CEO COMMENT

First oil from the Chinguetti Field, offshore Mauritania; significant progress at the Cliff Head Field, offshore Western Australia; encouraging initial results from the recent seismic survey in Angola; an active exploration drilling programme; and high oil prices combined to drive ROC’s share price and market capitalisation to record highs.

KEY POINTS

PRODUCTION

- ROC’s first oil production and sale from Africa occurred as a result of production start-up from the Chinguetti Field (ROC: 3.25% working interest), offshore Mauritania. By Quarter-end cumulative gross production had exceeded 2 MMBO and the first cargo loading of approximately 1 MMBO was completed.

DEVELOPMENT

- As at midnight on 27 April 2006, final preparations were underway for the imminent production from the first well at the Cliff Head Oil Field, offshore Western Australia.

EXPLORATION

- Based on preliminary interpretation of ROC’s 2005 seismic survey, an encouraging number of prospects and leads have been identified in the Cabinda South Block, onshore Angola.

CORPORATE

- A placement of 28 million fully paid ordinary shares (14.9% of the Company’s then issued share capital) was made to UK-based institutional investors at a price of $2.71/£1.15, raising $75.9 million/£32.2 million before expenses. The funds will be used to accelerate ROC’s exploration programme, onshore Angola.

FINANCIAL

- At Quarter-end ROC had approximately $91.5 million in cash and no debt.

- A $40 million/US$30 million Bridging Loan Facility was finalised to provide flexibility of funding options during 2006, prior to an $80 million/US$60 million Borrowing Base Loan Facility being put in place.
1. PRODUCTION

<table>
<thead>
<tr>
<th>OIL (BBL)</th>
<th>March '06 Quarter</th>
<th>December '05 Quarter</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mauritania – Offshore Oil (Chinguetti)*</td>
<td>69,319</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>UK – Onshore Oil (Keddington)</td>
<td>1,234</td>
<td>2,738</td>
<td>-55</td>
</tr>
<tr>
<td>Australia – Onshore Oil (Jingemia)</td>
<td>1,067</td>
<td>887</td>
<td>20</td>
</tr>
<tr>
<td><strong>TOTAL PRODUCTION</strong></td>
<td><strong>71,649</strong></td>
<td><strong>3,625</strong></td>
<td><strong>1,915</strong></td>
</tr>
</tbody>
</table>

*Production quoted is ROC’s working interest share of total production.

2. SALES REVENUE

<table>
<thead>
<tr>
<th>(Unaudited)</th>
<th>March '06 Quarter $'000</th>
<th>December '05 Quarter $'000</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mauritania – Offshore Oil (Chinguetti)</td>
<td>4,952</td>
<td>-</td>
<td>N/A</td>
</tr>
<tr>
<td>UK Oil Sales</td>
<td>108</td>
<td>155</td>
<td>-30</td>
</tr>
<tr>
<td>Australia Oil Sales</td>
<td>77</td>
<td>69</td>
<td>12</td>
</tr>
<tr>
<td><strong>TOTAL SALES REVENUE</strong></td>
<td><strong>5,137</strong></td>
<td><strong>224</strong></td>
<td><strong>2,193</strong></td>
</tr>
</tbody>
</table>

