9 April 2015

Rockhopper Exploration plc
("Rockhopper" or the "Company")

Final Results for the Nine Months Ended 31 December 2014

Rockhopper Exploration plc (AIM: RKH), the oil and gas exploration and production company with interests in the North Falkland Basin and the Greater Mediterranean region, is pleased to announce its final results for the nine months ended 31 December 2014.

Highlights

During the Period:

- Rig secured for four well exploration drilling campaign in the North Falkland Basin
- Phased, lower cost development solution adopted for the Sea Lion field
- Revised commercial arrangements agreed with Premier Oil (subject to negotiation of fully termed documentation)
- Completion of recommended offer for Mediterranean Oil & Gas plc
- Progressing recently acquired Greater Mediterranean portfolio
  - Plans advancing to increase production at Guendalina
  - Civita onshore gas project sanctioned
  - Award of acreage in first Croatian offshore licensing round
- Cash resources at 31 December 2014 of $200 million

Post 31 December 2014:

- North Falkland drilling campaign commenced
  - Exploration success at Zebedee well
  - Isobel Deep well spudded
- Confirmation of Falkland Island Capital Gains Tax Liability Deferment

Pierre Jungels, Chairman of Rockhopper, commented:

"The Zebedee well result represents a fantastic start to the 2015 Falklands drilling campaign and provides early proof of the significant remaining potential in the North Falkland Basin.

"The adoption of a phased, lower cost development solution for Sea Lion significantly de-risks the project and should allow us to capture further cost savings as we progress through the FEED and draft FDP submission processes in 2015 and early 2016.

"Since the acquisition of Mediterranean Oil & Gas plc, steady progress has been made in advancing the Mediterranean portfolio. Our recent Croatian offshore licence award represents an outstanding low cost opportunity to increase our acreage position in an area with proven hydrocarbons.

“Rockhopper’s balance sheet remains strong and the Company is well placed to take advantage of potential growth opportunities which may present themselves as a result of the current market environment.”

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Chairman and Chief Executive Officer's Review

Despite a difficult commodity price backdrop, Rockhopper has had a busy period both in building up to a new exploration campaign in the Falklands whilst continuing to further progress the Sea Lion development.

The dramatic fall in the global price of oil during the second half of 2014 introduced significant risks and challenges for the wider industry with a resultant impact on sentiment towards the listed oil & gas sector.

However, Rockhopper responded quickly to the changing market environment, most notably, through the adoption of a revised development concept on Sea Lion and is now well placed to capture the opportunities that are likely to emerge as a result. Such opportunities include capturing lower costs for the Sea Lion project and leveraging our relative balance sheet strength to target value accretive growth opportunities.

Our long anticipated exploration campaign has now commenced and Rockhopper will participate in all four wells drilled in the North Falkland Basin. This campaign, which we believe is probably one of the most exciting taking place across the industry in 2015, commenced with the successful Zebedee well which initial management estimates suggest discovered in excess of 50 mmbbls recoverable oil in the Zebedee reservoir alone. Work is ongoing to determine the upside in the Hector and Ninky South reservoirs.

In addition, we were pleased to finalise our tax deferral arrangements with the Falkland Island Government which is addressed in more detail in the Chief Financial Officer's Review.

North Falkland Exploration Campaign commenced

Having retained the subsurface lead for exploration in our joint venture with Premier, we are delighted that our 2015 North Falkland exploration campaign, which has been years in the planning, has now commenced.

In June 2014, we announced that the Eirik Raude drilling unit had been contracted for a joint campaign across the North and South Falkland Basins. A temporary dock facility located in Stanley Harbour has been built to support the exploration campaign. The rig commenced mobilisation from West Africa in late January 2015 and arrived in Falklands water in late February, ahead of schedule.

The exploration campaign will consist of at least four wells in the North Falkland Basin ("NFB"), with each well targeting multiple stacked fans in licences PL004 and PL032.

Planned drilling order

Well	RKH%	Location
1 Zebedee	24.0%	NFB, Licence PL004b
2 Isobel Deep	24.0%	NFB, Licence PL004a
3 Humpback	0.0%	SFB, southern licence area
4 Jayne East	24.0%	NFB, Licence PL004c
5 Chatham	40.0%	NFB, Licence PL032
6 Second Noble operated well	0.0%	South or East FB, to be decided

On 2 April 2015, we were delighted to announce that the Zebedee well had successfully made an oil & gas discovery, encountering 27.9 metres of net oil pay and 18.5 metres of net gas pay. The second well in the program, Isobel Deep, was spudded on 8 April.

