



Good morning ladies and gentlemen, it is now 11am and I propose that we start the meeting.

I confirm that we are quorate and I am pleased to welcome you to Hurricane's 8th Annual General Meeting, held here in the gallery of The Hospital Club for the second time. I am John Hogan, Chairman of Hurricane and joining me this morning are all the members of the board.

Firstly on a point of housekeeping, please familiarise yourselves with the location of the fire exits which are clearly marked. The staff here at The Hospital Club will be very happy to help you with anything you need.



The full board is here. Firstly my non-executive colleagues Dr David Jenkins and John van der Welle. We are all recent appointees, having joined the board on 8th March and some of you will have met us at the General Meeting the company held on 15th April.



Also of course we have our executive directors, our CEO, Robert Trice; CFO, Nicholas Mardon Taylor; COO Neil Platt and CAO Keith Kirby. Also we have representatives from Cenkos Securities, Hawkwood, Dentons, Deloitte and our registrars.

Let me talk briefly about how I see your new board operating in the future. I am pleased to say that the chemistry amongst the new non-executives is very positive – we have, after all known each other for years and we are rolling our sleeves up and getting involved. For example David Jenkins and I are going to Aberdeen this week to participate in two days of meetings with various contractors involved in the forthcoming drilling operations to add our experience to the mix, and we will continue to be “hands on” wherever we can add value. I am also pleased to say that the relationship between the non-executives and the executive team is open and supportive. I am confident that this team will operate in a manner that is constructive, transparent and with the highest standards of governance to be expected. My last point about the board is that we intend to continually review our performance and constitution, and will always be open to making further additions to the board should we see the case for it.



The agenda for this morning is on the screen behind me and I intend to conduct the meeting in two parts – a first, informal part covers agenda items 1 through 3 and a second formal part in agenda item 4.

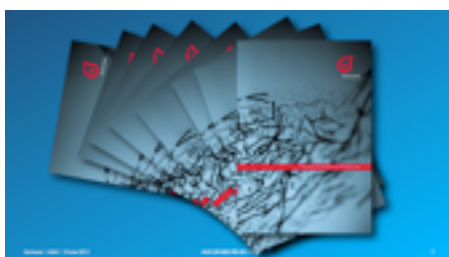
The informal section will begin by me describing some of Hurricane's achievements in 2012 and more recently.

Following my remarks, Robert Trice will present his overview of the past year or so, and he will set out our future plans including some of the highlights on the horizon in the coming months. After that there will be an

opportunity for you to ask questions. I hope that the presentation will answer many of your questions but you will be able to ask about anything not covered, either relating to the year just past, the coming operations or more generally.

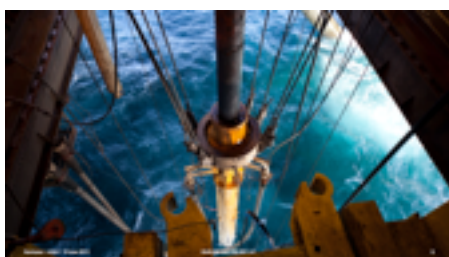


As you are all aware, we have been working towards a listing of the Company on AIM. We are not there yet. We are still in that process and as a result there are regulatory restrictions on what we are able to say about it at this stage. Therefore I trust that you will understand that we will not be able to go into any details about the amount of money expected to be raised or the valuation and IPO price expected. I appreciate that it may be disappointing but with the restrictions in mind, we will also not be able to take detailed questions on the IPO during the Q&A. I will return to this subject shortly to describe the capital market conditions we are confronted with at the moment.



The blackout restrictions also mean that our full Annual Report has to wait to be issued until such time as they are lifted. It is printed and ready to go, but we have been restricted to issuing only the financial statements including the directors' report element, which are to be considered for approval later this morning. The financial statements have been available on the website for the past couple of weeks and you will have seen that there are copies available this morning.

