 2015. Mr Balogun contributed vastly to the smooth financial running of the organization, more recently overseeing the successful introduction of IFRS accounting standards and the SAP business software. We wish him all the best in his retirement.

I would like to introduce and welcome Mr Deji West who assumed the position of Finance Director, on 1 January 2016. Mr West comes with extensive industry knowledge, and has an in-depth understanding of commerce, finance and accounting from his experience in several industries – including consulting, banking, manufacturing and oil and gas. Previously, Mr West was Finance Director at Afren Nigeria and Group CFO for the Sahara Group. We look forward to working with Mr West and we are confident he will add value to your Company, especially at such a crucial time in its operations.

Future

Your Company must look to the future as better times lie ahead. The capital raising exercise, once completed, will inject significant cash into your Company and NDPR to fund its operations more cost effectively. The impact of the cost cutting exercise ensures that NDEP Plc is operating leanly and efficiently. The Managing Director will outline in his own report that there are a number of operational activities scheduled for 2016 and beyond. These will expand participation in the domestic oil, gas and refining arena, while also continuing to scout for low cost entry opportunities the in Sub-Saharan region. All these developments will continue to set a platform for your Company and ensure it is strong and positioned positively for years to come.

Conclusion

While 2015 was indeed a challenging year, we have several reasons to be cautiously optimistic. From the expected injection of capital that the conclusion of the fundraising exercise will provide, the continued benefits of being an integrated oil and gas Company via the diversification of the Ogbele field, as well as an expansionist approach to our operations, in Nigeria and in Sub Saharan Africa.

Mini Refinery at Ogbele

All these will promote and sustain long term growth and shareholder value. In these uncertain times, you need an experienced team at the helm. This is not our first down cycle, and we have learned from experience to invest in uncertain times to be able to harvest appropriately when the environment improves.

Irrespective of the global industry uncertainties, we are committed to retaining and training our workforce. The journey of NDEP plc thus far would have been impossible without the input and dedication of all staff. 'The combination of proactive management, and a dedicated Board, who govern policy and capital expenditure, we believe the Company is appropriately and favorably positioned for 2016 and beyond.

Appreciation

I would like to use this medium to thank all of our stakeholders for the support. In our fast paced industry, oftentimes it is easy to overlook those who are at the coalface of our operations. I acknowledge the work and dedication of the management and staff of the company in the day to day operations and furtherance of your Company's goals. To my fellow Directors on the Board of NDEP Plc and members of the Audit Committee, I commend the diligence with which you scrutinize the Company's affairs. To the many shareholders that believed in the vision of our founding fathers, I thank you for your longstanding support and encourage you that the best is yet to come. We have already come so far!

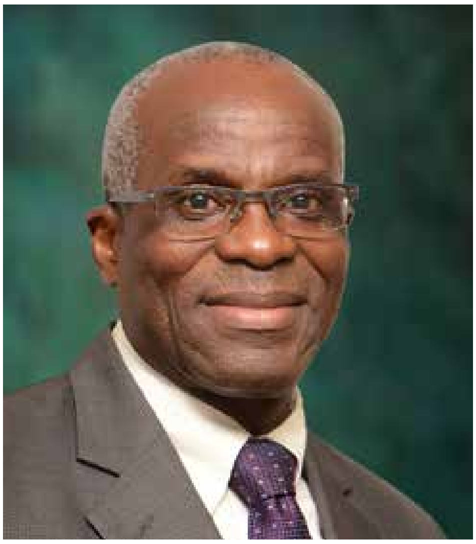
Finally, I recognize our host community residents. Attaining 10 years of consecutive production from the Ogbele Field would not have been possible without your support and co-operation. We anticipate many more years of mutually beneficial interaction and to the industry regulators, we commend your effects to improve the Nigerian oil and gas industry, for now and future generations.

Mr Goodie Ibru OON

Chairman

20th June 2016

MANAGING DIRECTOR'S STATEMENT



Dr. 'Layi Fatona Ph.D., M.Sc., DIC, FNAPE

Distinguished Shareholders,

It is yet again my honour to present to you a comprehensive review of our operational, social and financial performance for the year 2015. We continued to operate in an industry, highly characterised by uncertainties, complexities and diverse challenges. This was even more evident in 2015, as we witnessed a sharp drop in global crude oil prices, tougher economic conditions, and wide spread changes in our domestic polity and politics.

In spite of these complex dynamics, I am able to reconfirm to you, that your Board of Directors, Management and Staff, remained persistently focused with high performance targets, set for everyone, and for everyday of the past challenging financial year. Being a very difficult year, and even though I am only able to report of modest results, your considered understanding of the environment we operated in, nationally and internationally, will provide and give the requisite foundation on which we present the fundamentals behind our results.

INTERNATIONAL AND NATIONAL ENVIRONMENT

Despite forecasts for an obvious rebounding of the global economy post the 2008-09 recession, analysts are in agreement in their assessment that 2015 recorded 'disappointing' economic figures worldwide. Global Gross Domestic Production (GDP) growth was estimated to be 3.0% compared to 3.3% in 2014. The Organisation of Petroleum Exporting Countries (OPEC) records that this drop in GDP was as a result of the slowdown in emerging and developing markets, in addition to lower GDP in commodity producing countries, volatility in China and a decline in industrial production in the US (OPEC).

According to the World Bank's estimate, growth rates for emerging markets was 2.4%, and 4.3% for developing economies. East Asia Pacific recorded lower than expected growth rates of 6.4%, resulting from weak growth in commodity exporters like Malaysia and Indonesia. Estimates for Europe and Central Asia were 2.1% predominantly due to the shrinkage of 3.8% recorded by the Russian Economy.

In 2015, crude oil production was 95.62MM bbd, an increase from 93.30MM bbd in 2014. Non-OPEC production accounted for 57.43MM bbd in 2015, up from 56.06MM in 2014, and OPEC

MANAGING DIRECTOR'S STATEMENT *continued*

production accounted for 38.19MM bbd in 2015, from 37.24MM bbd in 2014 (EIA estimates). Global demand for crude oil increased from 92.8MM bbd in 2014 to 94.8. Increased global crude oil inventories (95.6MM bbd) resulted in oversupply, and a reciprocal drop in crude oil prices.

The fall in crude oil prices which began in late 2014, continued all through 2015. Brent spot price fluctuated between a high of US$64.08/bbl in May and an abysmally low of US$38.01/bbl in December (EIA). Although this resulted in lower import bill for crude oil importing countries, it also resulted in reduced crude revenue for exporting countries. Oil exporting countries saw dramatic reduction in their export earning, increased deficits in budgets, and contraction of their GDPs. It is estimated that approximately 90% of Saudi Arabia's revenue is generated from crude oil. The implication of this was higher budget deficit, lower spending, reduced job creation etc. For Russia, being dependent on crude income for half of its budget and 70% of its export bill, the fall in crude oil price was estimated to result in US$20bn loss in revenue per dollar fall in oil price. The ripple effect of this is evident in the collapse of the Rouble, increased interest rate and shrinkage of the economy by 3.8%.

In Nigeria, crude oil accounts for an estimated 11% of Gross Domestic Product, 70% of Government's income, and 94% of total export revenue (PWC Estimates). As a result, declining crude oil prices, in addition to other supply issues, resulted in economic growth of 3% in 2015, compared to 6.3% in 2014. With the non-oil sector accounting for 89% of the economy in 2015. Agriculture was recorded to have contributed 23% of total GDP, Industry and Construction, 16%, and Information and Communication 10%, and for the first time these sectors equaling or outperforming the Oil and gas industry.

The impact of the fall in crude oil price, and a slowdown of economic activities, invariably led to a fall in both corporate taxes, consumption and lower portfolio inventories and foreign direct investment. All together, these resulted in decreased government revenue for 2015. According to the National Bureau of Statistics, portfolio and direct foreign investment fell from US$20.9bn in 2014 to US$9.6bn in 2015

MANAGING DIRECTOR'S STATEMENT *continued*

Flow Station showing Tank Farms

In early 2015, Nigeria conducted its quadrennial general elections amidst widespread political apprehensions, insurgency and predictions of an eventual instability in the country. The Presidential and National Assembly elections held on 28 March 2015, and the Governorship and State Assemblies elections on 11 April 2015. Notable of the election outcomes was the victory for the APC candidate in the Presidential election, defeating the incumbent president at the time. On May 29, former President Goodluck Jonathan handed over power to his successor President Muhammadu Buhari.

On 22 December 2015, the President presented the 2016 Budget to the joint sitting of the National Assembly. The focus of which was on addressing youth unemployment, infrastructural development, promotion of diversification through import substitution and export promotion, and reflation of the economy. The proposed budget of ₦6.08tn, with revenue projection of only ₦3.86tn was expected to result in a deficit of ₦2.22tn. This, to be financed from domestic borrowing (₦984bn), foreign borrowing (₦900bn) and projected increase in revenues and reduction of overheads.

Contributions to total revenue in the budget were;

- Oil related revenues – ₦820bn
- Non-oil revenues – ₦1.45tn
- Independent revenues – ₦1.51tn

Capital expenditure was projected to be ₦1.8tn up from 2015 budget figure of ₦557bn, non-debt recurrent expenditure at ₦2.65bn, up from ₦2.59tn budgeted in 2015. A proposed Sinking Fund of ₦113tn was introduced in the budget proposal for the retirement of maturing loan, and ₦1.36tn for foreign and domestic debt servicing.

Key assumptions for the proposed 2016 Budget were;

- Crude oil Production at a level of – 2.2 MM bbl/d
- A benchmark oil price of US$38/bbl
- Naira to Dollar exchange rate of ₦197/$1

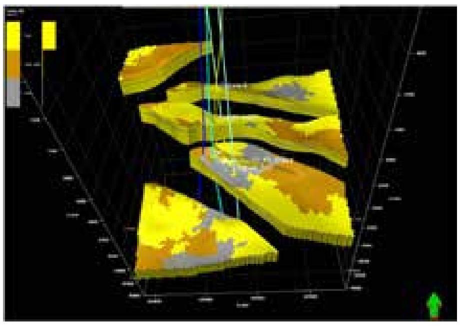
OUR 2015 COMPANY PERFORMANCE

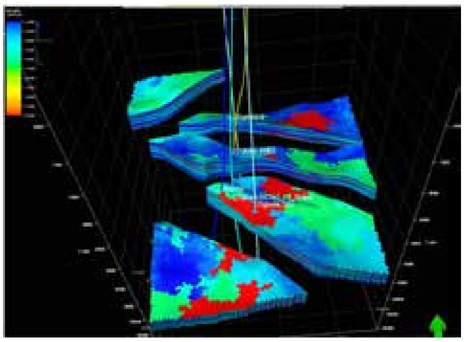
Production Operations

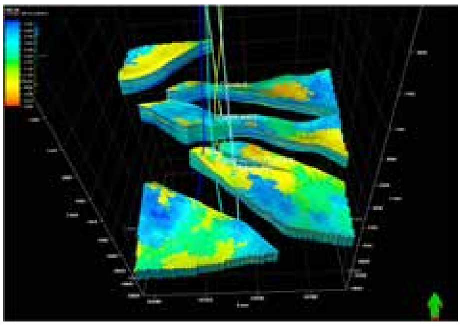
Given our commitment to consistently maintaining excellent performance results, even as we are faced with often complex and complicated forces outside of our control, our operations strategies were robust and flexible enough to deal with the

MANAGING DIRECTOR'S STATEMENT *continued*

Property Models of Ogbele







changing circumstances. As I stated earlier, our business activities and outcomes in 2015 were affected by the interplay of a number of global, national and local events. As a result, the aggressive re-development programme proposed by the Management, and endorsed by the Board of Directors of your Company, was compulsorily scaled down during the 4th Quarter of the year, but not until most of the 2015 Work Programe had been nearly fully achieved. In spite of this, we recorded some measurable successes in our drilling campaign. These include:

(a) The completion of Ogbele Well #9 as a dual string oil producer in March 2015.

(b) Drilling and completion of Ogbele Well #7 S/T-2 in May 2015 as a dual string producer. With one string each completed as an oil and gas producer respectively. I am pleased, to inform you that the oil string completion, was brought into production at the end of the year 2015. The gas string is scheduled to be brought into production about the third quarter of 2016, when additional gas supply contracts at an elevated price regime, is expected to be realised.

The successes of our drilling and completions efforts translated to increased crude oil and condensate production of 1.4 MM bbls in 2015 up from 1.2MM bbls in 2014, which averages out as 118 Kbbls per month in 2015. This 19.6% rise from our 2014 production level, increased total oil production from inception in 2005 to 31 December 2015 to almost 10MM bbls. This in effect, equals cumulative production so far, of all our total Stock Tank Oil Initially In Place (STOIIP) reserves estimates at inception of Field Development in 2004, and on the basis of which we committed to investing in the Ogbele Field Development Project.

This in another way highlights the significant value add, which had been created from our flagship asset – the Ogbele Field, which today still carries significant reserves of oil, gas and condensate and on the basis of which further development is contemplated.

SECURITY CHALLENGES

A heightened state of security persisted throughout the year all over the Niger Delta not excluding our area of operations, particularly prior to the general elections. Several unending aspects of this, are pipeline vandalism, crude theft and evacuation stoppage which continued unabated in 2015.

MANAGING DIRECTOR'S STATEMENT *continued*

Typical Flare in 2012

Flare in 2014

Flare barely visible in 2015

Four repeated and disruptive attacks were recorded on Shell's Trans-Niger Pipeline, (The TNP) between January and February 2015. This 180kbbd crude capacity pipeline, is crucial for the transportation of crude oil to the Bonny Terminal, and for us in particular, the evacuation of Ogbele export production.

The implication of the outage of crude evacuation for your Company, was not just non-production for 25days. This stoppage in crude oil production, also subsequently and periodically impacted our refining operations, as we were forced to reduce and eventually shut down both crude oil and diesel production at Ogbele.

In addition to low crude oil price, limitations in accessing funding, and the need for a total reassessment of our subsurface reserves management, production enhancement strategy and operation improvement activities, all together guided the Management of your Company to suspend drilling activities for a period of at least 6 months commencing from end October 2015.

I am pleased to inform you that, in addition to our achieving substantial increases in crude oil and condensate production, your Company accomplished a number of other production operations successes, these including:

- Construction of flow lines and hook up of newly completed Ogbele Wells - 9 and - 7 ST2 respectively to the Ogbele Flow Station and Gas Processing facilities.
- Carrying out of integrity tests of all critical equipment and piping in the Ogbele Gas plant in compliance with regulatory requirements.
- Carrying out of piping modification works in the gas plant to improve operational flexibility.
- Completing some corrective maintenance works in the Ogbele Mini Refinery and Gas plant to improve performance of both facilities.
- Successfully conducting integrity tests and checks on our Pipeline Cathodic Protection systems.
- Conducted integrity tests for storage tanks in the facility and provided anti corrosion painting and complementary cathodic protection system for the tanks.

MANAGING DIRECTOR'S STATEMENT *continued*

Gas Plant Showing Compressors- Side View

Development, Monetisation and Commercialisation of our Gas Resources

It continues to be my pleasure to recount the positive strides we are taking in the development, production, monetisation and commercialisation of our gas resources from the Ogbele field. For the 4th consecutive year, we have successfully delivered gas to Train 6 of Nigerian Liquefied Natural Gas (NLNG) in Bonny. Your Company continues in a demonstrably sustained manner, to be the only Nigerian independent non-JV gas supplier to Bonny NLNG.

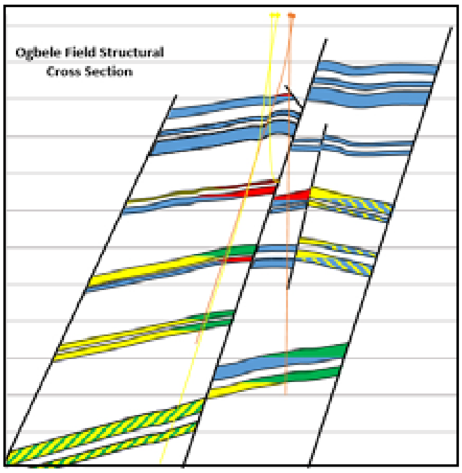
In 2015, total gas production was 12.9B Scf (an average of 35.3MM Scf/d), up from 8.3B Scf (24MM Scf/d) in 2014. This recorded increase of steady supply of gas was evident from Ogbele Wells -6 and -8, both completed and hooked up for gas delivery, late in 2014. The Company was consequently able to deliver more than its daily contracted volume throughout 2015, in addition to meeting its Short-fall gas supply obligations to date.

Efforts continued to be made towards further development and commercialisation of the Ogbele gas resources. In the course of the year, your Company commenced the design and fabrication of a metering system, to enable us meet new contracted gas delivery obligations and achieve further commitment to subsequent new gas deliveries. Gas sale and delivery to the new off-taker is expected to commence in 2016, as soon as the off-taker has fully installed all necessary equipment adjacent to the Ogbele Gas Plant.

We were in the 2nd half of the year, in on-going discussions with a number of potential third party gas off-takers for Power, LNG and CNG. The favourable outcome of these discussions, will enhance further, our status and transformation towards being a major Nigerian independent gas producer.

I am pleased to announce that in 2015, your Company, NDPR was recognised by the World Bank Global Gas Flare Reduction Group for our efforts, in reduction of routine gas flare. In addition, our company became the first Independent Nigerian Oil and Gas Producing Company to endorse the World Bank 2030 Global Gas Flare-Out Initiative. This will gain for us a reputable standing amongst global, international and national oil companies, striving for a cleaner world and protecting it against global warming consequences.

MANAGING DIRECTOR'S STATEMENT *continued*



Ogbele Mini Refinery – Increasing Capacity and Optimising Value.

The vision to ensure the long term sustainability of our business in the face of diverse external challenges, resulted in the establishment of the Ogbele Mini-Refinery. This modest investment, has transformed your Company into an integrated oil and gas enterprise. The contributions of the Ogbele Mini Refinery to (a) our crude oil In-House value enhancement and (b) delivery of refined products to the domestic market, continue to earn our company small recognition and praise. In addition, its contributions to the revenue generated for your Company remains tangible. In 2015, production of diesel from the Mini Refinery was some 22MM Liters up from 16MM Liters produced in 2014.

Encouraged by these modest performances, supported further by the realisation that additional value creation through sustained and increased refining capacity is a certain need for the country, your Board had endorsed Management's recommendation that we remain committed to increasing the refining capacity of the Ogbele Mini Refinery. It is anticipated that a further 5,000 bbd additional refining capacity will commence during 2016, with a commissioning date planned for no later than end 1st Quarter 2018.

When completed, the Ogbele Mini Refinery will further increase the spread of its products range, to include additional volume of Diesel (AGO), Marine Diesel, Kerosene (DPK), Jet A Fuel (ATK), Petrol (PMS) and High Pour Fuel Oil (HPFO).

Health Safety & Environment Management System (HSEMS)

Our commitment to the total safety of our Human Capital, Facilities and Operating Environment and the integrity of our operational activities remained our priority in 2015. Embedded in our culture is health, safety and environmental excellence. These have become the bedrock for all our actions, processes and decisions and are apparent in the successes we continually recorded in 2015. Notable amongst these are the following;

- Another year recording of zero: work stoppage, Loss Time Injuries (LTI), fatalities, and most importantly, pollution to the environment, occasioned by our activities in our facilities within our operational areas.
- Successful organisation of the fourth edition of a company-wide HSE Week

MANAGING DIRECTOR'S STATEMENT *continued*

- Successful completion of an Oil Spill Contingency Plan (OSCP) activation by the Department of Petroleum Resources (DPR)
- Completed the routine Gas Plant annual facility audit by DPR
- Completed HSE induction audio/video with security update
- Continued the site Impact Mitigation Monitoring Exercise (IMME)
- Improved on Contractor HSE Management System
- Completed the Omerelu two seasons, Environmental Impact Assessment data gathering report and submitted same to the Department of Petroleum Resources (DPR) for review

New Capital Raising Programme

On the 9 July 2013, the Board of Directors of NDEP, resolved that the Management of the company should raise additional equity capital of Four Hundred and Fifty Million Dollars ($450Million) by way of special placement and/or quasi-equity capital. This was again backed by the Shareholders' resolution at the 18th Annual General Meeting held on 21 August 2013.

On 26 August 2013, the Management of the company mandated advisers to support your Company in the raising of this new capital. This amount was subsequently reduced to a more manageable 1st Tranche amount of $250 million in June 2014, given the prevailing uncertainties in the global Petroleum industry.

With the "Investment Teaser" and "Information Memorandum" (IM) completed and sent out to various interested parties a number of foreign and local financial investors signified interest in this capital raising exercise.

At year end, we remained optimistic of a successful completion of a potential substantial equity investment. The transaction being at the final stages of negotiations, with an executed Term Sheet for a binding offer, is subject of course to satisfactory due diligence investigations of various functions and activities of the company.

2015 Financial Results

For the year 2015, NDEP posted modest results in terms of our financial performance, despite the global, national and environmental challenges we encountered. The shutdown of Shell's Trans Niger Pipeline (The TNP), coupled with the steep drop in global crude oil prices all together jointly, impacted the efforts and successes recorded in 2015, therefore depressing the outcomes of

MANAGING DIRECTOR'S STATEMENT *continued*

Figure 1: Revenue Breakdown *(revenues in Billions of Naira)*

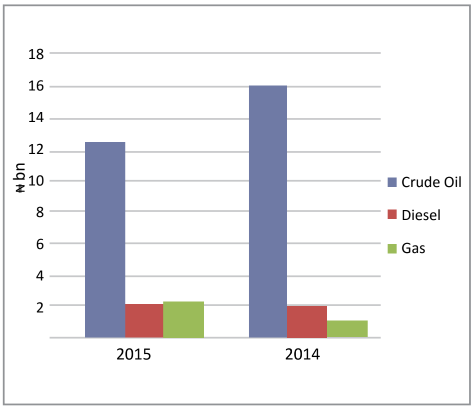


Figure 2: PBT & PAT

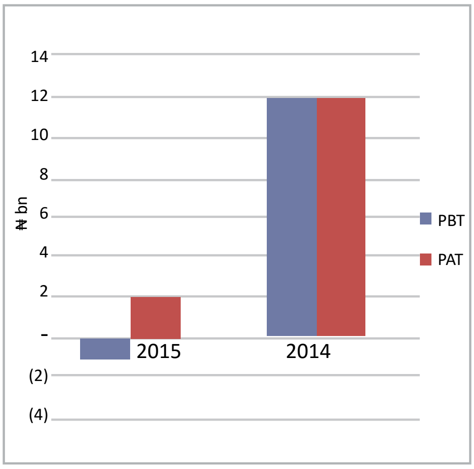
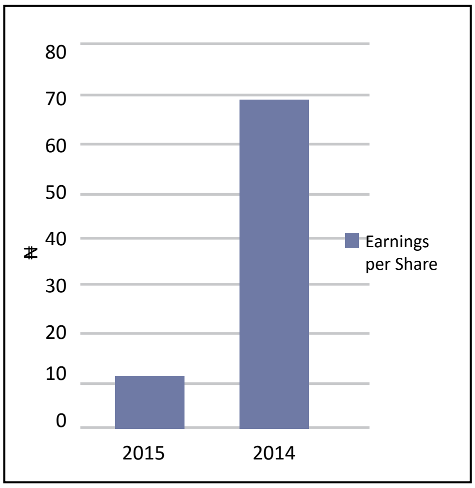


Figure 3: Earnings per Share



the reported enhanced production volumes. The implication, being that your Company recorded decreased Operating Profit in 2015 compared to 2014 figures.

Turnover for the Group in 2015 was ₦17.06bn, down from ₦19.38bn in 2014. Crude oil revenue being ₦12.50bn of total revenue; Diesel revenue was ₦2.26bn; and Gas revenue was ₦2.3bn of total revenue.

Gross loss for 2015 was ₦1.7bn (down from ₦11bn in 2014). In 2015, we recorded a loss in Profit before Tax of ₦1.6bn, compared to ₦12.2bn profit in 2014. Profit after Tax was ₦2.1bn for 2015 down from ₦12.2bn in 2014. Our Profit after Tax position in 2015 was as a result of write-backs on deferred taxes from capital allowances, accumulated during the period of our Pioneer Status and brought forward.

Also important to note is the significance of some key costs on our overall financial performance. In 2015, the impact of the devaluation of the naira which resulted in an exchange rate to the dollar rising from ₦167-$1 in 2014 to ₦199-$1 in 2015. This unrealised exchange loss, cost the Group ₦4 bn. In addition, 3-D seismic costs written off in the same year cost the Group ₦1.4bn. These costs, as well as high depreciation resulting from our recent drilling campaign, impacted the total over all year costs, hence the negative impact on our PBT.

In the year under review, we recorded a decrease in Earnings per Share (EPS) from ₦69.64 in 2014 to ₦11.93 in 2015 (82.9% decrease).

For the Group Return on Asset fell to (3%) in 2015 from 15% in 2014. We recorded a significant drop in Return on Equity from 30% in 2014 to (6%) in 2015.

A summary of other indices from our financial and general results are presented in Table1.

MANAGING DIRECTOR'S STATEMENT *continued*

Table 1: Summary of Financial Results

	2015	2014
	₦'bn	₦'bn
REVENUE	17.06	19.38
TOTAL COST	25.97	15.40
GROSS PROFIT/(LOSS)	(1.67)	11.13
OPERATING PROFIT/(LOSS)	(1.90)	8.83
PBT	(1.61)	12.19
PAT	2.11	12.19
EARNING PER SHARE (₦)	11.93	69.64
LIQUIDITY RATIO	0.50	0.50
RETURN ON CAPITAL EMPLOYED %	(5)	23
CAPITAL GEARING(DEBIT TO EQUITY) %	31.21	33.00

SUMMARY OF 2015 FINANCIAL RESULTS

Over the years, we have in a number of ways, depended on some of our reliable banking partners for the continuous development and enhancement of the Ogbele field. In 2010, your Company approached Skye Bank Plc for a Seventy Five Million dollar ($75m) loan for the procurement, construction and installation of the Ogbele 100MM Scf/d Gas Processing Plant, to enable us harness the abundant gas resources in the field. I am pleased to announce that in 2015, your Company successfully completed repayment of this debt obligation.

