15 September 2015

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

Half-year results for the six months to 30 June 2015

Rockhopper Exploration plc (AIM: RKH), the oil and gas exploration and production company with interests in the North Falkland Basin and the Greater Mediterranean and North Africa region, is pleased to announce its results for the six months ended 30 June 2015.

Highlights

During the Period:

- Two material oil discoveries in the North Falkland Basin
- Zebedee oil and gas discovery
    - Discovered 27.9 metres of net oil-bearing reservoir and 18.5 metres of net gas-bearing reservoir
    - 50 mmbbls of recoverable resource in the main Zebedee sand
    - Better than anticipated reservoir quality
- Isobel Deep oil discovery
    - Drilled to a depth of 2,527 metres - deepest 24 metres of the well consisting of oil bearing F3 sands
    - New play opener in previously unexplored southern part of PL004
    - Unrisked Pmean* resource estimate of the Isobel/Elaine fan complex in excess of 400 mmbbls
- Confirmation of Falkland Islands Tax Deferment
- Continued progress towards award of Ombrina Mare Production Concession
- Award of acreage in Croatian Offshore Licensing Round in partnership with Eni
- Cash resources (cash, cash equivalents and term deposits) at 30 June 2015 of US$160 million

Post 30 June 2015:

- Announced acquisition of non-operated production and exploration assets in Egypt
- Commencement of Guendalina side track

Pierre Jungels, Chairman of Rockhopper, commented:

"We have enjoyed a fantastic start to our 2015 North Falkland Basin exploration campaign with two material oil discoveries and, through the Isobel Deep well, the opening of a new play in a previously underexplored part of the basin. We look forward to the results of two further high-impact wells in the campaign during the remainder of 2015.

Progress at Sea Lion continues, despite the challenging market environment, with the award of major FEED contracts targeted during the fourth quarter of this year. These contracts, once awarded, will represent another significant milestone on the path towards project sanction.

We continue to invest and grow our second core area in the Greater Mediterranean and North Africa region where we expect to see a material increase in production and cash flow over the next six months."

* Pmean : average (mean) probability of occurrence

For further information, please contact:

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CHAIRMAN AND CEO'S REPORT

Despite considerable volatility in the oil markets over the last 12 months, Rockhopper has made very substantial progress on a number of its key strategic initiatives during the first half of 2015.

We have enjoyed a fantastic start to our 2015 North Falkland Basin exploration campaign with two material oil discoveries and, through the Isobel Deep well, the opening of a new play in a previously underexplored part of the basin. These well locations, which were proposed by Rockhopper as sub-surface lead for exploration, re-enforce our unrivalled technical knowledge and understanding of the sub-surface of the North Falkland Basin.

The Sea Lion project has been significantly de-risked through the pre-FEED activities which are ongoing and where we see significant scope for further cost savings ahead of a sanction decision in H2 2016.

Agreement of our Capital Gains Tax liability with the Falkland Island Government is yet another step forward and provides fiscal certainty, enhancing our ability to engage with external debt providers as part of the overall financing plan for the Sea Lion development.

In the Mediterranean, current operational activities at Guendalina and Civita should result in a material increase in our production and cash flow later this year.

Recent legislation passed through the Italian Parliament suggests that development projects in the country should now be more straightforward to progress. This has been borne out by a number of environmental authorisations being granted within the oil & gas sector in recent months. For Rockhopper, this legislation is supporting our efforts to progress the Ombrina Mare project where we have now secured two of the three required signatures for the award of the Ombrina Mare Production Concession, a key milestone in unlocking what could be a very valuable resource for your Company.

Finally, in August we announced the acquisition of a portfolio of assets in Egypt which represent the continuation of Rockhopper's stated strategy to build a full cycle E&P company focused on its two core areas. The transaction is subject to customary closing conditions and is expected to complete in late 2015 or early 2016.

Outlook

We look forward to re-commencing the North Falkland Basin exploration campaign in late September which will see the Company participate in two further high-impact wells during the remainder of the year. Given the very encouraging results seen at the Isobel Deep well, consideration is being given to further drilling at Isobel Deep, which may replace the planned Jayne East well.

On Sea Lion, upon completion of the pre-FEED work, we are targeting the main FEED contracts to be awarded in the fourth quarter of this year as we further advance field development planning. At the same time, finalisation of the legal documentation related to the revised commercial arrangements with Premier Oil plc ("Premier") as announced in November 2014 continues.

As a result of the expected near-term increase in production from our Italian assets, combined with our recently announced acquisition in Egypt, operating cash flows are expected to cover the Group's overheads going forward. Your Board believes that this secures the long term sustainability of the Company, which combined with its strong balance sheet, is well placed to take advantage of the lower-for-longer commodity price environment that many are now forecasting.

