



11 September 2014

Company Announcement Office
Australian Securities Exchange Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

TAKEOVER BID FOR ROC OIL COMPANY LIMITED: TARGET'S STATEMENT

Pursuant to item 14 of subsection 633(1) of the *Corporations Act 2001* (Cth), we enclose a copy of our Target's Statement in relation to the off-market takeover bid by Transcendent Resources Limited, a wholly owned subsidiary of Fosun International Limited ("Fosun") for all the ordinary shares in Roc Oil Company Limited ("ROC").

A copy has also been provided to Fosun and a copy is being lodged with the Australian Securities and Investments Commission today.

The Target's Statement has been issued as a joint document that also contains Fosun's Bidder's Statement. The joint booklet will be dispatched to ROC shareholders on or around 15 September 2014 and the offer period will open on 15 September 2014.

Yours sincerely,

A handwritten signature in blue ink that reads 'Leanne Nolan'.

Leanne Nolan
Company Secretary

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION.
If you are in doubt about how to deal with this document, you should contact your broker, financial adviser or legal adviser immediately.

FOSUN 复星

Bidder's Statement

Bidder's Statement in relation to an off-market bid by Transcendent Resources Limited, a wholly owned Subsidiary of Fosun International Limited, to purchase all of the shares on issue as at 7.00pm (Sydney time) on 11 September 2014 in Roc Oil Company Limited ABN 32 075 965 856 for \$0.69 cash per share

ACCEPT the cash Offer by Fosun
of \$0.69 per share for all of your shares
in Roc Oil Company Limited



Target's Statement

This Target's Statement has been issued in response to the off-market takeover bid made by Transcendent Resources Limited (**Fosun**), a wholly-owned Subsidiary of Fosun International Limited (**Fosun International**), for all the ordinary shares in Roc Oil Company Limited (**ROC**).

Your **ROC** Directors unanimously recommend
that you **ACCEPT** the takeover Offer from
Fosun in the absence of a Superior Proposal.



Financial Adviser to Fosun



Legal Adviser to Fosun



Financial Adviser to ROC



HERBERT
SMITH
FREEHILLS

Legal Adviser to ROC

Part 1

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Bidder's Statement

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ACCEPT the cash Offer by Fosun
of \$0.69 per share for all of your shares
in Roc Oil Company Limited

This is an important document and requires your immediate attention. If you are in doubt about how to deal with this document, you should contact your broker, financial adviser or legal adviser immediately.

Information hotline: If you have any queries in relation to the Offer, please call the Fosun Offer Information Line on: 1300 483 596 (for callers within Australia) or +61 3 9415 4108 (for callers outside Australia).



Financial Adviser to Fosun



Legal Adviser to Fosun

Fosun Bidder's Statement

Important notices

This Bidder's Statement is dated 11 September 2014 and is given by Transcendent Resources Limited CR No.: 1933828 (a wholly-owned Subsidiary of Fosun International) (**Fosun**) to Roc Oil Company Limited ABN 32 075 965 856 (**ROC**) under Part 6.5 of the Corporations Act in relation to the Takeover Bid for all of the shares in ROC. This Bidder's Statement was lodged with ASIC and ASX on 11 September 2014. Neither ASIC nor ASX nor any of their respective officers takes any responsibility for the content of this Bidder's Statement.

This Bidder's Statement does not take into account your individual investment objectives, financial situation or particular needs. Before deciding whether to accept the Offer under this Bidder's Statement, you should consider the contents of the Bidder's Statement in light of your personal circumstances (including financial and taxation issues) and seek professional advice from an accountant, stockbroker, lawyer or other professional adviser.

Key Dates

Date of announcement of Takeover Bid	4 August 2014
Date of Bidder's Statement and lodgement with ASIC	11 September 2014
Opening date of Offer	15 September 2014
Closing date of Offer (unless extended or withdrawn)	7:00pm (Sydney time) on 15 October 2014

Key Contacts

Share Registrar	Fosun Offer Information Line*
Computershare Investor Services Pty Limited GPO Box 52 Melbourne, Victoria 3001	(within Australia) 1300 483 596 (outside Australia) +61 3 9415 4108

* Fosun may record calls to these telephone numbers.

How to accept the Offer

– If your ROC Shares are in an Issuer Sponsored Holding (your SRN begins with an "I"):

Return a completed and signed Acceptance Form to the address indicated in the form so that it is received before the end of the Offer Period.

– If your ROC Shares are in a CHES Holding (your HIN begins with an "X"):

Either:

- + return a completed and signed Acceptance Form so that it is received at the address indicated in the form in sufficient time to instruct your Controlling Participant to initiate acceptance on your behalf; or
- + instruct your Controlling Participant (usually your broker) to accept the Offer on your behalf,

before the end of the Offer Period.

– If you are a Participant

Acceptance of the Offer must be initiated in accordance with the requirements of rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.

Further information on how to accept the Offer is set out in section 12.3 of this Bidder's Statement.

Disclaimer as to forward looking statements

This Bidder's Statement may include certain statements that are in the nature of forward looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward looking statement.

The forward looking statements in this Bidder's Statement reflect the views held only as at the date of this Bidder's Statement. While Fosun believes that the expectations reflected in the forward looking statements in this document are reasonable, no assurance can be given that such expectations will prove to be correct. You are cautioned not to place undue reliance on any forward looking statement.

Defined terms

A number of defined terms are used in this Bidder's Statement. These terms are explained in section 13 of this Bidder's Statement. In addition, unless the contrary intention appears or the context otherwise requires, words and phrases used in the Corporations Act have the same meaning and interpretation as in the Corporations Act.

Information on ROC

The information on ROC contained in this Bidder's Statement is based on publicly available information. None of the information in the Bidder's Statement concerning ROC's business has been verified by Fosun for the purpose of this Bidder's Statement. Accordingly, subject to the Corporations Act, Fosun does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information. The information on ROC in this Bidder's Statement should not be deemed to be comprehensive. Further information on ROC's business will likely be included in the Target's Statement.

Foreign shareholders

This Bidder's Statement is intended to be distributed in Australia. The distribution to countries outside of Australia may be restricted by law or regulation. If you are a foreign shareholder and in possession of this Bidder's Statement, please ensure that you are aware of and observe any restrictions imposed in your jurisdiction.

Privacy

Fosun has collected your information from the register of ROC Shareholders for the purpose of making this Offer. The Corporations Act requires the name and address of shareholders to be held in a public register. Your information may be disclosed on a confidential basis to Fosun and its Related Bodies Corporate and external service providers, and may be required to be disclosed to regulators such as ASIC.

Reserves and resources

Unless otherwise indicated, all reserves and resources information in this document in respect of ROC has been extracted from information included in public documents filed by ROC. This information has not been verified by Fosun.

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President's Letter 1

A\$0.69 per ROC Share, for all of your ROC Shares, provides a highly compelling opportunity to realise both certain and significant value for your ROC Shares.

11 September 2014

Dear ROC Shareholder,

I am pleased to provide to you this all cash Offer to acquire all of your shares in Roc Oil Company Limited.

Fosun believes its Offer Price of **A\$0.69 per ROC Share**, for all of your ROC Shares, provides a highly compelling opportunity to realise both certain and significant value for your ROC Shares.

The ROC Board has **unanimously recommended that you accept the Fosun Offer, in the absence of a Superior Proposal.**¹

The cash Offer provides highly attractive value for ROC Shareholders and provides consideration at a substantial premium to recent and historical trading prices of ROC Shares. Fosun's Offer Price of A\$0.69 per share represents:

- **50.3% premium** to the ROC 6-Month VWAP prior to the announcement of the Horizon Merger of \$0.459 per share;
- **49.4% premium** to the ROC 3-Month VWAP prior to the announcement of the Horizon Merger of \$0.462 per share; and
- **49.0% premium** to the ROC 1-Month VWAP prior to the announcement of the Horizon Merger of \$0.463 per share.

The Offer provides ROC Shareholders with **certain and immediate value**, whilst allowing ROC Shareholders to **eliminate any significant risk, funding uncertainty and potential further equity dilution** associated with ROC's production, exploration and development plans. Additionally, the **trading price of ROC Shares may fall if the Offer is unsuccessful**; limited trading volumes may inhibit your ability to dispose of your ROC Shares on-market; and the value of your shareholding will continue to be subject to market volatility.

ROC's largest shareholder, Allan Gray, has stated that it is supportive of the Offer, in the absence of a Superior Proposal or a higher market price.

There are no Chinese regulatory approvals or financing conditions associated with the Offer. The Offer contains only limited conditions, including a 50% Minimum Acceptance Condition and other relatively customary conditions. This should provide you a high level of confidence that the Offer will be successful should you accept the Offer.

Next Steps

Details of the Offer, including its terms and the benefits you will receive, are set out in this Bidder's Statement. I encourage you to read this document in its entirety, and then **accept the Offer as soon as possible**.

To accept the Offer, please follow the instructions on the accompanying Acceptance Form. If you require additional assistance, please call the Offer Information Line on 1300 483 596 (toll-free within Australia) or +61 3 9415 4877 (outside Australia).

Fosun believes that the Offer will deliver certain and immediate value for ROC Shareholders who accept the Offer. We look forward to receiving your acceptance.



Mr. Bin Zhao
President
Fosun Energy Group

¹ Announcement to ASX by ROC dated 4 August 2014.

Reasons to accept the Offer

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Why you should accept the all cash Offer.

WHY YOU SHOULD ACCEPT THE ALL CASH OFFER

- 1** The ROC Board **UNANIMOUSLY RECOMMENDS THAT YOU ACCEPT** the Fosun Offer, and each ROC Director intends to accept the Fosun Offer for all of the ROC Shares they own or control, in each case, in the absence of a Superior Proposal
- 2** The Offer represents a **SIGNIFICANT PREMIUM** to recent trading levels
- 3** **ALL CASH** Offer provides certain and immediate value and **REMOVES SIGNIFICANT RISK**
- 4** ROC Share price and liquidity may fall if you do not **ACCEPT**
- 5** ROC's largest shareholder has stated it is **SUPPORTIVE OF THE OFFER** in the absence of a Superior Proposal or a higher market price
- 6** You will **NOT INCUR ANY BROKERAGE** charges by accepting the Offer unless your ROC Shares are registered in the name of a bank, custodian or other nominee

ACCEPT THE OFFER

2.1 The ROC Board UNANIMOUSLY RECOMMENDS THAT YOU ACCEPT the Fosun Offer, and each ROC Director intends to accept the Fosun Offer for all of the ROC Shares they own or control, in each case, in the absence of a Superior Proposal

The ROC Board unanimously recommends that you **ACCEPT** the Offer in the absence of a Superior Proposal. ROC believes you should do so for the following reasons:¹

- (1) the all cash Offer provides an opportunity for you to receive a certain cash amount for your ROC Shares;
- (2) the Offer represents a significant premium to the recent and long term trading price for ROC Shares;
- (3) the Offer Price falls within the valuation range for ROC implied by the independent expert's report prepared by Grant Samuel & Associates Pty Limited in connection with the Horizon Merger;¹
- (4) the Fosun Offer is currently the only offer to acquire your ROC Shares; and
- (5) there are risks in not accepting the Offer. For example, if the Fosun Offer does not succeed, and if there are subsequently no other alternative offers or proposals for ROC Shares, it is likely that the trading price of ROC Shares may fall to levels significantly below the Offer Price.

Each member of the ROC Board intends to accept the Fosun offer in respect of all ROC Shares that they own or control, in the absence of a Superior Proposal.¹

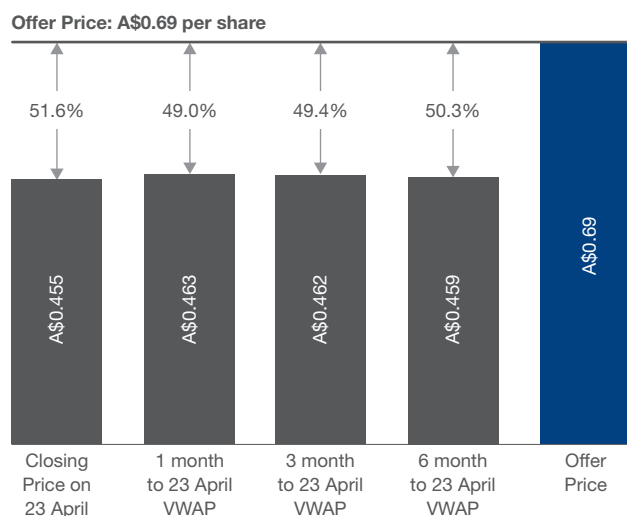
2.2 The Offer represents a SIGNIFICANT PREMIUM to recent trading levels

The all cash consideration being offered by Fosun is a compelling offer and represents a significant premium to the levels at which ROC Shares were trading prior to the previous announcement of the Horizon Merger on 29 April 2014.

Based on the share price of ROC Shares up to and including 23 April 2014, being the last trading day prior to the announcement of the proposed Horizon Merger, the Offer Price represents a premium of:

- (1) 51.6% to \$0.455, the closing price of ROC Shares on the ASX on 23 April 2014;
- (2) 49.0% to \$0.463, the 1 month VWAP of ROC Shares;
- (3) 49.4% to \$0.462, the 3 month VWAP of ROC Shares; and
- (4) 50.3% to \$0.459, the 6 month VWAP of ROC Shares.

Figure 1: Offer consideration relative to prices of ROC Shares prior to the announcement of the Horizon Merger



2.3 ALL CASH offer presents certain and immediate value and REMOVES SIGNIFICANT RISK

The Offer represents a fair price for your ROC Shares. You will receive 100% cash and certainty of value.

The certainty of receiving A\$0.69 cash per ROC Share upon acceptance of the Offer should be compared to the external and company-specific risks and uncertainties that ROC may be subject to, which could adversely affect the trading price of ROC Shares. These risks and uncertainties include, but are not limited to:

- (1) oil and gas price fluctuations;
- (2) exploration, appraisal, development, production and operations risks;
- (3) commercialisation risks;
- (4) regulatory risks;
- (5) financing/funding risks; and
- (6) equity market risks, including uncertainty as to the prices at which ROC Shares will trade in the absence of the Offer.

ROC on a standalone basis has relatively limited opportunities for growth. Its asset portfolio largely consists of producing assets that are approaching or in production decline. ROC is likely to need significant additional funding in the future to support expansion. For example, ROC may need to fund:

- (1) further acquisition and interpretation of seismic data;
- (2) drilling and completion of a significant number of exploration, appraisal and development wells; and
- (3) construction of infrastructure to enable the commercialisation of oil and gas resources, such as pipelines.

If such funding was sought by means of an equity raising, under current market conditions it would likely be undertaken at a discount to the prevailing market price, and ROC Shareholders who could not, or chose not to, participate in any such equity raising may have their shareholding in ROC diluted.

2.4 Share price and liquidity may fall if ROC Shareholders do not accept

The closing ROC Share price on the ASX prior to the announcement of the Horizon Merger was \$0.455. Fosun believes that if the Offer does not succeed, and if there are subsequently no other alternative offers or proposals for ROC Shares, it is likely that the trading price of ROC Shares may fall from the prevailing trading price.

Depending on the level of acceptances that Fosun receives under the Offer, the market for your ROC Shares may become less liquid or less active. If ROC remains listed on the ASX following the close of the Offer, it is likely that the market for your ROC Shares will become less liquid than the current market for those ROC Shares. A less active or liquid market for ROC Shares may result in increased difficulty in selling your ROC Shares on market at a date after the close of the Offer.

2.5 ROC's largest shareholder, Allan Gray, has stated it is SUPPORTIVE OF THE OFFER in the absence of a Superior Proposal or a higher market price

ROC's largest shareholder Allan Gray, with a declared Relevant Interest of around 20%, has stated it is SUPPORTIVE OF THE OFFER in the absence of a Superior Proposal or a higher market price.

2.6 You will NOT INCUR ANY BROKERAGE charges in accepting Fosun's Offer unless your ROC Shares are registered in the name of a bank, custodian or other nominee

If your ROC Shares are registered in an Issuer Sponsored Holding (your SRN starts with an "I") in your name and you deliver them directly to Fosun, you will not incur any brokerage fees in connection with your acceptance of the Offer.

If your ROC Shares are registered in a CHESS Holding (your HIN starts with an "X"), you should not incur brokerage fees if you accept the Offer, however you should ask your Controlling Participant (usually your broker) whether it will charge any transaction fees or service charges in connection with your acceptance of the Offer. If you are a beneficial owner whose ROC Shares are registered in the name of a bank, custodian or other nominee, you should ask your Controlling Participant (usually your broker), or the bank, custodian or other nominee whether it will charge any transaction fees or service charges in connection with your acceptance of the Offer.

You may incur brokerage costs if you choose to sell your ROC Shares on-market.

1 ROC Target's Statement dated on or about the date of this bidder's statement and announced to ASX on 11 September 2014.
 2 ROC Directors appointed Grant Samuel & Associates Pty Limited to prepare an independent expert's report in connection with the Horizon Merger, setting out whether, in Grant Samuel's opinion, the Horizon Merger was in the best interests of ROC Shareholders (**Grant Samuel Independent Expert's Report**). The Grant Samuel Independent Expert's Report was dated 15 June 2014 and was released to the ASX on 16 June 2014. In the Grant Samuel Independent Expert's Report, Grant Samuel assessed the full underlying value of ROC to be in the range of US\$391 – US\$507 million (page 48 of the Grant Samuel Independent Expert's Report). Grant Samuel's valuation of ROC corresponds to a value of ROC Shares in the range of A\$0.62 and A\$0.80 per ROC Share. This value range has been calculated by Fosun by (i) converting the Grant Samuel value range (denominated in USD) to AUD using an exchange rate of US\$1:A\$0.916 (being the spot exchange rate as at 10 September 2014 at 4pm Sydney time) and then (ii) dividing that number range by 687,618,400 (being the number of ROC Shares on issue as at the date of this Bidder's Statement).
 3 ROC Target's Statement dated on or about the date of this bidder's statement and announced to ASX on 11 September 2014; Announcement to ASX by ROC dated 4 August 2014.

Summary of the Offer and How to Accept **3**

The information in this section is a summary of the key terms of the Offer only. You should read it in conjunction with the remainder of this Bidder's Statement.

Offer	<p>Fosun is offering to buy all of your ROC Shares on issue as at the Record Date on the terms set out in section 12.</p> <p>You can accept the Offer in respect of some or all of your ROC Shares.</p>
Offer consideration	\$0.69 per ROC Share in cash.
Shares to which the Offer relates	The Offer is made in respect of ROC Shares that exist or will exist as at 7:00pm (Sydney time) on 11 September 2014. It does not relate to ROC Shares that are issued during the period from the Record Date to the end of the Offer Period due to the exercise of ROC Options or the vesting of ROC Performance Rights in existence at the Record Date.
Offer Period	The Offer is open for acceptance between 15 September 2014 and 7:00pm (Sydney time) on 15 October 2014, unless it is extended or withdrawn by Fosun.
Expected date of payment to Shareholders who accept the offer	If you accept the Offer you will receive payment for your ROC Shares 1 month after the later of the date you accept and the date the Offer becomes, or is declared, unconditional and, in any event, no later than 21 days after the Closing Date.
Conditions	The Offer is conditional on the events specified in section 12.5 of this Bidder's Statement.
How to accept the Offer	<p>If your ROC Shares are in an Issuer Sponsored Holding (if your SRN begins with an "I"):</p> <p>Return a completed and signed Acceptance Form and send it with all other documents required by the instructions on the Acceptance Form to the address indicated on the form so that it is received before the end of the Offer Period.</p> <p>If your ROC Shares are in a CHESS Holding (if your HIN begins with an "X"):</p> <p>Either:</p> <ul style="list-style-type: none"> – return a completed and signed Acceptance Form and send it with all other documents required by the instructions on the Acceptance Form so that it is received at the address indicated in the form in sufficient time to instruct your Controlling Participant to initiate acceptance on your behalf; or – instruct your Controlling Participant (usually your broker) to accept the Offer on your behalf, <p>before the end of the Offer Period.</p> <p>If you are a Participant:</p> <p>Acceptance of the Offer must be initiated in accordance with the requirements of rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.</p>
Appointment of Fosun as proxy	By accepting this Offer, you will appoint Fosun as your proxy in respect of your ROC Shares before the Offer becomes unconditional.
Addresses for completed Acceptance Forms	<p>Computershare Investor Services Pty Limited GPO Box 52 Melbourne, Victoria 3001</p> <p>1300 483 596 (within Australia)</p> <p>+61 3 9415 4108 (outside Australia)</p>

The information in this section is a summary of the key terms of the Offer only. You should read it in conjunction with the remainder of this Bidder's Statement.

Frequently Asked Questions

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The information in this section is a summary of the Offer only. You should read it in conjunction with the remainder of this Bidder's Statement.

What is the Offer?	<p>Fosun offers to acquire all of your ROC Shares on issue at the Record Date for \$0.69 each in cash on the terms set out in section 12.</p> <p>You can accept the Offer in respect of some or all of your ROC Shares.</p>
When does the Offer open?	The Offer opens on 15 September 2014.
When does the Offer close?	Unless the Offer is extended or withdrawn, acceptances for the Offer close at 7:00pm (Sydney time) on 15 October 2014.
Is there any possibility that the Offer Period will be extended?	<p>The Offer Period can be extended at Fosun's election, subject to the Corporations Act. Any extension to the Offer Period will be announced to ASX and if the Offer is still subject to Conditions or if you have not accepted, you will be sent written notice of the extension. Fosun has agreed with ROC that it can only extend the Offer Period beyond four months without the consent of ROC, if:</p> <ul style="list-style-type: none"> – a Competing Transaction for ROC is publicly announced and has not been withdrawn or lapsed; or – an application has been made to the Takeovers Panel in respect of the affairs of ROC that has not been resolved.
What is the Bidder's Statement?	<p>This document is the Bidder's Statement and describes the terms and conditions of the Offer for your ROC Shares and sets out information relevant to your decision as to whether to accept the Offer for some or all of your ROC Shares.</p> <p>This Bidder's Statement is an important document and should be read in its entirety. If you are in any doubt as to how to deal with this document, please consult your legal, financial or other professional adviser as soon as possible.</p>
Who is Fosun? Who is Transcendent Resources?	<p>Transcendent Resources Limited (called 'Fosun' in this Bidder's Statement) is a company registered in Hong Kong, and is a wholly owned Subsidiary of Fosun International Limited, a company listed on the Hong Kong Stock Exchange. Fosun and Fosun International are members of the Fosun Group.</p> <p>Refer to section 5 for further information about Fosun and Fosun International.</p>
Which securities does the Offer relate to?	The Offer is made in respect of ROC Shares which exist or will exist as at 7:00pm (Sydney time) on 11 September 2014. It does not relate to ROC Shares that may be issued during the period from the Record Date to the end of the Offer Period due to the exercise of ROC Options or the vesting of ROC Performance Rights in existence as at the Record Date.
Can I accept the Offer in respect of some, but not all, of my ROC Shares?	Yes. You can accept the Offer in respect of some or all of your ROC Shares.
What is the expected date of payment to ROC Shareholders who accept the Offer?	If the Offer becomes unconditional and you validly accept the Offer, you will receive payment for your ROC Shares by the earlier of one month after the date you validly accept or 21 days after the Closing Date.

Is Fosun offering to acquire ROC Options and ROC Performance Rights?	<p>Not under the Offer. However Fosun or ROC will be making separate offers to the holders of ROC Options and Eligible ROC Performance Rights to cancel these ROC Options and Eligible ROC Performance Rights which will be subject to the Conditions being satisfied or waived, and in the case of the ROC Options, Fosun acquiring a Relevant Interest in 90% or more of the ROC Shares at the end of the Offer Period.</p> <p>Fosun or ROC will also, subject to Fosun acquiring a Relevant Interest in more than 90% of the ROC Shares, be making separate offers to the holders of Ineligible ROC Performance Rights if the Conditions are satisfied or waived.</p> <p>ROC has agreed not to exercise its discretion to accelerate vesting of Eligible ROC Performance Rights as a result of the change in control in connection with the Offer, and will only accelerate vesting of Ineligible ROC Performance Rights in very limited circumstances. If Ineligible ROC Performance Rights vest, then ROC or Fosun will make offers, and will have a right, to acquire the ROC Shares that are issued as a result of the vesting of those Ineligible ROC Performance Rights. Refer to section 8 for further information in relation to the separate offers for the ROC Options and the ROC Performance Rights.</p>
Are there conditions to the Offer?	<p>The Offer is subject to a number of Conditions set out in full detail in section 12.5. The Conditions include:</p> <ul style="list-style-type: none"> – the Minimum Acceptance Condition; – no Material Adverse Change; – no Prescribed Occurrences; – no Restricted Action; and – ROC not making any untrue statements to ASX. <p>Fosun may choose to waive some of these Conditions, and has agreed with ROC to waive all of the remaining Conditions within 2 Business Days after the Minimum Acceptance Condition has been satisfied or freed, provided that there has not been and is not likely to be any breach of the Conditions.</p> <p>If the Conditions are not fulfilled or waived by the end of the Offer Period (or shortly afterwards in the case of the Condition set out in section 12.5(3) (Prescribed Occurrences)), the Offer will lapse.</p> <p>As at the date of this Bidder's Statement, Fosun is not aware of any events or circumstances which would result in non-fulfilment of any of the Conditions.</p>
Does Fosun currently have a Relevant Interest in ROC?	<p>No, Fosun does not currently have a Relevant Interest in ROC.</p>
How is Fosun funding the Offer?	<p>Fosun will fund the payment of consideration under the Offer through the Fosun Group's existing cash reserves and cash equivalents. Refer to section 9 for more information in respect of Fosun's ability to fund the Offer.</p>
What will happen if I accept the Offer?	<p>If you accept the Offer and the Offer becomes unconditional (i.e. all of the Conditions are either satisfied or waived), you will be paid the Offer Price of \$0.69 cash for each of Your Accepted ROC Shares.</p> <p>By accepting the Offer, you appoint Fosun as your proxy in respect of Your Accepted ROC Shares before the Offer becomes unconditional.</p>
Can I sell my ROC Shares on ASX?	<p>Yes. However, once you accept the Offer (even while it remains subject to any Conditions), you will not be permitted to sell any of Your Accepted ROC Shares on ASX, accept any other offer or otherwise deal with Your Accepted ROC Shares, subject to you exercising any withdrawal rights which might exist at certain times.</p>

Will I incur a brokerage fee if I accept the Offer?	If you accept the Offer, you will not be required to pay brokerage costs if your ROC Shares are registered in your name and you deliver them directly to Fosun. If your ROC Shares are registered in a CHESS Holding, you should not be required to pay brokerage costs if you accept the Offer, however you should ask your Controlling Participant (usually your broker) whether it will charge any transaction fees or service charges in connection with your acceptance of the Offer. If your ROC Shares are held through a bank, custodian or other nominee, you should ask your Controlling Participant (usually your broker), or the bank, custodian or other nominee whether it will charge any transaction fees or service charges in connection with your acceptance of the Offer.
Do I have to pay stamp duty if I accept the Offer?	No. You will not have to pay stamp duty if you accept the Offer.
What if I accept the Offer and Fosun increases the Offer Price?	In accordance with the Corporations Act, if Fosun increases the Offer Price, you will be paid the higher price irrespective of when you accepted the Offer. If you have already received payment in respect of the Offer, you will be paid the difference between the amount you have already received for your ROC Shares and the higher price.
What will happen if I do not accept the Offer?	If you do not accept the Offer (or only accept the Offer in respect of part of your ROC Shares), you will remain a ROC Shareholder and will not receive the consideration offered by Fosun in respect of the ROC Shares which are not the subject of your acceptance. If Fosun becomes entitled to compulsorily acquire your ROC Shares and the Conditions are all satisfied or waived, then Fosun may seek to compulsorily acquire your ROC Shares. If this occurs, you will be paid the Offer Price for your ROC Shares. However, you will receive the Offer Price for your ROC Shares earlier if you accept the Offer during the Offer Period rather than through the compulsory acquisition process. If Fosun does not acquire your ROC Shares through compulsory acquisition, you will remain a ROC Shareholder. Refer to section 7 for more information on Fosun's intentions for ROC.
What are the tax implications if I accept the Offer?	Tax implications for accepting the Offer for your ROC Shares will vary for each individual and you are advised to consult your financial, tax or other professional adviser on the tax implications of acceptance. A general summary of the likely Australian taxation implications of accepting the Offer is provided in section 10 of this Bidder's Statement.
What if I am a foreign ROC Shareholder?	Foreign ROC Shareholders who accept the Offer will be paid the same cash consideration under the Offer as an Australian resident ROC Shareholder. However the tax implications under the Offer for foreign shareholders may be different to those relating to Australian resident shareholders, and you should seek your own professional advice in these circumstances.
Why should I accept the Offer?	You should accept the Offer for the following reasons: <ul style="list-style-type: none"> – the ROC Board of Directors unanimously recommend you accept the Offer, in the absence of a Superior Proposal¹; – the Offer represents a significant premium to recent trading levels; – the Offer presents certain and immediate value and removes significant risk; – the ROC Share price and liquidity may fall if ROC Shareholders do not accept; – ROC's largest shareholder, Allan Gray, has stated it is supportive of the Offer in the absence of a Superior Proposal, or a higher market price; and – you will not incur any brokerage charges in accepting the Offer. Refer to section 2 for a full explanation as to why you should accept the Offer.

