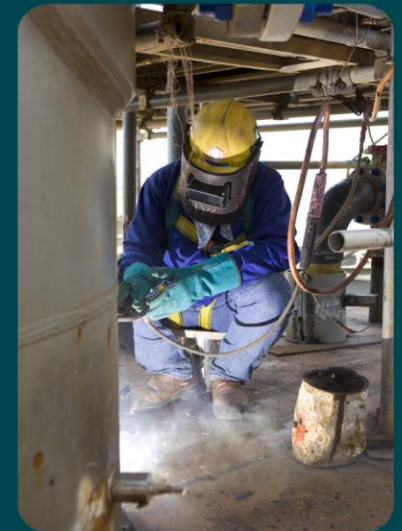




Acquisition of 60% of Rockhopper's licence interests in the Falkland Islands

July 2012



Forward looking statements

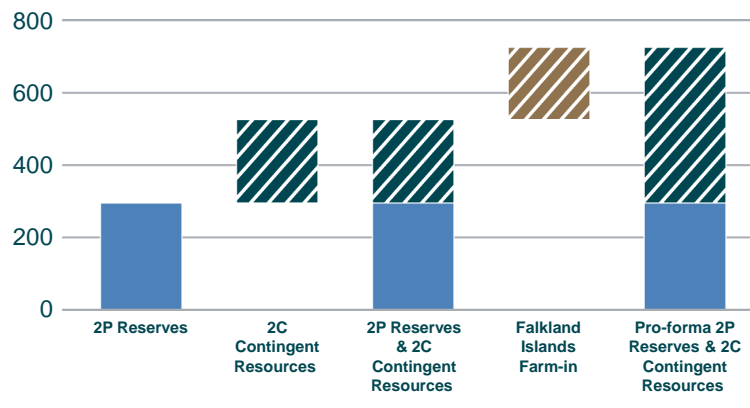
This presentation may contain forward-looking statements and information that both represents management's current expectations or beliefs concerning future events and are subject to known and unknown risks and uncertainties.

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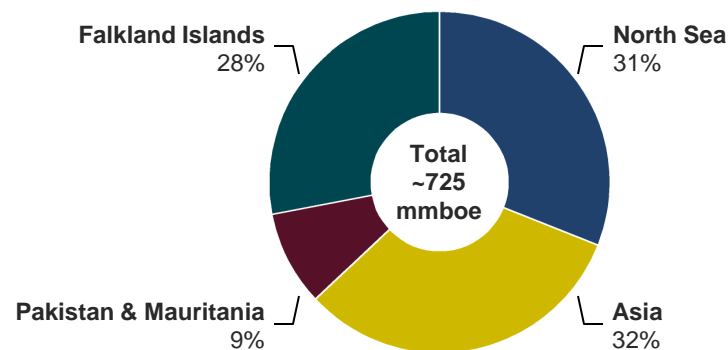
Transaction rationale

- Progresses Premier's strategy of growth through investment in high quality development projects
- Provides a further operated core area for Premier in a new oil prone basin
- Leverages Premier's strong operatorship and FPSO development capabilities
- Ongoing exploration opportunities in the North Falklands basin, leveraging Rockhopper's proven exploration expertise
- Adds approximately 200 mmbbls of net discovered 2C resources at a low upfront cost, together with net risked prospective resources of 175 mmboe
- Significantly extends Premier's production growth beyond current development projects and is an excellent fit with strongly rising cash flows
- Fully funded from a combination of existing cash resources, facilities and cashflow from operations; commitment to fund dividend unchanged

Pro-forma 2P Reserves and 2C Contingent Resources (mmboe)

