



PRESS RELEASE

For immediate release: 6 December 2005

Rockhopper Exploration plc

Interim results

Highlights:

- Successful placing and listing on AIM, raising £15m before expenses
- Award of two further licences in the North Falkland Basin, making Rockhopper the largest acreage holder in the North Falkland Basin
- 2D seismic survey commissioned on our 100% owned acreage
- Agreement signed with Desire Petroleum to farm-in to 7.5% of two licences adjacent to Rockhopper owned acreage
- Management team strengthened

Commenting on the results, Chairman Pierre Jungels said: 'Our strategy in the Falklands is to mature a number of high quality drillable prospects on our 100% held acreage and to be ready for a substantial drilling campaign once the availability and cost of drilling units are more favourable'.

Managing Director, Sam Moody said 'The steps we have taken over the last six months have laid the groundwork for the long-term future of the company'.

Contacts:

Rockhopper Exploration plc

Sam Moody, Managing Director

01722 414 419

Peter Dixon-Clarke, Finance Director

Aquila Financial Limited - rockhopper@aquila-financial.com

Peter Reilly

020 7849 3319

Yvonne Fraser

020 7849 3320

www.rockhopperexploration.co.uk

Notes to editors

The Rockhopper Group started trading in February 2004 to invest in and carry out an offshore oil exploration programme to the north of the Falkland Islands. The Group, which floated on AIM in August 2005, is currently the largest licence holder in the North Falkland Basin and owns a 100 per cent. interest in four offshore production licences which cover approximately 5,800 sq. km. These licences have been granted by the Falkland Islands government.

In total, the Board and its Consultant, the Falklands expert David Bodecott, have over 120 years experience in the oil industry, with specific expertise in the field of exploration and in the region itself.

Chairman's report

This interim report for the six months ended 30 September 2005, is the first report following our successful placing and listing on AIM on 15th August 2005. As expected the Group incurred a loss for the period.

The net proceeds of the placing of £13.9 million are on interest bearing deposits along with funding already in the Group and will be drawn down as required in line with our plans for the business.

Rockhopper Exploration is currently the largest acreage holder in the North Falkland Basin with 100% interests in four offshore production licences (PL023, PL024, PL032 and PL033) which cover approximately 5,800 sq. km. In addition the Group has agreed to farm-in for 7.5% in Desire Petroleum plc's licences PL03 and PL04 where Desire expect to drill three exploration wells.

PL023 and PL024 were awarded in November 2004 and cover an area of 4,200 sq. km in water depths of less than 200 metres. The licences are close to the Falkland Islands themselves and their southern-most edge is located only 25 km from the Islands. PL023 and PL024 are already covered by 1832 km of 2D seismic data. The Group has signed a contract with Geophysical Service Incorporated (GSI) to undertake a new 2D seismic survey over approximately 900 line kilometers. The survey should be completed early in 2006, with processing and interpretation of the data thereafter.

PL032 and PL033 were awarded in June 2005 and cover an area of 1,620 sq. km in water depths of between 350 and 500 metres, they are already covered by 1546km of 2D and 368 km² of 3D seismic data. Two wells have been drilled previously on these licences in 1998 by Shell when the oil price was approximately \$10 per barrel and both demonstrated the presence of hydrocarbons, one flowing live oil to the surface. A new and significant 3D seismic programme has been designed to cover this acreage.

Prospects and leads: Rockhopper's exploration team has reinterpreted the existing 2D and 3D seismic data covering its licences and has identified a number of prospects and leads which have the potential to contain significant deposits of hydrocarbons. These will be better defined following the planned acquisition of new 2D and 3D seismic data.

PL03 and PL04 are operated by Desire Petroleum plc. Rockhopper will earn an interest of 7.5% of these licences by contributing 15% of the dry hole cost of the expected 3 well exploration programme. The recently acquired 3D seismic data on these licences is very encouraging and we look forward to the commencement of drilling operations once Desire secures a suitable rig.

In summary, Rockhopper has a very exciting and prospective exploration portfolio in relatively shallow water, at a time that the oil industry is fiercely competing for access to that very type of opportunity.

Our strategy in the Falklands is to mature a number of high quality drillable prospects on our 100% held acreage and to be ready for a substantial drilling campaign once the availability and cost of drilling units are more favourable.

Pierre Jungels
Chairman
5 December, 2005

GROUP PROFIT & LOSS ACCOUNT

For the six months ended 30 September 2005

	Notes	6 months ended 30.09.05 Unaudited £000	6 months ended 30.09.04 Unaudited £000	Period ended 31.03.05 Audited £000
Administrative expenses		<u>(466)</u>	(3)	(228)
Operating loss		(466)	(3)	(228)
Interest receivable		<u>88</u>	-	5
Loss on ordinary activities before taxation		(378)	(3)	(223)
Taxation	5	<u>-</u>	-	-
Loss on ordinary activities after taxation		<u>(378)</u>	(3)	(223)
Loss per share (pence): Basic	6	(0.84p)	(0.01p)	(3.27p)
Loss per share (pence): Diluted		(0.84p)	(0.01p)	(3.27p)