Dr Pierre Jungels CBE
Chairman

Samuel Moody
Chief Executive Officer

OPERATIONAL REVIEW

Pre-FEED activities have significantly de-risked the Sea Lion development

In November 2014, and in response to the fall in the global price for oil, the Rockhopper and Premier joint venture announced a phased, lower cost development solution for Sea Lion. In late 2014, pre-FEED work commenced on the Sea Lion Phase 1a development, which targets approximately 160 mmbbls of reserves in the north east corner of PL032 (Rockhopper 40% working interest) using a single subsea drill centre and a leased FPSO.

After extensive work with leading FPSO and SURF contractors, the surface facilities plan has been simplified and is now well developed. Key project contractors will be selected ahead of FEED (rather than at the end of FEED) and, to this end, commercial and technical proposals have been received and are currently being evaluated.

Reduced demand for many segments of the service sector, as a result of the current oil price weakness, provides an opportunity to reduce costs materially on pre-sanction projects such as Sea Lion. As a result, the main FEED contract awards are now targeted to occur before the year end.

The FPSO will be financed by the FPSO provider and the joint venture is exploring the use of a similar leasing scheme for the subsea system to further reduce pre-first oil capital costs.

Conceptual studies have commenced to examine potential development schemes for the remaining reserves in PL032 (Phase 1b), the satellite accumulations in the north of PL004 (Phase 2) and for the Isobel/Elaine fan complex in the south of PL004 (Phase 3).

The project continues to progress towards a sanction decision in H2 2016 with the precise timing of any decision driven by a combination of the oil price at the time, the longer term oil price outlook, the cost reductions that can be achieved and the commercial arrangements between the joint venture partners. As with all oil projects in relatively competitive tax regimes, the project remains very sensitive to the long term oil price.

The Company intends to commission a Competent Person's Report ("CPR") to undertake an independent assessment of the reserves and resources of the material assets within the Company's portfolio. The Company expects to release the results of the CPR during H1 2016.

Two material oil discoveries made to date in North Falkland Basin exploration campaign

The Company's long-awaited high impact four-well exploration campaign in the North Falkland Basin commenced in March. To date, two material oil discoveries have been made from the first two wells.

On 2 April 2015, Rockhopper announced the results of the Zebedee well in PL004b (Rockhopper 24% working interest). The well discovered 27.9 metres of net oil-bearing reservoir and 18.5 metres of net gas-bearing reservoir. The well penetrated multiple targets in the Cretaceous F2 and F3 formations and has added approximately 50 mmbbls of recoverable resource from the main Zebedee sand alone with additional significant pay sections in the Hector and Ninky South fans.

On 28 May 2015, Rockhopper announced an oil discovery at the Isobel Deep well, located approximately 40km south of the Sea Lion field in PL004a (Rockhopper 24% working interest). The Isobel Deep exploration well was drilled to a depth of 2,527 metres reaching top reservoir on prognosis. The deepest 24 metres of the well consisted of oil bearing F3 sands. These sands were at a higher than expected reservoir pressure and this resulted in an influx into the well.

Whilst it was not possible to acquire wireline logs over the Isobel Deep reservoir, the presence of oil bearing sands is considered very positive and these initial results open up a new oil play in the southern part of PL004a.

The PL004a licence operator (Premier) currently estimate unrisked Pmean resources for the Isobel/Elaine fan complex in excess of 400 mmbbls.

Following suspension of the Isobel Deep well, the Eirik Raude rig was transferred to another operator in the South Falklands Basin.

The rig is expected to return to the North Falkland Basin during September to drill the Jayne East (PL004c, Rockhopper 24% working interest) and Chatham (PL032, Rockhopper 40% working interest) wells. Consideration is being given to performing more drilling at Isobel Deep as part of the programme, possibly instead of the Jayne East well.

On completion of the exploration programme the well results will be incorporated into the CPR mentioned above.

Operations to increase Guendalina production commenced

Operated by Eni, the Guendalina gas field (Rockhopper 20% working interest) is located in the Northern Adriatic and has been on production since 2011.

During the period, a planned well stimulation was completed. On 1 September 2015, the Company announced that operations to undertake a side track well had begun. The side track operations are expected to take approximately 80 days and following completion are expected to increase production from the field materially.

Progress towards Ombrina Mare Production Concession Award

Operated by Rockhopper (100% working interest), the Ombrina Mare oil & gas discovery is an appraisal / development project located in the Central Adriatic.

