ASX RELEASE

ACTIVITIES FOR QUARTER ENDED 30 SEPTEMBER 2011

CEO Comments

Production in 3Q 2011 declined by 3% compared to the previous quarter, primarily due to operational issues temporarily impacting production rates at UK assets during the Quarter.

ROC continued to maintain good safety and environmental performances at operated facilities, with no Lost Time Injuries and no significant loss of containment or significant environmental incidents during the Quarter.

During the Quarter, ROC achieved several of its key strategic objectives for 2011:

- The award of the Balai Cluster Small Field Risk Service Contract in Malaysia satisfied the objective of delivering a new pre-production asset in South East Asia;
- The agreement to sell Mozambique Channel exploration assets and interests in Mauritanian offshore permits, and to farm-down Block H, offshore Equatorial Guinea, satisfied the objective of divesting non-core assets; and
- Production from the first ROC-operated appraisal well in the new Zhanghai Block (adjacent to Zhao Dong) satisfied the objective of delivering a new production asset in China.

Additional highlights from the Quarter also included: improved production rates at Cliff Head following the successful completion of the CH-12 workover; the acquisition of an additional 5% of the Cliff Head field; and the continuation of the on-market share buy-back.

Net cash at the end of the Quarter was US$36.7 million and total debt was US$12.9 million. Production guidance for 2011 remains unchanged at between 7,000-8,000 BOEPD and ROC is confident of achieving operating cost (<US$17/BOE) and capital expenditure (<US$100 million) goals.
Key Activities

1. Consolidated Revenue & Production

1.1. Total working interest production of 0.664 MMBOE (7,221 BOEPD); down 3% compared to 0.682 MMBOE (7,498 BOEPD) in the previous quarter, primarily due to operational issues temporarily impacting production rates at non-operated UK assets.

1.2. Sales volumes of 0.712 MMBOE; down 4% compared to 0.742 MMBOE in the previous quarter due to lower production. ROC’s net crude oil underlift position at Quarter-end decreased by 0.105 MMBOE to 0.051 MMBOE.

1.3. Total sales revenue of US$79.1 million; down 7% compared to US$84.8 million in the previous quarter due to a combination of lower production and lower oil prices.

1.4. Average realised oil price (excluding hedging) in the Quarter of US$111.47/BBL; down 3% compared to US$114.36/BBL in the previous quarter. Brent oil price averaged US$113.41/BBL in the Quarter.

2. Production Assets

2.1. Zhao Dong Oil Fields, Bohai Bay, Offshore China

C & D Oil Fields (ROC: 24.5% & Operator) gross oil production averaged 17,016 BOPD (ROC: 4,169 BOPD); down 4% compared to the previous quarter due to natural well decline. No development wells were drilled in the C & D fields during the Quarter.

C4 Oil Field (ROC: 11.575% unitised & Operator) gross oil production averaged 1,849 BOPD (ROC: 214 BOPD); down 17% compared to the previous quarter due to natural well decline.

Zhanghai Block (ROC 39.2% & Operator) gross oil production has averaged 551 BOPD (ROC: 216 BOPD) since the commencement of production through C4 platform facilities on 22 August and the well is experiencing natural decline.

Various Chinese government authorities and agencies have conducted nationwide inspections and reviews of offshore oil and gas production facilities and operations, including the Zhao Dong fields, since the incident in June at the ConocoPhillips-operated Penglai 19-3 oil field in the Bohai Bay. These inspections and reviews have not interrupted Zhao Dong operations or production.

2.2. Cliff Head Oil Field, WA-31-L, Offshore Western Australia (ROC: 37.5% & Operator)

Gross oil production averaged 3,184 BOPD (ROC: 1,194 BOPD); up 13% compared to the previous quarter due to the CH12 production well successfully coming online on 11 August following the completion of a workover to install a higher rate Electric Submersible Pump.

The joint venture is assessing what further technical work is required to exploit additional reserves potential in the Cliff Head field.
2.3.  Blane Oil Field, North Sea (ROC: 12.5%)

Gross oil production averaged 8,608 BOPD (ROC: 1,076 BOPD); down 14% compared with the previous quarter due to operational issues, including the interruption of gas lift availability from the host platform, that caused reduced production rates. These operational issues have now been rectified.

2.4.  Enoch Oil and Gas Field, North Sea (ROC: 12%)

Gross oil production averaged 1,617 BOPD (ROC: 194 BOPD); down 40% from the previous quarter due to operational issues, including a maintenance shutdown of the host pipeline and temporary unavailability of gas lift from the host platform, that caused reduced production rates. These operational issues have now been rectified.