As a result of accessing the full Exploration Carry from Premier, Rockhopper's expected share of costs for the four wells in PL004 and PL032 is estimated at $25 million.

Phased, lower cost development concept for Sea Lion

In November 2014, the company announced that a phased, lower cost development solution for Sea Lion with the initial phase targeting the commercialisation of approximately 160 mmbbls in the North East segment of the field over a 15 year period.

The concept is likely to consist of 14 wells (comprising 8 producers, 5 water injectors and 1 gas producer/injector) with production via a leased floating, production, storage and offloading vessel ("FPSO") and will target a gross plateau of 50,000 to 60,000 barrels of oil per day from a single subsea drill centre.

Based on cost analysis as at November 2014, the capital expenditure to first oil for the initial phase is anticipated at approximately $1.8 billion, significantly less than previous estimates for the Tension Leg Platform ("TLP") concept. One direct impact of the fall in oil prices is the reduction in the cost of services to the industry - a good example of this is the day rate for drilling rigs. Based on the November analysis, approximately a third of Sea Lion project costs are estimated to be drilling costs and we have seen these costs fall by between 30% and 40% since mid 2014. As the Sea Lion project progresses towards sanction over the course of 2015 and early 2016 we anticipate taking advantage of the weaker supply and service market to negotiate further cost savings prior to project sanction.

Phase 1A cost estimates (Nov 2014)	**US$bn**
Pre-sanction	0.1
SURF and installation	0.7
Project management	0.4
Pre-first oil drillex	0.6
Total (pre-first oil)	**1.8**

The project continues to make good progress through the pre-FEED stage with over 80 people within the operator's Falkland Island Business Unit contributing to various aspects of the project's development. The joint venture partners approved a budget for pre-sanction spend on Sea Lion during 2015 of $70 million gross.

Looking ahead, a FEED contract award is expected in the second quarter of 2015 with the submission of a draft Field Development Plan ("FDP") to the Falkland Island Government ("FIG") anticipated around the end of the year. Project sanction for the first phase of development is targeted during mid 2016 and the precise timing will be driven by not just the cost reductions that can be achieved but the long-term oil price outlook at that time.

Premier has confirmed that while a project of this size could likely be funded from existing facilities and cash flows, they will continue to seek a partner for the Sea Lion development.

Revised commercial terms

In light of the move to a phased development, Rockhopper and Premier have agreed to amend their commercial arrangements, under which:

- Rockhopper to access the full $48 million Exploration Carry for the 2015 drilling campaign
- Rockhopper to fund its share of pre-sanction costs, currently estimated at $100 million gross ($40 million net to Rockhopper)
- Rockhopper to retain $337 million Development Carry for the initial phase; a further $337 million Development Carry deferred to the next phase of development
- Existing Standby Finance arrangements to be simplified to a more traditional loan of up to $750 million

The amendments outlined above are subject to negotiating fully termed agreements but importantly, Rockhopper remains fully funded through a combination of Development Carry and amended loan from Premier.

As a consequence of the move to a phased development Rockhopper and Premier have made a request to FIG to extend the validity of the Discovery Area in PL032 to October 2016. Such request has been approved by FIG and the Secretary of State and is currently being documented.

Building a second core area in the Greater Mediterranean / North Africa Region

In August 2014 we completed the acquisition of AIM listed Mediterranean Oil & Gas plc ("MOG"). Through MOG, Rockhopper acquired a portfolio of production, development and exploration interests in Italy, Malta and France with a combined 2C contingent resource of over 32 million barrels of oil equivalent. The acquisition price represented less than $1 per barrel of oil equivalent.

Since the acquisition of MOG, steady progress has been made in advancing the portfolio and new legislation passed through the Italian Parliament suggests that development projects in the country should now be easier to progress.

Technical work on the Monte Grosso prospect in the Southern Appennine confirms our view that this remains a highly attractive exploration target, on trend with the world class Val D'Agri and Tempa Rossa oil fields. Discussions continue with a wide variety of stakeholders to expedite the planning and drilling process.