In August 2015, the Italian Government announced that the Environmental Impact Assessment ("EIA") of the Ombrina Mare Field Development Plan ("FDP") (including the 'Autorizzazione Integrata Ambientale' (Integrated Environmental Authorisation) ("AIA")) had been approved by both the Minister for the Environment and by the Ministry of Cultural Heritage.

The EIA decree has now been formally gazetted before being passed to the Ministry of Economic Development as the next step in the process to award the Ombrina Mare Production Concession. Following award of the Production Concession, planning will commence for the Ombrina Mare – 3 well.

On-track for first gas from Civita development during Q4 2015

Operated by Rockhopper (100% working interest), the Civita onshore gas field is located in the Abruzzo region in central Italy.

Pipeline and site facilities construction is now well advanced, with the aim of commencing production before the year end.

Award of acreage in Croatian first offshore licensing round

In January 2015, Rockhopper was awarded a 40% interest in offshore Block 9 in Croatia in partnership with Eni. The block is located in the relatively shallow waters of the prolific Northern Adriatic gas province. Signature of a Production Sharing Contract with the Croatian Hydrocarbon Authority is expected imminently.

FINANCIAL REVIEW

Overview

Despite the low oil price environment, Rockhopper continues to invest in its high impact exploration and pre-development activities in the North Falkland Basin while maintaining balance sheet strength with cash resources at 30 June 2015 of US$160 million (31 December 2014: US$200 million).

Cash and term deposits movement during the period

	US$m
Opening cash balance (31 December 2014)	200
North Falkland Basin	33
Greater Mediterranean	3
Admin and miscellaneous	4
Closing cash balance (30 June 2015)	**160**

North Falkland Basin spend during H1 2015 of US$33 million largely relates to the Zebedee and Isobel Deep exploration wells completed during the period and spend related to pre-development activities on Sea Lion.

The cost of drilling the Isobel Deep well was above that which was originally anticipated. Operations to manage the higher than expected reservoir pressure resulted in incremental costs, net to the Group, of approximately US$10 million. These costs are the subject of an ongoing insurance claim.

The Company continues to expect to utilise the full US$48 million of Exploration Carry during the 2015 North Falkland Basin exploration campaign; however, negotiation of documentation related to the revised commercial arrangements with Premier (announced in November 2014) continues.

Spend in the Greater Mediterranean during H1 2015 largely relates to construction activities at the Group's Civita onshore gas development.

Administrative expenses during the period reduced significantly resulting in a net administrative cost to the Group of US$4.1 million (US$5.8 million during the six month period to 30 September 2014).

Income Statement

Revenue and cost of sales

The Group's revenues of US$1.8 million during the period are related entirely to the sale of natural gas and condensate in Italy.

Group production on a working interest basis averaged 233 boepd in the first half of 2015. Production levels reflected continued decline in the Group's Italian assets as the fields mature. Production from the Guendalina field improved following stimulation activities conducted in May 2015. Production is expected to increase significantly by the end of 2015 following the completion of the Guendalina side track and the commencement of gas production from the onshore Civita development.

The Group's revenues were impacted by the lower oil price environment which commenced in the second half of 2014. During the period, the Group's gas was sold under short-term contract with an average realised price of €0.23 per scm. The contract price is based on a formulae linked to the USD:€ exchange rate and the trailing price of crude oil. From 30 September 2015, gas will be sold under a new contract linked to the more stable Italian "PSV" (Virtual Exchange Point) gas marker price.

Cost of sales, excluding depreciation and impairment charges, during the period were US$1.1 million and includes the costs of the well stimulation work undertaken at Guendalina in May 2015.

Tax

On the 8 April 2015 the Group agreed binding documentation ("Tax Settlement Deed") with the Falkland Island Government ("FIG") in relation to the tax arising from the Group's farm out to Premier.

The Tax Settlement Deed confirms the quantum and deferment of the outstanding tax liability and is made under Extra Statutory Concession 16.

As a result of the Tax Settlement Deed the outstanding tax liability was confirmed at £64.4 million (US$101.2 million as at 30 June 2015) and payable on the first royalty payment date on Sea Lion. Currently the first royalty payment date is 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). As such the tax liability has been reclassified as non-current and discounted to US$54.0 million. The effect of this discounting is a tax credit in the period of US$47.3 million. The unwinding of this discount in the future is non-cash and will be accounted for as a finance expense.

The tax liability may be revised downward if the Falkland Islands' Commissioner of Taxation is satisfied that either (i) the Exploration Carry from Premier is utilised to fund exploration activities in the Falklands or (ii) any element of the Development Carry from Premier becomes "irrecoverable". Whilst the benefit of some of the Exploration Carry has been received from Premier during the current campaign, this has not resulted in an adjustment in the tax liability as this is subject to agreement with the Falkland Islands' Commissioner of Taxation.

