25 August 2011

ASX RELEASE

2011 HALF YEARLY FINANCIAL REPORT AND RESULTS

ROC today released its Half Year Financial Report and Appendix 4D for the period ended 30 June 2011 ("1H 2011"). Commenting on the 1H 2011 financial results, ROC's Chief Executive Officer, Alan Linn, stated:

> *"ROC remains on target to meet its 2011 production guidance of between 7,000-8,000 BOEPD, with an average daily production rate of 7,567 BOEPD in 1H 2011. Production for 2H 2011 will benefit from: completion of the Cliff Head workover, with the CH12 well coming online on 11 August; and the ongoing development drilling programme at Zhao Dong, which recently included a successful appraisal well in the additional Zhanghai Block that has now been brought online.*
>
> *ROC reported a net loss of US$6.6 million for the Period from sales revenue of US$131.2 million. Financial results for 1H 2011 were primarily impacted by higher taxes and special levy charges, and derivative losses. Net cash over the Period increased by US$9.3 million to US$40.6 million.*
>
> *During 2011, ROC has made significant progress in implementing various elements of its growth strategy. In August, ROC was awarded the Balai Cluster Small Field Risk Services Contract in Malaysia, which satisfied a key objective to generate future potential growth through exploration, appraisal and pre-development opportunities located in the focus region. In March, ROC announced the expansion of the Zhao Dong Block, which provides the potential to develop a number of small discoveries through Zhao Dong facilities and satisfies another key objective to commercialise near field opportunities through existing infrastructure. In Africa, the divestment of Angola and Mozambique Channel assets and the farm down of the Equatorial Guinea asset has allowed ROC to redeploy capital and resources to pursue opportunities more consistent with the Company's strategy."*

FINANCIALS

- Sales revenue of US$131.2 million (1H10: US$100.2 million).
- Average oil sales price of US$110.41/BBL (before hedging); a 1% discount to the Brent oil price average of US$111.09/BBL.
- Net cash flow from operations of US$6.8 million (1H10: US$38.1 million).
- Trading profit of US$51.5 million (1H10: US$30.6 million).
- Net loss after income tax of US$6.6 million (1H10: profit of US$6.7 million) including the following items:
  - Derivative loss of US$14.2 million;
  - Exploration expensed of US$8.3 million; and
  - Current income tax of US$26.8 million.
- Net cash of US$40.6 million at 30 June 2011 (31 December 2010: net cash of US$31.3 million).

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OPERATIONS

- Production of 1.4 MMBOE from five producing fields in Australia, Africa, China and UK compared to 1.5 MMBOE from six producing fields in 1H10.
- Exploration and appraisal expenditure incurred of US$10.2 million (1H10: US$3.4 million).
- Development expenditure incurred of US$10.4 million (1H10: US$11.7 million) mainly due to the Zhao Dong development drilling programme.
- Production costs of US$19.16/BOE (1H10: US$21.33/BOE).

Alan Linn
Chief Executive Officer

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Rules 4.2A.3

Appendix 4D

Half Year Report
Period ended 30 June 2011

Introduced 1/1/2003

1. Name of Entity:	**ROC OIL COMPANY LIMITED**
ABN:	32 075 965 856
Half year ended ('reporting period')	30 June 2011
Half year ended ('previous corresponding period')	30 June 2010

2. Results for announcement to the market

(Amount and percentage change up or down from the previous corresponding period) US$'000

2.1 Revenues from ordinary activities	up	31%	to	130,979
2.2 Profit (loss) from ordinary activities after tax attributable to members	down	N/A	to	(6,553)
2.3 Net profit (loss) for the reporting period attributable to members	down	N/A	to	(6,553)

2.4 Dividends (distributions)	Amount per security	Franked amount per security
Final dividend	Nil	Nil
Interim dividend	Nil	Nil
Previous corresponding period	Nil	Nil

It is not proposed to pay dividends.

2.5 Record date for determining entitlements to the dividends.	N/A

2.6 Brief explanation of any of the figures reported above (see 2.1 to 2.4) to enable the figures to be understood:

A review of the consolidated entity's operations during the half year ended 30 June 2011 and the results of those operations are included in the Roc Oil Company Limited 30 June 2011 Half Year Financial Report on pages 2 to 6.

3. Net tangible assets per security

	Reporting period	Previous corresponding period
Net tangible asset backing per ordinary security	45c	51c

4. Control gained over entities having material effect

4.1	Name of entity	N/A
4.2	The date of the gain of control	N/A
4.3	The contribution of such entities to the reporting entity's profit from ordinary activities during the reporting period and the profit or loss of such entities during the whole of the previous corresponding period.	N/A

There was no gain or loss of control of entities during the current period having a material effect.

5. Dividends

There were no dividends paid or declared during the period ended on or after 30 June 2011.

