



REPORT TO SHAREHOLDERS
Activities for the Quarter Ended 31 March 2008

CEO COMMENTS

ROC continues to live in a split level world. Several quarterly financial metrics are at all time highs while the seven exploration and appraisal wells drilled during the Quarter were all dry or not clearly commercial. The 25% decline in the share price during the Quarter suggest that, perhaps, predictably, the share market presently attaches more importance to the well results than to the Company's overall production and revenue performance. Therefore, the fact that the records set in the previous quarter regarding sales revenue and realised oil price and in 4Q 2006 with regard to sales volumes, were all broken during the Quarter, does not lessen the Company's need to score a few goals on the drilling front – and with active drilling programmes underway in Angola and Mauritania that possibility certainly exists.

KEY ACTIVITIES

1. CONSOLIDATED REVENUE & PRODUCTION

- 1.1 Total working interest production of 1 MMBOE (10,961 BOEPD), 98% oil; down 8% compared to 1.08 MMBOE (11,771 BOEPD) in the previous quarter.
- 1.2 Record sales volumes of 1.12 MMBOE; up 7% compared to the previous record of 1.05 MMBOE set in 4Q 2006.
- 1.3 Record total sales revenue of US\$101.7 million; up 16% compared to the record of US\$88 million set in the previous quarter.
- 1.4 Record average realised oil price in the Quarter of US\$91.17/BBL; up 6% from the record of US\$86.39/BBL set in the previous quarter.

2. PRODUCTION ASSETS

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

Gross oil production averaged 8,035 BOPD (ROC: 3,013 BOPD); down 15% on the previous quarter due to expected field decline. During the Quarter planning was commenced for conduct of well workovers to replace two electric submersible pumps with larger pumps which will improve well productivity.

2.2 Zhao Dong C&D Oil Fields, Bohai Bay, Offshore China (ROC: 24.5% & Operator)

Gross oil production averaged 19,025 BOPD (ROC: 4,661 BOPD), 2% lower than the previous quarter. Evaluation of sub-surface reservoir and well performance and preparations for workovers to support the 2008 drilling programme continued throughout the Quarter.

2.3 Enoch Oil and Gas Field, North Sea (ROC: 12.0%)

Gross production averaged 7,146 BOPD and 4.2 MMSCFD (ROC: 858 BOPD and 0.5 MMSCFD); down 13% compared to the previous quarter. The Enoch producing well was successfully put on gas lift early in January 2008.

2.4 Blane Oil Field, North Sea (ROC: 12.5%)

Gross oil production averaged 15,226 BOPD (ROC: 1,903 BOPD); down 1% compared to the previous quarter. The Ula gas compression upgrade project, which will provide a dedicated gas supply for gas lift for Blane's producing wells continued. Drilling of the planned water injection well to provide pressure support to the two active producing wells commenced on 4 March 2008. The well is due to be completed by the end of April 2008 (see section 7 - Post Quarter Events).

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

Gross oil production averaged 10,968 BOPD (ROC: 356 BOPD); down 11% on the previous quarter due to natural field decline. The programme for three well interventions and two new infill wells, due to commence in 2Q 2008, is expected to deliver an increase in production during 2H 2008.

3. DEVELOPMENT ASSETS**3.1 Zhao Dong C&D Oil Fields, Bohai Bay, Offshore China (ROC: 24.5% & Operator)**

During the Quarter, work progressed on the rig upgrades and modifications and the winter maintenance tasks were completed. Upgrade work on the offshore drilling and production platforms as part of the Incremental Development Plan continued. Fabrication of the template for pile driving for the additional drilling platform and pile fabrication was completed. A number of slot recoveries and well recompletions on the existing drilling platform were achieved prior to the start of the 2008 12 well development drilling programme in the C&D Oil Fields, which commenced on 20 March 2008. Initially five wells will be batch drilled before completion of the wells and commencement of production from those wells.

3.2 Zhao Dong C4 Oil Field, Bohai Bay, Offshore China (ROC: 11.575% unitised & Operator)

Work in relation to construction and fabrication of facilities for development of the C4 Oil Field continued. Installation of the C4 conductor pod (CP2) was successfully completed ahead of schedule on 26 March 2008 – a major milestone for the project. Work associated with the construction of the platform terminal and the fabrication and coating of pipe for the pipelines continued.