Profit

Profit after tax for the period to 30 June 2015 was US$42.2 million, largely as a result of the one-off tax credit of US$47.3 million associated with the reclassification of the tax liability from a current to non-current liability as outlined above.

Risks and uncertainties

There are a number of potential risks and uncertainties which could have a material impact on the Group's assets and performance over the remaining six months of 2015. A summary of the principal risks and uncertainties, along with mitigation measures in place to reduce those risks are outlined in the Group's 2014 Report and Accounts.

The carrying value of the Group's assets was assessed at the Balance Sheet date and whilst there is no indication of impairment, a full review will be conducted for the 2015 year end Balance Sheet taking into account the results of the CPR and the Group's view on the short and long term oil price outlook at that time.

Outlook

The Group continues to invest in its high impact exploration and pre-development activities in the North Falkland Basin, despite the challenging oil price environment.

Capital and operating costs in the industry continue to fall as a result of the oil price and these should benefit pre-sanction projects, such as Sea Lion, as we progress towards the selection of key project contractors for the award of FEED.

The Greater Mediterranean portfolio provides opportunities for significant near-term production and revenue increases which, combined with our recently announced acquisition of production assets in Egypt, should provide sufficient operating cash flow to cover the Group's overheads going forward.

The Tax Settlement Deed with FIG provides greater certainty on the quantum and timing of the tax liability which, combined with the planned progression of FEED and drafting of the field development plan, should enhance 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.

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

FEED: Front End Engineering Design
FPSO: Floating Production, Storage and Offloading
mmbbls : millions of barrels of oil
Pmean : average (mean) probability of occurrence
SURF: Subsea Umbilicals, Risers & Flowlines

GROUP INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2015

	Notes	**Six months ended 30 June 2015 Unaudited $'000**	Six months ended 30 September 2014 Unaudited $'000	Nine months ended 31 December 2014 Audited $'000
Revenue		**1,762**	821	1,910
Other cost of sales		**(1,084)**	(238)	(554)
Depreciation and impairment of oil and gas assets		**(723)**	(48)	(3,416)
Total cost of sales		**(1,807)**	(286)	(3,970)
Gross (loss)/profit		**(45)**	535	(2,060)
Exploration and evaluation expenses		**(619)**	(795)	(1,782)
Costs in relation to acquisition		—	(1,899)	(1,899)
Other administrative costs		**(4,097)**	(3,860)	(8,134)
Total administrative expenses		**(4,097)**	(5,759)	(10,033)
Charge for share based payments		**(908)**	(335)	(672)
Foreign exchange movement		**339**	2,723	6,516
Results from operating activities		**(5,330)**	(3,631)	(8,031)
Finance income		**472**	411	657
Finance expense		**(205)**	—	(209)
Loss before tax		**(5,063)**	(3,220)	(7,583)
Tax	3	**47,250**	—	(5)
PROFIT/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE EQUITY SHAREHOLDERS OF THE PARENT COMPANY		**42,187**	(3,220)	(7,588)
Profit/(loss) per share: cents				
Basic	4	**14.39**	(1.12)	(2.63)
Diluted	4	**14.21**	(1.12)	(2.63)

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

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2015

	Notes	**Six months ended 30 June 2015 Unaudited $'000**	Six months ended 30 September 2014 Unaudited $'000	Nine months ended 31 December 2014 Audited $'000
Profit/(loss) for the period		42,187	(3,220)	(7,588)
Items that may be reclassified to profit and loss				
Exchange differences on translation of foreign operations		(3,248)	(2,563)	(4,217)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		38,939	(5,783)	(11,805)