After the Q&A we will conduct the formal business of the meeting. Once that is done and the voting procedures are complete, we will be delighted to welcome you to our reception, which will take place at the other end of the gallery. I do hope you will all stay and use the opportunity to talk with your Board and the other Hurricane staff here today.



Unfortunately, there was no drilling undertaken by Hurricane in 2012 and that hiatus in activity has been frustrating for management and shareholders alike. The unprecedented difficulties in the financial markets coupled with high demand in the rig market conspired to make progress difficult.



However, I am pleased to confirm that we have now secured a rig for drilling in 2013 and have an option to contract that same rig for further drilling in 2014, subject to funding. So all stakeholders can now look forward to an exciting and, I trust, successful period ahead, including drilling and testing the next appraisal well on Lancaster which is due to commence in just a few weeks time.

Of course securing options to use a rig is only one part of the equation. Crucial to making use of the opportunity was the question of raising money to finance those options.



To ensure financing was available to cover the cost of drilling this imminent well on Lancaster, £31.4 million was raised in March this year, mostly in the form of convertible loan notes. The success of that fundraising was reported at the General Meeting on 15th April. Those of you attending that meeting will also recall Robert announcing that the fundraising included a material investment from BP, something which we were very pleased to report.

That financing ensured we were able to meet the cost of drilling in

2013. The option to take the same rig for 2014 drilling has to be exercised by the end of June, this month, and requires additional funding. To secure those funds the board decided this would be best achieved through a listing on AIM and a placing of sufficient size to cover the cost of a 2014 well and to meet the company's working capital needs.



To help us achieve this we have appointed Cenkos Securities to be our lead broker. Cenkos are highly experienced and the most successful broker in recent years to E&P stocks on the AIM market. They have had the support of placing agents in the shape of Hawkwood, with whom many of you will be familiar as they have been consistent supporters of the company, and also Fondsinans based in Oslo covering the Scandinavian market.

A very detailed draft pathfinder admission document has been prepared and, together with a detailed presentation of the Hurricane story, forms the basis of the potential listing.

Within that pathfinder document are details of a conditional share incentive scheme, named the Hurricane Energy 2013 Performance Share Plan, that all employees of the company can participate in. The scheme was prepared by third party remuneration specialists, and scrutinised and supported by our corporate advisers. Despite this, the scheme has attracted some critical comments from a number of shareholders. Your board has listened carefully to the concerns expressed and intends to act in response. We have therefore decided to commission a new and independent remuneration expert to identify a possible alternative share incentive scheme for employees. We will invite a shareholder representative to agree the scope of work and your board will ensure that any proposed share plan has the support of our institutional shareholder base before implementation.



Robert and Nicholas have been presenting the Hurricane story to both existing and potential new investors during the past few weeks. From the feedback they had it is clear that the story is attractive and arguably superior to some other opportunities being presented to institutions.

But there can be no doubt that capital market conditions are exceedingly difficult. In the next few slides I would like to illustrate to you the state of the market and the pressure on fundraising in our sector.



You can see from this first chart that over the past 12 months the FTSE has risen by 29% overall. But, you can also see that the AIM Exploration and Production index has fallen by 19% during the same period. Frustratingly, as we began the marketing process in earnest in March they crossed over and compared with a year ago a difference of almost 50% has opened up looking at it today. Historically it doesn't make much sense, but the markets are the markets.



This second chart illustrates that whilst the AIM market overall has moved 3% to the positive over the past twelve months, AIM's E&P index moving minus 19% doesn't compare favourably.



There are other charts I could show you, but this final one compares the Brent spot oil price, down 7% from a year ago and with the -19% movement in AIM E&P index.

So you can see this is a tough time to be raising capital. It is also why it is taking us longer than you might have expected to conclude the IPO.



However, we need to get on and appraise our assets and to do this, we need funding. Our objective is to raise sufficient funds to support a programme that will see us drill in 2013 and again in 2014, and commence work on early stage field development planning.

The board is convinced that we can create significant value for shareholders by getting our key wells drilled and tested.

I would now like to hand over to Robert Trice to describe how he and the team are going to go about doing that. Robert...

