NIGER DELTA
Exploration & Production Plc

2016
ANNUAL REPORT & ACCOUNTS

Mini Refinery, Ogbele

COVER IMAGE

The cover image is a photograph by **Marion Kaplan**, depicting ***a Peruvian Condor in Flight***. The image resonates with NDEP in 2016 as we cruised above rocky terrains, progressed and arrived at a more favourable destination - higher ground.

Contents

Niger Delta Exploration & Production Plc.
RC: 191616

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twenty-Second (22nd) Annual General Meeting of the members of NIGER DELTA EXPLORATION & PRODUCTION PLC will hold on Wednesday the 26th of July 2017, 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 2016 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 re-appoint the Auditors.
5. To authorize the Directors to determine the remuneration of the Auditors.
6. To re-elect/elect members of the Audit Committee.

SPECIAL BUSINESS

7. To fix the remuneration of Directors for the year ending 31st December 2017.
8. To consider and if thought fit pass the following resolutions as Special Resolutions:
   i. "That the Directors be and are hereby authorized, subject to the approval of the appropriate regulatory authorities, to amend the Company's Memorandum & Articles of Association to reflect the Authorised Share Capital of the Company as ₦2,750,000,000 (Two Billion, Seven Hundred and Fifty Million Naira only) divided into 275,000,000 (Two Hundred and Seventy-Five Million) ordinary shares of ₦10.00 each".

   ii. "That the Directors are further authorized to take all such incidental, consequential and supplemental actions thereto, and to execute all requisite documents as may be necessary to give effect to the above resolution".

Dated this 9th Day of June 2017

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 Forty-Eight (48) hours before the time fixed for the meeting.

ii. DIVIDEND

If dividend of ₦6 (Six 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 30th of June 2017 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.

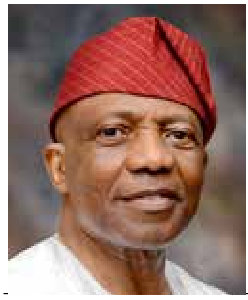
iv. DIRECTORS RETIRING BY ROTATION

In accordance with the provisions of the Company's Articles of Association, Mr. Cyril Odu, Mr. Afolabi Oladele and Mr. Ede Osayande retire by rotation and being eligible, offer themselves for re-election.

v. AGE DECLARATION

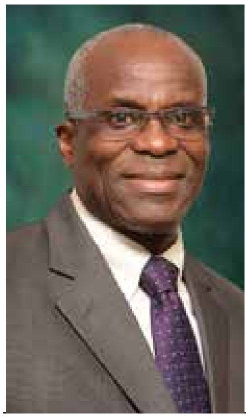
In accordance with Section 252(1) of the Companies and Allied Matters Act Cap C20 Laws of the Federation of Nigeria 2004, Mr. Ladi Jadesimi intends to disclose at the Meeting that he is over 70 years of age.

The Board of Directors



Mr. Ladi Jadesimi *Chairman of the Board.*

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.



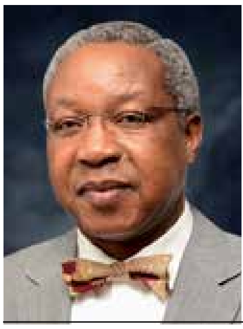
Dr. 'Layi Fatona (Ph.D., M.Sc., DIC, FNAPE) *Managing Director*

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.

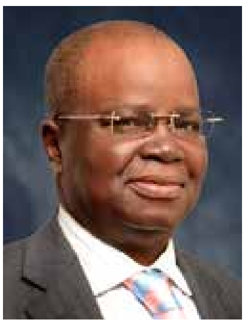
Mr. Thierry Georger (French) *Director*

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 freight, sale and pricing mechanics. Mr. Georger has a Master Degree in Commercial and Industrial Sciences from the University of Geneva, Switzerland.



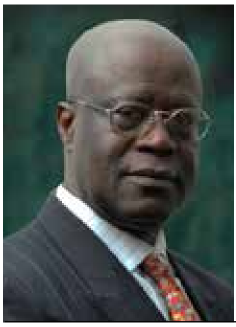
Mr. Osten A.O. Olorunsola *Director*

Mr. Olorunsola 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. Olorunsola then served the nation as Director, DPR, drawing from his experience as adviser to two Ministers of Petroleum Resources. Mr. Olorunsola is currently Chairman and Chief Executive of both Capital One Energy Ltd and Energetikos Ltd.



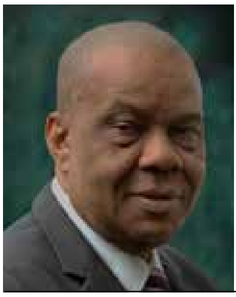
Mr. Ede Osayande *Director*

Mr. 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.



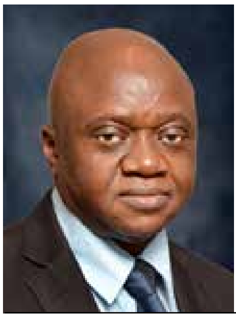
Mr. Afolabi Oladele *Director*

Mr. Oladele joined the NDEP Plc Board as Director in 2016 and is an Executive Partner at African Capital Alliance (ACA). Prior to joining ACA in 1999, Mr. Oladele attained 24 years of meritorious service in the oil and gas industry. Most of his career was spent with the Nigerian National Petroleum Corporation (NNPC) where he served in various capacities culminating in his appointment as Group Executive Director. He gained in-depth industry knowledge through various postings to OPEC, Mobil USA and Total France and is a current Board Member of Addax Petroleum Corporation. Mr. Oladele is a Fellow of the Nigerian Society of Engineers and the Nigerian Academy of Engineers. He holds a Bachelors degree in Chemical Engineering and post-graduate certificates in petroleum economics and management.



Mr. Cyril Odu *Director*

Mr. Odu joined the NDEP Plc Board as a Director in 2016 and is an Executive Partner at African Capital Alliance (ACA). Mr. Odu's distinguished career spanned 39 years in the oil and gas industry, with the majority spent at Mobil. He was the Vice Chairman of the Board of Mobil Producing Nigeria where he had responsibility for Business Services and was also the Chief Financial Officer of the Upstream Affiliates of Exxon-Mobil in Nigeria. Mr. Odu attended the University of Ibadan and graduated with a degree in Geology and an MBA from the Texas Southern University.



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 consulting services. 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.

Mr. Deji West *Executive Director, Finance*

Mr. Deji West joined NDEP Plc as Executive Director – Finance and CFO in 2016. He graduated from City University, London in 1986, with a degree in Civil Engineering. He embarked on a career in Accounting and became a Chartered Accountant in 1990, and then obtained an MBA in 1997 (City University, London). Mr. West has over three decades of business experience, across different sectors and has extensive experience of the oil and gas industry (upstream and downstream) and financial services, specializing in commerce, finance, accounting and project management.

He has worked with many organisations including Afren, Sahara, BP, PWC and Mellon Bank and has held senior financial management positions for several years. He is a Fellow of the Institute of Chartered Accountants in England & Wales (ICAEW) as well as a member of the Institute of Chartered Accountants of Nigeria (ICAN).

MANAGEMENT TEAM

In addtion to Dr 'Layi Fatona, Mr. Deji West 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 Team.

Ms. Titi Omisore *Company Secretary*

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. Ladi Jadesimi

Chairman

Distinguished fellow shareholders, today's annual general meeting is truly epochal and marks the coming of age of your company in more ways than one.

Your company started life from humble beginnings as just another indigenous Nigerian start-up, but with huge dreams and bold ambition, in a terrain where none had previously trod, namely the oil and gas exploration and production industry. The progenitors of your company, in 1992, were eight in number. Their vision was to give Nigerians the opportunity to invest in the upstream oil and gas business, while genuinely partnering with, and giving back to local host communities.

They expected the going to be challenging but it turned out to be considerably more daunting than envisaged. However, thanks to their dogged perseverance, determination, never-say-die spirit and sacrifice, they have bequeathed us with a very successful indigenous independent integrated oil and gas publicly held company with a Sub-Saharan foot print.

Against all conventional wisdom and leveraging entirely on indigenous skills and capital, a unique company was born. It turned out to be tougher than the proverbial baptism by fire. Our founders survived ups and downs too numerous to chronically state here; however, first oil was finally achieved in August 2005.

The ambitions of our founders, now hugely enhanced, is now embedded in our DNA and continue to drive our enterprise ever higher. Our history gives us every confidence that, given what we have successfully come through with flying colours, we are more than equal to any challenges that may lie ahead.

Since 2010, I have had the great privilege and distinct honour of serving on the Board of your company. Today, I am both proud and humbled, in equal measure, to be the Chairman of the Board of Directors of our Company. In the following pages, a progress report of your Company during the 2016 fiscal year encapsulates the results achieved by our demonstrably dedicated, talented and capable management and staff.

The most important aspect, in my view, is the methodical, well-articulated and focused medium to long term development plans designed to continue to grow your Company and achieve steady enhancement of shareholder value.

Overall, 2016 was yet another year of prudent management and fiscal as well as fiduciary discipline in the management of your company. While the operating environment was very harsh indeed, the decisions made by the Board and Management of your company ensured that production was robust, new milestones attained and healthy profits delivered. All things considered, we had a good year and are now well positioned to maintain the momentum.

One of our major achievements during the year, was the successful completion of phase one of our funding exercise which commenced in 2013. The total amount raised was USD 80 million; a very significant cash injection into your Company, which came in at a critical point in our operations. The magnitude of this fruitful exercise is best appreciated when seen in the context of massive volatility in the petroleum industry worldwide, coupled with falling crude oil prices.

We have continued to expand our operational footprint. The Ogbele mini refinery expansion project commenced in 2016. The objective is to increase our processing capacity initially to 6kbpd of crude oil and at the same time increase our range of products, in the first phase. The second phase will lift our daily refining capacity to 11kbpd.

Your Management's foresight that informed our investment in the current 1kbpd mini refinery stood us in very good stead when crude oil prices started to plummet as we had other income streams from diesel and gas sales to cushion the effects.

It is most remarkable that we have had no community induced interruptions in over 11 years of oil and gas operations. This of course has been no accident but rather a product of your Company's unique and sensitive approach to host community affairs.

At this juncture, I think it will be instructive to take a deeper and broader look at some of the key events in 2016.

Global Environment

Global growth was 3.4% in 2016. Emerging markets and developing economies remained the drivers of global growth, albeit at a slower pace, while developed economies continued a sluggish recovery. In 2016, unexpected geo-political events made for significant uncertainties, major examples being the vote in the United Kingdom to exit the European Union and the election of Donald Trump as the President of the United States (IMF: WEO: OCT2016)

The wider political and economic implications of these two events are of course still unfolding. The rise of nationalistic, anti-globalisation, anti-immigrant sentiments in some European countries may end up threatening the established order in the European Union. In the US, the election of President Trump has been welcomed by the oil and gas industry because of his determination to significantly deregulate and roll back environmental constraints on oil and gas exploration and production and transportation.

In emerging economies, performance differed sharply across countries and regions. Asia predictably performed far better than Sub-Saharan Africa. Growth in China was stronger than expected as a consequence of economic stimulus. Latin America was weaker with some countries including Brazil, Argentina and Venezuela sliding into recession. Russia, hit by lower crude oil prices and sanctions imposed by both the US and EU, performed somewhat better than forecast in part due to slight improvement in crude oil prices but perhaps much more as a consequence of diversification and self reliance (IMF:WEO:JAN2017). Many countries in Sub-Saharan experienced a sharp slowdown or even recession as a consequence of lower commodity prices combined with challenging economic and political domestic conditions (IMF:WEO:OCT2016).

The Global Oil Price

Global oversupply and the consequent fall in price remain a critical issue for oil dependent mono-product economies like Nigeria's. In January 2016, the OPEC Reference Basket (ORB) price fell to $22.48 per barrel which meant that between June 2014 and January 2016, the ORB fell by some 80%. This was the largest percentage drop in five episodes of steep price declines that the market had experienced over the span of three decades. By October 2016 the Organisation of Petroleum Exporting Countries (OPEC) for the first time ever, persuaded non-OPEC members to join them in a consensus to curb production in support of firmer prices. This pushed prices back up to $55.00 per barrel, the highest level for over a year.

However, it must be said that what Nigeria needs is not a fixation or over dependency on crude oil prices, over which we have little or no control. Our salvation lies in a determined effort to add value locally to our oil and gas resources by investing in refining, petrochemicals, gas to energy and other productive endeavours. This is the way to turn our natural endowment into the gigantic sustainable socio-economic development force multiplier and enhancer they can and should be. Thus we will be far more immune to the effects of price fluctuations in a commodity that should be no more than a raw material to fuel our industrial growth and development.

Nigeria

The oil price recovery has not been enough to save Nigeria's economy. Indeed, from the above, a meagre increase in crude prices will never suffice to save our economy, not least given our huge population coupled with the high rate of growth in that regard. Productive endeavours, human capital capacity building and enhancement leading to local value addition; therein lie our potential growth and national success.

We need no less than a complete paradigm shift in re-ordering our focus and priorities to transform from a nation only of consumers to one of producers of goods and services for both the domestic and export markets.

After two consecutive quarters of declining economic indices, the Nigerian economy officially slipped into recession. National GDP contracted by 2.06% in Q2 2016 following a contraction of 0.36% in Q1. In addition to this, the introduction of controlled float of the exchange rate in June 2016, devalued the Naira by 43%. This steep decline made for a difficult trading environment and pushed inflation to a high of 18.55% in December 2016 (CPI), duly reflected in increased cost of living.

Symbolically, Nigeria also lost its rating as Africa's largest economy to South Africa, as the Rand strengthened against the US dollar, while the Naira lost value. In my view, being touted as Africa's largest economy never told the full story. The rating was simply a long delayed re-calibration of our total GDP, a major factor being the sheer size of our population and did not remotely tell the full story. Basically, a large, productive economy is a blessing whereas a huge and largely import-dependent, unproductive populace is essentially a tremendous challenge to any nation. In terms of national GDP, the critical indices apart from aggregate numbers, include per capita GDP, annual economic rate of growth, level of external reserves, annual rate of population increase, historical exchange rate performance, level of external reserves and so on and so forth. What we experienced during the year was a devastating combination of a depreciating currency, falling crude oil prices coupled with severe challenges in the operating environment of the oil and gas industry.

We had increased militant attacks and destruction of critical oil and gas production and transportation infrastructure resulting in shut-ins, curtailed production and significant revenue loss both for the Government and the operating companies like ours. There were job losses, cancelled contracts and reduced investments. Not surprisingly, Angola overtook Nigeria as Africa's largest producer as their increase in production outperformed Nigeria's declining output.

On a positive note, NNPC introduced several reforms to boost the industry, starting from within. Under the current Petroleum Minister of State and Chairman of NNPC Board, Dr. Ibe Kachikwu, NNPC was re-organised, published its first financial reports in 10 years and remarkably, in July 2016 reported profits after decades of unremitting losses. Opaque oil swap deals were cancelled, and efforts commenced to fix existing refineries.

Fuel subsidy was partially removed in May 2016 to reduce both government spending and continue on the path of eventual total downstream deregulation. The price of petrol rose in response by 67% from ₦87 to ₦145 per litre, which placed further pressure on disposable consumer spending. To reduce government exposure and free the oil producing companies to make their own arrangements to fund operations, the traditional cash call regime was reformed during the year and the burden of necessary investments shifted to the producing companies. However, the all important Petroleum Industry Bill (PIB) , several years in the making, remained a dream. The PIB is of course the best way to comprehensively address most of the issues bedevilling the industry and mapping out an up to date template of best practice. There are some signs that the PIB may indeed finally yet see the light of day. The industry awaits this critical event with baited breath.

NDEP Plc in 2016

And now to your company explicitly. While 2016 was clearly not even remotely a vintage year for the Nigerian oil and gas industry, your company managed to notch up many encouraging signs. The difficult operating conditions notwithstanding, we attained an impressive performance of profits before tax of ₦8.9billion in 2016, a massive 425% more than our 2015 performance. Profits after tax also had an equally remarkable positive variance of 316%. There can hardly be a more ringing endorsement and testimonial of our solid foundation coupled with focused and efficient management of resources. Revenues totaled ₦17.8billion while operating profits of ₦13.3billion sharply contrasts the losses incurred in the 2015 fiscal year. A major contributory factor being cost cutting initiatives that resulted in a reduction of cost from ₦25.9billion in 2015 to ₦15.4billion in 2016.

Another significant factor was of course the cash injection of $80million, that will add value by providing cash towards capacity building like the Ogbele mini refinery expansion project. Our continued emphasis on fiscal discipline will always remain an important facet of our management and operational culture.

Oil and Gas Production

In the year under review, NDEP's professional technical competence was very much evident, often in very difficult circumstances. Low oil and gas prices, the extended unavailability of the Trans Niger Pipeline (TNP), together with increased industry regulations, all combined to create an extremely hostile operating environment. However, the fantastic competence of our Reservoir Management Team nevertheless actually achieved a higher 2016 production level of 1.65million barrels of oil for the year, compared to 1.42million barrels for 2015. Gas production was equally impressive at a total of 11.288 Billion Scf for the year. In addition to supplying the NLNG Train 6 at Bonny, we also delivered gas to our first domestic customer, namely - Power Gas Global Investment Nigeria Limited (PGINL) in October 2016. The installation and commissioning of PGINL's CNG plant, next to Ogbele, is the first stage transformation of our Ogbele Integrated facilities to a growing Eastern Delta non-International Oil Company oil and gas processing hub.

The Ogbele mini refinery capacity expansion project, when completed, will add considerable value to your company. The project is now well underway, with most of the engineering design work completed. As we all now know, the expansion will enhance crude oil processing capacity from the current 1kbpd to 6kbpd and then subsequently to 11kbpd.

A key advantage of increased refining capacity, apart from an increased slate of products, is that it will position us to handle far more efficiently, the expensive, frequent and recurring unavailability of the TNP.

Increasing processing capacity will of course give us multi product revenue streams to even out fluctuations in the prices of individual products. During the year, steady increase in diesel prices generated useful contribution to our cash flow while contributing to local value addition. As more companies produce diesel in Nigeria, our near total reliance on importation will slowly wind down.

Our experiences over the years, culminating in a structure today of sustainable integrated oil and gas operations, put us in very good stead not just for 2017, but for decades to come, with the core vision of continued enhancement of shareholder value and long-term preservation of your company as a going concern.

Dividends

Despite the challenging operating environment, NDEP PLC has had a profitable year. Accordingly, the Board has recommended for your consideration and if thought fit, your approval, a dividend payment of ₦6 per share. This recommendation is in recognition of Management's appreciation of the loyalty and support of you, our shareholders. I am indeed very proud to note that, if approved, this will mark the 10th anniversary of annual dividend payouts. Your company has now truly come of age and joined the ranks of the top tier indigenous exploration and production companies. This status will have a bearing on our dividend payout policy going forward.

Our industry is highly capital intensive in terms of the level and magnitude of the investment needed to replace and increase our daily depletion of reserves. Accordingly, we must adopt a responsible dividend policy that allocates sufficient cash from our operations to part fund our investment and development programmes. We need a strong balance sheet, with adequate reserves and a healthy debt to equity ratio. This will greatly facilitate the inevitable future debt and capital raising exercises. At the same time as shareholders, we can be confident of steady enhancement of shareholder value. In other words, as a mature player in the industry, our fortunes will be judged by a combination of dividend policy and enterprise value as reflected by shareholders' funds other key financial indices.

Conclusion

Whilst 2016 was one of the more challenging years for us, as well as our country, we have every reason to remain confident of a very bright future. Since inception in 1992, we have weathered many storms only to emerge even stronger. Your company has a lot going for it, not least a robust list of investments and capacity building which is now unfolding and will result in significant growth of our business. We cannot of course predict the future trend of oil and gas prices. What we can do, and are doing, is to make us less directly vulnerable to the vagaries of the price movements of a single product. What we are also doing is to remain focused, operate efficiently and ready ourselves to take full advantage of any opportunities that may present themselves. Several developments give us cause for optimism. As the MD will report, our 2017 business plans include resumption of our drilling programme, the Ogbele gas plant optimisation plan and of course our mini refinery expansion project.

Changes to the Board

After serving on the NDEP PLC Board since 2010, I was very honoured indeed, to be appointed Chairman in 2016. Also in the same year, Mr. Cyril Odu and Mr. Afolabi Oladele were appointed to the Board as non-executive Directors. These appointments followed the retirement of the immediate past Chairman, Mr. Goodie Ibru (OON) and Professor SJS Cookey (OFR).

Both Mr Cyril Odu and Mr Afolabi Oladele, representing African Capital Alliance, have very extensive experience in the Nigerian oil and gas industry and their combined strength and expertise is already bringing tangible benefits to NDEP PLC. We very warmly welcome them to the Board.

I would like to thank my immediate predecessor as Chairman, Mr. Goodie Ibru (OON), for his many years of service and excellent stewardship. His contributions assisted the company's growth from the modest beginnings mentioned earlier, to the Independent Integrated Pan African Energy entity that we are today. I also thank Professor Cookey (OFR) for his many years of dedicated service on the Board. As a member of The Host Community Development Trust from 2006 and Chairman from 2010, Professor Cookey deserves special recognition and commendation for contributing in no small measure to the peaceful operating environment enjoyed by NDEP PLC.

It is with great sadness and enormous regret that I report the passing to the great beyond of Mr. Sammy Olagbaju, a founding member and pioneer Director of the Company. He was a celebrated pioneer Stock Broker, Investment Banker, lover and patron of the arts, as well as one of the largest art collectors in Nigeria. His contributions to, passion and enthusiasm for the Company was legendary. He had a large heart and contributed immensely to family, friends as well as to society at large. He will be sorely missed by all who knew him.

On behalf of the Board, management, staff and indeed all of us shareholders of NDEP PLC, I pray for the peaceful repose of his soul and for fortitude for his family to bear the great loss.

Appreciation

This report will be incomplete without thanking our shareholders, many of whom have been with us for several years, for your loyalty, advice and support always. A huge debt of gratitude is also owed to our executive Board, the entire Management and Staff, because without your daily commitment and dedication, our spectacular progress would not have been possible.

To my fellow non-executive Directors on the Board of NDEP PLC and members of the Company Audit Committee, your untiring diligence is truly commendable.

To our host communities, we truly appreciate you as our partners. Without you, the peaceful atmosphere that is the foundation for progress and development would not have been possible. We thank you sincerely, even as we forge ahead as partners in progress. The best years are ahead for all of us.

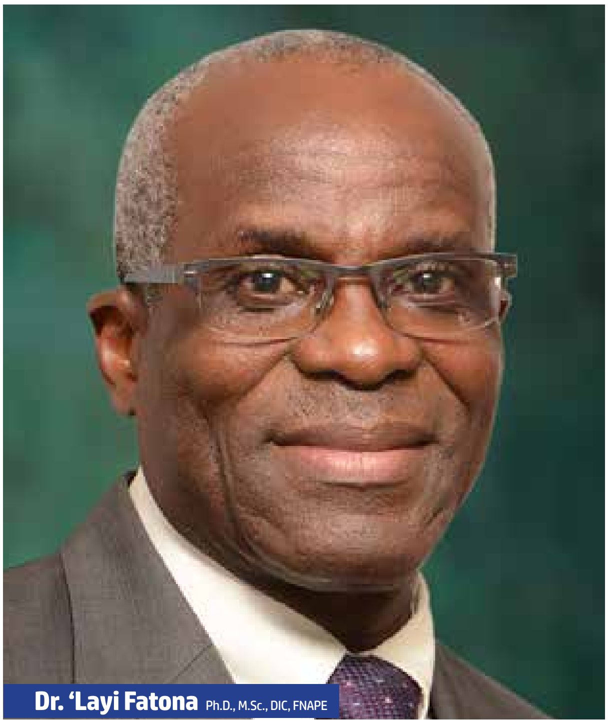
A huge debt of gratitude is owed to our pioneer and current Managing Director and Chief Executive Officer, Dr. Layi Fatona. His tireless leadership, vision, and totally exceptional capacity are remarkable. He has done more than most to successfully achieve and indeed far surpass the dreams of our founders.