4. EXPLORATION AND APPRAISAL ASSETS**4.1 WA-286-P, Perth Basin, Offshore Western Australia (ROC: 37.5% & Operator)**

Acquisition of the 546 km² Diana 3D seismic survey was completed on 12 February 2008. The survey data will further define the 2007 Frankland and Dunsborough discoveries and nearby prospects and leads. The Premium "Wilcraft" jack-up rig completed a three well exploration and appraisal drilling programme comprising Lilac-1, Frankland-2 and Dunsborough-2.

The Lilac-1 exploration well, drilled to a Total Depth of 1,455 mBRT, encountered sands with weak gas shows and fluorescence in the primary reservoir target which proved to be water bearing. The well was subsequently plugged and abandoned.

Frankland-2, drilled to a Total Depth of 2,330 mBRT, intersected gas in the target sands confirming hydrocarbons in the eastern region of the Frankland Field. However, the top of the reservoir at Frankland-2 was encountered deep to prognosis and the reservoir itself was of poorer quality than that encountered in Frankland-1. The well was subsequently plugged and abandoned.

At the end of the Quarter, Dunsborough-2 had drilled to a Total Depth of 1,680 mBRT and a wireline logging programme was underway (see section 7 - Post Quarter Events).

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

The Operator, BHP Billiton Petroleum Pty Ltd, continued to review options for acquiring a 3D seismic programme in 2008, which will focus on Triassic gas potential.

4.3 Block 22/12, Beibu Gulf, Offshore China (ROC: 40% & Operator - Subject to Government participation in developments for up to 51%)

Following Chinese Government approval of the Wei 6-12 Oil Fields reserves, pre-development planning work is progressing. The Overall Development Plan for the Wei 12-8W and Wei 6-12 Oil Fields is scheduled to be submitted to relevant Chinese authorities mid-year and a Final Investment Decision is expected during 2H 2008. This project has the potential to move currently unbooked discovered resources of 4.7 to 5.7 MMBO net to ROC, into booked 2P reserves and to also further strengthen the Company's position in China.

On 1 January 2008, ROC commenced a two well exploration programme in Block 22/12. The first well, Wei 6-12W-1, reached a Total Depth of 2,333 mBRT without encountering hydrocarbons and was plugged and abandoned on 28 January 2008. The second exploration well, Wei 6-12E-1, commenced drilling on 12 February 2008 and was respudded as the sidetrack Wei 6-12E-1A and drilled to a Total Depth of 2,510 mBRT. The well encountered minor residual oil shows and was plugged and abandoned on 13 March 2008. The results of the Wei 6-12W-1 and Wei 6-12E-1A exploration wells do not have any adverse impact on the potential development of the Wei 12-8W and Wei 6-12 Oil Fields.

4.4 Cabinda South Block, Onshore Angola (ROC: 60% & Operator)

During the Quarter, ROC's fourth exploration well in the block, Milho-1, the first test of the pre-salt section, finished drilling. The well drilled to Total Depth of 3,009 metres encountering a classic pre-salt sequence characterised by a thick world-class source rock, with significant oil and gas shows, from which a small amount of oil was recovered via wireline sampling. The sequence overlies a thick sand interval with good reservoir quality which exhibited minor oil shows but did not contain any recoverable hydrocarbons. Milho-1 was plugged and abandoned on 14 March 2008.

Coco-1, ROC's fifth well in its current seven well programme, commenced drilling on 25 March 2008 and is expected to reach Total Depth by the end of May 2008 (*see section 7 - Post Quarter Events*).

Work continued on the evaluation of the Massambala-1 heavy oil discovery during the Quarter. As a result of 3D seismic reprocessing and core analyses, on 31 March 2008, the Cabinda South Block co-venturers agreed to drill up to six shallow Massambala appraisal wells during 2H 2008 and planning for this programme is underway.

4.5 Offshore Mauritania (ROC: 2 – 5.49%)

A 402 km² 3D seismic survey in Block 1 commenced on 23 March 2008.

