

17 May 2016

The Directors
Rockhopper Exploration plc
4th Floor
5 Welbeck Street
London
W1G 9YQ

Dear Sirs

RE: Independent Audit of Contingent Resources and Prospective Resources of Rockhopper plc Assets in the North Falklands Basin.

In accordance with your request ERC Equipoise Limited (ERCE) has completed an independent audit of volumes of hydrocarbons initially in place (HCIIP), Contingent Resources and Prospective Resources of petroleum interests of Rockhopper Exploration plc (Rockhopper) in the North Falklands Basin. Upon your request, we provide you with this letter which summarises our audited estimates of gross HCIIP and gross and Rockhopper net working interest Contingent Resources and Prospective Resources in Blocks PL0032 and PL004 (a, b and c).

RKH has made available to ERCE a technical dataset including geophysical, geological, petrophysical, engineering data and interpretations and details of Rockhopper's licence interests. ERCE has relied on the accuracy and completeness of the information provided by Rockhopper in the preparation of this letter and has taken all reasonable care to present the information accurately. ERCE has not undertaken a site visit.

We have reviewed raw data, analyses and interpretations presented by Rockhopper and have audited Rockhopper's estimates of volumes of Petroleum in Place, Contingent Resources and Prospective Resources, including estimates of Geological Chance of Success (COS). Where we have deemed it to be necessary, we have carried out our own analyses and have made our own estimates of volumes. The volumes reported herein are based on data and information available up to 30 April 2016. They represent ERCE's professional opinion at the time of preparing this letter. The estimation of volumes of petroleum is subject to uncertainty and therefore the volumes reported herein may change, upwards or downwards, as new data become available. We have not undertaken an economic evaluation.

ERCE has estimated and reported the volumes of Petroleum in Place, Contingent Resources and Prospective Resources in accordance with the March 2007 "Petroleum Resources Management System" (SPE PRMS), sponsored by the Society of Petroleum Engineers (SPE), the American Association of Petroleum Geologists (AAPG), the World Petroleum Council (WPC) and the Society of Petroleum Evaluation Engineers (SPEE). ERCE has also followed the "Guidelines for Application of the Petroleum Resources Management System", November 2011, sponsored by the SPE, the AAPG, the WPC, the SPEE and the Society of Exploration Geophysicists (SEG).

Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations, but the applied project(s) are not yet considered mature enough for commercial development due to one or more contingencies. Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality. Contingent Resources are further categorized in accordance with the level of certainty associated with the estimates as 1C, 2C and 3C.

Prospective Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective Resources have both an associated chance of discovery (COS) and a chance of development. Prospective Resources are further subdivided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development as Low, Best and High. Prospective Resources can be sub-classified as Prospects, Leads and Plays. A Prospect is a potential accumulation that is sufficiently well defined to represent a viable drilling target. A Lead is a potential accumulation that is currently poorly defined and requires more data acquisition and/or evaluation in order to be classified as a prospect. A Play is a prospective trend of potential prospects, but which requires more data acquisition and/or evaluation in order to define specific leads or prospects. ERCE has quantified and reported Prospects only.

Contingent Resources and Prospective Resources are reported on a gross field basis (gross) and as Rockhopper working interest volumes (RKH WI). Gross volumes are 100% of the volumes estimated to be recoverable from the fields from 30 April 2016. RKH WI volumes are an indication of Rockhopper's working interest portion of the gross field volumes. ERCE has also reported RKH WI Risked Prospective Resources, which are Rockhopper's working interest share of Prospective Resources multiplied by COS.

Rockhopper's assets in the North Falklands Basin reported herein occur in block PL032 in which Rockhopper has a 40% working interest and in block PL004 in which Rockhopper has a 64% working interest. Where hydrocarbon pools straddle block boundaries, ERCE has estimated RKH WI volumes by pro-rating according to the distribution of gross rock volume. Premier Oil plc (Premier) is the operator of both blocks and holds the balance of the working interest.

Rockhopper's assets in the North Falklands Basin comprise 16 reservoir fans in which oil has been intersected and for which estimates of stock tank oil initially in place (STOIIP) are reported (Table 1). In addition to oil bearing intervals, gas caps have been positively identified in two fans (Casper and Casper South). Gas only has been intersected in Beverley and Hector. In the case of the SL20 West fan, oil has been discovered and a gas cap may be inferred, based on the presence of a regional GOC. For the Low (1C) and Best (2C) cases, ERCE has reported volumes of oil for an oil rim and gas volumes for the inferred gas cap, while for the High (3C) case, ERCE has assumed that no gas cap exists and that the structure is oil filled. Free gas initially in place (GIIP) volumes are reported in Table 2.