Last but certainly not least, to the regulators of the petroleum industry, we salute your efforts in providing a more conducive environment for the benefit of the nation at large and re-commit ourselves to continue to contribute our own quota to the same end.

Distinguished fellow shareholders, I thank you most sincerely for your time and attention.

Mr. Ladi Jadesimi
Chairman

Managing Director's Statement



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

Managing Director

Esteemed Shareholders,

And just before the curtains are drawn...

Distinguished Ladies and Gentlemen; and all in the class of our Shareholders. For me, 'The Ritual', once again, is about to end for the Financial year 2016.

With the Annual General Meeting now called, and as usual the practice, these past many years of the existence of our company, it is my privilege, and again honour, to present a comprehensive assessment of our performance for the year 2016.

You will recall that at the last Annual General Meeting, I highlighted then, the unique challenges which characterise the industry in which we operate. These factors still include, the slowdown in global economic growth, steep and sustained drop in crude oil prices, security challenges within the Niger Delta region, policy changes and multiple new restrictions in the financial industry. Our commitment to survive and thrive in all these uncertainties, remained our central focus throughout 2016. As highlighted by the Chairman, the international, national and in many cases, local circumstances we operated in, impacted considerably our overall performance for the year.

Permit me to delve therefore in details, into our results for the year 2016.

2016 COMPANY PERFORMANCE

Production Operations

Despite the dismal national economic climate and the harsh operating environment in the Niger Delta region in 2016, our results validate the impact of our relentless emphasis on business and operational fundamentals. Our commitment to excellence, necessitated a most appropriate and prudent decision to suspend drilling activities, late in October 2015.

The aim of this important action, was to re-assess and re-evaluate our schedule of operations, bearing in mind, the commerciality of drilling and sustainability of production, in the light of the drop in global crude oil prices. Despite all these, we recorded some modest successes in our production operations, mainly due to the exceptional reservoir management and production optimisation procedures drawn up and implemented by our Subsurface and Production Operations Technical teams. This was also driven by the considerable impact of bringing on-stream the Ogbele Well-7ST2 and the optimization of our crude oil storage and injection for export delivery practices.

Crude oil production increased from 1.4MM Bls in 2015 to 1.6MM Bls in 2016. The importance of this nimble achievement is more obvious, when assessed with the knowledge of the security uncertainties that we had to cope with in 2016. These security challenges, manifesting in pipeline vandalism, associated with crude theft, culminated in multiple shutdowns of the Trans Niger Pipeline (TNP) that serves as our main export artery, for a total of 140 days. This is equivalent to 38% of the year (comparable total shut down count in 2015 was 114 days).

Total crude oil production from inception to 31 December 2016 was 11.6MM Bls. This as of then, is far in excess of the total Oil Initially In Place (OIIP) reserves of 5MM Bls (Five Million Barrels) which was attributable to the Ogbele Field and upon handover of the asset by the NNPC/Chevron JV to NDPR in 2002. In effect, cumulative production now stands over and in excess of the reserves carried at the commencement of our field development efforts. Our initial carried Ultimate Recoverable Reserves (URR), and on the basis of which investment solicitation came to you our shareholders, was some 10.6 MM Bls.

It is therefore obvious, how much value we have extracted and re-created over the years, from our flagship asset. In truth, the Ogbele Field has done well. It still amazes me personally even as a practising Geologist, of what upsides reserves potentials are still available to harvest, even after eleven (11) years of production.

Security Challenges

As earlier mentioned and chronicled in the Chairman's Report, security challenges prevailed in the entire Niger Delta region in 2016. The continued rise of fractional militant groups all over in the region, affected notably oil and gas exploration and production operations. The result of which were persistent region-wide pipeline vandalism and crude oil theft.

As the main evacuation route for crude oil produced from the Ogbele field, the importance of the TNP to our survival as a company, cannot be over-emphasised. In addition to the modest production increase recorded and reported in 2016, I am delighted to inform you that your company also recorded other notable production operational achievements including:

- Construction of a new Ogbele Field 5 wells slot Drilling Location – (for subsequent cluster drilling).
- Installation of a new Metering facility for third party gas sales.
- Initiated and completed preliminary field survey activities for Omerelu Field Development Project.
- Completion of Engineering Design for the Ogbele Mini Refinery Expansion Project (OSBL scope) with HAZOP reviews for same.
- Commenced field based activities in respect of the Ogbele Refinery Expansion project.
- Completed the Engineering design and procurement of additional Ogbele Gas Plant Inlet Manifold.
- Commencement of the repayment of accrued Over Ridding Royalty Interest (ORRI) equity crude oil (circa 450,000 Bls) owed to the NNPC, arising from and in respect of securing the Ogbele Farm Out Agreement (FOA). ***

*** *It is on record now that NDPR has complied with its ORRI Crude Oil payment obligations to the Federal Government under the Marginal Oil Field Development Policy.*

Further Sustainable Development, Monetisation & Commercialisation of our Gas Resources

The long-term view of the Nigerian Petroleum Industry, has over the years, driven our forward looking "Gas Development Strategy and Investment Efforts". The design, acquisition, construction and operation of the Ogbele Gas Processing Plant, (an investment which puts us far ahead of our peers), proves the forward-looking strategy of Management and the Board of your company.

I am pleased that for the 4th consecutive year, we successfully and in a sustainable manner, safely delivered gas into the Train 6 of the Nigerian Liquefied Natural Gas (NLNG) Plant in Bonny. In addition to this uniqueness, we also began the delivery of domestic gas supply to Power Gas Global Investment Nigeria Ltd (PGINL) in October 2016. This, being our first domestic gas supply and same in compliance to our statutory DOM Gas Supply obligations.

Today, your fully owned subsidiary – ND Gas Limited is the only Nigerian Independent (Non-JV) gas supplier to the Bonny NLNG. We remain proud of this achievement.

Also, in 2016, total gas produced for the year was 11.3Billion Scf, down from 12.9Billion Scf in 2015. The reported decrease in production is a self-imposed gas conservation and value creating measure. Since all of the Company's outstanding 'shortfall gas' supply obligations to the NNPC/SHELL/TOTAL/AGIP JV had been fully met in 2015, gas production and supply in 2016 was therefore (for prudent gas value management and conservation reasons), limited only to daily contractual volumes. To fully maximise our gas production and processing capacity, the Commercial Function of your company continues to seek and engage other potential third party gas off-takers in the country. Discussions and negotiations are well underway for additional domestic gas supply contracts.

Global Gas Flare Reduction (GGFR) 2030 Initiative

At this point, I reiterate our sustained commitment to global gas flare reduction measures. This comes further to our full endorsement and timely reporting in conformity to the World Bank 2030 Global Gas Flare Reduction (GGFR) initiative. (See Table -1 Below for our 2016 Official Gas Flare Volume Filing to the World Bank).

The conferment of an Observer Status and our participations in the Steering Committee Meeting Sessions of this global body, not only allow us to showcase our compliance and alignment to Global Gas Flare elimination, but also provide full access to technology, services and investment opportunities to help further develop and monetise other gas resources elsewhere in our corporate portfolio.

These efforts, in our view, allow us contribute towards ensuring that our environment remains protected and in the best possible condition for future generations to come. We are pleased that our performance, had inspired other operators in Nigeria to endorse the 2030 World Bank Global Gas Flare Reduction initiative, thus propelling Nigeria towards an improved global ranking in documented commitment and efforts at elimination of gas flaring.

The Niger Delta Group remains committed to minimising the carbon footprint intensity of our activities on the environment.

The endorsement of the "Zero Routine Flaring by 2030" initiative (in 2015), by our fully owned subsidiary NDPR, remains a major driving force of our activities. The initiative introduced by the World Bank pertains to routine flaring and not to flaring for safety reasons or non-routine flaring which nevertheless should be minimised.

NDPR has achieved much and received significant accolades for its efforts at gas flare reduction. With technical flaring only, of less than 2% of total gas produced in the Ogbele Field. As we continued this path in 2016, and for proper accounting of emerging flare, a Gas Flare meter has been procured and a vendor engaged to install the device for our Flare Header. More accurate accounting and reporting is expected going forward.

Following the excellence achieved by NDPR with the successful elimination of routine flaring at its operating asset (Ogbele Field), NDPR is now aiming for a similar attainment in other assets where it has interests, and is committed to deploying technology and equipment that will reduce associated gas currently being flared.

Zero Routine Flaring by 2030: Form for oil - Niger Delta Petroleum Resources Limited				
FOR PUBLICATION			NOT FOR PUBLICATION	
Company flaring provided to World Bank	Total flaring (million Sm^3)	Routine Flaring (million Sm^3)	If your company in the last calendar year made decisions to develop new oil fields, do all these new oil fields have development plans that incorporate sustainable utilization or conservation of the field's associated gas without flaring?	Yes/No to the question
	2016	2016		2016
Company Total	1.80	Suspended		Yes

Table -1 NDPR 2016 World Bank Filing and Reporting of Gas Flare Volume

Ogbele Mini Refinery – Capacity Expansion Project

The now attained diversity in our portfolio, and our status as a truly Integrated Nigerian oil and gas company, is evident from our investments in, and successful operation of, the Ogbele Mini Refinery, and other assets (ND Western's OML-34, and Nile Delta Petroleum Company Limited.

We continued to process some of our daily crude oil production from the Ogbele Field to high quality diesel, which is no longer only for use at our Flow Station and other everyday production operations, but now also available for sale to the Nigerian domestic market.

In 2016, production of diesel from the Ogbele Mini Refinery topped the 20MM Litres mark (for the 2nd year running). Cumulative production of diesel from inception and up till 31 December 2016 has now reached 80MM Litres.

The technical and commercial success of operating the Ogbele Mini Refinery, has influenced the recommendation of Management and approval of the Board of Directors, to support and sanction the ongoing Ogbele Refinery Capacity Expansion Project. Expectedly, this investment will increase not only the refining capacity (in two Trains), initially to 6K Bopd and ultimately, to 11KBopd. With the addition of these two (2) 5KBopd Trains to the existing 1K Bopd Ogbele Mini refinery, output and product diversity will be enhanced.

Commissioning of the first Train is scheduled for the end of the 4th quarter 2017. The refinery will, in addition to the current supply of high quality Diesel (AGO), provide other new products including Dual Purpose Kerosene (DPK), Marine Diesel, High Pour Fuel Oil (HPFO) and Naphtha.

Upon commissioning of the 2nd and final Train, by late 2018, Premium Motor Spirit (PMS), will then be added, to the suite of products, thus marking a new era for the Ogbele Mini Refinery. That attainment itself, will yet again, become another major milestone for the company.

Health Safety & Environment Management System (HSEMS)

Working safely and sustainably has become now fully entrenched in our operating culture. In 2016, we remain committed to sustaining and delivering excellent safety performances in all our production operations. With our "improvement conscious" attitude, we have ensured that corrective actions to safety issues are identified and implemented immediately as the situation arises. The improvements in our HSEMS performance resulted in:

- Yet another year of recording zero:
  - (a) logged hours of work stoppages
  - (b) Loss Time Injuries (LTI), and
  - (c) Fatality.
- The attainment of Five (5) million cumulative man hours with LTI free
- Successful organisation of the 5th Edition of the Annual company-wide HSE Week
- Successful completion of an Oil Spill Contingency Plan (OSCP) activation by the Department of Petroleum Resources (DPR)
- Completion of the Management Quarterly Facility Inspections for the year 2016
- Completion of the routine annual Gas Plant Facility Audit by the DPR
- Continuation of the site Impact Mitigation Monitoring Exercise (IMME), and
- Improvement of Contractor HSE Management Systems.

We remain therefore, a company focused on information sharing. Lessons learned from actual and potential incidents are shared across all corporate functions, with the aim of eliminating the likelihood of repeated incidents. Our past HSEMS improvements are hinged on these basic principles, and we continue to make these an integral part of our daily operations processes for the future.

New Fund Raising Exercise

Distinguished Shareholders, I am pleased to announce that towards the close of 2016 and at a time of unprecedented fall in the prevailing price of crude oil, we successfully completed the first phase of the $400m additional fund raising exercise, mandated through the Shareholders' resolution at the18th Annual General Meeting held on 21 August, 2013.

After extensive negotiations with all due diligence processes that lasted over Seven (7) months, African Capital Alliance (ACA - Cape IV Investment Fund), a leading Pan African Investment firm, made good of its commitment and injected the sum of Eighty Million ($80 M) Dollars, by way of a loan.

This investment, coming at such a difficult time for the Nigerian Petroleum Industry, marks an unusual level of confidence in the potential future growth of your company.

Changes in the Board of NDEP

As part of the negotiated conditions for the conclusion of the new funding exercise with African Capital Alliance (ACA CAPE IV Fund), there have been some changes made to the Board of Directors of your company.

In 2016, and after many meritorious years of dedicated service to your company, two members of the Board, Mr. Goodie Ibru (OON), our immediate past Chairman, and Professor Sylvanus Cookey (OFR), the Chairman Board of the Host Communities Development Trust retired and were both replaced by the appointment of Mr. Afolabi Oladele and Mr. Cyril Odu. Both new Board members come with significant and diverse experience in Exploration and Production, as well as in Finance. The company will profit immensely from their combined strengths.

I use this opportunity to welcome them to the Board. In addition, I thank them for their noteworthy contributions towards achieving our corporate growth objectives.

2016 Financial Results

Distinguished Shareholders, I now present some highlights of our financial performance in 2016. The entrenched recession the country witnessed was in every measure severe. However, I am pleased to announce that despite the sombering business environment we operated in, exacerbated by weak global crude oil prices, stringent and restrictive banking policies, volatility in the Niger Delta region, shutdown of the TNP, and other factors, your company was still able to post modestly improved financial results for the financial year.

Revenue for the group in 2016 was ₦17.82Billion, up by 4% compared to 2015 figures of ₦17.06Billion. Crude oil production contributed ₦12.86Billion (72%) of our total revenue, Diesel production and sales, ₦2.78Billion (16%) and Gas sales of ₦2.18Billion (12%) further added to total revenue growth.

TOTAL REVENUE BREAKDOWN

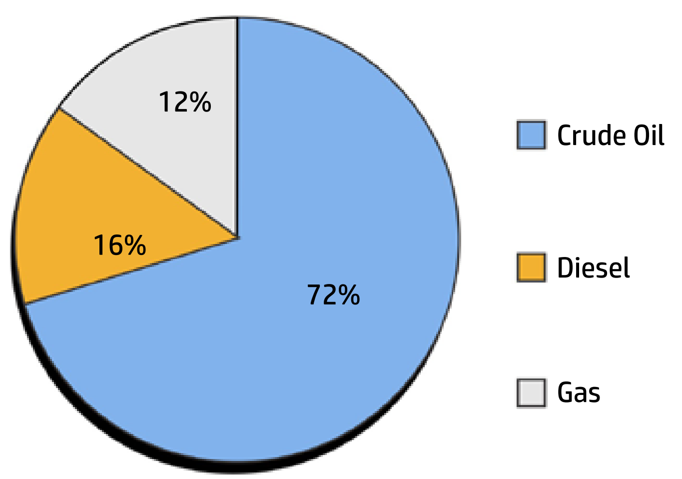


Figure 1: Total Revenue Breakdown by Products

Gross profit for the year stood at ₦11.40Billion, up from a loss position of ₦1.67Billion in 2015. Our Operating profit rose to ₦13.27Billion in 2016, from a loss position of ₦1.90Billion in 2015. This was the result of a reduction in the total operating costs for the year, recorded at ₦15.39Billion, down from ₦25.97Billion in 2015 (representing a 45% decrease). The reduction in total operating costs itself, was due to the decrease in depreciation, which was as a result of increased reserves figures for the year.

Profit before Tax (PBT) for 2016, therefore rose to ₦8.92Billion. A significant improvement from the 2015 figure of ₦1.61Billion loss. Profit after Tax (PAT) recorded in 2016 was ₦8.79Billion compared more favourably to ₦2.11Billion in 2015.

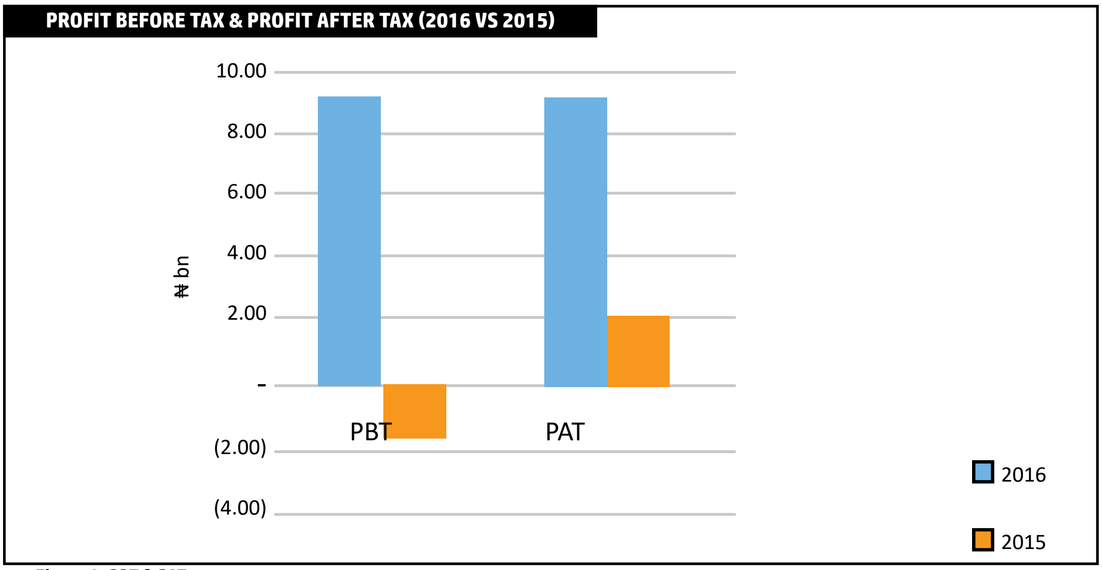


Figure 2: PBT & PAT

Preserving therefore, promoting and indeed sustaining the initial aspirations of our founding members, the most notable of which was to make your company an investment vehicle for ordinary Nigerians in the oil and gas industry, our results in 2016, continued to create and increase further value for our shareholders.

In 2016, Shareholder's Equity increased to ₦42.81Billion from ₦30.54Billion in 2015, while Earnings Per Share (EPS) also increased to ₦50 per share from ₦12 per share (in 2015).

Return on Asset (RoA) rose marginally from 3% in 2015, to 8% in 2016. Return on Equity (RoE) rose from 6% in 2015 to 21% in 2016, while Return on Capital Employed (RoCE) equally rose from (5)% in 2015 to 17% in 2016

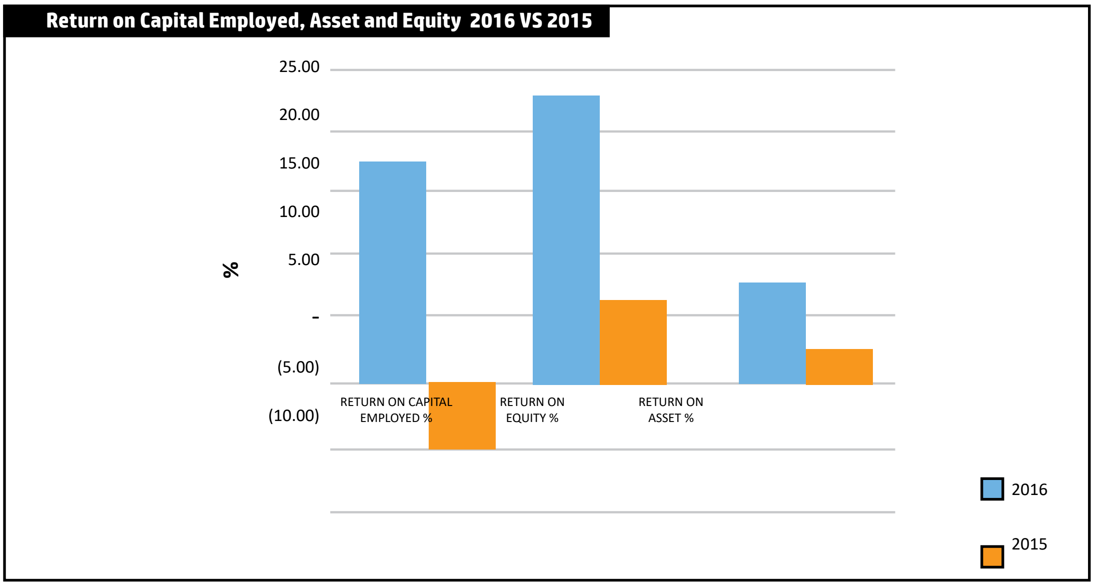


Figure 3: RoCE, RoA & RoE

A summary of other indices from our financial results are presented in Table 2

Financial Results	2016	2015
	₦'Billion	₦'Billion
REVENUE	17.82	17.06
TOTAL COST	15.39	25.97
GROSS PROFIT/LOSS	11.40	(1.67)
OPERATING PROFIT/LOSS	13.27	(1.90)
PBT	8.92	(1.61)
PAT	8.79	2.11
EARNINGS PER SHARE (₦)	49.57	11.93
RETURN ON CAPITAL EMPLOYED (%)	17.45	(4.85)
RETURN ON EQUITY (%)	20.52	6.16
RETURN ON ASSET (%)	7.88	3.28
TOTAL GEARING (DEBT TO EQUITY) (%)	82.22	31.21
OPERATING PROFIT MARGIN (%)	0.74	(0.11)

Table 2: Summary of Financial Results

Recommended Dividend Payment

The majority of our Shareholders, each year, expect some nominal pay out of rewards by way of cash dividends. Management is conscious of the need to adjust the realities of these expectations in consonance with a balance, for the need to be able to sustain investments in blue sky opportunities for our future growth.

Given the overall performance of the company in 2016, and the disposition to treat shareholders fairly in their expectations, Management recommended for the consideration of your Board, a dividend of ₦6 per share. The Board has approved this recommendation. This is considered reasonable in these lean times, and I urge you to endorse this proposition.

Your Management team and Board remain focused, and hope to deliver even better results in future as more investments mature to cash flow and profit.

The Omerelu Marginal Field Development

In 2014, our fully owned subsidiary – NDPR completed all renegotiations and obtained final approval for the Omerelu Marginal Field Farm-Out Agreement from the Federal Government. Subsequently, NDPR commenced preliminary activities towards the development to first oil and gas production from the field.