GROUP BALANCE SHEET

AS AT 30 JUNE 2015

	Notes	**As at 30 June 2015 Unaudited $'000**	As at 30 September 2014 Unaudited $'000	As at 31 December 2014 Audited $'000
NON CURRENT ASSETS				
Intangible exploration and evaluation assets	5	**246,293**	191,075	204,164
Property, plant and equipment		**12,371**	15,077	12,146
Goodwill		**10,027**	11,419	10,940
Other receivables		**519**	591	566
CURRENT ASSETS				
Inventories		**1,708**	2,537	2,188
Other receivables		**2,891**	5,064	4,681
Restricted cash		**1,373**	556	1,384
Term deposits		**85,000**	130,000	100,000
Cash and cash equivalents		**75,215**	75,463	99,726
TOTAL ASSETS		**435,397**	431,782	435,795
CURRENT LIABILITIES				
Other payables		**27,395**	4,803	19,358
Tax payable	6	**—**	104,501	100,439
NON-CURRENT LIABILITIES				
Tax payable	6	**53,963**	—	—
Provisions		**20,510**	22,553	21,816
Deferred tax liability		**39,144**	39,137	39,144
TOTAL LIABILITIES		**141,012**	170,994	180,757
EQUITY				
Share capital		**4,909**	4,845	4,854
Share premium		**2,942**	491	662
Share based remuneration		**4,462**	4,710	4,960
Shares held by SIP trust		**(3,463)**	(383)	(628)
Merger reserve		**11,112**	11,112	11,112
Foreign currency translation reserve		**(7,465)**	1,560	(4,217)
Special reserve		**536,976**	541,964	536,976
Retained losses		**(255,088)**	(303,511)	(298,681)
ATTRIBUTABLE TO THE EQUITY SHAREHOLDERS OF THE COMPANY		**294,385**	260,788	255,038
TOTAL LIABILITIES AND EQUITY		**435,397**	431,782	435,795

These financial statements were approved by the directors and authorised for issue on 14 September 2015 and are signed on their behalf by:

STEWART MACDONALD
CHIEF FINANCIAL OFFICER

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2015

For the six months ended 30 June 2015	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 1 January 2015	4,854	662	4,960	(628)	11,112	(4,217)	536,976	(298,681)	255,038
Total comprehensive income for the period	—	—	—	—	—	(3,248)	—	42,187	38,939
Share based payments	—	—	908	—	—	—	—	—	908
Shares issues in relation to SIP	2	133	—	(116)	—	—	—	—	19
Exercise of share options	53	2,147	(1,406)	—	—	—	—	1,406	2,200
Purchase of own shares	—	—	—	(2,719)	—	—	—	—	(2,719)
Balance at 30 June 2015	**4,909**	**2,942**	**4,462**	**(3,463)**	**11,112**	**(7,465)**	**536,976**	**(255,088)**	**294,385**

For the six months ended 30 September 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 1 April 2014	4,711	170	4,597	(354)	(243)	4,123	541,964	(300,513)	254,455
Total comprehensive loss for the period	—	—	—	—	—	(2,563)	—	(3,220)	(5,783)
Acquisition of subsidiary	126	—	—	—	11,355	—	—	—	11,481
Share based payments	—	—	335	—	—	—	—	—	335
Shares issues in relation to SIP	1	48	—	(29)	—	—	—	—	20
Exercise of share options	7	273	(222)	—	—	—	—	222	280
Balance at 30 September 2014	**4,845**	**491**	**4,710**	**(383)**	**11,112**	**1,560**	**541,964**	**(303,51)**	**260,788**

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 1 April 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 SIX MONTHS ENDED 30 JUNE 2015

	Notes	**Six months ended 30 June 2015 Unaudited $'000**	Six months ended 30 September 2014 Unaudited $'000	Nine months ended 31 December 2014 Audited $'000
CASH OUTFLOWS FROM OPERATING ACTIVITIES				
Net loss before tax		(5,063)	(3,220)	(7,583)
Adjustments to reconcile net losses to cash utilised				
Depreciation		660	319	2,186
Impairment on property, plant and equipment		—	—	1,465
Exploration impairment expenses		27	—	258
Share based payment charge		908	335	672
Loss on disposal of tangible fixed assets		11	—	3
Finance expense		202	—	208
Interest		(385)	(276)	(470)
Foreign exchange		(349)	(2,618)	(6,349)
Operating cash flows before movements in working capital		(3,989)	(5,460)	(9,610)
Changes in:				
Inventories		298	—	495
Other receivables		1,868	1,246	1,682
Payables		(1,892)	(6,010)	(3,812)
Movement on other provisions		(7)	—	8
Cash utilised by operating activities		(3,722)	(10,224)	(11,237)
CASH OUTFLOWS FROM INVESTING ACTIVITIES				
Capitalised expenditure on exploration and evaluation assets		(34,091)	(7,735)	(10,150)
Purchase of equipment		(1,808)	(231)	(1,111)
Acquisition of subsidiary		—	(24,037)	(24,037)
Interest		153	343	673
Investing cash flows before movements in capital balances		(35,746)	(31,660)	(34,625)
Changes in:				
Restricted cash		(24)	(128)	(953)
Term deposits		15,000	55,000	85,000
Cash (utilised)/generated by investing activities		(20,770)	23,212	49,422
CASH INFLOWS FROM FINANCING ACTIVITIES				
Share options exercised		2,200	280	430
Share incentive plan		19	20	29
Purchase of own shares		(2,719)	—	(225)
Finance expense		(7)	—	(20)
Cash (utilised)/generated from financing activities		(507)	300	214
Currency translation differences relating to cash and cash equivalents		488	(307)	(1,155)
Net cash (outflow)/inflow		(24,999)	13,288	38,399
Cash and cash equivalents brought forward		99,726	62,482	62,482
CASH AND CASH EQUIVALENTS CARRIED FORWARD		75,215	75,463	99,726

