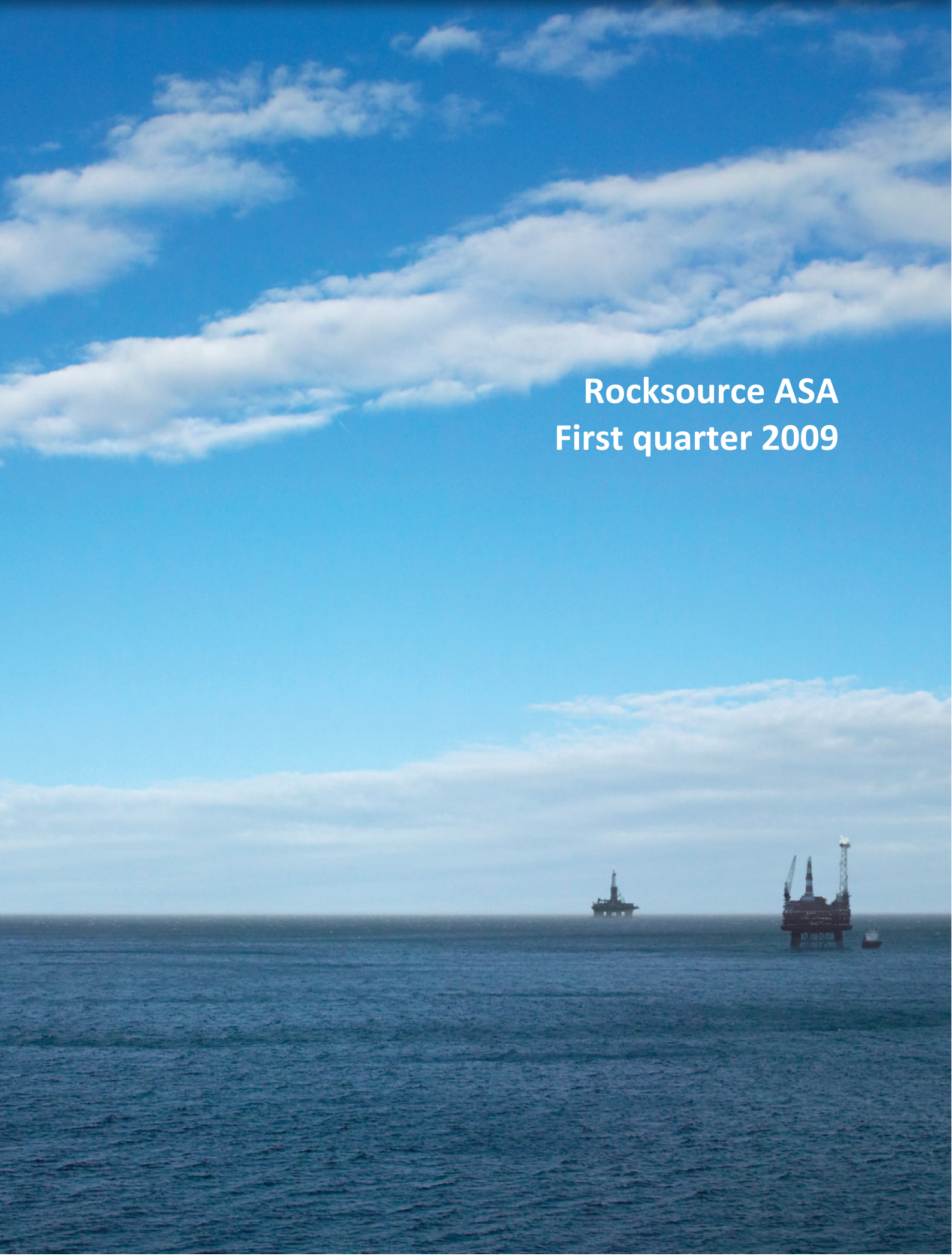


**Rocksource ASA
First quarter 2009**



Rocksource ASA

First quarter 2009

The recent successes in the last three license rounds on Norwegian and UK Continental shelves has added eight new, exciting licenses to the Rocksource portfolio. With eight confirmed positive CSEM anomalies and with two more licenses currently undergoing final analysis, Rocksource has established a license portfolio of low risk, high value prospects which could be drilled within two to three years. Establishing this drill queue represents a major milestone where focus will shift from gathering the most exiting acreage to actually drilling them. The presentation published in conjunction with this reports shows the upside inherent in this portfolio. The estimate for net risked (mean) resources for the eight CSEM positive prospects represents an upside of 18 NOK/share.

The technological capabilities of the company have been further improved through the positions taken in TechnoImaging and Geocontrast. These positions allow Rocksource to improve quality of Rocksource Discover, the proprietary software tool, but it will also extend the scope of the technology by utilising CSEM in production.

