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## Press release

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### Technical update on Seplat

- Completion of Competent Person Report for OMLs 4, 38 and 41:
  - 1P reserves net to Seplat after royalties up 30% to 109 mmboe
  - 2P reserves net to Seplat after royalties up 27% to 181 mmboe
  - 2C resources net to Seplat after royalties up 21% to 92 mmboe
- Update on SPDC agreement with Seplat
- Acquisition of 40% participating interest in the Umuseti / Isbuku marginal field area in OML56

### DeGolyer and MacNaughton Competent Person Report for OMLs 4, 38 and 41 (as of 30th April 2013):

Seplat requested from DeGolyer and MacNaughton, an appraisal of the reserves and resources for the OMLs 4, 38 and 41. In its latest report (as of 30<sup>th</sup> April 2013), DeGolyer and MacNaughton have estimated a 27% increase in 2P reserves (to 181mmboe) and 21% in 2C resources (to 92mmboe).

The reserves listed below are presented as Seplat's share, after payment of royalties (20% for oil and 7% for natural gas) and subject to the taxes applicable to the oil exploration-production sector.

1P reserves net to Seplat after royalties (30/4/2013)	Oil + Condensates (mmbbl)	Gas (bscf / mmboe)	Oil + Gas (mmboe)	1P reserves net to Seplat after royalties (31/12/2012)
OML 4	19,1	183,8 / 30,6	49,8	46,0
OML 38	18,3	18,5 / 3,1	21,4	17,6
OML 41	21,6	97,7 / 16,3	37,9	20,6
Total	59,1	300,0 / 50,0	109,1	84,2

Increase  
30%



2P reserves net to Seplat after royalties (30/4/2013)	Oil + Condensates (mmbbl)	Gas (bscf / mmboe)	Oil + Gas (mmboe)	2P reserves net to Seplat after royalties (31/12/2012)
OML 4	27,6	390,7 / 65,1	92,7	82,2
OML 38	31,1	28,9 / 4,8	35,9	25,7
OML 41	31,0	126,7 / 21,1	52,1	33,9
Total	89,6	546,3 / 91,1	180,7	141,8

Increase  
27%

3P reserves net to Seplat after royalties (30/4/2013)	Oil + Condensates (mmbbl)	Gas (bscf / mmboe)	Oil + Gas (mmboe)	3P reserves net to Seplat after royalties (31/12/2012)
OML 4	33,9	451,3 / 75,2	109,2	98,6
OML 38	38,9	34,4 / 5,7	44,6	32,3
OML 41	43,1	150,6 / 25,1	68,2	50,2
Total	115,9	636,4 / 106,1	222,0	181,2