Recommended Dividend Payment

As a result of the modest financial results we recorded in the year under review, the Board of Directors of your Company have recommended and approved a dividend of ₦2.00 per ordinary share of ₦10.00 held in 2015, to be paid to shareholders. The relatively low level of dividend proposed is as a result of mitigating circumstances in the oil and gas industry.

The Omerelu Marginal Field Development

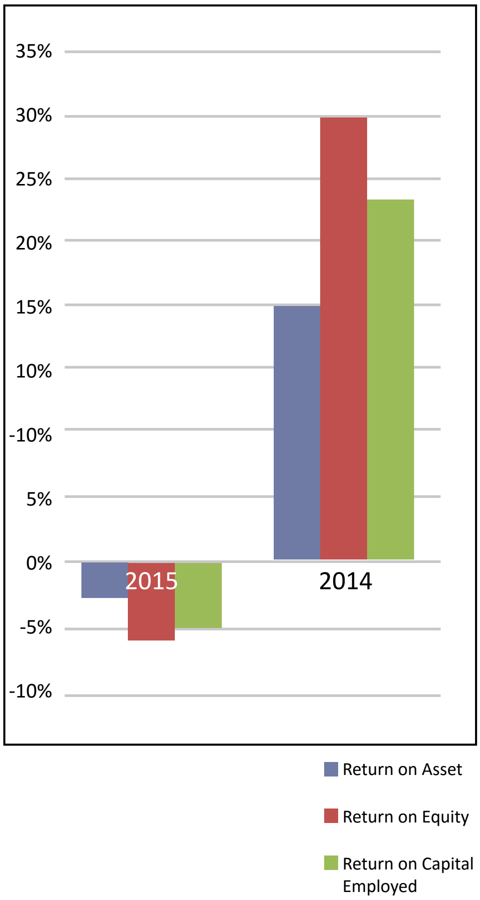
In June 2014, your Company received final approval from the Federal Government of Nigeria for the Omerelu Marginal Field Farm-Out Agreement. We then, duly proceeded with preparation of the Field Development Programme. The FDP was submitted, shortly thereafter for approval to the Department of Petroleum Resources in 2015.

The DPR has requested that some prior conditions be fulfilled in order for the FDP to be approved. Amongst these, is the need for NDPR to acquire new and additional well data. Drilling of an appraisal well will therefore be required, for the acquisition of new data and ahead of a formal resubmission for approval of the Field Development Plan. In preparation for this, we have successfully completed the Omerelu two-season data gathering report and submitted same to DPR for review. In addition, I am pleased to report that we have since submitted an Environmental Evaluation Report (EER) which has been reviewed and approved.

With adequate funding and in anticipation of improved oil price, your Company will commence albeit cautiously, a calculated development plan for the Omerelu Field, with the consideration that initial oil production must commence no later than 2019, under the terms of the Farm-Out Agreement.

MANAGING DIRECTOR'S STATEMENT *continued*

Figure 4: Return on Capital Employed, Return on Asset & Return on Equity



Relationship with our Host Communities

Esteemed Shareholders, we recognise the importance of all our stakeholders in sustaining our success. This has guided our interactions, with each and every of our increasing number of host communities. In the last 10 years, it is on record, that we have had no community related interruptions to our oil and gas production activities. This outstanding achievement must be maintained given the mutual advantages to us and our host communities as well.

The adoption of inclusive and mutually beneficial engagements with each of our communities through the Host Community Trust has enabled us over the years to operate responsibly and transparently. This has aided our developmental efforts and we can boast of being the Community Relations model in the Niger Delta region. Our ongoing host community development efforts are always geared towards incorporating local, national and international best practices. We pride ourselves in ensuring that the decision and implementation of community chosen projects are guided by inclusiveness, transparency, best-fit for purpose and sustainability criteria.

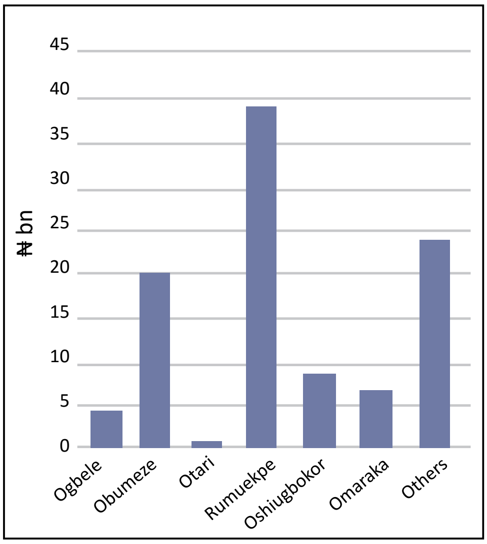
In 2015, the Host Community Development Trust executed a number of new development and empowerment projects for our communities. Some of the projects include:

- Sustaining the ongoing provision of annual bursary awards to students from Rumuekpe and Oshiugbokor communities
- Provision of medical health aid to elders from Oshiugbokor community
- Renovation of Obumeze Civic Centre
- Provision of the second phase of electrification project for Obumeze
- Provision and installation of 300kva Transformer for Omaraka community
- Skill acquisition grant to 60 women from all the 6 host communities
- Annual security surveillance maintenance and provision of security consumables for Ogbele, Otari and Omaraka communities

A total sum of ₦106m was disbursed for Host Community projects in 2015.

MANAGING DIRECTOR'S STATEMENT *continued*

Figure 5: *Sums spent by NDEP on Projects in Host Communities*



Investing in our People

An important element of our continued success as a company, is the constant investment in our employees, who continuously and consistently, give us the competitive edge amongst our peers in the industry. Our staff are our greatest assets. Without them, we could never have achieved all we have so far till date. This awareness compels us to always ensure that we attract and retain the right people, develop them for the short, medium and long term. These we achieve, by maintaining a competitive and industry based compensation and reward system, even as we enforce high standards of work-life balance.

In 2015, your Company through its in-house and external training programmes, provided uniquely-tailored tools and opportunities to ensure career and professional growth and development of staff. Our goal, is to prepare our workforce to take over management and leadership positions within the company.

In addition, we are committed to improving staff health and general wellness. We provide all staff, regardless of their position within the organisation, with health care through our registered Health Management Organisation (HMO).

2016 Outlook and Beyond

The company was granted a Pioneer Status in 2010. This provided us with a Petroleum Profits Tax shield for 5 years. Expectedly, in 2015, this expired. Thankfully, the relief through this appropriate Government policy, have been judiciously deployed by your Board and Management, allowing all the capital Investments which had transformed your Company into a fully Independent Integrated Nigerian E&P company of repute. Going forward, therefore, there will be an impact of increased taxation on our future earnings and profits. Management will continue to optimise profits by tax planning initiatives.

The continuous recorded operational, commercial and financial success of the existing 1,000bpd Mini refinery has encouraged your management to recommend an expansion of the processing capacity of the refinery. With the appropriate Board endorsement, the project will proceed speedily in 2016. This will enable us capture an available and profitable domestic market in refined products. Consequently, your Company has committed to expanding the

MANAGING DIRECTOR’S STATEMENT *continued*

NDPR members of staff at the Flowstation

installed capacity by 5,000bpd. This will be our modest contribution and demonstration of the fact that Nigeria must invest in value enhancing projects beyond oil and gas production and export.

Changes in the Board and Succession Planning

After 10 years of continuous oil production from Ogbele, the transformation of our company into an enduring entity is now real. The nurturing of the company having been in the steady hands and steer of your Management for this long, you will agree, this must be time to consider passing the baton. In the past 2 years, the Board had encouraged the Management to identify new capable hands into whose care and steer the company will fall. That process has started and in the coming months, new management replacements will emerge.

As a start, I will like to announce that Mr. Femi Balogun retired from the Board on 31th December and from the company on the 31st March 2016. He joined the company in October 2003 as the Group Financial Controller, responsible for finance and business strategic planning, financial operations and control. In January 2012, He was appointed to the Board as Executive Director, Finance. During his tenure, under his direct steer and watch of the Finance Function, the company recorded a number of noteworthy achievements including the:

- Successful negotiation of the initial $6m loan from Intercontinental Bank in 2004, for the development of the Ogbele field. This resulted in getting the company to “first oil” in August 2005.
- Successful negotiation for the acquisition of the 45% Interests of Shell/Total and Agip JV in OML34 for ND Western.
- Successful Capital Raising Programme, now coming to closure.
- Successful funding for the Ogbele Gas Processing Plant by Skye Bank
- Successful transitioning to the International Financial Reporting Standard (IFRS) and
- Successful implementation of the enterprise wide system, SAP in the company

As part of our commitment to succession planning, Mr Deji West joined the Board as Executive Director, Finance in January 2016. Mr. West has 30 years of experience in finance, commerce and accounting. He held senior management positions for several years and he is vast in the upstream and crude trading sectors of the oil and gas industry in Nigeria. He has a proven track record of delivering

MANAGING DIRECTOR'S STATEMENT *continued*

best practice finance functions, raising capital, restructuring and business development.

2016 Performance Targets

Not relenting on our efforts at maintaining a strong, robust, financially prudent and sustainable organisation, your Company has set a number of targets for 2016. Despite the current economic climate, low crude oil prices and restricted funding from banks, we are committed to achieving and exceeding the following targets;

- Increasing and sustaining NDEP's reserves and production, and increasing production to 7,500b/d and 60MM Scf/d by mid-2016 subject to availability of gas off take contracts at an attractive price regime.
- Improving and managing a robust financial position
- Maintaining a healthy, mutually beneficial and sustainable social relationship with our host communities
- Effectively growing and developing our workforce to internationally competitive levels
- Exploring and harnessing new business opportunities in our existing areas, and new areas of operation

Conclusion

The depressed financial results recorded for 2015 despite our increased production and operational successes were the direct result of global industry conditions outside our control. In the light of the careful in-house evaluations and restructuring of our strategic plans, I feel certain, that we are firmly on course to achieve improved operational and financial performance in the face of the daunting external challenges for the immediate future. We are committed to taking all necessary measures to ensure we deliver long term value to our shareholders and indeed, all stakeholders.

I would like to end this report by expressing my utmost appreciation to our stakeholders, the Board of Directors, Management, staff and you, our shareholders for your continued support and commitment to the advancement of this company.

'Layi Fatona (Dr.)
Managing Director

SUSTAINABILITY REPORT

To capture the growth and potential of the company, a new tagline has been created, the result of an in-house, company wide staff competition.

NDEP is no longer just 'pioneering the development of Nigeria's small oilfields' but is a mid-sized, fully integrated independent and indigenous energy company, with a pan African presence. The new tagline is .....

An Independent Integrated Pan-African Energy Company.

Business sustainability is often defined as managing the triple bottom line - a process by which companies manage their financial, social and environmental risks, obligations and opportunities. These three impacts are sometimes referred to as profits, people and planet. NDEP and its subsidiaries continuously update our sustainability policies which include Community Affairs, Health, Safety, Environment & Security (CASHES) and our employees.

Niger Delta Group's Sustainability report covers four key areas:

- Our Communities – CSR activities
- Health, Safety and Security
- The Environment
- Our Workforce

Our Communities

The Group's Community Development Trust continues to blaze the trail in host community relations in the Oil and Gas industry. Despite the down turn in the Industry and the negative impact on its finances, the Company has continued to maintain a robust and mutually beneficial relationship with its Host Communities. This enviable achievement has been made possible by a very committed and competent Board of Trustees of the Company's Host Community Trust, and the dedicated staff of the Group.

In the course of 2015, we drilled an additional well in the Ogbele Field, within the Omaraka Community, and they are now a new addition to our host communities, making them six. We welcome the Omaraka Community to the "common wealth" of NDEP.

The Company's approach to CSR continues to be positive and comprehensive. Sustainability is the heartbeat of every project we execute. We will continue to measure our performances year on year.

The Company has continued to maintain a very cordial and mutually beneficial relationship with its Host Communities. In 2015, the Trust continued to implement sustainable developmental projects for the host communities, albeit on a reduced scale reflecting the down turn in our Group's earnings.

SUSTAINABILITY REPORT *continued*

Host community women at a meeting to receive grants for Skills Acquisition from the BOT

In the year under review, a significant milestone was achieved in the empowerment of women in our host communities. Added to the Micro-Credit Scheme initiated some years ago, the Trust approved a pilot training scheme for the women in order to enhance their capacity for wealth creation. 60 women from the 6 Host Communities received a grant of N100k each to acquire skills of their choice. More women will benefit from this scheme in the coming months and years.

Electrification of the Host Communities also continued in the year under review. The second phase of electrification of Obumeze Community was approved at a total cost of N11.7 MM. At completion, almost all of the Obumeze community would enjoy electricity supply.

In furtherance of the Company's bid to foster and promote a peaceful and cordial relationship, the Trust opted to establish a clear reward mechanism that would annually identify the communities that have been most supportive of its interests and aspirations. For the period between 2012 and 2014, Otari community emerged as the most supportive community for the second time, while Obumeze and Oshiugbokor communities were second and third respectively. However, in the spirit of fairness, other communities were also recognized for their efforts and rewarded.

The Trust continues to pursue its' aims and objectives tenaciously to develop the host communities as follows:

i. Support local initiatives which deal with protection of the environment;
ii. Undertake and finance projects for advancement and sustainable development;
iii. Facilitate employment opportunities;
iv. Advance and propagate education and learning;
v. Assist in selected charitable activities.

A number of projects were executed for individual communities. These are as follows:

The Ogbele Community

- An annual security surveillance grant of N4.4 MM was paid to support the local security effort.
- Security consumables were purchased for the maintenance of the security surveillance at a cost of N920k.
- The youth sports competition was sponsored at a cost of N250k.

SUSTAINABILITY REPORT *continued*

Women from one of the host communities at a meeting to receive grants for Skills Acquisition from the BOT

The Otari Community

- Security consumables were purchased for the maintenance of the security surveillance at a cost of N828k.

The Rumuekpe Community

- An annual Education Bursary Awards was paid to 494 students in tertiary institutions at N50k per student amounting to N24.7 MM.
- Further progress was made in the construction of 2 secondary school blocks. The ninth milestone was achieved at a cost of N50 MM. Due to unrest, the completion of the project has been delayed. It is hoped that completion would be achieved by the third quarter of 2016.

The Obumeze Community

- The sum of N11.7 MM was disbursed for the second phase of the electrification project.
- Renovation of Obumeze civic center was approved at a cost of N30 MM. Thirty % of the project cost representing the first milestone has been disbursed to date.

The Oshiugbokor Community

- Medical Aid support was granted to 208 elders in the community to enhance their wellbeing at a cost of N20k each, amounting to N4.2 MM
- An annual Educational Bursary Awards was paid to 89 students of Oshiugbokor community origin in tertiary institution in Nigeria at N50k per student, amounting to N4.5 MM.

The Omaraka Community

- A 300kva generator set was purchased and installed at a cost of N4.5 MM to boost the distribution of electricity supply.
- The sum of N2.3 MM was paid to assist in strengthening their local security group.

General Projects

- 60 women (10 from each community) were empowered to acquire skills in various fields of endeavor through the Women Empowerment Programme at N100k each, amounting to N6 MM.
- Gifts in cash and kind amounting to N18.2 MM were given to 5 communities in recognition of their varying support of the interests and aspirations of the Company.

SUSTAINABILITY REPORT *continued*

The Chairman of the BOT, **Prof. S. J.S. Cookey**, OFR, *presenting a cheque to* **Chief Solomon Mgbolo**, *the Chairman of Rumuekpe Community Advisory Committee as one of the most supportive communities*

Health and Safety

NDEP and its subsidiaries are committed to the implementation and maintenance of an Occupational Health and Safety Management Systems (OHSMS) that ensures the prevention of accidents or ill-health that may potentially affect anyone who works or visits our places of business.

The Group has a strong commitment to the continuous improvement of the way we manage our work places and observe strict compliance of legal and regulatory requirements that govern them. In the year under review, the fourth edition of HSE week was conducted with the sub theme “Safety is Our Business”.

An annual Wellness Test was conducted by our Health Management Organization (HMO) for all our staff with the aim of ascertaining their physiological wellbeing.

HSE achievements for the year under review include:

- Zero Fatalities
- Zero Pollution to the Environment within Operational Area
- Zero Work Stoppage
- Successful HSE Week
- Successful Oil Spill Contingency Plan (OSCP) activation exercise by DPR
- Completed Gas Plant Annual Facility Audit by DPR
- Completed HSE induction audio/video with security update
- Continued the site Impact Mitigation Monitoring Exercise (IMME)
- Improved Contractor HSE Management System
- Completed the Omerelu 2 seasons data gathering report and submitted same.

The World Bank Gas Flare Award

The Environment

The Group's Community Affairs, Safety, Health, Environment and Security (CASHES) manual continues to guide our staff and other stakeholders on best practices to adopt in dealing with our environmental challenges.

Our environmental policy, which is sustained by all concerned through proper communication and awareness of the significance of striving for a pollution-free environment. The CASHES manual and HSE policy are constantly revised to meet Industry trends and regulatory standards.

Initiative to Reduce Global Gas Flaring: "Zero Routine Flaring by 2030"

During oil exploitation and production activities, associated gas is produced with and released during oil processing. Much of this gas is utilised or conserved because governments and oil companies have made substantial investments to capture it; but some of it is flared due to technical, regulatory, or economic constraints. Gas flaring is not only harmful to the environment, through the release of CO2, but also wastes energy that could be used more sustainably.

Over the years, NDEP through its owned subsidiaries NDPR and NDGas has made substantial investments to utilise and monetize its gas resources and significantly reduce routine gas flaring in the field with the installation and commissioning of its 100MMScf/d capacity – Ogbele Gas Processing Facility. NDPR Ltd has been delivering gas to the Bonny LNG since 2012 and it remains the only Nigerian Independent Non-JV gas supplier to the Nigeria LNG project. NDPR has since achieved significant gas flare reduction; flaring less than 2% of total gas produced in the field.

In 2015, NDPR Ltd was recognised by the World Bank Global Gas Flare Reduction Group for its efforts in reducing routine gas flaring and for successfully demonstrating this landmark achievement in the Ogbele Field. NDPR also became the 1st Independent Nigerian oil and Gas Producing Company to endorse the World Bank 2030 Global Gas Flares Out initiative.

This "Zero Routine Flaring by 2030" initiative (the Initiative), brings together governments, oil companies, and development institutions who recognise the flaring situation described above is unsustainable

SUSTAINABILITY REPORT *continued*

Handover of a 16 Seater Hiace Bus to Otari Community Advisory Committee as the most supportive community for the period between 2012 and 2014.

from a resource management and environmental perspective, and who agree to cooperate to eliminate routine flaring no later than 2030.

NDEP Plc, through its subsidiaries is firmly committed to this initiative and was honored to be recognised by the World Bank.

Donation to Charitable Causes

NDEP and its subsidiaries have continued to support charitable causes, particularly in the area of acquisition of knowledge, and the growth of the Industry of which it is a key player. In the year under review, the following charitable donations and sponsorships were made:

- Sponsorship of the opening ceremony of the 2015 NAPE Exhibition and Conference at a cost of N13 MM
- Donation of books, computers and inverters to Ikabigbo Primary School at a cost of N2.7 MM in respect of the NDEP/Aret Adams Initiative.
- Donation to the Aret Adams Foundation for the Aret Adams Annual Lecture Series 2015, for N400k.
- Payment of N300k to 3 winners of the essay competition in respect of the NDEP/Aret Adams Initiative.
- Donation to the African Students Union Parliament at a cost of N300k.

Our Workforce

The dedication of our young, indigenous and nimble workforce to the Group's growth and success remains unparalleled. The many pioneering accomplishments recorded in the relatively short life of NDEP would not have been possible without the commitment of all staff. NDEP and its subsidiaries recognize that its human resources are key assets for its continuous existence.

To attract and retain competent staff, the Company endeavours to provide a positive working environment. It recognises, rewards and reinforces staff through a competitive remuneration package.

A continuous training policy is in place, with both local and international training, to promote staff development and productivity. A robust performance evaluation process ensures that staff are appraised regularly to encourage high levels of staff motivation and performance.

Ogbele Maternity Health Center

At NDEP and its subsidiaries, a pleasant workplace environment has been cultivated over the years, with emphasis on fostering a good work/life balance for all members of staff. Not only does this promote staff contentment and wellbeing, but also increases overall productivity.

Conclusion

NDEP and its subsidiaries have continued to proactively manage its operational environment to sustain its good public image. The Group has consistently exhibited through its sterling CSR record, that profit maximisation is not its dominant focus. The tireless pursuit of equitable balance among the competing interest of all its stakeholders has carved a niche for our Group in a highly competitive industry. In the years ahead, NDEP and its subsidiaries will endeavor to apply best CSR practices that would secure its position among the industry leaders.

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2015

The Directors submit to the members of the Company their report together with the consolidated and separate audited financial statements for the year ended 31 December 2015.

PRINCIPAL ACTIVITIES

The Group is in the business of investing in integrated oil and gas development activities.

STATE OF AFFAIRS

In the opinion of the Directors, the state of affairs of the Company is satisfactory and there has been no material change after the reporting period.

RESULTS FOR THE YEAR

	THE GROUP		THE COMPANY	
	31-Dec-15	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Revenue	**17,055,567**	**19,384,270**	**-**	**15,274,532**
(Loss)/Profit before taxation	**(1,614,746)**	**12,186,126**	**(2,940,472)**	**5,219,630**
Taxation	**3,727,168**	**(912)**	**3,403,871**	**-**
Profit after taxation	**2,112,422**	**12,185,214**	**463,399**	**5,219,630**

DIVIDEND

The Directors recommend a dividend of N2 per share which amounts to ₦ 363,816,899 for the year ended 31 December 2015 (2014:₦ 1,088,450,698).

PROPERTY, PLANT AND EQUIPMENT

Information relating to Property, plant and equipment is given in Note 11 to the financial statements. In the opinion of the Directors, the market value of the Company's property, plant and equipment is not less than the value shown in the financial statements.

CHARITABLE CONTRIBUTIONS

The Company made charitable contributions amounting to ₦ 16.3million during the year ended 31 December 2015 (2014: ₦ 37.6million).

REPORT OF THE DIRECTORS *continued*

DIRECTORS

The names of the Directors at the date of this report and of those who held office during the year are as follows:

Mr. Goodie Ibru (OON)	Chairman	
Dr. O.F. Fatona,	Manaing Director	
Mr. Femi Balogun	Executive Director Finance	Retired 31 December 2015
Mr Deji West	Executive Director Finance	Appointed 1 January 2016
Mr. Nuhu Adaji	Executive Director Technical	
Prof. S.J.S. Cookey (OFR)		
Mr. L. Jadesimi		
Mr. Thierry Georger		French
Mr. Osten Olorunsola		
Mr. Ede Osayande		

DIRECTORS' INTERESTS

Directors' interests in the share capital of the Company were as follows:-

	Number of Shares
Mr. L. Jadesimi	5,649,246
Dr. O.F. Fatona	2,702,416
Mr. Femi Balogun	1,165,335
Mr. Ede Osayande	1,079,999
Mr. Goodie Ibru (OON)	144,000
Prof. S.J.S. Cookey (OFR)	142,399
Mr. Osten Olorunsola	48,878
Mr. Nuhu Adaji	2,799
Mr. Thierry Georger	Nil

Also, the following Directors have beneficial interests in the shares held by the corporate bodies listed against their names:

Name of Director	Corporate body in whose name shares are held	Number of shares
Mr. Goodie Ibru (OON)	Associated Ventures International Ltd	5,762,416
Dr. O. F. Fatona	Nouveau Technologies Limited	2,024,924
Dr. O. F. Fatona	Geotrex Systems Ltd.	860,832
Mr. L. Jadesimi	First Zenith Investment Holding Company	1,440,000
Mr. L. Jadesimi	Global Resource Management Limited	2,025

DIRECTORS' INTERESTS IN CONTRACTS

None of the Directors has notified the Company for the purpose of section 277 of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004 of any disclosable interest in contracts with which the Company is involved as at 31 December 2015.

REPORT OF THE DIRECTORS *continued*

EMPLOYMENT OF DISABLED PERSONS

The Company has a policy of fair consideration of job application by disabled persons having regard to their abilities and aptitude. The Company's policy prohibits discrimination of disabled persons in the recruitment, training and career development of its employees. Presently no disabled person is in the employment of the Company.

HEALTH, SAFETY AND WELFARE AT WORK OF EMPLOYEES

One of the Company's primary business objectives is that its operations shall not cause accidents, damage or losses. The Company is committed to protecting people, the environment and physical assets. The Company established adequate health and safety measures within its premises and its areas of operations and in the operation of all its vehicles. The Company aims to provide as far as possible (subject to limits) medical care for all members of its staff and immediate members of their nuclear families.

EMPLOYEES' TRAINING AND INVOLVEMENT

The Directors maintain regular communication and consultation with the employees and staff representatives on matters affecting employees and the Company.

The Company organises various in-house, local and international training courses and also sends staff abroad for training when the training capacity is not available locally.

PROTECTION OF THE ENVIRONMENT

The Company is committed to protecting the environment within and around its operational areas. In this regard, it has established a framework for complying with all statutory environmental requirements, applying best industry practice and operating in a manner that assumes no harm to the environment.

FORMAT OF FINANCIAL STATEMENTS

The consolidated and separate audited financial statements are presented in accordance with the reporting and presentation requirements of International Financial Reporting Standards (IFRS) and the provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004. The Directors consider that the format adopted is most suitable for the Company.

EVENTS AFTER THE REPORTING PERIOD

As stated in Note 35, no significant events have occurred after the reporting period which have a material effect on the financial statements, or the omission of which will make the financial statements misleading as to the financial position or results of operations.

AUDITORS

Ernst & Young have expressed their willingness to continue in office as the auditors to the Company in accordance with section 357(2) of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004. A resolution will be passed empowering the Directors to fix their remuneration.