6. Details of any dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan.

N/A

7. Details of associates and joint venture entities

Name of entity	Percentage of ownership interest held at end of period or date of disposal		Contribution to net profit (loss) after income tax expense	
7.1 Associate entities	Current period	Previous corresponding period	Current period US$'000	Previous corresponding period US$'000
Croft (UK) Limited	Nil	50%	Nil	Nil
Croft Oil & Gas plc	Nil	50%		
Croft Exploration Limited	50%	50%		
Croft Offshore Oil Limited	Nil	50%		
7.2 Joint venture entities			N/A	N/A
7.3 Total			**Nil**	**Nil**

Compliance statement

8. The information in this report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to ASX.

9. The Roc Oil Company Limited Financial Report for the financial half year ended 30 June 2011 has been subject to review. A copy of the independent review report to the members of Roc Oil Company Limited is attached.

Directors' Report and Financial Report for the Financial Half Year Ended 30 June 2011

ROC OIL COMPANY LIMITED

ABN 32 075 965 856

DIRECTORS' REPORT

The Directors of Roc Oil Company Limited ("ROC" or the "Company") have pleasure in submitting the Financial Report and Directors' Report for the financial half year ended 30 June 2011. In order to comply with the provisions of the Corporations Act 2001, the Directors' Report is as follows:

Directors

The names of the Directors of the Company during or since the end of the financial half year are:

Mr Andrew Love (Non-Executive Director, Chairman)

Mr William Jephcott (Non-Executive Director, Deputy Chairman)

Mr Sidney Jansma Jr (Non-Executive Director)

Mr Robert Leon (Non-Executive Director)

Mr Graham Mulligan (Non-Executive Director)

Mr Christopher Hodge (Non-Executive Director)

The above Directors were in office for the entire Period unless otherwise stated.

Corporate Information

ROC is a company incorporated in Australia and limited by shares, which are publicly traded on the Australian Securities Exchange.

Review and Results of Operations

The consolidated entity's principal activities during the financial Period were oil and gas exploration, development and production. There were no significant changes in the nature of those activities during the financial Period.

A review of the consolidated entity's operations during the financial Period and the results of those operations are included in the Half Year Financial Report on pages 2 to 6.

The Government released the draft Clean Energy Bill 2011 (the 'Bill' or the 'Scheme') which will have an impact on the Australian economy, and also on the Group. The Bill, which is not substantially enacted, is expected to be finalised in November 2011 with a commencement date on 1 July 2012. Management is currently reviewing its operations, expected financial impacts and opportunities, based on the information released. Management do not believe it will have a material financial impact, however, this may change as the Bill is finalised.

Rounding

The Company is a company of the kind referred to in Australian Securities and Investments Commission Class Order 98/0100, dated 10 July 1998 and in accordance with that Class Order, amounts in the financial statements have been rounded off to the nearest thousand dollars, unless otherwise indicated.

Auditor

The Auditor's Independence Declaration is included on page 7 of the Financial Report.

This Directors' Report is made in accordance with a resolution of the Board of Directors on 25 August 2011 pursuant to section 306(3) of the Corporations Act 2001.

On behalf of the Directors

Mr A J Love
Chairman

Sydney, 25 August 2011

DISCUSSION AND ANALYSIS OF FINANCIAL STATEMENTS

This discussion and analysis is provided to assist readers in understanding the Financial Statements for the financial half year ended 30 June 2011.

FINANCIAL PERFORMANCE

Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2011 (“1H11”), the Group reported a net loss after income tax of US$6.6 million (1H10: net profit of US$6.7 million) from a trading profit of US$51.5 million (1H10: US$30.6 million).

Sales and Production Growth

The Group’s working interest production of 1.4 MMBOE (7,567 BOEPD), a decrease of 10% compared to 1H10 of 1.5 MMBOE (8,436 BOEPD) primarily due to a crude quality issue at the Cliff Head oil field which resulted in the facilities being offline. Of this production, 0.1 MMBBLs (1H10: 0.1 MMBBLs) was delivered to host governments in relation to governments’ share of profit oil under the Group’s production sharing contracts.

Oil and gas sales revenue of US$131.2 million (1H10: US$100.2 million) was generated from sales volumes of 1.2 MMBOE (1H10: 1.3 MMBOE), which achieved an average realised oil price of US$110.41/BBL (1H10: US$76.76/BBL) before hedging, a discount of 1% to the average Brent oil price for the Period of US$111.09/BBL.

Operating costs of US$79.5 million (1H10: US$69.6 million) included production costs of US$26.2 million (US$19.16/BOE), amortisation of US$42.3 million (US$30.91/BOE) and Chinese special profits tax levy of US$16.9 million, offset by stock and underlift movements of US$6.0 million.

Exploration Expenditure

Exploration expenditure of US$10.2 million (1H10: US$3.4 million) was incurred during the Period. In accordance with ROC's Successful Efforts accounting policy, US$8.3 million in exploration costs were expensed during the Period.

Income Tax

An income tax expense of US$25.4 million (1H10: US$15.0 million) was incurred during the Period, which included: an income tax expense of US$26.8 million, deferred tax adjustments as a result of the change in the UK tax rate of US$5.4 million and deferred tax for PRRT of US$0.9 million offset by deferred income tax of US$7.7 million.

Financial Ratios

Basic loss per share for the six months was US0.9 cents based on a weighted average number of fully paid ordinary shares on issue of 713.09 million shares.