¹ Announcement to ASX by ROC dated 4 August 2014.

<p>How do I accept the Offer?</p>	<p>Depending on the nature of your holding, you may accept the Offer in the following ways:</p> <p>If your ROC Shares are in an Issuer Sponsored Holding (SRN beginning with “I”):</p> <p>Return a completed and signed Acceptance Form and send it with all other documents required by the instructions on the Acceptance Form to the address indicated on the form so that it is received before the end of the Offer Period.</p> <p>If your ROC Shares are in a CHESS Holding (HIN beginning with “X”):</p> <p>Either:</p> <ul style="list-style-type: none"> – Return a completed and signed Acceptance Form and send it with all other documents required by the instructions on the Acceptance Form so that it is received at the address indicated in the form in sufficient time to instruct your Controlling Participant to initiate acceptance on your behalf before the end of the Offer Period; or – instruct your Controlling Participant (usually your broker) to accept the Offer on your behalf before the end of the Offer Period. <p>If you are a Participant:</p> <p>Acceptance of this Offer must be initiated in accordance with the requirements of rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.</p> <p>Further details on how to accept the Offer are set out in section 12.3.</p>
<p>Can I withdraw my acceptance?</p>	<p>Once you accept the Offer, you cannot withdraw your acceptance unless a withdrawal right exists or arises under the Corporations Act. Such a right may arise if, after you have accepted the Offer and the Offer remains conditional, Fosun varies the Offer in a way that postpones, for more than one month, the time by which Fosun has to meet its obligations under the Offer. If this occurs, a notice will be sent to you at the relevant time that explains your rights to withdraw your acceptance of the Offer.</p>
<p>Where do I go for further information about the Offer?</p>	<p>If you have further enquiries in relation to the Offer, please call the Fosun Offer Information Line on 1300 483 596 (for callers within Australia) or +61 3 9415 4108 (for callers outside Australia), Monday to Friday between 9:00am and 5:00pm (Sydney time). Calls to these numbers may be recorded. Alternatively, you may contact your legal, financial or other professional adviser.</p> <p>Any further material information relating to the Offer from Fosun will be lodged with ASX. Further material information may also be the subject of a supplementary bidder’s statement from Fosun.</p> <p>ROC has issued a Target’s Statement which includes the recommendation from ROC Directors in relation to the Offer.</p>
<p>Following the Offer, will ROC remain a company listed on the ASX?</p>	<p>This depends on the number of ROC Shares acquired by Fosun pursuant to the Offer and the number of remaining ROC Shareholders.</p> <p>If Fosun acquires a Relevant Interest in 90% or more of ROC Shares, Fosun may or may not compulsorily acquire the remaining ROC Shares, and has not yet determined whether it will maintain ROC’s listing on the ASX, or seek to have ROC de-listed.</p> <p>Refer to section 7 for further information on Fosun’s intentions for ROC.</p>

The information in this section of the Bidder’s Statement is a summary of the Offer only. You should read it in conjunction with the remainder of this Bidder’s Statement.

Information about Fosun International and Fosun (Transcendent Resources Limited)

5

The Fosun Group was founded in 1992 in Shanghai. Fosun International Limited (00656.HK) was listed on the Main Board of The Stock Exchange of Hong Kong Limited on 16 July 2007.

5.1 Overview of Fosun International and Fosun

The Fosun Group was founded in 1992 in Shanghai. Fosun International Limited (00656.HK) was listed on the Main Board of The Stock Exchange of Hong Kong Limited on 16 July 2007. Fosun International has a market capitalisation of approximately A\$9.13 billion as at 22 August 2014.¹ For the financial year ended 31 December 2013, Fosun International reported revenues of RMB51,016,833,000 (A\$8,565,000,200)² and a net profit after tax of RMB7,852,769,000 (A\$1,318,368,156).² As at 31 December 2013, the Fosun Group had approximately 36,000 employees. As at 30 June 2014, net assets attributable to owners of the parent of the Fosun Group amounted to RMB43.99 billion (A\$7.7 billion), up 11% from the end of 2013. Profit attributable to owners of the parent of the Fosun Group amounted to RMB1.83 billion (A\$320,909,180.27), up 8.4% from the same period of 2013.

Today, the Fosun Group has established four business engines comprising insurance, industrial operations, investment and asset management. It is dedicated to becoming a world-class investment group underpinned by the twin drivers of insurance-oriented comprehensive financial capability and industrial-rooted global investment capability.

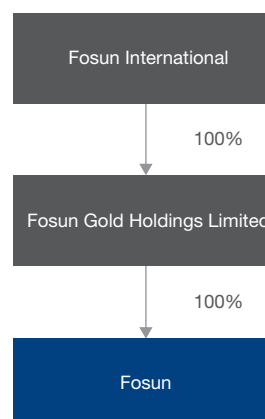
The Fosun Group's investment philosophy is to maintain a strong base in China and invest in the country's growth fundamentals, so as to capture opportunities arising from consumption and services upgrade, urbanisation and industrial upgrade brought by the restructuring of China's economy towards domestic demand. At the same time, Fosun International seeks to capitalise on structural changes in the global economy, implementing its unique investment model of "combining China's growth momentum with global resources" and reinforcing its position as a China expert with global capacity, with a view to constantly creating value for the society and its shareholders.

The Fosun Group has strong expertise in investing in foreign reputable brands. For example, the Fosun Group, and the funds under its management have invested in the Greek renowned fashion retail group Folli Follie, the US upscale female apparel brand St. John and the high-end Italian menswear manufacturer Caruso. On 15 May 2014, the Fosun Group officially completed the acquisition of 80% of the share capital and voting rights of each of Fidelidade, Multicare and Cares (the largest insurance group in Portugal), with investible funds of approximately EUR1,338 million as at 30 June 2014. At end of June 2014, the Fosun Group assisted this newly acquired group in deal research and completion of the group's first strategic investment project, which was an acquisition of 3.97% of the state-owned shares of Redes Energéticas Nacionais (REN), a Portuguese power grid company, with an investment amount of approximately EUR56.8 million.

5.2 Corporate ownership structure of Fosun

Fosun is a wholly owned subsidiary of Fosun International.

The following diagram sets out Fosun's ownership structure (excluding entities in the Fosun Group that do not have a direct interest in Fosun):



5.3 Substantial shareholders

The following are substantial holders of Fosun International:

Substantial shareholder	Voting power
Fosun Holdings Limited	79.6%

The owner of Fosun Holdings Limited is Fosun International Holdings Ltd (100%). The owners of Fosun International Holdings Ltd are:

(1) Mr Guangchang GUO	(58%)
(2) Mr Xinjun LIANG	(22%)
(3) Mr Qunbin WANG	(10%)
(4) Mr Wei FAN	(10%)

5.4 Directors of Fosun International

As at the date of this Bidder's Statement, the Directors of Fosun International are:

Guangchang GUO (Chairman and Executive Director)

Mr Guo was one of the founders of the Fosun Group and has been chairman of the Fosun Group since its establishment. He is also honorary chairman of The Zhejiang Chamber of Commerce in Shanghai, vice council chairman of China Foundation for Glory Society and vice council chairman of Youth Business China, and was appointed policy consultant to the Shanghai municipal government from 2001 to 2002.

Mr Guo has been awarded, among others, "Top Ten Leaders in Future Economy of China", "Top Ten New Private Entrepreneurs in 2003", "CCTV People of Financial Year 2004", the nationwide "Outstanding Entrepreneur in Private Sector on Staff Caring", "Industry & Commerce Category Winner" of "Ernst

¹ Assumes the AUD:HKD exchange rate of 1:7.2209 as of 22 August 2014.

² Assumes the average AUD:RMB annual exchange rate of 1:5.96 for the 2013 calendar year.

& Young Entrepreneur of the Year”, “Award of Outstanding Contribution to Guangcai Program” issued by the China Society for Promotion of the Guangcai Program, the Awardee for Directors of the Year Awards 2010 (Non Hang Seng Index Constituents) issued by The Hong Kong Institute of Directors, “Outstanding Zhejiang Entrepreneur Award” at “The First World Zhejiang Entrepreneurs Convention”, “Top 25 Most Influential Enterprise Leaders” at the “China Entrepreneur Summit” for seven consecutive years and “25 Chinese to Watch” issued by the Financial Times. Mr Guo received a bachelor’s degree in philosophy in 1989 and a master’s degree in business administration in 1999, both from Fudan University.

Xinjun LIANG

(Vice Chairman, CEO and Executive Director)

Mr Liang was one of the founders of the Fosun Group. Mr Liang has been vice chairman of the Fosun Group since its establishment. Mr Liang is vice chairman of the China Young Entrepreneurs Association, executive vice council chairman of the China Science and Technology Private Entrepreneurs Association, chairman of the Taizhou Chamber of Commerce in Shanghai, executive chairman of the Shanghai Fudan University Alumni Association, executive vice council chairman of the Cheung Kong Graduate School of Business Alumni Association, a member of China Industrial and Commerce Council and management committee of Asia-Pacific Economic Cooperation (APEC) and vice chairman of the 11th committee of Shanghai Youth Federation.

Mr Liang has been awarded, among others, “Management Innovation Award for Young Entrepreneur in China”, “Top Ten Outstanding Youth of Shanghai”, “Chinese Business Leader of the Year” at the 7th Horasis Global China Business Meeting in Spain in 2011, “Bauhinia Cup Outstanding Entrepreneur Award” of The Hong Kong Polytechnic University in February 2012, “Top Ten PE Capitalists in China” in 2012 by the Zero2IPO Group and “Top Ten Financial Industry Leaders in Shanghai” issued by the Shanghai Finance Services Office in 2012, “Outstanding Zhejiang Entrepreneurs Award” by the 2nd World Zhejiang Entrepreneurs Convention, the Award for “Directors of the Year Awards 2013” issued by The Hong Kong Institute of Directors, “2013 Chinese Business Leaders” issued by the Grand Ceremony for Chinese Business Leaders Annual Award 2013. Mr Liang received a bachelor’s degree in genetic engineering in 1991 from Fudan University and a master’s degree in business administration in 2007 from Cheung Kong Graduate School of Business.

Qunbin WANG

(President and Executive Director)

Mr Wang was one of the founders of the Fosun Group. Mr Wang has been a director of the Fosun Group since its establishment. Prior to joining the Fosun Group, Mr Wang was a lecturer at the Genetic Research Institute of Fudan University. Mr Wang holds various positions including honorary chairman of the Shanghai BioPharmaceuticals Industry Association, chairman of The Huzhou Chamber of Commerce in Shanghai and vice chairman of the China Chamber of International Commerce.

Mr Wang was named one of “The Best-Performing CEOs in the World” by Harvard Business Review, “Young Global Leader Honouree 2009” of the World Economic Forum, Chinese Pharmaceutical “60 Years, 60 People”, “Top Ten Professional Managers in China Pharmaceutical Industry in 2004”, “The Fourth Session Technology Innovation Prize of China Outstanding Youth” and “Outstanding Technical Experts Allowance by State Council”. Mr Wang received a bachelor’s degree in genetic engineering from Fudan University in 1991.

Guo qi DING

(Senior Vice President, CFO and Executive Director)

Mr Ding is an executive director and chief financial officer of Fosun International. Prior to joining the Fosun Group in 1995, Mr Ding worked in the accounting department of Shanghai Jinshan Petrochemical Construction Company. Mr Ding received a bachelor’s degree in accounting from Shanghai University of Finance and Economics in 1991.

Xuetang QIN

(Senior Vice President and Executive Director)

Mr Qin is an executive director of Fosun International. Before joining the Fosun Group in 1995, Mr Qin was a lecturer at the law department of Fudan University. Mr Qin received a bachelor’s degree in laws in 1985 from the Southwest University of Political Science and Law and was admitted to practice law in the PRC in 1990.

Ping WU

(Senior Vice President and Executive Director)

Mr Wu joined the Fosun Group in 1995. Mr Wu is an executive director of Fosun International. Mr Wu is a committee member of the Huangpu District Shanghai of National Committee of the Chinese People’s Political Consultative Conference. Mr Wu was named one of “The Best-Performing CEOs in the World” by Harvard Business Review. Mr Wu received a bachelor’s degree in enterprise management from Shanghai Second Polytechnic University in 1990.

Wei FAN**(Non-executive Director)**

Mr Fan was one of the founders of the Fosun Group. Mr Fan has been a director of the Fosun Group since its establishment. Mr Fan is vice council chairman of the Institute of Real Estate Shanghai Academy of Social Sciences, and was chairman of the Housing Industry Association of Shanghai Federation of Industry and Commerce and vice chairman of the Shanghai Real Estate Trade Association. Mr Fan was awarded the “Top 100 Property Entrepreneur in China in 2005” and “the First Session of Outstanding Young Entrepreneur of Shanghai in Property Sector”. Mr Fan received a bachelor’s degree in genetic engineering from Fudan University in 1991.

Shengman ZHANG**(Independent Non-executive Director)**

Mr Zhang has been an Independent Non-Executive Director of Fosun International since December 2006. Mr Zhang is chairman of Asia Pacific of Citigroup (listed on the New York Stock Exchange), before that he was president of Asia Pacific of Citigroup. Mr Zhang joined Citigroup in February 2006 as chairman of the Public Sector Group. Mr Zhang worked in the PRC Ministry of Finance as deputy director and vice secretary from 1994 to 1995. From 1994 to 1995, Mr Zhang was an executive director for China at the World Bank. From 1995 to 1997, Mr Zhang was vice president and chief secretary of the World Bank. From 1997 to 2001, Mr Zhang was senior vice director of the World Bank. Mr Zhang was a managing director of the World Bank and chairman of World Bank’s operations committee, the sanctions committee and the corporate committee on fraud and corruption policy from 2001 to 2005. Mr Zhang received a bachelor’s degree in English literature in 1978 from Fudan University and a master’s degree in public administration in 1985 from University of the District of Columbia. Mr Zhang completed the Harvard Advanced Management Program in 1997.

Andrew YAN**(Independent Non-executive Director)**

Mr Yan has been an Independent Non-Executive Director of Fosun International since March 2007. He is currently the Founding Managing Partner of SAIF Partners. Prior to joining SAIF Partners, he was the managing director and head of the Hong Kong office of Emerging Markets Partnership (Principal adviser to the AIG Asian Infrastructure Funds), responsible for investment in Northeast Asia and Greater China from 1994 to 2001. From 1989 to 1994, he worked in the World Bank, the Hudson Institute (a famous American think tank) and the US Sprint International Corporation as an economist, research fellow and director of Strategic Planning and Business Development for Asia Pacific Region, respectively in Washington, DC. From 1982 to 1984, he was the chief engineer at the Jianghuai Airplane Corp. Mr Yan received a bachelor’s degree in engineering from Nanjing Aeronautic Institute in 1982. He studied in the Master Program in Department of Sociology of Peking University from 1984 to 1986 and received a Master of Arts degree from Princeton University in International

Political Economy in 1989. He also studied advanced finance and accounting courses at the Wharton Business School in 1995.

Currently, Mr Yan is also an independent non-executive director of China Resources Land Limited (stock code: 01109), China Petroleum & Chemical Corporation (stock code: 00386) and China Mengniu Dairy Company Limited (stock code: 02319); a non-executive director of Digital China Holdings Limited (stock code: 00861), China Huiyuan Juice Group Limited (stock code: 01886), eSun Holdings Limited (stock code: 00571) and Guodian Technology & Environment Group Corporation Limited (stock code: 01296), all of which are listed on the Main Board of the Hong Kong Stock Exchange. China Petroleum & Chemical Corporation is also listed on the Shanghai Stock Exchange (stock code: 600028), London Stock Exchange (stock code: SNP) and New York Stock Exchange (stock code: SNP). He is also an independent director of Giant Interactive Group Inc. (listed on the New York Stock Exchange with stock code: GA); director of Acorn International Inc. (listed on the New York Stock Exchange with stock code: ATV), China Digital TV Holding Co., Ltd. (listed on the New York Stock Exchange with stock code: STV) and ATA Inc. (listed on the Nasdaq with stock code: ATAI). In addition, Mr Yan was a director of Global Education & Technology Group Limited (the shares of which were withdrawn from listing on the Nasdaq, USA in December 2011) from March 2007 to December 2011; he was also a non-executive director (from October 2006 to April 2013) and chairman (from May 2012 to April 2013) of NVC Lighting Holding Limited (listed on the Hong Kong Stock Exchange with stock code: 02222); a director of Eternal Asia Supply Chain Management Ltd. (listed on the Small and Medium Enterprise Board of the Shenzhen Stock Exchange with stock code: 002183) from October 2006 to June 2013; and a non-executive director of MOBI Development Co., Ltd. (listed on the Hong Kong Stock Exchange with stock code: 00947) from January 2003 to August 2013.

Huaqiao ZHANG**(Independent Non-executive Director)**

Mr Zhang has been an Independent Non-Executive Director of Fosun International since March 2012. Mr Zhang is also a non-executive director of Boer Power Holdings Ltd. (stock code: 01685) and Oriental City Group Holdings Limited (stock code: 08325), an independent non-executive director of Zhong An Real Estate Limited (stock code: 00672) and China Huirong Financial Holdings Limited (stock code: 01290), Fuguiniao Co., Ltd. (stock code: 01819) and Logan Property Holdings Company Limited (stock code: 03380), all of which are listed on the Hong Kong Stock Exchange, and director of Nanjing Central Emporium (Group) Stocks Co., Ltd. (listed on the Shanghai Stock Exchange with stock code: 600280).

From July 1986 to January 1989, Mr Zhang was employed at the People’s Bank of China in Beijing and from June 1999 to April 2006, Mr Zhang worked at the Equities Department of UBS AG, Hong Kong Branch at which he first served as the head of the China research team and later became the co-head

of the China research team. Mr Zhang was the chief operating officer from March 2006 to September 2008 and an executive director from May 2006 to September 2008 of Shenzhen Investment Limited (listed on the Hong Kong Stock Exchange with stock code: 00604). From September 2008 to June 2011, he was deputy head of China Investment Banking at UBS Securities Asia Limited. Mr Zhang was an executive director and chief executive officer of Man Sang International Limited (listed on the Hong Kong Stock Exchange with stock code: 00938) from September 2011 to April 2012. Mr Zhang graduated from the Graduate School of the People's Bank of China with a master's degree in economics in 1986; and from the Australian National University with a master's degree in economics in January 1991.

David ZHANG
(Independent Non-executive Director)

Mr Zhang has been an Independent Non-Executive Director of Fosun International since June 2012. Mr Zhang is also a partner of Kirkland & Ellis LLP, a leading international law firm. Admitted to the practice of law in the State of New York, USA and based in Hong Kong, Mr Zhang specialises in securities offerings and M&A transactions. He has extensive experience representing Chinese issuers and leading investment banks in US initial public offerings, Hong Kong initial public offerings and other Rule 144A and Regulation S offerings of equity, debt and convertible securities. Additionally, Mr Zhang has represented a number of leading private equity funds, multinational corporations and sovereign wealth funds in connection with their investments and M&A transactions in the Greater China region and Southeast Asia. Mr Zhang has been rated as a top capital markets attorney by Chambers Global, Legal 500 Asia Pacific, IFLR1000 and Chambers Asia Pacific. Prior to joining Kirkland & Ellis LLP in August 2011, Mr Zhang was a partner of Latham & Watkins LLP, another leading international law firm, for eight years. Mr Zhang graduated from Beijing Foreign Studies University in 1981 and received his J.D. degree from Tulane University Law School in 1991.

5.5 Director of Fosun

As at the date of this Bidder's Statement, the Director of Fosun is:

Xuetang QIN

Mr Qin is a director of Fosun and an executive director of Fosun International. Before joining the Fosun Group in 1995, Mr Qin was a lecturer at the law department of Fudan University. Mr Qin received a bachelor's degree in laws in 1985 from the Southwest University of Political Science and Law and was admitted to practice law in the PRC in 1990.

5.6 Publicly available information

The shares of Fosun International are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 00656). As a result, Fosun International is subject to disclosure obligations under the listing rules of the Hong Kong Stock Exchange and under Hong Kong law. These include, but are not limited to, obligations to disclose material information which may affect shareholders' rights, share price, or investors' decisions whether to invest in Fosun International.

Further publicly available information about Fosun International is available on Fosun International's website at www.fosun.com. Information on the websites referenced in this Bidder's Statement does not constitute part of this Bidder's Statement.

Information about ROC

6

The information set out in this Bidder's Statement in relation to ROC has been prepared by Fosun using publicly available information, which has not been independently verified.

6.1 Disclaimer

The information set out in this Bidder's Statement in relation to ROC has been prepared by Fosun using publicly available information, which has not been independently verified. Accordingly, Fosun does not, subject to the Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of such information. The information on ROC in this Bidder's Statement should not be considered comprehensive.

Further information relating to ROC's business is included in the Target's Statement.

6.2 Company Overview

ROC is an Australian-incorporated independent upstream oil and gas company with a presence in China, South East Asia, Australia and the United Kingdom. ROC operates across the full range of upstream business activities from exploration and appraisal to development and production delivery.

As at 10 September 2014, ROC had 687,618,400 shares on issue and a market capitalisation of approximately A\$471.0 million.

ROC's total working interest in production was 2.7 MMBOE for 2013 with total net 2P Reserves of 17.41 MMBOE. For the 12 month period ending 31 December 2013, ROC's net profit after tax was US\$45.2 million and net cash at 31 December 2013 totalled US\$65.1 million.

ROC's total working interest in production for the half year ended 30 June 2014 was 1.717 MMBOE (9,487 BOEPD) with total sales revenue of US\$143.4 million.

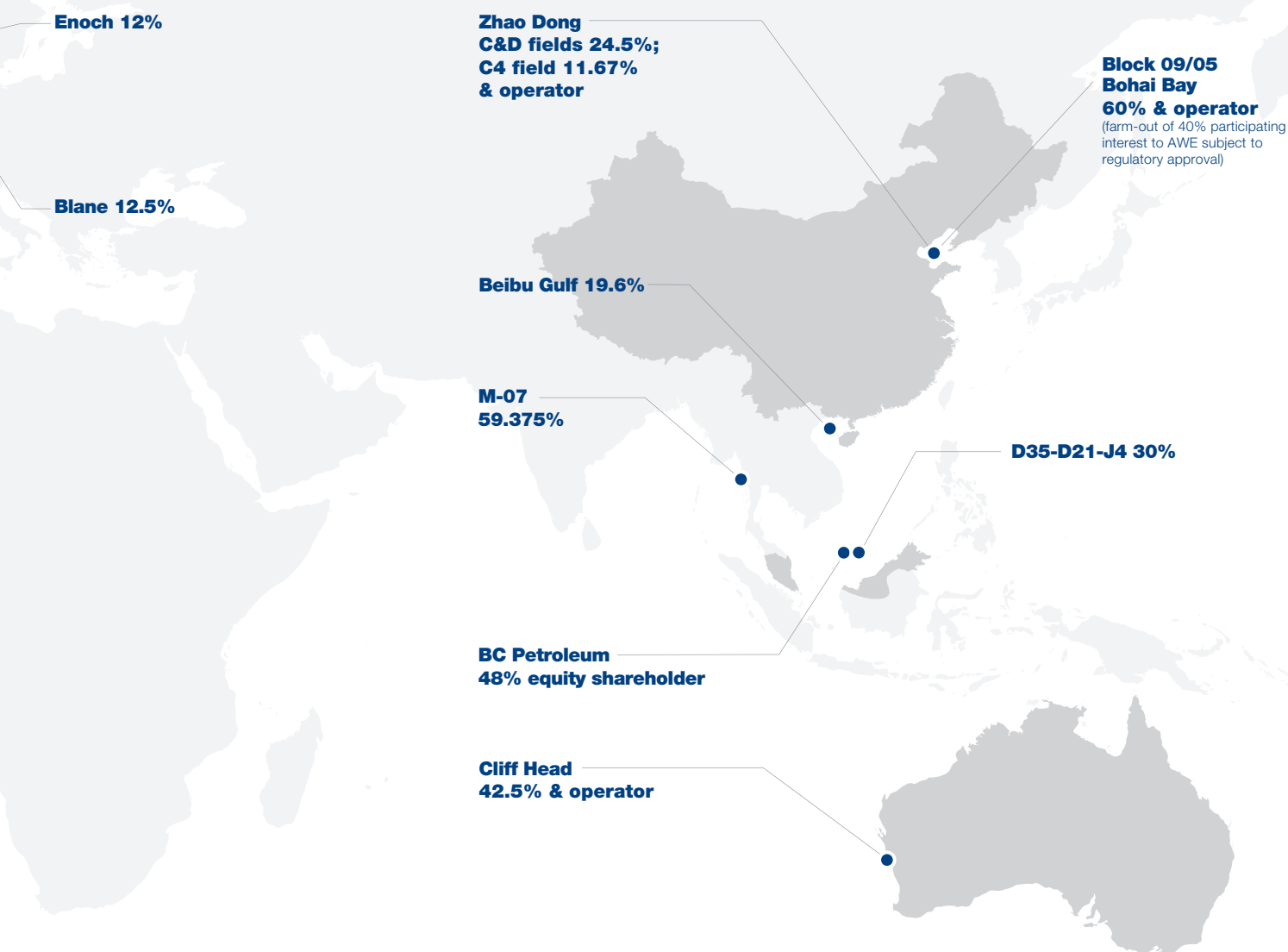
As at 30 June 2014, ROC had offices and facilities in China, Australia and Malaysia.