BY ORDER OF THE BOARD

T. Omisore.

Titilola Omisore, FRC/2013/NBA/00000003574
SECRETARY

20 June 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2015

The Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, requires the Directors to prepare consolidated and separate financial statements for each financial year that give a true and fair view of the state of financial affairs of the Company at the end of the year and of its profit or loss. The responsibilities include ensuring that the Company:

a) Keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company and comply with the requirements of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004;

b) Establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and

c) Prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates, and are consistently applied.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB). and the provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004.

The Directors are of the opinion that the consolidated and separate financial statements give a true and fair view of the state of the financial affairs of the Company and of its profit. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.

Mr Deji West, FRC/2013/ICAN/00000005289	Dr. O. F. Fatona, FRC/2013/IODN/00000003811
Finance Director	Managing Director
20 June 2016	20 June 2016

Building a better
working world

Ernst & Young
10th & 13th Floor
UBA House
57, Marina
P. O. Box 2442, Marina
Lagos

Tel: +234 (01) 6314500
Fax: +234 (01) 46 30481
Email: services@ng.ey.com
www.ey.com

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NIGER DELTA EXPLORATION & PRODUCTION PLC

Report on the financial statements

We have audited the accompanying consolidated and seperate financial statements of Niger Delta Exploration & Production Plc, which comprise the consolidated statement of financial position as at 31 December 2015, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibilities for the financial statements

The Company's Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS), the provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004 and in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011 and for such internal control as the Directors determine necessary to enable the preparation of the financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated and separate audited financial statements give a true and fair view of the financial position of Niger Delta Exploration & Production Plc as at 31 December 2015 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), the provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004 and in compliance with the Financial Reporting Council of Nigeria Act, No 6, 2011.

Building a better working world

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NIGER DELTA EXPLORATION & PRODUCTION PLC

Report on other legal and regulatory requirements

In accordance with the requirements of Schedule 6 of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, we confirm that:

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

ii) in our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books;

iii) the Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

Bernard Carrena, FCA, FRC/2013/ICAN/00000000670

For: Ernst & Young
Chartered Accountants
Lagos, Nigeria.
20 June 2016

REPORT OF THE AUDIT COMMITTEE TO THE MEMBERS OF NIGER DELTA EXPLORATION & PRODUCTION PLC

FOR THE YEAR ENDED 31 DECEMBER 2015

In accordance with the provisions of sections 359(4) and (6) of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004, we have reviewed;

i) the scope and planning of the audit requirements and

ii) the accounting and reporting policies of the Company for the year ended 31 December 2015 and ascertained that they are in accordance with legal requirements and agreed ethical practice.

In our opinion, the scope and planning of the audit for the year ended 31 December 2015 together with the consolidated and separate audited financial statements were satisfactory. The external auditors had discharged their duties conscientiously and satisfactorily. We were satisfied with management responses to the auditors' findings.

Chief Victor Oyolu, FCA, FRC/2013/ICAN/00000003347
Chairman
Audit Committee
20 June 2016

Members of the Audit Committee

1. Chief Victor Oyolu - *Chairman*
2. Engr. Alex Ogedegbe
3. Mr. L. Jadesimi
4. Mr. Gbola Akinola
5. Mr. Osten Olorunsola
6. Mr. Ede Osayande

CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	GROUP		THE COMPANY	
		31-Dec-15 ₦ '000	31-Dec-14 ₦ '000	31-Dec-15 ₦ '000	31-Dec-14 ₦ '000
Revenue	3	17,055,567	19,384,270	-	15,274,532
Cost of sales	4	(18,725,355)	(8,254,869)	-	(6,819,656)
Operating (Loss)/Gross Profit		**(1,669,788)**	**11,129,401**	**-**	**8,454,876**
Other income	5	3,599,853	2,237,879	1,550,345	2,572,451
General and administrative expenses	6	(3,831,870)	(4,535,823)	(4,171,627)	(3,983,590)
Gross (loss)/profit		**(1,901,805)**	**8,831,457**	**(2,621,282)**	**7,043,737**
Finance income	7	1,510,508	694,749	149	25,459
Finance costs	7	(3,414,675)	(2,612,459)	(319,339)	(1,849,566)
Finance cost (net)		**(1,904,167)**	**(1,917,710)**	**(319,190)**	**(1,824,107)**
Share of profit of an associate	14	2,191,226	5,272,379	-	-
(Loss)/profit before taxation		**(1,614,746)**	**12,186,126**	**(2,940,472)**	**5,219,630**
Taxation	25	3,727,168	(912)	3,403,871	-
Profit after taxation		**2,112,422**	**12,185,214**	**463,399**	**5,219,630**
Profit attributable to:					
Owners of the parent		2,112,422	12,185,214	463,399	5,219,630
		2,112,422	**12,185,214**	**463,399**	**5,219,630**
Other comprehensive income:					
Other comprehensive income not to be reclassified to profit or loss in subsequent years (net of tax):					
Re-measurement loss on defined benefits plan	21	(231,491)	-	(46,067)	-
Other comprehensive income for the year, net of tax		(231,491)	-	(46,067)	-
Total comprehensive income for the year		**1,880,931**	**12,185,214**	**417,332**	**5,219,630**
Total comprehensive income attributable to:					
Owners of the parent		**1,880,931**	**12,185,214**	**417,332**	**5,219,630**
Basic earnings per share	10	**₦ 11.93**	**₦ 69.64**	**₦ 2.55**	**₦ 28.77**

See notes to the financial statements.

CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

		THE GROUP		THE COMPANY	
	Notes	**31-Dec-15 ₦ '000**	**31-Dec-14 ₦ '000**	**31-Dec-15 ₦ '000**	**31-Dec-14 ₦ '000**
Assets					
Non-current assets					
Property, plant and equipment	11	31,710,199	33,229,865	128,578	17,890,727
Intangible assets	13	74,329	112,462	40,965	108,208
Investment in associate	14	16,534,606	14,343,380	7,760,062	7,760,062
Investment in subsidiaries	26	-	-	95,527	95,527
Available-for-sale financial assets	12	55,242	55,242	55,242	55,242
Total non-current assets		**48,374,376**	**47,740,949**	**8,080,374**	**25,909,766**
Current assets					
Inventories	16	71,579	950,312	-	318,712
Trade and other receivables	17	5,667,269	6,142,014	8,201,581	22,237,477
Prepayments	18	314,921	312,039	15,821	286,048
Cash and cash equivalents	19	2,914,010	3,098,099	352,936	2,350,790
Total current assets		**8,967,779**	**10,502,464**	**8,570,338**	**25,193,027**
Total assets		**57,342,155**	**58,243,413**	**16,650,712**	**51,102,793**
Equity and liabilities					
Shareholders' equity					
Issued capital	20	1,770,267	1,749,726	1,814,084	1,814,084
Share premium	20	13,008	13,008	13,008	13,008
Retained earnings		28,756,144	27,934,890	14,107,899	14,779,018
Equity attributable to equity holders		**30,539,419**	**29,697,624**	**15,934,991**	**16,606,110**
Total shareholders' equity		**30,539,419**	**29,697,624**	**15,934,991**	**16,606,110**
Non-current liabilities					
Employee Benefit liabilities	21	2,365,693	1,590,611	202,573	1,465,502
Borrowings	22	5,717,425	2,431,751	-	2,431,751
Deferred tax liabilities	15	-	3,728,023	-	3,403,871
Decommissioning liabilities	23	560,646	1,670,187	-	1,524,964
Total non-current liabilities		**8,643,764**	**9,420,572**	**202,573**	**8,826,088**
Current liabilities					
Trade and other payables	24	14,343,640	11,860,857	513,148	20,797,092
Taxation	25	854	4,505	-	-
Borrowings	22	3,814,478	7,259,855	-	4,873,503
Total current liabilities		**18,158,972**	**19,125,217**	**513,148**	**25,670,595**
Total liabilities		**26,802,736**	**28,545,789**	**715,721**	**34,496,683**
Total equity & liabilities		**57,342,155**	**58,243,413**	**16,650,712**	**51,102,793**

See notes to the financial statements.

Mr. Deji West	**Dr. O. F. Fatona**	**Mr. Goodie Ibru (OON)**
Executive Director Finance	Managing Director	Chairman
FRC/2013/ICAN/00000005289	FRC/2013/IODN/00000003811	FRC/2013/NIM/00000003510

CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

GROUP

	Issued capital ₦ '000	Share premium ₦ '000	Retained earnings ₦ '000	Total equity ₦ '000
Balance at 1 January 2014	1,749,364	13,008	16,475,309	18,237,681
Profit for the year	-	-	12,185,214	12,185,214
Transfer of treasury shares	362	-	-	362
Dividends to equity holders of the company	-	-	(725,633)	(725,633)
Total contributions by and distributions to owners of the company, recognised directly in equity	362	-	(725,633)	(725,271)
Balance at 31 December 2014	**1,749,726**	**13,008**	**27,934,890**	**29,697,624**
Balance at 1 January 2015	1,749,726	13,008	27,934,890	29,697,624
Profit for the year	-	-	2,112,422	2,112,422
Other comprehensive income for the year	-	-	(231,491)	(231,491)
Total comprehensive income for the year	-	-	1,880,931	1,880,931
Transfer of treasury shares (Note 20)	20,541	-	-	20,541
Dividends to equity holders of the company	-	-	(1,059,677)	(1,059,677)
Total contributions by and distributions to owners of the company recognised directly in equity	20,541	-	(1,059,677)	(1,039,136)
Balance at 31 December 2015	**1,770,267**	**13,008**	**28,756,144**	**30,539,419**

THE COMPANY

	Issued capital ₦ '000	Share premium ₦ '000	Retained earnings ₦ '000	Total equity ₦ '000
Balance at 1 January 2014	1,814,084	13,008	10,285,021	12,112,113
Profit for the year	-	-	5,219,630	5,219,630
Total comprehensive income for the year	-	-	5,219,630	5,219,630
Dividends to equity holders of the company	-	-	(725,633)	(725,633)
Total contributions by and distributions to owners of the company, recognised directly in equity	-	-	(725,633)	(725,633)
Balance at 31 December 2014	**1,814,084**	**13,008**	**14,779,018**	**16,606,110**
Balance at 1 January 2015	1,814,084	13,008	14,779,018	16,606,110
Profit for the year	-	-	463,399	463,399
Other comprehensive income for the year	-	-	(46,067)	(46,067)
Total comprehensive income for the year	-	-	417,332	417,332
Dividends paid to equity holders of the company	-	-	(1,088,451)	(1,088,451)
Total contributions by and distributions to owners of the company recognised directly in equity	-	-	(1,088,451)	(1,088,451)
Balance at 31 December 2015	**1,814,084**	**13,008**	**14,107,899**	**15,934,991**

CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2015

		₦ '000	₦ '000	₦ '000	₦ '000
(Loss)/profit before taxation		(1,614,746)	12,186,126	(2,940,472)	5,219,630
Adjustments for non-cash item:					
Interest expense	7	3,362,500	1,542,074	319,339	1,605,439
Interest received	7	(1,510,508)	(36,834)	(149)	(25,459)
Share of profit from associate	14	(2,191,226)	(5,272,379)	-	-
Changes in decommissioning liabilities	23	(1,109,541)	267,375	(1,524,964)	244,127
Derecognition of PPE (Note 28)	-	-	17,863,268	-	
Derecognition of intangible assets (Note 28)	-	-	44,672	-	
Depreciation and amortisation	9	9,765,730	3,462,537	36,984	2,757,029
Changes in decommissioning assets	11	289,566	-	-	-
Equipment transferred to inventory	11a	-	24,742	-	-
Gain on disposal of equipment	5	(1,650)	(103,397)	-	(38,377)
Changes in employee benefit liabilities	21	934,689	449,799	(1,263,036)	409,628
Operating cashflows before movement in working capital		**7,924,814**	**12,520,043**	**12,535,642**	**10,172,017**
Movement in working capital:					
Decrease/(increase) in trade and other debtors		474,745	2,155,730	14,035,896	(2,992,416)
(Increase)/decrease in prepayment		(2,882)	(94,410)	270,227	(85,514)
Decrease/(increase) in inventory		878,733	(635,573)	318,712	(63,392)
Decrease in tax assets		-	47,251	-	622,750
Increase in tax liabilities		-	3,593	-	-
Increase/(decrease) in trade, other creditors and accruals		2,482,783	2,871,083	(20,283,944)	4,969,830
Cash generated by operating activities		**11,758,193**	**16,867,717**	**6,876,533**	**12,623,275**
Employee benefits paid		(391,098)	(234,276)	(45,960)	(213,906)
Tax paid	25	(4,506)	-	-	-
Net cash flows from operating activities		**11,362,589**	**16,633,441**	**6,830,573**	**12,409,369**
Investing activities					
Interest received	7	46,371	36,834	149	25,459
Purchase of property, plant and equipment	11	(8,497,497)	(9,569,967)	(115,532)	(8,666,545)
Purchase of intangible assets	13	-	(116,330)	-	(112,076)
Proceeds from disposal of assets		1,650	211,838	-	61,491
Net cash used in investing activities		**(8,449,476)**	**(9,437,625)**	**(115,383)**	**(8,691,671)**
Financing activities					
Transfer of treasury shares		20,541	362	-	-
Dividend paid		(1,059,677)	(725,633)	(1,088,451)	(725,633)
Interest paid	7	(3,362,500)	(1,542,074)	(319,339)	(1,605,439)
Net additions/(repayment) - borrowing		1,304,434	(2,841,493)	(7,305,254)	273,048
Net cash used in financing activities		**(3,097,202)**	**(5,108,838)**	**(8,713,044)**	**(2,058,024)**
(Decrease)/Increase in cash and cash equivalents		(184,089)	2,086,978	(1,997,854)	1,659,674
Cash and cash equivalents – Beginning of year	19	3,098,099	1,011,121	2,350,790	691,116
Cash and cash equivalents – End of year	19	**2,914,010**	**3,098,099**	**352,936**	**2,350,790**

See notes to the financial statements.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

1 REPORTING ENTITY

Niger Delta Exploration & Production Plc ("the Company") was incorporated on 25 March 1992. The consolidated financial statements of the Company as at and for the year ended 31 December, 2015 comprise the Group and the Company and the Group's interest in associates .

The Group is engaged in the exploration for, development and production of oil and natural gas.

The Head Office of the Company is located at:
15 Babatunde Jose street,
Victoria Island,
Lagos,
Nigeria.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2 Basis of preparation

Statement of compliance

The consolidated financial statements of Niger Delta Exploration & Production Plc, and all of its subsidiaries (the "Group") have been prepared in compliance with the International Financial Reporting Standards(IFRS) as issued by the International Accounting Standards Board.

Basis of measurement

The annual financial statements are prepared on the historical cost basis, except for certain financial instruments which are measured at amortised cost. The functional and presentation currency is Naira
The consolidated financial statements were approved by the Board of Directors on 20 June 2016.

The consolidated financial statements are presented in Naira and all values are rounded to the nearest thousand (₦ '000), except when otherwise indicated.

(a) **New standards, interpretations and amendments to existing standards adopted by the Group**

The Group has applied the following standards and amendments for the first time in its reporting period commencing 1 January 2015:
- Annual improvements to IFRSs - 2010-2012 cycle and 2011 - 2013 Cycle
- Defined Benefit plans: Employee Contributions - Amendments to IAS 19

As these amendments merely clarify the existing requirement, they do not materially affect any of the Group's accounting policies or any of its disclosures

(b) **New standards, interpretations and amendments to existing standards that are not yet effective**

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2015, and have not been applied in preparing these consolidated and separate financial statements.

The Group is considering the implications of the standard, the potential impact on the Group and the timing of its adoption by the Group.

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted.

IFRS 15, 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2017 and earlier application is permitted.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the company.

(c) **Basis of consolidation**

The consolidated and separate financial statements comprise the financial statements of the Group as at 31 December 2015.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All intra-group balances, transactions and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Where the ownership of a subsidiary is less than 100%, and therefore a non-controlling interest exists, the non- controlling interest are allocated their share of the total comprehensive income of the period, even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interest
- Derecognises the cumulative translation differences recognised in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

(d) **Interests in joint arrangements**

IFRS defines joint control as the contractually agreed sharing of control over an economic activity, and this exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the "venturers").

A joint operation (JO) involves joint control and often joint ownership by the Group and other venturers of assets contributed to, or acquired for the purpose of, the joint venture, without the formation of a corporation, partnership or other entity.

When joint control ceases to exist, the Group determines which entity controls the investment and accounts for the investment in accordance to IFRS 10.

When joint control ceases to exist, the Group determines which entity controls the investment and accounts for the investment in accordance to IFRS 10. Niger Delta Petroleum Resources (NDPR) is deemed to have full control over the Ogbele field as the previous joint control arrangement with Niger Delta Exploration & Production Plc.(NDEP) has ceased.

(e) **Investments in associate - ND Western Nigeria Limited**

Associates are entities over which the Company has significant influence, but not control. The Company accounts for its investment in associates using the equity method. The company's share of profits or losses of associates is recognized in the consolidated statement of income and its share of other comprehensive income (loss) of associates is included in other comprehensive income.

Unrealized gains on transactions between the company and an associate are eliminated to the extent of the company's interest in the associate. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Dilution gains and losses arising from changes in interests in investments in associates are recognized in the consolidated statement of income.

(f) **Foreign currency translation**

I. Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency') - Naira .The consolidated financial statements are presented in thousand (Naira), which is the Group's presentation currency.

II. Transactions and balances

Foreign currency transactions that are transactions denominated, or that requires settlement, in a foreign currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured.

Monetary items denominated in foreign currency are translated with the closing rate as at the reporting date. Non-monetary items measured at historical cost denominated in a foreign currency are translated with the exchange rate as at the date of initial recognition; non-monetary items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

(g) **Oil and natural gas exploration, evaluation and development expenditure**

Oil and natural gas exploration, evaluation and development expenditure is accounted for using the "successful efforts method of accounting". Costs incurred prior to obtaining legal rights to explore are expensed immediately to the income statement.

I. **Pre-licence costs**

Pre-licence costs are expensed in the period in which they are incurred.

II. **Licence and property acquisition costs**

Exploration licence and leasehold property acquisition costs are capitalised within intangible assets and are reviewed at each reporting date to confirm that there is no indication that the carrying amount exceeds the recoverable amount. This review includes confirming that exploration drilling is still under way or firmly planned, or that it has been determined, or work is under way to determine, that the discovery is economically viable based on a range of technical and commercial considerations and sufficient progress is being made on establishing development plans and timing.

If no future activity is planned, the carrying value of the licence and property acquisition costs is written off through profit or loss. Upon recognition of proved reserves and internal approval for development, the relevant expenditure is transferred to oil and gas properties.

III. **Exploration and evaluation costs**

Exploration and evaluation activity involves the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource.
Licence costs paid in connection with a right to explore in an existing exploration area are capitalised and amortised over the term of the permit.

Once the legal right to explore has been acquired, costs directly associated with an exploration well are capitalised as exploration and evaluation intangible assets until the drilling of the well is complete and the results have been evaluated. These costs include directly attributable employee remuneration, materials and fuel used, rig costs and payments made to contractors.

Geological and geophysical costs are recognised in profit or loss as incurred.

If no potentially commercial hydrocarbons are discovered, the exploration asset is written off as a dry hole. If extractable hydrocarbons are found and, subject to further appraisal activity (e.g., the drilling of additional wells), are likely to be capable of being commercially developed, the costs continue to be carried as an intangible asset while sufficient/continued progress is made in assessing the commerciality of the hydrocarbons. Costs directly associated with appraisal activity undertaken to determine the size, characteristics and commercial potential of a reservoir following the initial discovery of hydrocarbons, including the costs of appraisal wells where hydrocarbons were not found, are initially capitalised as an intangible asset.

All such capitalised costs are subject to technical, commercial and management review as well as review for indicators of impairment at least once a year. This is to confirm the continued intent to develop or otherwise extract value from the discovery. When this is no longer the case, the costs are written off to profit or loss.

When proved reserves of oil and natural gas are identified and development is sanctioned by management, the relevant capitalised expenditure is first assessed for impairment and (if required) any impairment loss is recognised, then the remaining balance is transferred to oil and gas properties. No amortisation is charged during the exploration and evaluation phase.

For exchanges or parts of exchanges that involve only exploration and evaluation assets, the exchange is accounted for at the carrying value of the asset given up and no gain or loss is recognized.

IV. **Development costs**

Expenditure on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of development wells, including unsuccessful development or delineation wells, is capitalised within oil and gas properties.

(h) **Property, plant and equipment (including Oil and gas properties).**

I. **Initial recognition**

Oil and gas properties and other property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, excluding land.

The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, the initial estimate of the decommissioning obligation, and for qualifying assets (where applicable), borrowing costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. The capitalised value of a finance lease is also included within property, plant and equipment.

When a development project moves into the production stage, the capitalisation of certain construction/ development costs ceases and costs are either regarded as part of the cost of inventory or expensed, except for costs which qualify for capitalisation relating to oil and gas property asset additions, improvements or new developments.

II. **Depreciation/amortisation**

Oil and gas properties are depreciated/amortised on a unit-of-production basis over the total proved developed and undeveloped reserves of the field concerned, except in the case of assets whose useful life is shorter than the lifetime of the field, in which case the straight-line method is applied. Rights and concessions are depleted on the unit-of-production basis over the total proved developed and undeveloped reserves of the relevant area. The unit-of-production rate calculation for the depreciation/amortisation of field development costs takes into account expenditures incurred to date, together with sanctioned future development expenditure.

Other property, plant and equipment (excluding land) are generally depreciated on a straight-line basis over their estimated useful lives. Property, plant and equipment held under finance leases are depreciated over the shorter of lease term and estimated useful life.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

The asset's residual values, useful lives and methods of depreciation/amortisation are reviewed at each reporting period, and adjusted prospectively if appropriate.

Useful lives

The useful lives of the assets are estimated as follows:

Asset	**Useful life**
Buildings	25 years
Plant and equipment	20 - 60 years
Computer and IT equipment	4 - 6 years
Furniture and Fittings	4 - 6 years
Motor vehicles	4 - 6 years
Gas Plant	40 years

The consideration receivable on disposal of an item of property, plant and equipment or an intangible asset is recognised initially at its fair value by the Group. However, if payment for the item is deferred, the consideration received is recognised initially at the cash price equivalent. The difference between the nominal amount of the consideration and the cash price equivalent is recognised as interest revenue. Any part of the consideration that is receivable in the form of cash is treated as a definition of a financial asset and is accounted for at amortised cost.

IV. **Major maintenance, inspection and repairs**

Expenditure on major maintenance refits, inspections or repairs comprises the cost of replacement assets or parts of assets, inspection costs and overhaul costs. Where an asset or part of an asset, that was separately depreciated and is now written off, is replaced and it is probable that future economic benefits associated with the item will flow to the Group, the expenditure is capitalised. Where part of the asset replaced was not separately considered as a component and therefore not depreciated separately, the replacement value is used to estimate the carrying amount of the replaced asset(s) which is immediately written off. Inspection costs associated with major maintenance programmes are capitalised and amortised over the period to the next inspection. All other day-to-day repairs and maintenance costs are expensed as incurred.

(i) **Intangible assets**

Intangible assets include computer software.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation (calculated on a straight line basis over their useful lives) and accumulated impairment losses, if any.

Internally generated intangible assets, excluding capitalised development costs, are not capitalised. Instead the related expenditure is recognised in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

(j) **Impairment of non-financial assets**

Assets (excluding goodwill and indefinite life intangibles)

The Group assesses at each reporting date whether there is an indication that an asset (or cash-generating unit (CGU)) may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's or CGU's recoverable amount. Recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the asset is tested as part of a larger CGU to it belongs.

Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset/CGU is considered impaired and is written down to its recoverable amount. In calculating value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset/CGU. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecasts generally cover the period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flow after the fifth year.

Impairment losses of continuing operations, including impairment of inventories, are recognised in profit or loss in those expense categories consistent with the function of the impaired asset, except for property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets/CGUs excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's / CGU's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset / CGU does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset/CGU in prior years. Such a reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase and is recognised through other comprehensive income.

(k) **Financial assets**

Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, held to maturity investment and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

The Group's financial assets include cash and short-term deposits, trade and other receivables, loan and other receivables and unquoted financial instruments.

(i) Financial assets at fair value through profit or loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months; otherwise, they are classified as non-current. The Group currently has no assets in this category.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise 'borrowings', and 'trade and other receivables' in the consolidated statement of financial position

(iii) Held to maturity investment

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that an entity has the positive intention and ability to hold to maturity. The Group currently has no assets in this category.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

(v) Cash and short-term deposits

Cash and cash equivalents in the statement of financial position comprise cash at banks and at hand and short term deposits with an original maturity of three months or less, but exclude any restricted cash which is not available for use by the Group and therefore is not considered highly liquid – for example cash set aside to cover rehabilitation obligations.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership. Available-for- sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held to maturity investments are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within 'other (losses)/gains – net' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of other income when the group's right to receive payments is established.

Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in other comprehensive income.

When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement as 'gains and losses from investment securities'.

Interest on available-for-sale securities calculated using the effective interest method is recognised in the income statement as part of other income. Dividends on available-for-sale equity instruments are recognised in the income statement as part of other income when the group's right to receive payments is established.

Impairment of financial assets

(i) Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

(b) Assets classified as available for sale

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. For debt securities, the group uses the criteria referred to in (a) above. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement. If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the consolidated income statement.

Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

(m) **Financial liabilities, excluding derivative financial instruments, and equity instruments**

I Initial recognition and measurement

Financial liabilities and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered into and the applicable definitions. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities and includes no obligation to deliver cash or other financial assets.

Equity instruments issued by the company are recorded at the proceeds received, net of direct issuance costs.

All financial liabilities are recognised initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, bank overdrafts, loans and borrowings.

II. Subsequent measurement

The measurement of financial liabilities depends on their classification as described below.

(a) Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the EIR method amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included in finance cost in profit or loss.

(b) Trade and other payables

Trade and other payables are not interest bearing and are subsequently stated at their nominal values.

III. Derecognition

A financial liability is derecognised when the associated obligation is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

(n) **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(o) **Fair value of financial instruments**

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include: using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; a discounted cash flow analysis or other valuation models.