Hedging

Remaining hedge positions from 1 July 2011 to 31 December 2012 are 360,000 Brent oil price swaps, at a weighted average Brent price of US$84.58/BBL. This comprises of 210,000 Brent oil price swaps at a weighted average Brent price of US$63.14/BBL for the period 1 July to 31 December 2011 and 150,000 Brent oil price swaps at a weighted average Brent oil price of US$114.59/BBL for 2012.

During the Period, 0.7 MMBBL of oil price derivatives were settled, resulting in a cash outflow of US$28.1 million. As a result of the strengthening of the forward prices for Brent crude oil as at 30 June 2011, the movement in the mark-to-market value of ROC's derivative contracts from 30 June 2011 has resulted in a derivative loss of US$14.2 million for the Period. The mark-to-market position at 30 June of ROC’s remaining oil price hedge book is a US$10.0 million liability.

Consolidated Statement of Financial Position

Oil and gas assets decreased by US$31.9 million to US$215.6 million (2010: US$247.6 million) during the Period mainly as a result of amortisation of US$42.3 million, partly offset by US$10.4 million of development expenditure.

At 30 June 2011, ROC's gross debt was US$2.8 million (2010: US$49.7 million) with cash assets of US$43.4 million (2010: US$81.0 million). At 30 June 2011, the total loan facilities available were US$110 million.

Consolidated Statement of Cash Flows

Net cash generated during 1H11 from operating activities was US$6.8 million (1H10: US$38.1 million), a decrease of 82%. The decrease is primarily due to an increase in cash outflows for the settlement of oil price derivatives of US$28.1 million (1H10: US$6.2 million), payments for the non-production phase for BMG of US$14.0 million (1H10: nil) and income tax paid of US$19.7 million (1H10: US$9.0 million).

Corporate activity

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

During the Period, there were no Lost Time Injuries, no significant loss of containment incidents and no significant environmental incidents. Work continued on the development and implementation of new standards in support of ROC's HSE Management System. Gap analysis work was also completed against ROC's new Asset Integrity Management Expectation at the Cliff Head and Zhao Dong assets, and implementation of the resulting plans is in progress.

Appointment of Chief Executive Officer

Mr Alan Linn was appointed as Chief Executive Officer on 23 February 2011.

OPERATIONAL OVERVIEW

The Group undertook and was involved in a number of exploration, development and production operation activities during 1H11.

Production and Development

The Group incurred US$26.2 million in production expenditure and US$10.4 million in development expenditure during 1H11. Development expenditure was incurred mainly in relation to the Zhao Dong development drilling programme (US$9.4 million).

Zhao Dong C & D Oil Fields, (ROC: 24.5% & Operator) **and** ***Zhanghai & Chenghai Blocks (ROC 80% & Operator), Bohai Bay, Offshore China***

Gross oil production for the Period averaged 18,139 BOPD (ROC: 4,444 BOPD); up 24% compared to 1H10 average production of 14,577 BOPD (ROC: 3,571 BOPD). Unlike 1H10, during which 35 days of production were lost due to extreme weather conditions, there were no significant production disruptions in 1H11.

The 2011 development drilling programme of 20 wells (15 producers and 5 injectors) commenced on 3 April and at the end of the Period, five producer wells and one injector well had been drilled from the C & D field platform.

The existing Petroleum Contract covering the Zhao Dong Block was modified in March with the aim of commercialising previous near field discoveries in the area and encouraging further exploration activity. The key elements of the modifications are that: the existing Zhao Dong Block Contract will include two additional blocks; and the term of the Zhao Dong Contract and Production Period will be extended when and as necessary to accommodate any new production from the additional blocks. The existing Zhao Dong Block area will be increased by 150% to include the adjoining Zhanghai and Chenghai blocks. PetroChina has an option to back-in for 51% on any future commercial development. The first ROC-operated exploration well in the Zhanghai block began drilling on 15 July and intersected 310 metres of horizontal reservoir section. The well was completed and production through existing C4 facilities has commenced.

In May, an agreement was entered for the sale of the contractors' share of Zhao Dong crude oil to PetroChina Dagang Oilfield Company at international benchmarked pricing. Crude oil will be delivered via a subsea pipeline, which 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 Tangu port capacity issues. The pipeline is anticipated to be fully commissioned during 3Q 2011.

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

Gross oil production for the Period averaged 1,762 BOPD (ROC: 204 BOPD); up 5% compared to 1H10 average production of 1,668 BOPD (ROC: 193 BOPD).

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

Gross oil production for the Period averaged 2,611 BOPD (ROC: 979 BOPD); down 42% compared to 1H10 average production of 4,475 BOPD (ROC: 1,678 BOPD) due to workover operations and the suspension of production due to crude quality issues.

Production was suspended on 17 February following advice from BP that organic chlorides had been identified in Cliff Head crude delivered to the BP refinery. ROC understands that the organic chloride may have been related to batch chemical treatments being undertaken as part of the CH12 workover. A flushing programme was conducted to clear the production system of any potential residual organic chlorides and normal production operations resumed on 17 March.

Workover activity commenced in mid-January to install a higher-rate downhole electric submersible pump in the CH12 well. These operations were completed and the CH12 well was successfully brought into production during August 2011.

BMG Oil and Gas Fields, VIC/L26, VIC/L27, VIC/L28, Offshore Victoria (ROC: 30% & Operator)

There was no oil production during the Period as the field has been offline since 19 August 2010: average production in 1H10 was 3,298 BOPD (ROC: 989 BOPD).