In addition, in January 2015 we were pleased to be awarded an offshore Block in the Croatian licencing round in partnership with Eni.

Outlook

The Zebedee well result represents a fantastic start to the 2015 Falklands drilling campaign and provides early proof of the significant remaining potential of the North Falkland Basin.

The adoption of a phased, lower cost development solution for Sea Lion significantly de-risks the project and should allow us to capture further cost savings as we progress through the FEED and draft FDP submission processes in 2015 and early 2016.

While the spot price for Brent oil today is below $60 per barrel, when assessing the economics of projects such as Sea Lion it is the long-term price outlook which is most important. We could well find ourselves in a position that we will sanction Sea Lion in a low oil price-low cost environment but start producing oil in 2019 or 2020 when the oil price could be materially higher.

Rockhopper's balance sheet remains strong with cash resources of $200 million as at 31 December 2014 and the company is well placed to take advantage of potential growth opportunities which may present themselves as a result of the current market environment.

Dr Pierre Jungels CBE	**Samuel Moody**
Chairman	Chief Executive Officer

8 April 2015

Chief Operating Officer's Review

NFB Exploration Commenced

Rockhopper were delighted to be able to announce in early April 2015 the results of the Zebedee Well (the first well of 2015 exploration programme in the North Falklands Basin) as a successful oil and gas discovery.

Having retained the sub-surface lead for exploration in the farm out to Premier Oil in 2012, Rockhopper had proposed a series of well locations of which Zebedee was the first to be drilled. All seven reservoir targets were penetrated on or close to prognosis with an eighth reservoir (Ninky South) being tagged at its margin.

Three of the eight sands were proven to be hydrocarbon bearing through wireline logging and formation testing. A total of 18.5m of net gas pay and 27.9m of net oil pay were encountered in the well in sands of the F2 stratigraphic interval and good oil shows were recorded throughout the deeper F3 stratigraphic section.

Hector

The Hector sand was encountered on prognosis near the crest of the structure and penetrated a gross reservoir package of 27.6m. Net gas pay was 18.5m and initial indications are of good reservoir properties.

No gas oil contact was observed within the reservoir, and pressure data indicates that the gas gradient is offset from the gas gradient observed previously in the Beverley and Casper South reservoirs. Hector therefore may be oil bearing in a downdip location (the Hector 'oil rim') and potential oil volumes are being generated. The well also proved an additional Pmean recoverable gas resource of approximately 280bcf (approximately 50mmboe).

Zebedee

The Zebedee sand was encountered on prognosis, penetrating a gross reservoir package of 29.3m with net oil pay of 25.3m. This reservoir was the principal target of the well, and proves the presence of a further fan system to the south of Sea Lion and the previously discovered satellites.

The reservoir quality is amongst the best encountered to date and no oil water contact was observed in the well. The entire section of the Zebedee formation was cored and the results of core data analyses will benefit the planning of the future development.

Initial management estimates of discovered recoverable resources in the Zebedee reservoir are in excess of 50 mmbbls.

Ninky South

In addition to the two principal reservoirs a further F2 reservoir was encountered above the Zebedee fan at 2,436.6m measured depth which was also oil bearing. The well gross reservoir thickness was 6.4m and net oil pay was 2.6m.

The sand, which Rockhopper currently map to form part of the Ninky South prospect which is fully developed south of the well, was tagged in a very marginal position and was not therefore included in the pre-drill stack prognosis but which has the potential to contain recoverable resources (within the better developed reservoir area) of around 20mmbbls.

F3 Reservoirs

Whilst good oil shows were recorded throughout the F3 sequence and the Parker, Catriona and Jayne West (Orinoco) reservoirs were all penetrated, the reservoir quality at this location means that only limited oil pay was measured. Wireline logs indicate 1.4m of net oil pay developed in the Jayne West reservoir. The Company were however much encouraged that there is an apparent deeper hydrocarbon system operating to the south of Sea Lion.

Operations

The Zebedee well has now been plugged and abandoned as a successful exploration well. The rig has now moved to the second well of the campaign, the Isobel Deep well, which spudded on 8 April 2015.