3. EXPENDITURE

<table>
<thead>
<tr>
<th>Category</th>
<th>March '06 Quarter $’000</th>
<th>December '05 Quarter $’000</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Exploration</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australia</td>
<td>3,863</td>
<td>4,812</td>
<td>-20</td>
</tr>
<tr>
<td>New Zealand*</td>
<td>-</td>
<td>63</td>
<td>-100</td>
</tr>
<tr>
<td>UK</td>
<td>1,468</td>
<td>1,139</td>
<td>29</td>
</tr>
<tr>
<td>Mauritania</td>
<td>1,353</td>
<td>2,683</td>
<td>-50</td>
</tr>
<tr>
<td>Angola</td>
<td>2,413</td>
<td>5,085</td>
<td>-53</td>
</tr>
<tr>
<td>Equatorial Guinea</td>
<td>10</td>
<td>68</td>
<td>-85</td>
</tr>
<tr>
<td>China</td>
<td>102</td>
<td>1,901</td>
<td>-95</td>
</tr>
<tr>
<td>Other</td>
<td>140</td>
<td>379</td>
<td>-63</td>
</tr>
<tr>
<td><strong>Total Exploration</strong></td>
<td><strong>9,349</strong></td>
<td><strong>16,130</strong></td>
<td><strong>-42</strong></td>
</tr>
<tr>
<td><strong>Development</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australia – Cliff Head</td>
<td>27,922</td>
<td>28,911</td>
<td>-3</td>
</tr>
<tr>
<td>Mauritania – Chinguetti</td>
<td>2,433</td>
<td>2,766</td>
<td>-12</td>
</tr>
<tr>
<td>UK/Norway – Blane &amp; Enoch</td>
<td>4,311</td>
<td>8,595</td>
<td>-50</td>
</tr>
<tr>
<td><strong>Total Development</strong></td>
<td><strong>34,666</strong></td>
<td><strong>40,272</strong></td>
<td><strong>-14</strong></td>
</tr>
<tr>
<td><strong>TOTAL EXPLORATION &amp; DEVELOPMENT</strong></td>
<td><strong>44,015</strong></td>
<td><strong>56,402</strong></td>
<td><strong>-22</strong></td>
</tr>
</tbody>
</table>

*ROC’s working interest has been converted to 2% ORR

4. DRILLING

Cliff Head development drilling continues. Exploration and appraisal drilling activity for the Quarter is summarised below:

<table>
<thead>
<tr>
<th>Category</th>
<th>Well % Interest</th>
<th>Location</th>
<th>Operator</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exploration</td>
<td>Zoulé-1 (5%)</td>
<td>PSC Area C, Block 6 Offshore Mauritania</td>
<td>Woodside Mauritania Pty Ltd</td>
<td>The well was drilled to a Total Depth of 3,730 metres without encountering significant hydrocarbons and was plugged and abandoned.</td>
</tr>
<tr>
<td>Exploration</td>
<td>Doré-1 (3.693%)</td>
<td>PSC Area B, Offshore Mauritania</td>
<td>Woodside Mauritania Pty Ltd</td>
<td>The well was plugged and abandoned at a Total Depth of 2,266 metres without encountering hydrocarbons.</td>
</tr>
<tr>
<td>Exploration</td>
<td>Jacala -1 (20%)</td>
<td>WA-351-P Australia</td>
<td>BHP Billiton Petroleum Pty Ltd</td>
<td>Subsequent to the Quarter-end the well was plugged and abandoned without encountering hydrocarbons at a Total Depth of 2,217 metres.</td>
</tr>
</tbody>
</table>
5. **SEISMIC**

No seismic activities were conducted during the Quarter.

6. **PRODUCTION**

**WEST AFRICA**

*Offshore Mauritania – Chinguetti Oil Field (ROC: 3.25%)*

Construction, hook-up and commissioning work on the project proceeded with production commencing on 24 February 2006 (GMT) representing ROC’s first oil production in Africa. Subsea flowlines and risers were successfully installed and commissioning of the *Berge Helene* FPSO and production wells was completed. At Quarter-end cumulative gross production was 2,132,880 BBLs (ROC net: 69,319 BBLs) with a gross average production rate of almost 60,000 barrels of oil per producing day. The first cargo loading of approximately 1 million barrels of crude oil (ca 62,000 BBLs net to ROC) was completed on 22 March 2006, representing a temporary overlift to ROC.