In 2016, activities related to the acquisition of the proposed drilling and production facilities locations began. In addition, the acquisition and preparation of the access road and the definition of the most appropriate Right of Way (ROW) to the nearest crude oil export pipeline connectivity progressed. All ongoing and planned activities are geared towards ensuring initial production no later than late 2018.

Other Opportunities

To sustainably diversify our income streams, and as we create a stable future, the Management and Board of Directors of your company, will continue to investigate viable and potentially rewarding, near mature opportunities in Nigeria, as well as 'low entry-cost opportunities' within the Sub-Saharan Africa region.

OPL 227

I am able to report further that, in 2016, the Honourable Minister of State for Petroleum, through the Department of Petroleum Resources (DPR), granted a 2-year extension to the Nigerian Partners for the development of OPL 227 (A shallow water Offshore asset, situated in the western Niger Delta).

Your company, and further upon the invitation of other Nigerian JV partners, commenced discussions and negotiations on the best way forward to progressing the development of this near mature asset, following the withdrawal of Addax Petroleum as Technical Partner to the OPL 227 Joint Venture. Our fully owned subsidiary (NDPR) has therefore formally approached the Nigerian Partners for an increased working interest stake.

I am pleased to announce that arising from our track records, the Nigerian Partners have all agreed to allowing NDPR increase its working interest and assume the leadership position (as Operator) for the development of the asset in the new year. This however, is subject still, to the grant of appropriate consent and approval to the new equity redistribution by the Department of Petroleum Resources (DPR).

As a first of such terrain asset (Shallow Water Offshore) in our portfolio, I must assure our shareholders, that we shall approach this development, with the same extreme care and caution that has guided all our field development and operations.

Nile Delta Petroleum Company Limited

As we continue to make significant progress in South Sudan, while keeping our sights in other manifesting opportunities in Uganda, Angola, Zambia and Mozambique, I feel obliged to report on our activities notably on Nile Delta Petroleum Company Limited.

I am pleased to report of the establishment of a fully functioning Operating Office in Juba, with a Technical team contributed by both of Joint Venture Partners – Nile Petroleum Corporation (51%) and Niger Delta Petroleum Resources Limited (49%), with your company providing Technical management steer and leadership.

It is expected that while the JV Company will depend on cash call contributions from both Partners, since full take off, clear indications and our financial projections suggest that the new JV company will establish sufficient cash flow to run itself in the new year.

The company has since made significant inroads, having fully investigated and defined the first gas commercialisation investment opportunity, in its assigned role of supporting the National Oil Company – Nile Petroleum Corporation - towards achieving commercialisation and monetisation of the gas resources of South Sudan.

The new year ahead looks quite promising, for this affiliate company as it aims to become the 'Partner of Choice' for Nile Petroleum Corporation in other E&P Investment endeavours.

ND Uganda

At year end, your company ND Uganda remained in negotiations with the Ugandan Ministry of Mineral Development and Energy, on the terms for a Production Sharing Contract (PSC) having won the competitive international bid for the Ngasa Block.

Relationship with our Host Communities

At the heart of our operations, is the underlying principle of promoting sustainability. This, has over the years, guided our approach to evolving a durable corporate social responsibility charter. An important element of this, is the way and manner, in which we conduct our oil and gas exploration, development and production programmes. Our projects are developed with in-depth assessment of the long term economic, social, and environmental impacts on our host communities. The remarkable outcome of these combined efforts, is that we have maintained our enviable record of no community related disruptions to our production activities in the past 11 years.

Our periodic engagements with all key stakeholders, especially those in our immediate operating communities, had over the years guaranteed our peaceful and undisrupted operations in the Ogbele field. The inclusion of our host communities in the choice and implementation of projects that are beneficial and long lasting, allows your company to retain its partnership in the development of our Host communities according to the needs of the communities and as identified and prioritized by themselves.

In 2016, the NDPR Host Community Development Trust executed several development and empowerment projects. These include:

- Extending the annual security surveillance grant to support local security and neighbourhood watching efforts in Ogbele and Omaraka communities.
- Grading of Access Road at Obumeze and continuation of renovation of the Civic Centre.
- Continuation of the construction of 2 secondary school blocks in Rumuekpe, grading of access road and provision of the annual Educational Bursary Awards to 80 students from the community.
- Empowerment programme for 60 Women (10 each from the Six communities impacted by our oil and gas production operations)

Investing in our People

We recognise that our continued success over the years, have predominantly been the attributes of the quality of our workforce. Thus, we continue to have in place, mechanisms for guaranteeing a safe and stimulating working environment. In addition, we strive to attract and retain the best of young talents within the industry, while facilitating a learning and self-developing environment for their growth.

As a truly people-oriented company, we believe in, and remain committed to, broadening the professional career, skills and education of our people. This is in our quest to create an outstanding workforce of the future.

In 2016, your company kick-started the first of many advanced professional management training programmes by identifying and recommending four key middle Management staff for the GE (General Electric) Human Capital Development Programme for ND Group. This Senior Technical management development programme will allow us grow from within, our next set of corporate and management leaders of the future.

The spaced multi-location year-long human capital training programme is aimed at providing manpower development assistance to organisations around the world. Its approach to "inspire, connect and develop leaders", focuses on sharing knowledge specific to individual businesses, organisations and industry. We are truly grateful to GE for allowing us participate and by extending these training courtesies to our organisation.

We will continue to provide the tools necessary for the improvement of our workforce, such that considers their specific development needs and targeted at areas where the organisation requires further and necessary human capital enhancement.

2017 Outlook and Beyond

Distinguished shareholders, allow me to borrow a quote from Charles Dewhurst, a Partner and Leader of BDO's Natural Resources Practice.

"When oil prices first began to decline in mid-2014, many industry observers hoped that the slump would follow the pattern of the 2008 contraction which, though painful, was brief. But we are now well beyond that possibility, and the time has come for the sector to remove its rose-coloured glasses. This downturn will stay with us for a while, but it presents a unique opportunity for savvy oil and gas businesses to streamline operations and position themselves for success further down the line."

This captures the heart of our 2017 outlook. The Management and Board of your company have adopted a streamlined approach to all our operations in 2017. Thus, a thorough evaluation of our planned drilling programme, production potentials, and financial considerations have been carried out. I am pleased to announce that Management had proposed and the Board has approved the 2017 Business Plan, with the following target activities, aimed to:

- Drill and complete 3 additional development wells
- Procure and install an additional 5,000bpd processing capacity to the Ogbele Mini Refinery
- Commence and complete drilling and production facilities location preparation for the Omerelu Field
- Finalise capacity enhancement and optimisation for the Ogbele Gas Processing Plant, and
- Carry out a well-defined optimisation schedule for a selection of existing wells

The expected results from these activities will:

- Increase and sustain production to 7,200b/d and add capacity to deliver additional 40MM Scf/d of gas
- Diversify refinery product mix from one product (AGO) to four (AGO, DPK, MDO, HPFO).
- Manage and optimise drilling costs to sustainable levels and
- Improve financial discipline

As a core aspect of our business operations, we remain committed to maintaining mutually beneficial and sustainable relationships with our host communities.

Drawing the Curtains

As you may have noted in my opening title – 2016 was yet another of those milestone years as we suffered again, the loss and exit of another of our Founding icons. 'Uncle Sammy' Olagbaju passed on to eternal glory on 23 September 2016. The loss of another legend, such as him, deserves a special mention in this Annual Report. It is to me, an event of significance, a personal loss also to the Company and our shareholders.

Uncle Sammy's demise therefore is now leaving only a handful of the pioneering founders of our company. It is perhaps time for me to indugle in some personal reflections. I so do often these days.

In doing this, it is not lost on me that our company needs new leadership. New hands and heads to take it to the next level. I will therefore be proposing to the Board, in the new year, a process for a smooth baton change. It will be ordered and positively transformational and I must therefore assure our shareholders that 2017 will start to see the implementation of whatever process is approved by your Board.

I thank you all for the opportunity of a lifetime to have been part of this start-up Nigerian company of repute.

Conclusion

The dismal global and national economic conditions which affected our operations in 2016, coupled with intense security challenges in the Niger Delta region, significantly impacted our financial results in the year as presented. The full extent of these challenges however was ameliorated owing predominantly to our adoption of sound professional judgement by our combined subsurface and production operations teams. I am confident that in-house evaluations of our operations, and the strategic initiatives adopted, provide the assurance that 2017 and beyond, commands the promise of better future results, operationally and financially. Even though several external factors remain totally out of our control, we are committed to putting appropriate measures in place to minimise the impact of these extraneous forces on our performance.

I conclude, by expressing my deep appreciation to all our stakeholders, our distinguished shareholders, the Board of Directors, Management and staff for your commitment to supporting and facilitating the growth of this company.

'Layi Fatona (Dr.)
Managing Director

Positively impacting its operating environment, host communities, people and stakeholders are integral to the NDEP approach to sustainable oil and gas resources development. Our pioneering Host Communities & Environmental Development initiatives set us far and apart from other operating companies and are underpinned by the Host Community Development & Environment Trust, founded even before First Oil was attained in 2005.

As an independent Nigerian company, we especially recognize the importance of long term planning and the positive impact this brings to all aspects of our operations, both now and for the future.

For NDEP, sustainability means meeting the needs of the present without compromising on those of the future. To this effect, NDEP has developed policies on:

- Staff Welfare and Human Capital Development
- HSE (Health, Safety, Environment)
- Corporate Social Responsibility (CSR)

These policies are regularly reviewed and updated (as necessary), to ensure they comply with local and international best practices.

Staff Welfare and Human Capital Development

The Staff of NDEP are the foundation upon which all successes of the company are built. As such, NDEP places a premium on staff welfare and development. In the year under review, the Company undertook the renovation of its Head Office in Lagos to provide a more amenable and conducive workplace.

To ensure NDEP continues to meet the evolutionary trends in the industry, renewed emphasis has been placed on training and development for staff, with more trained locally and internationally. The result is that the Company's human resources are well equipped to face the challenges of the modern-day Oil and Gas Industry.

A review of the NDEP Human Resources Policy Manual and Employee Handbook was also carried out during the 2016 financial year. With this exercise, the Company has complied with global best practices for the welfare of its employees.

Health, Safety and Environment (HSE)

Health, Safety and Environment continuously receive priority attention within NDEP and its subsidiaries. The Company constantly reviews its efforts and procedures for identifying workplace hazards, reducing accidents and exposure to harmful situations and circumstances, through training and re-training of its employees in accident prevention, accident response, and emergency preparedness.

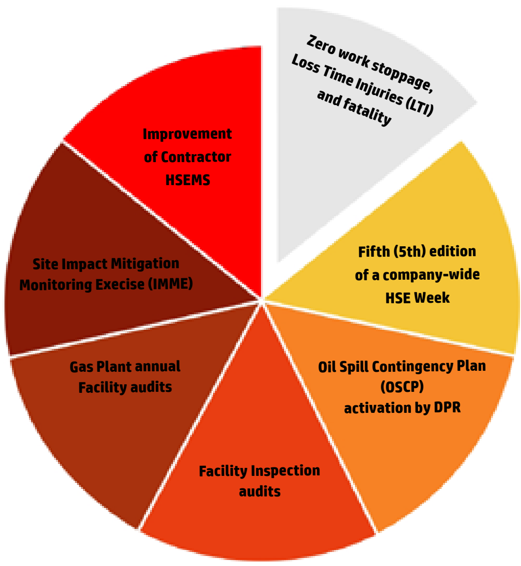
Despite the unprecedented exposures and challenges your Company faces daily at the work place, we are pleased to announce that we reached the Five Million man-hours without Loss-Time injury (LTI) during the financial year. This is a remarkable and commendable milestone in the operating annals of the Company.

A systematic approach to HSE management ensures that the Company complies with environmental regulations, thereby making our work place and operating environment safe for our employees, communities and other stakeholders.

Other HSE achievements for the year under review include:

- Recording of zero work stoppage, Loss Time Injuries (LTI) and fatality
- Successful organization of the fifth (5th) edition of a company-wide annual HSE Week
- Successful completion of an Oil Spill Contingency Plan (OSCP) annual activation by the Department of Petroleum Resources (DPR)
- Completion of Management quarterly Facility Inspection audits
- Completion of routine annual gas plant facility audit by the DPR
- Continuation of site Impact Mitigation Monitoring Exercise (IMME)
- Improvement of contractor HSE Management System.

2016 HSE Achievements



Our Company's commitment to sustainability of the environment, makes it mandatory for our employees to manage their work responsibly. This is done in line with the Group's Community Affairs, Safety, Health, Environment and Security (CASHES) manual, which is continuously reviewed and updated to meet with best practices and stringent industry standards.

Our CASHES manual requires that employees identify, assess and prioritize environmental risks and ways to improve same. It also sets standards and demands that our efforts towards sustainable environmental practices are measured with a view to reaching informed decisions on environmental management.

ESMS and ISO 14001:2015 Certification

AquaEarth Consulting was engaged in November 2015 to upgrade the existing Health Safety & Environmental Management System (HSE-MS) to an Environmental and Social Management system (ESMS) and to prepare NDEP towards the ISO 14001:2015 certification.

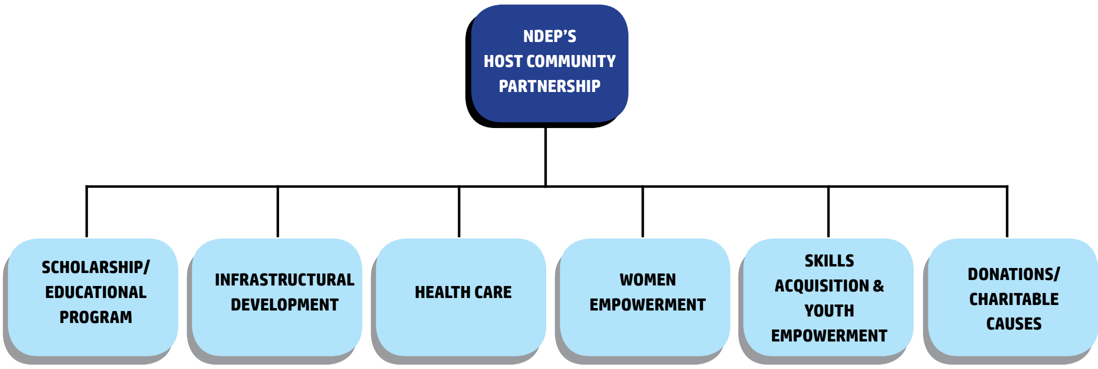
These are structured framework for managing a company's significant environmental and social impacts. The first part (ESMS) were gaps identified during the due diligence exercise which was mandatory for company to closeout. While the second part (ISO 14001:2015) was company's initiative to raise her standards to internationally accepted ways of doing business.

As at date, the first two phases have been achieved while the third and fourth phases are ongoing.

Corporate Social Responsibility (CSR)

NDEP's Corporate Social Responsibility centers primarily on its host communities, without losing focus on its other stakeholders.

Our partnership with our host communities include the following areas:



Scholarship and Education Program

Educational development is a primary area of focus of the NDPR Host Communities Development Trust. In the year under review, scholarships were awarded to students from the host communities and the construction of two Secondary School Blocks in Rumuekpe Community continued.

Infrastructural Development

The need for improved infrastructure remains acute within our host communities. As such, infrastructure development has received priority attention. Our efforts during the financial year were devoted to:

- Repairs and maintenance of Roads within the communities to encourage movement of goods and services.
- The expansion of the rural electrification project for a wider reach of the communities.
- Maintenance of host-communities owned existing infrastructure.

Still within the period, an approval was given for the construction of public toilets in Ogbele to encourage improved hygiene thereby promoting good health in the community. Finally, the renovation of a Civic Center is on-going in Obumeze community. When completed, it is hoped that this will boost intra -community harmony.

Health Care

The Health Care Scheme initiated by the Board of Trustees continues to assist many people, particularly the elderly in most of our host communities to access primary health care. Over ₦10m was invested in the provision of medical aid to the elders during 2016.

Women Empowerment

The importance of female education and empowerment is highlighted by international development practitioners. In recognition of this, the BOT has supported women empowerment in each of our host communities. An additional 60 women from the 6 communities received a grant of ₦100k each to acquire skills of their choice.

Skills Acquisition and Youth Empowerment

The importance of the youth also in creating a better future for Nigeria has never been overlooked. The Trust consciously empowers the youths via the award of grants and skills acquisition trainings to impact their own lives and that of other individuals and the communities at large.

In the year under review, several projects were initiated and funded by the Host Communities Development Trust, although at a reduced scale due to often reported intra-community unrest during the period.

The Ogbele Community

- An annual security surveillance grant of ₦1.8m was paid to support the local security enhancement efforts.

The Obumeze Community

- Grading of the access road at a cost of ₦4.0m
- Continuation of the renovation of the Community Civic Center at a cost of ₦6.1m

The Rumuekpe Community

- Continuation of the ongoing construction of 2 secondary school blocks at a cost of ₦3.5m. The completion of this project has been further delayed due to continued unrest in the community.
- Grading of access road at a cost of ₦4.0m.
- Payment of Educational Bursary Awards to 80 students of Rumuekpe Community Origin in Tertiary institutions in Nigeria at a cost of ₦50K per student, amounting to ₦4.0m.

Omaraka Community

- The sum of ₦1.8m was disbursed to support local security enhancement efforts.

Donations and Charitable Causes

Guided by the relevant provisions of the Companies and Allied Matters Act, Cap C20 Laws of the Federation, 2004, NDEP and its subsidiaries have supported several charitable causes and professional organizations in 2016:

- Sponsorship of the opening ceremony of the 2016 NAPE (Nigerian Association of Petroleum Explorationists) Annual International Exhibition and Conference.
- Sponsorship of the Exhibition of the Nigerian Mining & Geological Society at the University of Ibadan.
- Sponsorship of Annual Lagos Book and Art Festival.
- Donation to Nigerian Environmental Society.
- Sponsorship of the Lagos Chambers of Commerce Arbitration Center (LACIAC) launch event.

Memorandum of Understanding (MOU)

The relationship between NDEP and each of its host communities is governed by a Memorandum of Understanding. The responsibilities and obligations of each party are clearly set out in the MOU, which is renewed bi-annually. In 2016, the MOU with all the host communities were reviewed and renewed, thereby promoting a continued cordial relationship between your Company and its host communities.

The Host Communities Development Trust and The Board of Trustees

The year under review witnessed a change in the composition of the Host Communities Board of Trustees. Professor J S Cookey (OFR), Chairman of the Board of Trustees, and other members who had served meritoriously for six or more years, graciously relinquished their positions and were replaced in June 2016, with new members appointed with their inauguration effective November 2016.

The new Board of Trustees is presently led by a seasoned oil Industry expert and former Group Managing Director of The Nigerian National Petroleum Corporation (NNPC), Chief Chambers Oyibo. Other members of the BOT include Dr. T.S.T. Toby, a medical practitioner, Dr. (Mrs.) Georgiana Ngeri-Nwagha, Dr. (Mrs.) Esohe Molokwu, Chief Enyinda Chukwu and Mr. Ede Osayande. It is important to note that Mr. Osayande is the representative of the Board of NDEP on the Board of Trustees.

These distinguished men and women have each brought to the BOT the skill sets and experiences necessary to sustain and elevate the activities of the Trust to even greater heights.

Conclusion

NDEP's unique approach to the support and protection of its operating environment and Host Community-based stakeholders will continue as these variously add value and make a difference in the lives of the people.

In the years ahead, and within the financial resources available, NDEP PLC and its subsidiaries will continue to give priority to its Host Communities, the environment we operate in and its people. As a corporate entity, we are part of our communities and the environment and we are confident that our mutually beneficial relationships will endure to leave a legacy for the future.

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 2016.

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-16	31-Dec-15	31-Dec-16	31-Dec-15
	₦'000	₦'000	₦'000	₦'000
Revenue	17,816,928	17,055,567	-	-
Profit/(loss) before taxation	8,915,115	(1,614,746)	1,781,164	(2,940,472)
Taxation	(129,812)	3,727,168	-	3,403,871
Profit after taxation	8,785,303	2,112,422	1,781,164	463,399

DIVIDEND
The Board of Directors recommend a dividend of ₦6 per share which amounts to ₦1,088,450,700 for the year ended 31 December 2016 (2015: ₦362,816,899). This will be ratified at the Annual General Meeting.

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 ₦39.9million during the year ended 31 December 2016 (2015: ₦16.3million).

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. Ladi Jadesimi	Chairman	
Dr. 'Layi Fatona	Managing Director	
Mr. Deji West	Executive Director Finance	Appointed 1 January 2016
Mr. Nuhu Adaji	Executive Director Technical	
Mr. Cyril Odu		Appointed 21 June 2016
Mr. Afolabi Oladele		Appointed 21 June 2016
Prof. S. J. S. Cookey (OFR)		Retired 21 June 2016
Mr. Goodie Ibru (OON)	Chairman	Retired 21 June 2016
Mr. Thierry Georger	French	
Mr. Osten Olorunsola		
Mr. Ede Osayande		

DIRECTORS' INTERESTS IN SHARES

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

Name of Director	Number of Shares
Mr. Ladi Jadesimi	7,384,246
Dr. 'Layi Fatona	2,702,416
Mr. Ede Osayande	1,079,999
Mr. Cyril Odu	Nil
Mr. Afolabi Oladele	2,900
Mr. Osten Olorunsola	48,878
Mr. Nuhu Adaji	2,799
Mr. Deji West	Nil
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
Dr. 'Layi Fatona	Nouveau Technologies Limited	2,024,924
Dr. 'Layi Fatona	Geotrex Systems Ltd/GTBank	860,832
Mr. Ladi Jadesimi	First Zenith Investment Holding Company	1,440,000
Mr. Ladi 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 2016.

SHAREHOLDING ANALYSIS

NDEP Plc - Range analysis as at 31 December, 2016

Range	No of Holders	Holders (%)	Units	Units (%)
1-1000	707	46.85	105,876	0.06
1001-5000	159	10.53	420,375	0.23
5001-10000	92	6.10	692,044	0.38
10001-50000	240	15.90	7,174,847	3.96
50001-100000	106	7.02	7,902,292	4.36
100001-500000	146	9.68	33,749,951	18.60
500001-1000000	17	1.13	12,256,504	6.76
1000001-5000000	38	2.52	82,012,690	45.21
5000001-17609138	4	0.27	37,093,871	20.44
TOTAL	1,509	100	181,408,450	100

Committee membership during the year ended 31 December 2016

	Audit	Technical	Finance	Governance
Dr. Layi Fatona	-	P*	-	-
Mr. Nuhu Adaji	-	P	-	-
Mr. Deji West	-	-	P	-
Mr. Ede Osayande	P	-	P	-
Mr. Ladi Jadesimi	P	-	P	-
Mr. Goodie Ibru	-	-	P	P
Prof. S.J.S. Cookey	-	P	P	P
Mr. Osten Olorunsola	P	P	-	-
Mr. Thierry Georger	-	-	P	-
Mr. Afolabi Oladele	P	-	-	-
Mr. Cyril Odu	-	-	-	-

Attendance at meetings during the year ended 31 December 2016

Executive Directors	Board	Company Audit	Technical	Finance	Governance
Dr. Layi Fatona	4/4	-	2/2	-	2/2
Mr. Nuhu Adaji	1/4	-	0/2	-	-
Mr Deji West	4/4	2/2	-	2/2	-
Non-Executive Directors					
Mr. Ladi Jadesimi	4/4	1/2	-	1/2	-
Professor S.J.S Cookey	2/2	-	1/1	1/1	2/2
Mr. Ede Osayande	4/4	2/2	-	2/2	-
Mr. Goodie Ibru	0/2	-	-	0/1	2/2
Mr. Osten Olorunsola	3/4	2/2	2/2	-	-
Mr. Afolabi Oladele	1/2	-	-	-	-
Mr. Cyril Odu	2/2	-	-	-	-
Mr. Thierry Georger	4/4	-	-	2/2	-

Shareholders' representative on the Company Audit Committee during the year ended 31 December 2016

Chief Victor Oyolu	P	2/2	-	-	-
Chief Gbola Akinola	P	2/2	-	-	-
Engr. Alex Ogedegbe	P	0/2	-	-	-

Notes

Please be informed that Mr. Goodie Ibru and Professor Cookey retired from the board of NDEP during the year (21 June 2016), following the appointment of Mr. Cyril Odu and Mr. Afolabi Oladele, respectively.