During the Quarter, the Atwood "*Hunter*" drilling rig drilled the Khop-1 exploration well in PSC Area C, Block 6, to a Total Depth of 4,265 mBRT. The well was subsequently plugged and abandoned on 30 March 2008 after encountering thin sands with oil shows that were not considered to be of commercial consequence. At Quarter end, preparations were underway to start drilling the Banda NW appraisal well in PSC Area B (*see section 7 - Post Quarter Events*).

4.6 Belo Profond Block, Offshore Madagascar (ROC: 75% & Operator)

During the Quarter, planning for an aeromagnetic survey due to commence in May 2008 was completed. In parallel with this work an Environmental Impact Study was completed.

4.7 Blocks H15 & H16 Equatorial Guinea (ROC: 18.75% & Technical Manager)

The arbitration between Pioneer Natural Resources (Equatorial Guinea) Limited and the other joint venturers, including ROC, continued.

5. CORPORATE

On 25 January 2008, ROC advised that its remaining company-wide proved and probable (2P) reserves as at 31 December 2007 were 21.4 MMBOE, all of which are being produced or developed. There was a reduction of 2.1 MMBOE relating to ROC's 2P net reserves in the C&D Oil Fields, in the Zhao Dong Block, offshore China. There were no other material revisions to ROC's 2P reserves.

On 7 March 2008, the Government approved surrender of the WA-325-P and WA-327-P permits in the offshore Perth Basin, Western Australia, effective 23 July 2007.

6. FINANCIAL

At Quarter-end ROC had approximately US\$40.1 million in cash, down US\$1.3 million (3.1%) on the previous quarter; debt of US\$128.4 million, down US\$4.9 million (4%) on the previous quarter and net debt of US\$88.3 million, down US\$3.6 million (3.9%) on the previous quarter.

6.1 Production

	1Q 2008	4Q 2007	YTD	% Change (4Q07 to 1Q08)
Oil Production (BBLs)				
Cliff Head	274,192	326,383	274,192	(16%)
Zhao Dong C&D Fields	424,159	438,340	424,159	(3%)
Chinguetti	32,438	36,814	32,438	(12%)
Blane	173,198	176,183	173,198	(2%)
Enoch	78,040	85,679	78,040	(9%)
Other	311	340	311	(9%)
Total Oil Production	982,338	1,063,739	982,338	(8%)
Gas Production (MSCF)				
Enoch	46,316	73,655	46,316	(37%)
NGL Production (BOE)				
Blane	7,360	6,890	7,360	7%
Total BOE	997,417	1,082,905	997,917	(8%)
BOEPD	10,961	11,771	10,961	(7%)

Note: Production quoted is ROC's working interest share of total production. ROC's net entitlement production for the period was 945,591 BOE (4Q 2007:1,015,719 BOE; YTD: 945,591 BOE) after taking out governments' share of profit oil.

6.2 Sales

	1Q 2008		4Q 2007		YTD	
	BOE	US\$'000	BOE	US\$'000	BOE	US\$'000
Oil Sales (BBLs)						
Cliff Head	273,484	26,597	327,776	33,413	274,192	26,597
Zhao Dong C&D Fields	508,326	42,940	306,054	28,078	508,326	42,940
Chinguetti	26,321	2,386	27,356	2,791	26,321	2,386
Enoch	75,425	7,294	89,182	9,403	75,425	7,294
Blane	220,659	21,452	125,122	13,971	220,659	21,452
Other	311	30	340	42	311	30
Total Oil Sales	1,104,526	100,699	875,830	87,698	1,104,526	100,699
Gas Sales (MSCF)						
Enoch	46,316	269	73,655	282	46,316	269
NGL Sales (BOE)						
	9,913	691	-	-	9,913	691
Total Sales (BOE)	1,122,159	101,659	888,106	87,980	1,122,159	101,659

6.3 Stock

ROC's net entitlement crude stock position decreased by 176,567 BBLs during the period so that at the end of the Quarter ROC was in an underlift position of 67,004 BBLs compared to a 243,571 BBLs underlift position at the end of the previous quarter.

Movements in ROC's stock position will flow through the Profit & Loss Statement during the period in which the movement occurs. ROC's stock position will fluctuate from period to period.