Rockhopper's assets can be grouped into three areas; Sea Lion Complex, the Zebedee area, (included by Rockhopper in the 'Sea Lion Complex'), and the Isobel/Elaine Complex.

The Sea Lion Complex comprises the Sea Lion Main Complex (SLMC), consisting of the primary SL10 and SL20 fans, a group of secondary fans, B15, B60 and B75, lying stratigraphically below the SLMC,

and a stratigraphically younger group comprising the SL05, Casper, Casper South and Beverley fans. A total of nine wells have been drilled in the area, of which seven have intersected hydrocarbon bearing intervals. In general, the sandstone reservoirs are of good quality, with porosity of around 20% and permeability generally around 150 mD. The oil viscosity is relatively high, between 4 and 8 cP at reservoir conditions and waxy with a wax appearance temperature of 60°C.

A distinction is made between eastern and western areas, particularly in the case of the primary SLMC fans where evidence points to different oils on either side, with the oil in the west being lighter and close to, or at, saturation pressure, while the oil in the east is less volatile and under-saturated. West and east share commonality of OWC, however.

The primary SLMC fans are the most well appraised, with five wells in the east and three in the west. Data acquisition has been good, with good core coverage, comprehensive modern wireline logs, extensive formation pressure measurements, wireline conveyed flow tests and fluid samples. Two drill stem tests (DST) have also been carried out, that successfully flowing oil to surface and providing dynamic data.

The operator, Premier, is planning the development of the SLMC fans. A draft development plan has been submitted to the Falklands Islands Government, but is still subject to change. ERCE has therefore not reported Contingent Resources separately for any specific development. Instead, ERCE has estimated recoverable volumes for the reporting of Contingent Resources by applying estimated recovery factors to calculations of hydrocarbons initially in place. Oil Contingent Resources are shown in Table 3 and the corresponding solution gas Contingent Resources are shown in Table 4. Gas Contingent Resources for the gas caps are shown in Table 5 and the corresponding condensate Contingent Resources are shown in Table 6.

The Zebedee area includes the Zebedee and Ninky fans, in which hydrocarbons were intersected by a single well (Well 14/15b-5), although several wells in the greater area help to delineate the fans. Data acquisition is good, although no DST was attempted, and the reservoir and fluid properties appear to be comparable to the Sea Lion Complex. ERCE has estimated recoverable volumes for the reporting of Contingent Resources by applying estimated recovery factors to our calculations of hydrocarbons initially in place.

The partnership drilled two exploration wells in the Isobel/Elaine Complex in 2015 and early 2016, Well 14/20-1 and Well 14/20-2. The first (Well 14/20-1) encountered over-pressure at the target interval and the well had to be abandoned. Data acquisition was therefore compromised, limited to a basic log suite acquired while drilling. Reservoir fluids flowed into the well and were recovered at surface during well control operations. Despite the limited data, ERCE has attributed Contingent Resources to the fan (F3H Isobel Deep) on the basis that the formation demonstrated the ability to flow.

The second well (Well 14/20-2) was drilled downdip of Well 14/20-1 to intersect the maximum number of targets in a system comprising multiple stacked but offset fans. The well confirmed the over pressure and intersected hydrocarbon bearing formations at three levels; F3D Emily, F3G Isobel and F3J Isobel Deep. Of these, F3G was intersected in a favourable location, while the other fans were intersected at their margins. The rig was forced to move off site prematurely due to operational issues and data acquisition was incomplete. However, a complete set of basic wireline logs and a single run

of formation pressures were acquired, but there is inadequate evidence to assess recoverable volumes and potential flow rates. ERCE has therefore not reported resources for these fans, although we have made estimates of discovered STOIP for these fans (Table 1) and undiscovered STOIP for remaining identified prospectivity (Table 9), which will be subject to exploration risk.

As noted, appraisal of the Isobel/Elaine Complex is at an early stage, and recent drilling operations have had to be prematurely terminated. Should an appraisal program be successful in demonstrating the potential to flow oil at a satisfactory rate comparable to offset wells, then this could lead to the assignment of resources with recovery factors comparable to those applied to discoveries already made in the area.

