RKH AIMX Rockhopper Exploration plc

Half-year Report · RNS 8610W · 30 September 2026

Rockhopper half-year: first oil still targeted Q1 2028, funded to mid-2028 after US$200m raise

Share price	60.1p
Market cap	£644m
52-week range	56.12p - 93.32p
Shares in issue	1072.0m
12-month change	-22.4%

Ticker Data API, as at 2 Oct 2026, 10:23

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SUMMARY

Rockhopper's half-year report today confirms that Sea Lion's first phase (NDA 1) is still targeting first oil in Q1 2028, with drilling due to start in early 2027. The company reported a loss of US$3.4m and cash and term deposits of US$147.0m at 30 June. After the period it raised about US$200m, which it says funds it to mid-2028. Most of the big news came in August: the operator bought a second production vessel (OSX-1), and an independent report lifted Rockhopper's 2P + 2C NPV10 from US$2.16bn to US$2.95bn. Over the longer term, near-term funding risk has clearly eased. But Rockhopper has no production and does not operate the project. It still needs to agree binding terms on OSX-1 and meet the conditions for its first debt draw.

KEY FIGURES

FIGURE	VALUE	PERIOD	CHANGE
Loss after tax	US$3.4 million	H1 2026	H1 2025: loss of US$51.0 million
Cash and term deposits	US$147.0 million	30 June 2026	31 December 2025: US$171.0 million
Post-tax 2P + 2C NPV10 (Rockhopper share)	US$2.95bn	NSAI report, end July 2026	Up from US$2.16bn
2P reserves / 2C resources (net)	110mmbbls / 219mmbbls	NSAI report, end July 2026	
Gross capital raised (placing and open offer)	US$200 million	August–September 2026	
Senior Debt Facility (undrawn)	US$350 million	30 June 2026	
Co-venturer loan from Navitas	US$116.7 million	30 June 2026	31 December 2025: US$52.5 million
Sea Lion additions to property, plant and equipment	US$76.3 million	H1 2026	
Share price	64.40p		Placing price was 70p; 52-week range 65.10p–93.32p
Brent crude	103 $/bbl	29 Sep 2026	+40.4% over three months

Sources: Half-year Report RNS, 30 Sep 2026; Ticker market data; Ticker commodities data

THE ANNOUNCEMENT

- NDA 1 was sanctioned in late 2025 and is described as fully funded. The operator is targeting first oil in Q1 2028, and development drilling is expected to begin early in 2027.
- Operator Navitas has bought the OSX-1 production vessel (FPSO) to accelerate the Central Development Area. Combined with NDA, total production could reach c.180,000bbls/d, with FID (final investment decision) targeted for H1 2028. Rockhopper's terms for taking its 35% share are not yet binding and are expected to be signed "in the coming weeks".
- A new independent report from NSAI shows 2P reserves of 110mmbbls and 2C resources of 219mmbbls net to Rockhopper. On that basis, post-tax 2P + 2C NPV10 (future cash flows discounted at 10% a year) rises from US$2.16bn to US$2.95bn, using long-run Brent of US$75.95. The 2C resources are unrisked, meaning they have not been adjusted for the chance of development.
- The placing and open offer raised US$180m and US$20m respectively, at 70p a share. The money is earmarked for CDA and OSX-1 costs, exploration, early project failure cover and contingency, and the Board says it funds the company to mid-2028.
- The H1 loss narrowed to US$3.4m from US$51.0m, although the prior period included large arbitration-related accounting items. Cash and term deposits fell to US$147.0m, and the US$350m senior debt facility was undrawn at 30 June.
- The Italian disposal still lacks Italian regulatory approval now that its extended long-stop date has passed. The report also notes heightened Argentine rhetoric; Navitas says this is not expected to materially affect the development timetable.

AGAINST GUIDANCE

The first-oil target of Q1 2028 is maintained. Guidance recorded in June referred to first oil in H1 2028, so the timetable has not slipped. Management met its earlier target of sanction in H2 2025, reaching FID in December 2025. Drilling is still expected in early 2027, and the CDA FID target remains H1 2028. The OSX-1 purchase, the NSAI upgrade and the raise were all announced in August, so the half-year report largely confirms news already public.

BULL CASE

- Near-term funding looks materially stronger. The US$200m raise, US$147.0m of cash and deposits at 30 June, the undrawn US$350m facility and the interest-free Navitas loan underpin the company's statement that it is funded to mid-2028. The going concern note finds no material uncertainty.
- The independent valuation has risen sharply. The 2P NPV10 alone is US$1,175.8m net to Rockhopper, against a market value of about £690m, before any credit for development-pending 2C resources.
- The second FPSO opens a route to much larger production, of c.180,000bbls/d combined. Planned exploration, including deepening a well to target the Gwendoline prospect, adds further upside.
- Management has lately delivered on its main milestones, including sanction on schedule. Oil is well above the US$75.95 long-run price used in the valuation, although Ticker does not treat today's spot price as permanent.

BEAR CASE

- Rockhopper is pre-revenue and holds a non-operated 35% stake, so delivery of the FPSO upgrade and drilling rests with Navitas. Cost overruns or delay could strain funding.
- The first debt draw, forecast for Q2 2027, requires an updated statement confirming no funding shortfall. Shareholders have been asked for equity three times in roughly 14 months, and the latest raise issued about 210m shares.
- The US$2.95bn figure is a project estimate, not a risked equity value. The 2C portion is unrisked, and the CDA still needs binding participation terms, regulatory approval and an investment decision.
- Argentine pressure over the Falklands could raise the project's risk premium. The shares trade below the 70p placing price, close to their 52-week low, and in a downtrend despite strong oil.

WHAT TO WATCH

- Whether binding OSX-1/CDA participation documents are signed in the coming weeks, and on what cost terms.
- Whether development drilling starts on schedule in early 2027 and the first draw on the US$350m facility completes in Q2 2027.
- Whether capital spending stays within the banking case, and whether amounts due from Navitas (US$44.3m of other receivables) convert into co-venturer loan funding.
- Any sign that Argentine measures affect contractors, insurers or lenders, or that oil price expectations fall back towards the valuation's long-run assumption.

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