2.5.  Chinguetti Oil Field, PSC Area B, Offshore Mauritania (ROC: 3.25%)

Gross oil production averaged 7,538 BOPD (ROC: 245 BOPD); up 2% from the previous quarter.

3.  Development Assets

3.1.  WZ 6-12 and WZ 12-8 West Oil Field Development, Beibu Gulf, Offshore China (ROC: 19.6%)

Basic engineering design for platform and pipeline facilities is 100% complete and award of the detail design contract is progressing. The overall project was approximately 8% complete at the end of the Quarter: procurement processes are well advanced; the fabrication contract for the platforms has been signed with COOEC (a CNOOC subsidiary); the offshore installation contract is in the final stages of negotiation; and 2012 and 2013 development drilling programmes and contracts are being prepared.

While the operator still anticipates first production from the Beibu Gulf project before the end of 2012, ROC considers that ongoing nationwide reviews by the State Oceanic Administration (“SOA”) into offshore operations, following the incident in June at the ConocoPhillips-operated Penglai 19-3 oil field in the Bohai Bay, could potentially cause delays to this schedule. Contingency plans are being prepared to ensure project development continues should such delays be experienced.

3.2.  Zhao Dong Oil Fields, Bohai Bay, Offshore China

The 2011 development drilling programme of 20 wells (15 producers and 5 injectors) commenced on 3 April. A total of 9 producer wells and 2 injector wells have been drilled since the programme commenced. During the Quarter, 4 producer wells (including the well in the Zhanghai block) were drilled from the C4 field platform location.

The Zhanghai block appraisal well (ZD CP2N-H-1) commenced drilling from the C4 platform on 15 July and intersected 310 metres of horizontal reservoir section. The well was completed and production commenced through existing C4 facilities. PetroChina exercised its rights under the PSC to participate with a 51% interest in the Zhanghai and Chenghai blocks on the commencement of completion activities and commercial development of the well, effective 12 August. The interests in the blocks are now PetroChina 51%, ROC 39.2% and Sinochem 9.8%.

Technical work on the Zhanghai and Chenghai blocks continued during the Quarter.
3.3. Basker-Manta-Gummy Oil and Gas Fields, VIC/L26, VIC/L27 & VIC/L28, Offshore Victoria (ROC: 30% & Operator)

During the Quarter, activities to prepare the field for the Non-Production Phase (“NPP”) continued and included: the engineering of the BMG offshore deconstruct; contract tendering for trenching and well intervention activities, which are planned to take place in 1Q 2012; and the implementation of a monitoring and inspection programme. The evaluation of options for a separate Phase-2 gas and oil development continues. ROC is pursuing the divestment of its interest in the BMG fields.

4. Exploration and Appraisal Assets

4.1. Balai Cluster Small Field Risk Service Contract, offshore Sarawak, Malaysia (ROC: 48%)

During the Quarter, Petronas Nasional Berhad (“PETRONAS”) entered into a Small Field Risk Service Contract (“SFRSC”) for the pre-development and development of the Balai Cluster Fields, located offshore Sarawak, with a contractor group comprising Roc Oil Malaysia (Holdings) Sdn Bhd, a wholly owned subsidiary of ROC, Dialog D & P Sdn Bhd, a wholly owned subsidiary of Dialog Group Bhd (“DIALOG Group”) and PETRONAS Carigali Sdn Bhd (“PETRONAS Carigali”). An incorporated joint venture company, BC Petroleum Sdn Bhd (“BC Petroleum”), was formed to operate and manage the SFRSC. refer Section 5.3

The Balai Cluster comprises a cluster of marginal oil and gas fields in the areas around the Balai and West Acis discoveries, which are located offshore Sarawak in water depths of approximately 60 metres.

A Risk Service Contract is a new petroleum arrangement PETRONAS is implementing in Malaysia. This model strikes a balance in sharing risks with fair returns for development and production of discovered marginal fields. In this arrangement, PETRONAS is the project owner while the contractor is the service provider. Upfront investment of the capital will be contributed by the contractors. The contractor group shall be compensated with reimbursement of agreed costs; either after the pre-development phase, or following successful development agreed costs will be reimbursed via the revenue stream and a remuneration fee will be paid for services rendered. The remuneration fee is based on oil and gas production, as well as the contractor group meeting key performance indicators. Payment to contractors shall commence upon first production and be paid throughout the duration of the contract. The SFRSC contract duration is for 15 years.