A number of exploration targets have been identified in blocks PL032 and PL004 and worked up to prospect status by Rockhopper and Premier. These include fans that have been intersected in downdip locations where they have been found to be water bearing, with updip potential for hydrocarbon traps, or fans that have been penetrated in the gas leg that may have downdip oil potential. Other prospects comprise fans identified with seismic data that have not been intersected by wells. In many instances, the estimated COS values are high, indicating a relatively low risk exploration area. Estimates of STOIP and oil Prospective Resources are shown in Table 7. Estimates of the corresponding solution gas Prospective Resources are shown in Table 8.

Table 1: Oil Initially in Place in Discovered Accumulations

Reservoir	STOIIP (MMstb)		
	Low	Best	High
SL20 West	210	267	592
SL20 East	204	258	322
SL10 West	174	238	269
SL10 East	130	178	196
SL05	112	157	216
Casper	80	118	173
Casper South	122	196	312
B15 East	3	5	7
B60	2	6	19
B75	4	6	10
Ninky South	16	49	151
Zebedee	108	187	324
F3D Emily	14	41	119
F3G Isobel	30	87	254
F3H Isobel Deep	25	82	266
F3J Isobel Deep	23	67	192

Table 2: Free Gas Initially in Place in Discovered Accumulations

Reservoir	GIIP (Gas Cap) (Bscf)		
	Low	Best	High
SL20 West	158	201	-
Casper	63	103	169
Casper South	174	317	570
Beverley	213	336	517
Ninky South	7	51	367

Table 3: Oil Contingent Resources

Reservoir	Gross Oil Contingent Resources (MMstb)			RKH WI Oil Contingent Resources (MMstb)		
	1C	2C	3C	1C	2C	3C
SL20 West	52.5	80.0	207.2	21.0	32.0	82.9
SL20 East	61.1	90.5	128.9	24.4	36.2	51.6
SL10 West	43.6	71.5	94.2	22.2	36.5	48.2
SL10 East	39.1	62.4	78.5	15.6	25.0	31.4
SL05	27.4	46.4	71.9	17.5	29.7	45.6
Casper	19.9	34.7	56.7	9.3	16.2	27.0
Casper South	30.7	57.5	100.8	19.7	36.8	64.2
B15 East	0.8	1.4	2.3	0.3	0.6	0.9
B60	0.5	1.8	5.9	0.2	0.7	2.4
B75	0.9	1.8	3.2	0.4	0.7	1.3
Ninky South	4.4	14.3	46.1	2.8	9.2	29.5
Zebedee	27.9	54.6	103.9	17.9	34.9	66.5
F3H Isobel Deep	5.6	20.0	71.9	3.6	12.8	46.0

Table 4: Solution Gas Contingent Resources

Reservoir	Gross Solution Gas Contingent Resources (Bscf)			RKH WI Solution Gas Contingent Resources (Bscf)		
	1C	2C	3C	1C	2C	3C
SL20 West	22.1	36.0	99.4	8.8	14.4	39.8
SL20 East	15.3	25.3	40.0	6.1	10.1	16.0
SL10 West	18.3	32.2	45.2	9.3	16.4	23.1
SL10 East	9.8	17.5	24.3	3.9	7.0	9.7
SL05	12.4	20.8	32.5	7.9	13.3	20.7
Casper	9.0	15.6	25.7	4.2	7.2	12.2
Casper South	13.8	26.0	45.7	8.8	16.6	29.1
B15 East	0.2	0.4	0.7	0.1	0.2	0.3
B60	0.1	0.5	1.7	0.1	0.2	0.7
B75	0.2	0.5	0.9	0.1	0.2	0.4
Ninky South	2.0	6.4	20.7	1.3	4.1	13.2
Zebedee	12.4	24.8	46.8	8.0	15.8	30.0

Table 5: Free Gas Contingent Resources

Reservoir	Gross Gas (Gas Cap) Contingent Resources (Bscf)			RKH WI Gas (Bas Cap) Contingent Resources (Bscf)		
	1C	2C	3C	1C	2C	3C
SL20 West	94.7	140.4	-	37.9	56.1	-
Casper	43.1	72.0	120.1	18.5	30.9	51.3
Casper South	119.6	220.0	404.0	76.5	140.8	256.2
Beverley	144.8	233.0	367.8	92.7	149.1	234.8
Ninky South	5.0	35.4	256.2	3.2	22.6	164.0