During the first quarter of 2009 the gas prices have been falling sharply. This has influenced the short term profitability of our onshore production in the US. Rocksource remains focussed on establishing a low cost production, and has finalised the latest drilling campaign as planned and without any HSE-incidents. The current financial climate presents a number of inorganic opportunities that has been and will be evaluated to reach our production target of 5,000 boepd in 2010.

Key events

- Significant portfolio growth; successfully awarded 3 licenses in the 20th Licensing Round on the Norwegian continental shelf
 - Represents another major milestone for Rocksource
 - Added 240 million barrels of oil equivalent (boe) creating a total portfolio of 630 million boe net risked resources
 - Significant probability for commercial discoveries in all licenses
 - Added multiple, high value drillable prospects to Rocksource's prospect inventory
 - Two firm wells
- Further strengthening of the CSEM technology platform through investment in TechnoImaging and Geocontrast
 - Secured further development of algorithms critical for advanced handling of CSEM data
 - Expanded the scope for use of the CSEM technology and increased the speed and accuracy of analyses and enabled a greater range of prospectivity to be tested
 - Teamed up with Dr. Zhdanov, a leading authority within the field of EM
 - Secured option to take stronger position in bringing CSEM into production
- Development and exploration wells onshore US completed
 - Development drilling in the Drews Landing/New Ace area has been completed with a total of 12 wells within budget and without HSE-incidents
 - Two exploration wells in the adjacent Granbury area have been completed and are currently being evaluated
- Substantial drop in gas prices in the US and lower production from the US operations significantly reduced revenue in the quarter

Key financial & operational figures

NOK 1,000		1Q 2009	1Q 2008	2008
Operating income		29 083	59 931	287 175
Exploration costs		(22 991)	(22 952)	(147 108)
EBITDA	(1)	(24 660)	16 984	14 629
Net profit/(loss) after taxes		(40 956)	3 540	60 918
Basic earnings per share (NOK)		(0.070)	0.006	0.102
Investment	(2)	41 362	24 594	112 350
Cash balance		162 770	155 402	269 381
Available, undrawn credit facility		205 000	50 000	205 000
Net risked resources, million boe	(3)	388	125	388
Net average production boepd		1 707	2 163	2 355
Realised gas price \$/mcf		4.60	9.00	9.76

(1) Earnings before interest, taxes depreciaton and amortisation

(2) Cash effect investment in assets

(3) Before award of three licenses in the 20th round adding 240 million boe

Portfolio review

License/PSC	Country	Equity	Operator	Awarded	CSEM status	Upcoming events
PL 416	NCS	35 %	E-on	APA 2006	CSEM positive	Work programme completed. Drill or drop decision
PL 441	NCS	40 %	DNO	APA 2006	CSEM negative	Work programme completed. Relinquished, 1st Quarter 2008
PL 451	NCS	20 %	Noreco	APA 2007	CSEM positive	3D seismic acquisition
PL 456	NCS	100 %	Rocksource	APA 2007	CSEM negative	Work programme completed. Relinquished, 1st Quarter 2009
PL 480	NCS	20 %	StatoilHydro	APA 2007	Not yet tested	Work programme completed. Drill or drop decision
PL 506S	NCS	50 %	Rocksource	APA 2008	Not yet tested	EM positive by Discover, 3D seismic acquisition
PL 515	NCS	60 %	Rocksource	APA 2008	CSEM acquired	Result of CSEM processing
PL 528	NCS	30 %	Petro-Canada Norge	20th Round	CSEM positive	Partner meeting, plan the awarded work programme
PL 530	NCS	20 %	GDF Suez Norge	20th Round	CSEM positive	Partner meeting, plan the awarded work programme
PL 535	NCS	20 %	Total E&P Norge	20th Round	CSEM positive	Partner meeting, plan the awarded work programme
P 1484	UKCS	15 %	OMV	24th Round	Not yet tested	Establish further activities after 75% relinquishment completed
P 1488	UKCS	15 %	OMV	24th Round	Not yet tested	Establish further activities after 75% relinquishment completed
P 1486	UKCS	10 %	Talisman	24th Round	Not yet tested	Establish further activities after 75% relinquishment completed
P 1553	UKCS	100 %	Rocksource	24th Round	n/a	Work programme completed. Relinquished, 1st Quarter 2009
P 1067	UKCS	10 %	DNO	farm-in	n/a	Work programme completed, further activities under evaluation
P 1378	UKCS	90 %	Rocksource	farm-in	CSEM negative	Work programme completed. Relinquished, 1st Quarter 2008
P 1638	UKCS	100 %	Rocksource	25th Round	Not yet tested	2D seismic data purchase
P 1573	UKCS	20 %	Nautical Petroleum	25th Round	Not yet tested	CSEM feasibility study
P 1574	UKCS	20 %	Nautical Petroleum	25th Round	Not yet tested	CSEM feasibility study
CY DWN 2001-1	India	10 %	ONGC	farm-in	CSEM positive	Decision on work programme/3rd well
AGC Profond	Senegal/ Guinea Bissau	*25%	Ophir	farm-in	CSEM acquired	Result of CSEM processing, decision to participate in well