- Four (4) Board of Directors' Meetings held in 2016.
- Two (2) Company Audit Committee Meetings held in 2016.
- Two (2) Board Technical Meetings held in 2016
- Two (2) Board Finance Meetings held in 2016
- Two (2) Board Governance Meetings held in 2016

** P - Present*

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, 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 36, 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 (EY) 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.

T. Omisore.

BY ORDER OF THE BOARD

Titilola Omisore, FRC/2013/NBA/00000003574
Company Secretary

2 June 2017

Statement of Directors' Responsibilities

FOR THE YEAR ENDED 31 DECEMBER 2016

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
Finance Director
2 June 2017

Dr. O. F. Fatona, FRC/2013/IODN/00000003811
Managing Director
2 June 2017

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

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated and separate financial statements of Niger Delta Exploration & Production Plc set out on pages 40 to 86 which comprise the consolidated and separate statement of financial position as at 31 December 2016, consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity, consolidated and separate statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the financial position of Niger Delta Exploration & Production Plc as at 31 December 2016, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board, 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.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA code) applicable to performing the audit of Niger Delta Exploration & Production Plc. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004. The other information does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, 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 is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

iv) in our opinion, the financial statements have been prepared in accordance with the provisions of the Companies and Allied Matters Act, CAP C20 Laws of the Federation of Nigeria 2004 so as to present fairly the state of affairs and financial performance

Bernard Carrena, FCA.
FRC12013/ICAN/00000000670
For: Ernst & Young
(Chartered Accountants)
Lagos, Nigeria.
2 June 2017

Report Of The Audit Committee

TO THE MEMBERS OF NIGER DELTA EXPLORATION & PRODUCTION PLC.

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 2016 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 2016 together with the consolidated and seperate audited financial statements were satisfactory. The external auditors had discharged their duties conscientiously and satisfactorily. We were satisfied with management's responses to the auditors' findings.

Chief Victor Oyolu, FCA, FRC/2013/ICAN/00000003347
Chairman
Audit Committee
2 June 2017

Members of the Audit Committee

1. Chief Victor Oyolu	Chairman	
2. Engr. Alex Ogedegbe		
3. Mr. Afolabi Oladele		Appointed 21 June 2016.
4. Mr. Gbola Akinola		
5. Mr. Osten Olorunsola		
6. Mr. Ede Osayande		
7. Mr Ladi Jadesimi		Resigned 21 June 2016.

Consolidated and Separate Statement of Profit or Loss And Other Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	GROUP		THE COMPANY	
		31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
		₦ '000	₦ '000	₦ '000	₦ '000
Revenue	3	17,816,928	17,055,567	-	-
Cost of sales	4	(6,420,125)	(18,725,355)	-	-
Gross profit/(loss)		**11,396,803**	**(1,669,788)**	**-**	**-**
Other income	5	5,805,102	3,599,853	4,923,755	1,550,345
General and administrative expenses	6	(3,935,886)	(3,831,870)	(1,192,307)	(4,171,627)
Operating profit /(loss)		**13,266,019**	**(1,901,805)**	**3,731,448**	**(2,621,282)**
Finance income	7	516,109	1,510,508	716	149
Finance costs	7	(5,036,387)	(3,414,675)	(1,951,000)	(319,339)
Finance cost (net)		**(4,520,278)**	**(1,904,167)**	**(1,950,284)**	**(319,190)**
Share of profit of an associate	14	169,374	2,191,226	-	-
Profit/(loss) before taxation		**8,915,115**	**(1,614,746)**	**1,781,164**	**(2,940,472)**
Taxation	25	(129,812)	3,727,168	-	3,403,871
Profit after taxation		**8,785,303**	**2,112,422**	**1,781,164**	**463,399**
Profit attributable to:					
Owners of the parent		8,785,303	**2,112,422**	1,781,164	463,399
		8,785,303	**2,112,422**	**1,781,164**	**463,399**
Other comprehensive income:					
Other comprehensive income not to be reclassified to profit or loss in subsequent years (net of tax):					
Foreign currency translation gain	29	1,918,803	-	-	-
Re-measurement loss on defined benefits plan	21	-	(231,491)	-	(46,067)
Share of other comprehensive income of associate accounted for using the equity method	14	1,913,850	-	-	-
Other comprehensive income for the year, net of tax		3,832,653	(231,491)	-	(46,067)
Total comprehensive income for the year		**12,617,956**	**1,880,931**	**1,781,164**	**417,332**
Total comprehensive income attributable to:					
Owners of the parent		**12,617,956**	**1,880,931**	**1,781,164**	**417,332**
Basic earnings per share	10	**₦49.57**	**₦11.93**	**₦9.82**	**₦2.55**

See notes to the financial statements

Consolidated and Separate Statement of Financial Position

AS AT 31 DECEMBER 2016

		THE GROUP		THE COMPANY	
	Notes	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
		₦'000	₦'000	₦'000	₦'000
Assets					
Non-current assets					
Property, plant and equipment	11	58,107,879	31,061,958	5,010,427	128,578
Intangible assets	13	88,319	74,329	40,628	40,965
Investment in associate	14	18,617,830	16,534,606	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		**76,869,270**	**47,726,135**	**12,961,886**	**8,080,374**
Current assets					
Inventories	16	4,704,159	719,820	-	-
Trade and other receivables	17	8,861,416	5,667,269	12,441,656	8,201,581
Prepayments	18	158,511	314,921	31,567	15,821
Cash and cash equivalents	19	20,782,077	2,914,010	17,999,820	352,936
Total current assets		**34,506,163**	**9,616,020**	**30,473,043**	**8,570,338**
Total assets		**111,375,433**	**57,342,155**	**43,434,929**	**16,650,712**
Equity and liabilities					
Shareholders' equity					
Issued capital	20	1,772,474	1,770,267	1,814,084	1,814,084
Share premium	20	13,008	13,008	13,008	13,008
Foreign currency translation reserve	29	3,832,653	-	-	-
Retained earnings		37,187,053	28,756,144	15,526,247	14,107,899
Total shareholders' equity		**42,805,188**	**30,539,419**	**17,353,339**	**15,934,991**
Non-current liabilities					
Employee Benefit liabilities	21	2,580,735	2,365,693	245,928	202,573
Borrowings	22	29,844,777	5,717,425	23,656,000	-
Deferred tax liabilities	15	-	-	-	-
Decommissioning liabilities	23	777,108	560,646	-	-
Total non-current liabilities		**33,202,620**	**8,643,764**	**23,901,928**	**202,573**
Current liabilities					
Trade and other payables	24	29,982,759	14,343,640	719,662	513,148
Taxation	25	35,890	854	-	-
Borrowings	22	5,348,976	3,814,478	1,460,000	-
Total current liabilities		**35,367,625**	**18,158,972**	**2,179,662**	**513,148**
Total liabilities		**68,570,245**	**26,802,736**	**26,081,590**	**715,721**
Total equity & liabilities		**111,375,433**	**57,342,155**	**43,434,929**	**16,650,712**

See notes to the financial statements.

The financial statements on pages 40 to 86 were approved and authorised for issue by the board of directors on 2 June 2017 and signed on its behalf by:

Mr. Deji West
Executive Director Finance
FRC/2013/ICAN/00000005289

Dr. O. F. Fatona
Managing Director
FRC/2013/IODN/00000003811

Mr. Ladi Jadesimi
Chairman
FRC/2015/OIDN/00000006637

Consolidated and Separate Statement of Changes in Equity

FOR THE YEAR ENDED 31 DECEMBER 2016

GROUP

	Issued capital ₦ '000	Share premium ₦ '000	Translation reserve ₦ '000	Retained earnings ₦ '000	Total equity ₦ '000
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 the year	-	-		(231,491)	(231,491)
Total comprehensive income for the year	-	-	-	1,880,931	1,880,931
Transfer of treasury shares	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**
Balance at 1 January 2016	1,770,267	13,008	-	28,756,144	30,539,419
Profit for the year	-	-	-	8,785,303	8,785,303
Other comprehensive income the year	-	-	3,832,653	-	3,832,653
Total comprehensive income for the year	-	-	3,832,653	8,785,303	12,617,956
Transfer of treasury shares	2,207	-	-	-	2,207
Dividends to equity holders of the company	-	-	-	(354,394)	(354,394)
Total contributions by and distributions to owners of the company recognised directly in equity	2,207	-	-	(354,394)	(352,187)
				-	
Balance at 31 December 2016	**1,772,474**	**13,008**	**3,832,653**	**37,187,053**	**42,805,188**

THE COMPANY

	Issued capital ₦'000	Share premium ₦'000	Retained earnings ₦'000	Total equity ₦'000
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 the year	-	-	(46,067)	(46,067)
Total comprehensive income for the year	-	-	417,332	417,332
Dividends 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**
Balance at 1 January 2016	1,814,084	13,008	14,107,899	15,934,991
Profit for the year	-	-	1,781,164	1,781,164
Other comprehensive income the year	-	-	-	-
Total comprehensive income for the year	-	-	1,781,164	1,781,164
Dividends paid to equity holders of the company	-	-	(362,816)	(362,816)
Total contributions by and distributions to owners of the company recognised directly in equity	-	-	(362,816)	(362,816)
Balance at 31 December 2016	**1,814,084**	**13,008**	**15,526,247**	**17,353,339**

Consolidated and Separate Statement of Cash Flows

FOR THE YEAR ENDED 31 DECEMBER 2016

		THE GROUP		THE COMPANY	
	Notes	31-Dec-16 ₦ '000	31-Dec-15 ₦ '000	31-Dec-16 ₦ '000	31-Dec-15 ₦ '000
Profit/(loss) before taxation		8,915,115	(1,614,746)	1,781,164	(2,940,472)
Adjustments for non-cash items:					
Interest expense	7	5,036,387	3,414,675	1,951,000	319,339
Interest income	7	(516,109)	(1,510,508)	(716)	(149)
Share of profit from associate	14	(169,374)	(2,191,226)	-	-
Exchange gain	5	(5,573,933)	-	(4,920,155)	1,138,878
Changes in decommissioning liabilities	23	-	(1,109,541)	-	(1,524,964)
Derecognition of PPE	28	-	-	-	17,863,268
Derecognition of intangible assets	28	-	-	-	44,672
Depreciation of property, plant and equipment	9	1,930,228	9,727,597	84,370	14,413
Amortisation of intangible assets	9	30,362	38,133	21,461	22,571
Changes in decommissioning assets	11	-	289,566	-	-
Gain on disposal of equipment	5	-	(1,650)	-	-
Changes in employee benefit liabilities	21	610,337	934,689	48,144	(1,263,036)
Operating cashflows before movement in working capital		**10,263,013**	**7,976,989**	**(1,034,732)**	**11,396,764**
Movement in working capital:					
Decrease in trade and other receivables		127,355	474,745	680,080	15,174,774
Decrease/(Increase) in prepayment		187,207	(2,882)	(15,746)	270,227
(Increase)/Decrease in inventory		(2,209,798)	878,733	-	318,712
(Decrease)/Increase in trade and other payables		(1,978,244)	2,482,783	206,514	(20,283,944)
Cashflow generated by/(used in) operating activities		**6,389,533**	**11,810,368**	**(163,884)**	**6,876,533**
Employee benefits paid	21	(395,295)	(391,098)	(4,789)	(45,960)
Tax paid	25	(94,776)	(4,506)	-	-
Net cash flows from/(used in) operating activities		**5,899,462**	**11,414,764**	**(168,673)**	**6,830,573**
Investing activities					
Interest received	7	54,007	46,371	716	149
Purchase of property, plant and equipment	11	(5,484,017)	(8,497,497)	(4,966,219)	(115,532)
Purchase of intangible assets	13	(21,124)	-	(21,124)	-
Proceeds from disposal of assets		-	1,650	-	-
Net cash flows used in investing activities		**(5,451,134)**	**(8,449,476)**	**(4,986,627)**	**(115,383)**
Financing activities					
Transfer of treasury shares		2,207	20,541	-	-
Dividend paid		(354,394)	(1,059,677)	(362,816)	(1,088,451)
Interest paid	7	(4,946,595)	(3,362,500)	(1,951,000)	(319,339)
Net additions/ (repayment) - borrowing		21,438,913	1,252,259	25,116,000	(7,305,254)
Net cash flows from/(used in) financing activities		**16,140,131**	**(3,149,377)**	**22,802,184**	**(8,713,044)**
Increase/(Decrease) in cash and cash equivalents		16,588,459	(184,089)	17,646,884	(1,997,854)
Cash and cash equivalents – Beginning of year	19	2,914,010	3,098,099	352,936	2,350,790
Exchange rate effects on cash and cash equivalents		1,279,608	-	-	-
Cash and cash equivalents – End of year	19	**20,782,077**	**2,914,010**	**17,999,820**	**352,936**

See notes to the 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, 2016 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 Road,
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 and IFRS Interpretations Committee (IFRS IC) interpretations applicable to companies reporting under IFRS.

Basis of measurement

The consolidated financial statements are presented in Naira (except where otherwise indicated), rounded to the nearest thousand, and prepared under the historical cost convention, as modified by the revaluation of land and buildings, available-for-sale financial assets, and financial assets and financial liabilities at fair value through profit or loss.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the Directors' best knowledge of current events and actions, actual results ultimately may differ from those estimates.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the Directors' best knowledge of current events and actions, actual results ultimately may differ from those estimates.

The consolidated financial statements were approved by the Board of Directors on 02 June 2017.

a. New standards, interpretations and amendments to existing standards adopted by the Group

The Company applied the following standards and amendments for the first time in its reporting period commencing 1 January 2016:

- 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 company's accounting policies or any of its disclosures

Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective,up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

IFRS 9 Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments that replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. IFRS 9 brings together all three aspects of the accounting for the financial instruments project: classification and measurement; impairment; and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Except for hedge accounting, retrospective application is required, but providing comparative information is not compulsory. For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions.

The Group plans to adopt the new standard on the required effective date. During 2016, the Group has performed a high-level impact assessment of all three aspects of IFRS 9. This preliminary assessment is based on currently available information and may be subject to changes arising from further detailed analyses or additional reasonable and supportable information being made available to the Group in the future. Overall, the Group expects no significant impact on its balance sheet and equity except for the effect of applying the impairment requirements of IFRS 9.

(i) Classification and measurement

The Group does not expect a significant impact on its balance sheet or equity on applying the classification and measurement requirements of IFRS 9. The equity shares in non-listed companies are intended to be held for the foreseeable future. The Group expects to apply the option to present fair value changes in OCI, and, therefore, believes the application of IFRS 9 would not have a significant impact. If the Group were not to apply that option, the shares would be held at fair value through profit or loss, which would increase the volatility of recorded profit or loss. These investments are very immaterial, thus the impact of the IFRS 9 adoption is considered insignificant. Loans as well as trade receivables are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest (if any). Thus, the Group expects that these will continue to be measured at amortised cost under IFRS 9. However, the Group will analyse the contractual cash flow characteristics of those instruments in more detail before concluding whether all those instruments meet the criteria for amortised cost measurement under IFRS 9.

(ii) Impairment

IFRS 9 requires the Group to record expected credit losses on all of its debt securities, loans and trade receivables, either on a 12-month or lifetime basis. The Group expects to apply the simplified approach and record lifetime expected losses on all trade receivables. The Group expects an impact on its equity due to the unsecured nature of its loans and receivables, but it will need to perform a more detailed analysis which considers all reasonable and supportable information, including forward-looking elements to determine the extent of the impact. The Group has no debt securities.

(iii) Hedge accounting

The Group currently does not have any hedging relationships in its transactions or financial statements. Thus the Group does not expect any impact from this.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 was issued in May 2014 and establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under IFRS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after 1 January 2018. Early adoption is permitted. The Group plans to adopt the new standard on the required effective date using the modified retrospective method. During 2016, the Group performed a preliminary assessment of IFRS 15, which is subject to changes arising from a more detailed ongoing analysis. Furthermore, the Group is considering the clarifications issued by the IASB in April 2016 and will monitor any further developments. The Group is engaged in the exploration for, development and production of oil and natural gas.

Sale of goods
Contracts with customers in which the sale of petroleum products is generally expected to be the only performance obligation are not expected to have any impact on the Group's profit or loss. The Group expects the revenue recognition to occur at a point in time when control of the asset is transferred to the customer, generally on delivery of the products.

In preparing for IFRS 15, the Group is considering the following:

Variable consideration
Some contracts with customers provide a right of return, trade discounts or volume rebates. Currently, the Group recognises revenue from the sale of goods measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. If revenue cannot be reliably measured, the Group defers revenue recognition until the uncertainty is resolved. Such provisions give rise to variable consideration under IFRS 15, and will be required to be estimated at contract inception.

IFRS 15 requires the estimated variable consideration to be constrained to prevent over-recognition of revenue. The Group continues to assess individual contracts to determine the estimated variable consideration and related constraint. The Group expects that application of the constraint may result in more revenue being deferred than under current IFRS but this is not expected to be significant.

(i) Equipment received from customers
When an entity receives, or expects to receive, non-cash consideration, IFRS 15 requires that the fair value of the non-cash consideration is included in the transaction price. The Group currently has no such arrangement.

(ii) Presentation and disclosure requirements
IFRS 15 provides presentation and disclosure requirements, which are more detailed than under current IFRS. The presentation requirements represent a significant change from current practice and significantly increases the volume of disclosures required in Group's financial statements. Many of the disclosure requirements in IFRS 15 are completely new. In 2016 the Group developed and started testing of appropriate systems, internal controls, policies and procedures necessary to collect and disclose the required information.

Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3, between an investor and its associate or joint venture, is recognised in full. Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture. The IASB has deferred the effective date of these amendments indefinitely, but an entity that early adopts the amendments must apply them prospectively. The Group will apply these amendments when they become effective.

IAS 7 Disclosure Initiative – Amendments to IAS 7

The amendments to IAS 7 Statement of Cash Flows are part of the IASB's Disclosure Initiative and require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. On initial application of the amendment, entities are not required to provide comparative information for preceding periods. These amendments are effective for annual periods beginning on or after 1 January 2017, with early application permitted. Application of the amendments will result in additional disclosures provided by the Group.

IAS 12 Recognition of Deferred Tax Assets for Unrealised Losses - Amendments to IAS 12
The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in the opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact. These amendments are effective for annual periods beginning on or after 1 January 2017 with early application permitted. If an entity applies the amendments for an earlier period, it must disclose that fact. These amendments are not expected to have any impact on the Group.

IFRS 16 Leases

IFRS 16 was issued in January 2016 and it replaces IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IAS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g. personal computers) and short-term leases (i.e. leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g. a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset

Lessor accounting under IFRS 16 is substantially unchanged from today's accounting under IAS 17. Lessors will continue to classify all leases using the same classification principle as in IAS 17 and distinguish between two types of leases: operating and finance leases.

IFRS 16 also requires lessees and lessors to make more extensive disclosures than under IAS 17. IFRS 16 is effective for annual periods beginning on or after 1 January 2019. Early application is permitted, but not before an entity applies IFRS 15. A lessee can choose to apply the standard using either a full retrospective or a modified retrospective approach. The standard's transition provisions permit certain reliefs. The Group is not in any significant lease arrangement. In 2017, the Group plans to assess the potential effect of IFRS 16 on its consolidated financial statements.

b. Basis of consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has power or control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to use its power over the entity to affect the amount of the entity's return. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. In the separate financial statement, investment in subsidiaries is measured at cost less accumulated impairments. Investment in subsidiary is impaired when its recoverable amount is lower than its carrying value. The Group considers all facts and circumstances, including the size of the Group's voting rights relative to the size and dispersion of other vote holders in the determination of control.

If the business consideration is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred, the amount of any controlling interest in the acquiree, and the acquisition date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

Inter-company transactions, amounts, balances and income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from transactions that are recognised in assets are also eliminated. Accounting policies and amounts of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(ii) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(iii) Investment in Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the change in the associate's net assets after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to share of profit/(loss) of associates in the statement of profit or loss.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Dilution gains and losses arising in investments in associates are recognised in the statement of profit or loss.

In the separate financial statements of the Company, Investment in associates are measured at cost less impairment. Investment in associate is impaired when its recoverable amount is lower than its carrying value.

(iv) Foreign currency translation

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

(v) Transactions and balances in Group entities

Foreign currency transactions are translated into the functional currency of the respective entity using the exchange rates prevailing on the dates of the transactions or the date of valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss except when deferred in other comprehensive income as qualifying cashflow hedges and qualifying net investment hedges. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or costs'.

All other foreign exchange gains and losses are presented in the income statement within 'other (losses)/gains – net'. Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available for sale, are included in other comprehensive income.

(vi) Consolidation of Group entities

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position items presented, are translated at the closing rate at the reporting date;
- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at a rate on the dates of the transactions) ; and
- all resulting exchange differences are recognised in other comprehensive income.

c. 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.

d. 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.

e. 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:

AssetUseful 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

(iii) Disposal

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.

f. Intangible assets

Intangible assets include computer software.

Intangible assets acquired separately are measured on initial recognition at cost. 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. Computer sofware is amortised over 4 years.

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.

g. Impairment of non-financial 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.

h. 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.

(ii) 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.

i. 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 issurance 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.

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.

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.

j. 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.

k. 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.

l. 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.

m. 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.

n. 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 deductible 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.

o. 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:

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.

p. 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.

q. Borrowing costs

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

r. 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.

s. 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 item's 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-16	31-Dec-15	31-Dec-16	31-Dec-15
	₦ '000	₦ '000	₦ '000	₦ '000
Oil	12,857,108	12,501,540	-	-
Diesel	2,783,802	2,255,793	-	-
Gas	2,176,018	2,298,234	-	-
Total revenue	**17,816,928**	**17,055,567**	**-**	**-**

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 deemed, for reporting purposes, to have control of the Ogbele Joint Venture operations. Niger Delta Exploration & Production Plc is now operating as an investment company.