NOTES TO THE CONDENSED GROUP FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2015

1 ACCOUNTING POLICIES

1.1 GROUP AND ITS OPERATIONS

Rockhopper Exploration plc (‘the company’), a public limited company quoted on AIM, incorporated and domiciled in the United Kingdom (‘UK’), together with its subsidiaries (collectively, ‘the group’) holds certain exploration licences granted in 2004 and 2005 for the exploration and exploitation of oil and gas in the Falkland Islands. During the previous period it diversified its portfolio through the acquisition of an exploration and production company with operations principally in Italy. The registered office of the company is Hilltop Park, Devizes Road, Salisbury, SP3 4UF.

1.2 STATEMENT OF COMPLIANCE

These condensed consolidated interim financial statements of the group, as at and for the six months ended 30 June 2015, include the results of the company and all subsidiaries over which the company exercises control.

The condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting as adopted by the European Union (“EU”). They do not include all information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the company and all its subsidiaries as at the period ended 31 December 2014.

The comparative figures for the nine months ended 31 December 2014 are not the company's statutory accounts for that financial period. Those accounts have been reported on by the company's auditor and delivered to the registrar of companies. The report of the auditor was: (i) unqualified; (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying his report; and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The condensed interim consolidated financial statements were approved by the Board on 14 September 2015.

1.3 BASIS OF PREPARATION

The results upon which these financial statements have been based were prepared using the accounting policies set out below. These policies have been consistently applied unless otherwise stated.

These consolidated financial statements have been prepared under the historical cost convention except, as set out in the accounting policies below, where certain items are included at fair value.

Items included in the results of each of the group’s entities are measured in the currency of the primary economic environment in which that entity operates (the “functional currency”). The functional currency of the group acquired during the period is euros. All other members of the group have a functional currency of US$.

All values are rounded to the nearest thousand dollars ($’000) or thousand pounds (£’000), except when otherwise indicated.

1.4 GOING CONCERN

These condensed group interim financial statements have been prepared on a going concern basis as the directors are confident that the group has sufficient funds in order to continue in operation for the foreseeable future.

1.5 PERIOD END EXCHANGE RATES

The period end rates of exchange actually used were:

	30 June 2015	30 September 2014	31 December 2014
£ : US$	**1.57**	1.62	1.56
€: US$	**1.11**	1.27	1.22

2 REVENUE AND SEGMENTAL INFORMATION

Six months ended 30 June 2015

	Falkland Islands $'000	Greater Mediterranean $'000	Corporate $'000	Total $'000
Revenue	—	1,762	—	1,762
Cost of sales	—	(1,807)	—	(1,807)
Gross loss	—	(45)	—	(45)
Exploration and evaluation expenses	(303)	(296)	(20)	(619)
Administrative expenses	(20)	(1,309)	(2,768)	(4,097)
Charge for share based payments	—	—	(908)	(908)
Foreign exchange movement	(774)	249	864	339
Results from operating activities	(1,097)	(1,401)	(2,832)	(5,330)
Finance income	—	—	472	472
Finance expense	—	(202)	(3)	(205)
Loss before tax	(1,097)	(1,603)	(2,363)	(5,063)
Tax	47,250	—	—	47,250
Profit/(loss) for period	46,153	(1,603)	(2,363)	42,187
Reporting segments assets	218,631	57,296	159,470	435,397
Reporting segments liabilities	93,100	23,282	24,630	141,012

Six months ended 30 September 2014

	Falkland Islands $'000	Greater Mediterranean $'000	Corporate $'000	Total $'000
Revenue	—	821	—	821
Cost of sales	—	(286)	—	(286)
Gross profit	—	535	—	535
Exploration and evaluation expenses	(507)	—	(288)	(795)
Costs in relation to acquisition	—	—	(1,899)	(1,899)
Other administrative costs	(82)	(618)	(3,160)	(3,860)
Total administrative expenses	(82)	(618)	(5,059)	(5,759)
Charge for share based payments	—	—	(335)	(335)
Foreign exchange movement	2,556	78	89	2,723
Results from operating activities	1,967	(5)	(5,593)	(3,631)
Finance income	—	—	411	411
Profit/(loss) before tax	1,967	(5)	(5,182)	(3,220)
Tax	—	—	—	—
Profit/(loss) for period	1,967	(5)	(5,182)	(3,220)
Reporting segments assets	161,906	70,006	199,870	431,782
Reporting segments liabilities	143,638	25,395	1,961	170,994