* Assumes completion of the full farm-in, over two wells

Operational review

Rocksource is an exploration focused oil and gas company and has during the last year successfully gained access to a number of quality exploration opportunities in Norway, UK, West Africa and India. Since the beginning of 2008 Rocksource has made significant additions to its exploration portfolio. Net risk resources have grown from 125 million boe to 630 million boe, an increase of more than 400 %.

Exploration

NCS

On 30th April 2009, the 20th Licensing Round on the Norwegian continental shelf (NCS) was announced. Rocksource was successfully awarded 3 licenses marking another significant milestone for the company. The licenses contain prospects with a significant probability for proving commercial discoveries and have the following major impacts:

- Significant portfolio growth; added 240 million boe creating a total portfolio of 630 million boe net risked recoverable resources
- Increased the number of drillable prospects with associated CSEM anomalies forming the beginning of a low risk and high value drill queue over the coming years
- Two firm wells

The awarded licenses contained the highest ranked prospects from the portfolio that was tested by a unique exploration programme. This programme was initiated in early 2007 and was designed to screen open acreage on the NCS. The prospects have been de-risked using Electromagnetic Source Controlled (CSEM) data, processed by the subsidiary Rocksource Geotech in the proprietary software system Rocksource Discoverer. All licenses contain low risk, high value prospects which could be drilled within a short time frame.

PL 528, Blocks 6707/8, 6707/9, 6707/11

This license is located on the Nyk High in the Vøring Basin (Norwegian Sea), immediately east and northeast of the Luva, Haklang and Snefrid discoveries. Several prospects have been identified within the license, with prospectivity present at multiple reservoir levels. Three of these prospects were tested by acquiring CSEM data, prior to application. After processing of the data Rocksource has concluded that resistivity anomalies are associated with the prospects, and the observed anomalies are likely to be caused by hydrocarbons.

The license group consists of:

- Petro-Canada Norge AS (Operator): 40%
- Centrica Resources Norge AS: 30%
- Rocksource ASA: 30%

Work programme:

- Acquire 800 sqkm 3D seismic
- Within 3 years (30th April 2012): Drill or drop decision
- Within 5 years (30th April 2014): Fulfil drilling exploration well and decide PDO or drop
- Within 6 years (30th April 2015): Submit PDO
- Extension period: 30 years

PL 530, Parts of blocks 7123/6 and 7124/4

This license is located in the Barents Sea on the very southern part of the Bjarmeland Platform/eastern edge of the Hammerfest Basin on trend with the Goliat and Tornerose discoveries to the west and the Nucula discovery to the southeast. Prior to application Rocksource tested the main prospectivity in the license by acquiring CSEM data. After processing of the data Rocksource has concluded that a resistivity anomaly exists at the target interval, and the observed anomaly is likely to be caused by hydrocarbons.

The license group consists of:

- GDF Suez Norge AS (Operator): 40%
- Discover Petroleum AS: 20%
- North Energy AS: 20%
- Rocksource ASA: 20%

Work programme:

- Within 2 years: Drill 1 firm exploration well 200 m into Havert Formation or to 3,000 m
- Within 3 years (30th April 2012): Decide to relinquish (only if first well is dry) or decide to drill well # 2
- Within 5 years (30th April 2014): Fulfil drilling of second well and decide PDO or drop
- Within 6 years (30th April 2015): Submit PDO
- Extension period: 30 years

PL 535, Blocks 7225/3 and 7226/1

This license is located on the Norvarg Dome in the central part of the Bjarmeland Platform in the Barents Sea, west of the Ververis discovery and northeast of the Arenaria discovery. Prior to application Rocksource acquired CSEM data in order to test the prospect. After processing of the data Rocksource has concluded that resistivity anomalies exist at depths corresponding with multiple targets, and the resistivity anomalies are likely to be caused by hydrocarbons.