GROUP BALANCE SHEET

30 September 2005

	Notes	As at 30.09.05 Unaudited £000	As at 30.09.04 Unaudited £000	As at 31.03.05 Audited £000
Fixed assets				
Intangible assets		259	19	236
Tangible assets		8	-	2
		<hr/> 267	19	238
Current assets				
Debtors		128	70	38
Cash at bank		14,908	-	1,190
		<hr/> 15,036	70	1,228
Creditors: amounts due within one year		<hr/> (407)	(22)	(106)
Net current assets		<hr/> 14,629	48	1,122
Total assets less current liabilities		<hr/> 14,896	67	1,360
Capital & reserves				
Called up share capital	4	718	-	361
Share premium account	3	14,919	70	1,362
Merger reserve	3	(140)	-	(140)
Profit & loss account	3	<hr/> (601)	(3)	(223)
Equity shareholders' funds	3	<hr/> 14,896	67	1,360

GROUP CASHFLOW STATEMENT

for the six months ended 30 September 2005

	Notes	6 months ended 30.09.05 Unaudited £000	6 months ended 30.09.04 Unaudited £000	Period ended 31.03.05 Audited £000
Net cash outflow from operating activities		(557)	-	(147)
Returns on investment and servicing of finance				
Interest received		88	-	5
Capital expenditure and financial investment				
Purchase of intangible fixed assets		(23)	-	(236)
Purchase of tangible fixed assets		(8)	-	(2)
Net cash outflow before financing		(500)	-	(380)
Financing				
Issue of share capital		15,000	-	595
Share issue costs	2	(782)	-	-
Issue of loan stock		-	-	975
Movement in net cash		13,718	-	1,190
Reconciliation of operating loss to net cash outflow from operating activities				
Operating loss		(466)	(3)	(228)
Increase in debtors		(90)	-	(38)
(Decrease)/increase in creditors		(3)	3	106
Depreciation		2	-	-
Shares issued in lieu of fees		-	-	13
Net cash outflow from operating activities		(557)	-	(147)

1 Basis of preparation

The interim financial information has been prepared on the basis of the accounting policies set out in the accounts for the year ended 31 March 2005. The interim financial information is unaudited but has been reviewed by the Auditors. The financial information does not constitute statutory accounts as defined by section 240 of the Companies Act 1985. Comparative figures for the period ended 31 March 2005 are extracts from the non-statutory accounts for that financial period. Those accounts upon which the auditor issued an unqualified opinion, did not include a statement under sections 237(2) or 237(3) of the Companies Act 1985.

2 Share issue costs	6 months ended 30.09.05 £000	6 months ended 30.09.04 £000	Period ended 31.03.05 £000
Share issue costs	1,086	-	-
Issue costs not yet paid and included in creditors	(304)	-	-
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	782	-	-
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3 Note on reserves and reconciliation of movement in shareholders' funds

	Share capital £000	Share premium account £000	Merger reserve £000	Profit and loss account £000	Total £000
As at 1 February 2004	-	-	-	-	-
New shares issued	-	-	-	-	-
Premium on shares issued	-	70	-	-	70
Loss for the period	-	-	-	(3)	(3)
	<hr/>				
As at 30 September 2004	-	70	-	(3)	67
New shares issued	361	-	-	-	361
Premium on shares issued	-	1,292	-	-	1,292
Movement on merger reserve	-	-	(140)	-	(140)
Loss for the period	-	-	-	(220)	(220)
	<hr/>				
As at 31 March 2005	361	1,362	(140)	(223)	1,360
New shares issued	357	-	-	-	357
Premium on shares issued	-	14,643	-	-	14,643
Share issue costs	-	(1,086)	-	-	(1,086)
Loss for the period	-	-	-	(378)	(378)
	<hr/>				
As at 30 September 2005	718	14,919	(140)	(601)	14,896
	<hr/> <hr/>				

4 Issued Share Capital	30.09.05	30.09.04	31.03.05
	No.	No.	No.
Ordinary shares of £1 each	-	1	-
Ordinary shares of £0.01p each	<u>71,774,605</u>	-	<u>36,060,320</u>

Details of shares issued prior to and including 31 March 2005 are disclosed in the Prospectus and non-statutory accounts prepared as at that date.

35,714,285 ordinary shares of £0.01p each were issued as part of the Admission to AIM on 15 August 2005.

5 Taxation

The effective rate of tax is based on the estimated tax charge for the full year at a rate of 0% (2004 – 0%).

6 Loss per share

The calculation of basic loss per share is based upon the loss for the period and the weighted-average number of 45,087,007 as at 30 September 2005 (31 March 2005 – 6,816,486; 2004 - 17,169,603) shares in issue during the period. As the group is reporting a loss for all periods then, in accordance with Financial Reporting Standard Number 22, the share options are not considered dilutive. This is because the exercise of the share options would have the effect of reducing the loss per share.

7 Copies of the interim report

Copies of the interim report will be dispatched to shareholders and will be available to the public at the Registered Office, Hilltop Park, Devizes Road, Salisbury, SP3 4UF.