4. Cost of sales

	THE GROUP		THE COMPANY	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	₦ '000	₦ '000	₦ '000	₦ '000
Consultancy fee	1,453,391	2,279,580	-	-
Crude oil handling charges	920,470	540,214	-	-
Depreciation and amortisation (Note 9)	1,214,923	9,446,076	-	-
Flowstation expenses	698,887	1,792,738	-	-
Materials, supplies and pollution control	28,382	24,666	-	-
Royalties to FGN	1,032,864	1,279,637	-	-
NDDC levy	47,316	1,696,378	-	-
Staff costs (Note 8)	1,023,892	1,666,066	-	-
Total	**6,420,125**	**18,725,355**	**-**	**-**

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

As stated in Note 28, the Company has not generated any revenue in the current year since Niger Delta Petroleum Resources Limited is deemed, for reporting purposes, to have control of the Ogbele Joint Venture operations. Niger Delta Exploration & Production Plc is now operating as an investment company.

5. Other income

	THE GROUP		THE COMPANY	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	₦ '000	₦ '000	₦ '000	₦ '000
Dividend received from Petrodata	3,600	944	3,600	944
Dividend received from ND Gas	-	-	-	400,000
Exchange gain	5,573,933	-	4,920,155	1,138,878
Gain on disposal of property, plant and equipment	-	1,650	-	-
Miscellaneous	51,507	7	-	7
Provision no longer required	176,062	3,597,252	-	10,516
Total	**5,805,102**	**3,599,853**	**4,923,755**	**1,550,345**

Miscellaneous relates to discount received from vendors and rental income on materials. Provision no longer required relates to prior year over provision for home ownership grant and royalty.

6. General and administrative expenses

	THE GROUP		THE COMPANY	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	₦ '000	₦ '000	₦ '000	₦ '000
Auditor's remuneration	40,397	40,397	19,874	19,874
Bank charges	28,777	50,882	734	1,438
Depreciation and amortisation (Note 9)	745,667	319,654	105,831	36,984
Directors' fees	54,066	48,000	54,066	43,000
Loss of control (Note 28)	-	-	-	3,706,262
Exchange loss	-	164,955	-	-
Fuel and Utilities	83,063	141,859	8,435	3,376
Information technology expenses	174,330	188,936	345,731	28,238
Insurance	441,409	375,653	33,632	24,034
Other expenses	718,792	437,460	274,922	49,277
Professional fees	356,926	151,725	23,756	12,675
Repairs and maintenance	381,006	563,004	14,277	13,164
Staff costs (Note 8)	682,595	1,110,711	190,862	202,009
Training	26,908	18,897	4,147	1,936
Travelling	201,950	219,737	116,040	29,360
Total	**3,935,886**	**3,831,870**	**1,192,307**	**4,171,627**

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.

7. Finance cost and income

	THE GROUP		THE COMPANY	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	₦ '000	₦ '000	₦ '000	₦ '000
Interest expense:				
– Bank borrowings (Note 22)	4,946,595	3,362,500	1,951,000	319,339
– Provisions: unwinding of discount (Note 23)	89,792	52,175	-	-
Finance costs	**5,036,387**	**3,414,675**	**1,951,000**	**319,339**
Finance income:				
– Interest income on short-term bank deposits	54,007	46,371	716	149
– Interest income on bank borrowings at amortised cost	462,102	1,464,137	-	-
Finance income	**516,109**	**1,510,508**	**716**	**149**
Net Finance costs	**(4,520,278)**	**(1,904,167)**	**(1,950,284)**	**(319,190)**

8. Employee Benefits

	THE GROUP		THE COMPANY	
	31-Dec-16	**31-Dec-15**	**31-Dec-16**	**31-Dec-15**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Included in cost of sales:				
Salaries and other costs	1,023,892	1,666,066	-	-
Included in general admin expenses:				
Salaries and other staff costs	72,258	176,022	142,718	151,293
Remeasurements (Note 21)	-	454,654	-	11,073
Current service costs	284,815	241,444	21,293	16,881
Interest costs	325,522	238,591	26,851	22,762
Total in general admin expenses	682,595	1,110,711	190,862	202,009
Total	**1,706,487**	**2,776,777**	**190,862**	**202,009**

9. Depreciation and amortisation

	THE GROUP		THE COMPANY	
	31-Dec-16	**31-Dec-15**	**31-Dec-16**	**31-Dec-15**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Included in cost of sales:				
Depreciation of property, plant and equipment	1,214,923	9,446,076	-	-
Included in general admin expenses:				
Depreciation of property, plant and equipment	715,305	281,521	84,370	14,413
Amortisation of intangible assets	30,362	38,133	21,461	22,571
Total in general admin expenses	745,667	319,654	105,831	36,984
Total	**1,960,590**	**9,765,730**	**105,831**	**36,984**

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-16	31-Dec-15
	₦ '000	**₦ '000**
Profit attributable to equity holders of the Group	8,785,303	2,112,422
Total	**8,785,303**	**2,112,422**

	31-Dec-16	31-Dec-15
	Number	**Number**
Weighted average number of ordinary shares in issue (thousands)	**177,246**	**177,026**

	31-Dec-16	31-Dec-15
Earnings per share (₦)	**₦49.57**	**₦11.93**
Diluted earnings per share (₦)	**₦49.57**	**₦11.93**

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-16	**31-Dec-15**
	₦ '000	**₦ '000**
Profit attributable to equity holders of the company	1,781,164	463,399
	31-Dec-16	**31-Dec-15**
	Number	**Number**
Weighted average number of ordinary shares in issue (thousands)	181,408	181,408
	31-Dec-16	**31-Dec-15**
Earnings per share (₦)	**₦ 9.82**	**₦ 2.55**

11. Property, plant and equipment

	THE GROUP		THE COMPANY	
	December 2016 ₦ '000	**December 2015 ₦ '000**	**December 2016 ₦ '000**	**December 2015 ₦ '000**
Oil and gas properties (11a)	56,930,157	30,195,448	-	-
Other property, plant and equipment (11b)	1,177,722	866,510	5,010,427	128,578
Total	**58,107,879**	**31,061,958**	**5,010,427**	**128,578**

11a. THE GROUP

OIL AND GAS PROPERTIES

	Project equipment ₦ '000	Civil works ₦ '000	Gas pipeline ₦ '000	Gas plant facilities ₦ '000	Motor vehicles ₦ '000	Assets under development ₦ '000	Total ₦ '000
Cost							
Balance at 1 January 2016	33,444,382	1,311,036	3,468,783	10,427,378	98,581	2,131,278	50,881,438
Exchange difference	30,158,530	1,442,176	3,357,899	9,955,006	-	813,452	45,727,063
Reclassifications	2,321,152	(273,880)	-	-	-	(2,047,272)	-
Additions	606,357	74,096	5,059	239,996	-	5,091,340	6,016,848
Changes in decommisioning assets	(170,587)	-	-	-	-	-	(170,587)
Balance at 31 December 2016	66,359,834	2,553,428	6,831,741	20,622,380	98,581	5,988,798	102,454,762
Depreciation							
Balance at 1 January 2016	18,234,204	838,739	484,050	1,042,738	86,259	-	20,685,990
Exchange difference	21,052,524	999,078	532,237	1,039,853	-	-	23,623,692
Depreciation for the year	542,812	47,034	146,926	465,829	12,322	-	1,214,923
Changes in decommisioning assets	-	-	-	-	-	-	-
Balance at 31 December 2016	39,829,540	1,884,851	1,163,213	2,548,420	98,581	-	45,524,605
Net book value:							
At 31 December 2016	26,530,294	668,577	5,668,528	18,073,960	-	5,988,798	**56,930,157**
At 31 December 2015	15,210,178	472,297	2,984,733	9,384,640	12,322	2,131,278	**30,195,448**

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 ₦ '000	Furniture and Fittings ₦ '000	Office equipment ₦ '000	Motor vehicles ₦ '000	Building ₦ '000	Land ₦ '000	Total ₦ '000
Cost							
Balance at 1 January 2016	122,906	28,261	591,247	442,537	213,244	569,000	1,967,195
Exchange difference	140,052	24,369	676,156	259,607	-	-	1,100,184
Additions	7,659	11,477	650,308	152,705	61,410	-	883,559
Disposals	-	-	-	-	-	-	-
Balance at 31 December 2016	270,617	64,107	1,917,711	854,849	274,654	569,000	3,950,938
Depreciation							
Balance at 1 January 2016	106,144	23,827	524,951	411,644	34,119	-	1,100,685
Exchange difference	122,613	24,368	635,428	174,817	-	-	957,226
Depreciation for the year	14,793	2,751	623,260	53,689	20,812	-	715,305
Disposals	-	-	-	-	-	-	-
Balance at 31 December 2016	243,550	50,946	1,783,639	640,150	54,931	-	2,773,216
Net book value:							
At 31 December 2016	27,067	13,161	134,072	214,699	219,723	569,000	**1,177,722**
At 31 December 2015	16,762	4,434	66,296	30,893	179,125	569,000	**866,510**

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

11b. THE COMPANY

PROPERTY, PLANT AND EQUIPMENT

	Plant and machinery ₦ '000	Furniture and Fittings ₦ '000	Office equipment ₦ '000	Motor vehicles ₦ '000	Assets under development ₦ '000	Total ₦ '000
Cost						
Balance at 1 January 2016	13,514	7,860	40,689	14,102	104,316	180,481
Additions	7,658	11,478	72,950	-	4,874,133	4,966,219
Balance at 31 December 2016	21,172	19,338	113,639	14,102	4,978,449	5,146,700
Depreciation						
Balance at 1 January 2016	9,744	3,426	24,631	14,102	-	51,903
Depreciation for the year	3,275	2,751	78,344	-	-	84,370
Balance at 31 December 2016	13,019	6,177	102,975	14,102	-	136,273
Net book value:						
At 31 December 2016	8,153	13,161	10,664	-	4,978,449	**5,010,427**
At 31 December 2015	3,770	4,434	16,058	-	104,316	**128,578**

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

12. Available for sale financial assets

Available-for-sale financial assets include the following:

	THE GROUP		THE COMPANY	
	31-Dec-16 ₦ '000	31-Dec-15 ₦ '000	31-Dec-16 ₦ '000	31-Dec-15 ₦ '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**

The Group has carried its unlisted investments at cost. 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. All the investments are carried in Naira.

13. Intangible assets

	THE GROUP		THE COMPANY	
	Software	**Total**	**Software**	**Total**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Cost				
Balance at 1 January 2016	128,700	128,700	79,774	79,774
Exchange difference	46,456	46,456	-	-
Addition	21,124	21,124	21,124	21,124
Balance at 31 December 2016	196,280	196,280	100,898	100,898
Amortisation				
Balance at 1 January 2016	54,371	54,371	38,809	38,809
Exchange difference	23,228	23,228	-	-
Amortisation charge for the year	30,362	30,362	21,461	21,461
Balance at 31 December 2016	107,961	107,961	60,270	60,270
Net book value:				
At 31 December 2016	88,319	88,319	40,628	**40,628**
At 31 December 2015	74,329	74,329	40,965	**40,965**

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.

14. Investment in associate - ND Western Limited

	THE GROUP		THE COMPANY	
	31-Dec-16	**31-Dec-15**	**31-Dec-16**	**31-Dec-15**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
At beginning	16,534,606	14,343,380	7,760,062	7,760,062
Share of profit	169,374	2,191,226	-	-
Share of other comprehensive income	1,913,850	-	-	-
Carrying amount	**18,617,830**	**16,534,606**	**7,760,062**	**7,760,062**

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

Summarised statement of financial position	**31-Dec-16**	**31-Dec-15**
	₦ '000	**₦ '000**
Current assets	66,483,597	29,781,861
Non current asset	207,224,696	131,772,891
Current liabilities	(71,729,719)	(52,697,094)
Non-current liabilities	(67,872,418)	(24,732,560)
Equity	134,106,156	84,125,098

Summarised statement of profit or loss and other comprehensive income	**31-Dec-16 ₦ '000**	**31-Dec-15 ₦ '000**
Revenue	41,106,404	36,777,672
Operating expenses	(26,551,297)	(24,699,716)
Net finance costs	(8,020,013)	(6,221,308)
Profit before taxation	6,535,094	5,856,648
Income tax	(6,128,599)	(597,747)
Profit after taxation	406,495	5,258,901
Other comprehensive income	4,593,203	-
Total comprehensive income	4,999,698	5,258,901
Proportion of Group's ownership	41.667%	41.667%
Group's share of profit for the year	**169,374**	**2,191,226**
Group's share of other comprehensive income	**1,913,850**	**-**

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.

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-16 ₦ '000	**31-Dec-15 ₦ '000**	**31-Dec-16 ₦ '000**	**31-Dec-15 ₦ '000**
Property, plant and equipment	-	-	-	-
Borrowings	-	-	-	-
Receivables	-	-	-	-
Total	**-**	**-**	**-**	**-**
Deferred tax liabilities				
Properties plant and equipment	-	-	-	-
Borrowings	-	-	-	-
Recognised in OCI/Equity	-	-	-	-
Total	**-**	**-**	**-**	**-**
Deferred taxation				
At start of year	-	3,728,023	-	3,403,871
Income statement credit	-	(3,728,023)	-	(3,403,871)
At end of year	**-**	**-**	**-**	**-**
– Deferred tax asset to be recovered after more than 12 months	-	-	-	-
– Deferred tax asset to be recovered within 12 months	-	-	-	-
Total	**-**	**-**	**-**	**-**

Deferred tax liabilities:

	THE GROUP		THE COMPANY	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	₦ '000	₦ '000	₦ '000	₦ '000
Deferred tax liability to be recovered after more than 12 months	-	-	-	-
Deferred tax liability to be recovered within 12 months	-	-	-	-
Total	**-**	**-**	**-**	**-**
Deferred tax (net)	-	-	-	-

The Group and the Company have a net deferred tax asset of ₦29.9billion & ₦500million (₦5.4billion & ₦490million) 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-16	31-Dec-15	31-Dec-16	31-Dec-15
	₦ '000	₦ '000	₦ '000	₦ '000
Crude	3,284,115	-	-	-
Diesel	93,681	15,250	-	-
Materials	1,326,363	704,570	-	-
Total	**4,704,159**	**719,820**	**-**	**-**

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 2016, there was no crude overlift (2015 : 227,822 barrels).

17. Trade and other receivables

	THE GROUP		THE COMPANY	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	₦ '000	₦ '000	₦ '000	₦ '000
Trade receivables	969,905	418,814	122,448	91,780
Other debtors	788,106	538,114	85,491	85,230
Receivables from related parties (Note 32)	7,103,405	4,710,341	12,233,717	8,024,571
Total	**8,861,416**	**5,667,269**	**12,441,656**	**8,201,581**
Non-current	-	-	-	-
Current portion	8,861,416	5,667,269	12,441,656	8,201,581
Total	**8,861,416**	**5,667,269**	**12,441,656**	**8,201,581**

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 were considered impaired as at 31 December 2016 as management believes all amounts are recoverable and there is no history of default in the receivable balances that existed as at 31 December 2016. "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-16	31-Dec-15	31-Dec-16	31-Dec-15
	₦ '000	₦ '000	₦ '000	₦ '000
Prepaid rent	24,270	-	-	-
Prepaid expenses	53,555	124,174	-	464
Prepaid insurance	79,921	190,720	30,802	15,330
Other prepayments	765	27	765	27
Total	**158,511**	**314,921**	**31,567**	**15,821**

Other prepayments include prepaid internet access

19. Cash and cash equivalents

	THE GROUP		THE COMPANY	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	₦ '000	₦ '000	₦ '000	₦ '000
Cash and bank balances	20,297,246	2,551,426	17,999,820	289,111
Short term deposits	484,831	362,584	-	63,825
Total	**20,782,077**	**2,914,010**	**17,999,820**	**352,936**

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 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
Balance at 1 January 2016	177,026	1,770,267	13,008	1,783,275
– Transfer of treasury shares	220	2,207	-	2,207
Balance at 31 December 2016	**177,246**	**1,772,474**	**13,008**	**1,785,482**

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 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
Balance at 1 January 2016	181,408	1,814,084	13,008	1,827,092
Balance at 31 December 2016	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)	4,161	41,612

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-16	31-Dec-15	31-Dec-16	31-Dec-15
Statement of financial position obligations for:	₦ '000	₦ '000	₦ '000	₦ '000
Gratuity	1,865,829	1,488,285	207,291	172,388
Home ownership scheme	714,906	877,408	38,637	30,185
Liability in the statement of financial position	**2,580,735**	**2,365,693**	**245,928**	**202,573**

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 liabilities over the year is as follows:

a . Gratuity

The movements in the year is as follows:

	THE GROUP		THE COMPANY	
	31-Dec-16	**31-Dec-15**	**31-Dec-16**	**31-Dec-15**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Beginning	1,488,285	1,149,662	172,388	1,061,678
Derecognition	-	-	-	(923,903)
Current service cost	200,296	147,744	16,981	13,840
Interest cost	202,518	172,449	22,711	20,666
Remeasurement	-	231,491	-	46,067
Benefits paid	(25,270)	(213,061)	(4,789)	(45,960)
Ending	**1,865,829**	**1,488,285**	**207,291**	**172,388**

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

	31-Dec-16	**31-Dec-15**	**31-Dec-16**	**31-Dec-15**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Losses	-	231,491	-	46,067

The principal actuarial assumptions were as follows:

	THE GROUP		THE COMPANY	
	31-Dec-16	**31-Dec-15**	**31-Dec-16**	**31-Dec-15**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Discount rate	12.0%	12.0%	12.0%	12.0%
Inflation rate	10.0%	10.0%	10.0%	10.0%
Withdrawal (from service) rate	1-3 %	1-3 %	1-3 %	1-3 %
Salary growth rate	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-16	**31-Dec-15**	**31-Dec-16**	**31-Dec-15**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Effects of a 1% decrease in:				
Discount rate	236,222	237,776	24,156	26,202
Salary growth rate	(195,314)	(198,770)	(20,987)	(22,936)
Effects of a 1% increase in:				
Discount rate	(197,248)	(199,579)	(22,098)	(23,028)
Salary growth rate	237,538	232,095	26,546	25,568

b. Home ownership

	THE GROUP		THE COMPANY	
	31-Dec-16 ₦ '000	31-Dec-15 ₦ '000	31-Dec-16 ₦ '000	31-Dec-15 ₦ '000
Beginning	877,408	440,949	30,185	403,824
Derecognition	-	-	-	(389,849)
Current service cost	84,519	93,700	4,312	3,041
Interest cost	123,004	66,142	4,140	2,096
Remeasurement	-	454,654	-	11,073
Benefits paid	(370,025)	(178,037)	-	-
Ending	**714,906**	**877,408**	**38,637**	**30,185**

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

	31-Dec-16 ₦ '000	31-Dec-15 ₦ '000	31-Dec-16 ₦ '000	31-Dec-15 ₦ '000
Losses	-	454,654	-	11,073

The principal actuarial assumptions were as follows:

	THE GROUP		THE COMPANY	
	31-Dec-16 ₦ '000	31-Dec-15 ₦ '000	31-Dec-16 ₦ '000	31-Dec-15 ₦ '000
Discount rate	12.0%	12.0%	12.0%	12.0%
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-16 ₦ '000	31-Dec-15 ₦ '000	31-Dec-16 ₦ '000	31-Dec-15 ₦ '000
Effects of a 1% decrease in:				
Discount rate	14,438	14,492	733	787
Salary growth rate	(13,787)	(13,907)	(632)	(752)
Effects of a 1% increase in:				
Discount rate	(13,907)	(13,967)	(695)	(755)
Salary growth rate	14,106	14,170	705	769

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 occurring at the end of the reporting year. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of actual changes in the defined benefits obligation as it is unlikely that changes in assumption 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.

22. Borrowings

	THE GROUP		THE COMPANY	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	N '000	N '000	N '000	N '000
GTB	9,888,900	9,425,156	-	-
FCMB	82,106	-	-	-
CAPE IV Loan	25,116,000	-	25,116,000	-
Petre IPINs	106,747	106,747	-	-
Total	**35,193,753**	**9,531,903**	**25,116,000**	**-**
Current	5,348,976	3,814,478	1,460,000	-
Non-current	29,844,777	5,717,425	23,656,000	-
Total	**35,193,753**	**9,531,903**	**25,116,000**	**-**

Participating Investment Notes (Petre IPINs)

On 9 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 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.

Guaranty Trust Bank Plc (GTB)

GTB loan represents the remaining balance on the $49.8million facility from Guaranty Trust Bank Plc (GTB) after the restructuring in 2015. The loan is 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.

First City Monument Bank (FCMB)

FCMB loan represents the sum of ₦86m facility from First City Monument Bank Plc, obtained to purchase vehicles. The loan is repayable monthly from November 2016 to November 2020. It is secured by the vehicles purchased.

CAPE IV Loan

The loan represents the sum of $80m which the company raised in 2016, after its fund-raising campaign. Capital Alliance Private Equity IV Limited (CAPE IV), a private equity fund sponsored by African Capital Alliance (ACA), provided the entire sum and it attracts a charge of 6% per annum, payable in arrears.

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-16	31-Dec-15	31-Dec-16	31-Dec-15
	₦ '000	₦ '000	₦ '000	₦ '000
6 months or less	-	-	-	-
6-12 months	5,348,976	3,814,478	1,460,000	-
1-5 years	29,844,777	5,717,425	23,656,000	-
Over 5 years	-	-	-	-
Total	**35,193,753**	**9,531,903**	**25,116,000**	**-**

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

	THE GROUP		THE COMPANY	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	₦ '000	₦ '000	₦ '000	₦ '000
Carrying amount:				
Borrowings	35,193,753	9,531,903	25,116,000	-
Total	**35,193,753**	**9,531,903**	**25,116,000**	**-**
Fair value:				
Borrowings	34,540,795	11,038,020	25,132,000	-
Total	**34,540,795**	**11,038,020**	**25,132,000**	**-**

The fair values are based on cashflows discounted using a rate based on the current borrowing rate of 11% for GTB (2015: 10.97%), 6% on the CAPE IV loan and 21% for FCMB. 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 2016	560,646	-
Derecognition	-	-
Charged/(credited) to the income statement:		
Changes in estimated flows	(170,587)	-
Exchange difference	297,257	-
Unwinding of discount due to passage of time	89,792	-
Balance at 31 December 2016	**777,108**	**-**

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 2016 is 11.54% (31 December 2015 : 10.32%).

24. Trade and other payables

	THE GROUP		THE COMPANY	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	₦ '000	₦ '000	₦ '000	₦ '000
Trade payables	20,075,715	9,133,674	75,764	138,343
Investors' deposit	-	3,707	-	3,707
Sundry creditors	1,689,998	788,445	643,898	371,098
Royalty payable	8,217,046	2,760,459	-	-
Crude due to third party	-	1,657,355	-	-
	29,982,759	**14,343,640**	**719,662**	**513,148**

At 31 December 2016, the Group had no overlift (2015: 227,822 barrels) as a result of sale 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 due to third party in the prior year.