The license group consists of:

- Total E&P Norge AS (Operator): 40%
- Aker Exploration AS: 20%
- North Energy AS: 20%
- Rocksource ASA: 20%

Work programme:

- Within 3 years: Acquire min. 500 sqkm 3D seismic (April 30th 2014)
- Within 4 years (30th April 2014). Drill 1 firm exploration well 100 m into Gipsdalen (or 4,000 m) and decide on PDO or drop
- Within 5 years (30th April 2014): Submit PDO
- Extension period: 30 years

CSEM data has been acquired on PL 515 and is currently under evaluation to better understand the area potential and determine further activity on the license. On licenses where positive CSEM anomalies have already been determined (PL 416 and PL 451) the license group is maturing the area towards a drill or drop decision.

The CSEM evaluation of PL 456 was negative, down grading prospectivity, prompting the license to be relinquished. This relinquishment forms part of the Rocksource strategy to focus the company's capital and resources on only high graded prospectivity.

UKCS

The Rocksource strategy in the UK has been to participate as a low equity player in partnerships who can see the benefit of Rocksource technology as a de-risking tool. The recent activities have been to high grade prospectivity in preparation for 75% areal relinquishment of Frontier licenses. Rocksource has also relinquished P 1553. The recent change in tax regime for the UKCS will have a positive impact for the prospects in the recent P 1573 and P 1574 awards from the 25th Round and an increased capital allowance for small tie back discoveries will improve economics, like the P 1067 Mulle discovery.

INTERNATIONAL

West-Africa

The CSEM data acquired on the AGC Profond PSC is currently being evaluated in preparation for the Rocksource decision to execute the farm-in option and progress to drilling the first exploration well on the PSC. The PSC contains multiple prospects and a significant potential resource size, in excess of 1 billion boe. A decision is expected by the end of second quarter.

India

The partnership has been completing post well reports on the recent negative exploration wells drilled in 2008. These analyses conclude there is significant 'CSEM positive' prospectivity remaining in very close proximity to the CY-DWN 1 well. The evaluation further concludes that the well data and CSEM data are consistent suggesting the resistivity anomaly remains untested. The forward exploration strategy for the block is currently under evaluation in the partnership. The Rocksource farm-in assignment is awaiting Government of India approval. The total cost accrued for Rocksource participation in the partnership is not concluded until a full audit and partnership consensus have been reached according to the farm-in agreement.

ONSHORE US

The exploration wells targeting the Granbury prospects onshore Texas were completed in the quarter. The preliminary testing shows results in the lower range of expectations, but final results are pending further evaluation. The need for further wells and production facilities combined with the current low gas prices, have increased the risk and uncertainty connected with the further development of the prospects.

Production

In addition to evaluating development options for the Granbury discoveries, Rocksource is reviewing other growth opportunities to secure further production increase. The target of increasing production to 5,000 barrels of oil equivalents per day (boepd) by 2010 remains, but may be changed if oil and gas prices do not improve.

Rocksource has completed the development campaign on its onshore field in Texas and all wells are now tied into sales. The new production wells have performed slightly lower than expected, but have compensated for the natural decline in the fields.

In parallel the company has experienced operational issues that have required unexpected well recompletion, reducing the production rate in the quarter. The average production in the quarter was 1,707 barrels boepd compared to 2,163 barrels boepd during same quarter in 2008 and 2,233 boepd in previous quarter.

Rocksource will continue its business development in the US. Due to the dramatic reduction in oil and gas prices, new projects are currently being reviewed to find ways to improve finances and cash flow. Some cost-cutting measures have been implemented and further cost reduction, as well as schedule changes are being considered.

Technology expansion

Rocksource's exploration portfolio has been established to secure long-term superior exploration results based on application of technology, with emphasis on CSEM technology. In order to maintain and further develop the leading technology position, the wholly owned subsidiary Rocksource Geotech has expanded its technology platform, and has over the last months matured the following positions:

- Increased the focus on CSEM operations and R&D
- Invested in TechnoImaging
- Provided a convertible loan and secured a call-option in Geocontrast

The combined investment in TechnoImaging and the position taken in Geocontrast is considered strategically important for Rocksource's existing and future business activities within hydrocarbon exploration, appraisal and production. The investment in TechnoImaging will be made in tranches from April 2009 and onwards.

A main reason for the increased focus is the very positive results from the CSEM analyses of prospects over the past five years. By early 2009, Rocksource Geotech has carried out real data CSEM analyses for around 60 prospects, of which 11 are drilled (6 discoveries and 5 dry wells). Six wells were drilled post-interpretation (all successfully predicted), one was a successful blind test and four are test cases where the results were known pre-interpretation.

These results provide convincing statistical evidence, both proving that the technology works and demonstrating the game-changing potential of the technology.