The Isobel Deep well is located on licence PL004a in which Rockhopper has a 24% working interest and is an exploration well on the Isobel Deep prospect. This well will be the first test of the F3 fan system entering the basin from the South East margin and developed as a sequence of stacked reservoirs. This well will be targeting the Isobel Deep fan in an area of maximum mapped reservoir thickness and has a GCoS of 20%. The well is targeting Gross Pmean resources of 72mmbbls (range 9 - 207mmbbls) although the complex as a whole in this area has gross Pmean prospective resources of just over 500mmbbls.

Drilling operations are expected to take approximately 30 days and no coring or testing is planned for this well.

Success at Isobel Deep could, subject to partner agreement, lead to a follow-on appraisal well on the wider Elaine/Isobel complex.

Impact of exploration campaign on Sea Lion development

While the outcome of this exploration campaign, which has the potential to significantly increase the discovered resource in the North Falkland Basin, will have limited impact on the initial phase of Sea Lion development, it will determine the shape of subsequent development phases in the area.

In particular, in the event that the Chatham/West Flank gas cap well is successful, we would expect to add at least 60 million barrels gross to the already discovered 160 million barrels that we expect to commercialise through Phase 1b.

The Phase 2 development will be impacted by success at Jayne East while success at Isobel Deep expands the development area significantly.

Building a Greater Mediterranean presence

In May 2014, Rockhopper announced a recommended cash and share offer to acquire AIM listed Mediterranean Oil & Gas plc. The transaction completed in August 2014.

Through the acquisition Rockhopper acquired 2P/2C resource base of 32.5 million barrels of oil equivalent and a material portfolio of producing, development, appraisal and exploration assets. Key assets in the portfolio include:

Guendalina, Italy (Rockhopper 20%)

Operated by Eni, the Guendalina gas field, located in the Northern Adriatic, has been on production since 25 October 2011.

Rockhopper are working closely with Eni to sidetrack one of the two gas production wells on the Guendalina field that has been shut in following damage to the wellbore experienced in 2012. The sidetrack is anticipated to enhance production levels and is currently scheduled to commence in Q4 2015.

Ombrina Mare, Italy (Rockhopper 100%)

Operated by Rockhopper, the Ombrina Mare oil & gas discovery is an appraisal/development project located off the Abruzzo region in the shallow waters of the Central Adriatic. Subject to necessary approvals and the granting of the field concession permit, Rockhopper would be hoping to be in a position to drill an appraisal well on the field by the end of 2016 following which it would be able to optimise the development plans for the asset.

Monte Grosso, Italy (Rockhopper 23%)

Operated by Rockhopper, the Monte Grosso oil prospect is located in the Southern Appennine thrust-fold belt on trend with the largest on shore oil production and development area in Western Europe of Val D'Agri and Tempa Rossa. Monte Grosso remains one of the largest undrilled prospects onshore in Western Europe and, with its partners Eni and Total, Rockhopper is progressing the permitting process to enable drilling.

Civita, Italy (Rockhopper 100%)

Operated by Rockhopper, the Civita gas field development is located onshore Abruzzo in the Aglavizza concession. Development activities are commencing for the pipeline and site facilities construction, with the aim of production commencing in Q4 2015.

Area 3, Malta (Rockhopper 40%)

A 2D seismic survey was completed in April 2014 and the processing of such seismic has recently been completed. The seismic has identified a number of leads of sufficient size to potentially be of interest. The joint venture has agreed to request a one year extension of the Exploration Study Agreement prior to making a decision to enter a Production Sharing Contract.

Block 9, Croatia (Rockhopper 40%)

In January 2015, Rockhopper was awarded a 40% interest in offshore Block 9 in Croatia in partnership with Eni (60% interest and operator). The block is located in the relatively shallow water of the prolific Northern Adriatic gas province and contains the previously discovered Ksenija accumulation along with the Klaudija prospect. The anticipated work programme consists of seismic acquisition, processing and re-processing during the first exploration phase (3 years) with the drilling of a well in the second exploration phase (if Rockhopper elects to proceed to the second phase). Signature of a Production Sharing Contract with the Croatian Hydrocarbon Authority is now expected in mid 2015.

Montenegro licensing round

Rockhopper has applied for acreage in the first offshore licensing round in Montenegro. Rockhopper awaits the outcome of such application but to date no awards have been made.