7. **DEVELOPMENT**

7.1 **AUSTRALIA**

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

The Cliff Head Development Project achieved a number of milestones including:

- The topside for Cliff Head “A” platform was installed in February 2006.
- The Ensco-67 drilling rig continued batch development drilling of the five new production and two water injection wells. Drilling and completion activity is expected to be completed during June 2006.
- Construction of the onshore Arrowsmith Production Facility was completed and commissioning work at the plant and on the offshore platform commenced.
- Hydrotesting of the two pipelines and testing of the umbilical and power cable connecting the plant to the platform were successfully completed.

*Please refer to Section 10: Post Quarter Events*

7.2 **NORTH SEA**

*Enoch Oil and Gas Field (ROC: 12.0%)*

Development activities continued through the Quarter with first oil production remaining on schedule for late 4Q 2006 and development drilling expected to commence July 2006.

*Blane Oil Field (ROC: 12.5%)*

Development activities continued through the Quarter with the target first oil date moving from 4Q 2006 to 2Q 2007 due to a delay with the arrival of the contracted pipelay vessel. Development drilling is expected to commence in May 2006.

7.3 **CHINA**

*Wei 12-8 West Oil Field, Beibu Gulf, Block 22/12 (ROC: 40% & Operator)*

Discussions with the Chinese government continued with no further progress made on the project.

8. **EXPLORATION AND APPRAISAL**

8.1 **AUSTRALIA**

*Perth Basin, Offshore Western Australia (ROC: 7.5 - 50% & Generally Operator)*

The number of exploration wells to be drilled in the 2006 offshore Perth Basin programme will be dependent on the release of the drilling rig from Cliff Head. At this stage it is anticipated that up to two of the proposed five wells will be drilled.

*Carnarvon Basin, WA-351-P, Offshore Western Australia (ROC: 20%)*

The BHP Billiton-operated Jacala-1 wildcat exploration well commenced drilling on 23 March 2006.

*Please refer to Section 10: Post Quarter Events*

8.2 **WEST AFRICA**

*Mauritania (ROC: 2.0 – 5.0%)*

The 2005 exploration drilling programme was completed with the Zoulé-1 and Doré-1 exploration wells plugged and abandoned as dry holes. During the Quarter the Operator continued geological and engineering evaluation work on the Tiof Oil Field and is expected to provide a proposal during 2Q 2006 regarding potential development concepts.
Equatorial Guinea (ROC: 18.75% & Technical Manager)
The drilling of the Aleta prospect, offshore Equatorial Guinea, continues to be subject to securing a suitable rig contract with the anticipated timing being late 2006/2007.

Angola (ROC: 60% & Operator)
Preliminary interpretation of the seismic acquired by ROC in 2005 has identified an encouraging number of prospects and leads representing a variety of play types incorporating multiple reservoir objectives.

In March 2006, a high resolution aeromagnetic survey, covering the entire Cabinda South Block, was acquired.

A seismic contract was executed with the Geophysical Institute of Israel (GII) to acquire a firm 250 sq km 3D and a contingent 200 km 2D seismic programme in the Cabinda South Block. Please refer to Section 10: Post Quarter Events

At Quarter-end ROC was in discussions with a number of rig contractors for a multi-well exploration drilling programme in the Cabinda South Block. The stretch target for the commencement of drilling is late 2006 subject to rig availability.

8.3 ONSHORE UK – Willows-1 PEDL030 (ROC: 100% & Operator)
The ROC Explorer drilling rig was erected on site and preparations were underway for the drilling of the well. Please refer to Section 10: Post Quarter Events

8.4 CHINA - Beibu Gulf Block 22/12 - (ROC: 40% & Operator)
In February 2006, Roc Oil (China) Company on behalf of the Block 22/12 Joint Venture contracted from China Offshore Services Limited ("COSL") the COSL 931 jack-up drilling rig for the Wei 6-12-S-1 exploration well. Please refer to Section 10: Post Quarter Events

9. CORPORATE

9.1 Share Placement
In January 2006, ROC placed 28 million fully paid ordinary shares (14.9% of the Company’s then issued share capital) via the Alternative Investment Market (“AIM”) in London. The placement, priced at $2.71/£1.15 per share, raised $75.9 million/£32.2 million before expenses. The funds will be used to accelerate ROC’s exploration programme, onshore Angola.