(p) **Inventories**

Inventories are stated at the lower of cost and net realisable value. The cost of producing and refining crude oil is accounted for on a weighted average basis. Inventory include include crude and diesel, including the volume held up in pipes.

Net realisable value of crude oil and refined products is based on the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Where the time value of money is material, these future prices and costs to complete are discounted.

Cost includes all costs incurred in the normal course of business in bringing each product to its present location and condition. The cost of crude oil and refined products is the purchase cost, cost of refining, including the appropriate proportion of depreciation, depletion and amortisation and overheads based on normal capacity.

(r) **Provisions**

I. General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to any provision is presented in profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost in profit or loss.

II. Decommissioning liability

The Group recognises a decommissioning liability when it has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made.

The obligation generally arises when the asset is installed or the ground/environment is disturbed at the field location. When the liability is initially recognised, the present value of the estimated costs is capitalised by increasing the carrying amount of the related oil and gas assets to the extent that it was incurred by the development/construction of the field. Any decommissioning obligations that arise through the production of inventory are expensed as incurred.

Changes in the estimated timing of decommissioning or decommissioning cost estimates are dealt with prospectively by recording an adjustment to the provision, and a corresponding adjustment to property, plant and equipment.

Any reduction in the decommissioning liability and, therefore, any deduction from the asset to which it relates, may not exceed the carrying amount of that asset. If it does, any excess over the carrying value is taken immediately to profit or loss.

If the change in estimate results in an increase in the decommissioning liability and, therefore, an addition to the carrying value of the asset, the Group considers whether this is an indication of impairment of the asset as a whole, and if so, tests for impairment in accordance with IAS 36. If, for mature fields, the revised oil and gas assets net of decommissioning provisions exceeds the recoverable value, that portion of the increase is charged directly to expense.

Over time, the discounted liability is increased for the change in present value based on the discount rate that reflects current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognised in profit or loss as a finance cost.

The Group recognises neither the deferred tax asset regarding the temporary difference on the decommissioning liability nor the corresponding deferred tax liability regarding the temporary difference on a decommissioning asset.

(s) **Income taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

I. **Current income tax**

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the Group and its subsidiary operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

II. **Deferred tax**

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income taxes levied by the same taxation authority where there is an intention to settle the balances on a net basis.

III **Royalties, resource rent tax and revenue-based taxes**

In addition to corporate income taxes, the Group's consolidated financial statements also include and recognize as taxes on income, other types of taxes on net income which are calculated based on oil and gas production.

Royalties, resource rent taxes and revenue-based taxes are accounted for under IAS 12 when they have the characteristics of an income tax. This is considered to be the case when they are imposed under government authority and the amount payable is based on taxable income – rather than based on quantity produced or as a percentage of revenue – after adjustment for temporary differences. For such arrangements, current and deferred income tax is provided on the same basis as described above for other forms of income tax.

Obligations arising from royalty arrangements and other types of taxes, that do not satisfy these criteria, are recognised as current provisions and included in cost of sales. The revenue taxes payable by Niger Delta Exploration & Production Plc. are considered to meet the criteria to be treated as part of income taxes.

IV. **Sales tax**

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

(t) **Revenue recognition**

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, sales taxes, excise duties and similar levies. The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements.

Revenue from the sale of oil and petroleum products is recognised when the significant risks and rewards of ownership have been transferred, which is considered to occur when title passes to the customer. This generally occurs when the product is physically transferred into a vessel, pipe or other delivery mechanism. Revenue is recognised net of crude-overlifts which is carried as a current liability in the statement of financial position.

Revenue from the production of oil, in which the Group has an interest with other producers, is recognised based on the Group's working interest and the terms of the relevant production sharing contracts.

The following criteria are also applicable to other specific revenue transactions:

I. **Interest income**

For all financial instruments measured at amortised cost and interest-bearing financial assets classified as available for sale, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability.

Interest revenue is included in finance income in profit or loss.

(u) **Cost of sales**

Cost of sales includes the cost of crude oil and gas inventory (including depreciation, amortization and impairment charges), costs related to transportation, impairment, the allowance for doubtful accounts and inventory write downs.

(v) **Borrowing costs**

Financing expenses comprises interest payable on borrowings are recognised in profit or loss in the period in which they are incurred.

(w) **Retirement benefit liabilities**

Group companies operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. The Group has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. The group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated by independent actuaries using the projected unit credit method.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

For defined contribution plans, the group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Termination benefits are payable when employment is terminated by the group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The group recognizes termination benefits when it is demonstrably committed to a termination when the entity has a detailed formal plan to terminate the employment of current employees without possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

The entity also operates a home ownership scheme based on the length of service and compensation. The liability recognised in the statement of financial position in respect of employee benefits obligation is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for unrecognised past-service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

x Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates if different assumptions were used and different conditions existed.

In particular, the Group has identified the following areas where significant judgments, estimates and assumptions are required, and where if actual results were to differ, may materially affect the financial position or financial results reported in future periods. Further information on each of these and how they impact the various accounting policies are described in the relevant notes to the financial statements.

I. **Hydrocarbon reserve and resource estimates**

Oil and gas production properties are depreciated on units of production (UOP) basis at a rate calculated by reference to total proved developed and undeveloped reserves determined in accordance with Society of Petroleum Engineers rules and incorporating the estimated future cost of developing those reserves. The Group estimates its commercial reserves based on information compiled by appropriately qualified persons relating to the geological and technical data on the size, depth, shape and grade of the hydrocarbon body and suitable production techniques and recovery rates. Commercial reserves are determined using estimates of oil in place, recovery factors and future oil prices, the latter having an impact on the total amount of recoverable reserves and the proportion of the gross reserves which are attributable to the host government under the terms of the Production-Sharing Agreements. Future development costs are estimated using assumptions as to the number of wells required to produce the commercial reserves, the cost of such wells and associated production facilities, and other capital costs.

As the economic assumptions used may change and as additional geological information is produced during the operation of a field, estimates of recoverable reserves may change. Such changes may impact the Group's reported financial position and results which include:

- The carrying value of exploration and evaluation assets, oil and gas properties, property, and plant and equipmentmay be affected due to changes in estimated future cash flows.
- Depreciation and amortisation charges in profit or loss may change where such charges are determined using the units of production method, or where the useful life of the related assets change.
- Provisions for decommissioning may change - where changes to the reserve estimates affect expectations about when such activities will occur and the associated cost of these activities.
- The recognition and carrying value of deferred income tax assets may change due to changes in the judgements regarding the existence of such assets and in estimates of the likely recovery of such assets.

II. **Exploration and evaluation expenditures**

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The determination of reserves and resources is itself an estimation process that requires varying degrees of uncertainty depending on sub-classification and these estimates directly impact the point of deferral of exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of the expenditure is unlikely, the relevant capitalised amount is written off in profit or loss in the period when the new information becomes available.

III. **Units of production depreciation of oil and gas assets**

Oil and gas properties are depreciated using the units of production (UOP) method over total proved developed and undeveloped hydrocarbon reserves. This results in a depreciation/amortisation charge proportional to the depletion of the anticipated remaining production from the field.

Each items' life, which is assessed annually, has regard to both its physical life limitations and to present assessments of economically recoverable reserves of the field at which the asset is located. These calculations require the use of estimates and assumptions, including the amount of recoverable reserves and estimates of future capital expenditure. The calculation of the UOP rate of depreciation could be impacted to the extent that actual production in the future is different from current forecast production based on total proved reserves, or future capital expenditure estimates changes. Changes to prove reserves could arise due to changes in the factors or assumptions used in estimating reserves, including:

- The effect on proved reserves of differences between actual commodity prices and commodity price assumptions. Or
- Unforeseen operational issues

Changes are accounted for prospectively.

IV. **Recoverability of oil and gas assets**

The Group assesses each asset or cash generating unit (CGU) (excluding goodwill, which is assessed annually regardless of indicators) every reporting period to determine whether any indication of impairment exists.

Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and value in use. These assessments require the use of estimates and assumptions such as long-term oil prices (considering current and historical prices, price trends and related factors), discount rates, operating costs, future capital requirements, decommissioning costs, exploration potential, reserves (see Hydrocarbon reserves and resource estimates above) and operating performance (which includes production and sales volumes). These estimates and assumptions are subject to risk and uncertainty. Therefore, there is a possibility that changes in circumstances will impact these projections, which may impact the recoverable amount of assets and/or CGUs.

Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. Fair value for oil and gas assets is generally determined as the present value of estimated future cash flows arising from the continued use of the assets, which includes estimates such as the cost of future expansion plans and eventual disposal, using assumptions that an independent market participant may take into account. Cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Management has assessed its CGUs as being its operations, which is the lowest level for which cash inflows are largely independent of those of other assets.

V. **Decommissioning costs**

Decommissioning costs will be incurred by the Group at the end of the operating life of some of the Group's facilities and properties. The Group assesses its decommissioning provision at each reporting date. The ultimate decommissioning costs are uncertain and cost estimates can vary in response to many factors, including changes to relevant legal requirements, the emergence of new restoration techniques or experience at other production sites. The expected timing, extent and amount of expenditure can also change, for example in response to changes in reserves or changes in laws and regulations or their interpretation. Therefore, significant estimates and assumptions are made in determining the provision for decommissioning. As a result, there could be significant adjustments to the provisions established which would affect future financial results. The provision at reporting date represents management's best estimate of the present value of the future decommissioning costs required.

VI. **Recovery of deferred income tax assets**

Judgment is required to determine which types of arrangements are considered to be a tax on income in contrast to an operating cost. Judgment is also required in determining whether deferred income tax assets are recognised in the statement of financial position. Deferred income tax assets, including those arising from un-utilised tax losses, require management to assess the likelihood that the Group will generate sufficient taxable earnings in future periods, in order to utilise recognised deferred income tax assets. Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These estimates of future taxable income are based on forecast cash flows from operations (which are impacted by production and sales volumes, oil and natural gas prices, reserves, operating costs, decommissioning costs, capital expenditure, dividends and other capital management transactions) and judgment about the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred income tax assets recorded at the reporting date could be impacted.

In addition, future changes in tax laws in the jurisdictions in which the Group operates could limit the ability of the Group to obtain tax deductions in future periods.

VII. **Retirement benefits liabilities**

The accounting policy applied by the Group for defined benefit pension schemes requires management to make judgments as to the nature of such benefits provided by each scheme which thereby determines the classification of each scheme. The cost of defined benefit pension plans and the present value of the pension obligation are required to be determined annually using actuarial valuations. An actuarial valuation involves making various estimates and assumptions. These include the determination of the future returns on each different type of scheme asset, discount rate, future salary increases, employee attrition rates, mortality rates, expected remaining periods of service of employees and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest rates on corporate bonds in the respective currency with at least an AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation, unless the obligations relate to a country that is considered to not have a deep market in corporate bonds. In these situations, the government rate on bonds with similar maturities is used.

The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases and pension increases are based on expected future inflation rates for the respective country.

VIII. **Fair value hierarchy**

Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility.

Changes in assumptions about these factors could affect the reported fair value of financial instruments.

IX. **Contingencies**

By their nature, contingencies will only be resolved when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgment and the use of estimates regarding the outcome of future events.

X. **Joint Control arrangements**

At each reporting date, the Group assesses its relationship with its investees in order to determine if it has control, joint control or significant influence. Where it has joint control, management also determines whether it is a joint venture or a joint arrangement. In making these judgements, management considers factors such as the percentage equity interest, exposure or rights to variable returns and the ability to affect the returns of the investee through its power over the investee. The Group has determined that its investee, ND Western Nigeria Limited, continues to be an associate.

3 Revenue

	THE GROUP		THE COMPANY	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	₦ '000	₦ '000	₦ '000	₦ '000
Oil - revenue	12,501,540	16,136,080	-	12,853,613
Diesel - revenue	2,255,793	2,051,257	-	1,872,900
Gas sales	2,298,234	1,196,933	-	548,019
Total revenue	**17,055,567**	**19,384,270**	**-**	**15,274,532**

Revenue represents sales of crude oil, diesel and gas from Ogbele oil field.

As stated in Note 28, the Company has not generated any revenue in the current year since Niger Delta Petroleum Resources Limited is in full control of the Ogbele Joint Venture operations . Niger Delta Exploration & Production Plc is now operating as an investment company with effect from January 1, 2015.

4 Cost of sales

	THE GROUP		THE COMPANY	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	₦ '000	₦ '000	₦ '000	₦ '000
Consultancy fee	2,279,580	599,272	-	547,165
Crude oil handling charges	540,214	564,853	-	379,112
Depreciation and amortisation (Note 9)	9,446,076	3,249,347	-	2,568,154
Exploration costs	1,792,738	869,958		794,315
Gas flaring	-	12,867	-	11,748
Materials, supplies and pollution control	24,666	49,591	-	45,417
Royalties to FGN	1,279,637	842,255	-	769,021
NDDC levy	1,696,378	-	-	-
Staff costs (Note 8)	1,666,066	2,066,726	-	1,704,724
Total	**18,725,355**	**8,254,869**	**-**	**6,819,656**

Consultancy fee include provisions for advisory, technical, corporate and financial services.

As stated in Note 28, the Company has not generated any cost of sales in the current year since Niger Delta Petroleum Resources Limited is in full control of the Ogbele Joint Venture operations . Niger Delta Exploration & Production Plc is now operating as an investment company with effect from January 1, 2015.

5 Other income

	THE GROUP		THE COMPANY	
	31-Dec-15 ₦ '000	**31-Dec-14 ₦ '000**	**31-Dec-15 ₦ '000**	**31-Dec-14 ₦ '000**
Crude handling	-	-	-	281,188
Dividend received from Petrodata	944	2,903	944	2,903
Dividend received from ND Gas	-	-	400,000	-
Exchange gain	-	-	1,138,878	303,743
Gain on disposal of plant and equipment	1,650	103,397	-	38,377
Miscellaneous	7	8,489	7	7,753
Provision no longer required	3,597,252	2,123,090	10,516	1,938,487
Total	**3,599,853**	**2,237,879**	**1,550,345**	**2,572,451**

Miscellaneous relates to the sale of scrap items. Provision no longer required relates to prior year over provision for home ownership grant , royalty, and decommissioning liabilities.

6 General and administrative expenses

	THE GROUP		THE COMPANY	
	31-Dec-15 ₦ '000	**31-Dec-14 ₦ '000**	**31-Dec-15 ₦ '000**	**31-Dec-14 ₦ '000**
Auditor's remuneration	40,397	36,457	19,874	25,470
Bank charges	50,882	173,222	1,438	167,063
Depreciation and amortisation (Note 9)	319,654	213,190	36,984	188,875
Directors' fees	48,000	35,911	43,000	35,911
Loss of control (Note 28)	-	-	3,706,262	-
Exchange loss	164,955	874,556	-	-
Fuel and Utilities	141,859	91,544	3,376	84,427
Information technology expenses	188,936	139,950	28,238	114,214
Insurance	375,653	250,617	24,034	230,856
Other expenses	437,460	365,320	49,277	1,270,369
Professional fees	151,725	482,897	12,675	453,070
Repairs and maintenance	563,004	248,439	13,164	47,327
Staff costs (Note 8)	1,110,711	1,377,817	202,009	1,136,483
Training	18,897	31,753	1,936	29,212
Travelling	219,737	214,150	29,360	200,313
Total	**3,831,870**	**4,535,823**	**4,171,627**	**3,983,590**

Other expenses consists of printing and stationery, and other related administrative costs incurred during the year.

Professional fees consist of cleaning service, security service, legal fees and registral management fee.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

7 Finance cost and income

	THE GROUP		THE COMPANY	
	31-Dec-15 ₦ '000	31-Dec-14 ₦ '000	31-Dec-15 ₦ '000	31-Dec-14 ₦ '000
Interest expense:				
– Bank borrowings (Note 22)	3,362,500	2,199,989	319,339	1,605,439
– IPIN Interest (Note 22)	-	145,095	-	-
– Provisions: unwinding of discount (Note 23)	52,175	267,375	-	244,127
Finance costs	**3,414,675**	**2,612,459**	**319,339**	**1,849,566**
Finance income:				
– Interest income on short-term bank deposits	46,371	36,835	149	25,459
– Interest income on bank borrowings at amortised cost	1,464,137	657,914	-	-
Finance income	**1,510,508**	**694,749**	**149**	**25,459**
Net finance costs	**(1,904,167)**	**(1,917,710)**	**(319,190)**	**(1,824,107)**

8 Employee Benefits

	THE GROUP		THE COMPANY	
	31-Dec-15 ₦ '000	31-Dec-14 ₦ '000	31-Dec-15 ₦ '000	31-Dec-14 ₦ '000
Included in cost of sales:				
Salaries and other costs	1,666,066	2,066,726	-	1,704,724
Included in general admin expenses:				
Salaries and other staff costs	176,022	928,018	151,293	726,855
Remeasurements	454,654	-	11,073	-
Current service costs	241,444	307,889	16,881	298,963
Interest costs	238,591	141,910	22,762	110,665
Total in general admin expenses	1,110,711	1,377,817	202,009	1,136,483
Total	**2,776,777**	**3,444,543**	**202,009**	**2,841,207**

9 Depreciation and amortisation

	THE GROUP		THE COMPANY	
	31-Dec-15 ₦ '000	31-Dec-14 ₦ '000	31-Dec-15 ₦ '000	31-Dec-14 ₦ '000
Included in cost of sales:				
Depreciation of property, plant & equipment	9,446,076	3,249,347	-	2,568,154
Included in general admin expenses:				
Depreciation of property, plant & equipment	281,521	205,553	14,413	181,238
Amortisation of intangible assets	38,133	7,637	22,571	7,637
Total in general admin expenses	319,654	213,190	36,984	188,875
Total	**9,765,730**	**3,462,537**	**36,984**	**2,757,029**

10 Earnings per share

Basic - GROUP

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year excluding ordinary shares purchased by the company and held as treasury shares.

	31-Dec-15	31-Dec-14
	₦ '000	₦ '000
Profit attributable to equity holders of the Group	2,112,422	12,185,214
Total	**2,112,422**	**12,185,214**

	31-Dec-15	31-Dec-14
	Number	Number
Weighted average number of ordinary shares in issue (thousands)	**177,026**	**174,972**

	31-Dec-15	31-Dec-14
Earnings per share (₦)	**11.93**	**69.64**
Diluted earnings per share (₦)	**11.93**	**68.83**

Basic – THE COMPANY

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year excluding ordinary shares purchased by the company and held as treasury shares.

THE COMPANY

	31-Dec-15	31-Dec-14
	₦ '000	₦ '000
Profit attributable to equity holders of the company	463,399	5,219,630

	31-Dec-15	31-Dec-14
	Number	Number
Weighted average number of ordinary shares in issue (thousands)	181,408	181,408

	31-Dec-15	31-Dec-14
Earnings per share (₦)	**₦ 2.55**	**₦ 28.77**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

11 Property, plant and equipment

	THE GROUP		THE COMPANY	
	December 2015 **₦ '000**	December 2014 **₦ '000**	December 2015 **₦ '000**	December 2014 **₦ '000**
Oil and gas properties (11a)	30,843,689	32,352,513	104,316	17,776,633
Other property, plant and equipment (11b)	866,510	877,352	24,262	114,094
Total	31,710,199	33,229,865	128,578	17,890,727

11a THE GROUP

OIL AND GAS PROPERTIES	**Project equipment**	**Civil works**	**Gas pipeline**	**Gas plant facilities**	**Motor vehicles**	**Assets under development**	**Total**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**	**₦ '000**	**₦ '000**	**₦ '000**
Cost							
Balance at 1 January 2015	26,115,507	1,019,599	3,316,370	10,427,378	98,581	3,485,548	44,462,983
Additions	7,782,968	291,437	152,413	-	-	-	8,226,818
Transfers	706,029	-	-	-	-	(706,029)	-
Changes in decommisioning assets	(1,160,122)	-	-	-	-	-	(1,160,122)
Balance at 31 December 2015	33,444,382	1,311,036	3,468,783	10,427,378	98,581	2,779,519	51,529,679
Depreciation and impairment losses							
Balance at 1 January 2015	10,580,447	570,696	213,261	672,130	73,936	-	12,110,470
Depreciation for the year	8,524,313	268,043	270,789	370,608	12,323	-	9,446,076
Changes in decommisioning assets	(870,556)	-	-	-	-	-	(870,556)
Balance at 31 December 2015	18,234,204	838,739	484,050	1,042,738	86,259	-	20,685,990
Net book value:							
At 31 December 2015	15,210,178	472,297	2,984,733	9,384,640	12,322	2,779,519	**30,843,689**
At 31 December 2014	15,535,060	448,903	3,103,109	9,755,248	24,645	3,485,548	**32,352,513**

11a THE COMPANY

OIL AND GAS PROPERTIES	Project equipment	Civil works	Assets under development	Total
	₦ '000	₦ '000	₦ '000	₦ '000
Cost				
Balance at 1 January 2015	23,844,762	930,945	3,182,480	27,958,187
De-recognition (Note 28)	(23,844,762)	(930,945)	(3,182,480)	(27,958,187)
Additions	-	-	104,316	104,316
Balance at 31 December 2015	-	-	104,316	104,316
Depreciation and impairment losses				
Balance at 1 January 2015	9,660,478	521,076	-	10,181,554
De-recognition (Note 28)	(9,660,478)	(521,076)	-	(10,181,554)
Balance at 31 December 2015	-	-	-	-
Net book value:				
At 31 December 2015	-	-	104,316	**104,316**
At 31 December 2014	14,184,284	409,869	3,182,480	**17,776,633**

There are no impairments in Property, Plant, and Equipment during the year. See Note 22 for assets pledged as collateral for borrowings.

11b THE GROUP

OTHER PROPERTY, PLANT AND EQUIPMENT	Plant and machinery	Furniture and Fittings	Office equipment	Motor vehicles	Building	Land	Total
	₦ '000	₦ '000	₦ '000	₦ '000	₦ '000	₦ '000	₦ '000
Cost							
Balance at 1 January 2015	122,906	28,261	571,990	350,543	205,810	569,000	1,848,510
Additions	-	-	79,257	183,988	7,434	-	270,679
Disposals	-	-	(60,000)	(91,994)	-	-	(151,994)
Balance at 31 December 2015	122,906	28,261	591,247	442,537	213,244	569,000	**1,967,195**
Depreciation and impairment losses							
Balance at 1 January 2015	97,327	20,806	555,480	77,741	19,804	-	971,158
Depreciation for the year	8,817	3,021	29,471	225,897	14,315	-	281,521
Disposals	-	-	(60,000)	(91,994)	-	-	(151,994)
Balance at 31 December 2015	106,144	23,827	524,951	411,644	34,119	-	**1,100,685**
Net book value:							
At 31 December 2015	16,762	4,434	66,296	30,893	179,125	569,000	**866,510**
At 31 December 2014	25,579	7,455	16,510	72,802	186,006	569,000	**877,352**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

11b THE COMPANY

OTHER PROPERTY, PLANT AND EQUIPMENT	Plant and machinery	Furniture and Fittings	Office equipment	Motor vehicles	Total
	₦ '000	₦ '000	₦ '000	₦ '000	₦ '000
Cost					
Balance at 1 January 2015	113,394	26,487	524,817	321,289	985,987
De-recognition (Note 28)	(99,880)	(18,627)	(495,344)	(307,187)	(921,038)
Additions	-	-	11,216	-	11,216
Balance at 31 December 2015	13,514	7,860	40,689	14,102	**76,165**
Depreciation and impairment losses					
Balance at 1 January 2015	89,482	19,120	508,781	254,510	871,893
De-recognition (Note 28)	(82,393)	(17,696)	(490,379)	(243,935)	(834,403)
Depreciation for the year	2,655	2,002	6,229	3,527	14,413
Balance at 31 December 2015	9,744	3,426	24,631	14,102	**51,903**
Net book value:					
At 31 December 2015	3,770	4,434	16,058	-	**24,262**
At 31 December 2014	23,912	7,367	16,036	66,779	**114,094**

12 Available for sale financial assets

	THE GROUP		THE COMPANY	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	₦ '000	₦ '000	₦ '000	₦ '000
At beginning	55,242	55,242	55,242	55,242
Additions	-	-	-	-
At 31 December	**55,242**	**55,242**	**55,242**	**55,242**
Less: non-current portion	55,242	55,242	55,242	55,242
Current portion	-	-	-	-

Available-for-sale financial assets include the following:

	THE GROUP		THE COMPANY	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	₦ '000	₦ '000	₦ '000	₦ '000
Unlisted securities:				
Petro – Data Management Services Limited	16,000	16,000	16,000	16,000
Petroleum Prospects International Limited (OPL 227 JV)	19,242	19,242	19,242	19,242
Dharmattan Gas and Power Ltd	20,000	20,000	20,000	20,000
Total	**55,242**	**55,242**	**55,242**	**55,242**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

	THE GROUP		THE COMPANY	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	₦ '000	₦ '000	₦ '000	₦ '000
Naira	**55,242**	**55,242**	**55,242**	**55,242**
Total	**55,242**	**55,242**	**55,242**	**55,242**

The Group has carried its unlisted investments at cost less impairment, if any. This is due to the difficulty encountered by the Group in obtaining information for a fair value assessment. There are no active markets for these financial instruments and they have therefore been disclosed at cost. The carrying amount is the expected recoverable amount on these investments.