The Balai Cluster SFRSC has two distinct phases. The pre-development phase has commenced and the total cost of this phase is estimated to be between US$200-250 million. On the successful completion of the pre-development phase and agreement on the project viability of the fields, the contractor group will submit a field development plan for all or some of the fields and progress to the development phase. Production from all the fields in the cluster is planned to be online within 24 months from commencement of the development programme. The total cost of the development phase is estimated to be between US$650–700 million.

The pre-development phase of the project has commenced and is expected to take up to 18 months. Pre-development activities are planned to include geological and geophysical works, the drilling and testing of appraisal wells and the procurement of related facilities and equipment. Activities undertaken by BC Petroleum during the Quarter included: recruitment of staff; establishment of work systems; commencement of seismic data reprocessing; and commencement of contract tendering.
4.2. WZ 6-12 and WZ 12-8 West Oil Field Development, Beibu Gulf, Offshore China (ROC: 40% & Operator)

Planning has commenced for the drilling of four in-field appraisal wells during 2012. Three of the wells are planned to be drilled from the WZ 6-12 wellhead platform following its scheduled installation in 2Q 2012. If successful, these three wells could be completed and included as production wells for the Beibu Gulf project.

4.3. Australasia

PEP52181, Offshore Taranaki, New Zealand (ROC: 50% & Operator): interpretation of reprocessed Kaheru 3D seismic data and the incorporation of structural modelling results with this seismic data is progressing with the aim of maturing Kaheru to drillable status.

PEP38524, Offshore Taranaki, New Zealand (ROC: 20%): the Joint Venture surrendered the permit to the New Zealand Government effective 30 September and will undertake no further activity.

PEP38259, Canterbury Basin, Offshore New Zealand (ROC: 15%): ROC has notified the joint venture of its intention to withdraw from the permit.

4.4. Africa

ROC completed the African asset divestment programme during the Quarter.

ROC agreed to sell its 75% interest in the Juan de Nova Maritime Profond Block, located in the French Exclusive Economic zone off the coast of Juan de Nova Island (Mozambique Channel), to South Atlantic Petroleum JDN SAS, a wholly owned subsidiary of South Atlantic Petroleum Limited (SAPETRO), for between US$8.0 million and US$8.5 million (depending on date of completion) subject to working capital adjustments. The effective date of the sale is 1 July 2011. The agreement is subject to normal industry terms and conditions, including the receipt of relevant joint venture waivers or approvals and all necessary government approvals. Due to the approval process, completion of the sale may not take place in 2011.

ROC agreed to farm down its interest in Block H, offshore Equatorial Guinea, to White Rose Energy Ventures (Equatorial Guinea) Limited (“White Rose”), a portfolio company of First Reserve Corporation, from 37.5% to 20.0% for a free carry through the drilling of an exploration well. On 15 September, ROC received an upfront payment of US$0.9 million and additional bonuses will be subject to the success of the well. ROC will relinquish technical operatorship of the permit to White Rose. The effective date of the farm down is 1 July 2011. White Rose has the option to acquire ROC’s remaining interest in Block H for US$16.1 million prior to the spud of the exploration well.

ROC agreed to sell its interests offshore Mauritania to wholly owned subsidiaries of Tullow Oil plc, for US$4 million subject to working capital adjustments. ROC has interests of between 2.00% and 5.49% in offshore Mauritanian blocks, including a 3.25% interest in the producing Chinguetti oil field. The divestment will take place through the sale of three separate packages. The effective date of the sale is 1 January 2011. The agreement and completion of each separate package is subject to normal industry terms and conditions, including the receipt of relevant joint venture waivers or approvals and all necessary government approvals. Completion of the sale for all of ROC’s interests may not take place during 2011.
5. Corporate

5.1. Health, Safety, Environment and Community ("HSEC") Issues

During 2011 there have been no Lost Time Injuries, no significant loss of containment incidents and no significant environmental incidents. Planning has commenced for an asset integrity audit of the Zhao Dong fields, which is expected to be completed during 4Q 2011.

5.2. On-Market Share Buy-Back

ROC commenced an on-market buy-back of ordinary shares of its issued capital on 30 May in accordance with the Corporations Act 2001 and ASX Listing Rules. The buy-back is being funded from operating cash flow rather than debt. The Board has authorised management to undertake the on-market share buy-back on the following basis: a commitment of up to A$10 million for the buy-back; purchases under the buy-back will only be made when it is considered that this investment option will provide a better return to shareholders than ROC’s current cost of capital; and the buy-back may continue for 12 months.

As at 21 October 2011, approximately 28.6 million shares have been acquired at a cost of A$9.16 million and ROC had 684.6 million ordinary shares on issue.