The expansion strategy includes focus on:

- Improved accuracy and higher speed of analysis, leading to further increase in chance of success in finding hydrocarbons
- Increased range of prospectivity to be tested, including increased depth range, more geological complex settings, and very shallow water settings and onshore
- Increased scope of application within E&P value chain, including appraisal and production

All of the above will strengthen the core E&P business of Rocksource and give additional commercial and strategic options.

Financial summary

Operations

First quarter operating income was NOK 29.1 million, a reduction of 49% compared to previous quarter of NOK 57.4 million and NOK 59.9 million same quarter 2008, a reduction due to lower production and a substantial drop in gas prices in the US. Compared to an average gas price of USD 12.3 per mcf in the record quarter Q2 2008, and USD 6.7 per mcf in previous quarter, the gas price was down to USD 4.6 per mcf in Q1 2009, representing a reduction of 63%.

Rocksource is predominately an exploration company. The purpose of the onshore production in the US is to generate cash flow in order to cover running costs and to support offshore led exploration. Due to record high oil and gas prices up to Q4 2008, which coincided with all time high production for the company, Rocksource posted positive result in 2008. The combined fall in gas prices, lower production, high exploration cost and weakened USD currency rate gave a net result of minus NOK 41.0 million in Q1 2009 compared to minus NOK 7.0 million previous quarter and NOK 3.5 million same quarter 2008.

The exploration expenses of NOK 23.0 in the quarter mainly related to activities on NCS, acquisition of CSEM data on the AGC Profond Block as well as acquisition of seismic data onshore US. This is on the same level as first quarter 2008, but down from NOK 42.0 million last quarter. In parallel inorganic opportunities are continuously being evaluated. Total exploration cost in first quarter, including internal cost, was NOK 35.6 million.

EBITDA in the first quarter was negative NOK 24.7 million, and with exploration costs of NOK 23 million the revenue from the production covered running costs. The EBITDA is expected to fluctuate with production, oil and gas prices as well as exploration activity levels.

Net financial expense was NOK 11.9 million in the quarter, negatively influenced by currency loss of NOK 5.5 million due to weakening of \$/NOK. Income tax in first quarter was NOK 14.4 million.

Cash flow from operating activities for the first 3 months in 2009 was negative with NOK 65.1 million compared to a negative cash flow of NOK 6.7 from the corresponding period in 2008.

The capital expenditure in the quarter was NOK 41.4 million, and was related to the well programme in the US. No further wells are currently planned.

Balance sheet and liquidity

Rocksource's total balance sheet as of 31 March 2009 was NOK 795.5 million compared to NOK 890.1 million at year-end 2008. The Group's working capital at the end of first quarter 2009 was NOK 162.6million, down NOK 72.5 million from previous quarter mainly due to investment NOK 41.4 million in the well programme in the US.

The equity was NOK 443.2 million compared to NOK 485.7 million previous quarter giving an equity ratio of 55.7%, up from 54.6% last quarter.

The cash balance at the end of first quarter was NOK 162.8 million compared to NOK 269.4 million at year-end, and in line with plans. In the quarter the cash balance has been reduced due to investments in the US and down payment of short-term liabilities.

In May Rocksource has increased the cash balance by NOK 27 million through a draw down on the NCS credit facility of NOK 250 million. The undrawn facility amount was NOK 205 million at the end of the quarter and NOK 178 million after the last draw down in May.

Rocksource has low capital commitments in 2009, and will continuously monitor the macroeconomic fundamentals before taking on additional commitments.

As of 31 March 2009 Rocksource ASA had 590 129 671 shares outstanding.

Outlook

Although 2009 will provide a challenging trading environment for the oil and gas industry, Rocksource has already seen that it will also present a number of opportunities to grow the company. The company believe more assets will become available in the US, more exploration assets will be available worldwide, and that there will be an even stronger demand for "smarter" exploration. All these factors reinforce Rocksource ability to continue to grow and to realise the full potential of the portfolio.

As CSEM positive prospects are added to the portfolio the company is now preparing to enter into a new stage in the development of the company. With the awards in the 20th round Rocksource will now move into a phase where drilling the low risk, high value prospects will be a major activity in the exploration efforts. Leveraging on the technical capabilities Rocksource will prove more barrels faster and at a lower cost proving that the quality, not the quantity, of licenses in a portfolio will be the key to Rocksource's exploration success.