During the Period, activities were undertaken to enter the field into a Non-Production Phase ("NPP") that included: flushing of the subsea network; return of the Basker Spirit shuttle tanker to its owners; and the demobilisation of the Crystal Ocean FPSO to Malaysia.

The evaluation of options for a separate Phase-2 gas development continues. ROC is pursuing the divestment of its interest in the Basker-Manta-Gummy fields.

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

Gross production for the Period averaged 10,888 BOEPD (ROC: 1,361 BOEPD); up 21% compared to 1H10 average production of 8,992 BOEPD (ROC: 1,124 BOEPD). Compared to 1H10, during the Period there were less production interruptions caused by shutdowns of systems downstream from Blane facilities.

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

Gross oil and gas production for the Period averaged 2,767 BOEPD (ROC: 332 BOEPD); down 46% compared to 1H10 average production of 5,099 BOEPD (ROC: 612 BOEPD) due to natural decline and 24 days of downtime to gas lift for the Enoch production well. Normal production resumed on 23 June.

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

Gross oil production for the Period averaged 7,538 BOPD (ROC: 245 BOPD); down 8% compared to 1H10 average production of 8,197 BOPD (ROC: 266 BOPD) due to natural field decline.

WZ 6-12 and WZ 12-8 West Oil Field Development (Block 22/12 Petroleum Contract), Beibu Gulf, Offshore China (ROC: 19.6%)

In February, the Beibu Gulf project joint venture parties and the Joint Management Committee (which includes CNOOC Limited) approved the Final Investment Decision ("FID") in respect of the WZ 6-12 and WZ 12-8 West oil fields. The Project Investment and Overall Development Plan have now been submitted to the relevant Chinese Government Authority for formal approval.

CNOOC has assumed operatorship of the project and a CNOOC operating subsidiary company (Weizhou Operating Company) has been established. Engineering design for platform and pipeline facilities was approximately 80% complete at the end of the Period and procurement and platforms fabrication contracting are well advanced. The operator anticipates first production from the Beibu Gulf project before the end of 2012.

Exploration and New Ventures

The Group incurred US$10.2 million in exploration expenditure during 1H11.

Australasia

PEP38524, Offshore Taranaki, New Zealand (ROC: 20%): following the end of the Period, the New Zealand Government formally approved the joint venture's application to relinquish 25% of the permit area.

PEP52181, Offshore Taranaki, New Zealand (ROC: 50% & Operator): in February, the New Zealand Government approved a 140km^2 extension so that the permit area now covers the entire Kaheru prospect structure as well as several additional leads. Interpretation of reprocessed Kaheru 3D seismic data is in progress and will be integrated with geological information with the aim of maturing Kaheru to drillable status.

PEP38259, Canterbury Basin, Offshore New Zealand (ROC: 15%): the New Zealand Government is yet to respond to the joint venture's application to extend the drilling commitment date by two years to August 2012.

Africa

During the Period, Lacula Oil Company Limited, a wholly owned subsidiary of ROC, agreed to sell its remaining 10% interest in the Cabinda Onshore South Block, Angola, to Pluspetrol Angola Corporation for US$5.0 million subject to working capital adjustments. The agreement is subject to normal industry terms and conditions, including the receipt of relevant government approvals. At 30 June 2011, there was uncertainty on the timing and completion of the approvals.

Effective 23 June, Roc Oil (Madagascar) Pty Limited, a wholly owned subsidiary of ROC, withdrew from its 75% interest in the Belo Profond Block, offshore Madagascar (Mozambique Channel). Subsequent to the half year end, ROC has agreed to sell its 75% interest in the Juan de Nova Maritime Profond Block, located off the coast of Juan de Nova Island (Mozambique Channel), to South Atlantic Petroleum JDN SAS for between US$8.0 million and US$8.5 million, subject to working capital adjustments. 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.

In January, the Maersk Deliverer drilling rig was released from the Cormoran-1 gas discovery well site in Block 7, offshore Mauritania (ROC: 4.95%). Post well studies are in progress. The Gharabi-1 exploration well in Block C6, offshore Mauritania (ROC: 5.0%), was drilled to a total measured depth of 4,433 metres and plugged and abandoned in February.

Subsequent to half year end, on 18 August 2011, Roc Oil (Equatorial Guinea) Company, a wholly owned subsidiary of ROC, has agreed to farm down its interest in Block H, offshore Equatorial Guinea, to White Rose Energy Ventures (Equatorial Guinea) Limited ("White Rose") from 37.5% to 20.0% for a free carry through the drilling of an exploration well. ROC will also receive an upfront payment of US$0.9 million and additional bonuses 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. In addition, Roc Oil (Equatorial Guinea) Company has granted White Rose an option to acquire the remaining 20% in the block for an additional consideration of US$16.1 million and the option must be exercised prior to spud of the first exploration well. The agreement and the option are subject to the receipt of relevant joint venture and government approvals.

ROC continues to pursue the divestment of its remaining African assets, located in offshore Mauritania.