5.3. Balai Cluster SFRSC Award and Incorporation of BC Petroleum

The contractor group has incorporated a joint venture company, BC Petroleum Sdn Bhd ("BC Petroleum"), to operate and manage the Balai Cluster SFRSC. Shareholding interests in BC Petroleum are ROC 48%, DIALOG Group 32% and PETRONAS Carigali 20%. A board of directors has been established for BC Petroleum comprising three directors from ROC, two directors from DIALOG Group and one director from PETRONAS Carigali. The inaugural board meeting of BC Petroleum was held on 27 September and approved the work programme and budget for 2011-2012, appointed a CEO and established administrative procedures and controls.

ROC anticipates that contractor group partners will be required to make equity investments in BC Petroleum over the remainder of 2011. The amount of equity invested will be dependent on the level of project financing arranged through BC Petroleum. ROC’s share of equity invested will be reflected as an outflow in the investing activities section of the 2011 Consolidated Statement of Cash Flows.

The award of the Balai Cluster SFRSC represents an initial entry for ROC into Malaysia and the strategy is to further grow the business in the country. Roc Oil (Malaysia) Pty Limited, a wholly owned subsidiary of ROC, is pursuing other Malaysian opportunities in addition to the Balai Cluster, including: appraisal and development opportunities, including further SFRSCs; mature field rejuvenation projects; and shallow water exploration. The primary focus will be on opportunities that have potential synergies with the Balai Cluster SFRSC.

5.4. Additional 5% Interest in Cliff Head

Roc Oil (WA) Pty Limited, a wholly owned subsidiary of ROC, has agreed to acquire an additional 5.0% interest in WA-31-L, which is located in the offshore Perth Basin, Western Australia, and contains the ROC-operated Cliff Head oil field, from CIECO Energy Australia Pty Ltd for A$4.5 million subject to working capital adjustments. The effective date of the acquisition is 1 January 2011. Following the completion of the acquisition, ROC’s interest in WA-31-L will increase to 42.5%. The agreement is subject to normal joint venture and government approvals.
6. Financial

At Quarter-end ROC had net cash of US$36.7 million: US$49.6 million of cash offset by gross debt of US$12.9 million.

6.1. Overview

6.2. Production (Working Interest)
6.3. **Sales**

<table>
<thead>
<tr>
<th>Oil Sales</th>
<th>3Q 2011</th>
<th>2Q 2011</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zhao Dong Oil Fields</td>
<td>BBL</td>
<td>US$'000</td>
<td>BBL</td>
</tr>
<tr>
<td></td>
<td>431,975</td>
<td>47,566</td>
<td>383,926</td>
</tr>
<tr>
<td>Blane</td>
<td>140,318</td>
<td>16,171</td>
<td>193,618</td>
</tr>
<tr>
<td>Cliff Head</td>
<td>108,478</td>
<td>12,091</td>
<td>95,706</td>
</tr>
<tr>
<td>Enoch</td>
<td>20,552</td>
<td>2,363</td>
<td>39,797</td>
</tr>
<tr>
<td>Chinguetti</td>
<td>8,387</td>
<td>923</td>
<td>28,611</td>
</tr>
<tr>
<td>BMG*</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>56</td>
<td>6</td>
<td>60</td>
</tr>
<tr>
<td><strong>Total Oil Sales</strong></td>
<td>709,766</td>
<td>79,120</td>
<td>741,718</td>
</tr>
<tr>
<td><strong>NGL Sales (BOE)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Blane</td>
<td>2,044</td>
<td>11</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Sales (BOE)</strong></td>
<td>711,810</td>
<td>79,131</td>
<td>741,718</td>
</tr>
</tbody>
</table>

* Final sale of crude oil from BMG Phase-1 oil project.