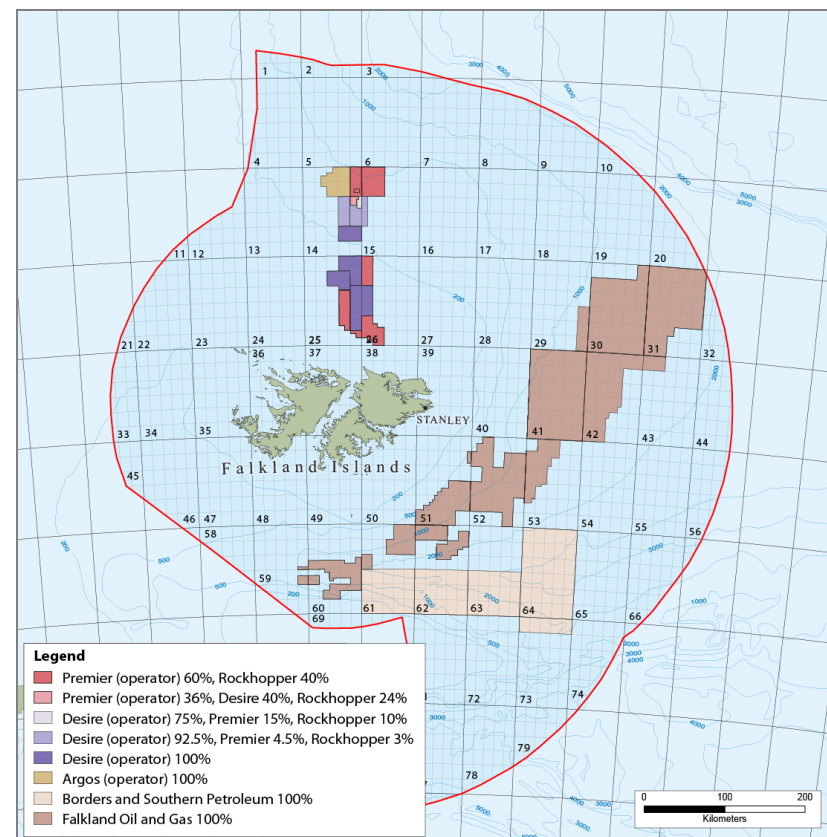


Pro-forma 2P Reserves and 2C Contingent Resources Split by Region



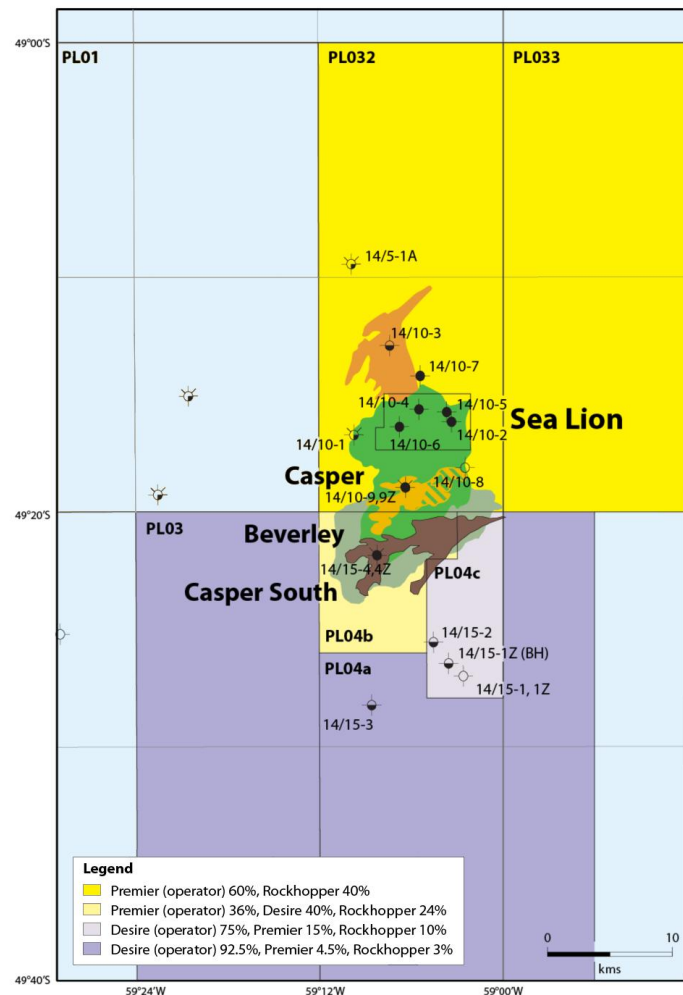
Key transaction terms

- Premier will acquire 60% of Rockhopper's interests in the North Falklands basin, including the Sea Lion development and the Casper, Casper South and Beverley discoveries
- The initial payment will be \$231 million (recognising past costs incurred by Rockhopper) plus an exploration carry of up to \$48 million and, subject to field development plan approval, a development carry of up to \$722 million
- The acquisition will add approximately 200 mmbbls of net discovered resources together with net risked prospective resources of 175 mboe
- Additional standby financing available at Rockhopper's option for Rockhopper's further share of development expenditures
 - Compensation through increased share of field production and cash flows until a 15% post tax internal rate of return (IRR) achieved by Premier
 - Mechanism ensures full financing for the existing fields, reducing project uncertainty
- Premier and Rockhopper have also agreed to pursue jointly exploration opportunities in the Falkland Islands and in analogous plays in selected areas offshore Southern Africa
