

Oil and gas company Rockhopper strikes deal with Falkland Islands government

Oil and gas company Rockhopper Exploration has agreed a deal with the Falkland Islands government to extend “key licenses” off the coast of the country.

The Aim-listed business, which is headquartered in Salisbury, said on Wednesday (November 30) it would be allowed to extend each of its South Falkland Basin Production licenses, in which the company holds a 100% interest, until December 3, 2024.

The licences were previously due to expire next month. There are no additional licence commitments, the firm added.

The company said in September it was “[on the cusp](#)” of [developing a major oil field](#) off the coast of the Falkland Islands after a deal between UK-based Harbour Energy and US gas and oil firm Navitas Petroleum was completed.

Samuel Moody, Rockhopper’s chief executive, said the latest agreement with the country’s government would offer the opportunity for future regional development in the Falklands.

He said: “The company is grateful to the Falkland Islands government for the extension of its South Falkland Basin licence interests. Whilst our primary focus is on working with Navitas to bring the Sea Lion development in the North Falkland Basin to fruition, this extension will enable us to progress our understanding of these highly prospective licences in the south – in particular, the PL011 licence which adjoins the Borders & Southern Darwin discovery.”

Elsewhere, Rockhopper is currently in a dispute with the Italian government after the country cancelled a major

drilling project. In October, the business said it was “disappointed” [Italy was seeking to annul a multimillion-pound compensation payout](#) that was due to be made to the firm.

Rockhopper was awarded [€190m \(£162m\) plus interest in damages](#) from the Italian government in August. An arbitration panel unanimously decided Italy had breached its obligations under the Energy Charter Treaty over a decision to prevent the company from oil exploration along its coastline in 2015.

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