13 Intangible assets

	THE GROUP		THE COMPANY	
	Software	Total	Software	Total
	₦ '000	₦ '000	₦ '000	₦ '000
Cost				
Balance at 1 January 2015	128,700	128,700	124,446	124,446
Derecognition (note 28)	-	-	(44,672)	(44,672)
Balance at 31 December 2015	**128,700**	**128,700**	**79,774**	**79,774**
Amortisation and impairment:				
Balance at 1 January 2015	16,238	16,238	16,238	16,238
Amortisation charge for the year	38,133	38,133	22,571	22,571
Balance at 31 December 2015	54,371	54,371	38,809	38,809
Net book value:				
At 31 December 2015	74,329	74,329	40,965	40,965
At 31 December 2014	112,462	**112,462**	108,208	**108,208**

Intangible assets consists of computer software used by the entity for recording transactions and reporting purposes. The entity's software has a finite life and is amortised on a straight line basis over the life of the software licenses.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

14 Investment in associate - ND Western Limited

	THE GROUP		THE COMPANY	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	₦ '000	₦ '000	₦ '000	₦ '000
At beginning	14,343,380	9,071,001	7,760,062	7,760,062
Share of profit	2,191,226	5,272,379	-	-
Carrying amount	**16,534,606**	**14,343,380**	**7,760,062**	**7,760,062**

The summarised financial statements of ND Western limited are presented below;

Summarised statement of financial position	**31-Dec-15**	**31-Dec-14**
	₦ '000	**₦ '000**
Current assets	29,781,861	45,585,822
Non current asset	131,772,891	94,254,483
Current liabilities	(52,697,094)	(22,307,327)
Non-current liabilities	(24,732,560)	(68,893,541)
Equity	84,125,098	48,639,437

Summarised profit or loss statement	**31-Dec-15**	**31-Dec-14**
	₦ '000	**₦ '000**
Revenue	36,777,672	41,589,319
Operating expenses	(24,699,716)	(22,203,076)
Net finance costs	(6,221,308)	(6,732,634)
Profit before taxation	5,856,648	12,653,609
Income tax	(597,747)	-
Profit after taxation	5,258,901	12,653,609
Proportion of Group's ownership	41.667%	41.667%
Group's share of profit for the year	2,191,226	5,272,379

The principal place of business of ND Western is Nigeria and it is accounted for using the equity method. No dividend was received from the joint venture in the year. ND Western operates under a pioneer status for tax purposes

15 Deferred taxation

The analysis of deferred tax assets and deferred tax liabilities is as follows:

Deferred tax assets	**THE GROUP**		**THE COMPANY**	
	31-Dec-15	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Property, plant and equipment	-	-	-	-
Borrowings	-	-	-	-
Receivables	-	-	-	-
Total	**-**	-	**-**	-
Deferred tax liabilities				
Property plant and equipment	-	3,728,023	-	3,403,871
Borrowings	-	-	-	-
Recognised in OCI/Equity	-	-	-	-
Total	**-**	**3,728,023**	**-**	**3,403,871**
Deferred taxation				
At start of year	3,728,023	3,728,023	3,403,871	3,403,871
Income statement charge	(3,728,023)	-	(3,403,871)	-
At end of year	**-**	**3,728,023**	**-**	**3,403,871**

Deferred tax liabilities:	**THE GROUP**		**THE COMPANY**	
	31-Dec-15	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Deferred tax liability to be recovered after more than 12 months	-	3,728,023	-	3,403,871
Deferred tax liability to be recovered within 12 months	-	-	-	-
Total	-	3,728,023	-	3,403,871
Deferred tax (net)	**-**	**(3,728,023)**	**-**	**(3,403,871)**

The Group and Company has a net deferred tax asset of ₦ 5.4billion & ₦ 4.9billion respectively, in respect of unutilised capital allowances. These deferred tax assets have not been recognised in these financial statements as it is not probable that sufficient future taxable profit will be available to utilise the amount of capital allowances.

16 Inventories

	THE GROUP		THE COMPANY	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	₦ '000	₦ '000	₦ '000	₦ '000
Crude	-	-	-	-
Diesel	15,250	301,663	-	275,433
Materials	56,329	648,649	-	43,279
Total	**71,579**	**950,312**	**-**	**318,712**

There were no write-downs of inventory during the year and all inventory balances are current in nature. Inventory balances will be turned over within 12 months after the financial year.

At 31 December 2015, the Joint Venture had an over lift as a result of sale of 227,822 barrels of crude oil (31 December 2014: 64,660 barrels of crude oil) belonging to joint storage partners in the Shell Petroleum Development Company of Nigeria's pipelines and storage tanks.

17 Trade and other receivables

	THE GROUP		THE COMPANY	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	₦ '000	₦ '000	₦ '000	₦ '000
Trade receivables	418,814	365,737	91,780	-
Other debtors	538,114	1,020,700	85,230	796,736
Receivables from related parties	4,710,341	4,755,577	8,024,571	21,440,741
Total	**5,667,269**	**6,142,014**	**8,201,581**	**22,237,477**
Non-current	-	4,755,577	-	21,440,741
Current portion	5,667,269	1,386,437	8,201,581	796,736
Total	**5,667,269**	**6,142,014**	**8,201,581**	**22,237,477**

Trade receivables are non-interest bearing and are generally on 30-90 day terms. All receivables have been assessed on an individual basis using the incurred loss model. No receivables was considered impaired as at 31 December 2015 as management believes all amounts are recoverable and there is no history of default in the receivable balances that existed as at 31 December 2015. "Receivables from related parties" relate to ND Western Nigeria Limited, a joint venture, in respect of funding provided for its operations not considered as equity.

18 Prepayments

	THE GROUP		THE COMPANY	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	₦ '000	₦ '000	₦ '000	₦ '000
Prepaid rent	-	1,034	-	944
Prepaid expenses	124,174	10,225	464	9,336
Prepaid insurance	190,720	150,126	15,330	138,213
Other prepayments	27	150,654	27	137,555
Total	**314,921**	**312,039**	**15,821**	**286,048**

Other prepayments include prepaid internet access

19 Cash and cash equivalents

	THE GROUP		THE COMPANY	
	31-Dec-15	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Cash and bank balances	2,551,426	2,482,581	289,111	1,798,596
Short term deposits	362,584	615,518	63,825	552,194
Total	**2,914,010**	**3,098,099**	**352,936**	**2,350,790**

Cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities less than three months. The entire balances are also cash and cash equivalent for cashflow purposes.

20 Share capital and premium

Share capital and premium – THE GROUP

	Number of shares	Ordinary shares (₦ '000)	Share premium (₦ '000)	Total (₦ '000)
At 1 January 2014	174,936	1,749,364	13,008	1,762,372
– Transfer of treasury shares	36	362	-	362
Balance at 31 December 2014	174,972	1,749,726	13,008	1,762,734
Balance at 1 January 2015	174,972	1,749,726	13,008	1,762,734
– Transfer of treasury shares	2,054	20,541	-	20,541
Balance at 31 December 2015	**177,026**	**1,770,267**	**13,008**	**1,783,275**

Treasury shares represent shares repurchased by the Group from IPIN(Irredeemable Participatory Investment Notes) holders, which effectively reduced the share capital. The issue in the year relates to warehoused shares transferred to external parties.

Share capital and premium – THE COMPANY

	Number of shares in thousands	Ordinary shares (₦ '000)	Share premium (₦ '000)	Total (₦ '000)
At 1 January 2014	181,408	1,814,084	13,008	1,827,092
Balance at 31 December 2014	181,408	1,814,084	13,008	1,827,092
Balance at 1 January 2015	181,408	1,814,084	13,008	1,827,092
Balance at 31 December 2015	181,408	1,814,084	13,008	1,827,092

All shares are ordinary shares with equal voting rights and are issued at par value of ₦ 10 per share. There are no movements in the issued share capital and the authorised share capital in the year.

Share premium arose as a result of the issue of shares above par value.

	Number of shares in thousands	Total (₦ '000)
Authorised Share capital	275,000	2,750,000
Issued and fully paid-up	181,408	1,814,084
Treasury shares(held in NDPR)	4,381	43,817

21 Employee Benefit liabilities

The Company operates an unfunded defined benefit plan(gratuity) and a home ownership benefit scheme in Nigeria based on employee pensionable remuneration and length of service. Plan liability is based upon actuarial valuation using the projected unit credit basis.

The amounts recognised in the statement of financial position are determined as follows:

	THE GROUP		THE COMPANY	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
Statement of financial position obligations for:	₦ '000	₦ '000	₦ '000	₦ '000
Gratuity	1,488,285	1,149,662	172,388	1,061,678
Home ownership scheme	877,408	440,949	30,185	403,824
Liability in the statement of financial position	**2,365,693**	**1,590,611**	**202,573**	**1,465,502**

The obligations under both plans are unfunded and there are no plan assets.

Remeasurement losses included in:				
Statement of profit or loss	454,654	-	11,073	-
Other comprehensive income	231,491	-	46,067	-

The movement in the employee benefits liailities over the year is as follows:

a. Gratuity

The movements in the year is as follows:

	THE GROUP		THE COMPANY	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	₦ '000	₦ '000	₦ '000	₦ '000
Beginning	1,149,662	848,194	1,061,678	783,920
Derecognition	-	-	(923,903)	-
Current service cost	147,744	251,903	13,840	240,163
Interest cost	172,449	70,779	20,666	52,969
Remeasurement	231,491	-	46,067	-
Benefits paid	(213,061)	(21,214)	(45,960)	(15,374)
Ending	**1,488,285**	**1,149,662**	**172,388**	**1,061,678**

Actuarial losses/(gains) recognised in the statement of other comprehensive income in the year:

	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Losses/(Gains)	231,491	-	46,067	-

The principal actuarial assumptions were as follows:

	THE GROUP		THE COMPANY	
	31-Dec-15	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Discount rate	12.0%	13.5%	12.0%	13.5%
Inflation rate	10.0%	10%	10%	10%
Withdrawal(from service) rate	1-3 %	1-3 %	1-3 %	1-3 %
Future salary increases	13.5%	13.5%	13.5%	13.5%

The rates of mortality assumed for employees are the rates published in the A6/70 ultimate tables, published jointly by the institute and faculty of actuaries UK.

The sensitivity of the liability to changes in the weighted principal assumptions is:

	THE GROUP		THE COMPANY	
	31-Dec-15	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Effects of a 1% decrease in:				
Discount rate	237,776	86,417	26,202	25,871
Salary growth rate	(198,770)	(74,176)	(22,936)	(20,334)
Effects of a 1% increase in:				
Discount rate	(199,579)	(76,234)	(23,028)	(22,981)
Salary growth rate	232,095	88,734	25,568	19,785

b. Home ownership

	THE GROUP		THE COMPANY	
	31-Dec-15	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Beginning	440,949	526,894	403,824	485,860
Derecognition	-	-	(389,849)	-
Current service cost	93,700	55,986	3,041	58,800
Interest cost	66,142	71,131	2,096	57,696
Remeasurement	454,654	-	11,073	-
Benefits paid	(178,037)	(213,062)	-	(198,532)
Ending	**877,408**	**440,949**	**30,185**	**403,824**

Actuarial losses/(gains) recognised in the statement of profit or loss in the year:

	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Losses	454,654	-	11,073	-

The principal actuarial assumptions were as follows:

	THE GROUP		**THE COMPANY**	
	31-Dec-15	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Discount rate	12.0%	13.5%	12.0%	13.5%
Inflation rate	10.0%	10%	10%	10%
Withdrawal(from service) rate	1-3 %	1-3 %	1-3 %	1-3 %
Future salary increases	13.5%	13.5%	13.5%	13.5%

The rates of mortality assumed for employees are the rates published in the A6/70 ultimate tables, published jointly by the institute and faculty of actuaries UK.

The sensitivity of the liability to changes in the weighted principal assumptions is:

	THE GROUP		**THE COMPANY**	
	31-Dec-15	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Effects of a 1% decrease in:				
Discount rate	14,492	11,232	787	546
Salary growth rate	(13,907)	(11,090)	(752)	(511)
Effects of a 1% increase in:				
Discount rate	(13,967)	(12,333)	(755)	(514)
Salary growth rate	14,170	13,988	769	568

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions ocurring at the end of the reporting year. The sensitivity analysis are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefits obligation as it is unlikely that changes in assumtpion will occur in isolation of one another.

The Group administers the plans internally through its human resources department and they are generally unfunded. The benefits are paid as they fall due to qualifying staff in line with conditions prescribed in the staff handbook. The benefits due per staff is based on final salary and years of service with the Company. There are no monetary contributions from the employees into the scheme. Of the total obligations as at 31 December 2015, ₦ 1.48 billion relates to defined benefits(gratuity) (December 2014 : ₦ 1.14 billion). There are no regulatory impositions on the schemes.

22 Borrowings

	THE GROUP		THE COMPANY	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	₦ '000	₦ '000	₦ '000	₦ '000
Bank borrowings	9,425,156	9,584,859	-	7,305,254
PetRe IPINs	106,747	106,747	-	-
Total	**9,531,903**	**9,691,606**	**-**	**7,305,254**
Current	3,814,478	7,259,855	-	4,873,503
Non-current	5,717,425	2,431,751	-	2,431,751
Total	**9,531,903**	**9,691,606**	**-**	**7,305,254**

(a) Participating Investment Notes (IPINs)

On 9th May 2003, by a Share Purchase Agreement ("SPA"), Niger Delta Exploration & Production Plc (NDEP) acquired all the shares of Niger Delta Petroleum Resources Limited of which the net consideration was paid to the then existing shareholders by issuing ordinary shares in NDEP of a total value of US$ 2,113,738 at an agreed price of of US$ 0.30 per share and the issue of NDPR Participating Investment Notes of $ 1.00 each to a value of US$ 2,113,738 at an agreed price of $1.00 per note.

(b) Bank borrowings

The Group obtained loans from Guaranty Trust Bank Plc.

Guaranty Trust Bank Plc

This represents the outstanding balance on the $310 million loan facility from Guaranty Trust Bank Plc (GTB). The drawdown was made in two tranches as follows: $150 million being the first tranche with an interest rate of 9% per annum and $160 million with an interest rate of 9.25 % per annum being the second tranche. The loan was secured to finance the acquisition of interests in OML 34 and drilling campaigns at Ogbele. It was repayable over 60 monthly instalments from the date of initial disbursement . In 2015, the loan was restructured and is now repayable every quarter from November 2015 to January 2019. It is secured by: all assets debenture on fixed and floating assets of NDPR; floating charge on the crude oil produced from the acreage operated by NDPR in OML 54, assignment and domiciliation of crude oil sales proceeds to GTB; charge over collection accounts and corporate guarantee of NDEP Plc for the full facility amount and interest thereon.

The exposure of the Company's borrowings to interest rate changes and the contractual repricing dates at the end of the reporting period are as follows:

	THE GROUP		THE COMPANY	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	₦ '000	₦ '000	₦ '000	₦ '000
6 months or less	-	-	-	-
6-12 months	3,814,478	7,259,855	-	4,873,503
1-5 years	5,717,425	2,431,751	-	2,431,751
Over 5 years	-	-	-	-
Total	**9,531,903**	**9,691,606**	**-**	**7,305,254**

The carrying amounts and fair value of the non-current borrowings are as follows:

	THE GROUP		THE COMPANY	
	31-Dec-15	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Carrying amount:				
Borrowings	9,531,903	9,691,606	-	7,305,254
Total	**9,531,903**	**9,691,606**	**-**	**7,305,254**
Fair value:				
Borrowings	9,257,417	10,237,682	-	7,196,503
Total	**9,257,417**	**10,237,682**	**-**	**7,196,503**

The fair values are based on cash flows discounted using a rate based on the current borrowing rate of 10.97% (2014: 9.77%). They are classified as level 3 fair values in the fair value hierarchy due to the lack of observable inputs, including own credit risks.

23 Decommissioning liabilities

	THE GROUP	THE COMPANY
	₦ '000	**₦ '000**
Balance at 1 January 2015	1,670,187	1,524,964
Derecognition	-	(1,524,964)
Charged/(credited) to the income statement:		
Changes in estimated flows	(1,161,716)	-
Unwinding of discount due to passage of time	52,175	-
Balance at 31 December 2015	**560,646**	**-**

The Group makes full provision for the future cost of decommissioning oil production facilities and pipelines on a discounted basis on the installation of those facilities. The decommissioning provision represents the present value of decommissioning costs relating to oil and gas properties, which are expected to be incurred up to 2035 (revised in 2015 from the initial 10 Years' life of the asset). These provisions have been created based on the Group's internal estimates. Assumptions based on the current economic environment have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to take into account any material changes to the assumptions. However, actual decommissioning costs will ultimately depend upon future market prices for the necessary decommissioning works required which will reflect market conditions at the relevant time. Furthermore, the timing of decommissioning is likely to depend on when the fields cease to produce at economically viable rates. This, in turn, will depend upon future oil and gas prices, which are inherently uncertain.The discount rate used in the calculation of the provision as at 31 December 2015 is 10.32% (31 December 2014 : 10.32%).

24 Trade and other payables

	THE GROUP		THE COMPANY	
	31-Dec-15	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Trade payables	9,133,674	3,969,700	138,343	3,624,534
Accruals	1	3,375,754	-	2,540,168
Investors' deposit	3,707	4,364	3,707	4,364
Sundry creditors	788,444	24,250	371,098	22,645
Royalty payable	2,760,459	3,814,393	-	3,482,732
Amounts due to related parties	-	-	-	10,476,665
Crude due to third party	1,657,355	672,396	-	645,984
	14,343,640	**11,860,857**	**513,148**	**20,797,092**

At 31 December 2015, the Joint venture had an over lift as a result of sale of 227,822 barrels of crude oil belonging to joint storage partners in the Shell Petroleum Development Company of Nigeria's pipelines and storage tanks. This represents crude oil to third party.

Due to related parties represents amounts owed by the parent company to ND Properties Limited, ND Gas Limited and Niger Delta Petroleum Resources Limited.

- Trade payables are non-interest bearing and are normally settled on 30-day terms.

- The directors consider that the carrying amount of trade payables approximates to their fair value.

25 Taxation

	THE GROUP		THE COMPANY	
	31-Dec-15	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Income tax expense	713	760	-	-
Education tax	142	152	-	-
Current taxes referring to previous years	-	-	-	-
Amount of previously unused tax losses	-	-	-	-
Total current tax	855	**912**	-	-
Deferred tax				
Origination /(reversal) of temporary differences	(3,728,023)	-	(3,403,871)	-
Amount of previously unused tax losses	-	-	-	-
Total deferred tax	(3,728,023)	-	(3,403,871)	-
Income tax expense	**(3,727,168)**	**912**	**(3,403,871)**	**-**

The movement in the current and petroleum income tax liability is as follows:

	THE GROUP		THE COMPANY	
	31-Dec-15	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
At 1 Jan	4,505	(47,251)	-	(622,750)
Tax paid	(4,506)	-	-	-
Prior period over provision	-	50,844	-	622,750
Income tax charge	855	912	-	-
At end	**854**	**4,505**	**-**	**-**

Reconciliation of effective tax rate	THE GROUP		THE COMPANY	
	31-Dec-15	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
(Loss)/profit before income tax	**(1,614,746)**	**12,186,126**	**(2,940,472)**	**5,219,630**
Income tax using the domestic corporation tax rate	(1,061,695)	8,012,378	(1,933,360)	3,431,907
Net reversal of temporary differences	(3,728,023)	-	(3,403,871)	-
Education tax levy	142	152	-	-
Disallowed expenses	1,657,474	-	-	-
Tax incentives	(595,066)	(8,011,618)	1,933,360	(3,431,907)
Total income tax (credit)/expense in income statement	**(3,727,168)**	**912**	**(3,403,871)**	**-**
Effective tax rate	**231%**	**0%**	**116%**	**0%**

The Company and its subsidiary, Niger Delta Petroleum Resources Ltd, were granted pioneer status incentive during the financial year ended 31 December 2011 by the Nigeria Investment Promotion Commission. The pioneer status incentive is for a period of five (5) years. This exempts both the Company and its subsidiary from tax payment during the period. The commencement dates are 1 February 2010 for the subsidiary and 1 March 2010 for the Company. The pioneer relief expired on 31 January 2015 and 28 Febuary 2015 for the subsidiary and the Company respectively.

Also, ND Gas Limited, another subsidiary, was granted pioneer status incentive during the financial year ended 31 December, 2012 by the Nigeria Investment Promotion Commission. The pioneer status incentive is for a period of five(5) years. This exempts the Company from tax payment during the period. The commencement date is 1 December, 2012.

26 Subsidiaries

The Niger Delta Exploration and Production Company(‘the parent’) controls the following subsidiaries:

		31-Dec-15	31-Dec-14
	Ownership interest	**₦ ‘000**	**₦ ‘000**
Niger Delta Petroleum Resources (NDPR)	100%	50,000	50,000
Niger Delta Exploration and Production - Uganda (NDEP Uganda)	100%	15,527	15,527
ND Properties Limited (ND Properties)	100%	20,000	20,000
ND Gas Limited (ND Gas)	100%	10,000	10,000
		95,527	**95,527**

Summarized statement of profit or loss

	NDPR		ND Gas		ND Properties	
	31-Dec-15	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**
	₦ ‘000	**₦ ‘000**	**₦ ‘000**	**₦ ‘000**	**₦ ‘000**	**₦ ‘000**
Revenue	12,494,873	1,454,598	5,716,523	3,187,856	18,000	18,000
Cost of sales	(14,532,057)	(708,101)	(2,067,831)	(1,092,916)	(25,191)	(18,635)
	(2,037,184)	746,497	3,648,692	2,094,940	(7,191)	(635)
Other income	7,826,560	1,239,173	809	61,365	-	-
General and Admin expenses	(6,949,035)	(509,249)	(1,334,399)	(1,905,697)	-	-
Finance costs	(785,782)	(160,892)	(799,195)	725,334	-	-
Profit before taxation	(1,945,441)	1,315,529	1,515,907	975,942	(7,191)	(635)
Taxation	324,152	-	-	-	(855)	(912)
Profit after taxation	(1,621,289)	1,315,529	1,515,907	975,942	(8,046)	(1,547)
Other comprehensive income	(185,424)	-	-	-	-	-
Total comprehensive income	(1,806,713)	1,315,529	1,515,907	975,942	(8,046)	(1,547)

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS - Continued

The summary financial information of subsidiaries are provided below:

	Niger Delta Petroleum Resources Ltd		ND Gas Limited		ND Propertes Limited	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	₦ '000	₦ '000	₦ '000	₦ '000	₦ '000	₦ '000
Assets						
Non-current						
Property plant and equipment	17,933,427	1,701,125	12,900,069	12,883,002	-	-
Intangible assets	33,364	4,254	-	-	-	-
Investment property	-	-	-	-	748,125	755,006
Available-for-sale financial assets	43,819	64,360	-	-	-	-
	18,010,610	**1,769,739**	**12,900,069**	**12,883,002**	**748,125**	**755,006**
Current						
Inventories	71,579	30,352	-	601,248	-	-
Trade and other receivables	14,639,185	4,601,565	152,096	365,737	80,000	62,000
Prepayments	299,100	25,991	-	-	-	-
Cash and cash equivalents	2,530,442	231,831	30,632	515,478	-	-
	17,540,306	**4,889,739**	**182,728**	**1,482,463**	**80,000**	**62,000**
Total assets	**35,550,916**	**6,659,478**	**13,082,797**	**14,365,465**	**828,125**	**817,006**
Liabilities						
Non-current						
Employee Benefit liabilities	9,531,903	401,116	-	1,985,236	-	-
Borrowings	2,163,120	125,109	-	-	-	-
Deferred tax liabilities	-	324,152	-	-	-	
Decommissioning liabilities	560,646	145,223	-	-	-	-
	12,255,669	**995,600**	**-**	**1,985,236**	**-**	**-**
Current						
Trade and other payables	21,114,171	1,676,089	9,607,118	10,020,457	650,693	627,878
Taxation	-	-	-	-	855	4,505
	21,114,171	**1,676,089**	**9,607,118**	**10,020,457**	**651,548**	**632,383**
Total liabilities	**33,369,840**	**2,671,689**	**9,607,118**	**12,005,693**	**651,548**	**632,383**
Equity						
Share capital	50,000	50,000	10,000	10,000	20,000	20,000
Retained earnings	2,131,076	3,937,789	3,465,679	2,349,772	156,577	164,623
Total equity	**2,181,076**	**3,987,789**	**3,475,679**	**2,359,772**	**176,577**	**184,623**
Total liabilities and equity	**35,550,916**	**6,659,478**	**13,082,797**	**14,365,465**	**828,125**	**817,006**

Summarised statement of cashflows

	Niger Delta Petroleum Resources Ltd		ND Gas Limited		ND Propertes Limited	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	₦ '000	₦ '000	₦ '000	₦ '000	₦ '000	₦ '000
Net cashflow from operating activities	(321,655)	712,249	563,667	3,679,063	7,434	56,427
Net cashflow from investing activities	(6,510,521)	(810,933)	(196,584)	146,150	(7,434)	(56,427)
Net cashflow from financing activities	9,130,787	149,274	(851,929)	(3,448,499)	-	-
Net increase/(decrease) in cash and cash equivalents	**2,298,611**	**50,590**	**(484,846)**	**376,714**	**-**	**-**

NDEP Uganda carries a share capital of N15.527 million and a negative accumulated reserves of same amount, which results in zero net assets. The investment is not considered impaired as management is committed to making additional investments in the future which would enhance the fortunes of the company. The company has no assets and liabilities and its performance has been included in the Group accounts presented herein.

27 Commitments

As at 31 December 2015, there are no capital commitments that have not been provided for (2014 - Nil).

28 Loss of Control

In 2015, Niger Delta Exploration and Production Plc (NDEP) ceded full control of the Ogbele joint operations to Niger Delta Resources Limited (NDPR) via an agreement. Hitherto, both NDEP and NDPR had joint control over the Ogbele joint operation. Management deems this change reasonable as it will enhance the Group's reporting quality and eliminate certain administrative bottlenecks. This change has no impact on the ownership interests of NDEP and NDPR in the Ogbele field which still stands at 91.305% and 8.905% respectively. This does not also change the substance at the Group level as NDPR is still fully owned by NDEP and will be fully consolidated. The overall impact is that the Ogbele operations will now be reported 100% in NDPR's separate financial statements and derecognised in NDEP's separate financial statements.

29 Contingencies

The Group has contingent liabilities in respect of legal suits against Niger Delta Resources Limited (NDPR) as the operator of the Ogbele oil field. The possible liabilities from these cases amount to ₦ 4,905million (2014: ₦ 4,634million). These have not been incorporated in these financial statements. Management and Group's solicitors are of the opinion the Group will suffer no loss from these claims.

30 Treasury shares

Treasury shares represent shares repurchased by the Group from the Participatory Investment Notes' holders, which effectively reduced the share capital. In 2015, ₦20,540,860 worth of treasury shares were repurchased
(2014; N362,000).