3 TAXATION

	Six months ended 30 June 2015 $'000	Six months ended 30 September 2014 $'000	Nine months ended 31 December 2014 $'000
Current tax:			
Overseas tax	**—**	—	17
Adjustment in respect of prior periods	**(47,250)**	—	(19)
Total current tax	**(47,250)**	—	(2)
Deferred tax:			
Overseas tax	**—**	—	7
Total deferred tax	**—**	—	7
Tax on ordinary activities	**(47,250)**	—	5

The tax credit in the period is discussed in more detail in note 6.

4 BASIC AND DILUTED LOSS PER SHARE

	Six months ended 30 June 2015 Number	Six months ended 30 September 2014 Number	Nine months ended 31 December 2014 Number
Shares in issue brought forward	**292,805,453**	284,316,698	284,316,698
Shares issued			
– Issued in relation to acquisitions	—	7,481,816	7,481,816
– Issued in relation to share options	**3,532,920**	400,000	950,000
– Issued under the SIP	**149,535**	31,514	56,939
Shares in issue carried forward	**296,487,908**	292,230,028	292,805,453
Weighted average number of Ordinary Shares for the purposes of basic earnings/(loss) per share	**293,244,292**	286,773,957	288,646,881
Effects of dilutive potential Ordinary shares			
Contingently issuable shares – prior periods anti-dilutive	**3,606,543**	—	—
	296,850,836	286,773,957	288,646,881

	$'000	$'000	$'000
Net profit/(loss) after tax for purposes of basic and diluted earnings per share	**42,187**	(3,220)	(7,588)
Earnings/(loss) per share – cents			
Basic	**14.39**	(1.12)	(2.63)
Diluted	**14.21**	(1.12)	(2.63)

As the group is reporting a loss for all prior periods then in accordance with IAS33 the share options are not considered dilutive for these periods because the exercise of the share options would have the effect of reducing the loss per share.

At the period end the group had the following unexercised options and share appreciation rights in issue.

	Six months ended 30 June 2015 Number	Six months ended 30 September 2014 Number	Nine months ended 31 December 2014 Number
Share options	—	4,090,840	3,540,840
Long term incentive plan	9,319,704	1,761,535	5,405,234
Share appreciation rights	1,420,531	1,420,531	1,420,531

5 INTANGIBLE EXPLORATION AND EVALUATION ASSETS

Additions during the period predominantly relate to group's interests in the Falkland Islands.

6 TAX PAYABLE

	Six months ended 30 June 2015 $'000	Six months ended 30 September 2014 $'000	Nine months ended 31 December 2014 $'000
Current tax payable	—	104,501	100,439
Non current tax payable	53,963	—	—
	53,963	104,501	100,439

On the 8 April 2015 the group agreed binding documentation ("Tax settlement Deed") with the Falkland Island Government ("FIG") in relation to the tax arising from the group's farm out to Premier Oil plc ("Premier").

The Tax Settlement Deed confirms the quantum and deferment of the outstanding tax liability and is made under Extra Statutory Concession 16.

As a result of the Tax Settlement Deed the outstanding tax liability was confirmed at £64.4 million and payable on the first royalty payment date on Sea Lion. Currently the 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). As such the tax liability has been reclassified as non-current and discounted at 15%. The effect of this discounting is a tax credit in the period of $47.3 million. The remaining movement in the tax liability since the 31 December 2014 is a $0.8 million foreign exchange loss.

The tax liability may be revised downward if the Falkland Islands' Commissioner of Taxation is satisfied that either (i) the Exploration Carry from Premier is utilised to fund exploration activities or (ii) any element of the Development Carry from Premier becomes "irrecoverable". Whilst the benefit of some of the Exploration Carry has been received from Premier during the current campaign, this has not resulted in an adjustment in the tax liability as this is still subject to agreement with the Falkland Islands' Commissioner of Taxation.