9.2 US$30 Million Bridging Loan Facility
A $40 million/US$30 million Bridging Loan Facility was finalised to provide flexibility of funding options during 2006, prior to the $80 million/US$60 million Borrowing Base Loan Facility being put in place during 2Q 2006. As at 28 April 2006, the Facility remained undrawn.

9.3 Resolution Of Mauritanian Dispute
In March 2006, Woodside Petroleum Ltd (“Woodside”) announced it reached an agreement in principle to settle a dispute with the Mauritanian Government which had arisen at the beginning of the year, without the need for formal arbitration. The dispute related to supplementary agreements to offshore PSCs for Area A, Area B, Area C Block 2 and Area C Block 6, operated by Woodside’s wholly owned subsidiary Woodside Mauritania Pty Ltd. The basis for the resolution is an agreement in-principle to amend the PSCs. The details of these amendments, which are still to be negotiated, do not affect the exploration periods in the current PSCs.

9.4 UK North Sea
ROC has negotiated a 1% overriding royalty with regard to future gross production from the exploration areas surrounding the Ardmore Oil Field in the UK North Sea, specifically P1036, P1037, P1038 and P1126 (covering Blocks 30/24d,30/24c,30/24a and 30/29b respectively).

9.5 New Zealand Divestment
In order to maintain its executive and financial focus on areas within ROC’s portfolio with greatest perceived value, ROC has divested its interest to TAG Oil (NZ) Ltd retaining a 2% overriding royalty interest in PEP38767, onshore Taranaki Basin.
10. POST QUARTER EVENTS

- As at midnight on 27 April 2006, final preparations were underway for the imminent production from the first well at the Cliff Head Oil Field, offshore Western Australia.
- The Jacala-1 exploration well (ROC: 20%), offshore Western Australia, reached a Total Depth of 2,217 metres and was plugged and abandoned as a dry hole.
- The Willows-1 exploration well (ROC: 100% & Operator), onshore UK, commenced drilling 18 April 2006, with a proposed Total Depth of 2,500 metres. As at 27 April, 10 ¾ inch casing had been set to 787 metres and preparations were being made to drill ahead.
- The Wei 6-12-S-1 exploration well (ROC: 40% & Operator), offshore China, commenced drilling on 25 April 2006. The proposed Total Depth is 2,530 metres and as at 28 April the well had been drilled to 837 metres.
- Line clearing for the 250 sq km 3D seismic programme in the Cabinda South Block, onshore Angola commenced on 17 April 2006.

FURTHER INFORMATION

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Address: Level 14, 1 Market Street, Sydney, NSW 2000, Australia.

DEFINITIONS

IFRS means International Finance Reporting Standards
BBLS means barrels
BCF means billion cubic feet
BOE means barrels of oil equivalent
BOPD means barrels of oil per day
BOEPD means barrels of oil equivalent per day
BCPD means barrels of condensate per day
BPD means barrels per day
GMT means Greenwich Mean Time
GWC means gas-water contact
MCF means thousand cubic feet
m brt means metres below rotary table
mTVDSS means metres true vertical depth below sea level
MMSCF means million standard cubic feet
MMSCF/D means million standard cubic feet per day
MMBO means million barrels of oil
MMBOE means million barrels of oil equivalent
NGL means natural gas liquids
ORR means overriding royalty
OWC means oil-water contact
PEDL means Petroleum Exploration Development Licence (Onshore United Kingdom)
PSC means Production Sharing Contract
Quarter means the period 1 January 2006 to 31 March 2006
ROC means Roc Oil Company Limited and includes, where the context requires, its subsidiaries
SCF means standard cubic feet
TCF means trillion cubic feet
US$ means US dollars
$ means Australian dollars
WST means Western Standard Time