Fiona MacAulay
Chief Operating Officer

8 April 2015

Chief Financial Officer's Review

From a finance perspective, the most significant events of the year include:

– Revision of the commercial terms for Sea Lion with Premier

– Confirmation of Falkland Island Capital Gains Tax Liability Deferment

– The acquisition of Mediterranean Oil & Gas plc ("MOG")

Revised commercial terms on Sea Lion

As outlined in the Chairman's and CEO's review, in light of the move to a phased development, Rockhopper and Premier have agreed, subject to negotiation of fully termed documentation and respective board approvals, to amend their commercial arrangements, under which:

- Rockhopper to access the full $48 million Exploration Carry for the 2015 drilling campaign
- Rockhopper to fund its share of pre-sanction costs, currently estimated at $100 million gross ($40 million net to Rockhopper)
- Rockhopper to retain $337 million Development Carry for the initial phase; a further $337 million Development Carry deferred to the next phase of development
- Existing Standby Finance arrangements to be simplified to a more traditional loan of up to $750 million

Documentation of the revised commercial arrangements is progressing.

Based on the Operator's November 2014 cost estimates, capital expenditure to first oil on Sea Lion is expected to be $1.8 billion gross ($720 million net to Rockhopper). As such, Rockhopper remains fully funded through a combination of the $337 million Development Carry and simplified $750 million loan from Premier.

Tax settlement with Falkland Island Government

Rockhopper has agreed binding documentation with the Falkland Island Government ("FIG") in relation to the tax arising from the Company's 2012 farm-out to Premier.

The Tax Settlement Deed confirms the quantum and deferment of the outstanding tax liability and reflects the principles agreed between Rockhopper and FIG in December 2013 and is made under Falkland Islands Extra Statutory Concession 16. The highlights of which include:

- Outstanding tax liability confirmed at £64.4 million (approximately $95.7 million) and payable on the first royalty payment date on Sea Lion (or earlier subject to certain events)

- First royalty payment date anticipated to occur within six months of first oil production which itself is estimated to occur in late 2019 (assuming Sea Lion project sanction in mid 2016)

- Outstanding tax liability amount may be revised downwards if the Falkland Islands' Commissioner of Taxation is satisfied that either (i) the Exploration Carry from Premier is used to fund exploration activities in the Falkland Island license areas; or (ii) any element of the Development Carry from Premier becomes "irrecoverable"

- Rockhopper provides certain "creditor protection" undertakings to FIG while the tax liability remains outstanding including (i) restriction on dividends or distributions; (ii) granting of first ranking security over Rockhopper assets; and (iii) while such security is in place, restrictions, subject to conventional carve outs, on granting further security

- Intention that at the point Rockhopper is able to secure senior debt for the Sea Lion project, the security provided to FIG will be released and FIG will be provided with a standby letter of credit to preserve its creditor position

Under the amended commercial arrangements with Premier, Rockhopper intend to access the full $48 million of Exploration Carry during the 2015 drilling campaign. In the event that the full Exploration Carry is utilised, under the terms of the Tax Settlement Deed we expect the outstanding tax liability to reduce by up to £4.7 million (approximately $7.0 million).

Further details of the Tax Settlement Deed

Quantum

- Total Tax Liability agreed at £90.3 million with £26.0 million already paid by Rockhopper resulting in a Outstanding Tax Liability of £64.4 million (figures subject to rounding)

- Outstanding Tax Liability intended to be binding and final, subject to the satisfaction of the Falkland Islands' Commissioner of Taxation as to the following:
    - If as anticipated the Exploration Carry is used to fund exploration work or appraisal work in the Falkland Island licences, Rockhopper will be entitled to make a deduction from the computation of the Outstanding Tax Liability
    - If any part of the Development Carry from Premier becomes "irrecoverable", Rockhopper will be entitled to make an adjustment to the Outstanding Tax Liability

Timing

- Outstanding Tax Liability payable on the earlier of:
    - First royalty payment date, which is expected to occur within six months of the date of first oil (first oil anticipated in late 2019)
    - The date on which Rockhopper disposes of all or a substantial part of the Company's remaining interest in the Licences, or otherwise realises value from the Licences
    - A change of control of Rockhopper Exploration plc

Security and undertakings

- Rockhopper to grant to FIG fixed and floating security over all of its assets (with limited carve outs where such security would conflict with applicable law or the terms of an existing agreement)
- While such security is in place, restrictions, subject to conventional carve outs, on granting further security
- Such security to be terminated upon earlier of:
    - The Outstanding Tax Liability being paid
    - Rockhopper procuring a standby letter of credit in an amount equal to the full amount of the then outstanding Deferred Tax Liability from a bank or other corporate entity
- Rockhopper agrees to maintain a minimum 20% interest in licence PL032
- Rockhopper undertakes not to make any dividends or distributions while the tax liability remains outstanding (in whole or in part)

As a result of the tax settlement, the tax liability will be re-classified as a non-current liability in the Group's next balance sheet and discounted.