31 Related party disclosures

The consolidated financial statements include the financial statements of Niger Delta Exploration & Production Plc and the subsidiaries listed in the following table:

	Country of incorporation	% equity interest	
		31-Dec-15	31-Dec-14
Niger Delta Petroleum Resources Limited	Nigeria	100	100
ND Gas Limited	Nigeria	100	100
ND Properties Limited	Nigeria	100	100
Niger Delta Eploration and Production Plc (Uganda)	Uganda	100	100

The summarised financial statements of these subsidiaries are presented in Note 26.

Other related parties include ND western Limited, an associate company in which the Group has a 41.667% ownership interest.

The ultimate parent of the Group is Niger Delta Exploration & Production Plc.

The following transactions were carried out with related parties:

(a) Sales of goods and services

	31-Dec-15	31-Dec-14
Goods	**₦ '000**	**₦ '000**
– Associates	Nil	Nil
– ND Western Limited (Associate)	Nil	Nil
Rendering of services:		
– Ultimate parent (legal and administration services)	Nil	Nil
Total	**Nil**	**Nil**

(b) Purchase of goods and services

	31-Dec-15	31-Dec-14
	₦ '000	**₦ '000**
Rendering of services:		
– Entity controlled by key management personnel	450,884	619,126
Total	**450,884**	**619,126**

Goods and services are bought from associates and an entity controlled by key management personnel on normal commercial terms and conditions.

(c) Key management compensation

Key management includes directors (executive and non-executive), members of the Executive Committee, the Company Secretary and the Head of Internal Audit. The compensation paid or payable to key management for employee services is shown below:

	31-Dec-15	31-Dec-14
	₦ '000	**₦ '000**
Salaries and other short-term employee benefits	93,375	188,119
Post-employment benefits	132,556	121,994
Total	225,931	310,113

(d) Year-end balances arising from sales/purchases of goods/services

	31-Dec-15	31-Dec-14
	₦ '000	**₦ '000**
Receivables from related parties		
Associate	4,710,341	4,755,577

The receivables from related parties arise mainly from sale transactions and are due two months after the date of sales. The receivables are unsecured in nature and bear no interest. No provisions are held against receivables from related parties (2014: nil).

The payables to related parties arise mainly from purchase transactions and are due two months after the date of purchase. The payables bear no interest. There were no loans to related parties during the year.

32 Financial risk management

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash fiow interest rate risk and price risk), credit risk and liquidity risk. The group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance.

Risk management is carried out by a central treasury department (group treasury) under policies approved by the board of directors. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the group's operating units. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, and investment of excess liquidity.

(a) Market risk

Market risk is the risk that changes in market prices- such as currency exchange rates and interest rates - will affect the Group's income or the value of its financial instruments. The aim of managing market risk is to manage exposures within acceptable parameters , while optimising return.

(i) Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to cash and cash equivalents that are denominated in US dollars. Its exposure to other currencies is immaterial. Its borrowings are repaid from its dollar revenue streams. The Group's policy is to ensure that its net exposure is kept at an acceptable level by buying or selling currencies at spot rates when necessary to address imbalances. The sensitivity of the Group's cash and cash equivalents to changes in USD exchange rates is shown below;

	Change in exchange rate	31-Dec-15	31-Dec-14
		₦ '000	**₦ '000**
USD	10%	13,290	11,100
	-10%	(13,290)	(11,100)

(ii) Price risk

The Group is not exposed to equity securities price risk because of investments held by the Group and classified on the consolidated statement of financial position are majorly carried at cost. However, the Group is also exposed to commodity price risk in form of crude oil inventory. Oil prices are determined by market forces which are beyond the control of the Group. Management is currently examining different strategies for managing this risk as market realities unfold. The sensitivity of the Group's earnings and equity to a change in the price per barrel of oil equivalent at year end is shown below:

	Change in year-end price	**31-Dec-15**	**31-Dec-14**
		₦ '000	**₦ '000**
Barrels of oil equivalents	10%	3,059,797	2,140,186
	-10%	(3,059,797)	(2,140,186)

(iii) Cash fiow and interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The Group is not exposed to this risk as it does not have a floating interest rate instrument.

(b) Credit risk

Credit risk is managed on Group basis. Credit risk arises from cash and cash equivalents, and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently-rated parties with a sound rating are accepted. If wholesale customers are independently rated, these ratings are used. If there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored.

No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance from its counterparties. See below summary of receivables into Non-impaired, Past due but not impaired and Past due but impaired.

	THE GROUP		**THE COMPANY**	
	31-Dec-15	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Non- impaired	956,928	1,386,437	177,010	796,736
Past due but not impaired	-	-	-	-
Past due and impaired	-	-	-	-
Total	**956,928**	**1,386,437**	**177,010**	**796,736**

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in funding its business activities and meeting obligations associated with financial liabilities. The treasury function monitors and manages liquidity but ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate management for the company short, medium and long-term funding and liquidity management requirements. The table below disclose the maturity profile of the company's financial liabilities and those financial assets used for managing liquidity risk.

The following are the contractual maturities of financial instruments:

GROUP

	Carrying amount	**Contractual cash flows**	**Less than a year**	**Between 1 and 2 years**	**Between 2 and 5 years**
2015	**₦ '000**	**₦ '000**	**₦ '000**	**₦ '000**	**₦ '000**
Trade payable	9,133,674	9,133,674	9,133,674	-	-
Borrowings	9,531,903	11,038,020	3,736,145	3,447,083	3,854,792
2014	**₦ '000**	**₦ '000**	**₦ '000**	**₦ '000**	**₦ '000**
Trade payable	3,969,700	3,969,700	3,969,700	-	-
Borrowings	9,691,606	10,228,055	6,480,534	320,735	3,426,786

COMPANY

	Carrying amount	**Contractual cash flows**	**Less than a year**	**Between 1 and 2 years**	**Between 2 and 5 years**
2015	**₦ '000**	**₦ '000**	**₦ '000**	**₦ '000**	**₦ '000**
Trade payable	138,343	138,343	138,343	-	-
Borrowings	-	-	-	-	-
2014	**₦ '000**	**₦ '000**	**₦ '000**	**₦ '000**	**₦ '000**
Trade payable	3,624,534	3,624,534	3,624,534	-	-
Borrowings	7,305,254	8,150,448	3,347,691	3,547,880	1,254,877

d) Fair Value

The fair values of financial assets and liabilities have been included at the amount at which the instruments can be exchanged, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate fair values;

- Cash and short-term deposits, trade receivables , trade payables and other current liabilities approximate their carrying amounts largely due to the short-term nature of these instruments.

- Long-term borrrowings are evaluated by the Group based on parameters such as interest rates, specific country factors, and risk characteristics of the projects financed. The fair value of borrowings is lower than their carrying amount, as the impact of discounting is significant. The fair values are based on cash flows discounted using a rate based on the average effective interest rate of 10.98% (2014: 9.77%).

The following table discloses the fair value measurement hierarchy of the Group's assets and liabilities.

	Date of valuation	Total	Level 1 (quoted market price)	Level 2 (observable market inputs)	Level 3 (unobservable market inputs)
Liabilities for which fair values are disclosed;					
Borrowings	31-Dec-15	9,257,417	-	9,257,417	-
Liabilities for which fair values are disclosed;					
Borrowings	31-Dec-14	10,237,682	-	10,237,682	-

Capital Management Disclosures

The Company's objectives when managing capital, which is a broader concept than the 'equity' on the face of the statement of financial position, are:

- To comply with the capital requirements set by the regulators of the oil and gas industry, where the company operates;
- To safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of its business. Capital adequacy are strictly observed when managing economic capital.

The company's gearing ratio is computed below:

	THE GROUP		THE COMPANY	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	₦ '000	₦ '000	₦ '000	₦ '000
Total interest bearing debt	9,531,903	9,691,606	-	7,305,254
Total Equity	30,539,419	29,697,624	15,934,991	16,606,110
Capital Gearing (Debt to Equity)	**31%**	**33%**	**0%**	**44%**

	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	₦ '000	₦ '000	₦ '000	₦ '000
Total Assets	57,342,155	58,243,413	16,650,712	51,102,793
Total Equity	30,539,419	29,697,624	15,934,991	16,606,110
Capital Gearing (Total Equity to Total Assets)	**53%**	**51%**	**96%**	**32%**

33 Staff information

(a)The average number of full time persons employed by the Company during the year was as follows:

	THE GROUP		THE COMPANY	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	Number	Number	Number	Number
Management	3	3	1	1
Operations	97	74	-	-
Finance	14	17	3	3
Administration	64	64	9	10
Total	178	158	13	14

	THE GROUP		THE COMPANY	
	31-Dec-15	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**
	Number	**Number**	**Number**	**Number**
Less than 500,000	-	-	-	-
500,001 – 1,000,000	-	-	-	-
1,000,001 – 1,500,000	-	-	-	-
1,500,001 – 2,000,000	3	3	1	1
2,000,001 – 2,500,000	17	9	4	4
Above 2,500,000	158	146	8	9
Total	178	158	13	14

34 Directors remuneration

The remuneration paid to the Directors of the Company was:

	THE GROUP		THE COMPANY	
	31-Dec-15	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Emoluments (including salaries, fees and sitting allowance)	118,000	105,721	118,000	105,721

Fees and other emoluments disclosed above include amounts paid to:

	THE GROUP		THE COMPANY	
	31-Dec-15	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
The Chairman	5,076	5,323	5,076	5,323
The highest paid Director	33,750	33,750	33,750	33,750

35 Events after the reporting period

At the date of this report, there are no significant events after the reporting period which would have a material effect on the financial statements.

36 Reclassification

Certain reclassifications were made to the reported figures of prior year to conform to this year's presentation.

OTHER NATIONAL DISCLOSURES

FOR THE YEAR ENDED 31 DECEMBER 2015 (pages 97-100)

CONSOLIDATED AND SEPARATE STATEMENT OF VALUE ADDED

FOR THE YEAR ENDED 31 DECEMBER 2015

	THE GROUP		THE COMPANY	
	31-Dec-15	**31-Dec-14**	**31-Dec-15**	**31-Dec-14**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Revenue	17,055,567	19,384,270	-	15,274,532
Cost of bought in materials and services				
- Local	(8,735,081)	(5,041,357)	(3,932,634)	(4,435,989)
	8,320,486	14,342,913	(3,932,634)	10,838,543
Non-trading items	7,301,587	8,205,007	1,550,494	2,597,910
Value added/consumed	15,622,073	22,547,920	(2,382,140)	13,436,453

		%		%		%		%
Applied as follows:								
To employees:								
- Staff costs	2,776,777	18	3,444,543	15	202,009	(8)	2,841,207	20
To Government:								
- Royalty costs	1,279,637	8	842,255	4	-	-	769,021	6
- Taxes	855	-	912	-	-	-	-	-
To providers of funds:								
- Interest	3,414,675	22	2,612,459	12	319,339	(13)	1,849,566	14
To provide for the Company's future:								
- Depreciation, depletion and amortisation	9,765,730	62	3,462,537	15	36,984	(2)	2,757,029	21
- Deferred taxation	(3,728,023)	(24)	-	-	(3,403,871)	142	-	-
- Revenue reserve	2,112,422	14	12,185,214	54	463,399	(19)	5,219,630	39
Value added/consumed	15,622,073	100	22,547,920	100	(2,382,140)	100	13,436,453	100

The value added/(consumed) represents the wealth created/(utilised) through the use of the Company's assets by its employees, management and Board. This statement shows the allocation of that wealth to employees, providers of finance, shareholders and that retained for the future creation of more wealth.

FIVE-YEAR FINANCIAL SUMMARY

THE GROUP

	AS AT				
	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-11
	₦ '000	₦ '000	₦ '000	₦ '000	₦ '000
Assets and liabilities:					
Property, plant and equipment	31,710,199	33,229,865	27,247,981	26,732,826	25,802,052
Intangible assets	74,329	112,462	3,768	5,328	-
Investments in associates	16,534,606	14,343,380	9,071,001	41,062,218	32,229,899
Available-for-sale financial assets	55,242	55,242	55,242	35,242	35,242
Total current assets	8,967,779	10,502,464	9,888,484	7,132,327	5,827,401
	57,342,155	58,243,413	46,266,476	74,967,941	63,894,594
Share capital	1,770,267	1,749,726	1,749,364	1,457,803	1,493,877
Share premium	13,008	13,008	13,008	13,008	55,809
Revenue reserve	28,756,144	27,934,890	16,475,308	10,885,302	18,813,710
Total non current liabilities	8,643,764	9,420,572	11,464,657	41,553,232	26,040,115
Total current liabilities	18,158,972	19,125,217	16,564,139	21,058,596	17,491,083
	57,342,155	58,243,413	46,266,476	74,967,941	63,894,594

	YEAR ENDED				
	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-11
	₦ '000	₦ '000	₦ '000	₦ '000	₦ '000
Revenue	17,055,567	19,384,270	7,738,836	9,848,523	12,595,783
(Loss)/Profit before taxation	(1,614,746)	12,186,126	6,826,504	(7,027,708)	2,071,629
Taxation	3,727,168	(912)	(998)	(1,942)	(653)
Profit/(loss) after taxation	2,112,422	12,185,214	6,825,506	(7,029,650)	2,070,976
Basic earnings per share	₦ 12	₦ 70	₦ 39	(₦ 48)	₦ 14
Adjusted earnings per share	₦ 12	₦ 69	₦ 39	(₦ 40)	₦ 12
Final dividend per share	-	₦ 4	-	₦ 6	₦ 6
Return on net assets employed (%)	7	41	37	(57)	10

FIVE-YEAR FINANCIAL SUMMARY

THE COMPANY	AS AT				
	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-11
	₦ '000	₦ '000	₦ '000	₦ '000	₦ '000
Assets and liabilities:					
Property, plant and equipment	128,578	17,890,727	11,996,689	11,285,603	11,426,080
Intangible assets	40,965	108,208	3,768	5,328	-
Investments in associates	7,760,062	7,760,062	7,760,062	41,783,170	32,229,899
Investments in subsidiaries	95,527	95,527	95,527	95,527	95,527
Available-for-sale financial assets	55,242	55,242	55,242	35,242	35,242
Total current assets	8,570,338	25,193,027	21,014,782	14,393,392	12,144,281
	16,650,712	51,102,793	40,926,070	67,598,262	55,931,029
Share capital	1,814,084	1,814,084	1,814,084	1,511,737	1,503,121
Share premium	13,008	13,008	13,008	13,008	55,809
Revenue reserve	14,107,899	14,779,018	10,285,022	10,067,842	17,025,383
Total non current liabilities	202,573	8,826,088	9,438,594	36,574,886	18,374,086
Total current liabilities	513,148	25,670,595	19,375,362	19,430,789	18,972,630
	16,650,712	51,102,793	40,926,070	67,598,262	55,931,029

	YEAR ENDED				
	31-Dec-15	31-Dec-14	31-Dec-13	31-Dec-12	31-Dec-11
	₦ '000	₦ '000	₦ '000	₦ '000	₦ '000
Revenue	-	15,274,532	2,295,103	8,319,172	11,500,580
(Loss)/profit before taxation	(2,940,472)	5,219,630	1,460,256	(6,059,046)	2,748,513
Taxation	3,403,871	-	-	-	-
Profit/(loss) after taxation	463,399	5,219,630	1,460,526	(6,059,046)	2,748,513
Basic earnings per share	₦ 3	₦ 29	₦ 8	(₦ 40)	₦ 18
Adjusted earnings per share	₦ 3	₦ 29	₦ 8	(₦ 33)	₦ 15
Final dividend per share	-	₦ 4	-	₦ 6	₦ 6
Return on net assets employed (%)	3	31	12	(52)	15

TOTAL PROVED RECOVERABLE RESERVES

Estimated Quantities of Total Proved Developed and Undeveloped Oil, Condensate and Natural Gas Liquids Reserves (million barrels of oil equivalent) in the Ogbele field.

	YEAR ENDED				
	2015	2014	2013	2012	2011
Total Hydrocarbon					
Reserves (Liquids+Gas):					
At beginning of year	60.46	63.02	63.37	64.16	64.98
Revision	35.17	-	(0.20)	-	-
Production	(3.66)	(2.56)	(0.15)	(0.79)	(0.82)
At end of year	91.97	60.46	63.02	63.37	64.16

CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (IN USD)

FOR THE YEAR ENDED 31 DECEMBER 2015

	GROUP		THE COMPANY	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	$	$	$	$
Revenue	85,684,838	97,383,924	-	76,737,162
Cost of sales	(94,073,625)	(41,471,334)	-	(34,261,020)
Gross (Loss)/Profit	**(8,388,787)**	**55,912,590**	**-**	**42,476,142**
Other income	18,085,170	11,242,798	7,788,721	12,923,642
General and administrative expenses	(19,250,791)	(22,787,355)	(20,957,684)	(20,013,012)
Operating (loss)/profit	**(9,554,408)**	**44,368,033**	**(13,168,963)**	**35,386,772**
Finance income	7,588,586	3,490,324	749	127,903
Finance cost	(17,154,861)	(13,124,637)	(1,604,315)	(9,291,967)
Finance cost (net)	**(9,566,275)**	**(9,634,313)**	**(1,603,566)**	**(9,164,064)**
Share of profit of an associate	11,008,420	26,487,713	-	-
(Loss)/profit before taxation	**(8,112,263)**	**61,221,433**	**(14,772,529)**	**26,222,708**
Taxation	18,724,783	(4,582)	17,100,583	-
Profit after taxation	**10,612,520**	**61,216,851**	**2,328,054**	**26,222,708**
Profit attributable to:				
Owners of the parent	10,612,520	61,216,851	2,328,054	26,222,708
	10,612,520	**61,216,851**	**2,328,054**	**26,222,708**
Other comprehensive income:				
Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax):				
Re-measurement loss on defined benefits plan	(1,162,979)	-	(231,434)	-
Other comprehensive income for the year, net of tax	(1,162,979)	-	(231,434)	-
Total comprehensive income for the year	**9,449,541**	**61,216,851**	**2,096,620**	**26,222,708**
Total comprehensive income attributable to: Owners of the parent	**9,449,541**	**61,216,851**	**2,096,620**	**26,222,708**
Basic earnings per share	**$0.06**	**$0.35**	**$0.01**	**$0.14**

The results (presented in dollars) on this page are a convenience translation. The end of period rates of NGN199.05/$1 have been used to translate these figures from the Group's functional currency(Naira) to dollar. This presentation is a supplementary information and does not comply with IFRS.

CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION (IN USD)

AS AT 31 DECEMBER 2015

	THE GROUP		THE COMPANY	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
	$	$	$	$
Assets				
Non-current assets				
Property, plant and equipment	159,307,707	166,942,301	645,958	89,880,568
Intangible assets	373,419	564,994	205,803	543,622
Investment in joint venture	83,067,601	72,059,181	38,985,491	38,985,491
Investment in subsidiaries	-	-	479,915	479,915
Available-for-sale financial assets	277,528	277,528	277,528	277,528
Total non-current assets	**243,026,255**	**239,844,004**	**40,594,695**	**130,167,124**
Current assets				
Inventories	359,603	4,774,238	-	1,601,166
Trade and other receivables	28,471,585	30,856,639	41,203,622	111,718,046
Prepayments	1,582,120	1,567,641	79,483	1,437,066
Cash and cash equivalents	14,639,588	15,564,426	1,773,102	11,810,048
Total current assets	**45,052,896**	**52,762,944**	**43,056,207**	**126,566,326**
Total assets	**288,079,151**	**292,606,948**	**83,650,902**	**256,733,450**
Equity and liabilities				
Shareholders' equity				
Issued capital	8,893,580	8,790,384	9,113,710	9,113,710
Share premium	65,350	65,350	65,350	65,350
Retained earnings	144,466,939	140,341,071	70,876,157	74,247,767
Equity attributable to equity holders	**153,425,869**	**149,196,805**	**80,055,217**	**83,426,827**
Total shareholders' equity	**153,425,869**	**149,196,805**	**80,055,217**	**83,426,827**
Non-current liabilities				
Employee Benefit liabilities	11,884,918	7,991,012	1,017,699	7,362,482
Borrowings	28,723,561	12,216,785	-	12,216,785
Deferred tax liabilities	-	18,729,078	-	17,100,585
Decommissioning liabilities	2,816,609	8,390,791	-	7,661,211
Total non-current liabilities	**43,425,088**	**47,327,666**	**1,017,699**	**44,341,061**
Current liabilities				
Trade and other payables	72,060,487	59,587,325	2,577,986	104,481,749
Income tax payable	4,290	22,633	-	-
Borrowings	19,163,417	36,472,519	-	24,483,813
Total current liabilities	**91,228,194**	**96,082,477**	**2,577,986**	**128,965,562**
Total liabilities	**134,653,282**	**143,410,143**	**3,595,685**	**173,306,623**
Total equity & liabilities	**288,079,151**	**292,606,948**	**83,650,902**	**256,733,450**

CONSOLIDATED AND SEPARATE SUMMARISED STATEMENT OF CASH FLOWS (IN USD)

	GROUP		THE COMPANY	
	31-Dec-15 **$**	**31-Dec-14** **$**	**31-Dec-15** **$**	**31-Dec-14** **$**
Net cashflow from operating activities	57,084,094	83,564,136	34,315,865	62,342,974
Net cashflow from investing activities	(42,449,013)	(47,413,338)	(579,668)	(43,665,767)
Net cashflow from financing activities	(15,559,920)	(25,666,104)	(43,773,142)	(10,339,231)
(Decrease)/Increase in cash and cash equivalents	**(924,839)**	**10,484,694**	**(10,036,945)**	**8,337,976**

The results (presented in dollars) on this page are a convenience translation. The end of period rates of NGN199.05/$1 have been used to translate these figures from the Group's functional currency(Naira) to dollar. This presentation is a supplementary information and does not comply with IFRS.

UNCLAIMED DIVIDENDS

SHAREHOLDERS NAME
NDEP DIV. 1

1 OKONISTO VENTURES -
2 WOODWORTH AL
3 OFFOR IKE
4 JEIDOC LIMITED
5 EBUH VINCENT O
6 ADEKUNLE A., ADESIDA
7 GIWA RUFUS
8 USIFOH AYEMENRE R.
9 ADERINTO MERCY O. & ADEBIYI
10 OLUSANYA ADEBAYO OLUFUNSO ADEYIMIKA
11 DAWHA JOSEPH THLAMA
12 NGOKA CHARLES
13 WALAKU IPEGHAN & OBIKE OKALKE M.
14 ADEWUYA O.
15 ARIYO BIOLA
16 IGBONEKWU OKEY, M.
17 OJOGWU NNEKA,
18 OKAKWU CHARLES,
19 OLAYEMI OLAYINKA, HELEN
20 EBULUOFOR MAGDALENE,
21 ADEYEMI TEMITOPE, ABIMBOLA
22 GEAROUGE ELIE,
23 ODOI OIL PALM PROCESSING CO. L

NDEP DIV. 2
SHAREHOLDERS NAME

1 ALIU PETER OSHOMA
2 LARMUST INTERNATIONAL COMPANY -
3 MADUKA CHIKWEH Alexander
4 LAMBERT - AIKHONBARE D. O.
5 WOODWORTH AL
6 KALU KALU Idika
7 EBUH VINCENT O
8 MARTYNS-YELLOWE IBIAPUYE, SOALA
9 GIWA RUFUS
10 OLUSANYA ADEBAYO OLUFUNSO ADEYIMIKA
11 DAWHA JOSEPH THLAMA
12 AKINWOLEMIWA CHRIS,
13 OKEREKE—ONYIUKE Ndi
14 NGOKA CHARLES
15 KEHINDE ADENRELE
16 COLENSON BROKERS NIGERIA LTD. -
17 WALAKU IPEGHAN & OBUGE OKALKE M,
18 INTERGLOBAL PROC. ENG. SER LTD
19 ADEWUYA O.
20 ODEBODE OLANIYI, M.OLADIMEJI
21 MARKHAM LTD
22 ARIYO BIOLA
23 ADAMA FOLAKE,
24 MOFE-DAMIJO TEGA,
25 ONYEJE TERAE,
26 IGBONEKWU OKEY, M.
27 OJOGWU NNEKA,
28 OLAYEMI OLAYINKA, HELEN
29 SALAMI BABAJIDE, M
30 EBULUOFOR MAGDALENE,
31 GEAROUGE ELIE,
32 ODOI OIL PALM PROCESSING CO. L

NDEP DIV. 3
SHAREHOLDERS NAME

1 MABON LTD
2 OKONISTO VENTURES -
3 KOBOF INVESTMENTS LIMITED -
4 IYAMABO D. E.
5 EMAN AKWIWU & SONS LTD
6 COINS AMES LIMITED
7 AIBANGBEE MARCUS
8 AGHAHOWA FELIX,
9 ISOKO COMMUNITY BANK LTD. -
10 LARMUST INTERNATIONAL COMPANY -
11 RIVITUS INVESTMENT LTD. -
12 ALIU PETER OSHOMA
13 WOODWORTH AL
14 KALU KALU Idika
15 ODELEYE OLAWALE
16 BADEJO BASHIRU OLUWATOYIN
17 GIWA RUFUS
18 ADENIJI BOLANLE Oluyemisi
19 OKEKE CHINEDU Eric
20 FOUNTAIN INSURANCE BROKERS LTD -
21 USIFOH AYEMENRE R.
22 KAREEM WAIDI Alamu
23 AFOLABI GBADEGESIN AJAO AKEEM
24 OSEVWE OMONIGHO
25 INTERGLOBAL PROC. ENG. SER LTD
26 DADDO MARITIME SERVICES LIMITE
27 OLAFIMIHAN NIKE
28 COLENSON BROKERS NIGERIA LTD. -
29 UBANI NKIRU Udoka
30 OYELEYE OLUWOLE
31 WAZIRI SARKI
32 ABDUL-AZIZ ABDULLAHI
33 OHOCHUKWU IHEANACHO
34 LAWAL MUHAMMAD T. I.
35 JOHNSON OLUFUNMI, L.
36 OKEREKE—ONYIUKE Ndi
37 AMICABLE ASSURANCE PLC -
38 ADEYANJU MICHAEL ABIODUN
39 OLUBAJO MODUPE OLUMUYIWA
40 CHUKUEZI ANELECHI BARNABAS
41 MUSTAPHER DAHIRU SABUWA
42 SALAMI OLAKUNLE IDOWU
43 MARKHAM LTD
44 ALAKE O, A
45 ADEWUYA O.
46 INSURANCE INVESTMENT FUND
47 IBRAHIM YAHAYA,
48 EYEE NWOBUDE Evelyn
49 OYOSORO EDITH, IJEOMA
50 ARUEDE EFOSA
51 ESSIEN BASSEY, MFON
52 GEAROUGE ELIE,
53 ADEYEMI TEMITOPE, ABIMBOLA
54 EBULUOFOR MAGDALENE,
55 OLAYEMI OLAYINKA, HELEN
56 OKAKWU CHARLES,
57 ASHIRU HASSAN, KABIRU
58 OJOGWU NNEKA,
59 ODUSANYA OLUSOLA, & GBOLAHAN