- 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-16	31-Dec-15	31-Dec-16	31-Dec-15
	₦ '000	₦ '000	₦ '000	₦ '000
Income tax expense	108,126	713	-	-
Education tax	21,498	142	-	-
Under-provision of prior year taxes	188	-	-	-
Total current tax	**129,812**	**855**	**-**	**-**
Deferred taxation				
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	**129,812**	**(3,727,168)**	**-**	**(3,403,871)**

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

	THE GROUP		THE COMPANY	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	₦ '000	₦ '000	₦ '000	₦ '000
At 1 January	854	4,505	-	-
Tax paid	(94,776)	(4,506)	-	-
Prior period over provision	-	-	-	-
Income tax charge	129,812	855	-	-
At 31 December	**35,890**	**854**	**-**	**-**

Reconciliation of effective tax rate	**THE GROUP**		**THE COMPANY**	
	31-Dec-16	**31-Dec-15**	**31-Dec-16**	**31-Dec-15**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**
Profit/(loss) before income tax	**8,915,115**	**(1,614,746)**	**1,781,164**	**(2,940,472)**
Income tax using the domestic corporation tax rate	5,861,688	(1,061,695)	1,171,115	(1,933,360)
Net reversal of temporary differences	-	(3,728,023)	-	(3,403,871)
Education tax levy	21,498	142	-	-
Disallowed expenses	588,177	1,657,474	-	-
Tax incentives	(6,341,551)	(595,066)	(1,171,115)	1,933,360
Total income tax (credit)/expense in income statement	**129,812**	**(3,727,168)**	**-**	**(3,403,871)**
Effective tax rate	**1%**	**231%**	**0%**	**116%**

ND Gas Limited, a 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 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-16	**31-Dec-15**
	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**

The summarized financial statements of NDEP's subsidiaries are presented below:

Summarized statement of profit or loss and other comprehensive income

	NDPR		**ND Gas**		**ND Properties**	
	31-Dec-16 ₦ '000	**31-Dec-15 ₦ '000**	**31-Dec-16 ₦ '000**	**31-Dec-15 ₦ '000**	**31-Dec-16 ₦ '000**	**31-Dec-15 ₦ '000**
Revenue	13,722,895	12,494,873	5,221,349	5,716,523	18,000	18,000
Cost of sales	(5,055,982)	(14,532,057)	(2,361,677)	(2,067,831)	(37,051)	(25,191)
	8,666,913	(2,037,184)	2,859,672	3,648,692	(19,051)	(7,191)
Other income	1,240,014	7,826,560	13,819	809	-	-
General and Admin expenses	(2,881,197)	(6,949,035)	(429,935)	(1,334,399)	-	-
Net Finance costs	(2,569,970)	(785,782)	-	(799,195)	-	-
Profit before taxation	4,455,760	(1,945,441)	2,443,556	1,515,907	(19,051)	(7,191)
Taxation	(128,780)	324,152	-	-	(1,032)	(855)
Profit after taxation	4,326,980	(1,621,289)	2,443,556	1,515,907	(20,083)	(8,046)
Other comprehensive income	(1,130,870)	(185,424)	3,142,409	-	-	-
Total comprehensive income	**3,196,110**	**(1,806,713)**	**5,585,965**	**1,515,907**	**(20,083)**	**(8,046)**

Summary statement of financial position

	Niger Delta Petroleum Resources Ltd		ND Gas Limited		ND Properties Limited	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	₦ '000	₦ '000	₦ '000	₦ '000	₦ '000	₦ '000
Assets						
Non-current						
Property, plant and equipment	28,566,241	17,815,882	23,742,488	12,900,069	-	-
Intangible assets	47,691	33,364	-	-	-	-
Investment property	-	-	-	-	788,723	748,125
Available-for-sale financial assets	41,612	43,819	-	-	-	-
	28,655,544	**17,893,065**	**23,742,488**	**12,900,069**	**788,723**	**748,125**
Current						
Inventories	3,717,377	189,124	986,782	-	-	-
Trade and other receivables	3,735,004	14,639,185	535,114	152,096	99,525	-
Prepayments	126,944	299,100	-	-	-	-
Cash and cash equivalents	2,387,987	2,530,442	394,270	30,632	-	-
	9,967,312	**17,657,851**	**1,916,166**	**182,728**	**99,525**	**-**
Total assets	**38,622,856**	**35,550,916**	**25,658,654**	**13,082,797**	**888,248**	**748,125**
Liabilities						
Non-current						
Employee Benefit liabilities	2,334,807	2,163,120	-	-	-	-
Borrowings	10,077,753	9,531,903	-	-	-	-
Deferred tax liabilities	-	-	-	-	-	-
Decommissioning liabilities	777,108	560,646	-	-	-	-
	13,189,668	**12,255,669**	**-**	**-**	**-**	**-**
Current						
Trade and other payables	19,927,221	21,114,171	16,597,010	9,607,118	730,910	570,693
Taxation	128,780	-	-	-	844	855
	20,056,001	21,114,171	16,597,010	9,607,118	731,754	571,548
Total liabilities	**33,245,669**	**33,369,840**	**16,597,010**	**9,607,118**	**731,754**	**571,548**
Equity						
Share capital	50,000	50,000	10,000	10,000	20,000	20,000
Foreign Currency Translation reserve	(1,130,870)	-	3,142,409	-	-	-
Retained earnings	6,458,057	2,131,076	5,909,235	3,465,679	136,494	156,577
Total equity	**5,377,187**	**2,181,076**	**9,061,644**	**3,475,679**	**156,494**	**176,577**
Total liabilities and equity	**38,622,856**	**35,550,916**	**25,658,654**	**13,082,797**	**888,248**	**748,125**

Summarised statement of cashflows

	Niger Delta Petroleum Resources Ltd		ND Gas Limited Limited		ND Properties	
	31-Dec-16	**31-Dec-15**	**31-Dec-16**	**31-Dec-15**	**31-Dec-16**	**31-Dec-15**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**	**₦ '000**	**₦ '000**
Net cashflow from operating activities	6,262,317	2,772,576	608,693	563,667	61,410	7,434
Net cashflow from investing activities	168,945	(7,642,723)	(245,055)	(196,584)	(61,410)	(7,434)
Net cashflow from financing activities	(7,134,760)	7,168,758	-	(851,929)	-	-
Net (decrease)/increase in cash and cash equivalents	**(703,497)**	**2,298,611**	**363,638**	**(484,846)**	**-**	**-**

NDEP Uganda carries a share capital of ₦15.527 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 2016, there are no capital commitments that have not been provided for (2015 - Nil).

28. Loss of Control

Niger Delta Exploration and Production Plc (NDEP) ceded full control of the Ogbele joint operations to Niger Delta Petroleum 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, leaving NDEP as just an investing company.

29. Foreign currency translation reserve

In line with IAS 21, a reassessment of the functional currency of each entity in the Group was carried out. Both Niger Delta Petroleum Resources Limited (NDPR) and ND Gas Limited were deemed to now have a functional currency of United States Dollars ($) , as against the previous Nigerian Naira (₦). This resulted in a translation reserve in 2016, as all monetary and non-monetary assets(previously carried at historical rates) were translated to Naira at current rates, subject to the provisions of IAS 21.

30. 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 ₦5,186million (2015: ₦4,905million). 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.

31. Treasury shares

Treasury shares represent shares repurchased by the Group, which effectively reduced the share capital. In 2016, there were no treasury shares repurchased (2015: ₦20,540,860).

32. 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-16	31-Dec-15
Niger Delta Petroleum Resources Limited	Nigeria	100	100
ND Gas Limited	Nigeria	100	100
ND Properties Limited	Nigeria	100	100
Niger Delta Exploration and Production Plc (Uganda)	Uganda	100	100

The summarised financial statements of these subsidiaries are presented in Note 28.

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-16	31-Dec-15
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-16	31-Dec-15
	₦ '000	**₦ '000**
Rendering of services:		
– Entity controlled by key management personnel	936,310	450,884
Total	**936,310**	**450,884**

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-16	31-Dec-15
	₦ '000	**₦ '000**
Salaries and other short-term employee benefits	111,345	93,375
Post-employment benefits	170,827	132,556
Total	**282,172**	**225,931**

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

	31-Dec-16	31-Dec-15
	₦ '000	**₦ '000**
Receivables from related parties:		
Associate	7,103,405	4,710,341

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 (2015: nil).

There were no loans to related parties during the year.

33. 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, cashflow 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, 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;

Currency	**Change in exchange rate**	**31-Dec-16**	**31-Dec-15**
		₦ '000	**₦ '000**
USD	10%	552,948	13,290
	(10)%	(552,948)	(13,290)

(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-16**	**31-Dec-15**
		₦ '000	**₦ '000**
Barrels of oil equivalent	10%	4,675,650	3,059,797
	(10)%	(4,675,650)	(3,059,797)

(iii) Cashflow 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, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. 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-16	31-Dec-15	31-Dec-16	31-Dec-15
	₦ '000	₦ '000	₦ '000	₦ '000
Non- impaired	1,758,011	956,928	207,939	177,010
Past due but not impaired	-	-	-	-
Past due and impaired	-	-	-	-
Total	**1,758,011**	**956,928**	**207,939**	**177,010**

(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

2016	Carrying amount ₦ '000	Contractual cash flows ₦ '000	Less than a year ₦ '000	Between 1 and 2 years ₦ '000	Between 2 and 5 years ₦ '000
Trade payable	20,075,715	20,075,715	20,075,715	-	-
Borrowings	35,193,753	34,540,795	5,348,976	4,836,101	24,355,718
2015	**₦ '000**	**₦ '000**	**₦ '000**	**₦ '000**	**₦ '000**
Trade payable	9,133,674	9,133,674	9,133,674	-	-
Borrowings	9,531,903	11,038,020	3,814,478	3,447,083	3,854,792

COMPANY

2016	Carrying amount ₦ '000	Contractual cash flows ₦ '000	Less than a year ₦ '000	Between 1 and 2 years ₦ '000	Between 2 and 5 years ₦ '000
Trade payable	75,764	75,764	75,764	-	-
Borrowings	25,116,000	25,132,000	1,460,000	1,464,000	22,204,000
2015	**₦ '000**	**₦ '000**	**₦ '000**	**₦ '000**	**₦ '000**
Trade payable	138,343	138,343	138,343	-	-
Borrowings	-	-	-	-	-

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 cashflows discounted using a rate based on the borrowing rate of 11% (2015: 10.97%).

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-16	34,540,795	-	34,540,795	-
Liabilities for which fair values are disclosed;					
Borrowings	31-Dec-15	11,038,020	-	11,038,020	-

Capital Management Disclosures

The Group and 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 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 gearing ratio is computed below:

	THE GROUP		THE COMPANY	
	31-Dec-16 ₦ '000	**31-Dec-15 ₦ '000**	**31-Dec-16 ₦ '000**	**31-Dec-15 ₦ '000**
Total interest bearing debt	35,193,753	9,531,903	25,116,000	-
Total Equity	42,805,188	30,539,419	17,353,339	15,934,991
Capital Gearing (Debt to Equity)	**82%**	**31%**	**145%**	**0%**
	31-Dec-16 ₦ '000	**31-Dec-15 ₦ '000**	**31-Dec-16 ₦ '000**	**31-Dec-15 ₦ '000**
Total Assets	111,375,433	57,342,155	43,434,929	16,650,712
Total Equity	42,805,188	30,539,419	17,353,339	15,934,991
Capital Gearing (Total Equity to Total Assets)	**38%**	**53%**	**40%**	**96%**

34. 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-16	31-Dec-15	31-Dec-16	31-Dec-15
	Number	Number	Number	Number
Management	4	3	1	1
Operations	129	97	-	-
Finance	17	14	3	3
Administration	30	64	8	9
Total	**180**	**178**	**12**	**13**

	THE GROUP		THE COMPANY	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	Number	Number	Number	Number
Less than 1,500,000	3	3	1	1
1,500,001 – 2,500,000	17	17	3	4
Above 2,500,000	160	158	8	8
Total	**180**	**178**	**12**	**13**

35. Directors remuneration

The remuneration paid to the Directors of the Company was:

	THE GROUP		THE COMPANY	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	₦ '000	₦ '000	₦ '000	₦ '000
Emoluments (including salaries, fees and sitting allowance)	135,129	118,000	135,129	118,000

Fees and other emoluments disclosed above include amounts paid to:

	THE GROUP		THE COMPANY	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	₦ '000	₦ '000	₦ '000	₦ '000
The Chairman	7,725	5,076	7,725	5,076
The highest paid Director	76,003	33,750	76,003	33,750

36. 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.

37. Reclassification

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

Other National Disclosures

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Consolidated and Separate Statement of Value Added

FOR THE YEAR ENDED 31 DECEMBER 2016

	THE GROUP				THE COMPANY			
	31-Dec-16		31-Dec-15		31-Dec-16		31-Dec-15	
	₦ '000		₦ '000		₦ '000		₦ '000	
Revenue	17,816,928		17,055,567		-		-	
Cost of bought in materials and services								
- Local	(5,656,070)		(8,735,081)		(895,614)		(3,932,634)	
	12,160,858		8,320,486		(895,614)		(3,932,634)	
Non-trading items	6,490,585		7,301,587		4,924,471		1,550,494	
Value added/(Utilised)	**18,651,443**		**15,622,073**		**4,028,857**		**(2,382,140)**	
		%		%		%		%
Applied as follows:								
To employees:								
- Staff costs	1,706,487	9	2,776,777	18	190,862	5	202,009	(8)
To Government:								
- Royalty costs	1,032,864	6	1,279,637	8	-	-	-	-
- Taxes	129,812	1	855	-	-	-	-	-
To providers of funds:								
- Interest	5,036,387	27	3,414,675	22	1,951,000	48	319,339	(13)
To provide for the Company's future:								
- Depreciation, depletion and amortisation	1,960,590	11	9,765,730	62	105,831	3	36,984	(2)
- Deferred taxation	-	-	(3,728,023)	(24)	-	-	(3,403,871)	142
- Revenue reserve	8,785,303	46	2,112,422	14	1,781,164	44	463,399	(19)
Value added/(Utilised)	**18,651,443**	**100**	**15,622,073**	**100**	**4,028,857**	**100**	**(2,382,140)**	**100**

The value added represents the wealth created 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

Statement of profit or loss and other comprehensive income

	YEAR ENDED				
	31-Dec-16	**31-Dec-15**	**31-Dec-14**	**31-Dec-13**	**31-Dec-12**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**	**₦ '000**
Revenue	17,816,928	17,055,567	19,384,270	7,738,836	9,848,523
Profit/(loss) before taxation	8,915,115	(1,614,746)	12,186,126	6,826,504	(7,027,708)
Taxation	(129,812)	3,727,168	(912)	(998)	(1,942)
Profit/(loss) after taxation	8,785,303	2,112,422	12,185,214	6,825,506	(7,029,650)
Basic earnings per share	₦ 49.57	₦ 11.93	₦ 70	₦ 39	(₦ 48)
Adjusted earnings per share	₦ 49.57	₦ 11.93	₦ 69	₦ 39	(₦ 40)
Final dividend per share	-	₦ 2	₦ 4	₦ 6	₦ 6
Return on net assets employed (%)	21	7	41	37	(57)

Statement of financial position

	AS AT				
	31-Dec-16	**31-Dec-15**	**31-Dec-14**	**31-Dec-13**	**31-Dec-12**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**	**₦ '000**
Assets					
Property, plant and equipment	58,107,879	31,061,958	33,229,865	27,247,981	26,732,826
Intangible assets	88,319	74,329	112,462	3,768	5,328
Investments in associates	18,617,830	16,534,606	14,343,380	9,071,001	41,062,218
Available-for-sale financial assets	55,242	55,242	55,242	55,242	35,242
Total current assets	34,506,163	9,616,020	10,502,464	9,888,484	7,132,327
	111,375,433	**57,342,156**	**58,243,413**	**46,266,476**	**74,967,941**
Equity and liabilities					
Share capital	1,772,474	1,770,267	1,749,726	1,749,364	1,457,803
Share premium	13,008	13,008	13,008	13,008	13,008
Translation reserve	3,832,653	-	-	-	-
Revenue reserve	37,187,053	28,756,144	27,934,890	16,475,308	10,885,302
Total non current liabilities	33,202,620	8,643,764	9,420,572	11,464,657	41,553,232
Total current liabilities	35,367,625	18,158,972	19,125,217	16,564,139	21,058,596
	111,375,433	**57,342,155**	**58,243,413**	**46,266,476**	**74,967,941**

THE COMPANY

Statement of profit or loss and other comprehensive income

	YEAR ENDED				
	31-Dec-16	**31-Dec-15**	**31-Dec-14**	**31-Dec-13**	**31-Dec-12**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**	**₦ '000**
Revenue	-	-	15,274,532	2,295,103	8,319,172
Profit/(loss) before taxation	1,781,164	(2,940,472)	5,219,630	1,460,256	(6,059,046)
Taxation	-	3,403,871	-	-	-
Profit/(loss) after taxation	1,781,164	463,399	5,219,630	1,460,526	(6,059,046)
Basic earnings per share	₦ 9.82	₦ 2.55	₦ 29	₦ 8	(₦ 40)
Adjusted earnings per share	₦ 9.82	₦ 2.55	₦ 29	₦ 8	(₦ 33)
Final dividend per share	-	₦ 2	₦ 4	₦ 6	₦ 6
Return on net assets employed (%)	10	3	31	12	(52)

Statement of financial position

	AS AT				
	31-Dec-16	**31-Dec-15**	**31-Dec-14**	**31-Dec-13**	**31-Dec-12**
	₦ '000	**₦ '000**	**₦ '000**	**₦ '000**	**₦ '000**
Assets					
Property, plant and equipment	5,010,427	128,578	17,890,727	11,996,689	11,285,603
Intangible assets	40,628	40,965	108,208	3,768	5,328
Investments in associates	7,760,062	7,760,062	7,760,062	7,760,062	41,783,170
Investments in subsidiaries	95,527	95,527	95,527	95,527	95,527
Available-for-sale financial assets	55,242	55,242	55,242	55,242	35,242
Total current assets	30,473,043	8,570,338	25,193,027	21,014,782	14,393,392
	43,434,929	**16,650,712**	**51,102,793**	**40,926,070**	**67,598,262**
Equity and liabilities					
Share capital	1,814,084	1,814,084	1,814,084	1,814,084	1,511,737
Share premium	13,008	13,008	13,008	13,008	13,008
Revenue reserve	15,526,247	14,107,899	14,779,018	10,285,022	10,067,842
Total non current liabilities	23,901,928	202,573	8,826,088	9,438,594	36,574,886
Total current liabilities	2,179,662	513,148	25,670,595	19,375,362	19,430,789
	43,434,929	**16,650,712**	**51,102,793**	**40,926,070**	**67,598,262**

Reserve Report

FOR THE YEAR ENDED 31 DECEMBER 2016

1 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				
	2016	2015	2014	2013	2012
Total Hydrocarbon Reserves (Liquids+Gas):					
At beginning of year	91.97	60.46	63.02	63.37	64.16
Revision	3.78	35.17	-	(0.20)	-
Production	(3.65)	(3.66)	(2.56)	(0.15)	(0.79)
At end of year	**92.10**	**91.97**	**60.46**	**63.02**	**63.37**

Consolidated And Separate Statement of Profit or Loss And Other Comprehensive Income (in USD)

FOR THE YEAR ENDED 31 DECEMBER 2016

	GROUP		THE COMPANY	
	31-Dec-16	**31-Dec-15**	**31-Dec-16**	**31-Dec-15**
	$	**$**	**$**	**$**
Revenue	58,416,157	85,684,838	-	-
Cost of sales	(21,049,590)	(94,073,625)	-	-
Gross Profit/Loss	**37,366,567**	**(8,388,787)**	-	-
Other income	19,033,121	18,085,170	16,143,459	7,788,721
General and administrative expenses	(12,904,544)	(19,250,791)	(3,909,203)	(20,957,684)
Operating (loss)/profit	**43,495,144**	**(9,554,408)**	**12,234,256**	**(13,168,963)**
Finance income	1,692,161	7,588,586	2,348	749
Finance costs	(16,512,744)	(17,154,861)	(6,396,721)	(1,604,315)
Finance cost (net)	**(14,820,583)**	**(9,566,275)**	**(6,394,373)**	**(1,603,566)**
Share of profit of an associate	555,325	11,008,420	-	-
Profit/(Loss) before taxation	**29,229,886**	**(8,112,263)**	**5,839,883**	**(14,772,529)**
Taxation	(425,613)	18,724,783	-	17,100,583
Profit after taxation	**28,804,273**	**10,612,520**	**5,839,883**	**2,328,054**
Profit attributable to:				
Owners of the parent	28,804,273	10,612,520	5,839,883	2,328,054
	28,804,273	**10,612,520**	**5,839,883**	**2,328,054**
Other comprehensive income:				
Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax):				
Foreign currency translation gain	6,291,157	-	-	-
Share of other comprehensive income of associates accounted for using the equity method	6,274,918			
Re-measurement loss on defined benefits plan	-	(1,162,979)	-	(231,434)
Other comprehensive income for the year, net of tax	12,566,075	(1,162,979)	-	(231,434)
Total comprehensive income for the year	**41,370,348**	**9,449,541**	**5,839,883**	**2,096,620**
Total comprehensive income attributable to:				
Owners of the parent	**41,370,348**	**9,449,541**	**5,839,883**	**2,096,620**

The results (presented in dollars) on this page are a convenience translation. The end of period rates of ₦305/$1 have been used to translate these figures from the Group's functional currency (Naira) to dollar. This presentation is a supplementary information that do not comply with IFRS.