Malaysia

As part of ROC's strategy to pursue growth opportunities in South East Asia, ROC, through its wholly owned subsidiaries, has submitted several proposals to Petroliam Nasional Berhad ("PETRONAS") since the beginning of 2011 in respect of offshore fields located in Malaysia. On 16 August 2011, Roc Oil Malaysia (Holdings) Sdn Bhd, a 100% subsidiary of ROC, entered into a Small Field Risk Service Contract (SFRSC) with PETRONAS in Malaysia. The SFRSC is for the pre-development and potential development of the Balai Cluster Fields (Balai, Bentara, West Acis and Spaoh), located offshore Sarawak, with a contractor group comprising Roc Oil Malaysia (Holdings) Sdn Bhd, Dialog D & P Sdn Bhd, a wholly owned subsidiary of Dialog Group Bhd ("DIALOG Group") and PETRONAS Carigali Sdn Bhd. Participating interests in the contractor group are ROC 48%, DIALOG Group 32% and PETRONAS Carigali 20%. ROC, DIALOG Group and PETRONAS Carigali intend to form an incorporated joint venture company ("JVC") to manage the SFRSC.

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Auditor's Independence Declaration to the Directors of Roc Oil Company Limited

In relation to our review of the financial report of Roc Oil Company Limited for the half year ended 30 June 2011, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Trent van Veen
Partner
Sydney
25 August 2011

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the half year ended 30 June 2011

	Note	30 June 2011 US$'000	30 June 2010 US$'000
Sales revenue	*2*	130,979	100,212
Operating costs	*3*	(79,463)	(69,628)
Trading profit		**51,516**	**30,584**
Other income		110	1,048
Net derivative (losses) / gains		(14,166)	8,439
Impairment of oil and gas assets		-	(9,200)
Impairment of exploration		(484)	-
Exploration expensed	*4*	(8,312)	(2,687)
Other costs		(7,365)	(4,549)
Finance costs		(2,479)	(1,952)
Profit before income tax		**18,820**	**21,683**
Income tax expense	*5*	(25,373)	(15,026)
Net (loss) / profit for the Period		**(6,553)**	**6,657**
Other comprehensive profit / (loss)			
Net movement in cash flow hedges transferred to trading profit		241	(19)
Income tax benefit on items of other comprehensive income		-	-
Other comprehensive profit / (loss) for the Period, net of tax		**241**	**(19)**
Total comprehensive (loss) / profit for the Period		**(6,312)**	**6,638**
Basic (loss) / earnings per share (cents)		(0.9)	0.9
Diluted (loss) / earnings per share (cents)		(0.9)	0.9

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2011

	Note	30 June 2011 US$'000	31 Dec 2010 US$'000
Current Assets			
Cash assets		43,443	80,960
Trade and other receivables		42,423	45,428
Inventories		5,908	3,554
Total Current Assets		**91,774**	**129,942**
Non-Current Assets			
Oil and gas assets	*6*	215,626	247,564
Exploration and evaluation expenditure	*7*	6,250	4,867
Property, plant and equipment		2,034	1,975
Derivatives		179	-
Deferred tax assets		2,760	-
Total Non-Current Assets		**226,849**	**254,406**
Total Assets		**318,623**	**384,348**
Current Liabilities			
Bank loans		2,832	49,692
Trade and other payables		33,286	25,179
Current tax liabilities		22,191	14,786
Derivatives		10,215	27,317
Provisions	*8*	27,003	31,495
Total Current Liabilities		**95,527**	**148,469**
Non-Current Liabilities			
Deferred tax liabilities		35,758	34,392
Provisions	*8*	51,997	59,485
Total Non-Current Liabilities		**87,755**	**93,877**
Total Liabilities		**183,282**	**242,346**
Net Assets		**135,341**	**142,002**
Equity			
Share capital	*9*	743,270	744,201
Accumulated losses		(629,276)	(622,723)
Other reserves		21,347	20,524
Total Equity		**135,341**	**142,002**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the half year ended 30 June 2011

	Inflow/ (Outflow) 30 June 2011 US$'000	Inflow/ (Outflow) 30 June 2010 US$'000
Cash flows from operating activities		
Cash generated from operations	76,115	54,746
Derivatives paid	(28,113)	(6,196)
Payments for exploration and evaluation expenses	(5,084)	(2,257)
Payments for the non-production phase for BMG	(13,989)	-
Interest received	69	1,195
Finance cost paid	(2,522)	(414)
Income taxes paid	(19,662)	(8,994)
Net cash generated from operating activities	**6,814**	**38,080**
Cash flows from investing activities		
Payments for plant and equipment	(452)	(124)
Payments for development expenditure	(7,680)	(1,065)
Payments for exploration and evaluation expenditure initially capitalised	(6,069)	(2,140)
Proceeds from sale of WA-351-P	15,750	-
Proceeds from sale of fixed assets	-	1,860
Net cash generated from / (used in) investing activities	**1,549**	**(1,469)**
Cash flows from financing activities		
On-market share buy-back	(929)	-
Share buy-back expenses	(2)	-
Bank loan repayments	(45,000)	-
Net cash used in financing activities	**(45,931)**	**-**
Net (decrease) / increase in cash held	**(37,568)**	**36,611**
Cash at beginning of Period	80,960	67,079
Effect of exchange rate changes on the balance of cash held in foreign currencies	51	(1,454)
Cash at end of financial half year	**43,443**	**102,236**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 30 June 2011