60 IGBONEKWU OKEY, M.
61 ODOI OIL PALM PROCESSING CO. L

NDEP DIV. 4
SHAREHOLDERS NAME
1 EDOKPOLO JOHN, SUNDAY
2 LABIYI SEGUN
3 UWAIFO JONES INVESTMENTS LTD
4 EMAN AKWIWU & SONS LTD
5 IYAMABO D. E.
6 OKONISTO VENTURES -
7 ISOKO COMMUNITY BANK LTD. -
8 AGHAHOWA FELIX,
9 DOVE-EDWIN GEORGE
10 MOMOH Haruna, And Ochucko
11 ALIU PETER OSHOMA
12 LARMUST INTERNATIONAL COMPANY -
13 UMAR ADAMU,
14 WOODWORTH AL
15 ODELEYE OLAWALE
16 KALU KALU Idika
17 OPUTA SYLVESTER, OTUNYO
18 BADEJO BASHIRU OLUWATOYIN
19 AFOLABI KAYODE,
20 LIFESTYLE PRODUCTS NIGERIA LTD -
21 ONYEACHOLUM TIMMY
22 OKEKE CHINEDU Eric
23 GIWA RUFUS
24 CONSOLIDATED RISK INSURERS LTD
25 FAITH & HOPE ENTERPRISES LTD
26 USIFOH AYEMENRE R.
27 AFOLABI GBADEGESIN AJAO AKEEM
28 KAREEM WAIDI Alamu
29 SALAMI OLAKUNLE IDOWU
30 MUSTAPHER DAHIRU SABUWA
31 CHUKUEZI ANELECHI BARNABAS
32 ADEYANJU MICHAEL ABIODUN
33 AMICABLE ASSURANCE PLC -
34 OWOSINA Francis Adedoyin
35 OKEREKE—ONYIUKE Ndi
36 UYANWUNE ROSELINE, NGOZI
37 KEHINDE ADENRELE
38 LAWAL MUHAMMAD T. I.
39 OHOCHUKWU IHEANACHO
40 ABDUL-AZIZ ABDULLAHI
41 WAZIRI SARKI
42 OYELEYE OLUWOLE
43 WALAKU IPEGHAN & OBUGE OKALKE M,
44 DADDO MARITIME SERVICES LIMITE
45 INTERGLOBAL PROC. ENG. SER LTD
46 TUKUR B, MAHMUD
47 ADEWUYA O.
48 SOKUNBI OLURANTI,
49 MARKHAM LTD
50 JACK MACDONALD NENGI, PEGGY
51 IBRAHIM YAHAYA,
52 FRONTIER MARKETS FUND LIMITED
53 INSURANCE INVESTMENT FUND
54 EYEE NWOBUDE Evelyn
55 MOFE-DAMIJO TEGA,
56 ARUEDE EFOSA
57 DILINYE CHRISTOPHER,
58 OYOSORO EDITH, IJEOMA
59 ESSIEN BASSEY, MFON
60 IGBONEKWU OKEY, M.
61 ODUSANYA OLUSOLA, & GBOLAHAN
62 OJOGWU NNEKA,
63 ASHIRU HASSAN, KABIRU
64 OKAKWU CHARLES,
65 OLAYEMI OLAYINKA, HELEN
66 KABON SARAH,
67 EBULUOFOR MAGDALENE,
68 ADEYEMI TEMITOPE, ABIMBOLA
69 GEAROUGE ELIE,
70 OME OBIOHA, OGBAJIOGU
71 ODOI OIL PALM PROCESSING CO. L

NDEP DIV5
SHAREHOLDERS NAME
1 SMARTT FUTURES RESOURCES LTD
2 EMAN AKWIWU & SONS LTD
3 POLEZ & Company Limited
4 IYAMABO D. E.
5 OKONISTO VENTURES -
6 AIBANGBEE MARCUS
7 BSQ ASSET MANAGEMENT & INV LTD
8 AKIN-GEORGE J.
9 ISOKO COMMUNITY BANK LTD. -
10 DOVE-EDWIN GEORGE
11 ALIU PETER OSHOMA
12 RIVITUS INVESTMENT LTD. -
13 LARMUST INTERNATIONAL COMPANY -
14 WOODWORTH AL
15 ODELEYE OLAWALE
16 KALU KALU Idika
17 BADEJO BASHIRU OLUWATOYIN
18 MARTYNS-YELLOWE IBIAPUYE, SOALA
19 LIFESTYLE PRODUCTS NIGERIA LTD -
20 FOUNTAIN INSURANCE BROKERS LTD -
21 OKEKE CHINEDU Eric
22 ADENIJI BOLANLE Oluyemisi
23 GIWA RUFUS
24 USIFOH AYEMENRE R.
25 AFOLABI GBADEGESIN AJAO AKEEM
26 KAREEM WAIDI Alamu
27 OKWUTE CHRISTOPHER UZOR
28 SALAMI OLAKUNLE IDOWU
29 OBAJE WADA ANDREW
30 MUSTAPHER DAHIRU SABUWA
31 CHUKUEZI ANELECHI BARNABAS
32 OLUBAJO MODUPE OLUMUYIWA
33 ADEYANJU MICHAEL ABIODUN
34 AMICABLE ASSURANCE PLC -
35 OKEREKE—ONYIUKE Ndi
36 UYANWUNE ROSELINE, NGOZI
37 LAWAL MUHAMMAD T. I.
38 OHOCHUKWU IHEANACHO
39 ABDUL-AZIZ ABDULLAHI
40 SALAWE PATRICK Sule
41 WAZIRI SARKI
42 OYELEYE OLUWOLE
43 INTERGLOBAL PROC. ENG. SER LTD
44 TUKUR B, MAHMUD
45 ADEWUYA O.
46 ODEBODE OLANIYI, M.OLADIMEJI
47 MARKHAM LTD

48 IBRAHIM YAHAYA,
49 OKPANA IGAZUMA, CONSTANCE
50 EYEE NWOBUDE Evelyn
51 MOFE-DAMIJO TEGA,
52 ARUEDE EFOSA
53 OYOSORO EDITH, IJEOMA
54 ESSIEN BASSEY, MFON
55 IGBONEKWU OKEY, M.
56 ODUSANYA OLUSOLA, & GBOLAHAN
57 OJOGWU NNEKA,
58 ASHIRU HASSAN, KABIRU
59 OKAKWU CHARLES,
60 OLAYEMI OLAYINKA, HELEN
61 SALAMI BABAJIDE, M
62 KABON SARAH,
63 HARRY-UDOH ALICE,
64 EBULUOFOR MAGDALENE,
65 ADEYEMI TEMITOPE, ABIMBOLA
66 GEAROUGE ELIE,
67 OME OBIOHA, OGBAJIOGU
68 ASHAYE ADEKOLA, .A
69 ODOI OIL PALM PROCESSING CO. L

NDEP DIV6
SHAREHOLDERS NAME
1 SMARTT FUTURES RESOURCES LTD
2 UWAIFO JONES INVESTMENTS LTD
3 OKONISTO VENTURES -
4 IYAMABO D. E.
5 EMAN AKWIWU & SONS LTD
6 AIBANGBEE MARCUS
7 OKOLO S. A.
8 ISOKO COMMUNITY BANK LTD. -
9 AKIN-GEORGE J.
10 DOVE-EDWIN GEORGE
11 LARMUST INTERNATIONAL COMPANY -
12 RIVITUS INVESTMENT LTD. -
13 ALIU PETER OSHOMA
14 OYIBO CHAMBERLAIN, ORUWARI
15 WOODWORTH AL
16 OPUTA SYLVESTER, OTUNYO
17 KALU KALU Idika
18 ODELEYE OLAWALE
19 BADEJO BASHIRU OLUWATOYIN
20 MARTYNS-YELLOWE IBIAPUYE, SOALA
21 GIWA RUFUS
22 ADENIJI BOLANLE Oluyemisi
23 OKEKE CHINEDU Eric
24 FOUNTAIN INSURANCE BROKERS LTD -
25 ADEKUNLE A., ADESIDA
26 USIFOH AYEMENRE R.
27 HARVEST INVESTMENT LIMITED
28 KAREEM WAIDI Alamu
29 AFOLABI GBADEGESIN AJAO AKEEM
30 TUKUR B, MAHMUD
31 INTERGLOBAL PROC. ENG. SER LTD
32 COLENSON BROKERS NIGERIA LTD. -
33 OYELEYE OLUWOLE
34 WAZIRI SARKI
35 SALAWE PATRICK Sule
36 ABDUL-AZIZ ABDULLAHI
37 OHOCHUKWU IHEANACHO
38 LAWAL MUHAMMAD T. I.
39 UYANWUNE ROSELINE, NGOZI
40 OKEREKE—ONYIUKE Ndi
41 AMICABLE ASSURANCE PLC -
42 ADEYANJU MICHAEL ABIODUN
43 OLUBAJO MODUPE OLUMUYIWA
44 CHUKUEZI ANELECHI BARNABAS
45 MUSTAPHER DAHIRU SABUWA
46 SALAMI OLAKUNLE IDOWU
47 ONI ABIODUN,
48 MARKHAM LTD
49 ADEWUYA O.
50 EZEONWUMELU CLETUS, EMEKA
51 SALAU KAYODE
52 OKPANA IGAZUMA, CONSTANCE
53 IBRAHIM YAHAYA,
54 EYEE NWOBUDE Evelyn
55 MOFE-DAMIJO TEGA,
56 ELIAS GBOLAHAN
57 JACK MACDONALD NENGI, PEGGY
58 OYOSORO EDITH, IJEOMA
59 ARUEDE EFOSA
60 ESSIEN BASSEY, MFON
61 OLUPITAN BANKE, ADUFE
62 OME OBIOHA, OGBAJIOGU
63 GEAROUGE ELIE,
64 HARPER DAVID,
65 ADEYEMI TEMITOPE, ABIMBOLA
66 EBULUOFOR MAGDALENE,
67 HARRY-UDOH ALICE,
68 KABON SARAH,
69 SALAMI BABAJIDE, M
70 OLAYEMI OLAYINKA, HELEN
71 OKAKWU CHARLES,
72 UMAR MUSA MUSA,
73 UMAR MUSA ADNAN,
74 ASHIRU HASSAN, KABIRU
75 OJOGWU NNEKA,
76 ODUSANYA OLUSOLA, & GBOLAHAN
77 IGBONEKWU OKEY, M.
78 NNADI JULIE, UZOR
79 ASHAYE ADEKOLA, .A
80 ODOI OIL PALM PROCESSING CO. L

NDEP DIV.7
SHAREHOLDERS NAME
1 AKPATA TAYO
2 OASIS PETROLEUM COMPANY -
3 SMARTT FUTURES RESOURCES LTD
4 COINS AMES LIMITED
5 EMAN AKWIWU & SONS LTD
6 IYAMABO D. E.
7 OKONISTO VENTURES -
8 UWAIFO JONES INVESTMENTS LTD
9 AIBANGBEE MARCUS
10 HARVEST INVESTMENT LIMITED -
11 ALEX-DUDUYEMI OYEKUNLE
12 OKOLO S. A.
13 AKIN-GEORGE J.
14 FISHER Beatrice
15 ISOKO COMMUNITY BANK LTD. -
16 KUKU S. B
17 DOVE-EDWIN GEORGE
18 MOMOH Haruna, And Ochucko

19 ADEGOKE OLU. S, PROF & DR. MRS
20 ALIU PETER OSHOMA
21 ELLIS AND DOVE-EDWIN Paul And Isis, A. And A.
22 LARMUST INTERNATIONAL COMPANY -
23 RIVITUS INVESTMENT LTD. -
24 WOODWORTH AL
25 KALU KALU Idika
26 ODELEYE OLAWALE
27 SHONUGA Stella
28 BADEJO BASHIRU OLUWATOYIN
29 MARTYNS-YELLOWE IBIAPUYE, SOALA
30 ADEKUNLE A., ADESIDA
31 ADENIJI BOLANLE Oluyemisi
32 FOUNTAIN INSURANCE BROKERS LTD -
33 GIWA RUFUS
34 OKEKE CHINEDU Eric
35 CHAPEL HILL ADVISORY PARTNERS LTD
36 USIFOH AYEMENRE R.
37 OLAIYA ADELODUN,
38 AFOLABI GBADEGESIN AJAO AKEEM
39 KAREEM WAIDI Alamu
40 ABDUL-AZIZ ABDULLAHI
41 ADEYANJU MICHAEL ABIODUN
42 AMICABLE ASSURANCE PLC -
43 CHUKUEZI ANELECHI BARNABAS
44 DAWHA JOSEPH THLAMA
45 INTERGLOBAL PROC. ENG. SER LTD
46 JOHNSON OLUFUNMI, L.
47 LAWAL MUHAMMAD T. I.
48 MUSTAPHER DAHIRU SABUWA
49 OHOCHUKWU IHEANACHO
50 OKEREKE—ONYIUKE Ndi
51 OLAFIMIHAN NIKE
52 OLUBAJO MODUPE OLUMUYIWA
53 OLUSANYA ADEBAYO OLUFUNSO ADEYIMIKA
54 OYELEYE OLUWOLE
55 SALAMI OLAKUNLE IDOWU
56 SALAWE PATRICK Sule
57 TUKUR B, MAHMUD
58 UYANWUNE ROSELINE, NGOZI
59 WAZIRI SARKI
60 ANOSIKEH JOE OGBONNA,
61 ENLIL INVESTMENT LIMITED
62 ADEWUYA O.
63 MARKHAM LTD
64 ONI ABIODUN,
65 EZEONWUMELU CLETUS, EMEKA
66 SALAU KAYODE
67 LADIPO-AJAYI OLUSOLA, OLUTAYO
68 CHAPEL HILL DENHAM MANAGEMENT LIMITED
69 IBRAHIM YAHAYA,
70 OKPANA IGAZUMA, CONSTANCE
71 OSHINOWO SEGUN,
72 EYEE NWOBUDE Evelyn
73 MOFE-DAMIJO TEGA,
74 ELIAS GBOLAHAN
75 ABIODUN AKINBOLANLE, OWOLABI
76 ADESINA ADEGBOLA MICHAEL,
77 EKWUNIFE JOE BILLY,
78 ENJOY INTERNATIONAL LIMITED
79 EZENWAJI PETER, ONYECHI
80 FAMUYIBO VICTOR,
81 KOYEJO OLUBUNMI, AYOKUNLE
82 SYNERGY ASSET MANAGEMENT CO. LTD
83 ARUEDE EFOSA
84 OYOSORO EDITH, IJEOMA
85 ESSIEN BASSEY, MFON
86 AJAYI ESTHER, IYABO
87 ADEYEMI TEMITOPE, ABIMBOLA
88 ASHIRU HASSAN, KABIRU
89 EBULUOFOR MAGDALENE,
90 GEAROUGE ELIE,
91 KABON SARAH,
92 NNADI JULIE, UZOR
93 ODUSANYA OLUSOLA, & GBOLAHAN
94 OJOGWU NNEKA,
95 OKAKWU CHARLES,
96 OLAYEMI OLAYINKA, HELEN
97 SALAMI BABAJIDE, M
98 UMAR MUSA ADNAN,
90 UMAR MUSA ANAS
91 UMAR MUSA ABDULLAHI
92 UMAR MUSA KHADIJA
93 UMAR MUSA MOHD
94 UMAR MUSA SALIHA
95 UMAR MUSA BASHIR
96 UMAR MUSA AHMED
97 UMAR MUSA SANI
98 UMAR MUSA FADIMA
99 ASHAYE ADEKOLA, .A
100 ORIOLA ABDULSALAMI, AJIBOLA
101 FAWOLE TAIWO, GANIYU
102 ODOI OIL PALM PROCESSING CO. L
103 OME OBIOHA, OGBAJIOGU
104 AJIBADE DAMILOLA, OLUKEMI
105 AKANBI ADENIKE EVELYN,
106 MATTI MURI OLAJIDE,
107 ADEDOYIN MATHEW, ADEREMI
108 ADEGBITE ISAAC, ADEREMI
109 ADESHINA OLALEKAN, OLADEPO
110 IBIYEMI ESTHER, OMOYENI
111 IBIYEMI SAMUEL, OLUWOLE KOLAWOLE
112 KADRI SALIU OLANREWAJU,
113 OBARINDE ISAAC, OBATOSHO
114 OGINNI JOSHUA, OLUWOLE
115 SALAU MOHAMMED, ADEBANJO

NDEP DIV. 8
SHAREHOLDERS NAME
1 AKPATA TAYO
2 SMARTT FUTURES RESOURCES LTD
3 EMAN AKWIWU SONS LTD
4 OKONISTO VENTURES
5 PROF & DR MRS ADEGOKE OS
6 UWAIFO JONES INVESTMENTS LTD
7 AIBANGBEE MARCUS
8 OKOLO S A
9 AKIN GEORGE J
10 FISHER Beatrice
11 KUKU S B
12 ISOKO COMMUNITY BANK LTD
13 DOVE EDWIN GEORGE
14 MOMOH Haruna And Ochucko
15 LARMUST INTERNATIONAL COMPANY
16 MADUKA CHIKWEH Alexander
17 ELLIS AND DOVEEDWIN Paul And Isis A And A

18 WOODWORTH AL
19 ODELEYE OLAWALE
20 SHONUGA Stella
21 KALU KALU Idika
22 OBIELODAN AYOKUNLE I
23 OPUTA SYLVESTER OTUNYO
24 MARTYNS YELLOWE IBIAPUYE SOALA
25 ADEKUNLE A ADESIDA
26 FOUNTAIN INSURANCE BROKERS LTD
27 OKEKE CHINEDU Eric
28 ADENIJI BOLANLE Oluyemisi
29 GIWA RUFUS
30 FAITH HOPE ENTERPRISES LTD
31 USIFOH AYEMENRE R
32 AFOLABI GBADEGESIN AJAO AKEEM
33 DADA OLUTOBA Moses
34 KAREEM WAIDI Alamu
35 JONES JOHN
36 OLUSANYA ADEBAYO OLUFUNSO ADEYIMIKA
37 MUSTAPHER DAHIRU SABUWA
38 CHUKUEZI ANELECHI BARNABAS
39 ADEYANJU MICHAEL ABIODUN
40 DAWHA JOSEPH THLAMA
41 AMICABLE ASSURANCE PLC
42 OKEREKE ONYIUKE Ndi
43 UYANWUNE ROSELINE NGOZI
44 EKIYE SAMUEL UKAUWA
45 AZIZ HARUNA ZEGO
46 JOHNSON OLUFUNMI L
47 OHOCHUKWU IHEANACHO
48 SALAWE PATRICK Sule
49 OYELEYE OLUWOLE
50 OLAFIMIHAN NIKE
51 DADDO MARITIME SERVICES LIMITE
52 INTERGLOBAL PROC ENG SER LTD
53 TUKUR B MAHMUD
54 AGHAHOWA FELIX
55 AKINLOYE YETUNDE OLAJUMOKE
56 ADEWUYA O
57 ODEBODE OLANIYI MOLADIMEJI
58 MARKHAM LTD
59 ONI ABIODUN
60 AJAH OFUCHE ORJI
61 ONYEMENAM VIOLET
62 IBRAHIM YAHAYA
63 LEGUNSEN SAMUEL OLAWALE
64 OKPANA IGAZUMA CONSTANCE
65 EYEE NWOBUDE Evelyn
66 MOFEDAMIJO TEGA
67 ILAWOLE OLAJIDE ABIM
68 AJAKPOVI OROMENA
69 SALAU KAYODE
70 ENJOY INTERNATIONAL LIMITED
71 ABIODUN AKINBOLANLE OWOLABI
72 ADESINA ADEGBOLA MICHAEL
73 KOYEJO OLUBUNMI AYOKUNLE
74 OBIDIEGWU JOEL UCHE
75 ARUEDE EFOSA
76 DILINYE CHRISTOPHER
77 OYOSORO EDITH IJEOMA
78 ESSIEN BASSEY MFON
79 OLUPITAN BANKE ADUFE
80 AJAYI ESTHER IYABO
81 IYAMU ESOHE JOAN
82 OBIEFUNA JULIUS CHIEDOZIE
83 IGBONEKWU OKEY M
84 ODUSANYA OLUSOLA GBOLAHAN
85 OJOGWU NNEKA
86 ASHIRU HASSAN KABIRU
87 UMAR MUSA ADNAN
88 OKAKWU CHARLES
89 OLAYEMI OLAYINKA HELEN
90 SALAMI BABAJIDE M
91 KABON SARAH
92 EBULUOFOR MAGDALENE
93 ADEYEMI TEMITOPE ABIMBOLA
94 GEAROUGE ELIE
95 OJO JOHNSON ADEBODUN
96 ASHAYE ADEKOLA A
97 MUSA ABDULLAH O
98 MUSA ABDURRAHMAN O
99 FAWOLE TAIWO GANIYU
100 MUHAMMED SALIU
101 ORESANYA ADENIKE CHRISTIANA
102 OTOLORIN AMINAT ABISOLA
103 ODOFFIN MAROOF ADEMOLA
104 ODOI OIL PALM PROCESSING CO L
105 AJIBADE DAMILOLA OLU
106 AKANBI ADENIKE EVELYN
107 MATTI MURI OLAJIDE
108 OMOJOLA ANTHONY OMONIYI
109 AJIBADE OLUWAGBEMILEKE DANIEL
110 ADENAGBE OLORUNWA
111 SALAU MOHAMMED ADEBANJO
112 VINCENT CHRISTIE O
113 DUROJAIYE TEMILADE FUNMILAYO
114 ADESHINA OLALEKAN OLADEPO
115 IBIYEMI ESTHER OMOYENI
116 IBIYEMI SAMUEL OLUWOLE KOLAWOLE
117 ADEGBITE ISAAC ADEREMI
118 IGBRUDE MILLER EFE
119 ETIM EMMANUEL EDET
120 ADESINA RASHIDAT OLUWATOYIN
121 SARUMI TUNDE KABIR

NDEP DIV. 9
SHAREHOLDERS NAME

1 ASIODU P. C.
2 AKPATA TAYO
3 AIKEN BECK RESOURCES LIMITED
4 SMARTT FUTURES RESOURCES LTD
5 OKONISTO VENTURES -
6 EMAN AKWIWU & SONS LTD
7 UWAIFO JONES INVESTMENTS LTD
8 EDOKPOLO John Sunday
9 AIBANGBEE MARCUS
10 OKOLO S. A.
11 KUKU S. B
12 AKIN-GEORGE J.
13 DOVE-EDWIN GEORGE
14 MOMOH Haruna, And Ochucko
15 ELLIS AND DOVE-EDWIN Paul And Isis, A. And A.
16 UMAR ADAMU
17 MADUKA CHIKWEH Alexander
18 LARMUST INTERNATIONAL COMPANY -
19 DOVE EDWIN Norma

20 WOODWORTH AL
21 OBIELODAN AYOKUNLE I
22 KALU KALU Idika
23 SHONUGA Stella
24 MARTYNS-YELLOWE IBIAPUYE, SOALA
25 GIWA RUFUS
26 ADENIJI BOLANLE Oluyemisi
27 OKEKE CHINEDU Eric
28 USIFOH AYEMENRE R.
29 WILCOX RAYMOND, MCLLOYD
30 KAREEM WAIDI Alamu
31 AFOLABI GBADEGESIN AJAO AKEEM
32 INTERGLOBAL PROC. ENG. SER LTD
33 WALAKU IPEGHAN & OBUGE OKALKE M,
34 OYELEYE OLUWOLE
35 ABDUL-AZIZ ABDULLAHI
36 GUERRERO MIGUEL
37 JOHNSON OLUFUNMI, L.
38 EKIYE SAMUEL UKAUWA
39 OKEREKE—ONYIUKE Ndi
40 DAWHA JOSEPH THLAMA
41 ADEYANJU MICHAEL ABIODUN
42 MUSTAPHER DAHIRU SABUWA
43 FIMA TRUST LTD .
44 AGHAHOWA FELIX,
45 I.O.D VENTURES LTD
46 ADEWUYA O.
47 IDEMUDIA TAIWO,
48 NWANKWO PATRICK,
49 OKPANA IGAZUMA, CONSTANCE
50 ADIGUN BENJAMIN A.
51 OSHINOWO SEGUN,
52 FALAKI ENIOLA
53 GOLDEN SECURITIES LTD
54 ADEYEMO OLUFEMI,
55 AFOLABI EMMANUEL, CARDOSO
56 SMITH ABIMBOLA,
57 AKINLOYE OLAJUMOKE, YETUNDE
58 EYEE NWOBUDE Evelyn
59 MOFE-DAMIJO TEGA,
60 OBIDIEGWU JOEL, UCHE
61 ADESINA ADEGBOLA MICHAEL,
62 EKWUNIFE JOE BILLY,
63 SYNERGY ASSET MANAGEMENT CO. LTD
64 OYOSORO EDITH, IJEOMA
65 DILINYE CHRISTOPHER,
66 ARUEDE EFOSA
67 ESSIEN BASSEY, MFON
68 OLUPITAN BANKE ADUFE
69 GEAROUGE ELIE,
70 ADEYEMI TEMITOPE, ABIMBOLA
71 OBIEFUNA NNEKA,
72 HARRY-UDOH ALICE,
73 KABON SARAH,
74 SALAMI BABAJIDE, M
75 OLAYEMI OLAYINKA, HELEN
76 OKAKWU CHARLES,
77 UMAR MUSA ADNAN,
78 OJOGWU NNEKA,
79 ODUSANYA OLUSOLA, & GBOLAHAN
80 IGBONEKWU OKEY, M.
81 OJO JOHNSON, ADEBODUN
82 UDOMA MICHAELS, OSAMUYI
83 JOLAOSHO AJIBOLA OLALEKAN & ALABA OLUFUNMI-LAYO,
84 MUSA ABDURRAHMAN, O
85 MUSA ABDULLAH, O
86 ORIOLA ABDULSALAMI, AJIBOLA
87 AKINLOYE OLUWAPONMILE,
88 FAWOLE TAIWO, GANIYU
89 JAMES-COLE OLUWADUNSI, EYOITA
90 IBRAHIM GALADIMA G.,
91 OLUSHEKUN BIBILOMO,
92 ODOFFIN MAROOF ADEMOLA
93 OTOLORIN AMINAT ABISOLA,
94 OGEDENGBE IDOWU PETERS,
95 ODOI OIL PALM PROCESSING CO. L
96 NUGA SAMUEL, ABIOLA
97 DARIA FRANK, EGONIWARE
98 JAMES-COLE OLIVER,
99 MATTI MURI OLAJIDE,
100 GEORGE FAITH, E.
101 AJIBADE OLUWAGBEMILEKE, DANIEL
102 IGBRUDE MILLER, EFE
103 ADEGBITE ISAAC ADERE
104 IBIYEMI SAMUEL, OLUWOLE KOLAWOLE
105 IBIYEMI ESTHER, OMOYENI
106 NWOSU KENNETH, NNABIKE
107 AJAO MEMUNOTU ABAKE,
108 108 ORIBAMISE ISAAC, IFEOLUWA
109 GBAJUMO LATIFAT, BISOLA
110 SALAU MOHAMMED, ADEBANJO
111 ADEBAYO ADEKOLA, MUHAIMEEN
112 SALAKO ANTHONIA, TOYIN