6.4 Expenditure Incurred

	1Q 2008 US\$'000	4Q 2007 US\$'000	YTD US\$'000
Exploration			
Angola	13,908	20,311	13,908
China	13,856	3,659	13,856
Mauritania	1,270	266	1,270
Australia	22,459	(878)	22,459
UK	50	(76)	50
Equatorial Guinea	111	55	111
Madagascar	96	187	96
Other	364	270	364
Total Exploration	52,114	23,794	52,114

Development			
Zhao Dong C&D Fields	2,725	8,262	2,725
Zhao Dong C4	810	1,812	810
Blane	4,110	2,160	4,110
Enoch	158	529	158
Chinguetti	383	223	383
Total Development	8,186	12,986	8,186

TOTAL EXPLORATION & DEVELOPMENT	60,300	36,780	60,300
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6.5 Hedging

The Company's remaining hedge positions for the period from 1 April 2008 to December 2011 are summarised below.

BRENT OIL PRICE SWAPS		
	Volume	Weighted Average Brent Price USD/BBL
2008	858,987	71.46
2009	851,998	70.01
2010	686,994	68.46
2011	455,997	66.31
	2,853,976	69.48

During the Quarter, the cash flow loss as a result of the settlement of the oil price derivative contracts was US\$ 7.4 million.

7. POST QUARTER EVENTS

The Banda Northwest appraisal well in PSC Area B, offshore Mauritania (ROC: 3.693%), was drilled to Total Depth of 2,703mBRT and sidetracked to a revised Total Depth of 2,934 mBRT. As at 30 April 2008, the current operation was running wireline logs.

The Blane sidetrack water injection well (ROC: 12.5%) was drilled to Total Depth of 3,622mBRT and was completed. The forward programme is to complete the tie-in of the wellhead to the water injection line pre-laid from the Ula platform, some 34 kilometres north east of the Blane subsea complex.

The Dunsborough-2 appraisal well in WA-286-P, Perth Basin, offshore Western Australia (ROC: 37.5%) was plugged and abandoned on 4 April 2008 after interpretation of logs, pressure data and fluid samples indicated that the extensive oil shows seen in cores were residual (non-productible).

Drilling of Coco-1 in the Cabinda South Block, onshore Angola, (ROC: 60%) continues with the expectation that drilling at the Coco-1 location will be completed during May 2008 after which two further sub-salt exploration wells will be drilled: Sesamo-1 and Arroz-1.

Drilling operations from the newly installed C4 (ROC: 11.575%) conductor pod at CP2 commenced on 15 April 2008 with the driving of nine surface conductor pipes for wells targeted into the C4 Oil Field and Extended Reach Areas (ROC: 24.5%). All conductor pipe has been installed and batch drilling of top-holes commenced on 25 April.

8. FURTHER INFORMATION

For further information please contact ROC's Chief Executive Officer, John Doran, Chief Operating Officer, Bruce Clement, or General Manager, External Affairs & Investor Relations, Damian Fisher, on:

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DEFINITIONS

BBL(S)	means barrel(s)
BCF	means billion cubic feet
BOE	means barrels of oil equivalent (6 MSCF = 1 BOE)
BOPD	means barrels of oil per day
BOEPD	means barrels of oil equivalent per day
BCPD	means barrels of condensate per day
MCF	means thousand cubic feet
mBRT	means metres below rotary table
mTVDSS	means metres true vertical depth below sea level
MSCF	means thousand standard cubic feet
MMSCF	means million standard cubic feet
MMSCFD	means million standard cubic feet per day
MMBO	means million barrels of oil
MMBOE	means million barrels of oil equivalent
OWC	means oil-water contact
PSC	means Production Sharing Contract
Quarter	means the period 1 January 2008 to 31 March 2008
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

In accordance with ASX and AIM Rules, the information in this Release has been reviewed and approved by Dr John Doran, Chief Executive Officer, Roc Oil Company Limited, BSc (Hons) Geology, MSc and PhD. Dr Doran, who is a member of the Society of Petroleum Engineers, has more than 30 years of relevant experience within the industry and consents to the information in the form and context in which it appears.