6.3 Asset Overview

ROC's core asset portfolio is based in Australia, South East Asia and China and contains a mix of exploration, development and production assets as summarised in the following map and table.

For more information about ROC, please see section 4 of the Target's Statement.

Location	Asset	Field & ROC Interest	Activity	Operator Status	1H2014 Net Production and Work Programme
China	Zhao Dong	C&D Fields 24.5% ² C4 Fields 11.67% ³ Chenghai and Zhanghai Blocks 39.2% ⁴	Production	Operator ⁵	0.7 MMBOE
	Block 09/05	60% ⁶	Exploration	Operator	Completed seismic processing and first exploration well drilling completed on 7 September 2014
	Beibu Gulf	WZ 6-12 40%/19.6% ⁷ WZ 12-8 W 40%/19.6% ⁸	Production	Non-operator	0.5 MMBOE
Malaysia	D35/D21/J4	30%	Production	Non-operator	ROC farm-in effective 1 January 2014. The Fields are currently in production with redevelopment activities planned.
	Balai Cluster	Risk service contractor 48% Bentara	Appraisal, Development	BCP – Operator	Production commenced on 25 May 2014 with a stabilised start up rate of approximately 1,300 BOPD and 0.8 MMscfd
Australia	WA-31-L	Cliff Head 42.5%	Production	Operator	0.2 MMBOE
	L14	Jingemia 0.25%	Shut in	Non-operator	–
UK	Blane Oil Field	Blane 15.24%/12.5% ⁹	Production	Non-operator	0.1 MMBOE
	Enoch Oil and Gas Field	Enoch 15%/12% ¹⁰	Production	Non-operator	Offline during 1H14. Production expected to recommence during 2H14.
Myanmar	Block M07 ¹¹	59.375%	Exploration	Operator	–



6.4 Publicly Available Information

- (1) ROC is listed on ASX and is obliged to comply with its continuous disclosure requirements of the ASX Listing Rules and the Corporations Act which require continuous disclosure of any information ROC has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities. ROC's annual report for the year ended 2013 was lodged with ASIC and given to ASX on 24 April 2014. ROC's half-yearly report was announced to ASX on 20 August 2014.
- (2) Copies of the announcements made by ROC in relation to the Offer are set out at Annexure A. A description of each announcement made by ROC since 24 April 2014 (being the date on which the most recent annual financial statements for ROC were released) and the date of this Bidder's Statement is set out at Annexure B.
- (3) Further publicly available information about ROC is available on ROC's website at www.rocoil.com.au and from ASX's website at www.asx.com.au. Information on the websites referenced in this Bidder's Statement does not constitute part of this Bidder's Statement.

1 As at 1 January 2014, post D35/D21/J4 farm-in and BMG sale.
 2 Interest in field development post government back-in.
 3 Unitised interest in producing field (pending final Joint Management Committee approval).
 4 Interest in field development post-government back-in.
 5 PetroChina has notified ROC of its intention to assume operatorship during 2015 subject to PC terms.

6 Farm-out of 40% participating interest to AWE China Pte Ltd subject to regulatory approval.
 7 Interest in field development post-government back-in.
 8 Interest in field development post-government back-in.
 9 Unitised interest in producing field.
 10 Unitised interest in producing field.
 11 Subject to ROC Board approval and finalisation of terms with the MOE.

Fosun's intentions for ROC

7

This section sets out Fosun's intentions for ROC, which are based on the information concerning ROC and its business known to Fosun at the time of preparation of this Bidder's Statement.

7.1 Introduction

This section sets out Fosun's intentions for ROC, which are based on the information concerning ROC and its business known to Fosun at the time of preparation of this Bidder's Statement, in relation to:

- (1) the continuation of the business of ROC;
- (2) any major changes to be made to the business of ROC, including any redeployment of the fixed assets of ROC; and
- (3) the future employment of the present employees of ROC.

Fosun will only make final decisions in light of the material information available to it and circumstances at the relevant time.

The statements set out in this section are therefore statements of current intentions only, which may vary as new information becomes available or circumstances change. Fosun will only make final decisions on the courses of action and intentions set out in this section after undertaking a review of ROC and following receipt of appropriate legal, taxation and financial advice, and in light of the material circumstances at the relevant time, including each ROC Director's obligations to act in the best interests of ROC and ROC Shareholders. In addition, Fosun's intentions must be read subject to the requirements of the Corporations Act and ASX Listing Rules (if ROC remains listed) including in relation to related party transactions.

The intentions of Fosun are the same as the intentions of Fosun International.

7.2 Information

Fosun has conducted due diligence in relation to ROC in connection with the Offer. However, Fosun does not currently have knowledge of all material information, facts and circumstances that are necessary to assess all of the operational, commercial, taxation and financial implications of its current intentions. Consequently, final decisions on the course of action and intentions set out in this section have not been made.

7.3 Strategy and rationale for the Offer

The success of the Takeover Bid for ROC would allow Fosun International, through Fosun, to establish a presence in the Asia-Pacific regional oil and gas market.

7.4 Continuation of operations

Whether ROC becomes wholly or partly owned by Fosun, except as set out elsewhere in this section, it is Fosun's current intention:

- (1) to continue the upstream oil and gas business of ROC in substantially the same manner as it is presently being conducted; and
- (2) not to make any major changes to the business of ROC or redeploy any material oil and gas assets of ROC.

7.5 Intentions if Fosun becomes entitled to proceed with compulsory acquisition

If Fosun acquires 90% or more of the ROC Shares and becomes entitled to compulsorily acquire all of the ROC Shares in accordance with the Corporations Act, its current intentions for ROC are as set out in this section 7.5.

(1) Corporate Matters

Fosun may (but has not determined that it will) proceed with compulsory acquisition of:

- (a) all the ROC Shares, including any which are issued after:
 - (i) the Record Date and before the end of the Offer Period; and
 - (ii) 7.00pm (Sydney time) on the Closing Date as a result of:
 - (A) the exercise of ROC Options; or
 - (B) the vesting of ROC Performance Rights,

up to 6 weeks after the required compulsory notices are given; and
- (b) ROC Options and ROC Performance Rights, which have not been cancelled, exercised or acquired by Fosun prior to 7.00pm (Sydney time) on the Closing Date and the close of offers made to Option Holders, Ineligible Rights Holders and Eligible Rights Holders.

(2) ASX listing

If Fosun exercises its right to compulsorily acquire all of the ROC Shares it would procure that ROC be removed from the official list of the ASX.

Otherwise, Fosun will ask the ROC Board to consider the suitability of ROC continuing to be listed on ASX. The ability of ROC to remain listed on ASX will be subject to the ongoing requirements of the ASX Listing Rules (including there being a sufficient number and spread of ROC Shareholders) being satisfied. If ROC is not able to satisfy those requirements, ASX may require ROC be delisted, regardless of the result of the review of the Directors of ROC.

(3) Structure of ROC Board

Subject to the Corporations Act and the constitution of ROC, Fosun will consider an appropriate structure for the boards of ROC and its Subsidiaries, and any company in respect of which ROC has nominee directors, which is likely to include the appointment of nominees of Fosun. The board structure and identity of Fosun's nominees has not yet been determined by Fosun and will depend upon the relevant circumstances at the time.

(4) Operations

Fosun firmly believes that with the financial strength and support of Fosun, ROC will be in a position to achieve a scale which will enable it to capitalise on the opportunities in the Asia-Pacific regional oil and gas markets.

Fosun's review of ROC will include a comprehensive review of ROC's petroleum assets, with a view to formulating an exploration and development program for those assets. The initial focus will be on sustaining and enhancing ROC's existing oil producing assets. Exploration and development assets will be subject to a portfolio-wide review in order to identify the optimal exploration and development program to unlock potential value.

Fosun intends for ROC to honour its existing commitments under workplans agreed with regulatory authorities, and will continue to comply with any regulations or applicable laws as required to maintain ROC's petroleum interests in good standing.

(5) Divestment policy

Fosun does not currently intend to dispose of any material assets of ROC.

(6) Employees

Fosun does not have any current specific intentions with respect to changing the employment of ROC's existing employees.

7.6 Intentions for ROC as a partly owned company

If, following the close of the Offer, Fosun obtains control of ROC (ie. obtains more than 50% of ROC Shares) but does not compulsorily acquire the outstanding ROC Shares, its current intentions for ROC are as set out in this section 7.6. Fosun also intends to implement the intentions outlined in section 7.5 above, which are consistent with Fosun obtaining control of ROC.

(1) Corporate Support

Fosun intends to provide Fosun's strategic and managerial support to ROC with a goal of continuing the development of ROC's existing assets and explore the potential acquisition of assets and/or businesses in the Asia-Pacific region.

(2) Structure of ROC Board

It is Fosun's intention to replace some of the Directors of ROC (and the board of any company on which ROC has nominee directors) with Fosun nominee directors, so as to reflect Fosun's ownership interest in ROC. The board structure and identity of Fosun's nominees in these circumstances have not yet been determined by Fosun.

(3) ASX listing

Subject to the ASX Listing Rules, it is Fosun's intention for ROC to continue to be listed on the ASX. The ability of ROC to remain listed on ASX will be subject to the ongoing requirements of the ASX Listing Rules (including there being a sufficient number and spread of ROC Shareholders) being satisfied. If ROC is not able to satisfy those requirements, ASX may require ROC be delisted, regardless of the result of the review of the Directors of ROC.

(4) Operations

Fosun intends to propose to the ROC Board that it conduct a review of all of ROC's operations and, subject to the approval of the ROC Board, allow Fosun to participate in that review.

(5) Further acquisition of ROC Shares

Fosun may acquire additional ROC Shares, including under the "creep" provisions of the Corporations Act and by other means. In summary the "creep" provisions would allow Fosun and its Associates to acquire up to 3% of ROC Shares every six months. Fosun has not decided whether it will acquire further ROC Shares, as that will be dependent upon (among other things) the extent of the Voting Power of Fosun in ROC and market conditions at the time.

(6) Capital raisings and funding

ROC's existing business plan and the current intentions of Fosun in relation to the development of ROC's assets are likely to require significant exploration and capital expenditure requirements. While no decision has been made in this regard, it may be necessary to undertake an equity offering either alone or in conjunction with raising debt capital to fund ROC's anticipated exploration and development activities, together with any committed capital expenditure requirements.

Fosun has not finalised its intentions in this regard and accordingly the form and timing of any future capital raisings or debt raisings have not been determined at this time.

(7) Operational matters

Fosun intends to undertake the detailed review of ROC's operations, assets, strategy and employees as outlined in sections 7.1 and 7.5(4) above. It is the current intention of Fosun to attempt to procure that the ROC Board implements the objectives outlined in section 7.5 above.

Fosun would only make a decision on these courses of action following receipt of appropriate legal, taxation and financial advice, and in light of the material circumstances at the relevant time, including the obligations of ROC's Directors to have regard to the interests of ROC and all ROC Shareholders. Fosun's intentions must also be read subject to the requirements of the Corporations Act and the ASX Listing Rules (if ROC remains listed) including in relation to related party transactions.

7.7 Intentions if Fosun does not acquire control of ROC

Fosun's intentions, if it were to declare the Offer free of the Minimum Acceptance Condition (set out in section 12.5(1)) and if Fosun does not acquire control of ROC, are to seek to obtain representation on the ROC Board.

7.8 Conflicts

Fosun intends that the Directors of ROC appointed by it will act at all times in accordance with their fiduciary duties as required by law and that all legal requirements are complied with in pursuing the intentions outlined in this Bidder's Statement. Those requirements may, in some circumstances, require the approval of minority ROC Shareholders in order to effect the implementation of any particular objective.

Information on ROC securities

8

Overview of ROC securities on issue and recent share price performance.

8.1 ROC securities on issue

According to documents provided by ROC to Fosun, as at the date of this Bidder's Statement, ROC has the following securities on issue:

Class	Number on issue
ROC Shares	687,618,400
ROC Options	300,000
ROC Performance Rights	21,566,894

8.2 Fosun interest in ROC Securities

As at the date of this Bidder's Statement and the date of the Offer, Fosun does not hold a Relevant Interest in any ROC Shares, ROC Options or ROC Performance Rights.

8.3 Fosun dealings in ROC Securities

Neither Fosun nor any Associate of Fosun has provided, or agreed to provide, consideration for ROC Shares, ROC Options or ROC Performance Rights under any purchase or agreement during the 4 months before the date of this Bidder's Statement, except as described in sections 8.5 to 8.8 below.

8.4 ROC Shares

All issued ROC Shares carry one vote per share and the right to dividends. The ROC Shares are quoted on ASX and are freely transferable.

8.5 ROC Options

The ROC Options are not quoted on ASX, and were issued under ROC's Executive Option Scheme. A total of 300,000 ROC Options remain outstanding under the Executive Option Scheme, and are due to lapse in December 2014 if they are not exercised. Each ROC Option entitles the holder to be issued one ROC Share. ROC Options do not carry any voting rights or rights to dividends.

According to documents provided by ROC to Fosun, as at the date of this Bidder's Statement, there are 300,000 ROC Options on issue with the following key terms:

Number of ROC Options	Issue Date	Expiry/ vesting Date/end of performance period	Exercise Price
150,000	23/12/2008	23/12/2014	\$0.65
45,000	23/12/2008	23/12/2014	\$0.75
45,000	23/12/2008	23/12/2014	\$0.80
60,000	23/12/2008	23/12/2014	\$0.85

Subject to conditions, Fosun will make separate offers at the start of the Offer Period to each Option Holder to cancel their ROC Options for cash consideration. Further information is included in section 8.7.

8.6 ROC Performance Rights

There are 2 types of ROC Performance Rights currently on issue:

- (1) LTI Rights; and
- (2) Deferred STI Rights.

Any offer made by Fosun in respect of the ROC Performance Rights will be subject to conditions and dependent upon the designation of each ROC Performance Right as either an Eligible ROC Performance Right or an Ineligible ROC Performance Right.

- (1) In respect of Eligible ROC Performance Rights, ROC, or at ROC's election, Fosun, will make separate offers at the start of the Offer Period to each Eligible Rights Holder to cancel their Eligible ROC Performance Rights for cash consideration, per Eligible ROC Performance Right, equal to the Offer Price.
- (2) In respect of Ineligible ROC Performance Rights, ROC, or at ROC's election, Fosun, will make separate offers to each Ineligible Rights Holder to cancel their Ineligible ROC Performance Rights in exchange for an economically equivalent right, security or derivative under the Replacement Incentive Plan. If an Ineligible Rights Holder rejects this offer, then they will be deemed to agree to the cancellation of their Ineligible ROC Performance Rights for cash consideration, per ROC Ineligible Performance Right, equal to the Offer Price.

Further information about the offers which will be made by Fosun for the ROC Performance Rights is included in section 8.7.

According to documents provided by ROC to Fosun, as at the date of this Bidder's Statement, the ROC Performance Rights currently on issue are as follows:

Eligible ROC Performance Rights

Plan	Eligible ROC Performance Rights outstanding	Issue date	Expiry/ vesting date
Long-Term Incentive Plan	4,345,000	16/12/2011	16/12/2014
Equity Incentive Plan	142,160 (Deferred STI Rights)	15/05/2013	31/12/2014
	35,540 (Deferred STI Rights)	15/05/2013	31/12/2015
	1,110,702 (Deferred STI Rights)	07/03/2014	31/12/2014
	598,074 (Deferred STI Rights)	07/03/2014	31/12/2015
	193,605 (Deferred STI Rights)	14/07/2014	31/12/2014
	154,884 (Deferred STI Rights)	14/07/2014	31/12/2015
	38,720 (Deferred STI Rights)	14/07/2014	31/12/2016

Ineligible ROC Performance Rights

Plan	Ineligible ROC Performance Rights outstanding	Issue date	Expiry/ vesting date
Long-Term Incentive Plan	200,000	01/03/2012	01/03/2015
	500,000	13/09/2012	13/09/2015
	5,540,000	01/03/2013	01/03/2016
Equity Incentive Plan	977,358 (LTI Rights)	15/05/2013	31/12/2015
	150,000 (LTI Rights)	31/05/2013	24/03/2016
	150,000 (LTI Rights)	16/09/2013	02/09/2016
	6,250,000 (LTI Rights)	18/03/2014	31/12/2016
	1,180,851 (LTI Rights)	14/07/2014	31/12/2016

ROC Performance Rights do not carry any voting rights or rights to dividends.

8.7 Offers to cancel ROC Options and ROC Performance Rights

Pursuant to the terms of the Bid Implementation Agreement, ROC and Fosun have agreed that ROC, or at ROC's election, Fosun, will make separate offers in respect of the ROC Options, Eligible ROC Performance Rights and Ineligible ROC Performance Rights as set out in this section 8.7.

(1) Offers to cancel ROC Options

Separate offers will be made to each Option Holder at the start of the Offer Period to cancel each ROC Option for cash consideration. The cash consideration for each ROC Option will be calculated on an individual basis as follows:

- (a) if the exercise price of the relevant ROC Option is less than the Offer Price, the cash consideration will be the difference between the Offer Price and the exercise price of the relevant ROC Option;
- (b) if the exercise price of the relevant ROC Option is greater than the Offer Price, the cash consideration will be \$0.005 per ROC Option.

The offer to cancel the ROC Options will be subject to the Conditions and Fosun acquiring at least 90% of ROC Shares as at the end of the Offer Period.

The offer to cancel the ROC Options will be made no later than the date on which the Offer opens. Once the offer to cancel the ROC Options becomes unconditional, the cash consideration for the cancellation of the ROC Options will be paid within 1 month or such shorter timeframe as payments are being made under the Offer.

(2) Offers to cancel Eligible ROC Performance Rights

Separate offers will be made to each Eligible Rights Holder at the start of the Offer Period to cancel each Eligible ROC Performance Right for cash consideration equal to the Offer Price.

The offer to cancel the Eligible ROC Performance Rights will be subject to the Conditions.

The offer to cancel the Eligible ROC Performance Rights will be made no later than the date on which the Offer opens, and once the offer to cancel the Eligible ROC Performance Rights becomes unconditional, the cash consideration for the cancellation of the Eligible ROC Performance Rights will be paid within 1 month or such shorter timeframe as payments are being made under the Offer.

(3) Offers in respect of Ineligible ROC Performance Rights

Replacement Incentive Plan

Under the terms of the Bid Implementation Agreement, Fosun and ROC agreed to use their best endeavours to agree on the terms of the Replacement Incentive Plan. The Replacement Incentive Plan will be an employee incentive plan which will apply in the event that Fosun acquires more than 90% of the ROC Shares. Under the Replacement Incentive Plan, a right, security or derivative that provides an equivalent economic interest to each Ineligible ROC Performance Right (**Replacement Rights**) will be offered in exchange for the cancellation of each Ineligible ROC Performance Right.

If ROC and Fosun cannot agree the terms of the Replacement Incentive Plan or Replacement Rights within one month after the date of the Bid Implementation Agreement (that is, by 4 September 2014), then either Fosun or ROC may require that a partner from KPMG Australia (**Expert**) be appointed to act as an expert to determine the terms of the Replacement Incentive Plan and the Replacement Rights. The Expert's decision is final, conclusive and binding (except in the case of manifest error).

Offer

Separate offers will be made to each Ineligible Rights Holder to cancel each of their Ineligible ROC Performance Rights in exchange for Replacement Rights under the terms of the Replacement Incentive Plan.

- (a) If an Ineligible Rights Holder accepts the offer, the Replacement Rights will be granted within 1 month or such shorter timeframe as payments are being made under the Offer after receipt by ROC of the acceptance of the offer by the Ineligible Rights Holder.
- (b) If an Ineligible Rights Holder rejects the offer, they will be deemed to have agreed to the cancellation of each of their Ineligible ROC Performance Rights for cash consideration equal to the Offer Price, which will be paid within the earlier of 1 month of receipt of the written rejection of the offer by the Ineligible Rights Holder, or such shorter timeframe as payments are being made under the Offer.

The offer for the cancellation of the Ineligible ROC Performance Rights will be made on or before the date 5 Business Days after the later of the date that:

- (a) the terms of the Replacement Incentive Plan and the Replacement Rights under the Replacement Incentive Plan have been agreed (or determined by the Expert, if applicable); and
- (b) Fosun acquires a Relevant Interest in 90% or more of ROC Shares and the Conditions have been satisfied.

Redundancy or termination of Ineligible Rights Holders

In the event that an Ineligible Rights Holder's employment with ROC ceases for any reason other than resignation or termination for cause, the ROC Board will determine that the vesting of that Ineligible Rights Holder's Ineligible ROC Performance Rights occurs immediately. This automatic vesting will only apply, in the case of redundancy or termination, after Fosun's nominees represent a majority of the ROC Board.

If Fosun's nominees represent a majority of the ROC Board, and Fosun has acquired a Relevant Interest in 90% or more of the ROC Shares, then:

- (a) ROC or Fosun (at ROC's election) must immediately offer to acquire; and
- (b) as a condition to vesting, Fosun must have a call option to purchase,

the ROC Shares that result from the vesting at a price per ROC Share equal to the Offer Price. Consideration will be payable within one month or such shorter timeframe as payments are being made under the Offer.

8.8 Recent share price performance of ROC Shares

The graph below shows the ROC share price and volume of ROC Shares traded for the twelve months to 10 September 2014.

8.9 No pre-offer benefits

During the period of 4 months before the date of this Bidder's Statement, neither Fosun nor any Associate of Fosun gave, or offered to give, or agreed to give a benefit to another person which was likely to induce the other person, or an Associate of the other person, to:

- (1) accept the Offer; or
- (2) dispose of ROC Shares,

which is not offered respectively to all ROC Shareholders under the Offer.

8.10 No escalation agreements

Neither Fosun nor any Associate of Fosun has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

8.11 Compulsory Acquisition

If Fosun and its Associates have a Relevant Interest in at least 90% of the ROC Shares at the end of the Offer Period, Fosun may (but has not determined that it will) seek to compulsorily acquire the remaining ROC Shares, and if so will give a notice of compulsory acquisition to the holders of the remaining ROC Shares, even if the ROC Shares to which those notices relate are issued:

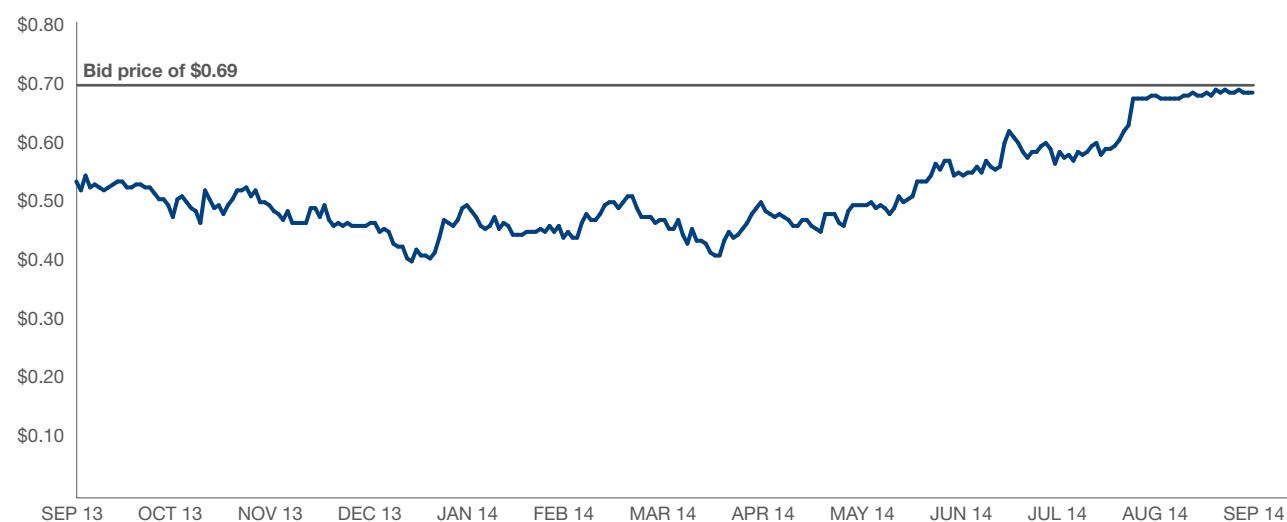
- (1) after the Offer closes but before the notices are given (pursuant to section 661A(4)(b) of the Corporations Act); or
- (2) on exercise of ROC Options or the vesting of LTI Rights or Deferred STI Rights, up to six weeks after the notices are given (pursuant to section 661A(4)(c) of the Corporations Act).

Fosun has not yet determined whether it will exercise this right (if available).

If Fosun and its Associates obtain a Relevant Interest in at least 90% of ROC Shares and a full beneficial interest in at least 90% by value of all securities issued by ROC that are either shares or convertible into shares, Fosun will be entitled to compulsorily acquire any outstanding ROC Options and ROC Performance Rights pursuant to Part 6A.2 of the Corporations Act. Fosun has not yet determined whether it will exercise this right (if available).

Refer to section 7.5 for further details regarding Fosun's intention in relation to compulsory acquisition.

ROC Share Price



Source: Bloomberg

Funding

9

The consideration for the acquisition of the ROC Shares by Fosun will be sourced from the Fosun Group's existing cash reserves and cash equivalents.

9.1 Cash Consideration

The consideration for the acquisition of the ROC Shares by Fosun will be satisfied by the payment of A\$0.69 cash for each ROC Share.

(1) Maximum Amount under the Offer

At the Offer Price, the maximum amount of cash consideration which would be payable by Fosun under the Offer if acceptances for all the ROC Shares existing at the Record Date are received is \$474,456,696.

(2) Maximum Aggregate Amount

If all of the offers in respect of the Eligible ROC Performance Rights are accepted, and the offers for the ROC Options and the Ineligible ROC Performance Rights are rejected (and the holders of ROC Options exercise such ROC Options and are issued with ROC Shares), additional consideration of \$15,088,157 will be payable by Fosun in respect of the ROC Performance Rights (and any ROC Shares issued under the ROC Performance Rights and the ROC Options) if they were to be compulsorily acquired. This would increase the total cash amount payable under the Offer to \$489,544,853 (**Maximum Aggregate Amount**).

9.2 Funding for Maximum Aggregate Amount

Fosun International will provide funds, or procure that its Subsidiaries provide funds, to Fosun for it to meet its obligations under the Offer (including Fosun's transaction costs).

The necessary funds being made available to Fosun will be sourced from the Fosun Group's existing cash reserves and cash equivalents.

As at 5 September 2014, Fosun International and its Subsidiaries had approximately RMB33 billion of cash and equivalents.