	Share Capital US$'000	Accumulated Losses US$'000	Share Equity Reserve US$'000	Foreign Currency Translation Reserve US$'000	Hedge Reserve US$'000	Total US$'000
Balance at 1 January 2010	744,201	(586,786)	10,189	1,183	(984)	167,803
Net profit for the period	-	6,657	-	-	-	6,657
Other comprehensive loss	-	-	-	-	(19)	(19)
Total comprehensive profit for the Period, net of tax	-	6,657	-	-	(19)	6,638
Transactions with owners						
Share-based payments	-	-	415	-	-	415
Total transactions with owners	-	-	415	-	-	415
Balance at 30 June 2010	**744,201**	**(580,129)**	**10,604**	**1,183**	**(1,003)**	**174,856**
Balance at 1 January 2011	744,201	(622,723)	10,760	10,710	(946)	142,002
Net loss for the period	-	(6,553)	-	-	-	(6,553)
Other comprehensive income	-	-	-	-	241	241
Total comprehensive loss for the Period, net of tax	-	(6,553)	-	-	241	(6,312)
Transactions with owners						
On-market share buy-back	(931)	-	-	-	-	(931)
Share-based payments	-	-	582	-	-	582
Total transactions with owners	(931)	-	582	-	-	(349)
Balance at 30 June 2011	**743,270**	**(629,276)**	**11,342**	**10,710**	**(705)**	**135,341**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

(a) Basis of preparation

The Half Year Financial Report does not include all notes of the type normally included within the Annual Financial Report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The Half Year Financial Report should be read in conjunction with the Annual Financial Report of ROC as at 31 December 2010.

The accounting policies and methods of computation are the same as those adopted in the most recent Annual Financial Report.

It is also recommended that the Half Year Financial Report be considered together with public announcements made by ROC and its controlled entities during the half year ended 30 June 2011 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

The Half Year Financial Report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, AASB 134 *Interim Financial Reporting* and other mandatory professional reporting requirements. The financial report has been prepared on the historical cost basis except for financial instruments that have been measured at fair value.

For the purpose of preparing the Half Year Financial Report, the half year has been treated as a discrete reporting Period.

The financial report is presented in US dollars with all values rounded to the nearest thousand dollars (US$'000) unless otherwise stated under the option available to the Company under the ASIC Class Order 98/0100. The Company is an entity to which the Class Order applies.

Australian accounting standards and interpretations that have been recently issued or amended but are not yet effective, have not been adopted by the Group for the reporting Period ending 30 June 2011 and are not expected to have a material impact, but are assessed by management on an ongoing basis.

(b) Basis of consolidation

The consolidated financial statements comprise the financial statements of the parent entity and its subsidiaries ('Group'). The consolidated financial statements include the information and results of each controlled entity from the date on which the Company obtains control and until such time as the Company ceases to control such entity.

In preparing the consolidated financial statements, all intercompany balances and transactions, and unrealised profits and losses arising within the Group are eliminated in full.

Note 2. Sales Revenue

	30 June 2011 US$'000	30 June 2010 US$'000
Oil	131,213	98,577
Gas	-	150
NGL	7	1,466
Hedging (losses) / gains	(241)	19
	130,979	**100,212**

	30 June 2011 US$'000	30 June 2010 US$'000
Note 3. Operating Costs		
Production costs	26,247	32,564
Amortisation	42,331	36,792
Movement in stock and (under) / over lift	(6,048)	(5,222)
Chinese levies and special taxes	16,933	5,494
	79,463	**69,628**

Note 4. Exploration Expensed		
Africa	4,630	462
Australasia	224	1,341
Other	3,458	884
	8,312	**2,687**

Note 5. Income Tax		
Composition of income tax		
Income tax charge – current Period	26,767	13,292
Income tax charge – prior Period	-	163
Deferred income tax – current Period	(7,714)	(4,261)
Deferred income tax – change in tax rate	5,401	-
Deferred tax – PRRT	919	5,832
Income tax expense	**25,373**	**15,026**

Note 6. Oil and Gas Assets

	Producing Assets US$'000	Assets under Development US$'000	Total US$'000
Costs			
Balance at 1 January 2010	882,156	-	882,156
Development expenditure incurred	28,536	-	28,536
Increase in restoration asset	42,554	-	42,554
Transfer from exploration and evaluation expenditure	-	16,375	16,375
Costs at 31 December 2010	**953,246**	**16,375**	**969,621**
Expenditure incurred	9,205	1,188	10,393
Costs at 30 June 2011	**962,451**	**17,563**	**980,014**
Accumulated Amortisation			
Balance at 1 January 2010	(637,526)	-	(637,526)
Charge for the year	(76,921)	-	(76,921)
Net impairment of assets	(7,610)	-	(7,610)
Accumulated Amortisation at 31 December 2010	**(722,057)**	**-**	**(722,057)**
Charge for the Period	(42,331)	-	(42,331)
Accumulated Amortisation at 30 June 2011	**(764,388)**	**-**	**(764,388)**
Net book value at 30 June 2011	**198,063**	**17,563**	**215,626**
Net book value at 31 December 2010	231,189	16,375	247,564

Note 7. Exploration and Evaluation Expenditure

	30 June 2011 US$'000	31 Dec 2010 US$'000
Opening balance	4,867	16,129
Expenditure incurred	10,179	25,630
Expenditure transferred to assets under development	-	(16,375)
Impairment of exploration	(484)	-
Amounts expensed	(8,312)	(20,517)
	6,250	**4,867**

The impairment for the half year ended 30 June 2011 is attributable to the capitalised exploration expenditure for the Cabinda Onshore South Block, Angola being higher than the agreed consideration for the sale of the permit, which has not yet reached completion.