CONSOLIDATED INCOME STATEMENT

NOK 1,000	1Q 2009 IFRS	1Q 2008 IFRS	2008 IFRS
Operating income			
Revenue	29 083	59 931	287 175
Total operating income	29 083	59 931	287 175
Operating expenses			
Operating costs oil and gas	(9 593)	(7 146)	(47 050)
Payroll and related costs	(17 825)	(11 208)	(61 933)
Depreciation and amortisation	(18 732)	(18 348)	(75 562)
Impairment loss	-	-	(2 675)
Exploration costs	(22 991)	(22 952)	(147 108)
Other operating expenses	(3 333)	(1 641)	(16 456)
Total operating expenses	(72 475)	(61 295)	(350 785)
Operating profit/(loss)	(43 392)	(1 365)	(63 610)
Financial income/(expenses)			
Financial income	1 718	708	14 328
Foreign currency profit/(loss)	(5 508)	(11 265)	12 966
Financial expenses	(8 136)	(5 976)	(32 924)
Net financial income/(expenses)	(11 927)	(16 533)	(5 630)
Profit/(loss) before taxes	(55 318)	(17 898)	(69 240)
Income tax	14 362	21 438	130 158
Net profit/(loss)	(40 956)	3 540	60 918
Attributable to:			
Equity holders of the parent	(40 932)	3 228	59 870
Minority interest	(23)	312	1 048
Net profit/(loss)	(40 956)	3 540	60 918
Earnings per share			
Basic earnings per share (NOK)	(0.070)	0.006	0.102
Diluted earnings per share (NOK)	(0.070)	0.005	0.100

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

NOK 1,000	1Q 2009 IFRS	1Q 2008 IFRS	2008 IFRS
Net profit/(loss)	(40 956)	3 540	60 918
Exchange differences on translating foreign operations	(2 235)	2 762	33 177
Total comprehensive income/(loss) for the period	(43 191)	6 302	94 095
Total comprehensive income attributable to:			
Equity holders of the parent	(43 167)	5 990	93 047
Minority interest	(23)	312	1 048
Net profit/(loss)	(43 191)	6 302	94 095

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

NOK 1,000	31.03.2009 IFRS	31.03.2008 IFRS	31.12.2008 IFRS
ASSETS			
Non-current assets			
Intangible non-current assets			
Deferred tax assets	26 311	10 915	27 443
Patents and development costs	5 004	2 084	5 265
Seismic library	4 013	12 040	5 351
Goodwill	154 563	154 563	154 563
Capitalised exploration and acquisition costs	34 808	-	20 504
Total intangible non-current assets	224 699	179 601	213 126
Tangible non-current assets			
Oil- and gas properties	259 039	179 512	261 704
Furniture, fixtures and office machines	7 050	5 754	8 175
Tax receivable NCS, long-term	15 495	18 521	-
Total tangible non-current assets	281 584	203 787	269 879
Total non-current assets	506 283	383 388	483 005
Current assets			
Accounts receivable	3 783	28 792	16 215
Tax-receivable NCS, short-term	113 228	171 108	113 228
Other receivables	9 474	16 614	8 301
Cash and cash equivalents	162 770	155 402	269 381
Total current assets	289 256	371 916	407 125
Total assets	795 539	755 304	890 130
EQUITY AND LIABILITIES			
Equity			
Share capital	147 532	146 001	146 950
Treasury shares	(25)	(25)	(25)
Share premium reserve	105 338	105 338	105 338
Additional paid-in capital	169 623	137 450	171 443
Total paid-in capital	422 468	388 764	423 705
Retained earnings			
Retained earnings/(loss carried forward)	18 938	3 228	59 870
Total equity attributable to equity holders of the parent	441 406	391 992	483 576
Minority interest	1 834	779	2 090
Total equity	443 240	392 771	485 665
Liabilities			
Non-current liabilities			
Deferred tax	280	-	280
Bond loan	196 060	194 655	195 475
Other long-term liabilities	29 327	-	36 684
Total non-current liabilities	225 668	194 655	232 439
Current liabilities			
NCS credit facility, short-term	94 905	99 325	94 905
Accounts and other payables	23 001	44 381	65 275
Tax payable	-	10 101	-
Other current liabilities	8 725	14 070	11 846
Total current liabilities	126 632	167 878	172 026
Total liabilities	352 300	362 533	404 465
Total equity and liabilities	795 539	755 304	890 130