Acquisition of Mediterranean Oil & Gas plc ("MOG")

The acquisition of MOG completed in August 2014. Through MOG, Rockhopper acquired a portfolio of production, development and exploration interests across Italy, Malta and France with a combined 2C contingent resources of over 32 mmboe at an acquisition price of less than $1 per barrel.

Under the terms of the agreement announced on 23 May 2014, shareholders of MOG received 4.875 pence in cash and 0.0172 shares of the company per MOG share.

The transaction has been accounted for by the purchase method of accounting with an effective date of 11 August 2014 being the date on which the group gained control of MOG. Information in respect of the assets and liabilities acquired and the fair value allocation to the MOG assets in accordance with the provisions of "IFRS3 – Business Combinations" has been determined and is as follows:

	Recognised values on acquisition $'000
Intangible exploration and appraisal assets	30,288
Property, plant and equipment	15,663
Long term other receivables	625
Inventories	2,683
Trade and other receivables	4,634
Restricted cash	268
Trade and other payables	(6,845)
Long-term provisions	(23,872)
Net identifiable assets and liabilities	23,444
Goodwill	12,074
Satisfied by:	
Cash ($35,700,000 less $11,663,000 of cash acquired)	24,037
Equity instruments 7,481,816 ordinary shares	11,481
Total consideration	**35,518**

The fair value of equity instruments has been determined by reference to the closing share price on the trading day immediately prior to the completion of the acquisition.

Goodwill arises due to the difference between the fair value of the net assets and the consideration transferred and relates to the portfolio of exploration and appraisal assets, which together have the optionality and potential to provide value in excess of this fair value as well as the strategic premium associated with a significant presence in a new region.

Since the acquisition date, MOG has contributed $1.9 million to group revenues and added $4.4 million to the group loss. This contribution to group loss includes depreciation and impairments. The EBITDA of MOG since acquisition is actually a much smaller loss of $0.5 million.

Impairment testing

Given recent declines in oil and gas prices, Rockhopper has tested the carrying value of our assets for impairment. Carrying values are compared to the fair value of the assets based on discounted cash flow models.

With no cash flow generation from Sea Lion anticipated until 2019, the impact of the current low oil price environment on the fair value calculations is limited as Rockhopper has maintained its longer-term oil price assumption on the basis of the current oil futures market. As such, no impairment arises on the Group's Sea Lion project.

A modest impairment of $1.5 million has been recognised on the Mediterranean portfolio acquired through MOG. The impairment relates to the expected reduction in price realised from the sale of gas as well as a small increase in expected capital costs and revised production outlook for Guendalina.

Cash and cash movement

Rockhopper's cash resources at the year end are $200 million (31 March 2014: $247 million). The Group has no borrowings.

	$m
Opening cash balance (1 April 2014)	247
MOG acquisition consideration and costs	(26)
NFB exploration and pre-development spend	(10)
Admin and miscellaneous expenses	(11)
Closing cash balance (31 December 2014)	**200**

Outlook

With $200 million of cash on our balance sheet, Rockhopper is well positioned to fund its share of expenditure on the North Falkland exploration campaign and Sea Lion pre-sanction costs, which are estimated at $25 million and $28 million respectively during 2015. Capital expenditure on the Mediterranean portfolio is estimated at approximately $10 million primarily related to the side-track well on Guendalina and the completion of the Civita onshore gas development, both of which are expected to be completed during Q4 2015 and have a positive impact on the group's revenue and cash flow generation going forward.

As a result of the tax settlement, Rockhopper now has much greater certainty in respect of both the quantum and timing of the tax liability. The security arrangements and undertakings agreed provide credit protection to FIG while preserving Rockhopper's strong balance sheet and ability to obtain senior debt for the Sea Lion development on a cost effective basis.