Table 6: Condensate Contingent Resources

Reservoir	Gross Condensate Contingent Resources (MMstb)			RKH WI Condensate Contingent Resources (MMstb)		
	1C	2C	3C	1C	2C	3C
SL20 West	0.42	0.84	-	0.17	0.34	-
Casper	0.24	0.43	0.75	0.10	0.18	0.32
Casper South	0.67	1.30	2.50	0.43	0.83	1.58
Beverley	0.79	1.37	2.31	0.51	0.88	1.47
Ninky South	0.03	0.21	1.53	0.02	0.13	0.98

Table 7: Undiscovered Oil In Place and Oil Prospective Resources

Reservoir	STOIP (MMstb)			Gross Oil Prospective Resources (MMstb)			RKH WI Oil Prospective Resources (MMstb)			COS	RKH WI Risked Oil Prospective Resources (MMstb)		
	Low	Best	High	Low	Best	High	Low	Best	High		Low	Best	High
Beverley	31.7	46.2	65.7	7.9	13.5	21.5	5.1	8.6	13.8	80%	4.1	6.9	11.0
SL30	23.4	34.3	49.9	5.8	10.1	16.4	2.3	4.0	6.6	60%	1.4	2.4	3.9
B15 West	21.3	35.3	58.6	5.4	10.3	18.6	2.2	4.1	7.5	32%	0.7	1.3	2.4
B30 Kermit West	12.9	60.4	288.5	3.5	17.4	88.3	1.4	7.0	42.3	32%	0.5	2.2	13.5
B30 Kermit East	43.0	82.9	157.9	11.2	24.0	49.4	4.5	9.6	19.8	24%	1.1	2.3	4.7
Hector Upper A	44.2	61.7	84.4	10.8	18.1	28.2	6.9	11.6	18.0	80%	5.5	9.3	14.4
Hector Upper B	8.4	13.8	22.0	2.1	4.0	7.1	1.4	2.6	4.6	42%	0.6	1.1	1.9
Hector Mid	10.3	34.7	115.9	2.8	10.1	35.1	1.8	6.4	22.4	51%	0.9	3.3	11.5
Beverley East	26.6	52.2	102.4	6.1	13.5	30.3	3.9	8.6	19.0	49%	1.9	4.2	9.3
Casper South East	14.4	34.7	83.5	3.4	9.0	24.0	1.4	3.9	11.2	28%	0.4	1.1	3.1
Zebedee East	28.9	59.1	120.6	6.6	15.3	35.4	3.9	9.3	22.3	32%	1.3	3.0	7.1
Catriona East	8.1	23.1	65.7	1.9	6.0	18.6	1.2	3.8	11.7	21%	0.3	0.8	2.5
Jayne East	11.8	37.1	117.1	2.8	9.6	32.9	1.8	6.1	21.0	29%	0.5	1.8	6.1
Chatham East	18.3	44.4	108.0	4.3	11.5	31.1	1.7	4.6	12.4	29%	0.5	1.3	3.6
Chatham North	39.0	107.9	298.4	9.2	27.9	84.8	3.7	11.2	33.9	17%	0.6	1.9	5.8
Chatham South	8.3	27.1	89.0	2.0	7.0	25.0	0.8	3.3	13.7	24%	0.2	0.8	3.3