CONSOLIDATED CASH FLOW STATEMENT

NOK 1,000	31.03.2009 IFRS	31.03.2008 IFRS	31.12.2008 IFRS
Cash flow from operating activities			
Profit/(loss) from operations before exploration costs	(20 401)	21 588	83 499
- Exploration costs	(22 991)	(22 952)	(147 108)
Profit/(loss) from operations	(43 392)	(1 365)	(63 610)
Adjustments for:			
Tax refund NCS exploration costs	-	-	166 178
Taxes paid onshore	-	-	(7 334)
Depreciation and amortisation	18 732	18 348	78 238
Share-based remuneration	415	(72)	3 505
Interest received	1 402	3	14 326
Interest paid	(6 094)	(3 156)	(22 310)
Foreign currency profit/(loss)	(5 508)	(11 265)	12 966
Changes in accounts receivable	12 432	(6 134)	6 443
Changes in accounts and other payables	(42 274)	173	21 067
Changes in other current balance sheet items	(828)	(3 194)	(15 822)
Net cash from operating activities	(65 114)	(6 661)	193 647
Cash flows from investing activities			
Purchase of subsidiaries, net of cash	-	-	2 193
Proceeds from sales of assets	-	-	48
Purchase of property, plant and equipment	(41 362)	(24 594)	(112 350)
Net cash flow from investing activities	(41 362)	(24 594)	(110 109)
Cash flow from financing activities			
Net capital increase	582	290	1 239
Dividends, minority	(233)	-	-
Proceeds from issuance of long-term debt	-	-	50 000
Proceeds from issuance of short-term debt	-	100 000	144 875
Repayment of short-term debt	-	-	(100 000)
Net cash flow from financing activities	350	100 290	96 114
Effect of changes in exchange rates on cash and cash equivalents	(484)	(629)	2 733
Net change in cash and cash equivalents	(106 611)	68 406	182 385
Cash and cash equivalents at beginning of the period	269 381	86 996	86 996
Cash and cash equivalents at the end of the period	162 770	155 402	269 381

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

NOK 1,000	Share capital	Treasury shares	Share premium reserves	Additional paid-in capital	Retained earnings	Currency translation differences	Total majority	Minority interest	Total equity
Equity 1 January 2009	146 950	(25)	105 338	128 616	59 870	42 826	483 576	2 090	485 665
Net profit/(loss) for the period	-	-	-	-	(40 932)	-	(40 932)	(23)	(40 956)
Other comprehensive income/(loss) for the period	-	-	-	-	-	(2 235)	(2 235)	-	(2 235)
Total comprehensive income/(loss) for the period	-	-	-	-	(40 932)	(2 235)	(43 167)	(23)	(43 191)
Net capital increase	582	-	-	-	-	-	582	-	582
Share based remuneration	-	-	-	415	-	-	415	-	415
Minority interest, dividends	-	-	-	-	-	-	-	(233)	(233)
Equity 31 March 2009	147 532	(25)	105 338	129 031	18 938	40 592	441 406	1 834	443 240

NOK 1,000	Share capital	Treasury shares	Share premium reserves	Additional paid-in capital	Retained earnings	Currency translation differences	Total majority	Minority interest	Total equity
Equity 1 January 2008	145 711	(25)	105 338	125 111	-	9 649	385 784	467	386 251
Net profit/(loss) for the period	-	-	-	-	3 228	-	3 228	312	3 540
Other comprehensive income/(loss) for the period	-	-	-	-	-	2 762	2 762	-	2 762
Total comprehensive income/(loss) for the period	-	-	-	-	3 228	2 762	5 990	312	6 302
Net capital increase	290	-	-	-	-	-	290	-	290
Share based remuneration	-	-	-	(72)	-	-	(72)	-	(72)
Minority interest, dividends	-	-	-	-	-	-	-	-	-
Equity 31 March 2008	146 001	(25)	105 338	125 039	3 228	12 411	391 992	779	392 771

Number of shares of NOK 0.25	Ordinary	Weighted accumulated ⁽¹⁾
Issued on 1 January 2009 in 1.000	587 800	587 800
- Treasury shares in 1.000	(100)	(100)
Issued on 5 March 2009 in 1.000	2 329	673
Total number of shares in 1.000	590 030	588 373

⁽¹⁾ Weighted average number of outstanding ordinary shares are used in calculations of basic earnings per share.

ROCKSOURCE Group - Notes first quarter 2009

Principles and reporting

These financial statements are the unaudited interim consolidated financial statements of Rocksource ASA and its subsidiaries (hereafter "the Group") for the three-month period ended 31 March 2009. The Interim Financial Statements are prepared in accordance with the International Accounting Standard 34 (IAS 34). These Interim Financial Statements should be read in conjunction with the Consolidated Financial Statements for the year ended 31 December 2008, as they provide an update of previously reported information.

The accounting policies used in the Interim Financial Statements are consistent with those used in the Annual Financial Statements. IAS 1 Revised financial statement presentation has been implemented from 1 January 2009. The revised standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details on transactions with owners, with non-owners changes in equity presented as a single line. In addition the standard introduces a statement of comprehensive income presenting income and expenses of non-owner transactions either as addition in the income statement or as a separate statement of comprehensive income. The Group has elected to present two statements.

The first quarter 2009 results were approved in the Board meeting on 19 May 2009.