Fosun International and Fosun reserve the right to obtain the funds necessary to meet obligations under the Offer, and transaction, from such other additional sources as Fosun International or Fosun consider more appropriate or attractive. Such other additional sources will not impose any restriction on, or delay the performance of Fosun's obligations to ROC Shareholders who have accepted the Offer.

9.3 Provision of consideration by Fosun

On the basis of the arrangements described above, Fosun International and Fosun believe that they have reasonable grounds for holding the view, and they do hold the view, that Fosun International and Fosun will be able to provide the consideration offered in respect of the Offer.

The Offer is not subject to any financing Conditions.

Taxation considerations 10

The information in this section is intended to provide a general overview of the Australian income and capital gains tax implications for Australian residents who accept the Offer.

10.1 Introduction

The information in this section is intended to provide a general overview of the Australian income and capital gains tax implications for Australian residents who accept the Offer.

This summary is not intended to be comprehensive and is based upon Fosun's interpretation of Australian income tax legislation currently in force at the date of this Bidder's Statement. ROC Shareholders should not rely on the information in this section as advice in relation to their own affairs. The taxation laws are complex and there could be implications in addition to those described in this section. ROC Shareholders should seek independent professional advice in relation to their own particular circumstances.

The information in this section does not apply to non-resident ROC Shareholders and ROC Shareholders who have received their ROC Shares in their capacity as employees of ROC. Non-resident and employee shareholders should also obtain their own independent advice.

This summary does not apply in relation to ROC Options or ROC Performance Rights.

10.2 ROC Shares held as a capital investment

ROC Shareholders who accept the Offer will dispose of their ROC Shares by way of transfer to Fosun. This disposal will constitute a capital gains tax (CGT) event for Australian CGT purposes.

ROC Shareholders whose cost base in their ROC Shares is less than the Offer Price, will make a capital gain on the disposal of their ROC Shares to Fosun. The cost base will generally be the cost of acquisition of the ROC Shares.

ROC Shareholders who are individuals, trusts or complying superannuation entities may apply the CGT discount concession (**Concession**) in calculating their capital gain (Division 115 of the *Income Tax Assessment Act 1997*) if, among other things, their ROC Shares have been held for at least 12 months prior to the disposal (**discount capital gain**). A discount capital gain remaining after the application of any current year capital losses and carried forward net capital losses from previous income years is reduced by the 'discount percentage' when working out the net capital gain.

For individuals and trusts the 'discount percentage' is 50%. For complying superannuation entities the 'discount percentage' is 33⅓%.

The Concession is not available to ROC Shareholders who are companies.

ROC Shareholders who are individuals, trusts or complying superannuation entities who acquired their ROC Shares at or before 11.45am on 21 September 1999, may elect not to apply the Concession and to instead adjust the cost base of their ROC Shares to include indexation by reference to changes in the consumer price index up to the calendar quarter

ended 30 September 1999. ROC Shareholders who are companies may include that indexation adjustment if their ROC Shares were acquired at or before 11.45am on 21 September 1999. ROC Shareholders whose cost base in their ROC Shares is greater than the Offer Price will make a capital loss if they accept the Offer. In calculating the capital loss, the reduced cost base is not indexed for inflation irrespective of how long the ROC Shares have been held.

Capital losses may be offset against capital gains arising in the same year of income to determine the net capital gain. Any net capital gain is included in the ROC Shareholder's assessable income and is subject to income tax. Capital losses may not be offset against other income for income tax purposes, but may be carried forward to offset against future capital gains.

10.3 ROC Shares held as revenue assets

ROC Shareholders may be subject to the general income tax provisions (rather than the CGT provisions) in respect of the profit or loss made from the disposal of their ROC Shares to Fosun in some circumstances. For example, this will occur if a ROC Shareholder is in the business of trading in securities or their ROC Shares were acquired with a dominant purpose of making a profit from a subsequent sale.

In these circumstances a taxable gain will arise if the Offer Price exceeds a ROC Shareholder's cost of acquiring its ROC Shares. A loss will arise if the Offer Price is less than the price paid for the ROC Shares by the ROC Shareholder. This loss may be offset against profits or capital gains made by the ROC Shareholder.

Other material information

11

On 4 August 2014, ROC and Fosun International entered into a Bid Implementation Agreement in respect of the Offer.

11.1 Bid Implementation Agreement

On 4 August 2014, ROC and Fosun International entered into a Bid Implementation Agreement in respect of the Offer. A copy of the Bid Implementation Agreement was released by ROC to ASX in its announcement dated 4 August 2014.

The following is a summary of the key terms of the Bid Implementation Agreement.

(1) Appointment of Directors

As soon as practicable after Fosun:

- (a) acquires a Relevant Interest in more than 50% of the ROC Shares; and
- (b) the Offer becomes or is declared unconditional,

ROC must use its best endeavours to procure the resignation and appointment of ROC directors such that a majority of the ROC Board are directors nominated by Fosun in writing.

(2) ROC Options and ROC Performance Rights

ROC will, or Fosun will (at ROC's election) make offers in a form agreed by Fosun and ROC to the holders of ROC Options and ROC Performance Rights to cancel those securities. Refer to section 8.7 for further information.

(3) Extension and variation

Fosun may vary the terms and conditions of the Takeover Bid in any manner permitted by the Corporations Act, provided that the varied terms and conditions are not less favourable to ROC Shareholders.

Fosun must not extend the Offer Period beyond a period of 4 months after the date the Offer first becomes open for acceptance without ROC's prior written consent, unless a Competing Transaction is publicly announced and has not been withdrawn or lapsed, or if an application has been made to the Takeovers Panel in respect of the affairs of ROC that has not been resolved.

Fosun must declare the Offer unconditional within 2 Business Days after the date on which the Condition in 12.5(1) has been fulfilled or freed unless any of the Conditions have been, or are reasonably likely to be, breached or otherwise become or are reasonably likely to become incapable of satisfaction.

(4) Exclusivity No-shop, no-talk

During the exclusivity period, ROC must ensure that neither it nor any of its Related Persons:

- (a) solicits proposals with a view to obtaining any Competing Transaction;
- (b) negotiates or enters into any Competing Transaction; or
- (c) provides any non-public or due diligence information to a third party in connection with a Competing Transaction.

The 'no-talk' provision does not apply to the extent that it restricts ROC or the ROC Board from taking or refusing to take any action in relation to a bona fide Competing Transaction which could reasonably become a Superior Proposal, or from making normal presentations to brokers, investors and analysts in the ordinary course of business or promoting the Takeover Bid.

(5) Notifications

ROC is required to promptly notify Fosun International if it is relying on any exemption to the 'no-talk' provision.

ROC is required to notify Fosun International during the exclusivity period if it or any of its Related Persons receives any approach with respect to any Competing Transaction, except where doing so would be likely to constitute a breach of the ROC Board's fiduciary or statutory obligations.

(6) Termination

A party may terminate the Bid Implementation Agreement by written notice to the other party if at any time after the announcement of the Offer and before the end of the Offer Period:

- (a) the other party is in material breach of the Bid Implementation Agreement and that breach is not remedied within 5 Business Days (where capable of remedy); or
- (b) Fosun withdraws the Takeover Bid without breaching its obligations under the Bid Implementation Agreement or the Takeover Bid lapses for any reason.

11.2 Status of Conditions

The Offer is subject to a number of Conditions which are set out in section 12.5.

As at the date of this Bidder's Statement, Fosun is not aware of any events or circumstances which would result in the non-fulfilment of any of the Conditions.

11.3 FIRB Condition

In its announcement of its intention to make the Offer, Fosun International included the FIRB Condition, which was to the effect that it receives a notice from the Treasurer of the Commonwealth of Australia that the Commonwealth Government does not object to the acquisition by Fosun of the ROC Shares under the Offer (**FIRB Approval**). Fosun International has received FIRB Approval.

The FIRB Condition also contained a requirement that Fosun's financier receive a notice under the FATA and FIRB Policy to the effect that the Commonwealth Government does not object to the financier's security over the ROC Shares acquired under the Offer. As described in section 9 of this Bidder's Statement, the necessary funds for Fosun to meet its obligations under the Offer will be sourced from the Fosun Group's existing cash reserves and cash equivalents. Therefore, that element of the FIRB Condition which relates to Fosun's financier is no longer relevant and has been withdrawn.

Accordingly, the Offer is no longer subject to the FIRB Condition.

11.4 Horizon Merger Condition

In its announcement of its intention to make the Offer, Fosun also included a condition to the effect that the Horizon Merger be terminated and not proceed.

On 5 August 2014, Horizon announced to the ASX that it had given notice to ROC terminating the Horizon Merger Implementation Deed, and had applied for, and received, orders from the Court cancelling the scheme meeting and ending the Court approval process.

The Horizon Merger Condition included a requirement that from 4 August 2014 to the end of the Offer Period:

- (1) other than the confidentiality agreement between ROC and Horizon dated 17 October 2013 and other than as disclosed to Fosun International, any other proposals, agreements or arrangements of the ROC Group in place as at 4 August 2014 in respect of the acquisition or potential acquisition by the ROC Group of any securities or assets of Horizon or its Subsidiaries (other than in the ordinary course of business of joint venture operations) or any other merger of ROC Group with Horizon have been terminated; and
- (2) no member of the ROC Group acquires, offers to acquire, agrees to acquire or announces an intention to acquire an interest in any securities or assets of Horizon or any of its Subsidiaries (other than in the ordinary course of business of joint venture operations), including on a conditional basis.

In its Target's Statement,¹ ROC has:

- (1) confirmed that, from 4 August 2014, other than the confidentiality agreement between ROC and Horizon dated 17 October 2013 and other than as disclosed to Fosun International, any other proposals, agreements or arrangements of the ROC Group in place as at 4 August 2014 in respect of the acquisition or potential acquisition by the ROC Group of any securities or assets of Horizon or its Subsidiaries (other than in the ordinary course of business of joint venture operations) or any other merger of ROC Group with Horizon have been terminated; and
- (2) confirmed and undertaken that it will not, from 4 August 2014 until the end of the Offer Period, acquire, offer to acquire, agree to acquire or announce an intention to acquire an interest in any securities or assets of Horizon or any of its Subsidiaries (other than in the ordinary course of joint venture operations), including on a conditional basis.

Accordingly, Fosun has withdrawn the Horizon Merger Condition and the Offer is no longer subject to the Horizon Merger Condition.

11.5 Potential for waiver of Conditions

Under the terms of the Offer and the Corporations Act, some of the Conditions may be waived by Fosun.

Fosun must declare the Offers unconditional within 2 Business Days after the date on which the Condition in 12.5(1) has been fulfilled or freed unless any of the Conditions have been, or are reasonably likely to be, breached or otherwise become or are reasonably likely to become incapable of satisfaction.

If any event occurs which results (or would result) in the non-fulfilment of a Condition, Fosun might not make a decision as to whether it will either rely on that occurrence, or instead waive the Condition in respect of the occurrence, until the date for giving notice of status of the Conditions under section 630(3) of the Corporations Act (see section 12.8). If Fosun decides that it will waive a Condition, it will announce that decision to ASX in accordance with section 650F of the Corporations Act.

If any of the Conditions are not fulfilled, and Fosun decides to rely on that non-fulfilment, then any contract resulting from acceptance of the Offer will become void at (or in some cases, shortly after) the end of the Offer Period, and the ROC Shares in respect of which the Offer has been accepted, will be returned to the holder.

11.6 Due Diligence

For the purposes of undertaking due diligence investigations as part of evaluating whether or not to make the Offer, ROC provided Fosun with access to information concerning ROC and its business and affairs, some of which is not generally available to ROC Shareholders.

The information made available to Fosun during the course of its due diligence investigations is either in the public domain, disclosed in this Bidder's Statement or is not material to the making of a decision by a ROC Shareholder, whether or not to accept the Offer.

11.7 ASIC modifications to and exemptions from the Corporations Act

Fosun has not obtained from ASIC any modifications to the Corporations Act to facilitate the Offer. Fosun may, however, rely on various "Class Order" instruments published by ASIC which provide for certain modifications and exemptions that apply generally for all bidders, including Fosun.

Fosun may also apply to ASIC for modifications or waivers of the Corporations Act to allow the Offer to extend to certain securities issued after the Record Date.

¹ ROC Target's Statement dated on or about the date of this Bidder's Statement and announced to ASX on 11 September 2014.

11.8 ASX waivers

ASX Listing Rule 6.23.2 requires that a change which has the effect of cancelling an option for consideration can only be made if shareholders approve the change.

ASX has granted ROC a waiver from ASX Listing Rule 6.23.2 to the extent necessary to permit ROC to cancel for consideration, and without shareholder approval, the ROC Options and ROC Performance Rights.

The waiver is conditional on the Offer being declared unconditional and Fosun acquiring Voting Power in ROC of at least 50.1%.

11.9 Date for determining holders of ROC Shares

For the purposes of section 633(2) of the Corporations Act, the date for determining the people to whom information is to be sent under items 6 and 12 of section 633(1) of the Corporations Act is 7:00pm (Sydney Time) on the date of this Bidder's Statement.

11.10 Consents

Each of Fosun International, ANZ, Norton Rose Fulbright, Computershare Investor Services Pty Limited, Grant Samuel and Associates Pty Limited and Allan Gray has consented to being named in this Bidder's Statement in the form and context in which it is named and has not withdrawn that consent as at the date of this Bidder's Statement. None of ANZ, Norton Rose Fulbright, Computershare Investor Services Pty Limited, Grant Samuel & Associates Pty Limited or Allan Gray has caused or authorised the issue of this Bidder's Statement or has been in any way involved in making the Offer. Each of ANZ, Norton Rose Fulbright, Computershare Investor Services Pty Limited, Grant Samuel & Associates Pty Limited and Allan Gray, to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Bidder's Statement.

This Bidder's Statement contains statements made or based on statements made in documents lodged with ASIC or ASX namely, the announcements made by ROC to ASX on 8 April 2014, 24 April 2014, 29 April 2014, 29 April 2014, 16 June 2014, 18 June 2014, 4 July 2014, 4 August 2014, 5 August 2014, 20 August 2014 and 10 September 2014. Under the terms of ASIC Class Order 13/521, the persons making those statements are not required to consent, and have not consented, to the inclusion of those statements or of statements based on those statements, in this Bidder's Statement. ROC Shareholders may obtain copies of these documents (free of charge) during the Offer Period by calling the Fosun Offer Information Line on 1300 483 596 (within Australia) or +61 3 9415 4108 (outside Australia). ROC Shareholders should note that Fosun has assumed, for the purpose of preparing this Bidder's Statement, that the information contained in the documents lodged with ASIC or ASX is accurate. However, neither Fosun nor its Directors take responsibility for the content of these documents and are not to be taken as endorsing, in any way, any or all statements contained in such documents, except to the extent required by law.

11.11 Other material information

Except as disclosed elsewhere in this Bidder's Statement, there is no other information that is:

- (1) material to the making of a decision by a ROC Shareholder whether or not to accept the Offer; and
- (2) known to Fosun,

which has not previously been disclosed to ROC Shareholders.

Terms and Conditions of the Offer

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Fosun offers to buy all of your ROC Shares on issue at the Record Date together with all Rights attached to them, for the Offer Price and on the terms set out in this section.

12.1 Offer

- (1) Fosun offers to buy all of your ROC Shares on issue at the Record Date together with all Rights attached to them, for the Offer Price and on the terms set out in this Offer.
- (2) The consideration offered is \$0.69 cash for each of your ROC Shares.
- (3) By accepting this Offer, you undertake to transfer to Fosun not only Your Accepted ROC Shares, but also all Rights attached to those ROC Shares.

12.2 Offer Period

- (1) The Offer opens on 15 September 2014.
- (2) The Offer will remain open for acceptance from the date of this Offer and ending at 7:00pm (Sydney time) on 15 October 2014, unless withdrawn or extended in accordance with the Corporations Act.
- (3) Fosun may extend the Offer Period in accordance with the Corporations Act. If such extension is made, it will be announced to ASX and the date specified in section 12.8 for publication of the notice described in that section will be varied accordingly.
- (4) If, within the last 7 days of the Offer Period, either of the following events occur:
 - (a) the Offer Price is increased; or
 - (b) Fosun's Voting Power in ROC increases to more than 50%,
 then the Offer Period will automatically extend so that it ends 14 days after the relevant event, subject to any further extensions in accordance with the Corporations Act.

12.3 How to accept the Offer

(1) General

- (a) You may accept the Offer in respect of some or all of your ROC Shares.
- (b) You may accept the Offer at any time during the Offer Period.

(2) Issuer Sponsored Holdings

If you hold your ROC Shares in an Issuer Sponsored Holding (your SRN starts with "I"), to accept the Offer you must:

- (a) complete and sign the enclosed Acceptance Form in accordance with the instructions on it. You can accept the Offer in respect of all or any lesser number of your ROC Shares. If you wish to accept the Offer in respect of some (but not all) of your ROC Shares, you must specify the number of ROC Shares you wish to sell under the Offer. If you do not specify the number of ROC Shares you wish to sell under this Offer when you accept it, you will be deemed to have accepted the Offer in respect of all of your ROC Shares; and

- (b) return the completed Acceptance Form, and all other documents required by the instructions on the Acceptance Form, so that they are received before the end of the Offer Period at the address shown on the Acceptance Form.

(3) CHESSE Holdings

- (a) If your ROC Shares are in a CHESSE Holding (your HIN starts with "X") and you are not a Participant, to accept the Offer in respect of your ROC Shares you must either:
 - (i) instruct your Controlling Participant (usually your broker) to initiate the acceptance on your behalf under rule 14.14 of the ASX Settlement Operating Rules in respect of your ROC Shares, before the end of the Offer Period; or
 - (ii) authorise Fosun to instruct your Controlling Participant (usually your broker) on your behalf to initiate acceptance of the Offer in accordance with rule 14.14 of the ASX Settlement Operating Rules in respect of your ROC Shares, by completing, signing and returning to Fosun the enclosed Acceptance Form in accordance with the instructions on it (together with all documents required by the instructions on the Acceptance Form) at the address shown on the Acceptance Form so that it is received in time to be processed before the end of the Offer Period.

- (b) If your ROC Shares are in a CHESSE Holding and you are a Participant, you may initiate acceptance under the ASX Settlement Operating Rules before the end of the Offer Period.
- (c) If your ROC Shares are in a CHESSE Holding, you must comply with any other applicable ASX Settlement Operating Rules.

(4) Acceptance Form and other documents

- (a) The Acceptance Form forms part of the Offer.
- (b) If your Acceptance Form (together with all documents required by the instructions on the Acceptance Form) is returned by post, for your acceptance to be valid you must ensure that they are posted and delivered in sufficient time for them to be received by Fosun at the address shown on the Acceptance Form before the end of the Offer Period.

- (c) When using the Acceptance Form to accept this offer in respect of ROC Shares in a CHESS Holding, you must ensure that the Acceptance Form (together with all documents required by the instructions on the Acceptance Form) is received by Fosun in time for Fosun to instruct your Controlling Participant to initiate acceptance of the Offer on your behalf in accordance with rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.
- (d) The postage and transmission of the Acceptance Form and other documents is at your own risk.

(5) Effect of acceptance

- (a) Once you have accepted the Offer, you will not be able to revoke your acceptance and the contract resulting from your acceptance will be binding on you and you will be unable to withdraw Your Accepted ROC Shares from the Offer, or otherwise dispose of Your Accepted ROC Shares, except as follows:
 - (i) if, by the time specified in section 12.7(2), the Conditions in section 12.5 have not all been fulfilled or freed, the Offer will automatically terminate and Your Accepted ROC Shares will be returned to you; or
 - (ii) if the Offer is varied in a way that postpones for more than one month the time when Fosun must meet its obligations under the Offer and, at the time, the Offer is subject to one or more of the Conditions in section 12.5, you may be able to withdraw your acceptance and Your Accepted ROC Shares in accordance with section 650E of the Corporations Act. A notice will be sent to you at the time explaining your rights in this regard.
- (b) The relevant times for the purposes of section 12.3(5)(a)(i) are:
 - (i) in relation to the Condition in section 12.5(3) (Prescribed Occurrences) – three business days after the end of the Offer Period; and
 - (ii) in relation to all other Conditions in section 12.5 – the end of the Offer Period.
- (c) By signing and returning the Acceptance Form or otherwise accepting the Offer pursuant to section 12.3, you:
 - (i) accept the Offer (and any variation of it) in respect of Your Accepted ROC Shares and agree to the terms and conditions of the Offer;

- (ii) agree to transfer to Fosun Your Accepted ROC Shares, subject to the Offer being declared free from the Conditions set out in section 12.5 (or such Conditions being fulfilled);
- (iii) represent and warrant to Fosun that at the time of acceptance as a fundamental condition going to the root of the contract resulting from your acceptance, and the time the transfer of Your Accepted ROC Shares (including any Rights) to Fosun is registered;
 - (A) Your Accepted ROC Shares are and will be fully paid, and Fosun will acquire good title to them and full beneficial ownership of them free from all mortgages, charges, liens, encumbrances and adverse interests of any nature (whether legal or otherwise);
 - (B) that you have full power and capacity to accept the Offer and to sell and transfer the legal and beneficial ownership in those ROC Shares (including any Rights) to Fosun; and
 - (C) unless you have notified Fosun, Your Accepted ROC Shares do not consist of separate parcels;
- (iv) irrevocably appoint Fosun (and each Director, secretary and nominee of Fosun) jointly and severally with effect from the time on which all the Conditions (set out in section 12.5) have been fulfilled or waived, as your attorney with power to exercise all the powers and rights which you could lawfully exercise as the registered holder of Your Accepted ROC Shares, including:
 - (A) attending any meeting of ROC and voting in respect of Your Accepted ROC Shares, proposing or seconding any motion and demanding a poll for any vote at, any such meeting;
 - (B) requisitioning the convening of any general meeting of ROC and convening a general meeting pursuant to any such requisition;
 - (C) signing any form, notice, instrument or other document (including any proxy appointment) relating to Your Accepted ROC Shares; and

- (D) executing all such instruments as Fosun may require for the purpose of vesting good title in Your Accepted ROC Shares and all Rights attaching to Your Accepted ROC Shares in Fosun;
- (v) whether or not the Offer or the contract resulting from your acceptance of the Offer has become unconditional, you irrevocably appoint Fosun (and each Director, secretary and nominee of Fosun) jointly and severally as your attorney with power to attend and vote in person or by proxy at all general meetings of ROC on your behalf in respect of Your Accepted ROC Shares, until the earlier of the withdrawal of your acceptance under section 650E of the Corporations Act or the end of the Offer Period or, if all the Conditions (set out in section 12.5) have been satisfied or waived, the registration of Fosun as the holder of Your Accepted ROC Shares;
- (vi) agree that in exercising the powers conferred by the power of attorney in sections 12.3(5)(c)(iv) and 12.3(5)(c)(v), each attorney may act in the interests of Fosun, as the intended registered holder and beneficial owner of Your Accepted ROC Shares;
- (vii) agree not to vote in person at any general meeting of ROC in respect of Your Accepted ROC Shares, or to exercise or purport to exercise any of the powers conferred on Fosun (and its Directors, secretaries and nominees) in sections 12.3(5)(c)(iv) and 12.3(5)(c)(v) during the relevant periods referred to in those sections;
- (viii) indemnify Fosun against any claim or action against it for any loss, damage or liability whatsoever incurred by it as a result of you not producing your HIN or SRN or in consequence of the transfer of Your Accepted ROC Shares being registered by ROC without production of your HIN or SRN for Your Accepted ROC Shares;
- (ix) if you signed the Acceptance Form in respect of Your Accepted ROC Shares which are held in a CHES Holding, irrevocably authorise Fosun (or any Director, secretary or nominee of Fosun) to instruct your Controlling Participant to initiate acceptance of this Offer in respect of Your Accepted ROC Shares in accordance with rule 14.14 of the ASX Settlement Operating Rules;
- (x) if you signed the Acceptance Form in respect of Your Accepted ROC Shares which are held in a CHES Holding, irrevocably authorise Fosun (or any Director, secretary or nominee of Fosun) to give any other instructions in relation to Your Accepted ROC Shares to your Controlling Participant which are contemplated by the sponsorship agreement between you and your Controlling Participant and are necessary and appropriate to facilitate your acceptance of the Offer, as determined by Fosun acting in its own interests as a beneficial owner and intended registered holder of those ROC Shares;
- (xi) irrevocably authorise Fosun (or any Director, secretary or nominee of Fosun) to transmit a message in accordance with rule 14.17 of the ASX Settlement Operating Rules to transfer Your Accepted ROC Shares to Fosun's Takeover Transferee Holding, regardless of whether it has paid the consideration due to you under the Offer;
- (xii) irrevocably authorise Fosun (or any Director, secretary or nominee of Fosun) to alter the Acceptance Form by inserting correct details of your ROC Shares, filling in any blanks remaining on the Acceptance Form and by rectifying any errors in or omissions from it as may be necessary to make it an effective acceptance of the Offer or to enable registration of the transfer of all of Your Accepted ROC Shares to Fosun;
- (xiii) irrevocably authorise and direct ROC to pay to Fosun, or to the account of Fosun for, all Rights in respect of Your Accepted ROC Shares. If the Offer is withdrawn, rescinded or rendered void, Fosun will account to you for any such Rights received by Fosun;

- (xiv) irrevocably authorise Fosun to notify ROC on your behalf that your place of address for the purpose of serving notices upon you in respect of your ROC Shares is the address specified by Fosun in the Fosun notification;
- (xv) agree, subject to the Conditions (set out in section 12.5) being satisfied or waived, to execute all such documents, transfers and assurances and do all such acts, matters and things that Fosun considers necessary or desirable to convey Your Accepted ROC Shares and attaching Rights to Fosun; and
- (xvi) agree to do all such acts, matters and things that Fosun may require to give effect to the matters the subject of this section 12.3(5)(c) (including the execution of a written form of proxy to the same effect as this section 12.3(5)(c) which complies in all respects with the constitution of ROC) if requested by Fosun.
- (d) Fosun may, at any time, in its sole discretion and without further communication to you, determine that any Acceptance Form it receives is a valid acceptance, even if one or more of the requirements for acceptance has not been complied with, but if Fosun does so, Fosun is not obliged to make the consideration available to you until all of the requirements for acceptance have been met.
- (e) Fosun may, at any time, in its sole discretion and without further communication to you, determine all questions as to the form of documents, eligibility to accept the Offer and the time of receipt of an acceptance of the Offer. Fosun is not required to communicate with you prior to making this determination. The determination of Fosun will be final and binding on the parties.
- (f) The provisions of section 12.3(5)(c) will remain in force after you receive the consideration for Your Accepted ROC Shares and after Fosun becomes registered as the holder of Your Accepted ROC Shares.