NDEP DIV. 10
SHAREHOLDERS NAME
1 ADEOLA AFOLABI, TAJUDEEN
2 PLURAL LIMITED,
3 ASIODU P. C.
4 AKPATA TAYO
5 DANKARO DAVID,
6 NWAZOTA WILLIAM, M.
7 OSHINUSI OLADAPO,
8 SMARTT FUTURES RESOURCES LTD
9 OBIEFUNA MATTHEW
10 EMAN AKWIWU & SONS LTD
11 ADEBAYO THOMAS, BANDELE
12 DANKARO DAVID
13 IYAMABO D. E.
14 OKONISTO VENTURES -
15 MABON LTD
16 GREENBAY ENERGY, RESOURCES
17 UWAIFO JONES INVESTMENTS LTD
18 EDOKPOLO John Sunday
19 AIBANGBEE MARCUS
20 ESTATE OF NTEKOP THADDEUS, JOSEPH
21 ALEX-DUDUYEMI OYEKUNLE
22 AKINPELU ADEBAYO, OLADELE
23 B & I INVESTMENT LTD
24 OWOSINA Francis Adedoyin
25 OKOLO S. A.
26 AKIN-GEORGE J.
27 FISHER Beatrice
28 KUKU S. B
29 ISOKO COMMUNITY BANK LTD. -

30 FAMUYIDE OLUWASANMI,
31 DOVE-EDWIN GEORGE
32 MOMOH Haruna, And Ochucko
33 AWESU MUSIBAU, ATANDA
34 MADUKA CHIKWEH Alexander
35 RIVITUS INVESTMENT LTD. -
36 LARMUST INTERNATIONAL COMPANY -
37 ELLIS AND DOVE-EDWIN Paul And Isis, A. And A.
38 NWAZOTA WILLIAMS,
39 OMIDELE BABATUNDE OLUSEGUN
40 IGHODALO AMIEHI TOLULOPE ABIKE,
41 AYOOLA EDMUND, OLUSOGA
42 WOODWORTH AL
43 ODELEYE OLAWALE
44 SHONUGA Stella
45 KALU KALU Idika
46 OBIELODAN AYOKUNLE I
47 MARTYNS-YELLOWE IBIAPUYE, SOALA
48 ADEKUNLE A., ADESIDA
49 FOUNTAIN INSURANCE BROKERS LTD -
50 OKEKE CHINEDU Eric
51 ADENIJI BOLANLE Oluyemisi
52 GIWA RUFUS
53 FAITH & HOPE ENTERPRISES LTD
54 USIFOH AYEMENRE R.
55 SOETAN RALIAT, ESTATE OF
56 OGUNSANYA KOLAWOLE & MARY,
57 INVESTMENT ONE, STOCKBROKERS INT L LTD
58 ADERINTO MERCY O. & ADEBIYI
59 OWOLABI OLAMIDE,
60 WINSTON F., DUBLIN-GREEN ESTATE OF LATE
61 OLORUNFEMI MICHAEL, ANDREW
62 FIRST TRUSTEES/STANBIC IBTC AGGRESSIVE FUND
63 ESTATE OF UMOH DAVID, EDEM
64 AFOLABI GBADEGESIN AJAO AKEEM
65 KAREEM WAIDI Alamu
66 CORPORATE OUTFITS LTD -
67 MAVIZ GLOBAL INVESTMENT LIMITED
68 SALAMI OLAKUNLE IDOWU
69 FIMA TRUST LTD .
70 OLUSANYA ADEBAYO OLUFUNSO ADEYIMIKA
71 MUSTAPHER DAHIRU SABUWA
72 CHUKUEZI ANELECHI BARNABAS
73 ADEYANJU MICHAEL ABIODUN
74 LASSA LIMITED
75 DAWHA JOSEPH THLAMA
76 AMICABLE ASSURANCE PLC -
77 OKEREKE—ONYIUKE Ndi
78 UYANWUNE ROSELINE, NGOZI
79 JOHNSON OLUFUNMI, L.
80 LAWAL MUHAMMAD T. I.
81 GUERRERO MIGUEL
82 NATHAN MARSH, OYINADE
83 KALEGHA ESE
84 OHOCHUKWU IHEANACHO
85 ABDUL-AZIZ ABDULLAHI
86 SALAWE PATRICK Sule
87 WAZIRI SARKI
88 OYELEYE OLUWOLE
89 COLENSON BROKERS NIGERIA LTD. -
90 OLAFIMIHAN NIKE
91 WALAKU IPEGHAN & OBUGE OKALKE M,
92 INTERGLOBAL PROC. ENG. SER LTD
93 TUKUR B, MAHMUD
94 AWOSANYA ADEBANJO SANSADEEN,
95 AGHAHOWA FELIX,
96 IDEMUDIA TAIWO,
97 OLUWAKEMI AMINAT,
98 LADIPO-AJAYI OLUSOLA, OLUTAYO
99 ALEYIDENO YVONNE,
100 AKINLOYE YETUNDE OLAJUMOKE,
101 HENRY CHUKA OMO,
102 ANOSIKEH JOE OGBONNA,
103 CAPAS NOMINEE DESAYO
104 OLUWAKEMI AMINAT,
105 ADEWUYA O.
106 ODEBODE OLANIYI, M.OLADIMEJI
107 MARKHAM LTD
108 ONI ABIODUN,
109 EZEONWUMELU CLETUS, EMEKA
110 OGUNBIYI ALEXANDER, AKIN
111 FAPOHUNDA ADEOLA,
112 IHEBUZOR INNOCENT, OBASHI
113 KOLEOSHO JOHN, OKUNOLA
114 USIFO JOHN, EHIMEN FRANK
115 OGUNMODEDE GABRIEL,
116 AJAH OFUCHE, ORJI
117 ROSTRUM INVESTMENT, SECURITIES LIMITED
118 ONYEMENAM VIOLET,
119 OKORODUDU ESIJOLONE, SYLUIA
120 BELLO AYUBA, BDLIYA
121 MAJIYAGBE MOFOLORUNSHO,
122 LEGUNSEN SAMUEL, OLAWALE
123 ADIGUN BENJAMIN A.
124 ORAKWUE IFEYINWA,
125 IBRAHIM YAHAYA,
126 OKPANA IGAZUMA, CONSTANCE
127 OBATA BARTHOLOMEW,
128 FALAKI ENIOLA,
129 ADEYEMO OLUFEMI,
130 DAFUR MATHIAS,
131 OSHINOWO SEGUN,
132 DANIA VICTOR OLUMIDE & BRIDGET APINI,
133 DANIA VICTOR, OLUMIDE
134 OWOPETU OLUFEMI,
135 SHUAIBU ISMAILA, DANLADI
136 OGUNMODEDE GABRIEL
137 AJAKPOVI OROMENA .
138 MAYDAV MULTI, RESOURCES LIMITED
139 RAIWE TEMILOLA,
140 AKINLOYE OLAJUMOKE, YETUNDE
141 SMITH ABIMBOLA,
142 IDUFUEKO ADAMS OSATOHANMNEN
143 EYEE NWOBUDE Evelyn
144 CALIBRATE INSPECTION SERVICES LTD
145 MOFE-DAMIJO TEGA,
146 ILAWOLE OLAJIDE, ABIMBOLA
147 OBASOHAN GODWIN OSARHIUYIMEN
148 ADAMA FOLAKE,
149 ONOKADE ROOSEVELT, EFETOBO
150 SALAU KAYODE
151 NIGERIAN LIFE AND PROVIDENT CO. LTD
152 ENJOY INTERNATIONAL LIMITED
153 ABIODUN AKINBOLANLE, OWOLABI
154 WISE INVESTMENTS LTD
155 EKWUNIFE JOE BILLY,

156 KOYEJO OLUBUNMI, AYOKUNLE
157 OBIDIEGWU JOEL, UCHE
158 MBA ULU, UKA
159 ARUEDE EFOSA
160 DILINYE CHRISTOPHER,
161 OYOSORO EDITH, IJEOMA
162 AGBONJARU SUNDAY, OKAH
163 AFUNDU EDITH IFEYINWA,
164 AKINLOYE YETUNDE,
165 T & G GLOBAL INVESTMENTS LTD
166 ESSIEN BASSEY, MFON
167 SONUGA FUNMILAYO,
168 OLUPITAN BANKE, ADUFE
169 OKONKWO CHUKWUFUMNANYA, FELICIA
170 AJAYI ESTHER, IYABO
171 TAIWO BABTUNDE, ABIODUN
172 ODOFIN TAJUDEEN, ADEDAPO
173 OBIEFUNA JULIUS, CHIEDOZIE
174 IGBONEKWU OKEY, M.
175 ODUSANYA OLUSOLA, & GBOLAHAN
176 OJOGWU NNEKA,
177 ASHIRU HASSAN, KABIRU
178 UMAR MUSA ADNAN,
179 OKAKWU CHARLES,
180 OLAYEMI OLAYINKA, HELEN
181 SALAMI BABAJIDE, M
182 KABON SARAH,
183 OBIEFUNA NNEKA,
184 OBIEFUNA OBIANUJU,
185 OBIEFUNA V, C.
186 EBULUOFOR MAGDALENE,
187 OBIEFUNA IFEYINWA,
188 ADEYEMI TEMITOPE, ABIMBOLA
189 GEAROUGE ELIE,
190 OBIEFUNA CHIBUEZE,
191 ODELEYE OLUBISI, FRANCIS
192 DARE KOLLINS JOSHUA & DAMILOLA (MR&MRS),
193 OJO JOHNSON, ADEBODUN
194 OBAKIN IDOWU ISAAC,
195 UDOMA MICHAELS, OSAMUYI
196 ONABANJO OLUROTIMI OLUGBUYI
197 JOLAOSHO AJIBOLA OLALEKAN & ALABA OLUFUNMI-LAYO,
198 EDIALE MONDAY OMOFOMA,
199 AKINLOYE OMOBOLANLE,
200 ASHAYE ADEKOLA, .A
201 MUSA ABDULLAH, O
202 MUSA ABDURRAHMAN, O
203 OBAKIN FLORENCE, OLAJUMOKE
204 ORIOLA ABDULSALAMI, AJIBOLA
205 ORESANYA ADENIKE, CHRISTIANA
206 AKINLOYE OLUWADAMILOLA,
207 AKINLOYE OLUWAPONMILE,
208 ANYANWU IKECHUKWU, MCKAY CHRISTIAN
209 FAWOLE TAIWO, GANIYU
210 SOBANDE MUNIS OLA,
211 TAIWO AMIMBOLA, ADETUTU
212 MUHAMMED SALIU,
213 SHORINWA GBADUNOLA, GRACE
214 SOKUNBI AGBARAOLURUNKIIBATI, ABIMIFOLUWA
215 SOKUNBI ITEOLUWAKIISHI, AFIMIFOLUWA
216 GAFARI KOLAWOLE, ADEDAYO
213 ALAWODE MOSES IDOWU,
214 ADELEKE ADESINA,
215 FESTUS TOYIN ESOHE,
216 GAFARI KOLAWOLE ADEDAYO,
217 ORIBAMISE NENE VERO,
218 OLUSHEKUN BIBILOMO,
219 IBRAHIM GALADIMA G.,
220 MOMODU KHALID, OSCAR
221 ODOFFIN MAROOF, ADEMOLA
222 OGEDENGBE IDOWU PETERS,
223 ADENUSI OLUWATOSIN EDWIN
224 ODOI OIL PALM PROCESSING CO. L
225 ECHENDU LEO, NWABUIKE
226 OMONIYI DAVID, OLANIYI
227 NUGA SAMUEL, ABIOLA
228 DARIA FRANK, EGONIWARE
229 TEBI CAPITAL, INVESTMENT LTD
230 NNADI JULIE, UZOR
231 OME OBIOHA, OGBAJIOGU
232 AKANBI ADENIKE EVELYN,
233 MATTI MURI OLAJIDE,
234 ADENUSI OLUWATOSIN,
235 ANIMASAHUN GABRIEL, ABIMBOLA
236 OLAYINKA SUNDAY AYODEJI, & VICTORIA ADEWUN-MI
237 ADELEKE ADEBAYO ADETUNJI,
238 GEORGE FAITH, E.
239 ODUWAIYE AKINTUNDE, OLALEKAN
240 ARIYO AYODELE, AKOLADE
241 NIGERIAN INTERNATIONAL, SECURITIES LTD
242 AJIBADE OLUWAGBEMILEKE, DANIEL
243 KUYORO OLUWATOYIN,
244 ADEGBITE ISAAC, ADEREMI
245 DUROJAIYE TEMILADE, FUNMILAYO
246 IGBRUDE MILLER, EFE
247 ETIM EMMANUEL, EDET
248 ORIBAMISE ISAAC, IFEOLUWA
249 AZEEZ LUKMAN, ADEKUNLE
250 GBAJUMO LATIFAT, BISOLA
251 LAWAL GANIYAT, OMOTOLANI
252 ERINFOLAMI BALOGUN, GAFAR OLOLADE
253 OGUNLEYE TEMITOPE, ANU
254 ABIMBOLA EUNICE, OLUBUNMI
255 BELLO KAZEEM, OWONIKOKO
256 OLATUNJI FOLORUNSHO, JACOB
257 OGUNTOYINBO OLADAPO, AKINOLA ADEBAYO
258 OSILAJA OLADIPUPO, STEPHEN
259 GUSTAV NIGERIA, LIMITED
260 AKHARUME IGBAFE,
261 SALAU MOHAMMED, ADEBANJO
262 ADUNOLA RAPHAEL, OLADIMEJI
263 OKUSI MUTAIRU, BABATUNDE
264 OKOLI FRANK, EMEKA
265 IGBOKWE LAMBERT, EJIKE
266 JIDUWA NDUBUISI, LAWRENCE
267 AMIOLEMEH OMODIALE, ANGUS
268 SALAKO ANTHONIA, TOYIN
269 OLUKOYA OLUWASEUN, BABAJIDE

Proxy Form

The Twenty First (21st)Annual General Meeting of the members of NIGER DELTA EXPLORATION & PRODUCTION PLC will hold on Thursday the 28th July 2016, at the Agip Hall of the MUSON Center, No. 8/9 Marina, Onikan, Lagos at 11:00 a.m. to transact the following business:

I/We ....

Being members of Niger Delta Exploration & Production Plc. hereby appoint

Or failing him Dr. Layi Fatona, as my/our proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on 28th July 2016, at 11.00 a.m. and any adjournment thereof.

Dated this .... day of 2016

SHAREHOLDER'S NAME

RESOLUTION	FOR	AGAINST
ORDINARY BUSINESS 1. To lay before the members the Audited Financial Statements for the year ended 31st December 2015 and the Report of the Directors, Auditors and Audit Committee thereon.		
2. To declare a dividend		
3. To re-elect Directors retiring by rotation.		
4. To ratify the appointment of new Directors		
5. To re-appoint the Auditors		
6. To authorize the Directors to determine the remuneration of the Auditors.		
7. To re-elect/elect members of the Audit Committee.		
SPECIAL BUSINESS 8. To fix the remuneration of Directors for the year ending 31st December 2016. 9. To consider and if thought fit pass the following resolutions as Special Resolutions: i. That the Directors be and are hereby authorised, subject to the approval of the appropriate regulatory authorities, to terminate the process of subdividing the nominal valueof each of the Company's ordinary shares from N10 into N0.50, and to file a new Form CAC 2 at the Corporate Affairs Commission accordingly. ii. That the Directors are further authorized to take any and all necessary steps to maintain the status quo being the retention of theN10 nominal value of each of the Company's ordinary shares. 10. To consider and if thought fit pass the following resolutions as Special Resolutions: i. That the Directors be authorised, subject to the approval of the appropriate regulatory authorities, to take all steps necessary to effect the conversion of the Convertible Loans of up to US$100 Million made to the Company under its ongoing funding program into equity in the Company through the issuance of up to 44,843,049 ordinary shares of N10.00 each to the respective Lenders at a fixed price of US$2.23 per share. ii. That the Directors be and are hereby authorized, subject to the approval of appropriate regulatory authorities, to allot up to 44,843,049 ordinary shares of N10.00 each at the price stated in 10 (i) above, and to take all such incidental, consequential and supplementary actions and to execute all requisite documents as are necessary to give effect to the above resolutions.		

IMPORTANT

1 Before posting the above proxy, please tear this part off and retain it. A person attending the Annual General Meeting of the company or his proxy should produce this card to secure admission to the meeting.

2. A member of the company is entitled to attend and vote at the Annual General Meeting of the Company. He is also entitled to appoint a proxy to attend and vote instead of him, and in this case the above card may be used to appoint a proxy.

3. In line with best practice, the name of a director of the Company has been entered on the proxy form to ensure that someone will be at the meeting to act as your proxy, but if you wish, you may insert in the blank space on the form (marked*) the name of the person, whether a member of the Company or not, who will attend and vote on your behalf instead of the Director named.

4. The above proxy when completed, must be deposited at the registered office of the company being 15, Babatunde Jose Road, Victoria Island, Lagos, not less than 48 hours before the fixed time for the meeting.

5. It is a requiement of the law under the Stamp Duties Act, Cap 58, Laws of the Federaation of Nigeria, 2004, that any instrument of proxy to be used for the purpose of voting by any person entitled to vote at any meeting of shareholders must bear a stamp duty.

6. If a proxy form is executed by a company, it should be sealed under its common seal or under the hand of an attorney

Signature of person attending

Admission Card

Annual General Meeting to be held on Thursday the 28th July 2016, at the Agip Hall of the MUSON Center, No. 8/9 Marina, Onikan, Lagos at 11:00 a.m.

I/We .... Number of shares.....................................

Mandate for e-dividend Payment Form

Following the passing into law by the National Assembly and the official launch of the E-Dividend payment system, all registrars have been mandated to effect payment of dividend on behalf of their client companies electronically.

The E-dividend payment system ensures that your dividend is credited directly into the bank account of your choice within 24 hours of payment date.

In order to prepare for this new payment procedure, we require you to kindly complete the E-Dividend Form below.

PLEASE NOTE THAT THE SECTION FOR YOUR BANK ACCOUNT DETAILS HAS TO BE COMPLETED BY YOUR BANK.

Kindly return the duly completed Form to the Registrar, United Securities Limited at the address stated below.

Date (DD/ MM/ YYYY)

Surname / Company's Name

Other Names (for individual Shareholder)

Present Postal Address

City

Email Address 1:

Email Address 2:

Mobile (GSM) Phone Number

Bank Name (SECTION TO BE COMPLETED BY YOUR BANK)

Branch Address

Bank Account Number

Bank Sort Code

I/We hereby request that from now, all dividend warrant(s) due to me/us from my/our holdings in Niger Delta Exploration & Production Plc be mandated to my/our Bank named above

Shareholder's Signature or Thumb-print

Shareholder's Signature or Thumbprint

Company Seal / Incorporation Number (Corporate Shareholder)

Authorised Signature & Stamp of Bankers

The completed Form should be returned by post, e-mail or fax to: Investor Relations Department, Niger Delta Exploration & Production Plc. 15, Babatunde Jose Road, Victoria Island, Lagos. Fax 01-461926. E-mail: investorrelations@ngdelta.com or United Securities Limited, 10, Amodu Ojikitu Street, Victoria Island, Lagos. E-mail: info@unitedsecuritieslimted.com

Shareholder Information Update Form

I/ We wish to request that my / our details as a shareholder(s) for Niger Delta Exploration & Production Plc be amended to reflect the following information:

Date DD MM YYYY

Surname / Company's Name

Other Names (for individual Shareholder)

Present Postal Address

City

Email Address 1:

Email Address 2:

Mobile (GSM) Phone Number

Tax ID

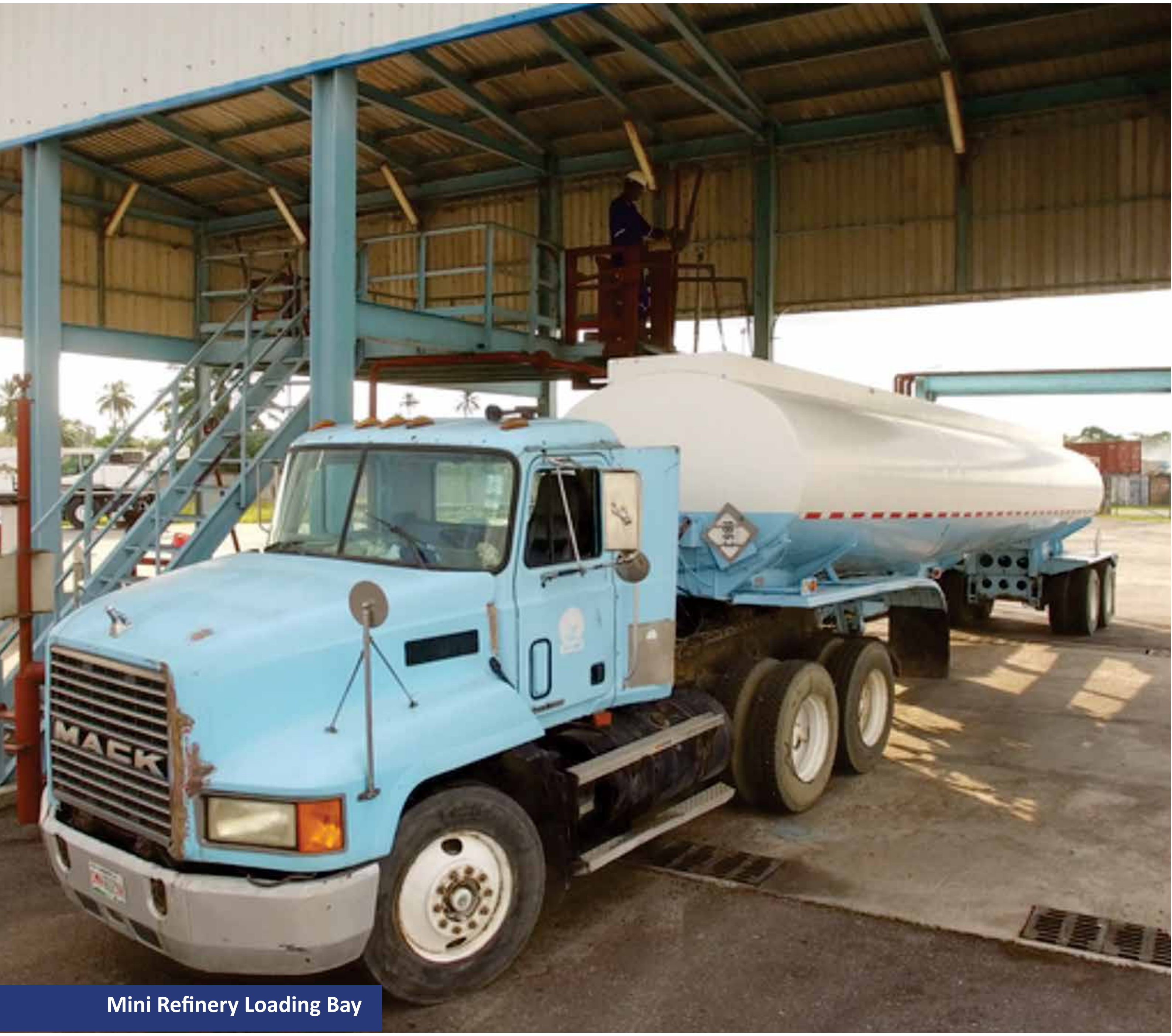
Shareholder's Signature or Thumbprint

Shareholder's Signature or Thumbprint

Shareholder's Signature or Thumbprint

Incorporation Number with Company Seal

The completed Form should be returned by post, e-mail or fax to: Investor Relations Department, Niger Delta Exploration & Production Plc. 15, Babatunde Jose Road, Victoria Island, Lagos. Fax 01-461926. E-mail: investorrelations@ngdelta.com or United Securities Limited, 10, Amodu Ojikitu Street, Victoria Island, Lagos. E-mail: info@unitedsecuritieslimted.com



Mini Refinery Loading Bay

www.ngdelta.com

Head Office
15, Babatunde Jose Street,
Victoria Island
Lagos