Consolidated and Separate Statement of Financial Position(in USD)

AS AT 31 DECEMBER 2016

	THE GROUP		THE COMPANY	
	31-Dec-16	31-Dec-15	31-Dec-16	31-Dec-15
	$	$	$	$
Assets				
Non-current assets				
Property, plant and equipment	190,517,638	156,051,032	16,427,630	645,958
Intangible assets	289,570	373,419	133,207	205,803
Investment in associate	61,042,065	83,067,601	25,442,826	38,985,491
Investment in subsidiaries	-	-	313,203	479,915
Available-for-sale financial assets	181,121	277,528	181,121	277,528
Total non-current assets	**252,030,394**	**239,769,580**	**42,497,987**	**40,594,695**
Current assets				
Inventories	15,423,472	3,616,277	-	-
Trade and other receivables	29,053,823	28,471,585	40,792,315	41,203,622
Prepayments	519,708	1,582,120	103,498	79,483
Cash and cash equivalents	68,137,957	14,639,588	59,015,803	1,773,102
Total current assets	**113,134,960**	**48,309,570**	**99,911,616**	**43,056,207**
Total assets	**365,165,354**	**288,079,150**	**142,409,603**	**83,650,902**
Equity and liabilities				
Shareholders' equity				
Issued capital	5,811,390	8,893,580	5,947,816	9,113,710
Share premium	42,649	65,350	42,649	65,350
Foreign Currency translation reserve	12,566,075	-	-	-
Retained earnings	121,924,764	144,466,938	50,905,728	70,876,157
Total shareholders' equity	**140,344,878**	**153,425,868**	**56,896,193**	**80,055,217**
Non-current liabilities				
Employee Benefit liabilities	8,461,426	11,884,918	806,321	1,017,699
Borrowings	97,851,728	28,723,561	77,560,656	-
Deferred tax liabilities	-	-	-	-
Decommissioning liabilities	2,547,895	2,816,609	-	-
Total non-current liabilities	**108,861,049**	**43,425,088**	**78,366,977**	**1,017,699**
Current liabilities				
Trade and other payables	98,304,128	72,060,487	2,359,548	2,577,986
Taxation	117,672	4,290	-	-
Borrowings	17,537,626	19,163,417	4,786,885	-
Total current liabilities	**115,959,426**	**91,228,194**	**7,146,433**	**2,577,986**
Total liabilities	**224,820,475**	**134,653,282**	**85,513,410**	**3,595,685**
Total equity & liabilities	**365,165,354**	**288,079,150**	**142,409,603**	**83,650,902**

The results (presented in dollars) on this page are a convenience translation. The end of period rates of ₦305/$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 Cash Flows(in USD)

	GROUP		THE COMPANY	
	31-Dec-16	**31-Dec-15**	**31-Dec-16**	**31-Dec-15**
	$	**$**	**$**	**$**
Net cashflow from operating activities	19,342,498	57,084,094	(553,026)	34,315,865
Net cashflow from investing activities	(17,872,571)	(42,449,013)	(16,349,597)	(579,668)
Net cashflow from financing activities	52,918,462	(15,559,920)	74,761,259	(43,773,142)
Increase/(Decrease) in cash and cash equivalents	**54,388,389**	**(924,839)**	**57,858,636**	**(10,036,945)**

The results (presented in dollars) on this page are a convenience translation. The end of period rates of ₦305/$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

NDEP Div. 1

S/No. BENEFICIARY

1 Okonisto Ventures -
2 Oilscan Nigeria Limited
3 Woodworth Al
4 Offor Ike
5 Jeidoc Limited
6 Ndep Fractional Shares (C/O Hh
7 Ebuh Vincent O
8 Adekunle A., Adesida
9 Giwa Rufus
10 Alp Assets Ltd
11 Usifoh Ayemenre R.
12 Aderinto Mercy O. & Adebiyi
13 Olusanya Adebayo Olufunso Adeyimika
14 Dawha Joseph Thlama
15 Ngoka Charles
16 Walaku Ipeghan & Obike Okalke M.
17 Adewuya O.
18 Ariyo Biola
19 Igbonekwu Okey, M.
20 Ojogwu Nneka,
21 Okakwu Charles,
22 Olayemi Olayinka, Helen
23 Ebuluofor Magdalene,
24 Adeyemi Temitope, Abimbola
25 Gearouge Elie,
26 Odoi Oil Palm Processing Co. L

NDEP Div. 2

S/No Beneficiary

1 Ozikor Investments Limited .
2 Oilscan Nigeria Limited
3 Aliu Peter Oshoma
4 Larmust International Company -
5 Lambert - Aikhonbare D. O.
6 Woodworth Al
7 Kalu Kalu Idika
8 Ebuh Vincent O
9 Martyns-Yellowe Ibiapuye, Soala
10 Giwa Rufus
11 Olusanya Adebayo Olufunso Adeyimika
12 Dawha Joseph Thlama
13 Akinwolemiwa Chris,
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

S/No. BENEFICIARY

1 Mabon Ltd
2 Okonisto Ventures -
3 Iyamabo D. E.
4 Aibangbee Marcus
5 Aghahowa Felix,
6 Larmust International Company -
7 Rivitus Investment Ltd. -
8 Aliu Peter Oshoma
9 Woodworth Al
10 Kalu Kalu Idika
11 Odeleye Olawale
12 Badejo Bashiru Oluwatoyin
13 Giwa Rufus
14 Adeniji Bolanle Oluyemisi
15 Okeke Chinedu Eric
16 Fountain Insurance Brokers Ltd -
17 Usifoh Ayemenre R.
18 Kareem Waidi Alamu
19 Osevwe Omonigho
20 Interglobal Proc. Eng. Ser Ltd
21 Daddo Maritime Services Limite
22 Olafimihan Nike
23 Oyeleye Oluwole
24 Waziri Sarki
25 Abdul-Aziz Abdullahi
26 Ohochukwu Iheanacho
27 Lawal Muhammad T. I.
28 Johnson Olufunmi, L.

29 Amicable Assurance Plc -
30 Adeyanju Michael Abiodun
31 Chukuezi Anelechi Barnabas
32 Mustapher Dahiru Sabuwa
33 Salami Olakunle Idowu
34 Alake O, A
35 Adewuya O.
36 Insurance Investment Fund
37 Ibrahim Yahaya,
38 Eyee Nwobude Evelyn
39 Oyosoro Edith, Ijeoma
40 Aruede Efosa
41 Essien Bassey, Mfon
42 Gearouge Elie,
43 Adeyemi Temitope, Abimbola
44 Ebuluofor Magdalene,
45 Olayemi Olayinka, Helen
46 Okakwu Charles,
47 Ashiru Hassan, Kabiru
48 Ojogwu Nneka,
49 Odusanya Olusola, & Gbolahan
50 Igbonekwu Okey, M.
51 Odoi Oil Palm Processing Co. L

NDEP Div. 4

S/No. BENEFICIARY

1 Edokpolo John, Sunday
2 Labiyi Segun
3 Uwaifo Jones Investments Ltd
4 Iyamabo D. E.
5 Okonisto Ventures -
6 Aghahowa Felix,
7 Dove-Edwin George
8 Momoh Haruna, And Ochucko
9 Aliu Peter Oshoma
10 Larmust International Company -
11 Woodworth Al
12 Odeleye Olawale
13 Kalu Kalu Idika
14 Badejo Bashiru Oluwatoyin
15 Afolabi Kayode,
16 Lifestyle Products Nigeria Ltd -
17 Essien Benson, Nice
18 Okeke Chinedu Eric
19 Giwa Rufus
20 Consolidated Risk Insurers Ltd
21 Faith & Hope Enterprises Ltd
22 Usifoh Ayemenre R.
23 Kareem Waidi Alamu
24 Salami Olakunle Idowu
25 Mustapher Dahiru Sabuwa
26 Chukuezi Anelechi Barnabas
27 Adeyanju Michael Abiodun
28 Amicable Assurance Plc -
29 Owosina Francis Adedoyin
30 Kehinde Adenrele
31 Lawal Muhammad T. I.
32 Ohochukwu Iheanacho
33 Abdul-Aziz Abdullahi
34 Waziri Sarki
35 Oyeleye Oluwole
36 Walaku Ipeghan & Obuge Okalke M,
37 Daddo Maritime Services Limite
38 Interglobal Proc. Eng. Ser Ltd
39 Tukur B, Mahmud
40 Adewuya O.
41 Sokunbi Oluranti,
42 Jack Macdonald Nengi, Peggy
43 Ibrahim Yahaya,
44 Frontier Markets Fund Limited
45 Insurance Investment Fund
46 Eyee Nwobude Evelyn
47 Mofe-Damijo Tega,
48 Aruede Efosa
49 Dilinye Christopher,
50 Oyosoro Edith, Ijeoma
51 Essien Bassey, Mfon
52 Igbonekwu Okey, M.
53 Odusanya Olusola, & Gbolahan
54 Ojogwu Nneka,
55 Ashiru Hassan, Kabiru
56 Okakwu Charles,
57 Olayemi Olayinka, Helen
58 Kabon Sarah,
59 Fatona Ajibade,
60 Ebuluofor Magdalene,
61 Adeyemi Temitope, Abimbola
62 Gearouge Elie,
63 Ome Obioha, Ogbajiogu
64 Odoi Oil Palm Processing Co. L

NDEP Div. 5

S/No. BENEFICIARY

1 Smartt Futures Resources Ltd
2 Polez & Company Limited
3 Iyamabo D. E.
4 Okonisto Ventures -
5 Aibangbee Marcus
6 Akin-George J.
7 Dove-Edwin George
8 Aliu Peter Oshoma
9 Rivitus Investment Ltd. -
10 Larmust International Company -
11 Woodworth Al
12 Odeleye Olawale
13 Kalu Kalu Idika
14 Badejo Bashiru Oluwatoyin
15 Martyns-Yellowe Ibiapuye, Soala
16 Lifestyle Products Nigeria Ltd -
17 Fountain Insurance Brokers Ltd -
18 Okeke Chinedu Eric
19 Adeniji Bolanle Oluyemisi
20 Giwa Rufus
21 Usifoh Ayemenre R.
22 Kareem Waidi Alamu
23 Okwute Christopher Uzor
24 Salami Olakunle Idowu
25 Obaje Wada Andrew
26 Mustapher Dahiru Sabuwa
27 Chukuezi Anelechi Barnabas
28 Adeyanju Michael Abiodun
29 Amicable Assurance Plc -
30 Lawal Muhammad T. I.
31 Ohochukwu Iheanacho
32 Abdul-Aziz Abdullahi
33 Salawe Patrick Sule
34 Waziri Sarki
35 Oyeleye Oluwole
36 Interglobal Proc. Eng. Ser Ltd
37 Tukur B, Mahmud
38 Adewuya O.
39 Odebode Olaniyi, M. Oladimeji
40 Ibrahim Yahaya,
41 Okpana Igazuma, Constance
42 Eyee Nwobude Evelyn
43 Mofe-Damijo Tega,
44 Aruede Efosa
45 Oyosoro Edith, Ijeoma
46 Essien Bassey, Mfon
47 Igbonekwu Okey, M.
48 Odusanya Olusola, & Gbolahan
49 Ojogwu Nneka,
50 Ashiru Hassan, Kabiru
51 Okakwu Charles,
52 Olayemi Olayinka, Helen
53 Salami Babajide, M
54 Kabon Sarah,
55 Fatona Ajibade,
56 Harry-Udoh Alice,
57 Ebuluofor Magdalene,
58 Adeyemi Temitope, Abimbola
59 Gearouge Elie,
60 Ome Obioha, Ogbajiogu
61 Ashaye Adekola, .A
62 Odoi Oil Palm Processing Co. L

NDEP Div. 6

S/No. BENEFICIARY

1 Smartt Futures Resources Ltd
2 Uwaifo Jones Investments Ltd
3 Okonisto Ventures -
4 Iyamabo D. E.
5 Aibangbee Marcus
6 Okolo S. A.
7 Akin-George J.
8 Dove-Edwin George
9 Larmust International Company -
10 Rivitus Investment Ltd. -
11 Aliu Peter Oshoma
12 Woodworth Al
13 Kalu Kalu Idika
14 Odeleye Olawale
15 Badejo Bashiru Oluwatoyin
16 Martyns-Yellowe Ibiapuye, Soala
17 Giwa Rufus
18 Adeniji Bolanle Oluyemisi
19 Okeke Chinedu Eric
20 Fountain Insurance Brokers Ltd -
21 Adekunle A., Adesida
22 Usifoh Ayemenre R.
23 Harvest Investment Limited
24 Kareem Waidi Alamu

25 Tukur B, Mahmud
26 Interglobal Proc. Eng. Ser Ltd
27 Oyeleye Oluwole
28 Waziri Sarki
29 Salawe Patrick Sule
30 Abdul-Aziz Abdullahi
31 Ohochukwu Iheanacho
32 Lawal Muhammad T. I.
33 Amicable Assurance Plc -
34 Adeyanju Michael Abiodun
35 Chukuezi Anelechi Barnabas
36 Mustapher Dahiru Sabuwa
37 Salami Olakunle Idowu
38 Oni Abiodun,
39 Markham Ltd
40 Adewuya O.
41 Ezeonwumelu Cletus, Emeka
42 Salau Kayode
43 Okpana Igazuma, Constance
44 Ibrahim Yahaya,
45 Eyee Nwobude Evelyn
46 Mofe-Damijo Tega,
47 Elias Gbolahan
48 Jack Macdonald Nengi, Peggy
49 Oyosoro Edith, Ijeoma
50 Aruede Efosa
51 Essien Bassey, Mfon
52 Ome Obioha, Ogbajiogu
53 Gearouge Elie,
54 Harper David,
55 Adeyemi Temitope, Abimbola
56 Ebuluofor Magdalene,
57 Harry-Udoh Alice,
58 Kabon Sarah,
59 Salami Babajide, M
60 Olayemi Olayinka, Helen
61 Okakwu Charles,
62 Umar Musa Musa,
63 Umar Musa Adnan,
64 Ashiru Hassan, Kabiru
65 Ojogwu Nneka,
66 Odusanya Olusola, & Gbolahan
67 Igbonekwu Okey, M.
68 Nnadi Julie, Uzor
69 Ashaye Adekola, .A
70 Odoi Oil Palm Processing Co. L

NDEP Div. 7
S/No. BENEFICIARY

1 Oasis Petroleum Company -
2 Smartt Futures Resources Ltd
3 Iyamabo D. E.
4 Okonisto Ventures -
5 Uwaifo Jones Investments Ltd
6 Aibangbee Marcus
7 Harvest Investment Limited -
8 Alex-Duduyemi Oyekunle
9 Okolo S. A.
10 Akin-George J.
11 Fisher Beatrice
12 Kuku S. B
13 Dove-Edwin George
14 Momoh Haruna, And Ochucko
15 Adegoke Olu. S, Prof& Dr. Mrs
16 Aliu Peter Oshoma
17 Ellis And Dove-Edwin Paul And Isis, A. And A.
18 Larmust International Company -
19 Rivitus Investment Ltd. -
20 Woodworth Al
21 Kalu Kalu Idika
22 Odeleye Olawale
23 Shonuga Stella
24 Badejo Bashiru Oluwatoyin
25 Martyns-Yellowe Ibiapuye, Soala
26 Adekunle A., Adesida
27 Adeniji Bolanle Oluyemisi
28 Fountain Insurance Brokers Ltd -
29 Giwa Rufus
30 Okeke Chinedu Eric
31 Usifoh Ayemenre R.
32 Olaiya Adelodun,
33 Kareem Waidi Alamu
34 Abdul-Aziz Abdullahi
35 Adeyanju Michael Abiodun
36 Amicable Assurance Plc -
37 Chukuezi Anelechi Barnabas
38 Dawha Joseph Thlama
39 Interglobal Proc. Eng. Ser Ltd
40 Johnson Olufunmi, L.
41 Lawal Muhammad T. I.
42 Mustapher Dahiru Sabuwa
43 Ohochukwu Iheanacho
44 Olafimihan Nike

45 Olusanya Adebayo Olufunso Adeyimika
46 Oyeleye Oluwole
47 Salami Olakunle Idowu
48 Salawe Patrick Sule
49 Tukur B, Mahmud
50 Waziri Sarki
51 Enlil Investment Limited
52 Adewuya O.
53 Markham Ltd
54 Oni Abiodun,
55 Ezeonwumelu Cletus, Emeka
56 Salau Kayode
57 Ladipo-Ajayi Olusola, Olutayo
58 Ibrahim Yahaya,
59 Okpana Igazuma, Constance
60 Oshinowo Segun,
61 Eyee Nwobude Evelyn
62 Mofe-Damijo Tega,
63 Elias Gbolahan
64 Abiodun Akinbolanle, Owolabi
65 Ekwunife Joe Billy,
66 Enjoy International Limited
67 Ezenwaji Peter, Onyechi
68 Famuyibo Victor,
69 Koyejo Olubunmi, Ayokunle
70 Synergy Asset Management Co. Ltd
71 Ukpebor Richard Ailegbeze,
72 Aruede Efosa
73 Oyosoro Edith, Ijeoma
74 Essien Bassey, Mfon
75 Ajayi Esther, Iyabo
76 Adeyemi Temitope, Abimbola
77 Ashiru Hassan, Kabiru
78 Ebuluofor Magdalene,
79 Gearouge Elie,
80 Kabon Sarah,
81 Nnadi Julie, Uzor
82 Odusanya Olusola, & Gbolahan
83 Ojogwu Nneka,
84 Okakwu Charles,
85 Olayemi Olayinka, Helen
86 Salami Babajide, M
87 Umar Musa Adnan,
88 Umar Musa Anas
89 Umar Musa Abdullahi
90 Umar Musa Khadija
91 Umar Musa Mohd
92 Umar Musa Saliha
93 Umar Musa Bashir
94 Umar Musa Ahmed
95 Umar Musa Sani
96 Umar Musa Fadima
97 Ashaye Adekola, .A
98 Oriola Abdulsalami, Ajibola
99 Fawole Taiwo, Ganiyu
100 Odoi Oil Palm Processing Co. L
101 Ome Obioha, Ogbajiogu
102 Ajibade Damilola, Olukemi
103 Akanbi Adenike Evelyn,
104 Matti Muri Olajide,
105 Adedoyin Mathew, Aderemi
106 Adegbite Isaac, Aderemi
107 Adeshina Olalekan, Oladepo
108 Ibiyemi Esther, Omoyeni
109 Ibiyemi Samuel, Oluwole Kolawole
110 Kadri Saliu Olanrewaju,
111 Obarinde Isaac, Obatosho
112 Oginni Joshua, Oluwole
113 Salau Mohammed, Adebanjo

NDEP Div. 8

S/No. BENEFICIARY

1 Smartt Futures Resources Ltd
2 Okonisto Ventures
3 Prof Dr Mrs Adegoke Os
4 Uwaifo Jones Investments Ltd
5 Aibangbee Marcus
6 Okolo S A
7 Akingeorge J
8 Fisher Beatrice
9 Kuku S B
10 Doveedwin George
11 Momoh Haruna And Ochucko
12 Larmust International Company
13 Ellis And Doveedwin Paul And Isis A And A
14 Woodworth Al
15 Odeleye Olawale
16 Shonuga Stella
17 Kalu Kalu Idika
18 Martynsyellowe Ibiapuye Soala
19 Adekunle A Adesida
20 Fountain Insurance Brokers Ltd
21 Okeke Chinedu Eric
22 Adeniji Bolanle Oluyemisi
23 Giwa Rufus

24 Faith Hope Enterprises Ltd
25 Usifoh Ayemenre R
26 Dada Olutoba Moses
27 Kareem Waidi Alamu
28 Jones John
29 Olusanya Adebayo Olufunso Adeyimika
30 Mustapher Dahiru Sabuwa
31 Chukuezi Anelechi Barnabas
32 Adeyanju Michael Abiodun
33 Dawha Joseph Thlama
34 Amicable Assurance Plc
35 Ekiye Samuel Ukauwa
36 Aziz Haruna Zego
37 Johnson Olufunmi L
38 Ohochukwu Iheanacho
39 Salawe Patrick Sule
40 Oyeleye Oluwole
41 Olafimihan Nike
42 Daddo Maritime Services Limite
43 Interglobal Proc Eng Ser Ltd
44 Tukur B Mahmud
45 Aghahowa Felix
46 Akinloye Yetunde Olajumoke
47 Adewuya O
48 Odebode Olaniyi Moladimeji
49 Markham Ltd
50 Oni Abiodun
51 Ibrahim Yahaya
52 Legunsen Samuel Olawale
53 Okpana Igazuma Constance
54 Eyee Nwobude Evelyn
55 Mofedamijo Tega
56 Ilawole Olajide Abim
57 Ajakpovi Oromena
58 Salau Kayode
59 Enjoy International Limited
60 Abiodun Akinbolanle Owolabi
61 Koyejo Olubunmi Ayokunle
62 Obidiegwu Joel Uche
63 Aruede Efosa
64 Dilinye Christopher
65 Oyosoro Edith Ijeoma
66 Essien Bassey Mfon
67 Ajayi Esther Iyabo
68 Iyamu Esohe Joan
69 Obiefuna Julius Chiedozie
70 Igbonekwu Okey M
71 Odusanya Olusola Gbolahan
72 Ojogwu Nneka
73 Ashiru Hassan Kabiru
74 Umar Musa Adnan
75 Okakwu Charles
76 Olayemi Olayinka Helen
77 Salami Babajide M
78 Kabon Sarah
79 Fatona Ajibade
80 Ebuluofor Magdalene
81 Adeyemi Temitope Abimbola
82 Gearouge Elie
83 Ojo Johnson Adebodun
84 Ashaye Adekola A
85 Musa Abdullah O
86 Musa Abdurrahman O
87 Fawole Taiwo Ganiyu
88 Oresanya Adenike Christiana
89 Otolorin Aminat Abisola
90 Odoffin Maroof Ademola
91 Odoi Oil Palm Processing Co L
92 Ajibade Damilola Olu
93 Akanbi Adenike Evelyn
94 Matti Muri Olajide
95 Ajibade Oluwagbemileke Daniel
96 Adenagbe Olorunwa
97 Salau Mohammed Adebanjo
98 Vincent Christie O
99 Durojaiye Temilade Funmilayo
100 Adeshina Olalekan Oladepo
101 Ibiyemi Esther Omoyeni
102 Ibiyemi Samuel Oluwole Kolawole
103 Adegbite Isaac Aderemi
104 Igbrude Miller Efe
105 Etim Emmanuel Edet
106 Adesina Rashidat Oluwatoyin

NDEP Div. 9

S/No. BENEFICIARY

1 Aiken Beck Resources Limited
2 Smartt Futures Resources Ltd
3 Okonisto Ventures -
4 Uwaifo Jones Investments Ltd
5 Edokpolo John Sunday
6 Aibangbee Marcus
7 Okolo S. A.
8 Kuku S. B
9 Akin-George J.