12.4 Payment of consideration

- (1) Fosun will pay to you the consideration for Your Accepted ROC Shares by cheque in Australian currency, which will be sent at your own risk to you at your address on the copy of the ROC share register held by Fosun immediately prior to the preparation of the cheque by ordinary mail, or in the case of addresses outside of Australia, by airmail.
- (2) Subject to this section 12.4 and the Corporations Act, if you have accepted the Offer and the contract resulting from your acceptance becomes unconditional, Fosun will pay you the consideration for Your Accepted ROC Shares on or before the earlier of:
 - (a) the date that is one month after the date of your acceptance or, if the Offer is subject to a Condition (set out in section 12.5) when you accept the Offer, the date that is one month after the contract resulting from your acceptance of the Offer becomes unconditional; and
 - (b) 21 days after the end of the Offer Period.
- (3) Where the Acceptance Form requires an additional document to be given with your acceptance to enable Fosun to become the holder of Your Accepted ROC Shares (such as a power of attorney):
 - (a) if the document is given with your acceptance, Fosun will provide the consideration in accordance with section 12.4(2);
 - (b) if that document is given after acceptance and before the end of the Offer Period, while the Offer is subject to a Condition (set out in section 12.5), Fosun will provide the consideration to you by the earlier of:
 - (i) one month after the contract resulting from your acceptance of the Offer becomes unconditional; and
 - (ii) 21 days after the end of the Offer Period;
 - (c) if that document is given after acceptance and before the end of the Offer Period, while the Offer is not subject to a Condition (set out in section 12.5), Fosun will provide the consideration due to you by the earlier of:
 - (i) one month after that document is delivered; and
 - (ii) 21 days after the end of the Offer Period;

- (d) if that document is given after the end of the Offer Period, Fosun will provide the consideration within 21 days after that document is given. However, if at the time the document is given, the contract is still subject to a Condition that relates to a circumstance or event referred to in section 652C(1) or (2) of the Corporations Act, Fosun will provide your consideration to you for Your Accepted ROC Shares within 21 days after the Offer becomes unconditional; and
- (e) if you do not give the document to Fosun within one month after the end of the Offer Period, Fosun may, in its sole discretion, rescind the contract resulting from your acceptance of the Offer.
- (4) If you accept the Offer, Fosun is entitled to all Rights in respect of Your Accepted ROC Shares. Fosun may require you to provide all documents necessary to vest title to those Rights in Fosun, or otherwise to give it the benefit or value of those Rights. If you do not do so, or if you have received the benefit of those Rights, Fosun will be entitled to deduct from the consideration otherwise due to you the amount (or value, reasonably assessed by Fosun) of those Rights. If Fosun does not, or cannot, make such a deduction, you must pay that amount to Fosun.
- (5) If at any time after you accept the Offer any of the following:
- (a) *Autonomous Sanctions Act 2011* (Cth);
 - (b) *Autonomous Sanctions Regulations 2011* (Cth);
 - (c) *Banking (Foreign) Exchange Regulations 1959* (Cth);
 - (d) Part 4 of the *Charter of the United Nations Act 1945* (Cth);
 - (e) any regulation made under the *Charter of the United Nations Act 1945* (Cth); or
 - (f) any other law of Australia,
- require that an authority, clearance or approval of the Reserve Bank of Australia, the Department of Foreign Affairs and Trade, the Australian Taxation Office or any other government authority be obtained before you receive any consideration for Your Accepted ROC Shares, or would make it unlawful for Fosun to provide consideration to you for Your Accepted ROC Shares, you will not be entitled to receive consideration for Your Accepted ROC Shares unless and until all requisite authorities, clearances or approvals have been received by Fosun.

12.5 Conditions

Subject to section 12.6, the completion of the Offer and any contract arising from an acceptance of the Offer, are subject to the fulfilment or waiver of the Conditions set out below.

(1) Minimum Acceptance Condition

At the end of the Offer Period, Fosun has a Relevant Interest in more than 50% of the ROC Shares on issue.

(2) No Prescribed Occurrences between Announcement Date and Bidder's Statement

During the period from the date of the Bid Implementation Agreement to the day before the Bidder's Statement is given to ROC, none of the occurrences referred to in sections 12.5(3)(a) to 12.5(3)(m) happen (other than the issue of ROC Shares pursuant to the exercise of any ROC Options or the vesting of any ROC Performance Rights).

(3) No Prescribed Occurrences

During the period from the date the Bidder's Statement is given to ROC and ending at the end of the Offer Period, none of the occurrences listed in section 652C(1) or (2) of the Corporations Act happen (other than the issue of ROC Shares pursuant to the exercise of ROC Options or ROC Performance Rights issued before the Announcement Date). That is:

- (a) ROC converting all or any of the ROC Shares into larger or smaller numbers of shares under section 254H of the Corporations Act;
- (b) ROC or any of its Subsidiaries resolving to reduce its share capital in any way;
- (c) ROC or any of its Subsidiaries entering into a buy-back agreement or resolving to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (d) ROC or any of its Subsidiaries:
 - (i) issues shares;
 - (ii) grants an option over its shares; or
 - (iii) agrees to make such an issue or grant such an option;
- (e) ROC or any of its Subsidiaries issuing, or agreeing to issue, convertible notes;
- (f) ROC or any of its Subsidiaries disposing or agreeing to dispose of the whole, or a substantial part, of its business or property;
- (g) ROC or any of its Subsidiaries granting, or agreeing to grant, a Security Interest in the whole, or a substantial part, of its business or property;
- (h) ROC or any of its Subsidiaries resolving to be wound up;
- (i) the appointment of a liquidator or provisional liquidator of ROC or any of its Subsidiaries;
- (j) the making of an order by a court for the winding up of ROC or any of its Subsidiaries;
- (k) an administrator of ROC or any of its Subsidiaries being appointed under sections 436A, 436B or 436C of the Corporations Act;

- (l) ROC or any of its Subsidiaries executing a deed of company arrangement; or
- (m) the appointment of a receiver or a receiver and manager in relation to the whole, or a substantial part, of the property of ROC or any of its Subsidiaries.

(4) No Material Adverse Change

Between the date of the Bid Implementation Agreement and 5.00pm (Sydney time) on 19 October 2014, there not having occurred, been announced or become apparent (whether or not becoming public) any Material Adverse Change.

(5) No untrue statements to ASX

Between the date of the Bid Implementation Agreement and 5.00pm (Sydney time) on 19 October 2014, there not having occurred or been announced or become known to Fosun or ROC that information announced by ROC to ASX prior to the Announcement Date is, or is likely to be, incomplete, incorrect, untrue or misleading in a material respect such that Fosun might reasonably be expected to have not proceeded with the Takeover Bid at all or would have proceeded with the Takeover Bid on materially different terms.

(6) No Restricted Action

Between the date of the Bid Implementation Agreement and 5.00pm (Sydney time) on 19 October 2014, otherwise than in the ordinary course of business and which is consistent with the plans or budgets of ROC which have been provided to Fosun before the date of the Bid Implementation Agreement, neither ROC, nor any Subsidiary of ROC takes any Restricted Action.

12.6 Nature and benefit of conditions

- (1) Each of the Conditions are conditions subsequent. The non-fulfilment of any condition subsequent does not, until the end of the Offer Period, or in the case of the condition in section 12.5(3) (Prescribed Occurrences), until the end of the third business day after the end of the Offer Period, prevent a contract to sell your ROC Shares from arising, but entitles Fosun by written notice to you, to rescind the contract that results from your acceptance of the Offer.
- (2) Subject to the Corporations Act, Fosun alone is entitled to the benefit of the Conditions in section 12.5 or to rely on any breach of non-fulfilment of any of them.
- (3) Each Condition set out in section 12.5 is a separate, several and distinct condition. No Condition will be taken to limit the meaning or effect of any other Condition.
- (4) Subject to the Corporations Act, Fosun may at any time and from time to time waive (generally, or in respect of a particular event) the breach or non-fulfilment of any Condition in section 12.5 or any part of the Condition.

12.7 Freeing Offer of conditions

- (1) Fosun may free the Offer and any contract resulting from any of the Conditions (set out in section 12.5) generally or in relation to any specific occurrence by giving notice in writing to ROC and ASX declaring the Offer to be free from the relevant Condition or Conditions specified, in accordance with section 650F of the Corporations Act. This notice may be given:
 - (a) in the case of the condition in section 12.5(3) (Prescribed Occurrences) – not later than 3 business days after the end of the Offer Period; and
 - (b) in the case of the other Conditions in section 12.5 – not less than 7 days before the end of the Offer Period.
- (2) If, at the end of the Offer Period (or in the case of the Condition in section 12.5(3) (Prescribed Occurrences) at the end of the third business day after the end of the Offer Period), the Conditions in section 12.5 have not been fulfilled and Fosun has not declared the Offer (or it has not become) free from those Conditions, all contracts resulting from the acceptance of the Offer will be automatically void.

12.8 Notice of status of Conditions

The date for giving the notice on the status of the Conditions (set out in section 12.5) required by section 630(1) of the Corporations Act is 8 October 2014 (subject to extension in accordance with section 630(2) of the Corporations Act if the Offer is extended).

12.9 The Offerees

- (1) The Offer is being made to each person registered as the holder of ROC Shares in the register of ROC Shareholders as at 7:00pm (Sydney time) on the Record Date. This Offer also extends to any person who becomes registered or entitled to be registered, as the holder of your ROC Shares during the Offer Period, but does not extend to any ROC Shares that are issued during the period from the Record Date to the end of the Offer Period due to the exercise of the ROC Options or vesting of ROC Performance Rights in existence as at the Record Date.
- (2) If, at the time the Offer is made to you, or at any time during the Offer Period, another person is, or is entitled to be, registered as the holder of your ROC Shares on issue as at the Record Date, a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to:
 - (a) that other person in respect of those ROC Shares; and
 - (b) you in respect of any other ROC Shares you hold to which the Offer relates.
- (3) If your ROC Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee, you should contact that nominee for assistance in accepting the Offer.

12.10 Trustees and nominees

- (1) If at any time during the Offer Period you are registered or entitled to be registered as the holder of one or more parcels of ROC Shares as trustee or nominee for, or otherwise on account of, another person, section 653B of the Corporations Act will apply so that Fosun is taken to have made a separate and distinct offer to you for each distinct parcel of ROC Shares including any distinct parcel held in your own right. Acceptance by you of the Offer for any distinct parcel of ROC Shares is ineffective unless:
 - (a) you give Fosun notice in accordance with section 12.10(2) stating that your ROC Shares consist of distinct parcels; and
 - (b) your acceptance specifies the number of ROC Shares in each distinct parcel to which the acceptance relates.
- (2) The notice required under section 12.10(1):
 - (a) if it relates to ROC Shares not in a CHESS Holding, must be in writing; or
 - (b) if it relates to ROC Shares in a CHESS Holding, must be in an electronic form approved under the ASX Settlement Operating Rules for the purpose of Part 6.8 of the Corporations Act.

12.11 Withdrawal of Offer

- (1) This Offer may be withdrawn with the written consent of ASIC, which consent may be subject to conditions.
- (2) If the Offer is withdrawn, all contracts arising from its acceptance become void.

12.12 Variation of Offer

Fosun reserves the right to vary the Offer in accordance with the Corporations Act.

12.13 No stamp duty or brokerage

- (1) There will be no stamp duty payable by you on the transfer of Your Accepted ROC Shares to Fosun.
- (2) As long as Your Accepted ROC Shares are registered in an Issuer Sponsored Holding in your name and you deliver them directly to Fosun, you will not incur brokerage in connection with your acceptance of the Offer.
- (3) If your ROC Shares are registered in a CHESS Holding, or if you are a beneficial owner whose ROC Shares are registered in the name of a broker, bank, custodian or other nominee, you should ask your Controlling Participant (usually your broker) or that nominee whether it will charge any transactional fees or services charges in connection with the acceptance of the Offer.

12.14 Power of attorney

If the Acceptance Form is signed under power of attorney, the attorney declares that the attorney has no notice of revocation of the power and is empowered to delegate powers under the powers of attorney and authorities under section 12.3(5)(c).

12.15 Governing law

This Offer and any contract that results from your acceptance of the Offer are governed by the laws in force in New South Wales, Australia.

Definitions and interpretation

13

The meanings of the terms used in this Bidder's Statement.

13.1 Definitions

In this Bidder's Statement:

Term	Meaning
2P or 2P Reserves	is equivalent to the sum of Proved Reserves plus Probable Reserves. It denotes the Best Estimate scenario of Reserves.
3P	is equivalent to the sum of Proved Reserves plus Probable Reserves plus Possible Reserves. It denotes the High Estimate scenario of Reserves.
Acceptance Form	means the acceptance form that accompanies the Offer.
Allan Gray	means Allan Gray Australia Pty Ltd ACN 112 316 168.
Announcement Date	means 4 August 2014, being the date the Offer was announced to ASX.
ANZ	means Australia and New Zealand Banking Group Limited ACN 005 357 522, acting through its Corporate Advisory division.
Associate	has the meaning given in section 12 of the Corporations Act.
ASIC	means the Australian Securities & Investments Commission.
ASX	means ASX Limited ACN 008 624 691 or the Australian Securities Exchange operated by it, as the context requires.
ASX Listing Rules	means the listing rules of ASX.
ASX Settlement	means ASX Settlement Pty Ltd ACN 008 504 532.
ASX Settlement Operating Rules	means the operating rules of the settlement facility provided by ASX Settlement as amended or varied from time to time.
Best Estimate	means the best estimate of the quantity that will actually be recovered from accumulation of an oil and gas project. It is the most realistic assessment of recoverable quantities if only a single result were reported. When probabilistic methods are used, there should be at least a 50% probability (P50) that the quantities actually recovered will equal or exceed the Best Estimate.
Bid Implementation Agreement	means the agreement entered into by Fosun International and ROC in respect of the Offer dated and announced to the ASX on 4 August 2014.
Bidder's Statement	means this document and each schedule and annexure to it.
BOEPD	means barrels of oil equivalent per day.
Business Day	means a day other than a Saturday, Sunday or public holiday in Sydney, New South Wales, except in the context of something required to be done by Fosun, in which case it means a day other than a Saturday, Sunday or public holiday in Hong Kong or Shanghai.
business day	means a day that is not a Saturday, Sunday or public holiday or bank holiday in the place concerned.
CHESS	means the clearing house electronic sub-register system.
CHESS Holding	means a holding of ROC Shares which is registered on ROC's share register, being a register administered by ASX Settlement and which records uncertificated holdings of ROC Shares.
Closing Date	means 15 October 2014, unless the Offer is extended.
CNOOC	means China National Offshore Oil Corporation.

Term	Meaning
Competing Transaction	means any proposal which would have the same or similar effect to the following: <ol style="list-style-type: none"> (1) a third party acquiring any interest in all or a substantial part of the business or assets of the ROC Group; (2) a third party becoming the holder or controller of all or substantially all of the ROC Shares; (3) a third party acquiring Control of or otherwise merging with ROC or any of its material Subsidiaries; (4) ROC implementing any reorganisation of capital or dissolution; (5) after 4 August 2014, a third party acquiring Voting Power in relation to 15% or more of the ROC Shares; or (6) any other proposal which affects or might reasonably be expected to affect the success of the Takeover Bid.
Conditions	means the conditions to the Offer as set out in section 12.5.
Control	has the meaning giving in section 50AA of the Corporations Act.
Controlling Participant	in relation to a CHES Holding has the same meaning as in the ASX Settlement Operating Rules.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth).
Deferred STI Rights	means the deferred short term incentive rights issued under the Equity Incentive Plan.
Directors	means the directors of Fosun or ROC, as the context requires.
Eligible Rights Holder	means a holder of Eligible ROC Performance Rights.
Eligible ROC Performance Rights	means the ROC Performance Rights designated as Eligible ROC Performance Rights and set out in the table included in section 8.6.
Equity Incentive Plan	means the ROC equity incentive plan, being the performance incentive plan adopted by the ROC Board in 2013.
Executive Option Scheme	means the ROC Executive Option Scheme.
FATA	means <i>Foreign Acquisitions and Takeovers Act 1975</i> (Cth).
FIRB	means the Foreign Investment Review Board.
FIRB Policy	means the Australian Government's Foreign Investment Policy.
FIRB Condition	means the proposed condition to the Offer that was set out in item 1 of the "Conditions to Proposed Transaction" section of Fosun International's announcement to The Stock Exchange of Hong Kong Limited (which announcement is attached to the copy of the announcement made by ROC in relation to the Offer set out at Annexure A).
Fosun	means Transcendent Resources Limited CR No.: 1933828, a company registered in Hong Kong and a wholly owned Subsidiary of Fosun International.
Fosun Group	means Fosun International and each of its Subsidiaries, including Fosun.
Fosun International	means Fosun International Limited.
High Estimate	means an optimistic estimate of the quantity that will actually be recovered from an accumulation by an oil and gas project. When probabilistic methods are used, there should be at least a 10% probability (P10) that the quantities actually recovered will equal or exceed the High Estimate.
HIN	means a Holder Identification Number for the purposes of a CHES Holding.
Horizon	means Horizon Oil Limited ABN 51 009 799 455.
Horizon Merger	means the proposed merger between Horizon and ROC, announced to the ASX on 29 April 2014.
Horizon Merger Condition	means the proposed condition to the Offer that was set out in items 3 and 4 of the "Conditions to Proposed Transaction" section of Fosun International's announcement to The Stock Exchange of Hong Kong Limited (which announcement is attached to the copy of the announcement made by ROC in relation to the Offer set out at Annexure A).

Term	Meaning
Horizon Merger Implementation Deed	means the Merger Implementation Deed entered into by Horizon and ROC in respect of the Horizon Merger and dated 29 April 2014.
Ineligible Rights Holder	means a holder of Ineligible ROC Performance Rights.
Ineligible ROC Performance Rights	means the ROC Performance Rights designated as Ineligible ROC Performance Rights and set out in the table included in section 8.6.
Issuer Sponsored Holding	means a holding of ROC Shares on ROC's issuer sponsored subregister.
Long-Term Incentive Plan	means the ROC Long-Term Incentive Plan introduced in 2010 which applied up until 2013.
LTI Rights	means ROC long term incentive rights issued under the Long-Term Incentive Plan and Equity Incentive Plan.
Material Adverse Change	<p>means any one or more events, matters, changes or circumstances which (individually or when aggregated) have or could reasonably be expected to have, a material adverse effect on the business, financial or trading position, assets or liabilities, profitability or prospects of ROC or any of its Subsidiaries (taken as a whole), including:</p> <ol style="list-style-type: none"> (1) any one or more events, matters, changes or circumstances which have had, or could reasonably be expected to have, the effect of <ol style="list-style-type: none"> (a) the earnings of the ROC Group before interest, taxes, depreciation, amortisation any other non-cash items, in any of the financial years ending 31 December 2014, 31 December 2015 or 31 December 2016 being reduced by US\$15,000,000 or more when compared against what it would have been reasonably expected to have been but for such events, matters, changes or circumstances; or (b) diminishing the net assets of the ROC Group by US\$15,000,000 or more, compared to the value of the net assets of the ROC Group set out in its consolidated balance sheet as at 31 December 2013; or (2) the ROC Group being unable to carry on its operations, business, assets or exercise its rights or perform its obligations under the Material Contracts in substantially the same manner as carried on as at the date of this agreement including as a result of a material regulatory approval or licence, being varied, cancelled, revoked or terminated by a Regulatory Authority, <p>other than:</p> <ol style="list-style-type: none"> (3) anything required or permitted to be done or not done under the Bid Implementation Agreement, the Takeover Bid or the transactions contemplated by them; (4) any event, matter, change or circumstance disclosed to Fosun or its Related Persons or set out in public filings by a member of the ROC Group to ASX or ASIC prior to the date of the Bid Implementation Agreement; (5) anything arising from any change in accounting policy required by law after the date of the Bid Implementation Agreement; (6) any event, matter, change or circumstance in or relating to: <ol style="list-style-type: none"> (a) economic, business, regulatory or political conditions in general; (b) credit, financial or currency markets in general or the state of the securities markets in general (including any reduction in market indices); (c) any change affecting the oil and gas industry generally (including fluctuations in commodity prices); or (d) any change in law, taxation, interest rates or global oil prices, <p>occurring after the date of the Bid Implementation Agreement; or</p> <ol style="list-style-type: none"> (7) any event, matter, change or circumstances that is disclosed to Fosun prior to the date of the Bid Implementation Agreement or agreed to in writing by ROC and Fosun.

Term	Meaning
Material Contract	means a contract or commitment: <ol style="list-style-type: none"> (1) requiring total payments of more than, or which are reasonably likely to be more than, US\$15,000,000 in a year; or (2) which is entered into other than in the ordinary course of the business of ROC Group, and includes each Petroleum Sale Agreement and Petroleum JOA.
Minimum Acceptance Condition	means the condition to the Offer set out in section 12.5(1).
MMBOE	means million barrels of oil equivalent.
MMscfd	means million standard cubic feet per day.
MOE	means Myanmar Ministry of Energy.
Offer	means the offer by Fosun to acquire the ROC Shares on issue as at the Record Date, the terms and conditions of which are set out in section 12 of this Bidder's Statement.
Offer Period	means the period during which the Offer will remain open for acceptance in accordance with section 12.2.
Offer Price	means \$0.69 cash per ROC Share.
Option Holder	means a holder of ROC Options.
Participant	means an entity admitted to participate in CHES under Rules 4.3.1 and 4.4.1 of the ASX Settlement Operating Rules.
PC	means Contract for Petroleum Exploration, Development and Production.
Petroleum Concession	means any petroleum licence, concession, title, risk service contract, product sharing contract or similar authority to conduct petroleum appraisal, exploration or development or production activities in any jurisdiction.
Petroleum JOA	means a joint operating agreement, shareholders agreement, joint venture agreement, or similar agreement in respect of a Petroleum Concession.
Petroleum Sale Agreement	means an agreement for the sale of petroleum produced from a Petroleum Concession where the total payments to be received, or reasonably likely to be received, exceed US\$15,000,000 per annum.
Possible Reserves	means those additional Reserves which analysis of geoscience and engineering data indicate are less likely to be recoverable than Probable Reserves. The total quantities ultimately recovered from the project have a low probability to exceed the sum of Proved Reserves plus Probable Reserves plus Possible Reserves (3P). When probabilistic methods are used, there should be at least a 10% probability that the actual quantities recovered will equal or exceed the 3P estimate.
Prescribed Occurrence	means the occurrence of any matters described in section 12.5(3).
Probable Reserves	means those additional Reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than Proved Reserves but more certain to be recovered than Possible Reserves. It is equally likely that actual remaining quantities recovered will be greater than or less than the sum of the estimated Proved Reserves plus Probable Reserves (2P). When probabilistic methods are used, there should be at least a 50% probability that the actual quantities recovered will equal or exceed the 2P estimate.

Term	Meaning
Proved Reserves	means those quantities of petroleum, which by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations. If deterministic methods are used, the term reasonable certainty is intended to express a high degree of confidence that the quantities will be recovered. When probabilistic methods are used, there should be at least a 90% probability that the quantities actually recovered will equal or exceed the estimate.
PSC	means Production Sharing Contract.
Record Date	means the date for determining ROC Shareholders under section 633(2) of the Corporations Act, being 7.00pm on 11 September 2014.
Regulatory Authority	includes: <ul style="list-style-type: none"> (1) ASIC; (2) ASX; (3) the Stock Exchange of Hong Kong; (4) a government or governmental, semi-governmental, administrative, fiscal or judicial body; (5) a minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of or controlled by any government; and (6) any regulatory organisation established under statute.
Related Body Corporate	has the meaning given in section 9 of the Corporations Act.
Relevant Interest	has the meaning given in sections 608 and 609 of the Corporations Act.
Related Person	means, in relation to a party: <ul style="list-style-type: none"> (1) a Related Body Corporate of that party; (2) an adviser of that party or an adviser of a Related Body Corporate of that party; or (3) an officer or employee of an entity referred to in (1) or (2) above.
Replacement Incentive Plan	means the new employee incentive plan proposed to be agreed upon by ROC and Fosun under clauses 5.5(c) and (d) of the Bid Implementation Agreement, under which the Ineligible ROC Performance Rights are proposed to be replaced with a right, security or derivative of equivalent economic interest, referred to in section 8.7(3).
Reserves	means those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Reserves must further satisfy four criteria: they must be discovered, recoverable, commercial and remaining based on the development project(s) applied.

Term	Meaning
Restricted Action	<p>means ROC or a subsidiary of ROC:</p> <ol style="list-style-type: none"> (1) announces, declares, or distributes any dividend, bonus or other share of its profits or assets (except a distribution by a Subsidiary of ROC); (2) makes any changes to its constitution or passes any special resolution or amends the terms of issue of any shares, options, performance rights or other convertible securities (other than as permitted by the Bid Implementation Agreement); (3) gives or agrees to give any third party rights (being any Security Interest or adverse interest of any nature and restrictions on transfer of any nature (legal or otherwise)) over the whole or a substantial part of its assets; (4) borrows or agrees to borrow any money, other than in the ordinary course of business; (5) does any of the following: <ol style="list-style-type: none"> (a) enters or agrees to enter into any contract of service or varies or agrees to vary any existing contract of service with any director or employee; (b) makes or agrees to make any substantial change in the basis or amount of remuneration of any director, employee or consultant; (c) except as provided under any superannuation, provident or retirement scheme or contract in effect on the date of the Bid Implementation Agreement, pays or agrees to pay any retirement benefit or allowance to any director or employee; or (6) acquires, offers to acquire or agrees to acquire any one or more businesses, assets, entities or undertakings valued at, or involving a financial commitment of more than USD15,000,000 (individually or when aggregated with all other such matters arising after the date of the Bid Implementation Agreement), or makes an announcement in relation to such an acquisition, <p>in each case, otherwise than as disclosed to Fosun International prior to the date of the Bid Implementation Agreement, as agreed between ROC and Fosun International or as required or permitted by the Bid Implementation Agreement, the Takeover Bid, or the transactions contemplated by them.</p>
Rights	means all accreditations, rights or benefits of whatever kind attaching or arising from ROC Shares directly or indirectly on or after the Announcement Date (including, but not limited to, all dividends and all rights to receive them or receive or subscribe for shares, notes, bonds, options or other securities declared, paid or issued by ROC or any of its Subsidiaries).
ROC and Target	means ROC Oil Company Limited ABN 32 075 965 856.
ROC Board	means the board of Directors of ROC.
ROC Group	means ROC and each of its Subsidiaries.
ROC Options	means all of the options to be issued ROC Shares by ROC on issue as at the date of this Bidder's Statement.
ROC Performance Rights	includes all LTI Rights and Deferred STI Rights, whether they are designated as Eligible ROC Performance Rights or Ineligible ROC Performance Rights.
ROC Shareholder	means a holder of ROC Shares.
ROC Shares	means fully paid ordinary shares in ROC.
Security Interest	has the meaning given in section 51A of the Corporations Act.
SRN	means a Security Holder Reference Number for the purposes of an Issuer Sponsored Holding.
Subsidiary	has the meaning given in section 9 of the Corporations Act.