- Transaction completion expected September 2012, subject to Falkland Islands Government approvals
 - Operatorship transfer expected 4Q 2012



Project history

- In 2010, well 14/10-2 was drilled on the Sea Lion prospect and made the first oil discovery in the Falkland Islands
- In 2011, Casper, Casper South and Beverley were discovered
- 10 wells were drilled between April 2010 and January 2012
 - 7 were successful with both oil and gas discovered
 - No significant operational or logistical difficulties encountered
- Discoveries fully appraised; development planning commenced in 2011
- Final submission date for Sea Lion Field Development Plan (FDP) is April 2015
- In 2012, Rockhopper began seeking a “farm-in” partner for the Sea Lion and other developments to bring resources to commercial production



Third party evaluation

Gaffney Cline Estimates¹	2C Contingent Resources (Gross, mmbbls)	NPV10 (Gross, \$mm)
Sea Lion	320.5	4,065.0
Casper	21.1	896.2
Casper South	39.0	
Other	5.3	
	<hr/> 385.9	<hr/> 4,961.2

Gaffney Cline key assumptions

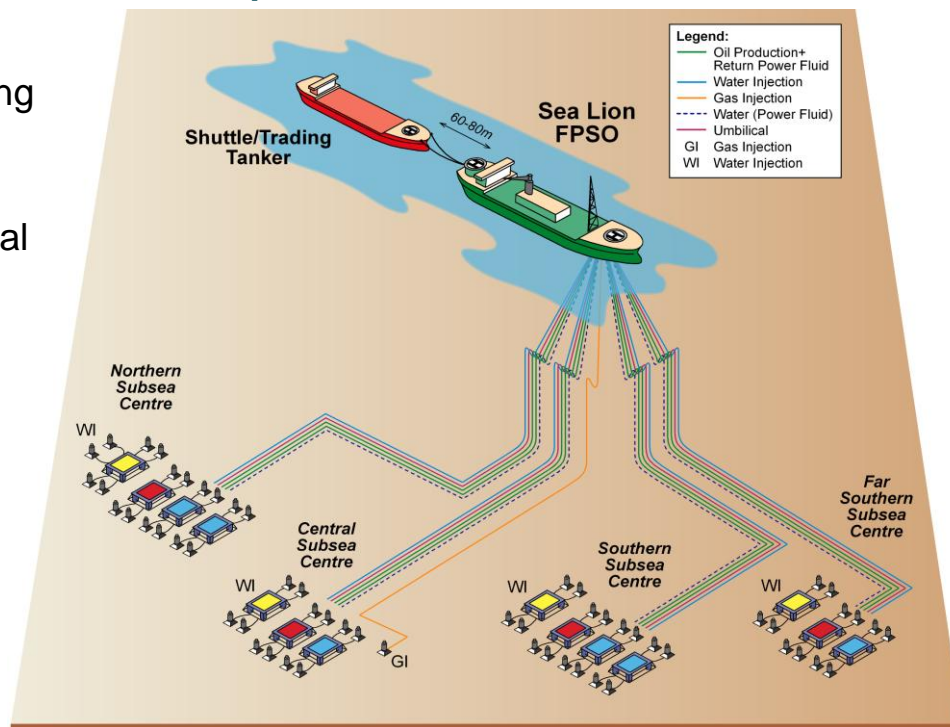
- First oil 2016, plateau production rate of 70 kbopd
- Purchased FPSO development, 34 development wells (Sea Lion only)
- Sea Lion capex \$4,825 million, including contingency
- Oil price assumption 2016: \$100.9/bbl; 2017: +2% thereafter