Note 1: Segment information

The Group's main business segments are:

1. Onshore oil & gas activities
2. Offshore oil & gas activities
3. Geo-technical activities

The transactions between the segments include internal project and administrative support.

NOK '000	Onshore - Oil & Gas activities		Offshore - Oil & Gas activities		Geo-technical activities		Non-allocated		Total	
	Q1		Q1		Q1		Q1		Q1	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Revenue	28 600	59 324	479	-	12 554	6 046	(12 550)	(5 439)	29 083	59 931
Operating costs oil and gas	(9 593)	(7 146)	-	-	-	-	-	-	(9 593)	(7 146)
Payroll and related costs	(5 047)	(3 667)	(10 495)	(5 992)	(2 283)	(1 549)	-	-	(17 825)	(11 208)
Depreciation and amortisation	(16 288)	(16 163)	(841)	(538)	(1 604)	(1 648)	-	-	(18 732)	(18 348)
Exploration costs	(2 334)	(2 965)	(20 657)	(19 988)	-	-	-	-	(22 991)	(22 952)
Other operating expenses	(1 334)	(964)	(10 461)	(4 544)	(2 839)	(1 467)	11 301	5 335	(3 333)	(1 641)
Operating profit/(loss)	(5 997)	28 419	(41 975)	(31 061)	5 828	1 381	(1 249)	(104)	(43 392)	(1 365)
Net financial income/(expenses)	(6 569)	(5 380)	(5 360)	(10 568)	2	(585)	-	-	(11 927)	(16 534)
Profit/(loss) before taxes	(12 565)	23 039	(47 334)	(41 630)	5 830	796	(1 249)	(104)	(55 318)	(17 898)
Income tax	-	-	14 362	21 438	-	-	-	-	14 362	21 438
Net profit/(loss)	(12 565)	23 039	(32 972)	(20 191)	5 830	796	(1 249)	(104)	(40 956)	3 540
Total assets	343 074	235 764	530 015	655 680	171 070	194 493	(248 619)	(330 632)	795 539	755 304
Investing activities (cash effect)	41 321	23 371	41	3 740	-	(2 518)	-	-	41 362	24 594

Note 2: Related parties /share-based remuneration

Reference is made to detailed information disclosed in the Annual Report for 2008 regarding related parties transactions.

Options under the share-based remuneration programme, as approved by the Annual General Meeting on 7 May 2008, are recognised in the financial statements from the grant dates. Expensed share-based remuneration for the first quarter 2009 (including employer's social security contributions) is NOK 0.4 million.

Note 3: Tax

Companies operating on the Norwegian Continental Shelf can claim a 78% refund of their exploration costs limited to the taxable losses for the year. In the fourth quarter the Group has accounted a positive income tax of NOK 14.4 million (first quarter 2008 NOK 21.4 million). Deferred tax assets of NOK 26.3 million relates to deferred taxation from NCS activities.

<i>NOK '000</i>	Q1 2009	Q1 2008	2008
Tax refund this year, NCS	15 495	18 521	113 228
Tax refund from prior year, NCS	-	-	(4 930)
Deferred income tax, NCS	(1 132)	2 917	19 098
Payable taxes other	-	-	(4)
Payable taxes, onshore activities	-	-	2 766
Total income tax through profit and loss	14 363	21 438	130 158
Tax refund received	-	-	166 178
Tax paid onshore	-	-	7 334

Note 4: Exploration costs

<i>NOK '000</i>	Q1 2009	Q1 2008	2008
Exploration cost, external	(22 991)	(22 952)	(147 108)
Exploration cost, internal	(12 589)	(4 285)	(42 904)
Total exploration cost	(35 580)	(27 237)	(190 012)

Note 5: Interest and currency swap

Profit/loss from changes in the fair value of the interest and currency swap has been included in "foreign currency profit/(loss)" in the income statement. Changes in fair value of the interest and currency swap in first quarter gave an effect on profit of NOK 7.1 million. Total fair value of the swap was negative NOK 29.3 million as of 31 March 2009.

Note 6: Subsequent events

On 20 April 2009 Rocksource Geotech AS, Technolmaging LLC and Dr. Michael Zhdanov entered into a Securities Purchase Agreement and an Operating Agreement related to Rocksource Geotech's investment in Technolmaging. Rocksource Geotech shall, pursuant to the agreements, invest USD 5 million in Technolmaging and will receive a 36% ownership interest in Technolmaging. Rocksource Geotech will make its investment by payment from existing funds. The investment will be made in tranches. The first tranche of USD 2 million was paid upon closure, giving an initial ownership of 14.4%. Payments of remaining tranches are conditional on the completion of certain milestones related to the business development of Technolmaging. The parties intend to complete the investment within 12 months.