Term	Meaning
Superior Proposal	means a Competing Transaction of the kind referred to in paragraphs (1), (2), (3), (4), and (6) of the definition of Competing Transaction which the ROC Board, acting in good faith, determines is: <ol style="list-style-type: none"> (1) reasonably capable of being completed taking into account all aspects of the Competing Transaction; and (2) more favourable to ROC Shareholders than the Offer, taking into account all terms and conditions of the Competing Transaction.
Takeover Bid	means the off-market takeover bid under Chapter 6 of the Corporations Act and pursuant to which Fosun makes the Offer.
Target's Statement	means the target's statement to be issued by ROC in response to this Bidder's Statement in accordance with section 633(1) of the Corporations Act.
Voting Power	has the meaning given in section 610 of the Corporations Act.
Your Accepted ROC Shares	means, if you validly accept the Offer: <ol style="list-style-type: none"> (1) and you specify in your Acceptance Form that you wish to accept the Offer in respect of a specified number of your ROC Shares only – that specified number of ROC Shares; or (2) otherwise – all of your ROC Shares (even if the number pre-printed on your Acceptance Form as the total number of your ROC Shares is not correct).

13.2 Interpretation

- (1) Reference to:
 - (a) words and phrases given a particular meaning in Chapter 6 of the Corporations Act have the same meaning in this Bidder's Statement, unless the context otherwise requires;
 - (b) one gender includes the others;
 - (c) the singular includes the plural and the plural includes the singular;
 - (d) a person includes a body corporate;
 - (e) a party includes the party's executors, administrators, successors and permitted assigns;
 - (f) a statute, regulation or provision of a statute or regulation (**Statutory Provision**) includes:
 - (i) that Statutory Provision as amended or re-enacted;
 - (ii) a statute, regulation or provision enacted in replacement of that Statutory Provision; and
 - (iii) another regulation or other statutory instrument made or issued under that Statutory Provision; and
 - (g) money is to Australian dollars, unless otherwise stated.
- (2) "**Including**" and similar expressions are not words of limitation.
- (3) Where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning.
- (4) Headings and any table of contents or index are for convenience only and do not affect the interpretation of this Bidder's Statement.

Approval of this bidder's statement

14

This Bidder's Statement has been approved by a resolution passed by the sole director of Fosun.

This Bidder's Statement has been approved by a resolution passed by the sole director of Fosun.

Dated: 11 September 2014

A handwritten signature in black ink, appearing to be 'Xuetao QIN', written in a cursive style.

Xuetao QIN
Director
Transcendent Resources Limited

Annexure

A

Announcements made by ROC in relation to the Offer.

Roc Oil Company Limited (ROC)



4 August 2014

ASX RELEASE

ROC ANNOUNCES SUPERIOR PROPOSAL TO ACQUIRE ALL ROC SHARES FOR A\$0.69 CASH PER SHARE

The ROC Board announced today that it has entered into a Bid Implementation Agreement (**BIA**) under which it is proposed that Fosun International Limited or a subsidiary of it (**Fosun**) will acquire all of the ROC shares currently on issue for A\$0.69 cash per share by way of off-market takeover offers (**Fosun Offer**).

A copy of Fosun's announcement to the Hong Kong Stock Exchange earlier today is attached.

The cash offer price of A\$0.69 per share represents:

- a 52% premium to the closing price of ROC shares on 23 April 2014 (being the last trading day prior to the announcement of the Horizon merger proposal);
- a 23% premium to the closing price of ROC shares on 24 June 2014 (being the last trading day prior to announcing receipt of the first indicative takeover proposal);
- a 10% premium to the closing price of ROC shares on 1 August 2014 (being the last trading day prior to this announcement);
- a 25% premium to the three month volume weighted average price of ROC shares; and
- an implied market capitalisation of ~A\$474 million.

The BIA, a full copy of which is attached to this announcement, sets out the conditions of the Fosun Offer, which include:

- Termination of the Horizon Merger Implementation Deed (noting that under that deed, ROC and Horizon must consult in good faith for up to 5 business days in relation to these circumstances);
- FIRB approval;
- More than 50% acceptance of the offer;
- No material adverse change until 5.00pm (Sydney time) on 19 October 2014;
- No prescribed occurrences; and
- Various other business conduct conditions until 5.00pm (Sydney time) on 19 October 2014.

In making their recommendation, the ROC directors have carefully considered the Fosun Offer and determined in good faith that the Fosun Offer is more favourable to ROC shareholders than the proposed merger with Horizon.

ROC Chairman, Mike Harding said: "The proposal to purchase all of ROC's shares for cash is superior when considered against the alternative merger of equals with Horizon and offers a significant premium to share price performance. In reaching our conclusion that the Fosun Offer is in the best interests of shareholders and a superior proposal as defined in the Horizon Merger Implementation Deed, the Board has considered a number of alternatives, including the standalone value of ROC and the value of pursuing a merger with Horizon in accordance with its proposed terms. This cash offer price is consistent with the valuation ranges provided by the Independent Experts' reports produced for the Horizon merger. Following assessment of the available information and alternatives, the Board has unanimously concluded that the offer is a superior option and a low risk route to maximise immediate value for our shareholders."

Roc Oil Company Limited ACN 075 965 856
 Tel: +61 2 8023 2000 Fax: +61 2 8023 2222
 Mail: PO Box Q1496, Queen Victoria Building, NSW 1230 Australia
 Office: Level 18, 321 Kent Street, Sydney NSW 2000 Australia

www.rocoil.com.au

Roc Oil Company Limited (ROC)

The ROC directors unanimously recommend that ROC shareholders accept the Fosun Offer in the absence of a superior proposal. All of the ROC directors have advised their intention to accept Fosun's offer with respect to the ROC shares they own or control, in the absence of a superior proposal.

Timetable

Shareholders do not need to take any action at this present time. As set out in the BIA, it is currently expected that ROC's Target's Statement and Fosun Bidder's Statement will be dispatched to ROC shareholders on or about 20 August 2014.

About Fosun International Limited

For further information about Fosun, please refer to Fosun's announcement which is attached.

Further information is also available at www.fosun.com.

Advisers

ROC is being advised by JB North & Co as financial adviser and Herbert Smith Freehills as legal adviser.

Alan Linn
Executive Director
& Chief Executive Officer

For further information please contact:
Renee Jacob
Group Manager
Investor Relations & Corporate Affairs
Tel: +61-2-8023-2096
Email: rjacob@rocoil.com.au

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FOSUN 复星
復星國際有限公司
FOSUN INTERNATIONAL LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 00656)

DISCLOSEABLE TRANSACTION

**ENTRY INTO BID IMPLEMENTATION AGREEMENT AND
 CONDITIONAL TAKEOVER BID FOR
 ALL THE ISSUED SHARES OF ROC OIL COMPANY LIMITED**

THE BID IMPLEMENTATION AGREEMENT

The Board is pleased to announce that the Company and ROC entered into the Bid Implementation Agreement on 4 August 2014, pursuant to which the Company, or a subsidiary of the Company, shall make a conditional cash takeover offer for all of the ROC Shares on issue as at the Record Date. The Offer Price is AUD0.69 per ROC Share.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) in relation to the Proposed Transaction exceeds 5% and is less than 25%, the Proposed Transaction constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to notification and announcement requirements under the Listing Rules.

INTRODUCTION

The Board is pleased to announce that the Company and ROC entered into the Bid Implementation Agreement on 4 August 2014 to implement the Proposed Transaction. The Proposed Transaction shall involve the Company, or a subsidiary of the Company, making a conditional cash takeover offer for all of the ROC Shares on issue as at the Record Date. The Offer Price is AUD0.69 per ROC Share. The Proposed Transaction is subject to the

conditions (set out under the below heading “The Bid Implementation Agreement”) being satisfied or waived. The conditional takeover offer for all of the ROC Shares shall last for at least one month, and may be extended by the Bidder. The Bidder may, if it acquires a sufficient number of ROC Shares under the Proposed Transaction (as prescribed under the Corporations Act), proceed to compulsorily acquire all ROC Shares not tendered under the Bidder’s takeover offer.

THE BID IMPLEMENTATION AGREEMENT

Date: 4 August 2014

Parties: The Company; and
ROC.

Conditions to Proposed Transaction: Completion of the Proposed Transaction is conditional on fulfilment or waiver of the following conditions before the end of the Offer Period:

1. the Bidder and its financier receiving notice under the FATA and Policy, by or on behalf of the Treasurer of the Commonwealth of Australia to the effect that the Commonwealth Government does not object to the acquisition by the Bidder of the ROC Shares under the Offer or the financier’s security over those ROC Shares, either unconditionally or on terms that are acceptable to the Bidder (acting reasonably).
2. At the end of the Offer Period, the Bidder has a Relevant Interest in more than 50% of the ROC Shares.
3. Before the end of the Offer Period:
 - a. the Merger Implementation Deed is validly terminated whether by agreement between ROC and Horizon or otherwise within 6 Business Days after the date of the Bid Implementation Agreement; and
 - b. the Horizon Scheme does not proceed for any reason, including that the Court does not approve the Horizon Scheme in accordance with section 411(4)(b) of the Corporations Act (including where Horizon has ended the Court approval process prior to the Horizon Scheme coming before the Court for approval).
4. From the date of the Bid Implementation Agreement until the

end of the Offer Period, other than the confidentiality agreement between ROC and Horizon dated 17 October 2013 and other than as disclosed to the Bidder, any other proposals, agreements or arrangements of the ROC Group in place as at the date of the Bid Implementation Agreement in respect of the acquisition or potential acquisition by the ROC Group of any securities or assets of Horizon or its Subsidiaries (other than in the ordinary course of business of joint venture operations) or any other merger of ROC Group with Horizon are terminated.

5. From the date of the Bid Implementation Agreement until the end of the Offer Period, no member of the ROC Group acquires, offers to acquire, agrees to acquire, or announces an intention to acquire an interest in any securities or assets of Horizon or any of its Subsidiaries (other than in the ordinary course of business of joint venture operations), including on a conditional basis.
6. During the period from the date of the Bid Implementation Agreement to the day before the Bidder's Statement is given to ROC, no Prescribed Occurrence happens (other than as a result of the exercise and/or vesting (as applicable) of any ROC Option or ROC Right).
7. Between the date of the Bidder's Statement and the end of the Offer Period, none of the Prescribed Occurrences occur.
8. Between the date of the Bid Implementation Agreement and the end of the Offer Period there not having occurred, been announced, or become apparent (whether or not becoming public) any Material Adverse Change.
9. Between the date of the Bid Implementation Agreement and the end of the Offer Period there not having occurred or been announced or become known to the Bidder or ROC that information announced by ROC to ASX prior to the Announcement Date is, or is likely to be, incomplete, incorrect, untrue or misleading in a material respect such that the Bidder might reasonably be expected to have not proceeded with the Takeover Bid at all or would have proceeded with the Takeover Bid on materially different terms.
10. Between the date of the Bid Implementation Agreement and the end of the Offer Period, otherwise than in the ordinary course of

business and which is consistent with the plans or budgets of ROC which have been provided to the Bidder before the date of the Bid Implementation Agreement, neither ROC, nor any Subsidiary of ROC takes any Restricted Action.

Offers for ROC share rights The Company and ROC have agreed that either the Bidder shall or ROC shall (at ROC's election), contemporaneous with the Offer, make offers by private treaty to persons holding share rights convertible into ROC Shares. The offers for STI's and LTI's shall be subject to the conditions set out above and to any necessary waiver of the ASX Listing Rules.

The offer for STI's shall provide for each STI to be cancelled for an amount per STI which is equal to the Offer Price.

The offers for LTI's will be made if the Bidder acquires an interest in 90% or more of the ROC Shares and will provide for each LTI to be cancelled in exchange for a right, security or derivative that provides an equivalent economic interest to the existing LTI's ("**Replacement Rights**"). If a holder of LTI's rejects the offer of Replacement Rights, then that person will have their LTI's cancelled for an amount per LTI which is equal to the Offer Price.

Offers for ROC options The Company and ROC have agreed that either the Bidder shall or ROC shall (at ROC's election) make offers by private treaty to persons holding options exercisable into ROC Shares which are subject to the conditions set out above being satisfied, and the Bidder has acquired an interest in 90% or more of the ROC Shares. The offers shall be subject to any necessary waiver of the ASX Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, ROC and Allan Gray Australia Pty Ltd (being the major shareholder of ROC) are third parties independent of the Company and connected persons of the Company, and are not themselves connected persons of the Company.

NET PROFITS OF ROC IN TWO PREVIOUS FINANCIAL YEARS

	For the year ended 31 December	
	2013 (audited) <i>approximately</i> <i>USD million</i>	2012 (audited) <i>approximately</i> <i>USD million</i>
Net profit before tax	61.7	82.7
Net profit after tax	45.2	61.0

COMPARISON OF OFFER PRICE

The Offer Price represents:

- a 52% premium to the closing price of ROC Shares on 23 April 2014 (being the last trading day prior to the announcement of the Horizon merger proposal);
- a 23% premium to the closing price of ROC Shares on 24 June 2014 (being the last trading day prior to the first announcement by ROC that it had received an indicative takeover proposal);
- a 10% premium to the closing price of ROC Shares on 1 August 2014 (being the last trading day prior to this announcement);
- a 25% premium to the three month volume weighted average price of ROC Shares from 1 August 2014 (being the last trading day prior to this announcement);
- an implied market capitalisation of ~AUD474 million.

DETERMINATION OF THE OFFER PRICE AND DETAILS ON CONSIDERATION

The Offer Price payable under the Proposed Transaction was arrived at after consideration of the prevailing trading price of the ROC Shares at the time of entering into the Bid Implementation Agreement, the premiums to trading price for other comparable takeover offers made for companies listed on the Australian Securities Exchange and transaction-specific factors, including but not limited to, the Independent Experts' Reports and ROC's financial performance as well as the long-term future prospects of the oil industry.

Since the Offer Price is at a premium to the trading price of the ROC Shares, the Board is of the view that the Proposed Transaction (including the Offer Price) and the terms of the Bid Implementation Agreement are fair and reasonable and in the interests of the Company and the Company's shareholders as a whole.

The aggregate amount of consideration payable by the Bidder under the Proposed Transaction is up to AUD489 million (including the amount payable under the offers for the ROC Options, the STI's and the LTI's).

The consideration will be satisfied by a combination of the Company's existing cash reserves and external financing

REASONS FOR AND BENEFITS OF THE PROPOSED TRANSACTION

The reason for the Company entering into the Bid Implementation Agreement, and the Proposed Transaction, is to enable the Group to enter the upstream oil & gas industry and acquire oil & gas assets.

ROC is currently party to the Merger Implementation Deed with Horizon. The Proposed Transaction is conditional upon ROC exercising its rights under that deed to terminate the merger proposal with Horizon, as the Company only wishes to acquire ROC itself.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) in relation to the Proposed Transaction exceeds 5% and is less than 25%, the Proposed Transaction constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to notification and announcement requirements under the Listing Rules.

GENERAL INFORMATION OF THE PARTIES

The Company

The principal businesses of the Company include (i) insurance; (ii) industrial operations; (iii) investment; and (iv) asset management.

ROC

ROC is an Australian incorporated public company that is listed on the Australian Securities Exchange. ROC is the holding company for an upstream oil and gas group of companies that principally carry on oil and gas exploration, development and production activities.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings as set out below:

“Announcement Date”	the date of this announcement
“ASIC”	the Australian Securities & Investments Commission
“ASX”	ASX Limited ABN 98 008 624 691
“AUD”	Australian dollar, the lawful currency of Australia
“Board”	the board of the Directors
“Bid Implementation Agreement”	the Bid Implementation Agreement dated 4 August 2014 between the Company and ROC in relation to the Proposed Transaction
“Bidder”	means the Company or a subsidiary of the Company who will make the conditional takeover offer under the Proposed Transaction
“Bidder’s Statement”	the bidder’s statement to be prepared by the Bidder in relation to the Takeover Bid in compliance with Part 6.5 of the Corporations Act
“Business Day”	a day other than a Saturday, Sunday or public holiday in Sydney, New South Wales except in the context of something required to be done by the Bidder, a day other than a Saturday, Sunday or public holiday in Hong Kong or Shanghai.
“Company”	Fosun International Limited (復星國際有限公司), a company incorporated under the laws of Hong Kong and whose shares are listed and traded on the main board of the Hong Kong Stock Exchange
“Corporations Act”	the <i>Corporations Act 2001</i> (Cth) of Australia
“Court”	a court of competent jurisdiction under the Corporations Act
“Directors”	the directors of the Company
“FATA”	the <i>Foreign Acquisitions and Takeovers Act 1975</i> (Cth)

	of Australia
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Horizon”	Horizon Oil Limited, a company listed on the Australian Securities Exchange with stock code: HZN
“Horizon Scheme”	the proposed scheme of arrangement under part 5.1 of the Corporations Act between Horizon and the Horizon Shareholders under which all the Horizon Shares will be transferred to ROC
“Horizon Scheme Meeting”	the meeting of Horizon Shareholders ordered by the Court to be convened on 7 August 2014 under subsection 411(1) of the Corporations Act to consider and vote on the Horizon Scheme and includes any meeting convened following any adjournment or postponement of that meeting
“Horizon Shareholders”	a registered holder of a fully paid ordinary share in the capital of Horizon
“Horizon Shares”	the fully paid ordinary shares in the capital of Horizon
“Independent Experts’ Reports”	each of the: <ul style="list-style-type: none"> (a) independent expert’s report prepared by Deloitte dated 1 July 2014 which was annexed to the scheme booklet released by Horizon on 2 July 2014 in connection with the Horizon Scheme; and (b) independent expert’s report prepared by Grant Samuel & Associates Pty Ltd which was released by ROC on 16 June 2014 in connection with the Horizon Scheme
“Last Trading Day”	1 August 2014

“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“LTI’s”	a right to acquire a ROC Share issued as a long term incentive under the ROC Oil Equity Incentive Plan (2013), or issued as a long term incentive under the ROC Oil Long Term Incentive Plan (2010) with vesting date after 31 December 2014.
“Material Adverse Change”	<p>any one or more events, matters, changes or circumstances which (individually or when aggregated) have or could reasonably be expected to have, a material adverse effect on the business, financial or trading position, assets or liabilities, profitability or prospects of ROC Group (taken as a whole), including:</p> <ul style="list-style-type: none"> (a) any one or more events, matters, changes or circumstances which have had, or could reasonably be expected to have, the effect of: <ul style="list-style-type: none"> (1) the earnings of ROC Group before interest, taxes, depreciation, amortisation and other non-cash items, in any of the financial years ending 31 December 2014, 31 December 2015 or 31 December 2016 being reduced by USD15,000,000 or more when compared against what it would have been reasonably expected to have been but for such events, matters, changes or circumstances; or (2) diminishing the net assets of the ROC Group by USD15,000,000 or more, compared to the value of the net assets of the ROC Group set out in its consolidated balance sheet as at 31 December 2013; or (a) the ROC Group being unable to carry on its operations, business, assets or exercise its

rights or perform its obligations under the Material Contracts in substantially the same manner as carried on as at the date of the Bid Implementation Agreement including as a result of a material regulatory approval or licence, being varied, cancelled, revoked or terminated by a regulatory authority,

other than:

- (a) anything required or permitted to be done or not done under the Bid Implementation Agreement, the Takeover Bid or the transactions contemplated by them;
- (b) any event, matter, change or circumstance disclosed to the Bidder or its Related Persons or set out in public filings by a member of ROC Group to ASX or ASIC prior to the date of the Bid Implementation Agreement;
- (c) anything arising from any change in accounting policy required by law after the date of the Bid Implementation Agreement;
- (d) any event, matter, change or circumstance in or relating to:
 - (1) economic, business, regulatory or political conditions in general;
 - (2) credit, financial or currency markets in general or the state of the securities markets in general (including any reduction in market indices);
 - (3) any change affecting the oil and gas industry generally (including fluctuations in commodity prices); or
 - (4) any change in law, taxation, interest rates or global oil prices,

occurring after the date of the Bid

	Implementation Agreement; or
	(e) any event, matter, change or circumstance that is disclosed to the Bidder prior to the date of the Bid Implementation Agreement or agreed to in writing by ROC and the Bidder.
“Material Contract”	<p>a contract or commitment:</p> <p>(a) requiring total payments of more than, or which are reasonably likely to be more than, USD15,000,000 in a year; or</p> <p>(b) which is entered into other than in the ordinary course of the business of ROC Group,</p> <p>and includes each agreement for the sale of petroleum produced from a Petroleum Concession where the total payments to be received, or reasonably likely to be received, exceed USD15,000,000 per annum and each joint operating agreement, shareholders agreement, joint venture agreement, or similar agreement in respect of a Petroleum Concession</p>
“Merger Implementation Deed”	the merger implementation deed dated 29 April 2014 between Horizon and ROC in relation to the Horizon Scheme
“Offer”	each offer to acquire ROC Shares made in connection with the Takeover Bid
“Offer Period”	when used in items 8 and 10 of the bid conditions described above under the heading “The Bid Implementation Agreement”, means the period from when the Offer is first open for acceptance up to 5.00pm (Sydney time) on Sunday 19 October and, in all other circumstances, is the period that the Offer is open for acceptance
“Offer Price”	AUD 0.69 per ROC Share
“Petroleum Concession”	any petroleum licence, concession, title, risk service contract, product sharing contract, or similar authority to conduct petroleum appraisal, exploration or

“Policy”	development or production activities in any jurisdiction the Australian Government’s Foreign Investment Policy
“PRC”	the People’s Republic of China
“Prescribed Occurrence”	<ul style="list-style-type: none"> (a) ROC converting all or any of the ROC Shares into a larger or smaller number of shares under section 254H of the Corporations Act; (b) ROC or any of its Subsidiaries resolving to reduce its share capital in any way; (c) ROC or any of its Subsidiaries entering into a buyback agreement or resolving to approve the terms of a buyback agreement under subsections 257C(1) or 257D(1) of the Corporations Act; (d) ROC or any of its Subsidiaries: <ul style="list-style-type: none"> (1) issues shares other than as a result of the exercise and/or vesting (as applicable) of any ROC Option or ROC Right; (2) grants an option over its shares; or (3) agrees to make such an issue or grant such an option; (e) ROC or any of its Subsidiaries issuing, or agreeing to issue, convertible notes; (f) ROC or any of its Subsidiaries disposing or agreeing to dispose, of the whole, or a substantial part, of its business or property; (g) ROC or any of its Subsidiaries granting, or agreeing to grant, a Security Interest, in the whole, or a substantial part, of its business or property; (h) ROC or any of its Subsidiaries resolving that it be wound up;

	<ul style="list-style-type: none"> (i) the appointment of a liquidator or provisional liquidator of ROC or any of its Subsidiaries; (j) the making of an order by a court for the winding up of ROC or any of its Subsidiaries; (k) an administrator of ROC or any of its Subsidiaries being appointed under section 436A, 436B or 436C of the Corporations Act; (l) ROC or any of its Subsidiaries executing a deed of company arrangement; or (m) the appointment of a receiver or a receiver and manager in relation to the whole, or a substantial part, of the property of ROC or any of its Subsidiaries
“Proposed Transaction”	the conditional cash takeover offer which shall be made by the Bidder for all of the ROC Shares on issue as at the Record Date
“Record Date”	the date set by the Bidder pursuant to section 633(2) of the Corporations Act
“Related Person”	in relation to a party means: <ul style="list-style-type: none"> (a) a related body corporate of that party; (b) an adviser of that party or an adviser of a related body corporate of that party; or (c) an officer or employee of any entity referred to in items (a) or (b) of this definition
“Relevant Interest”	has the meaning given in sections 608 and 609 of the Corporations Act
“Restricted Actions”	means ROC or a subsidiary of ROC: <ul style="list-style-type: none"> (a) announces, declares, or distributes any dividend, bonus or other share of its profits or assets (except a distribution by a Subsidiary of ROC); (b) makes any changes to its constitution or passes any special resolution or amends the

- terms of issue of any shares, options, performance rights or other convertible securities (other than as permitted by the Bid Implementation Agreement);
- (c) gives or agrees to give any third party rights (being any Security Interest or adverse interest of any nature and restrictions of transfer of any nature (legal or otherwise)) over the whole or a substantial part of its assets;
 - (d) borrows or agrees to borrow any money, other than in the ordinary course of business;
 - (e) does any of the following:
 - (1) enters or agrees to enter into any contract of service or varies or agrees to vary any existing contract of service with any director or employee;
 - (2) makes or agrees to make any substantial change in the basis or amount of remuneration of any director, employee or consultant;
 - (3) except as provided under any superannuation, provident or retirement scheme or contract in effect on the date of the Bid Implementation Agreement pays or agrees to pay any retirement benefit or allowance to any director or employee; or
 - (f) acquires, offers to acquire or agrees to acquire any one or more businesses, assets, entities or undertakings valued at, or involving a financial commitment of more than USD15,000,000 (individually or when aggregated with all other such matters arising

after the date of the Bid Implementation Agreement), or makes an announcement in relation to such an acquisition,

in each case, otherwise than as disclosed to the Bidder prior to the date of the Bid Implementation Agreement, as agreed between ROC and the Bidder or as required or permitted by the Bid Implementation Agreement, the Takeover Bid, or the transactions contemplated by them.

“ROC”	Roc Oil Company Limited, a company listed on the Australian Securities Exchange with stock code: ROC
“ROC Group”	ROC and each of its Subsidiaries, and a reference to a “member of the ROC Group” is to ROC or any of its Subsidiaries
“ROC Option”	an option to acquire a ROC Share issued under the Roc Oil Executive Option Scheme
“ROC Right”	a right to acquire a ROC Share issued under the: <ul style="list-style-type: none"> (a) Roc Oil Long Term Incentive Plan (2010); or (b) Roc Oil Equity Incentive Plan (2013)
“ROC Share”	means a fully paid ordinary share in the capital of ROC and “ROC Shares” shall have a corresponding meaning
“Security Interest”	has the meaning given in section 51A of the Corporations Act
“STI’s”	a right to acquire a ROC Share issued as a short term incentive under the ROC Oil Equity Incentive Plan (2013), or issued as a long term incentive under the ROC Oil Long Term Incentive Plan (2010) which has a vesting date of 16 December 2014.
“Subsidiaries”	has the meaning given in Division 6 of Part 1.2 of the Corporations Act.
“Takeover Bid”	a takeover bid by the Bidder that satisfies the requirements of the Bid Implementation Agreement
“USD”	United States dollar, the lawful currency of the United States of America

By Order of the Board
Fosun International Limited
Guo Guangchang
Chairman

Shanghai, the PRC, 4 August 2014

As at the date of this announcement, the executive directors of the Company are Mr. Guo Guangchang, Mr. Liang Xinjun, Mr. Wang Qunbin, Mr. Ding Guoqi, Mr. Qin Xuetao and Mr. Wu Ping; the non-executive director is Mr. Fan Wei; and the independent non-executive directors are Mr. Zhang Shengman, Mr. Andrew Y. Yan, Mr. Zhang Huaqiao and Mr. David T. Zhang.

Annexure not included.



Horizon Oil Limited ABN 51 009 799 455

Level 7, 134 William Street, Woolloomooloo NSW Australia 2011

Tel +61 2 9332 5000, Fax +61 2 9332 5050 www.horizonoil.com.au

4 August 2014

The Manager, Company Announcements
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

TAKEOVER OFFER FOR ROC OIL COMPANY LIMITED BY FOSUN INTERNATIONAL LIMITED

Horizon Oil Limited notes the announcement this morning from Roc Oil Company Limited regarding the unanimously recommended takeover offer for Roc from Fosun International Limited. As a result of this announcement, Horizon Oil expects Roc to terminate the Merger Implementation Agreement between Horizon Oil and Roc which had been entered into on 29 April 2014.