7 RESERVES

Set out below is a description of each of the reserves of the group:

Share premium	Amount subscribed for share capital in excess of its nominal value.
Share based remuneration	The share incentive plan reserve captures the equity related element of the expenses recognised for the issue of options, comprising the cumulative charge to the income statement for IFRS2 charges for share based payments less amounts released to retained earnings upon the exercise of options.
Own shares held in trust	Shares held by the SIP trust represent the issue value of shares held on behalf of participants by Capita IRG Trustees Limited, the trustee of the SIP.
Merger reserve	The difference between the nominal value of shares issued with the nominal value of the shares received on the reversal of Rockhopper Resources Limited into Rockhopper Exploration Plc on 23 February 2005. As well as the difference between the fair value and nominal value of shares issued as part of the acquisition of subsidiaries.
Foreign currency translation reserve	Exchange differences arising on consolidating the assets and liabilities of the group's subsidiaries are classified as equity and transferred to the group's translation reserve.
Special reserve	The reserve is non distributable and was created following cancellation of the share premium account on 4 July 2013. It can be used to reduce the amount of losses incurred by the parent company or distributed or used to acquire the share capital of the company subject to settling all contingent and actual liabilities as at 4 July 2013. Should not all of the contingent and actual liabilities be settled, prior to distribution the parent company must either gain permission from the actual or contingent creditors for distribution or set aside in escrow an amount equal to the unsettled actual or contingent liability.
Retained losses	Cumulative net gains and losses recognised in the financial statements.

8 POST BALANCE SHEET EVENTS

On the 10 August 2015 the group announced the acquisition of a portfolio of non-operated production and exploration interests in Egypt (the "Interests") from Beach Energy Limited ("Beach Energy") (the "Acquisition") for a headline consideration of US$22.0 million.

Highlights of the transaction

- Rockhopper to acquire the entire issued share capital of Beach Petroleum (Egypt) Pty Limited ("Beach Egypt") which on completion will hold:
    - 22% interest in the Abu Sennan concession; and
    - 25% interest in the El Qa'a Plain concession

- Current working interest production from Abu Sennan of approximately 1,300 boepd, net to Rockhopper (based on average H1 2015 production levels)

- 2P plus 2C reserves and resources at the effective date of 1 July 2015 are estimated at 4.5 mmboe (management estimate), net to Rockhopper

- Headline consideration of US$22.0 million to be satisfied:
    - Approximately US$11.5 million in cash; and
    - The issue of new fully-paid Rockhopper shares to the value of US$10.5 million, priced based on the volume weighted average price of Rockhopper shares during the 30 days prior to completion, subject to a maximum of 5% of the Company's issued share capital (the "Rockhopper Consideration Shares")

- Implied transaction multiple of less than US$4.50 per barrel of oil equivalent (adjusting for estimated financial assets being acquired)

- Transaction represents the continuation of Rockhopper's strategy to build a full cycle E&P company focused on its two core areas and represents the Company's entry into Egypt, a prolific hydrocarbon province

- Acquisition anticipated to complete in late 2015 / early 2016 (subject to satisfaction of certain conditions), with consideration adjusted for net cash flow attributable to the assets since the effective date of 1 July 2015

On the 10 August 2015 the group announced that the Italian Government had announced that the Environmental Impact Assessment ("EIA") for the Ombrina Mare field development project ("FDP") had now been approved by the Minister for the Environment and countersigned by the Ministry of Cultural Heritage. The decree includes the 'Autorizzazione Integrata Ambientale' (Integrated Environmental Authorisation) ("AIA"). The decree will now be passed to the Ministry of Economic Development in order to complete the process to award the Ombrina Mare Production concession.

In addition on the 1 September 2015 the group announced that operations to drill a sidetrack well at the Guendalina gas field (Eni Operator, Rockhopper 20% Working Interest) had begun. It is anticipated that operations will take approximately 80 days in total.

INDEPENDENT REVIEW REPORT TO ROCKHOPPER EXPLORATION PLC

Introduction

We have been engaged by the company to review the condensed set of financial statements in the half-yearly report for the six months ended 30 June 2015 which comprises group income statement, the group statement of comprehensive income, the group balance sheet, the group statement of changes in equity, the group cash flow statement and the related explanatory notes. We have read the other information contained in the half-yearly report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with the terms of our engagement. Our review has been undertaken so that we might state to the company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our review work, for this report, or for the conclusions we have reached.

Directors' responsibilities

The half-yearly report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly report in accordance with the AIM Rules.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the EU. The condensed set of financial statements included in this half-yearly report has been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU.

Our responsibility

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Auditing Practices Board for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly report for the six months ended 30 June 2015 is not prepared, in all material respects, in accordance with IAS 34 as adopted by the EU and the AIM Rules.

LYNTON RICHMOND
for and on behalf of KPMG LLP
Chartered Accountants
15 Canada Square
London
E14 5GL

14 September 2015