As we progress towards the award of the FEED contract during Q2 2015 and now that we have the certainty of the tax settlement in place, our ability to progress discussions with external debt providers (as an alternative to the standby loan from Premier) for our uncarried portion of Sea Lion development costs is significantly enhanced.

Stewart MacDonald
Chief Financial Officer

8 April 2015

Group income statement

for the nine months ended 31 December 2014

	Nine months ended 31 December 2014 $'000	Year ended 31 March 2014 $'000
Revenue	**1,910**	—
Other cost of sales	**(554)**	—
Depreciation and impairment of oil and gas assets	**(3,416)**	—
Total cost of sales	**(3,970)**	—
Gross profit	**(2,060)**	—
Exploration and evaluation expenses	**(1,782)**	(1,461)
Administrative expenses	**(10,033)**	(12,341)
Charge for share based payments	**(672)**	(797)
Foreign exchange movement	**6,516**	(2,631)
Results from operating activities	**(8,031)**	(17,230)
Finance income	**657**	1,499
Finance expense	**(209)**	—
Loss before tax	**(7,583)**	(15,731)
Tax	**(5)**	(62,542)
Loss for the year attributable to the equity shareholders of the parent company	**(7,588)**	(78,273)
Loss per share: cents (basic & diluted)	**(2.63)**	(27.54)

All operating income and operating gains and losses relate to continuing activities.

Group statement of comprehensive income

for the nine months ended 31 December 2014

	Nine months ended 31 December 2014 $'000	Year ended 31 March 2014 $'000
Loss for the period	**(7,588)**	(78,273)
Items that may be reclassified to profit and loss		
Exchange differences on translation of foreign operations	**(4,217)**	—
Total comprehensive loss for the period	**(11,805)**	(78,273)

Group balance sheet

as at 31 December 2014

	31 December 2014 $'000	31 March 2014 $'000
Non-current assets		
Exploration and evaluation assets	**204,164**	153,656
Property, plant and equipment	**12,146**	353
Goodwill	**10,940**	—
Other receivables	**566**	—
Current assets		
Inventories	**2,188**	—
Other receivables	**4,681**	1,932
Restricted cash	**1,384**	309
Term deposits	**100,000**	185,000
Cash and cash equivalents	**99,726**	62,482
Total assets	**435,795**	403,732
Current liabilities		
Other payables	**19,358**	3,084
Tax payable	**100,439**	107,056
Non-current liabilities		
Provisions	**21,816**	—
Deferred tax liability	**39,144**	39,137
Total liabilities	**180,757**	149,277
Equity		
Share capital	**4,854**	4,711
Share premium	**662**	170
Share based remuneration	**4,960**	4,597
Own shares held in trust	**(628)**	(354)
Merger reserve	**11,112**	(243)
Foreign currency translation reserve	**(4,217)**	4,123
Special reserve	**536,976**	541,964
Retained losses	**(298,681)**	(300,513)
Attributable to the equity shareholders of the company	**255,038**	254,455
Total liabilities and equity	**435,795**	403,732

These financial statements were approved by the directors and authorised for issue on 8 April 2015 and are signed on their behalf by:

Stewart MacDonald
Chief Financial Officer

Group statement of changes in equity

for the nine months ended 31 December 2014

	Share capital $'000	Share premium $'000	Share based remuneration $'000	Shares held in trust $'000	Merger reserve $'000	Foreign currency translation reserve $'000	Special reserve $'000	Retained losses $'000	Total equity $'000
Balance at 31 March 2013	4,710	578,754	3,999	(212)	(243)	4,123	—	(259,234)	331,897
Total comprehensive loss for the year	—	—	—	—	—	—	—	(78,273)	(78,273)
Share based payments	—	—	797	—	—	—	—	—	797
Share issues in relation to SIP	1	175	—	(142)	—	—	—	—	34
Cancellation of share premium account	—	(578,759)	—	—	—	—	541,964	36,795	—
Exercise of SARs	—	—	(199)	—	—	—	—	199	—
Balance at 31 March 2014	**4,711**	**170**	**4,597**	**(354)**	**(243)**	**4,123**	**541,964**	**(300,513)**	**254,455**
Total comprehensive loss for the period	—	—	—	—	—	(4,217)	—	(7,588)	(11,805)
Acquisition of subsidiary	127	—	—	—	11,355	—	—	—	11,482
Share based payments	—	—	672	—	—	—	—	—	672
Share issues in relation to SIP	1	77	—	(49)	—	—	—	—	29
Exercise of share options	15	415	(309)	—	—	—	—	309	430
Purchase of own shares	—	—	—	(225)	—	—	—	—	(225)
Other transfers	—	—	—	—	—	(4,123)	(4,988)	9,111	—
Balance at 31 December 2014	**4,854**	**662**	**4,960**	**(628)**	**11,112**	**(4,217)**	**536,976**	**(298,681)**	**255,038**