10	Dove-Edwin George
11	Momoh Haruna, And Ochucko
12	Ellis And Dove-Edwin Paul And Isis, A. And A.
13	Larmust International Company -
14	Doveedwin Norma
15	Woodworth Al
16	Kalu Kalu Idika
17	Shonuga Stella
18	Martyns-Yellowe Ibiapuye, Soala
19	Giwa Rufus
20	Adeniji Bolanle Oluyemisi
21	Okeke Chinedu Eric
22	Usifoh Ayemenre R.
23	Kareem Waidi Alamu
24	Interglobal Proc. Eng. Ser Ltd
25	Walaku Ipeghan & Obuge Okalke M,
26	Oyeleye Oluwole
27	Abdul-Aziz Abdullahi
28	Guerrero Miguel
29	Johnson Olufunmi, L.
30	Ekiye Samuel Ukauwa
31	Dawha Joseph Thlama
32	Adeyanju Michael Abiodun
33	Mustapher Dahiru Sabuwa
34	Fima Trust Ltd .
35	Aghahowa Felix,
36	Idemudia Taiwo,
37	I.o.d Ventures Ltd
38	Adewuya O.
39	Nwankwo Patrick,
40	Okpana Igazuma, Constance
41	Adigun Benjamin A.
42	Oshinowo Segun,
43	Adeyemo Olufemi,
44	Afolabi Emmanuel, Cardoso
45	Smith Abimbola,
46	Akinloye Olajumoke, Yetunde
47	Eyee Nwobude Evelyn
48	Mofe-Damijo Tega,
49	Obidiegwu Joel, Uche
50	Ekwunife Joe Billy,
51	Synergy Asset Management Co. Ltd
52	Oyosoro Edith, Ijeoma
53	Dilinye Christopher,
54	Aruede Efosa
55	Essien Bassey, Mfon
56	Gearouge Elie,
57	Adeyemi Temitope, Abimbola
58	Obiefuna Nneka,
59	Harry-Udoh Alice,
60	Fatona Ajibade,
61	Kabon Sarah,
62	Salami Babajide, M
63	Olayemi Olayinka, Helen
64	Okakwu Charles,
65	Umar Musa Adnan,
66	Ojogwu Nneka,
67	Odusanya Olusola, & Gbolahan
68	Igbonekwu Okey, M.
69	Ojo Johnson, Adebodun
70	Udoma Michaels, Osamuyi
71	Musa Abdurrahman, O
72	Musa Abdullah, O
73	Oriola Abdulsalami, Ajibola
74	Akinloye Oluwaponmile,
75	Fawole Taiwo, Ganiyu
76	Ibrahim Galadima G.,
77	Olushekun Bibilomo,
78	Odoffin Maroof Ademola
79	Otolorin Aminat Abisola,
80	Ogedengbe Idowu Peters,
81	Odoi Oil Palm Processing Co. L
82	Nuga Samuel, Abiola
83	Daria Frank, Egoniware
84	Matti Muri Olajide,
85	George Faith, E.
86	Ajibade Oluwagbemileke, Daniel
87	Igbrude Miller, Efe
88	Adegbite Isaac Adere
89	Ibiyemi Samuel, Oluwole Kolawole
90	Ibiyemi Esther, Omoyeni
91	Nwosu Kenneth, Nnabike
92	Ajao Memunotu Abake,
93	Oribamise Isaac, Ifeoluwa
94	Gbajumo Latifat, Bisola
95	Salau Mohammed, Adebanjo
96	Adebayo Adekola, Muhaimeen
97	Salako Anthonia, Toyin

NDEP Div. 10

S/No. BENEFICIARY

1 Adeola Afolabi, Tajudeen
2 Plural Limited,
3 Nwazota William, M.
4 Smartt Futures Resources Ltd
5 Obiefuna Matthew
6 Iyamabo D. E.
7 Okonisto Ventures -
8 Mabon Ltd
9 Greenbay Energy, Resources
10 Uwaifo Jones Investments Ltd
11 Edokpolo John Sunday
12 Aibangbee Marcus
13 Alex-Duduyemi Oyekunle
14 Akinpelu Adebayo, Oladele
15 B & I Investment Ltd
16 Owosina Francis Adedoyin
17 Okolo S. A.
18 Akin-George J.
19 Fisher Beatrice
20 Kuku S. B
21 Famuyide Oluwasanmi,
22 Dove-Edwin George
23 Momoh Haruna, And Ochucko
24 Awesu Musibau, Atanda
25 Rivitus Investment Ltd. -
26 Larmust International Company -
27 Ellis And Dove-Edwin Paul And Isis, A. And A.
28 Nwazota Williams,
29 Omidele Babatunde Olusegun
30 Ayoola Edmund, Olusoga
31 Woodworth Al
32 Odeleye Olawale
33 Shonuga Stella
34 Kalu Kalu Idika
35 Martyns-Yellowe Ibiapuye, Soala
36 Adekunle A., Adesida
37 Fountain Insurance Brokers Ltd -
38 Okeke Chinedu Eric
39 Adeniji Bolanle Oluyemisi
40 Giwa Rufus
41 Faith & Hope Enterprises Ltd
42 Usifoh Ayemenre R.
43 Ogunsanya Kolawole & Mary,
44 Investment One, Stockbrokers Int L Ltd
45 Aderinto Mercy O. & Adebiyi
46 Owolabi Olamide,
47 Winston F., Dublin-Green Estate Of Late
48 Olorunfemi Michael, Andrew
49 First Trustees/Stanbic IBTC Aggressive Fund
50 Estate Of Umoh David, Edem
51 Kareem Waidi Alamu
52 Corporate Outfits Ltd -
53 Maviz Global Investment Limited
54 Salami Olakunle Idowu
55 Fima Trust Ltd .
56 Olusanya Adebayo Olufunso Adeyimika
57 Mustapher Dahiru Sabuwa
58 Chukuezi Anelechi Barnabas
59 Adeyanju Michael Abiodun
60 Lassa Limited
61 Dawha Joseph Thlama
62 Amicable Assurance Plc -
63 Johnson Olufunmi, L.
64 Lawal Muhammad T. I.
65 Guerrero Miguel
66 Nathan Marsh, Oyinade
67 Kalegha Ese
68 Ohochukwu Iheanacho
69 Abdul-Aziz Abdullahi
70 Salawe Patrick Sule
71 Waziri Sarki
72 Oyeleye Oluwole
73 Olafimihan Nike
74 Walaku Ipeghan & Obuge Okalke M,
75 Interglobal Proc. Eng. Ser Ltd
76 Tukur B, Mahmud
77 Coker Femi, S.
78 Aghahowa Felix,
79 Idemudia Taiwo,
80 Ladipo-Ajayi Olusola, Olutayo
81 Aleyideno Yvonne,
82 Akinloye Yetunde Olajumoke,
83 Henry Chuka Omo,
84 Capas Nominee Desayo
85 Adewuya O.
86 Odebode Olaniyi, M.oladimeji
87 Markham Ltd
88 Oni Abiodun,
89 Ezeonwumelu Cletus, Emeka
90 Fapohunda Adeola,
91 Koleosho John, Okunola
92 Usifo John, Ehimen Frank
93 Ogunmodede Gabriel,
94 Bello Ayuba, Bdliya
95 Legunsen Samuel, Olawale
96 Adigun Benjamin A.
97 Orakwue Ifeyinwa,
98 Ibrahim Yahaya,
99 Okpana Igazuma, Constance
100 Obata Bartholomew,

101 Adeyemo Olufemi,
102 Dafur Mathias,
103 Oshinowo Segun,
104 Dania Victor Olumide& Bridget Apini,
105 Dania Victor, Olumide
106 Shuaibu Ismaila, Danladi
107 Ogunmodede Gabriel
108 Ajakpovi Oromena .
109 Maydav Multi, Resources Limited
110 Raiwe Temilola,
111 Akinloye Olajumoke, Yetunde
112 Smith Abimbola,
113 Idufueko Adams Osatohanmnen
114 Eyee Nwobude Evelyn
115 Calibrate Inspection Services Ltd
116 Mofe-Damijo Tega,
117 Ilawole Olajide, Abimbola
118 Obasohan Godwin Osarhiuyimen
119 Adama Folake,
120 Salau Kayode
121 Nigerian Life And Provident Co. Ltd
122 Enjoy International Limited
123 Abiodun Akinbolanle, Owolabi
124 Wise Investments Ltd
125 Ekwunife Joe Billy,
126 Koyejo Olubunmi, Ayokunle
127 Obidiegwu Joel, Uche
128 Mba Ulu, Uka
129 Aruede Efosa
130 Dilinye Christopher,
131 Oyosoro Edith, Ijeoma
132 Agbonjaru Sunday, Okah
133 Afundu Edith Ifeyinwa,
134 Akinloye Yetunde,
135 T & G Global Investments Ltd
136 Essien Bassey, Mfon
137 Sonuga Funmilayo,
138 Okonkwo Chukwufumnanya, Felicia
139 Ajayi Esther, Iyabo
140 Taiwo Babtunde, Abiodun
141 Odofin Tajudeen, Adedapo
142 Obiefuna Julius, Chiedozie
143 Igbonekwu Okey, M.
144 Odusanya Olusola, & Gbolahan
145 Ojogwu Nneka,
146 Ashiru Hassan, Kabiru
147 Umar Musa Adnan,
148 Okakwu Charles,
149 Olayemi Olayinka, Helen
150 Salami Babajide, M
151 Kabon Sarah,
152 Fatona Ajibade,
153 Obiefuna Nneka,
154 Obiefuna Obianuju,
155 Obiefuna V, C.
156 Ebuluofor Magdalene,
157 Obiefuna Ifeyinwa,
158 Adeyemi Temitope, Abimbola
159 Gearouge Elie,
160 Obiefuna Chibueze,
161 Odeleye Olubisi, Francis
162 Dare Kollins Joshua & Damilola (Mr & Mrs),
163 Ojo Johnson, Adebodun
164 Obakin Idowu Isaac,
165 Udoma Michaels, Osamuyi
166 Onabanjo Olurotimi Olugbuyi
167 Ediale Monday Omofoma,
168 Akinloye Omobolanle,
169 Adaji Okpanachi,
170 Ashaye Adekola, .A
171 Musa Abdullah, O
172 Musa Abdurrahman, O
173 Obakin Florence, Olajumoke
174 Oriola Abdulsalami, Ajibola
175 Oresanya Adenike, Christiana
176 Akinloye Oluwadamilola,
177 Akinloye Oluwaponmile,
178 Anyanwu Ikechukwu, Mckay Christian
179 Fawole Taiwo, Ganiyu
180 Sobande Munis Ola,
181 Taiwo Amimbola, Adetutu
182 Shorinwa Gbadunola, Grace
183 Sokunbi Agbaraolurunkiibati, Abimifoluwa
184 Sokunbi Iteoluwakiishi, Afimifoluwa
185 Gafari Kolawole, Adedayo
186 Alawode Moses Idowu,
187 Adeleke Adesina,
188 Festus Toyin Esohe,
189 Gafari Kolawole Adedayo,
190 Oribamise Nene Vero,
191 Olushekun Bibilomo,
192 Ibrahim Galadima G.,
193 Momodu Khalid, Oscar
194 Odoffin Maroof, Ademola
195 Ogedengbe Idowu Peters,
196 Adenusi Oluwatosin Edwin
197 Odoi Oil Palm Processing Co. L
198 Echendu Leo, Nwabuike
199 Omoniyi David, Olaniyi
200 Nuga Samuel, Abiola
201 Daria Frank, Egoniware
202 Tebi Capital, Investment Ltd
203 Nnadi Julie, Uzor
204 Ome Obioha, Ogbajiogu

205 Akanbi Adenike Evelyn,
206 Matti Muri Olajide,
207 Adenusi Oluwatosin,
208 Animasahun Gabriel, Abimbola
209 Olayinka Sunday Ayodeji, & Victoria Adewunmi
210 George Faith, E.
211 Oduwaiye Akintunde, Olalekan
212 Ariyo Ayodele, Akolade
213 Nigerian International, Securities Ltd
214 Ajibade Oluwagbemileke, Daniel
215 Kuyoro Oluwatoyin,
216 Adegbite Isaac, Aderemi
217 Durojaiye Temilade, Funmilayo
218 Igbrude Miller, Efe
219 Etim Emmanuel, Edet
220 Oribamise Isaac, Ifeoluwa
221 Gbajumo Latifat, Bisola
222 Lawal Ganiyat, Omotolani
223 Erinfolami Balogun, Gafar Ololade
224 Ogunleye Temitope, Anu
225 Olatunji Folorunsho, Jacob
226 Oguntoyinbo Oladapo, Akinola Adebayo
227 Osilaja Oladipupo, Stephen
228 Gustav Nigeria, Limited
229 Akharume Igbafe,
230 Salau Mohammed, Adebanjo
231 Adunola Raphael, Oladimeji
232 Okusi Mutairu, Babatunde
233 Okoli Frank, Emeka
234 Igbokwe Lambert, Ejike
235 Jiduwa Ndubuisi, Lawrence
236 Amiolemeh Omodiale, Angus
237 Salako Anthonia, Toyin
238 Olukoya Oluwaseun, Babajide

NDEP Div. 11
S/No. BENEFICIARY

1 Adeeyo Olusola, Dapo
2 Oziko Investments Limited
3 Okunoren I.A A.
4 Aiken Beck Resources Limited
5 Next Point Limited
6 Nwazota William, M.
7 Smartt Futures Resources Ltd
8 Solent Limited
9 Okonisto Ventures -
10 Mabon Ltd
11 Uwaifo Jones Investments Ltd
12 Edokpolo John Sunday
13 Bareek General, Enterprises Nig Ltd
14 Aibangbee Marcus
15 Alex-Duduyemi Oyekunle
16 Olopade Jonathan, Adio Obafemi
17 Okolo S. A.
18 Akin-George J.
19 Kuku S. B
20 Ogunbiyi T.A. J.
21 Iloabachie Thompson C.
22 Dove-Edwin George
23 Adeeyo Sola, Dapo
24 Fembol International Company Ltd
25 Oilscan Nigeria Limited
26 Momoh Haruna, And Ochucko
27 Ellis And Dove-Edwin Paul And Isis, A. And A.
28 Nwazota Williams,
29 Morgan Yemisi
30 Ayoola Edmund, Olusoga
31 Woodworth Al
32 Shonuga Stella
33 Kalu Kalu Idika
34 Oputa Sylvester, Otunyo
35 Mantu Musa, Ibrahim
36 Ebuh Vincent O
37 Martyns-Yellowe Ibiapuye, Soala
38 Tyokor Emmanuel, Adi
39 Icmg Securities, Limited
40 Adekunle A., Adesida
41 Fountain Insurance Brokers Ltd -
42 Adeniji Bolanle Oluyemisi
43 Giwa Rufus
44 Faith & Hope Enterprises Ltd
45 Azeez Tokunbo,
46 Usifoh Ayemenre R.
47 Okeiko Ifeoma, C
48 Soetan Raliat, Estate Of
49 Oscar N, Onyema
50 I.o.d Ventures, Ltd
51 International Investor, S Nominees A/C 21
52 Ogunsanya Kolawole & Mary,
53 Owolabi Olamide,
54 Olorunfemi Michael, Andrew
55 Estate Of Umoh David, Edem
56 Afolabi Gbadegesin Ajao Akeem
57 Kareem Waidi Alamu
58 Agbabiaka Bolaji, Musiliu

59 Maviz Global Investment Limited
60 Fima Trust Ltd .
61 Mustapher Dahiru Sabuwa
62 Adeyanju Michael Abiodun
63 Lassa Limited
64 Dawha Joseph Thlama
65 Amicable Assurance Plc -
66 Johnson Olufunmi, L.
67 Guerrero Miguel
68 Ohochukwu Iheanacho
69 Oyeleye Oluwole
70 Colenson Brokers Nigeria Ltd. -
71 Olafimihan Nike
72 Walaku Ipeghan & Obuge Okalke M,
73 Daddo Maritime Services Limite
74 Interglobal Proc. Eng. Ser Ltd
75 Tukur B, Mahmud
76 First Trustees/Stanbic Ibtc Aggressive Fund
77 Olugbemi Bayo
78 Aghahowa Felix,
79 Idemudia Taiwo,
80 Ladipo-Ajayi Olusola, Olutayo
81 Ademola Adeboya,
82 Aleyideno Yvonne,
83 Capas Nominee Desayo
84 Adewuya O.
85 Markham Ltd
86 Oni Abiodun,
87 Obata Bartholomew, Nnaemeka
88 Oloruntele Alabi, Dokun
89 Omisore Dupe,
90 Odukoya Kayode, Adesanya
91 Orakwue Ifeyinwa,
92 Legunsen Samuel, Olawale
93 Legunsen Olubusola, Ayodele
94 Okpana Igazuma, Constance
95 Nwankwo Patrick,
96 Adeyemo Olufemi,
97 Dafur Mathias,
98 Oshinowo Segun,
99 Shuaibu Ismaila, Danladi
100 Afolabi Emmanuel, Cardoso
101 Raiwe Temilola,
102 Akinloye Olajumoke, Yetunde
103 Smith Abimbola,
104 Eyee Nwobude Evelyn
105 Corporate &, Strategic Options Ltd
106 Mofe-Damijo Tega,
107 Abaneme Arthur, A
108 Obasohan Godwin Osarhiuyimen
109 Odeyemi Babatunde, Olisameka
110 Adama Folake,
111 Wise Investments Ltd
112 Ekwunife Joe Billy,
113 Adesina Adegbola Michael,
114 Obidiegwu Joel, Uche
115 Mba Ulu, Uka
116 Aruede Efosa
117 Dilinye Christopher,
118 Oyosoro Edith, Ijeoma
119 Leke-Akinrowo Modupe, Margaret
120 Agbonjaru Sunday, Okah
121 Akinloye Yetunde,
122 Abdullahi Unekwu, Noel
123 Abiri Bola,
124 Essien Bassey, Mfon
125 Ifemade Olalekan, Samuel
126 Sonuga Funmilayo,
127 Olupitan Banke, Adufe
128 Okonkwo Chukwufumnanya, Felicia
129 Synergy Asset Management Co. Ltd
130 Ajayi Esther, Iyabo
131 Obiefuna Julius, Chiedozie
132 Igbonekwu Okey, M.
133 Odusanya Olusola, & Gbolahan
134 Ojogwu Nneka,
135 Ashiru Hassan, Kabiru
136 Umar Musa Adnan,
137 Okakwu Charles,
138 Olayemi Olayinka, Helen
139 Kabon Sarah,
140 Obiefuna Nneka,
141 Obiefuna Ifeyinwa,
142 Adeyemi Temitope, Abimbola
143 William Ogadinma, James
144 Gearouge Elie,
145 Noble Faith Caterers
146 Dare Kollins Joshua & Damilola (Mr & Mrs),
147 Ojo Johnson, Adebodun
148 Nwachukwu Sylvester, Ifeanyichukwu
149 Udoma Michaels, Osamuyi
150 Onabanjo Olurotimi Olugbuyi
151 Falaki Eniola,
152 Leke-Akinrowo Mofifoluwa, Diekolololaoluw

153 Leke-Akinrowo Anuoluwakiye, Olaoluwasubom
154 Akanbi Felix, Adeola
155 Musa Abdullah, O
156 Musa Abdurrahman, O
157 Ajie Kingsley, Olisa
158 Oriola Abdulsalami, Ajibola
159 Humphrey Victoria,
160 Aderemi-Makinde Oluwabukunayomi,
161 Oresanya Adenike, Christiana
162 Palesa Capital, Markets Associates Ltd
163 Idowu Abimbola, Abiola
164 Fawole Taiwo, Ganiyu
165 Shorinwa Gbadunola, Grace
166 Sokunbi Agbaraolurunkiibati, Abimifoluwa
167 Sokunbi Iteoluwakiishi, Afimifoluwa
168 Adeleke Adesina,
169 Q-Triangle
170 Olushekun Bibilomo,
171 Ibrahim Galadima G.,
172 Momodu Khalid, Oscar
173 Adesina Adegbola, Michael
174 Fapohunda Adeola,
175 Odoffin Maroof, Ademola
176 Odoi Oil Palm Processing Co. L
177 Investment Shark And Asset Management Ltd
178 Nuga Samuel, Abiola
179 Osinowo Ronke,
180 Kudaisi Ayodele, Sarat
181 Daria Frank, Egoniware
182 Nnadi Julie, Uzor
183 Kudaisi Ayodele, Sarat
184 Akanbi Adenike Evelyn,
185 Matti Muri Olajide,
186 George Faith, E.
187 Oduwaiye Akintunde, Olalekan
188 Ajibade Oluwagbemileke, Daniel
189 Ayemenre-Akahomen David, Aibhuedafe
190 Ndep Bonus Fractional Shares Account- All
191 Kuyoro Oluwatoyin,
192 Adenagbe Olorunwa,
193 Ajao Memunotu Abake,
194 Soares Omotidolo,
195 Durojaiye Temilade, Funmilayo
196 Nwosu Kenneth, Nnabike
197 Obarinde Isaac, Obatosho
198 Igbrude Miller, Efe
199 Etim Emmanuel, Edet
200 Medahunsi Christopher, Olajide
201 Ndep Bonus 2010 Fractional Shares Account
202 Shokunbi Kamilu, Muhammed
203 Gbajumo Latifat, Bisola
204 Lawal Ganiyat, Omotolani
205 Ajala Isaac,
206 Abimbola Eunice, Olubunmi
207 Olatunji Folorunsho, Jacob
208 Odenike Sawaliu, Adeshina Akanbi
209 Adegboye Olubunmi,
210 Ogba Christopher, Chinonye
211 Adeponle Mary, Funmilayo
212 Ofoha Ikenna, Kenneth
213 Asunmo Akinwunmi, Akintola
214 Williams Adebayo, John
215 Osikalu Lucia, Funmilayo
216 Olorunfunmi Yinusa, Adekunle
217 Adu Ayodele, Abraham
218 Okeleye Elizabeth, Adenike
219 Ndep Bonus 2008 Fractional Shares Account
220 Osilaja Oladipupo, Stephen
221 Gustav Nigeria, Limited
222 Akharume Igbafe,
223 Salau Mohammed, Adebanjo
224 Adebayo Adekola, Muhaimeen
225 Adunola Raphael, Oladimeji
226 Okoli Frank, Emeka
227 Igbokwe Lambert, Ejike
228 Amiolemeh Omodiale, Angus
229 Salako Anthonia, Toyin

Proxy Form

The Twenty-Second (22nd) Annual General Meeting of the members of NIGER DELTA EXPLORATION & PRODUCTION PLC will hold on Wednesday the 26th of July 2017, 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 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 Wednesday the 26th of July 2017, at 11 a.m. and any adjournment thereof.

Dated this ....day of 2017

RESOLUTION	FOR	AGAINST
ORDINARY BUSINESS		
1. To lay before the members the Audited Financial Statements for the year ended 31 December 2016 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 re-appoint the Auditors.		
5. To authorize the Directors to determine the remuneration of the Auditors.		
6. To re-elect/elect members of the Audit Committee.		
SPECIAL BUSINESS 7. To fix the remuneration of Directors for the year ending 31 December 2017.		
8. To consider and if thought fit pass the following resolutions as Special Resolutions: i. "That the Directors be and are hereby authorized, subject to the approval of the appropriate regulatory authorities, to amend the Company's Memorandum & Articles of Association to reflect the Authorised Share Capital of the Company as ₦2,750,000,000 (Two Billion, Seven Hundred and Fifty Million Naira only) divided into ₦275,000,000 (Two Hundred and Seventy-Five Million) ordinary shares of ₦10 each". ii. "That the Directors are further authorized to take all such incidental, consequential and supplemental actions thereto, and to execute all requisite documents as may be necessary to give effect to the above resolution".		

SHAREHOLDER'S NAME

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 requirement of the Law under the Stamp Duties Act, Cap 58, Laws of the Federation 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 Wednesday, 26 July 2017,
at the Agip Hall of the MUSON Center, No. 8/9 Marina, Onikan, Lagos at 11:00 a.m.

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

Affix
Current Passport
(To be stamped by bankers)

Please write your name at the back of your passport photograph

E-MANDATE ACTIVATION FORM

Only Clearing Banks are acceptable

Instruction

Please complete all sections of this form to make it eligible for processing and return to the address below

The Registrar,
UNITED SECURITIES LIMITED RC 126257
9, Amodu Ojikutu Street, Off Bishop Oluwole Street,
Victoria Island, P.M.B 12753 Lagos, Nigeria.

I\We hereby request that henceforth, all my\our Dividend Payment(s) due to me\us from my\our holdings in all the companies ticked at the right hand column be credited directly to my\our bank detailed below:

Bank Verification Number

Bank Name

Bank Account Number

Account Opening Date

Shareholder Account Information

Surname/Company's Name First Name Other Names

Address:

City State Country

Previous Address (If any)

CHN (If any)

Mobile Telephone 1 Mobile Telephone 2

Email Address

Signature(s) Company Seal (If applicable)

Joint\Company's Signatories

Kindly tick & quote your shareholder account no in the box below:

Tick	Name of Company	Shareholder Number
	Access Bank PLC	
	Afrinvest WA Ltd	
	AIICO Insurance PLC	
	AIICO Money Market Fund	
	BSS Industries Ltd	
	Caverton Offshore Support group	
	Dangote Cement PLC	
	FSDH Asset Management Limited	
	Food Emporium Int`l Limited	
	Gombe State Government	
	IHS Nigeria PLC	
	MCNichols Consolidated PLC	
	NDEP PLC	
	NIPCO PLC	
	Red Star Express PLC	
	Skye Fixed Income Fund	
	Three Points Industries Ltd	
	Trust Bond Mortgage Bank PLC	
	WAPlc Insurance PLC	

For inquiries, please call 01-2714566-7 or send e-mail to customerscare@unitedsecuritieslimited.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, 9, Amodu Ojikitu Street, Victoria Island, Lagos. E-mail: info@unitedsecuritieslimted.com


GROVE

www.ngdelta.com

Head Office:
15, Babatunde Jose Road,
Victoria Island,
Lagos.