The ultimate recovery of the capitalised exploration and evaluation expenditure is dependent on the successful development and commercial exploitation or the commercial sale of the relevant areas of interest.

Note 8. Provisions

	Employee Benefits US$'000	Suspension Costs / Restoration Provision US$'000	Total US$'000
Balance at 1 January 2011	2,203	88,777	90,980
Additions during the year	1,244	-	1,244
Unwinding of discount	-	1,816	1,816
Utilised	(953)	(14,216)	(15,169)
Translation adjustments	129	-	129
Balance at 30 June 2011	**2,623**	**76,377**	**79,000**
Current – 30 June 2011	1,583	25,420	27,003
Non-current – 30 June 2011	1,040	50,957	51,997
Total – 30 June 2011	**2,623**	**76,377**	**79,000**
Current – 31 December 2010	1,369	30,126	31,495
Non-current – 31 December 2010	834	58,651	59,485
Total – 31 December 2010	**2,203**	**88,777**	**90,980**

Note 9. Share Capital

	30 June 2011 Number of Shares	31 Dec 2010 Number of Shares	30 June 2011 US$'000	31 Dec 2010 US$'000
Movement in fully paid ordinary shares				
Balance at beginning of Period	713,154,560	713,154,560	744,201	744,201
Issue of shares from vesting of performance rights	100,000	-	-	-
Cancellation of shares pursuant to on-market buy-back	(2,581,190)	-	(931)	-
Balance at end of Period	**710,673,370**	**713,154,560**	**743,270**	**744,201**

All issued fully paid ordinary shares carry one vote per share and carry the right to dividends.

Note 10. Commitments for Expenditure

		30 June 2011 US$'000	31 Dec 2010 US$'000
(a)	**Capital commitments**		
	Not longer than one year		
	Joint ventures	12,803	11,870
	Longer than one year but not longer than five years		
	Joint ventures	-	-
		12,803	**11,870**
(b)	**Operating expenditure commitments**		
	Not longer than one year	3,181	3,356
	Longer than one year but not longer than five years	5,305	5,680
	Longer than five years	1,798	2,239
		10,284	**11,275**

Note 11. Segment Information

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Chief Executive Officer in assessing performance and in determining the allocation of resources.

The operating segments identified by management are based on each individual oil and gas field. Discrete pre-tax financial information about each of these fields is reported to the Chief Executive Officer on a monthly basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial half year ended 30 June 2011

US$'000	BMG Australia	Cliff Head Australia	Blane UK	Enoch UK	Chinguetti Africa	Zhao Dong China	Beibu China	Exploration	Other	Total
Sales revenue	297	17,225	26,570	5,875	3,147	78,092	-	-	(227)	130,979
Production costs	-	12,786	3,850	383	1,570	7,639	-	-	19	26,247
Amortisation	-	2,923	5,203	1,149	561	32,494	-	-	1	42,331
Segment results (*)	41	1,516	17,692	4,780	1,414	26,320	-	-	(247)	51,516
Capital expenditure incurred	-	-	(201)	-	22	9,384	1,188	10,179	-	20,572
Segment assets	1,987	49,723	38,883	9,799	5,931	143,442	17,675	6,319	44,864	318,623
Non-current restoration provision	17,907	7,711	3,627	2,155	9,597	9,960	-	-	-	50,957

* Total segment results ("trading profit") is reconciled to net profit before income tax on the Consolidated Statement of Comprehensive Income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial half year ended 30 June 2010

US$'000	BMG Australia	Cliff Head Australia	Blane UK	Enoch UK	Chinguetti Africa	Zhao Dong China	Exploration	Other	Total
Sales revenue	14,280	23,237	12,272	9,651	3,756	36,981	-	35	100,212
Production costs	15,715	4,995	2,629	595	1,683	6,940	-	7	32,564
Amortisation	5,162	5,477	4,397	2,005	762	18,987	-	2	36,792
Segment results (*)	(7,008)	12,765	6,798	6,492	984	10,527	-	26	30,584
Impairment of oil and gas assets	9,200	-	-	-	-	-	-	-	9,200
Capital expenditure incurred	763	-	(10)	3	(10)	10,909	3,369	-	15,024
Segment assets	7,608	53,804	50,054	11,492	2,028	111,597	16,811	108,050	361,444
Non-current restoration provision	25,253	7,206	4,019	1,699	6,682	9,380	-	-	54,239

* Total segment results ("trading profit") is reconciled to net profit before income tax on the Consolidated Statement of Comprehensive Income.