Group cash flow statement

for the nine months ended 31 December 2014

	Nine months ended 31 December 2014 $'000	Year ended 31 March 2014 $'000
Cash flows from operating activities		
Net loss before tax	**(7,583)**	(15,731)
Adjustments to reconcile net profits/losses to cash utilised:		
Depreciation	**2,186**	282
Impairment on property, plant and equipment	**1,465**	—
Share based payment charge	**672**	797
Exploration impairment expenses	**258**	2
Loss on disposal of tangible fixed assets	**3**	13
Finance expense	**208**	—
Interest	**(470)**	(1,003)
Foreign exchange	**(6,349)**	2,672
Operating cash flows before movements in working capital	**(9,610)**	(12,968)
Changes in:		
Inventories	**495**	—
Other receivables	**1,682**	(325)
Payables	**(3,812)**	459
Movement on other provisions	**8**	—
Cash utilised by operating activities	**(11,237)**	(12,834)
Cash flows from investing activities		
Capitalised expenditure on exploration and evaluation assets	**(10,150)**	(2,485)
Purchase of equipment	**(1,111)**	(65)
Acquisition of subsidiary, net of cash acquired	**(24,037)**	—
Proceeds on disposal of exploration and evaluation assets	**—**	665
Interest	**673**	955
Taxation	**—**	(40,382)
Investing cash flows before movements in capital balances	**(34,625)**	(41,312)
Changes in:		
Restricted cash	**(953)**	—
Term deposits	**85,000**	(104,623)
Cash flow by investing activities	**49,422**	(145,935)
Cash flows from financing activities		
Share options exercised	**430**	—
Share incentive plan	**29**	34
Purchase of own shares	**(225)**	—
Finance expense	**(20)**	—
Cash flow from financing activities	**214**	34
Currency translation differences relating to cash and cash equivalents	**(1,155)**	3,853
Net cash flow	**38,399**	(158,735)
Cash and cash equivalents brought forward	**62,482**	217,364
Cash and cash equivalents carried forward	**99,726**	62,482

The financial information set out above does not constitute the group's statutory accounts for the nine months ended 31 December 2014 or the year ended 31 March 2014, but is derived from those accounts. Statutory accounts for 31 December 2014 will be available towards the end of April 2015. The auditors have reported on those accounts: their report was unqualified and did not draw attention to any matters by way of emphasis.

Note regarding Rockhopper oil and gas disclosure

This announcement has been approved by Rockhopper's geological staff who include Fiona MacAulay (Chief Operating Officer), who is a Fellow of the Geological Society of London and a Member of the Petroleum Exploration Society of Great Britain and American Association of Petroleum Geologists with over 25 years of experience in petroleum exploration and management, and who is the qualified person as defined in the Guidance Note for Mining, Oil and Gas Companies issued by the London Stock Exchange in respect of AIM companies. In compiling its resource estimates, Rockhopper has used the definitions and guidelines as set forth in the 2007 Petroleum Resources Management System approved by the Society of Petroleum Engineers.

Glossary

All hydrocarbon volumes quoted are Rockhopper Management initial estimates and in the case of oil volumes utilise a 30% RF on STOIIP volumes. Gas volumes converted at 5.6 bcf = 1 mmboe

bcf : billions of standard cubic feet

GIIP : Gas Initially in Place

mmbbls : millions of barrels of oil

Pmean : average (mean) probability of occurrence

Prospective resource : the resource estimated to exist in prospect areas considered viable to drill, but which have not yet been proven by drilling

RF : Recovery Factor

STOIIP : Stock Tank Oil Initially In Place