Commenting on this development, Mr Brent Emmett (Managing Director and Chief Executive Officer of Horizon Oil) said:

"While the Board of Horizon Oil saw significant value potential in creating what we considered would be a leading Asian mid-cap E&P company, we note and respect Roc's decision to be acquired for cash, as a low risk means of achieving immediate value for its assets, bringing an end to Roc's 15 year history as an ASX listed oil and gas company. We wish Roc and its new owners well with their future endeavours.

The Board believes shareholders in Horizon Oil can look forward to a bright future through value realisation and cash flow generation from Horizon Oil's diversified portfolio of production, development and exploration assets. In particular, prospects for our PNG business, which was the focus of Roc's merger ambitions, remain very strong with encouraging recent progress.

Following receipt of US\$78 million from the completion of the partial sale of Horizon Oil's PNG interests to Osaka Gas, comprising the first milestone payment of the US\$204 million aggregate consideration, Horizon Oil's balance sheet is in very sound shape, with cash reserves of approximately US\$100 million at the end of the June quarter and solid production cashflow.

Elsewhere, work to access relatively low risk, substantive additional reserves in and around Maari field offshore New Zealand is in full swing, with two rigs currently drilling. With regard to Horizon Oil's 27% interest in the Beibu fields, offshore China, we believe the price being paid by Fosun for Roc is consistent with a high valuation for Beibu, given that Roc's independent expert's report classifies Roc's 20% interest in Beibu as the most valuable asset of Roc's portfolio, by a large margin.

With a strong and experienced management team and with the support of our ordinary shareholders and convertible bond holders, we believe we are well positioned to create material value from our focused approach to E&P opportunities in the Asia Pacific region."

Yours faithfully,



Michael Sheridan
Chief Financial Officer / Company Secretary

For further information please contact:

Mr Michael Sheridan

Telephone: (+612) 9332 5000

Facsimile: (+612) 9332 5050

Email: exploration@horizonoil.com.au

Or visit www.horizonoil.com.au



Horizon Oil Limited ABN 51 009 799 455
Level 7, 134 William Street, Woolloomooloo NSW Australia 2011
Tel +61 2 9332 5000, Fax +61 2 9332 5050 www.horizonoil.com.au

Tuesday 5 August 2014

The Manager, Company Announcements
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Merger Implementation Deed terminated

Horizon Oil Limited (**Horizon Oil**) refers to the announcements made by Roc Oil Company Limited (**Roc**) and Horizon Oil yesterday in relation to the takeover offer for Roc by Fosun International Limited (**Fosun**).

As a result of the Roc board's unanimous recommendation of Fosun's takeover offer, Horizon Oil has given notice to Roc terminating the Merger Implementation Deed between Horizon Oil and Roc dated Tuesday 29 April 2014, in accordance with its terms.

Accordingly, Horizon Oil has applied for, and received, orders from the Federal Court of Australia:

- (a) cancelling the Scheme Meeting of Horizon Oil shareholders which was scheduled for Thursday 7 August 2014; and
- (b) vacating the proceedings for the second Court hearing which was scheduled for Thursday 14 August 2014.

Yours faithfully

Michael Sheridan
Chief Financial Officer and Company Secretary
For further information please contact:
Michael Sheridan
Telephone: (+612) 9332 5000
Facsimile: (+612) 9332 5050
Email: exploration@horizonoil.com.au
Or visit: www.horizonoil.com.au

Media
Ian Pemberton
P&L corporate communications
(+612) 402 256 576

Annexure

B

ROC Announcements since 24 April 2014.

ROC Announcements since 24 April 2014

Date	Event
10/09/14	Exploration Drilling Block 0905 Update
20/08/14	2014 Half Year Financial Results Presentation and Webcast
20/08/14	2014 First Half Financial Results
19/08/14	Webcast – ROC 2014 Half Year Financial Results
14/08/14	Exploration Drilling Commenced on Block 09/05 & Farm-Out
04/08/14	ROC Announces Superior Proposal to Acquire All ROC Shares
31/07/14	Activity Report for the Second Quarter – Ended 30 June 2014
17/07/14	Change of Director's Interest Notice
11/07/14	Results of ROC EGM
11/07/14	ROC EGM Presentation
10/07/14	ROC Receives a Second Non Binding Indicative Proposal
10/07/14	Extraordinary General Meeting Webcast
03/07/14	Approval of Horizon Scheme Booklet
25/06/14	ROC Confirms Receipt of Non Binding Indicative Proposal
23/06/14	Response to Shareholder Queries Relating to the EGM
18/06/14	UBS Conference Presentation
16/06/14	Letter to Shareholders – Independent Expert's Report
16/06/14	Independent Expert's Report
05/06/14	Notice of EGM and Proxy Form
30/05/14	Farm-out of Interest in PSC, offshore Malaysia
27/05/14	Results of ROC Annual General Meeting
27/05/14	ROC 2014 AGM Presentation
26/05/14	2014 Annual General Meeting Webcast
15/05/14	Shareholder Requisition of General Meeting
08/05/14	Letter to Shareholders
08/05/14	Macquarie Australia Conference Presentation
29/04/14	Activities for the First Quarter – Ended 31 March 2014
29/04/14	Merger Announcement – Investor Presentation
29/04/14	ROC and Horizon Proposed Merger Announcement
24/04/14	2013 Annual Report and Sustainability Report
24/04/14	Notice of Annual General Meeting and Proxy Form
24/04/14	Trading Halt

Fosun Corporate Directory

Fosun International

Room 808, ICBC Tower
3 Garden Road
Central
HONG KONG

Directors

Mr. Guangchang GUO

(Chairman and Executive Director)

Mr. Xinjun LIANG

(Vice Chairman, CEO and Executive Director)

Mr. Qunbin WANG

(President and Executive Director)

Mr. Guoqi DING

(Senior Vice President, CFO and Executive Director)

Mr. Xuetao QIN

(Senior Vice President and Executive Director)

Mr. Ping WU

(Senior Vice President and Executive Director)

Mr. Wei FAN

(Non-Executive Director)

Mr. Shengman ZHANG

(Independent Non-Executive Director)

Mr. Andrew Y. YAN

(Independent Non-Executive Director)

Mr. Huaqiao ZHANG

(Independent Non-Executive Director)

Mr. David T. ZHANG

(Independent Non-Executive Director)

Company Secretary

Ms. Mei Ming SZE

Transcendent Resources Limited

Level 54, Hopewell Centre
183 Queen's Road East
HONG KONG

Director

Xuetao QIN

Financial & Corporate Advisers



Legal Advisers



Share Registry

Computershare Investor Services Pty Limited
452 Johnston Street
Abbotsford, Victoria 3067

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Target's Statement

This Target's Statement has been issued in response to the off-market takeover bid made by Transcendent Resources Limited (**Fosun**), a wholly-owned Subsidiary of Fosun International Limited (**Fosun International**), for all the ordinary shares in Roc Oil Company Limited (**ROC**).

Your ROC Directors unanimously recommend that you **ACCEPT the takeover Offer from Fosun in the absence of a Superior Proposal.**

This is an important document and requires your immediate attention. If you are in doubt about how to deal with this document, you should contact your broker, financial adviser or legal adviser immediately.

Information hotline: If you have any queries in relation to Fosun's Offer, please call the Shareholder Information Line on: 1300 823 159 (toll free for calls made from within Australia) or +61 2 8022 7902 (for calls made from outside Australia).

Important notices

Nature of this document

This document is a Target's Statement issued by Roc Oil Company Limited (ACN 075 965 856) (ROC) under Part 6.5 Division 3 of the Corporations Act in response to the off-market takeover bid made by Transcendent Resources Limited (Fosun), a wholly-owned Subsidiary of Fosun International Limited (Fosun International), a company listed on the Hong Kong Stock Exchange, for all the ordinary shares in ROC.

A copy of this Target's Statement was lodged with ASIC and given to ASX on 11 September 2014. Neither ASIC nor ASX nor any of their respective officers take any responsibility for the content of this Target's Statement.

Key dates

Date of Fosun's Offer	15 September 2014
Date of this Target's Statement	11 September 2014
Close of Fosun's Offer Period (unless extended or withdrawn)	7.00pm (Sydney time) on 15 October 2014

ROC Shareholder Information Line

ROC has established a shareholder information line which ROC Shareholders may call if they have any queries in relation to Fosun's Offer. The telephone number for the shareholder information line is 1300 823 159 (toll free for calls made from within Australia) or +61 2 8022 7902 (for calls made from outside Australia). Any telephone calls to these numbers may be taped, recorded, indexed and stored.

Further information relating to Fosun's Offer can be obtained from Fosun's Bidder's Statement dated 11 September 2014.

Defined terms and abbreviations

A number of terms and abbreviations used in this Target's Statement have defined meanings. These terms and abbreviations are capitalised and have the meanings given to them in section 9.1 of this Target's Statement. In addition, unless the contrary intention appears or the context requires otherwise, words and phrases used in this Target's Statement that are defined in the Corporations Act have the same meaning and interpretation as in the Corporations Act.

Effect of rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Target's Statement are subject to the effect of rounding. Accordingly their actual calculations may differ from the calculations set out in this Target's Statement.

No account of personal circumstances

This Target's Statement, and the recommendations contained in it, should not be taken as, and do not constitute, personal advice as they do not take into account your individual objectives, financial situation or particular needs. As such, your ROC Directors encourage you to seek independent financial, legal and taxation advice before making a decision as to whether or not to accept the Offer.

Reserves and resources

The information in this Target's Statement that relates to Reserves, Contingent Resources and Prospective Resources for ROC is based on, and fairly represents, information and supporting documentation prepared by, or under the supervision of, Bill Billingsley (Chief Reservoir Engineer and full-time employee of ROC). Mr Billingsley BSc (Chem) MSc (Petroleum Engineering) DIC (Imperial College) is a member of the Society of Petroleum Engineers and has more than 18 years' relevant experience within the petroleum industry. The Reserves, Contingent Resources and Prospective Resources information that relates to ROC has been issued with the prior written consent of Mr Billingsley in the form and context which it appears.

Unless otherwise indicated or contained in information which was prepared by a different party, all references to estimates and derivations of the same in this Target's Statement are references to estimates by ROC and management estimates are based on ROC's views at the date of this Target's Statement. Actual facts or outcomes may be different from those estimates.

Disclaimer as to forward looking statements and information

Some of the statements appearing in this Target's Statement may be in the nature of forward looking statements. All forward looking statements in this Target's Statement reflect views only as at the date of this Target's Statement, and generally may be identified by the use of forward looking words such as "believe", "aim", "expect", "anticipate", "intending", "foreseeing", "likely", "should", "planned", "may", "estimate", "potential", or other similar words. Similarly, statements that describe the objectives, plans, goals or expectations of ROC or any member of the ROC Group may be forward looking statements. You should be aware that such statements are only predictions and are subject to inherent risks, uncertainties and variances. Those risks and uncertainties include factors and risks specific to the oil and gas industry as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets. Any such statements are also affected by a range of variables which include but are not limited to price fluctuations, currency fluctuations, actual demand, geotechnical factors, reserve estimates, operating results, governmental and regulatory factors, economic, financial and political conditions in various countries, approvals and cost estimates. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement. None of ROC, ROC's officers and employees, any persons named in this Target's Statement with their consent or any person involved in the preparation of this Target's Statement, makes any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, except to the extent required by law. You are cautioned not to place undue reliance on any forward looking statement. To the maximum extent permitted by law, ROC and its directors, employees and agents disclaim liability for any loss or damage which may be suffered by any person (including by negligence or otherwise) through the use (directly or indirectly) or reliance on anything contained in or omitted from this Target's Statement.

Disclaimer as to Fosun information

Any information on Fosun, Fosun International, the Fosun Group and the Fosun securities contained in this Target's Statement has been prepared by ROC using publicly available information. The information in the Target's Statement concerning Fosun and the Fosun Group has not been independently verified by ROC. Accordingly ROC does not, subject to the Corporations Act, make any representation or warranty (express or implied) as to the accuracy or completeness of such information.

Foreign jurisdictions

The release, publication or distribution of this Target's Statement in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations.

This Target's Statement has been prepared in accordance with Australian law and the information contained in this Target's Statement may not be the same as that which would have been disclosed if this Target's Statement had been prepared in accordance with the laws and regulations outside Australia.

Websites

Both ROC and Fosun International maintain internet sites. The ROC website is www.rocoil.com.au. Fosun International's website is www.fosun.com. Information contained in, or otherwise accessible through, these internet sites is not a part of this Target's Statement. All references in this Target's Statement to these internet sites are inactive textual references to these internet sites and are for your information only.

Charts, maps and diagrams

Any diagrams, charts, maps, graphs or tables appearing in this Target's Statement are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in diagrams, charts, maps, graphs and tables is based on information available at the date immediately prior to the date of this Target's Statement.

Privacy

ROC has collected your information from the ROC register of ROC Shareholders for the purpose of providing you with this Target's Statement. The type of information ROC has collected about you includes your name, contact details and information on your shareholding in ROC. Without this information, ROC would be hindered in its ability to issue this Target's Statement. The Corporations Act requires the name and address of ROC Shareholders to be held in a public register. Personal information of the type described above may be disclosed on a confidential basis to ROC's related bodies corporate and external service providers (such as the share registry of ROC and print and mail service providers) and may be required to be disclosed to regulators such as ASIC and the ASX. If you would like details of information about you held by ROC, please contact Computershare Investor Services Pty Limited at Level 4, 60 Carrington Street, Sydney NSW 2000, Australia. A copy of ROC's privacy statement is available at www.rocoil.com.au. The registered address of ROC is Level 36, Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000 Australia.

11 September 2014



Dear ROC Shareholder

Recommended cash takeover offer

On 4 August 2014, ROC announced a recommended, all cash, off-market takeover bid for ROC by Fosun International Limited or its Subsidiary to acquire all of your ROC shares for A\$0.69 per ROC Share.

Your ROC Directors have unanimously recommended that ROC Shareholders ACCEPT the Offer in the absence of a Superior Proposal. Your ROC Directors intend to accept the Offer in respect of the ROC Shares they own or control, in the absence of a Superior Proposal.

Instructions on how to accept the Offer are contained in section 12.3 of Fosun's Bidder's Statement. The key details of the Offer are contained in this Target's Statement together with other information relevant to your decision on whether or not to accept the Offer.

Your ROC Directors believe you should **ACCEPT** the Offer in the absence of a Superior Proposal because:

- the Offer is an opportunity for you to receive a certain cash amount for your ROC Shares;
- the Offer Price represents a:
 - + 52% premium to the closing price of ROC Shares on 23 April 2014 (being the last trading day prior to the announcement of the Horizon Merger proposal);
 - + 23% premium to the closing price of ROC Shares on 24 June 2014 (being the last trading day prior to announcing receipt of the first indicative takeover proposal);
 - + 10% premium to the closing price of ROC Shares on 1 August 2014 (being the last trading day prior to the announcement of the Offer); and
 - + 27% premium to the three month VWAP of ROC Shares on 1 August 2014 (being the last trading day prior to announcement of the Offer);
- the cash Offer Price falls within the valuation range for ROC implied by the independent expert's report prepared by Grant Samuel & Associates Pty Limited in connection with the Horizon Merger;
- the Offer is currently the only offer to acquire all of your ROC Shares;
- if Fosun does not acquire all the ROC Shares and no Superior Proposal emerges, your ROC Directors believe that the price of ROC Shares may fall to levels below the Offer Price (including below the prevailing share price for ROC Shares before the announcement of the Horizon Merger); and
- if you do not accept the Offer and Fosun acquires more than 50% but less than 100% of the ROC Shares, you may end up as a minority ROC Shareholder which will have a number of adverse implications for you as a ROC Shareholder and the market for your ROC Shares.

I encourage you to read all the information contained in this Target's Statement having regard to your own circumstances. You should consider the ROC Directors' reasons for their recommendation, including the risk factors which are set out in section 5.5 of this Target's Statement. If you are in any doubt as to the action that you should take in relation to the Offer, you should consult your legal, taxation or financial adviser.

The Offer is due to close at 7.00pm (Sydney Time) on 15 October 2014, unless extended.

Your ROC Board will continue to keep you updated on any material developments as they occur. In the meantime, if you have any queries in relation to the Offer, please contact ROC's shareholder information line on 1300 823 159 (toll free for calls made from within Australia) or +61 2 8022 7902 (for calls made from outside Australia).

Yours sincerely,

Mike Harding
Chairman

Roc Oil Company Limited ABN 32 075 965 856
Tel: +61 2 8023 2000 Fax: +61 2 8023 2222
Office: Level 36, Governor Phillip Tower, 1 Farrer Place, Sydney NSW 2000
Mail: PO Box Q1496, Queen Victoria Building, NSW 1230, Australia

www.rocoil.com.au

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Frequently asked questions

1

This section 1 answers some frequently asked questions about the Offer. It is not intended to address all relevant issues for ROC Shareholders. This section should be read together with all other parts of this Target's Statement and also the Bidder's Statement.

Question	Answer
What is Fosun's Offer for my ROC Shares?	Fosun is offering \$0.69 in cash for each ROC Share held by you at the Record Date. You may accept the Offer in respect of all or any number of the ROC Shares that you hold.
What choices do I have as a ROC Shareholder?	<p>As a ROC Shareholder, you have the following choices in respect of your ROC Shares:</p> <ul style="list-style-type: none"> – accept the Offer for some or all of your ROC Shares; – sell some or all of your ROC Shares on the ASX (unless you have previously accepted the Offer and you have not validly withdrawn your acceptance); or – do nothing. <p>There are several implications in relation to each of the above choices. A summary of these implications is set out in section 5.3 of this Target's Statement.</p>
What are the ROC Directors recommending?	<p>Your ROC Directors unanimously recommend that you accept the Offer in the absence of a Superior Proposal.</p> <p>Your ROC Directors' reasons for their recommendation are set out in section 2.2 of this Target's Statement.</p> <p>You are encouraged to read all of this Target's Statement (including section 5 which sets out various important matters for ROC Shareholders to consider).</p> <p>If there is a change in the ROC Directors' recommendation or any material developments in relation to the Offer, ROC will lodge a supplementary target's statement.</p>
What do the ROC Directors intend to do with their own ROC Shares?	Each ROC Director intends to accept the Offer in respect of the ROC Shares that they own or control, in the absence of a Superior Proposal.
How do I accept the Offer?	Details of how to accept the Offer are set out in section 12.3 of the Bidder's Statement.
When does the Offer close?	<p>The Offer is presently scheduled to close at 7.00pm (Sydney time) on 15 October 2014, but the Offer Period can be extended in certain circumstances.</p> <p>You should not assume that the Offer Period will be extended.</p> <p>(See section 6.6 of this Target's Statement for details of the circumstances in which the Offer Period can be extended.)</p>
When will I be sent my cash consideration (that is, payment) if I accept the Offer?	<p>If you accept the Offer, you will have to wait for the Offer to become or be declared unconditional before you will be sent your cash consideration (that is, payment) for each ROC Share in respect of which you have accepted the Offer from Fosun.</p> <p>In the usual case, you will be sent your consideration (that is, the payment) for each ROC Share in respect of which you have accepted the Offer on or before the later of:</p> <ul style="list-style-type: none"> – one month after the date the Offer becomes or is declared wholly unconditional; and – one month after the date you accept the Offer if the Offer is, at the time of acceptance, wholly unconditional, <p>but in any event (assuming the Offer becomes or is declared wholly unconditional), no later than 21 days after the end of the Offer Period.</p> <p>(See section 6.10 of this Target's Statement for further details on when you will be sent your cash consideration (that is, payment) for each ROC Share in respect of which you have accepted the Offer.)</p>

Question	Answer
What are the consequences of accepting the Offer now?	<p>If you accept the Offer, unless withdrawal rights are available (see below), you will give up your right to sell your ROC Shares on the ASX or otherwise deal with your ROC Shares while the Offer remains open.</p> <p>Importantly, if you accept the Offer, you will be unable to withdraw your acceptance and accept a Superior Proposal if one emerges, except in certain limited circumstances (set out immediately below and in section 6.9 of this Target's Statement).</p>
If I accept the Offer, can I withdraw my acceptance?	<p>You may only withdraw your acceptance if, after you have accepted the Offer and the Offer remains conditional, Fosun varies the Offer in a way that postpones the time when Fosun is required to satisfy its obligations by more than one month, or if any of the conditions of the Offer have not been fulfilled or freed before the end of the Offer Period.</p> <p>(See section 6.9 of this Target's Statement for further details.)</p>
What are the outstanding conditions to the Offer?	<p>The Offer is subject to the conditions set out in section 12.5 of the Bidder's Statement. In summary, the conditions to the Offer are:</p> <ol style="list-style-type: none"> 1. Fosun acquiring a Relevant Interest in more than 50% of the ROC Shares; 2. there is no material adverse change in relation to ROC until 5.00pm (Sydney time) on 19 October 2014; 3. there are no Prescribed Occurrences; 4. until 5.00pm (Sydney time) on 19 October 2014, it is not announced or becomes known to Fosun or ROC that there is information that was announced by ROC to ASX prior to 4 August 2014 that is, or is likely to be, materially incorrect, untrue or misleading such that Fosun might reasonably be expected to have not proceeded with the Takeover Bid or proceeded on materially different terms; and 5. there is no conduct of ROC's business outside the ordinary course until 5.00pm (Sydney time) on 19 October 2014. <p>(See section 6.2 of this Target's Statement for further details.)</p>
Has Fosun agreed to free any or all of the outstanding conditions set out in section 6.2(a) of this Target's Statement in any circumstances?	<p>Yes. Fosun has agreed to free all of the outstanding conditions to the Offer outlined in section 6.2(a) of this Target's Statement within two Business Days after the date on which the 50% Minimum Acceptance Condition has been fulfilled or freed unless any of the conditions to the Offer have been or are reasonably likely to be breached or have otherwise become or are reasonably likely to become incapable of satisfaction.</p>
What happens if the conditions of the Offer are not satisfied or waived?	<p>If any of the conditions are not fulfilled or freed before the Offer closes, the Offer will lapse. You would then be free to deal with your ROC Shares even if you had accepted the Offer in respect of those ROC Shares.</p>
What was the Horizon Merger?	<p>On 29 April 2014, ROC agreed to implement a merger with Horizon under which ROC would acquire all of the Horizon Shares on issue by way of a members' scheme of arrangement under Part 5.1 of the Corporations Act between Horizon and its shareholders (Horizon Scheme). Under the Horizon Scheme, Horizon Shareholders would have been entitled to receive 0.724 new ROC Shares for each Horizon Share held by them at the record date for the Horizon Scheme in accordance with the terms of the Horizon Scheme.</p> <p>The Horizon Merger has now been terminated (see below).</p>
What is the current status of the Horizon Merger?	<p>The Horizon MID was terminated on 5 August 2014 and the Horizon Scheme will not proceed.</p>
What is the status of the Horizon Merger Condition?	<p>The Horizon Merger Condition has been withdrawn by Fosun and is no longer a condition to the Offer.</p> <p>(See section 6.2(b) of this Target's Statement for further details.)</p>

Question	Answer
What is the status of the FIRB Condition?	<p>The FIRB Condition has been withdrawn by Fosun and is no longer a condition to the Offer.</p> <p>(See section 6.2(c) of this Target's Statement for further details.)</p>
Can Fosun withdraw the Offer?	<p>As noted above, if the conditions to the Offer are not fulfilled or freed, the Offer may lapse. In general terms, Fosun may not otherwise withdraw the Offer.</p> <p>(See section 6.7 of this Target's Statement for further details.)</p>
What will happen to the price of ROC Shares if the Offer is withdrawn or lapses before Fosun acquires 100% of the Relevant Interest in the ROC Shares?	<p>If the Offer is withdrawn or lapses before Fosun acquires a Relevant Interest in 100% of the ROC Shares (and no Superior Proposal is received by ROC), your ROC Directors believe that ROC's share price may fall to levels significantly below the Offer Price.</p>
What are the tax implications of accepting the Offer?	<p>A general outline of the tax implications of accepting the Offer is set out in section 10 of the Bidder's Statement.</p> <p>As the outline in the Bidder's Statement is a general outline only, ROC Shareholders are encouraged to seek their own specific professional advice as to the taxation implications applicable to their circumstances.</p>
Does the Offer apply to ROC Options and ROC Rights and if not how will the ROC Options and ROC Rights be treated?	<p>No, the Offer does not apply to the ROC Options and ROC Rights on issue. However, ROC and Fosun have agreed to make separate offers to holders of ROC Options and ROC Rights.</p> <p>(See section 8.6 of this Target's Statement for further details.)</p>
Is there a number that I can call if I have further queries in relation to the Offer?	<p>If you have any further queries in relation to the Offer, you can call 1300 823 159 (toll free for calls made from inside Australia) or +61 2 8022 7902 (for calls made from outside Australia).</p> <p>Any telephone calls to these numbers may be taped, recorded, indexed and stored.</p>

ROC Directors' Recommendation **2**

Your ROC Directors unanimously recommend that you ACCEPT the Offer promptly to ensure your acceptance is received by Fosun before 7.00pm (Sydney time) on 15 October 2014, in the absence of a Superior Proposal.

2.1 ROC Directors' recommendation

Your ROC Directors unanimously recommend that you **ACCEPT** the Offer promptly to ensure your acceptance is received by Fosun before 7.00pm (Sydney time) on 15 October 2014, in the absence of a Superior Proposal. You should not assume that the Offer Period will be extended.

In considering whether to accept the Offer, your ROC Directors encourage you to:

- read the whole of this Target's Statement and the Bidder's Statement;
- have regard to your individual risk profile, portfolio strategy, tax position and financial circumstances;
- obtain personal advice from your broker, financial adviser, accountant, lawyer or other professional adviser on the effect of accepting the Offer;
- carefully consider section 6 which sets out the key features of the Offer (including the conditions to the Offer which are set out in section 6.2); and
- carefully consider section 5 of this Target's Statement, including the choices available to you as a ROC Shareholder as outlined in section 5.3 and the risks of becoming a minority ROC Shareholder as outlined in section 5.6.

2.2 Your ROC Directors' reasons for their recommendation

Your ROC Directors' reasons for their above recommendation are set out in section 3 of this Target's Statement.

2.3 Intentions of your ROC Directors in relation to the Offer

Each of your ROC Directors intends to accept the Offer in respect of the ROC Shares they own or control, in the absence of a Superior Proposal.

Details of the Relevant Interests of each ROC Director in ROC Shares are set out in section 7.1 of this Target's Statement.

Reasons you should accept or not accept the Offer

3

Your ROC Directors unanimously recommend that you **ACCEPT** the Offer, in the absence of a Superior Proposal, for the following reasons.

Your ROC Directors unanimously recommend that you **ACCEPT** the Offer, in the absence of a Superior Proposal, for the following reasons.