¹ Per Rockhopper Exploration CPR, April 2012

Sea Lion area development

- Premier will become the operator of the Sea Lion area development
- Premier has a strong track record with operating FPSO/FPV developments including in remote locations
 - Yetagun, West Natuna, Chim Sáo, Balmoral
- FPSO development in 450m water depth
 - Environmental conditions similar to UKCS
 - 4 centre subsea development
 - Scheme uses hydraulic submersible pumps (HSPs) for artificial lift
 - Associated gas to be used as fuel or to be re-injected
- Estimated gross peak production of 80-85 kbopd
- FDP to be submitted by April 2015, but targeting 1H 2014

Development schematic



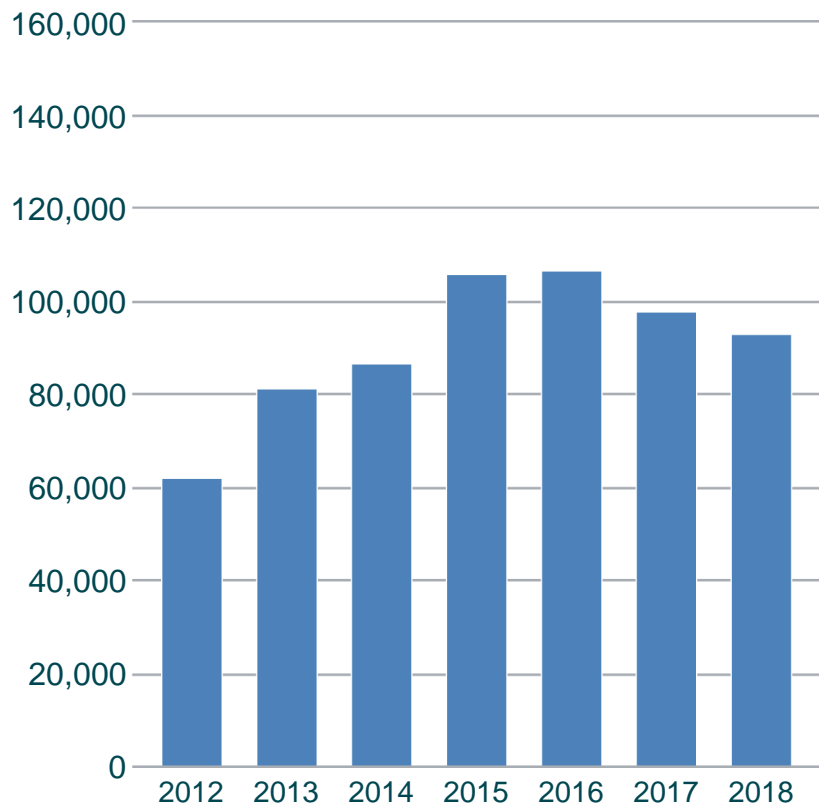
Sea Lion indicative costs (gross)

Field capex	\$5 billion
Pre-production (purchased FPSO)	\$3 billion
Pre-production (leased FPSO)	\$1.8 billion