Table 8: Solution Gas Prospective Resources

Reservoir	Gross Solution Gas Prospective Resources (Bscf)			RKH WI Solution Gas Prospective Resources (Bscf)			COS	RKH WI Risked Solution Gas Prospective Resources (Bscf)		
	Low	Best	High	Low	Best	High		Low	Best	High
Beverley	3.5	6.1	9.7	2.3	3.9	6.2	80%	1.8	3.1	5.0
SL30	2.6	4.6	7.4	1.1	1.8	3.0	50%	0.5	0.9	1.5
B15 West	2.4	4.6	8.4	1.0	1.9	3.4	32%	0.3	0.6	1.1
B30 Kermit West	1.6	7.8	39.1	0.6	3.2	18.7	32%	0.2	1.0	6.0
B30 Kermit East	3.2	6.7	13.8	1.3	2.7	5.5	24%	0.3	0.6	1.3
Hector Upper A	4.8	8.2	12.8	3.1	5.2	8.2	80%	2.5	4.2	6.5
Hector Upper B	0.9	1.8	3.2	0.6	1.1	2.1	42%	0.3	0.5	0.9
Hector Mid	1.3	4.5	15.8	0.8	2.9	10.1	51%	0.4	1.5	5.2
Beverley East	1.7	3.8	8.5	1.1	2.4	5.3	49%	0.5	1.2	2.6
Casper South East	0.9	2.5	6.7	0.4	1.1	3.1	28%	0.1	0.3	0.9
Zebedee East	1.8	4.3	10.0	1.1	2.6	6.3	32%	0.3	0.8	2.0
Catriona East	0.5	1.7	5.2	0.3	1.1	3.3	21%	0.1	0.2	0.7
Jayne East	0.8	2.7	9.2	0.5	1.7	5.9	29%	0.1	0.5	1.7
Chatham East	1.2	3.2	8.7	0.5	1.3	3.5	29%	0.1	0.4	1.0
Chatham North	2.6	7.8	23.7	1.0	3.1	9.5	17%	0.2	0.5	1.6
Chatham South	0.6	2.0	7.0	0.2	0.9	3.8	24%	0.1	0.2	0.9

Table 9: Undiscovered STOIP in Prospective Areas

Reservoir	STOIP (MMstb)		
	Low	Best	High
F3A Irene A	3.3	13.2	53.5
F3A Irene B	10.1	29.7	87.0
F3C Lydia	11.5	46.8	190.0
F3E Doreen	9.3	37.0	147.2
F3F Elaine N	10.7	36.8	126.9
F3F Elaine S	35.3	118.0	394.1

(subject to exploration risk)

ERCE is an independent consultancy specialising in geoscience evaluation and engineering and economics assessment. Except for the provision of professional services on a time-based fee basis, ERCE has no commercial arrangement with any other person or company involved in the interests which are the subject of this letter. ERCE confirms that it is independent of Rockhopper, its directors, senior management and advisers.

ERCE has the relevant and appropriate qualifications, experience and technical knowledge to appraise the assets professionally and independently. The work has been supervised by Dr Adam Law, Geoscience Director of ERCE, a post-graduate in Geology, a Fellow of the Geological Society and a member of the Society of Petroleum Evaluation Engineers (No 726).

This letter is for the sole use of Rockhopper, its financial advisors and also the banks who may provide debt finance. It may not be disclosed to any other person or used for any other purpose without the prior written approval of a Director of ERCE.

ERCE has made every effort to ensure that the interpretations, conclusions and recommendations presented herein are accurate and reliable in accordance with good industry practice. ERCE does not, however, guarantee the correctness of any such interpretations and shall not be liable or responsible for any loss, costs, damages or expenses incurred or sustained by anyone resulting from any interpretation or recommendation made by any of its officers, agents or employees. In the case that material is delivered in digital format, ERCE does not accept any responsibility for edits carried out after the product has left the Company's premises.

Yours faithfully

A handwritten signature in black ink, appearing to be 'A. Law'.

Adam Law
Geoscience Director
ERC Equipoise Limited

Appendix 1: Nomenclature

Units and their abbreviations

Bscf	thousands of millions of standard cubic feet
boe	barrels of oil equivalent, where 6000 scf of gas = 1 bbl of oil
M MM	thousands and millions respectively
cP	Centipoise
mD	milli-darcy
scf	standard cubic feet measured at 14.7 pounds per square inch and 60 degrees Fahrenheit
scf/d	standard cubic feet per day
stb	a stock tank barrel which is 42 US gallons measured at 14.7 pounds per square inch and 60 degrees Fahrenheit
stb/d	stock tank barrels per day

Resources Categorisation

1C	a low estimate category of Contingent Resources
2C	a best estimate category of Contingent Resources
3C	a high estimate category of Contingent Resources
Low	a low estimate category of Prospective Resources also used as a generic term to describe a low or conservative estimate
Best	a best estimate category of Prospective Resources also used as a generic term to describe a best, or mid estimate
High	high estimate category of Prospective Resources also used as a generic term to describe a high or optimistic estimate

Terms and their abbreviations

COS	chance of success
GIIP	gas initially in place
GOC	gas oil contact
GRV	gross rock volume
OWC	oil water contact
STOIP	stock tank oil initially in place