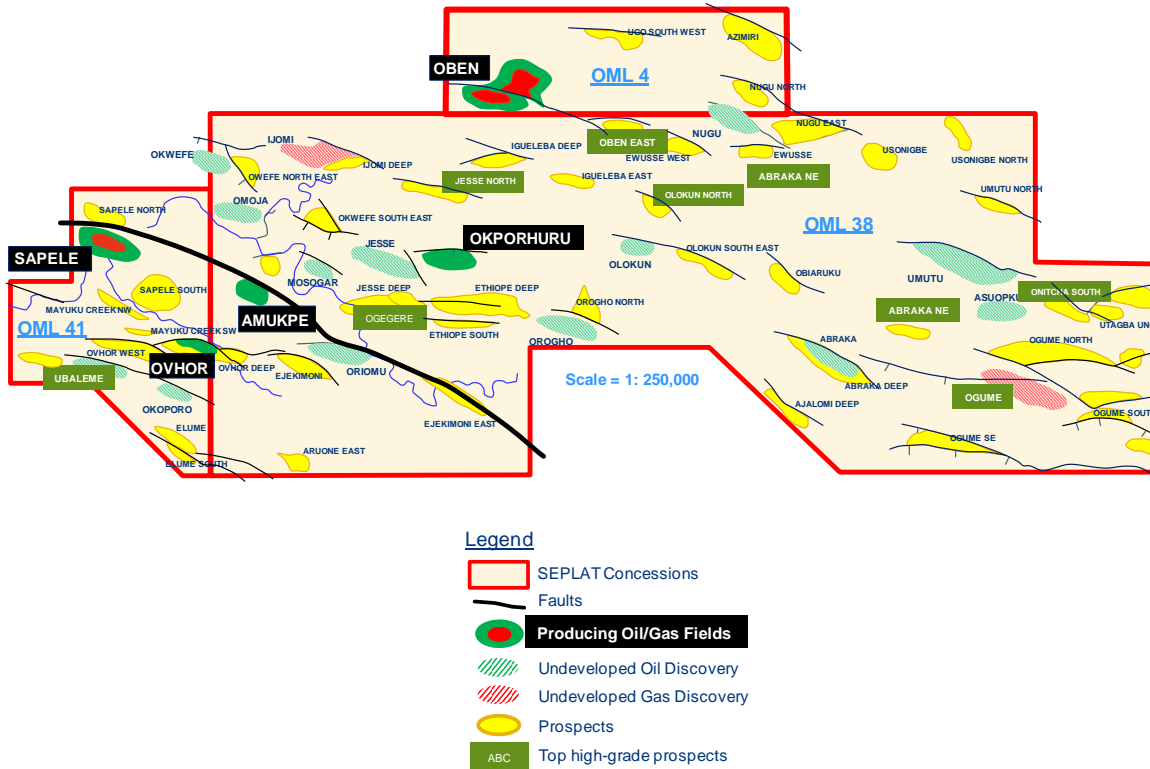
Increase  
23%

In addition to the various production management projects undertaken and additional wells drilled, the increase in reserves reflects the conversion of 2C resources at the Okporhuru, Ovhor and Sapele fields especially, whilst additional work at Sapele Shallow and Okwefe enabled Seplat to increase its 2C resources.

2C resources net to Seplat after royalties (30/4/2013)	Oil + Condensates (mmbbl)	Gas (bscf / mmboe)	Oil + Gas (mmboe)	2C resources net to Seplat after royalties (31/12/2012)
OML 4	4,5	25,0 / 4,2	8,7	9,3
OML 38	18,4	59,8 / 10,0	28,3	20,7
OML 41	49,0	36,0 / 6,0	55,0	46,1
Total	71,9	120,7 / 20,1	92,1	76,0

Increase  
21%

In addition to the above appraisal of the reserves and contingent resources, DeGolyer and MacNaughton carried a review of the prospects identified by Seplat highlighted in the below asset map.



As a production update, Seplat achieved and sustained an operated production of 60,000bopd in May 2013, ahead of schedule on its 5-year plan which targets a gross production of 100,000bopd within the next three years.

### Update on SPDC agreement with Seplat:

In February, Seplat signed an agreement with SPDC in connection with the installation of a LACT unit in Rapele. Subsequent to the installation and testing of the LACT unit, Seplat was credited with 2 million barrels as compensation for the misallocation of its oil production for the period of November 2011 to December 2012. Going forward, deductions previously linked to “measuring inaccuracies” will no longer apply. As a result, the company witnessed an improvement of its reconciliation factor since January 2013 down to approximately 8 percent (which account for vandalism and theft occurring along the pipeline).

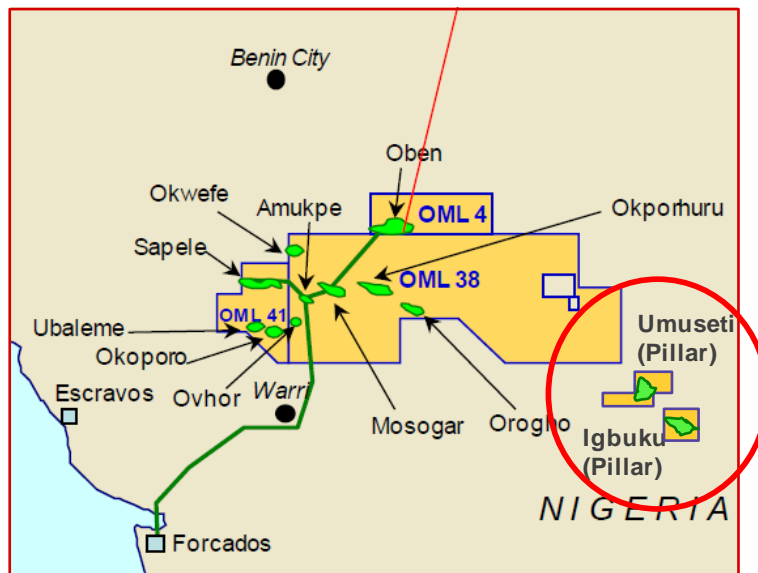
### Acquisition of 40% participating interest in the Umuseti / Isbuku marginal field

On 1<sup>st</sup> June 2013, Seplat acquired a 40% participating interest in the Umuseti / Isbuku marginal field area in the Niger Delta in OML 56 and in doing so has added approximately 10 MMbbl of 2P liquid reserves net to Seplat (before royalties). It has been put in evidence that those fields had a significant upside for gas production.

The total consideration payable in respect of the OML 56 Investment is US\$60 million, which includes an initial US\$50m down payment as well as milestone payments linked to future production targets.

Under the terms of the above agreement, Pillar is obligated to submit the documentation necessary to obtain government approval.

Seplat is still in the process of formulating its definitive capital expenditure plans for the assets and has contracted DeGolyer and MacNaughton to draft a competent person report.



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