Production and capex outlook

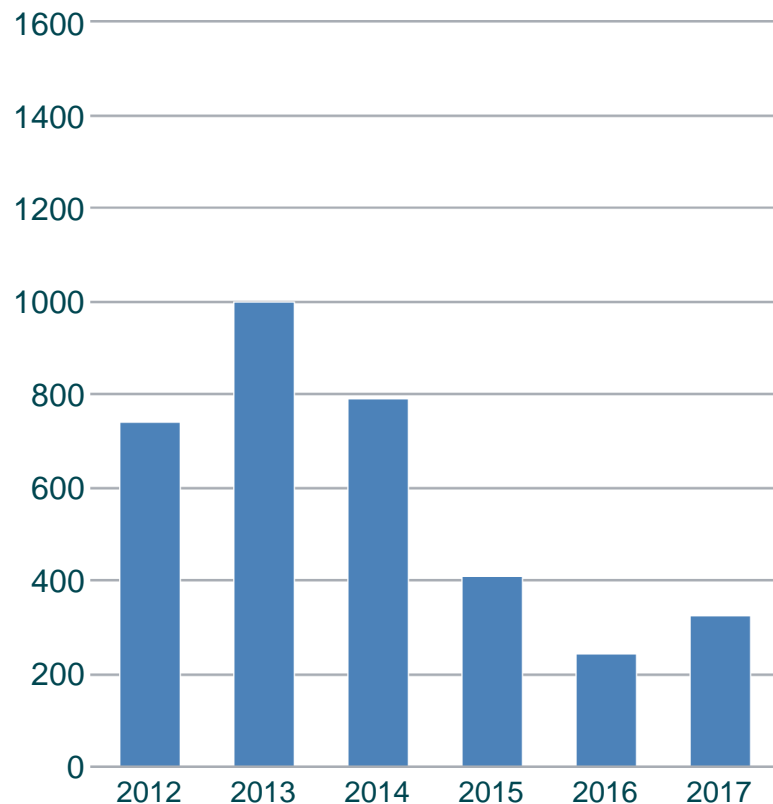
Production outlook

(boepd)



Development capex

(US\$ million)