6.4. **Exploration and Development Expenditure Incurred**

<table>
<thead>
<tr>
<th>Exploration</th>
<th>3Q 2011</th>
<th>2Q 2011</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mauritania</td>
<td>305</td>
<td>1</td>
<td>2,796</td>
</tr>
<tr>
<td>Equatorial Guinea</td>
<td>99</td>
<td>332</td>
<td>681</td>
</tr>
<tr>
<td>New Zealand</td>
<td>76</td>
<td>209</td>
<td>390</td>
</tr>
<tr>
<td>Mozambique Channel</td>
<td>5</td>
<td>330</td>
<td>457</td>
</tr>
<tr>
<td>Angola</td>
<td>(7)</td>
<td>1,008</td>
<td>2,965</td>
</tr>
<tr>
<td>Australia</td>
<td>(8)</td>
<td>(48)</td>
<td>(98)</td>
</tr>
<tr>
<td>Other</td>
<td>2,970</td>
<td>2,481</td>
<td>6,428</td>
</tr>
<tr>
<td><strong>Total Exploration</strong></td>
<td>3,440</td>
<td>4,313</td>
<td>13,619</td>
</tr>
<tr>
<td><strong>Development</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Zhao Dong Oil Fields</td>
<td>10,126</td>
<td>7,612</td>
<td>19,510</td>
</tr>
<tr>
<td>Beibu Gulf Project</td>
<td>325</td>
<td>858</td>
<td>1,513</td>
</tr>
<tr>
<td>Blane</td>
<td>10</td>
<td>29</td>
<td>(191)</td>
</tr>
<tr>
<td>Chinguetti</td>
<td>-</td>
<td>22</td>
<td>22</td>
</tr>
<tr>
<td><strong>Total Development</strong></td>
<td>10,461</td>
<td>8,521</td>
<td>20,854</td>
</tr>
<tr>
<td><strong>Total Exploration &amp; Development</strong></td>
<td>13,901</td>
<td>12,834</td>
<td>34,473</td>
</tr>
</tbody>
</table>
6.5. Hedging

Remaining hedge positions from 1 October 2011 to 31 December 2012 are 224,000 Brent oil price swaps, at a weighted average Brent price of US$97.89/BBL. Remaining hedge positions to the end of 2011 are 74,000 Brent oil price swaps, at a weighted average Brent price of US$64.05/BBL. Hedge positions for 2012 are 150,000 Brent oil price swaps at a weighted average Brent oil price of US$114.59/BBL.

Hedge book mark-to-market valuation at 30 September 2011 was a liability of US$0.4 million.

7. Post Quarter Events


The Chinese Government has amended the legislation relating to the tax treatment of future oil and gas production projects, replacing the volume based resource tax with a sales revenue based resource tax (effective from 1 November 2011). For future oil and gas production projects undertaken in conjunction with foreign companies, the previous royalty arrangement will be replaced by the new sales revenue based resource tax.

According to the amended legislation, oil and gas projects involving foreign companies with an existing and signed PSC (such as ROC’s Zhao Dong oil fields and Beibu Gulf development project) will not be affected by this taxation change until the PSC term expires and the present royalty arrangement will continue for the duration of the agreed PSC.

7.2. Zhao Dong Pipeline Commissioned

The subsea oil pipeline from Zhao Dong to the Dagang Refinery was fully commissioned and commenced deliveries on 19 October. Utilisation of the pipeline should eliminate the transportation of crude oil cargoes by barge: a method that has previously caused temporary production and delivery interruptions due to adverse weather conditions and Tanggu port capacity issues.

8. Further Information

For further information please contact Matthew Gerber, General Manager, Corporate Affairs and Planning:

<table>
<thead>
<tr>
<th>Phone:</th>
<th>(02) 8023 2000</th>
<th>Email:</th>
<th><a href="mailto:mgerber@rocoil.com.au">mgerber@rocoil.com.au</a></th>
</tr>
</thead>
<tbody>
<tr>
<td>Facsimile:</td>
<td>(02) 8023 2222</td>
<td>Website:</td>
<td><a href="http://www.rocoil.com.au">www.rocoil.com.au</a></td>
</tr>
<tr>
<td>Postal Address:</td>
<td>PO Box Q1496</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Queen Victoria Building</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>NSW 1230</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>AUSTRALIA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office Address:</td>
<td>Level 18</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>321 Kent Street,</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sydney</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>NSW 2000</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>AUSTRALIA</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The reserve and resource information contained in this report is based on information compiled by Bill Billingsley (Chief Reservoir Engineer). Mr Billingsley BSc (Chem) MSc (Petroleum Engineering) DIC (Imperial College), who is a member of the Society of Petroleum Engineers, has more than 16 years relevant experience within the industry and consents to the information in the form and context in which it appears.
Definitions

BBL(S)    barrel(s)
BMG       Basker-Manta-Gummy Oil and Gas Fields, Bass Strait, Australia
BOE       barrels of oil equivalent (6 MSCF = 1 BOE)
BOPD      barrels of oil per day
BOEPD     barrels of oil equivalent per day
CNOOC     China National Offshore Oil Company Limited
ERA       Extended Reach Area
FPSO      Floating production, storage and offloading vessel
MSCF      thousand standard cubic feet
MMSCF     million standard cubic feet
MMSCFD    million standard cubic feet per day
MMBBL     million barrels
MMBOE     million barrels of oil equivalent
PSC       Production Sharing Contract
Quarter    the period 1 July 2011 to 30 September 2011
ROC       Roc Oil Company Limited and includes, where the context requires, its subsidiaries
US$       US dollars
YTD       year to date