Note 12. Contingent Liabilities

In accordance with normal oil and gas industry practice, the Group has entered into joint venture operations and farmin agreements with other parties for the purpose of exploring and developing its licence interests. If a party to a joint venture operation defaults and does not contribute its share of joint venture operation obligations, then the other joint venturers are liable to meet those obligations. In this event, the interest in the licence held by the defaulting party may be redistributed to the remaining joint venturers. Furthermore, the Group has agreements in place where liabilities may arise upon commercial discovery or once certain production milestones have been achieved.

Note 13. Subsequent Events

On 8 July 2011, ROC has agreed to sell its 75% interest in the Juan de Nova Maritime Profond Block, located off the coast of Juan de Nova Island (Mozambique Channel), to South Atlantic Petroleum JDN SAS for between US$8.0 million and US$8.5 million, subject to working capital adjustments. 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.

On 16 August 2011, Roc Oil Malaysia (Holdings) Sdn Bhd, a 100% subsidiary of ROC, entered into a Small Field Risk Service Contract (SFRSC) with PETRONAS in Malaysia. The SFRSC is for the pre-development and potential development of the Balai Cluster Fields (Balai, Bentara, West Acis and Spaoh), located offshore Sarawak, with a contractor group comprising Roc Oil Malaysia (Holdings) Sdn Bhd, Dialog D & P Sdn Bhd, a wholly owned subsidiary of Dialog Group Bhd ("DIALOG Group") and PETRONAS Carigali Sdn Bhd. Participating interests in the contractor group are ROC 48%, DIALOG Group 32% and PETRONAS Carigali 20%. ROC, DIALOG Group and PETRONAS Carigali intend to form an incorporated joint venture company ("JVC") to manage the SFRSC.

On 18 August 2011, Roc Oil (Equatorial Guinea) Company, a wholly owned subsidiary of ROC, has agreed to farm down its interest in Block H, offshore Equatorial Guinea, to White Rose Energy Ventures (Equatorial Guinea) Limited (“White Rose”) from 37.5% to 20.0% for a free carry through the drilling of an exploration well. ROC will also receive an upfront payment of US$0.9 million and additional bonuses 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. In addition, Roc Oil (Equatorial Guinea) Company has granted White Rose an option to acquire the remaining 20% in the block for an additional consideration of US$16.1 million and the option must be exercised prior to spud of the first exploration well. The agreement and the option are subject to the receipt of relevant joint venture and government approvals.

No other events have arisen subsequent to 30 June 2011 that have significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity.

Note 14. Additional Company Information

Roc Oil Company Limited is a public company listed in Australia on the ASX and incorporated in Australia and operating in Australia and overseas.

The registered office and principal place of business is:

Level 18, 321 Kent Street
Sydney NSW 2000
Australia.

DIRECTORS' DECLARATION

In the opinion of the Directors:

(a) the financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including:

  (i) giving a true and fair view of the financial position of the consolidated entity as at 30 June 2011 and of its performance for the half year ended on that date; and

  (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:

Mr A J Love
Chairman
Sydney, 25 August 2011

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To the members of Roc Oil Company Limited

Report on the Half Year Financial Report

We have reviewed the accompanying half year financial report of Roc Oil Company Limited, which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity. The consolidated entity comprises the company and the entities it controlled at the half year end or from time to time during the half year.

Directors' Responsibility for the Half Year Financial Report

The directors of the company are responsible for the preparation of the half year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act* 2001. The directors are also responsible for such internal controls that the directors determine are necessary to enable the preparation of the half year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2011 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001*. As the auditor of Roc Oil Company Limited and the entities it controlled during the half year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half year financial report of Roc Oil Company Limited is not in accordance with the *Corporations Act 2001*, including:

i giving a true and fair view of the consolidated entity's financial position as at 30 June 2011 and of its performance for the half year ended on that date; and

ii complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Ernst & Young

Trent van Veen
Partner
Sydney
25 August 2011

GLOSSARY

AUD/A$	Australian currency.
ASIC	Australian Securities and Investments Commission.
ASX	Australian Securities Exchange.
BBL(s)	Barrel(s), oil barrel is equivalent to 0.159 cubic metres.
BCF	One billion cubic feet of natural gas.
BMG	Basker-Manta-Gummy.
BOE	Barrel of oil equivalent. The factor used to convert gas to oil equivalent is based upon an approximate energy value of 6,000 cubic feet per barrel and not price equivalence at the time.
BOEPD	Barrel of oil equivalent per day.
BOPD	Barrel of oil per day inclusive of NGLs.
CNOOC	China National Offshore Oil Company.
FPSO	Floating production, storage and offloading vessel.
km	Kilometres.
m	Metre.
MCF	One thousand cubic feet of natural gas.
MM	Millions.
MMBBL	One million barrels of oil.
MMBOE	One million barrels of oil equivalent.
MMSCFD	One million standard cubic feet of natural gas per day.
NGL	Natural gas liquid.
Period	The financial half year ended 30 June 2011.
pound or **£**	UK pounds.
PRRT	Petroleum Resource Rent Tax.
ROC	Roc Oil Company Limited.
UK	United Kingdom.
US$	United States dollars.
3D	Three dimensional.
2P	Proved and probable reserves.