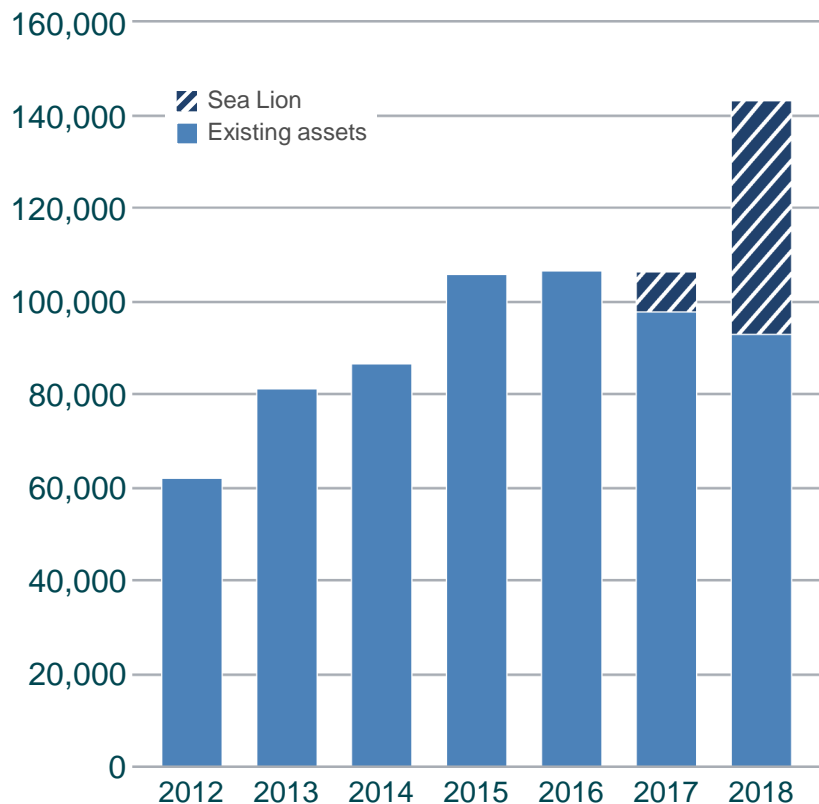


At \$100/bbl, expect post tax cash flow of ~\$2 billion in 2015

Production and capex outlook post farm-in

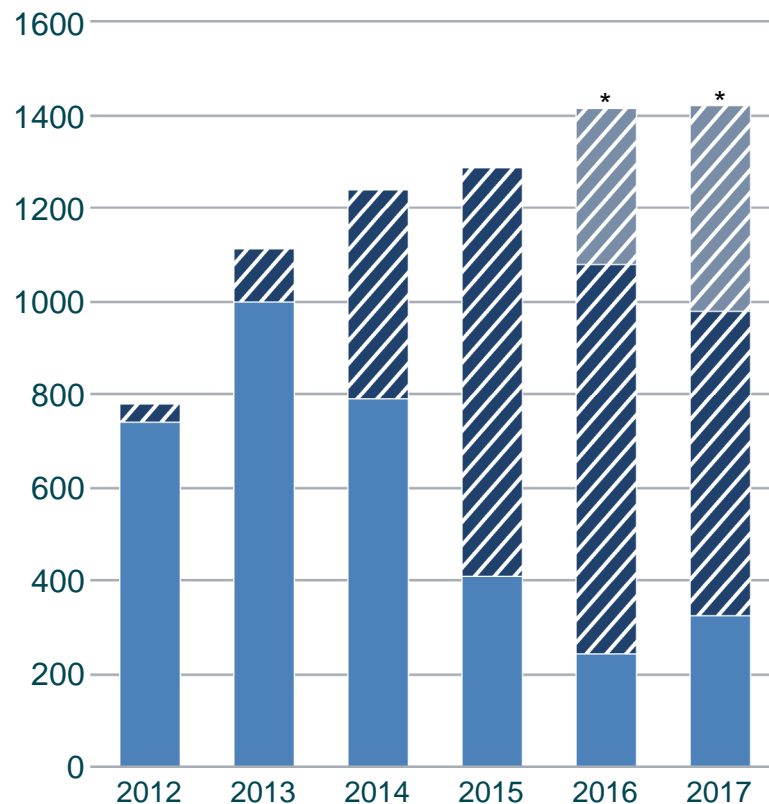
Production outlook

(boepd)



Development capex

(US\$ million)



*Assumes standby funding is taken up by Rockhopper. Purchased FPSO case

Significant increase in free cash flow post Sea Lion first oil

Carry arrangements – worked example

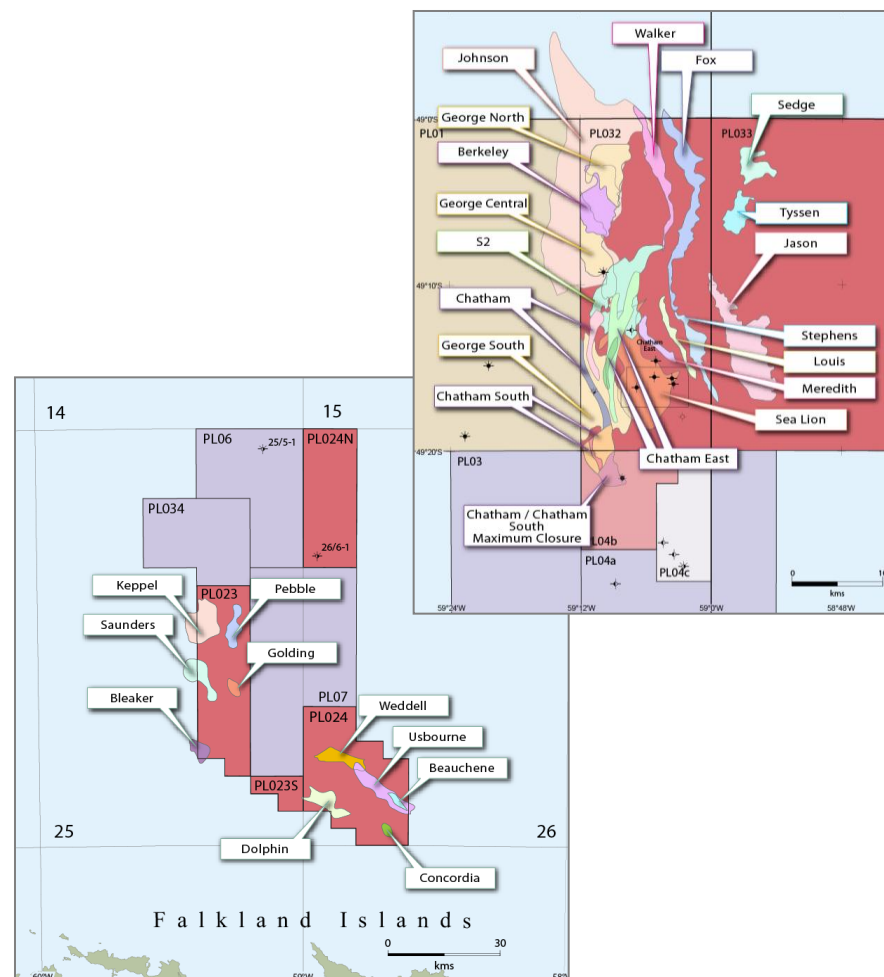
Illustrative example (assumes no self-funding from Rockhopper)

Project development capex (gross)	\$5 billion
Rockhopper share of capex	\$2 billion
Development carry	\$722 million
Standby financing from Premier	\$1,278 million
Proportion of initial cash flows, net to Premier	75.3% ¹

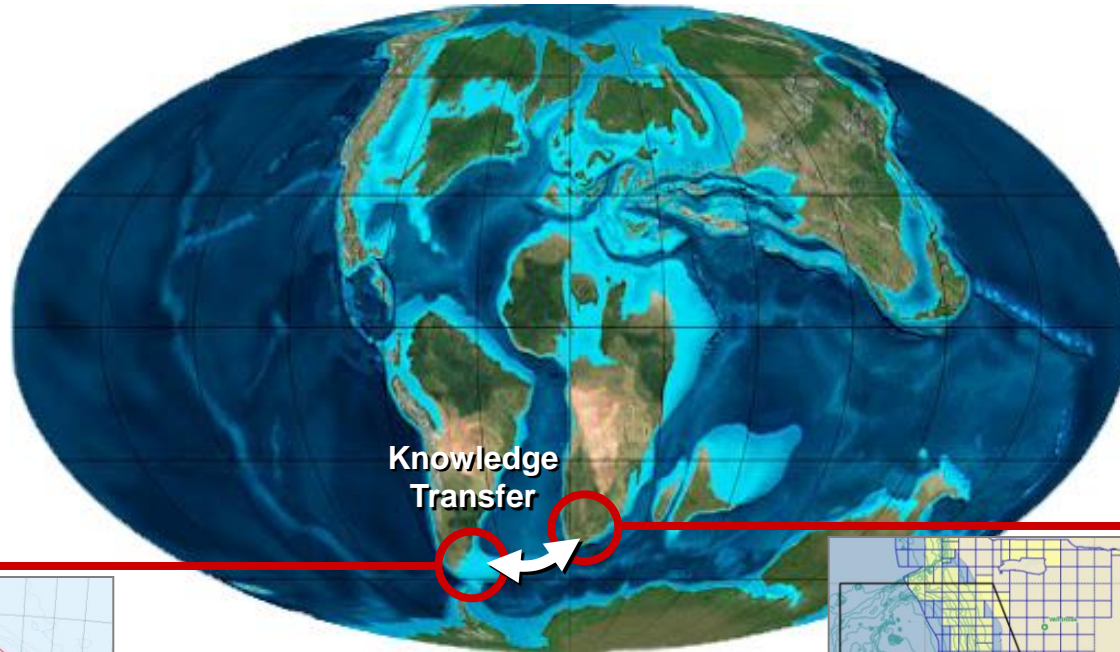
1. Initial Premier cash flows are 60% (working interest) plus 60% of the proportion of standby funding provided out of total project capex. This share of cash flow continues until Premier achieves post tax IRR of 15% on its investment of \$4.278 billion (working interest share of capex plus standby financing).

Further exploration potential

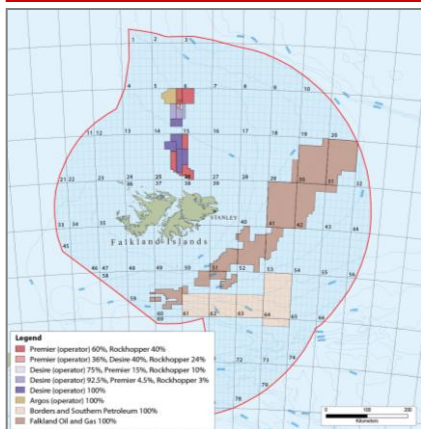
- Further exploration upside through multiple play types
- The 2010 to 2012 drilling campaigns targeted only the basin floor fan systems
- Net risked prospective resource of 175 mmboe in leads and prospects
- New 3D seismic interpretation ongoing to mature inventory to drillable prospects
- Under the proposed acquisition agreement, Rockhopper will take the subsurface lead in the North Falklands basin



Area of Mutual Interest



Knowledge Transfer



- 60/40 Area of Mutual Interest with Rockhopper
- Pursuit of analogous Mesozoic plays in the Falklands Islands and offshore Southern Africa