1. The all cash Offer provides an opportunity for you to receive a certain cash amount for your ROC Shares.
2. The Offer Price represents a significant premium to the recent and long-term trading price for ROC Shares.
3. The Offer Price falls within the valuation range for ROC implied by the Grant Samuel Independent Expert's Report.
4. The Offer is currently the only offer to acquire all of your ROC Shares.
5. There are risks in not accepting the Offer.

Reasons to accept the Offer in the absence of a Superior Proposal

1. The all cash Offer provides an opportunity for you to receive a certain cash amount for your ROC Shares

The Offer provides you with the opportunity to receive a certain cash amount relative to retaining your ROC Shares. If you retain your ROC Shares, you will continue to be exposed to the risks associated with being a ROC Shareholder. The risk factors for remaining a ROC Shareholder are discussed in section 5.5 of this Target's Statement.

In addition, by accepting the Offer, you will not incur brokerage fees, which may otherwise be incurred if you were to sell your ROC Shares on market.¹

2. The Offer Price represents a significant premium to the recent and long term trading price for ROC Shares

The all cash Offer represents a significant premium to the levels at which ROC Shares were trading prior to the announcement of the Horizon Merger and ROC's announcement of the receipt of its first indicative takeover proposal.

The Offer Price of \$0.69 cash per ROC Share represents:

- a 52% premium to the closing price of ROC Shares on 23 April 2014 (being the last trading day prior to the announcement of the Horizon Merger);
- a 23% premium to the closing price of ROC Shares on 24 June 2014 (being the last trading day prior to announcing receipt of the first indicative takeover proposal);
- a 10% premium to the closing price of ROC Shares on 1 August 2014 (being the last trading day prior to the announcement of the Offer); and
- a 27% premium to the three month VWAP of ROC Shares on 1 August 2014 (being the last trading day prior to the announcement of the Offer).

3. The Offer Price falls within the valuation range for ROC implied by the Grant Samuel Independent Expert's Report

Your ROC Directors appointed Grant Samuel & Associates Pty Limited (**Grant Samuel**) to prepare

an independent expert's report in connection with the Horizon Merger, setting out whether, in Grant Samuel's opinion, the Horizon Merger was in the best interests of ROC Shareholders (**Grant Samuel Independent Expert's Report**). The Grant Samuel Independent Expert's Report was dated 15 June 2014 and was released to the ASX on 16 June 2014. In the Grant Samuel Independent Expert's Report, Grant Samuel assessed the full underlying value of ROC to be in the range of US\$391–US\$507 million². Grant Samuel's valuation of ROC corresponds to a value of ROC Shares in the range of A\$0.62 and A\$0.80 per ROC Share³.

4. The Offer is currently the only offer to acquire all of your ROC Shares

Your ROC Directors consider the Offer to be the best proposal available to ROC Shareholders and unanimously recommend that ROC Shareholders accept the Offer, in the absence of a Superior Proposal.

As at the date that is the last Business Day before the date of this Target's Statement, the Offer is the only offer to acquire all of your ROC Shares. The ROC Board has not received any Competing Transaction or Superior Proposal.

5. There are risks in not accepting the Offer

If Fosun does not acquire all of the ROC Shares and no Superior Proposal is received by ROC, your ROC Directors believe that ROC's share price may fall to levels significantly below the Offer Price. See section 5.2 of this Target's Statement for further details relating to the view of your ROC Directors as to what may happen to the ROC share price following the close of the Offer.

The Offer is subject to a 50% Minimum Acceptance Condition and Fosun has not determined whether it will compulsorily acquire any ROC Shares outstanding at the end of the Offer Period (if it becomes entitled to do so). This means there is a risk that, if the Offer becomes or is declared unconditional and you have not accepted the Offer by the end of the Offer Period in respect of all of your ROC Shares, you may become a minority ROC Shareholder. See section 5.6 of this Target's Statement regarding the possible implications of becoming a minority ROC Shareholder.

Reasons you may choose not to accept the Offer

1. You may believe that the Offer Price is inadequate
2. You may believe that a Superior Proposal will emerge for ROC
3. You may disagree with the recommendation of your ROC Directors
4. The tax consequences or implications of accepting the Offer may not suit your financial position or circumstances
5. You may believe that the Offer will not be successful

¹ However, if you hold your ROC Shares through CHESS or through a bank, custodian or other nominee, you should ask your controlling participant (normally your stockbroker) or nominee whether it will charge any transaction fees or service charges in connection with acceptance of the Offer.

² Page 48 of the Grant Samuel Independent Expert's Report.

³ Calculated by ROC by (i) converting the Grant Samuel value range (denominated in USD) to AUD using an exchange rate of US\$1:A\$0.916 (being the spot exchange rate as at 10 September 2014 at 4pm Sydney time) and then (ii) dividing that number range by 687,618,400 (being the number of ROC Shares on issue as at the date of this Target's Statement).

Overview of ROC

4

ROC is an Australian-incorporated independent upstream oil and gas company with a presence in China, South East Asia, Australia and the United Kingdom. ROC operates across the full range of upstream business activities from exploration and appraisal to development and production delivery.

4.1 Overview of ROC

ROC is an Australian-incorporated independent upstream oil and gas company with a presence in China, South East Asia, Australia and the United Kingdom. ROC operates across the full range of upstream business activities from exploration and appraisal to development and production delivery.

ROC was founded by Dr John Doran as a privately-owned company in late 1996 and was publicly listed on the ASX in 1999. As at 10 September 2014, ROC had 687,618,400 shares on issue and a market capitalisation of approximately A\$471.0 million.

ROC's total working interest production was 2.7 MMBOE for 2013 with total net 2P Reserves of 17.4¹ MMBOE. For the 12 month period ending 31 December 2013, ROC's net profit after tax was US\$45.2 million and net cash at 31 December 2013 totalled US\$65.1 million.

ROC's total working interest production for the half year ended 30 June 2014 was 1.717 MMBOE (9,487 BOEPD) with total sales revenue of US\$143.4 million.

As at 30 June 2014, ROC had offices and facilities in China, Australia and Malaysia.

ROC's core asset portfolio is based in Australia, South East Asia and China and contains a mix of exploration, development and production assets as summarised in the map and table below.

4.2 ROC Directors

The ROC Directors as at the date of this Target's Statement are as follows.

- Mr Richard ('Mike') Harding
Independent Non-Executive Director and Chairman
- Mr Alan Linn
Executive Director
- Mr Nigel Hartley
Independent Non-Executive Director
- Mr Christopher Hodge
Independent Non-Executive Director
- Mr Robert Leon
Independent Non-Executive Director
- Mr Graham Mulligan
Independent Non-Executive Director

Further information relating to the ROC Directors is contained in section 7 of this Target's Statement.

Location	Asset	Field & ROC Interest	Activity	Operator Status	1H2014 Net Production and Work Programme
China	Zhao Dong	C&D Fields 24.5% ² C4 Fields 11.67% ³ Chenghai and Zhanghai Blocks 39.2% ⁴	Production	Operator ⁵	0.7 MMBOE
	Block 09/05	60% ⁶	Exploration	Operator	Completed seismic processing and first exploration well drilling completed on 7 September 2014
	Beibu Gulf	WZ 6-12 40%/19.6% ⁷ WZ 12-8 W 40%/19.6% ⁸	Production	Non-operator	0.5 MMBOE
Malaysia	D35/D21/J4	30%	Production	Non-operator	ROC farm-in effective 1 January 2014. The Fields are currently in production with redevelopment activities planned
	Balai Cluster	Risk service contractor 48% Bentara	Appraisal, Development	BCP – Operator	Production commenced on 25 May 2014 with a stabilised start up rate of approximately 1,300 BOPD and 0.8 MMscfd
Australia	WA-31-L	Cliff Head 42.5%	Production	Operator	0.2 MMBOE
	L14	Jingemia 0.25%	Shut in	Non-operator	–
UK	Blane Oil Field	Blane 15.24%/12.5% ⁹	Production	Non-operator	0.1 MMBOE
	Enoch Oil and Gas Field	Enoch 15%/12% ¹⁰	Production	Non-operator	Offline during 1H14. Production expected to recommence during 2H14
Myanmar	Block M07 ¹¹	59.375%	Exploration	Operator	–



1 As at 1 January 2014, post D35/D21/J4 farm-in and BMG sale.
 2 Interest in field development post-government back-in.
 3 Unitised interest in producing field (pending final Joint Management Committee approval).
 4 Interest in field development post-government back-in.
 5 PetroChina has notified ROC of its intention to assume operatorship during 2015 subject to PC terms.

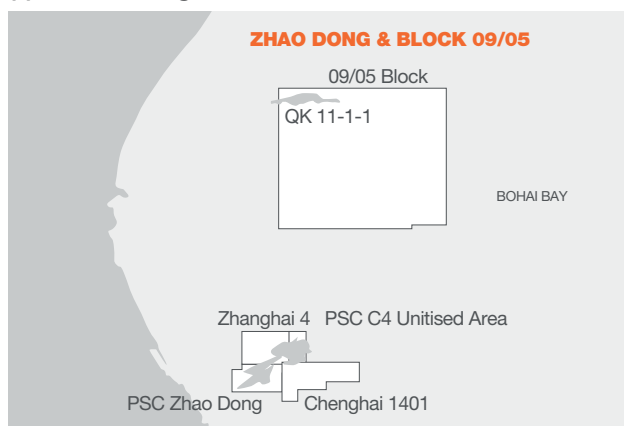
6 Farm-out of 40% participating interest to AWE China Pte Ltd subject to regulatory approval.
 7 Interest in field development post-government back-in.
 8 Interest in field development post-government back-in.
 9 Unitised interest in producing field.
 10 Unitised interest in producing field.
 11 Subject to ROC Board approval and finalisation of terms with the MOE.

4.3 ROC's principal activities

(a) China



(1) Zhao Dong



ROC acquired its interest in the Zhao Dong Block, Bohai Bay in 2006. The asset now comprises three producing fields (the C, D and C4 Fields).

In March 2011, the existing PC covering the Zhao Dong Block was modified to include the adjacent Zhanghai and Chenghai Blocks with the aim of commercialising previous near field discoveries in the area and encouraging further exploration activity.

Key details of the Zhao Dong Block and Zhanghai and Chenghai Blocks are contained in the table below.

Zhao Dong, Bohai Bay, offshore China

Operator¹	Roc Oil (Bohai) Company
ROC Interest	24.5% ² (C&D Fields); 11.667% ³ (C4 Field); 39.2% ⁴ (Zhanghai and Chenghai Blocks)
Joint venture partners and interests	PetroChina Company Limited: 51% ⁵ (C&D Fields); 76.666% ⁶ (C4 Field); 51% ⁷ (Zhanghai and Chenghai Blocks) New XCL-China LLC (Sinochem): 24.5% ⁸ (C&D Fields); 11.667% ⁹ (C4 Field); 9.8% ¹⁰ (Zhanghai and Chenghai Blocks)
1H 2014 production rate	Gross: 16,365 BOPD Net to ROC: 3,801 BOPD
Net 2P Reserves as at 1 January 2014	3.7 MMBOE (21% of ROC's net 2P Reserves) (see section 4.4(e))
Production start-up	2003 (C&D Fields); 2008 (C4 unitised Field and extended reach area of C&D Fields)
Field facilities	Four bridge-linked platforms, two of which are for drilling and accommodation and two of which are for production and processing. The C4 Field unit facilities comprise a wellhead platform, utility platform and pipelines to the C&D Field platform for oil and gas processing. Oil and gas production is delivered to onshore refinery and gas sales by pipelines.

The C, D and C4 Fields in the Zhao Dong Block are currently producing and undergoing simultaneous continuous development. Since acquiring the asset, the ROC-led joint venture has drilled over 170 development wells in the Block, installed two platforms adjacent to the existing Zhao Dong platforms and installed new facilities at the C4 Field.

1 PetroChina has notified ROC of its intention to assume operatorship during 2Q 2015 subject to PC terms.

2 Interest in field development post-government back-in.

3 Unitised interest in producing field (pending final Joint Management Committee approval).

4 Interest in field development post-government back-in.

5 Interest in field development post-government back-in.

6 Unitised interest in producing field (pending final Joint Management Committee approval).

7 PetroChina Company Limited exercised option to back-in for 51% on any future commercial development following the successful drilling of H-1 effective 12 August 2011.

8 Interest in field development post-government back-in.

9 Unitised interest in producing field (pending final Joint Management Committee approval).

10 Interest in field development post-government back-in.

In 2013, net production to ROC from Zhao Dong was 1.5 MMBOE (4,017 BOEPD), comprising 55% of ROC's total production for 2013. Revenue from Zhao Dong in 2013 was US\$134.7 million with gross profit of US\$43.7 million net to ROC.

Development expenditure of US\$33.9 million (2012: US\$26.7 million) was incurred during the 2013 financial year and a total of 18 wells were drilled during the period.

In the first half of 2014, net production to ROC from Zhao Dong was 0.7 MMBOE (3,801 BOEPD), comprising 40% of ROC's total production for the first half of 2014. Revenue from Zhao Dong in the first half of 2014 was US\$65.7 million with gross profit of US\$25.0 million net to ROC.

Development expenditure in the first half of 2014 of US\$5.4 million was incurred on five wells drilled.

In 2013, ROC submitted an Incremental Development Plan (IDP) designed to achieve continuous development beyond 2018, being the end of the current licence term for the blocks. The IDP submitted to PetroChina Company Limited offers continuous economic development activities until 2023. The plan requires a licence extension beyond 2018 to 2023, and the IDP proposes a five-year extension and investment in the development facilities and wells required to maximise oil recovery from the fields.

(2) Block 09/05

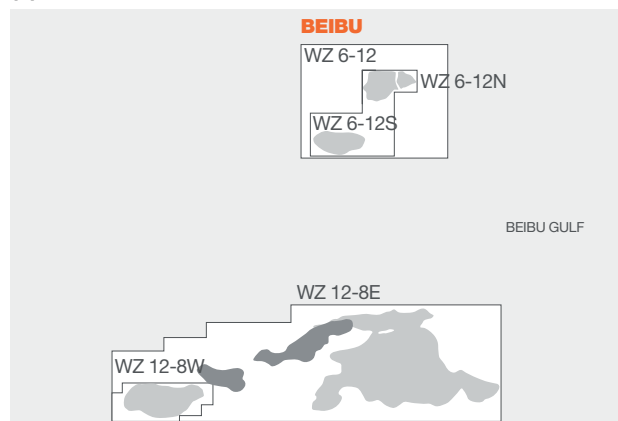
ROC's 60%¹ exploration interest in Block 09/05 in the Bohai Bay in offshore China was awarded in May 2012 and offers a series of significant oil exploration opportunities. Block 09/05 has gross acreage of 335 sq km and is located 15km north of ROC's existing facilities at Zhao Dong.

On 8 August 2014, Roc Oil (Bohai) Company entered into a farm-in agreement with AWE China Pte Ltd (AWE) in Block 09/05. Under the terms of the agreement, AWE farmed-in to a 40% working interest in Block 09/05 for US\$2 million cash for past costs, 60% of the first exploration well costs and 54% of the second exploration well costs. Initial gross drilling costs per well are estimated at US\$14.7 million; should drilling costs exceed the initial estimate, AWE will contribute at a 40% working interest. CNOOC has approved the farm-out and ROC will remain the operator, with a 60% working interest.

The first exploration well was drilled using CNPC Offshore Engineering Co. Ltd's Rig 33 to a total depth of 4,377 metres measured depth (3,862 metres Total Vertical Depth) on 7 September 2014. Logging has been completed and plans for well abandonment are underway. The well did not confirm the presence of commercial hydrocarbons.

The minimum work commitment for the first phase of the exploration period includes 3D seismic acquisition and the drilling of two exploration wells. ROC completed acquisition of 3D ocean bottom cable seismic in October 2013 and has completed drilling the first exploration well in September 2014.

(3) Beibu Gulf



Production in the WZ 6-12 and WZ 12-8 West development areas in the Beibu Gulf in the South China Sea, offshore China commenced in March 2013 and all 15 wells were online by August 2013.

Key details of the Beibu Gulf project are contained in the table below.

WZ 6-12 and WZ 12-8 W, Beibu Gulf, offshore China

Operator	CNOOC Limited (development and production) Roc Oil (China) Company (exploration and appraisal)
ROC Interest	19.6% ² (development and production); 40% (exploration and appraisal)
Joint venture partners and interests	CNOOC Limited: 51% (development and production) Horizon Oil (Beibu) Limited & Horizon Oil (Nanhai) Limited: 26.95% (development and production); 55% (exploration and appraisal) Oil Australia Pty Ltd (Majuko): 2.45% (development and production); 5% (exploration and appraisal)
1H2014 production rate	Gross: 12,545 BOPD Net to ROC: 2,459 BOPD
Net 2P Reserves as at 1 January 2014	4.7 MMBOE (27% of ROC's net 2P Reserves) (see section 4.4(e))
Production start-up	March 2013
Field facilities	Two wellhead platforms and one joint processing platform, which are connected by bridge to the CNOOC WZ 12-1A platform complex and utilise existing water injection and oil and gas export facilities.

1 Farm-out of 40% participating interest to AWE China Pte Ltd subject to regulatory approval. The Chinese government (CNOOC) has the right to participate in up to 51% of any development.

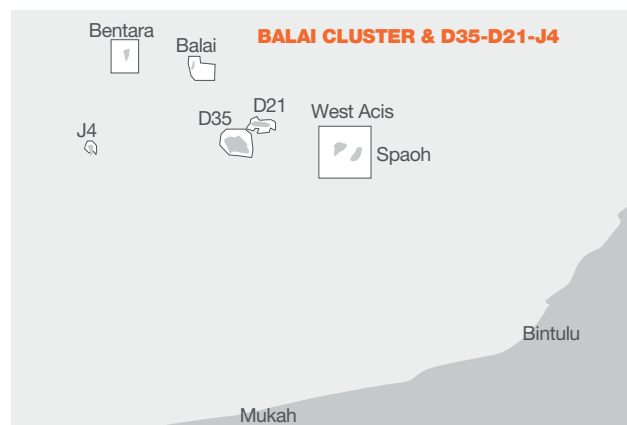
2 Interest in field development post-government back-in.

The Beibu Gulf project produced 0.6 MMBOE net to ROC for the period from start-up in March 2013 to 31 December 2013, contributing 22% of total production in 2013. Revenues from the Beibu Gulf project totalled US\$57.2 million in the same period, offset by production costs of US\$10.92/BBL, providing an operating profit of US\$29.0 million.

In the first half of 2014, the project produced 2,459 BOEPD (gross) and contributed approximately 26% to ROC's first half of 2014 production. Revenue from the Beibu Gulf project totalled US\$43.8 million in the same period, offset by production costs of US\$9.87/BBL, providing a gross profit of US\$22.3 million.

There are two undeveloped oil accumulations in the retained development areas (WZ 12-8 E and WZ 12-3) with development feasibility studies in progress for WZ 12-8 E and an overall development plan under preparation and scheduled to complete by first quarter 2015. ROC has commenced drilling the first of two new exploration wells. Both wells will be drilled in 2H2014 to fully evaluate all near field exploration potential in the recently expanded development area.

(b) Malaysia



(1) D35/D21/J4

The D35/D21/J4 Fields are located on the continental shelf in the Sarawak Basin in offshore Eastern Malaysia, in water depths of approximately 50 metres. In April 2014, ROC announced a farm-in for a 50% participating interest in the D35/D21/J4 Fields which were previously 100% held and operated by PETRONAS Carigali Sdn Bhd. The farm-in agreement included amendments to the existing PSC effective from 1 January 2014 until 31 December 2034. The terms of this PSC are designed for field redevelopment and enhanced oil recovery to commercially encourage progressive incremental oil and associated gas development over the full life of the PSC for the project.

D35 is the largest of the three fields with the longest production history and represents a significant brownfield redevelopment project. Within the D35 Field boundary, there is evidence of significant appraisal and near-field exploration potential. J4 and D21 are satellite producing assets.

The Fields, particularly D35, contain material in-place oil and gas volumes, and overall field recovery is expected to benefit significantly from the introduction of secondary and tertiary recovery technologies. The fields provide a portfolio of Reserves plus Contingent and Prospective Resources, which when combined add to and extend the Reserves and resources life of ROC.

In addition, the project also offers exploration opportunities with one exploration well already under consideration for drilling in 2015.

Key details of the D35/D21/J4 Fields are contained in the table below.

D35/D21/J4, offshore Sarawak Basin, Eastern Malaysia

Operator	PETRONAS Carigali Sdn Bhd
ROC Interest	30%
Joint venture partners and interests	PETRONAS Carigali Sdn Bhd: 40% E&P Malaysia Venture Sdn Bhd: 10% Dialog Resources Sdn Bhd: 20%
Net 2P Reserves as at 1 January 2014	5.2 MMBOE (30% of ROC's net 2P Reserves) (see section 4.4(e))

In May 2014, ROC entered into a Letter of Intent to farm-out a 20% participating interest to Dialog Resources Sdn Bhd. The Dialog farm-in is complete and has reduced ROC's participating interest to 30%. The 20% farm-out has been approved by PETRONAS and existing joint venture partners.

The project is being delivered by an integrated project team comprising personnel from ROC and PETRONAS Carigali Sdn Bhd. PETRONAS Carigali Sdn Bhd continues to be the operator of the relevant PSC and retains responsibility for operations and maintenance of the facilities. ROC has been appointed project development manager, responsible for subsurface management, well engineering, new facilities projects and redevelopment project execution.

The estimates set out in this section 4.3(b)(1) are based on ROC's feasibility study of the fields or development area. Therefore, the estimates should not be construed as being estimates supported or endorsed by PETRONAS.

(2) Balai Cluster

The Balai Cluster Risk Service Contract (**Balai Cluster RSC**) is a cluster of marginal oil and gas fields (Balai, Bentara, West Acis and Spaoh) located in the Sarawak Basin in offshore Malaysia, in water depths of approximately 50-60 metres. PETRONAS entered into the Balai Cluster RSC on 16 August 2011 with a contractor group comprising Roc Oil Malaysia (Holdings) Sdn Bhd, DIALOG Group and PETRONAS Carigali Sdn Bhd. PETRONAS Carigali's interest was subsequently transferred to a wholly owned subsidiary, E&P Malaysia Solutions Co Sdn Bhd. A joint venture company, BC Petroleum Sdn Bhd (**BCP**), was created to appraise and develop the fields within the RSC.

Key details of the Balai Cluster RSC are contained in the table below.

Balai Cluster RSC, offshore Sarawak Basin, Malaysia

Operator	BC Petroleum Sdn Bhd
ROC Interest	48%
Joint venture partners and interests	Dialog D & P Sdn Bhd: 32% E&P Malaysia Solutions Co Sdn Bhd: 20%

An FDP for the Bentara Field, within the Balai Cluster RSC, was approved by PETRONAS in March 2014. The FDP is designed to deliver early production utilising the existing wells and facilities established during the pre-development phase, including Bentara-2 and Bentara-3 wells, Bentara well head platform and the early production vessel (**EPV**).

The field was successfully brought to stream on 25 May 2014 and has achieved the First Oil milestone with a stabilised start-up rate of approximately 1,300 BOPD of oil and 0.8 MMscfd of gas over the period.

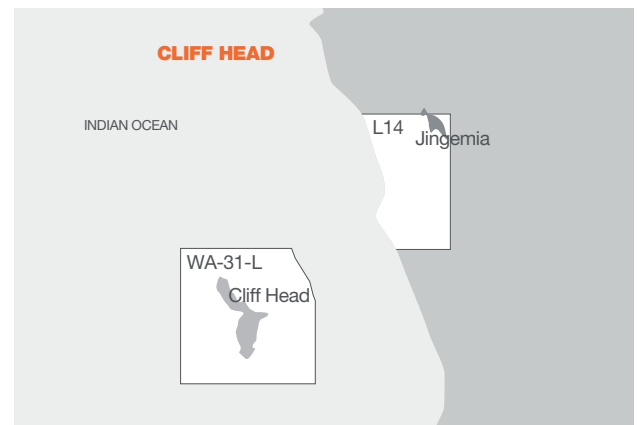
Production from the Field is occurring through the existing platform and two of the drilled wells. Production is being processed through the EPV and transferred to point of sale via a ship-to-ship transfer to a shuttle tanker, with the first transfer of approximately 50,000 barrels completed on 18 July 2014.

Under the terms of the Balai Cluster RSC, BCP (and ROC) do not have title to the oil produced and therefore are not able to book Reserves and resources associated with the Bentara Field. ROC is unable to show Bentara production and revenue within its reported volumes.

BCP has invested approximately US\$350 million of which US\$162 million was sourced from bank loans and the balance from shareholders. Early production field development is expected to be funded from cash flow and cost reimbursement under the RSC and is anticipated to occur over the period from mid-2014 to the end of 2015.

The estimates set out in this section 4.3(b)(2) are based on ROC's feasibility study of the fields or development area. Therefore, the estimates should not be construed as being estimates supported or endorsed by PETRONAS.

(c) Australia



ROC's only producing asset in Australia is the Cliff Head Oil Field in production licence WA-31-L in the offshore Perth Basin, approximately 10km offshore Western Australia. The Cliff Head Oil Field is currently the only commercial oil discovery in the offshore Perth Basin. The Cliff Head Oil Field, which is in 15-20 metres of water, is operated by ROC and was discovered, appraised and developed by ROC as operator, together with its current and former co-venturers.

Key details of the Cliff Head Oil Field are contained in the table below.

Cliff Head Oil Field, WA-31-L, offshore Perth Basin, Western Australia

Operator	Roc Oil (WA) Pty Limited
ROC Interest	42.5%
Joint venture partners and interests	AWE Limited (via subsidiaries): 57.5%
1H2014 production rate	Gross: 1,988 BOPD Net to ROC: 845 BOPD
Net 2P Reserves as at 1 January 2014	2.2 MMBOE (13% of ROC's net 2P Reserves) (see section 4.4(e))
Production start-up	May 2006
Field facilities	Jack-up installed unmanned platform, connected by two 14km pipelines to an onshore stabilisation plant at Arrowsmith. Production is processed at the onshore crude stabilisation plant and trucked 350km to the BP refinery at Kwinana. The oil is sold to BP under a term contract covering the life of the Field at a price linked to regional crude oil prices.

The Cliff Head Oil Field is now considered to be a mature producing asset and continues to perform in line with expectations. The Field produced 0.4 MMBOE (1,061 BOEPD net to ROC) in the 12 months to 31 December 2013. In the same period, revenue from Cliff Head was US\$41.1 million.

In the first half of 2014 the Field produced 0.2 MMBOE (845 BOEPD net to ROC) and revenue of US\$16.5 million.

(d) United Kingdom

ROC has non-operated interests in the trans-median (UK-Norway) Blane Oil Field and the Enoch Oil and Gas Field in the North Sea.

(1) Blane Oil Field

ROC purchased a 15.24% interest in the licence containing the UK portion of the undeveloped Blane Oil Field in 1999 and currently holds a 12.5% interest in the unitised field which extends into the Norwegian sector. ROC's annual working interest in oil production from the Blane Oil Field was 0.2 MMBOE to 31 December 2013. The Blane Oil Field contributed 8% of ROC's total production for 2013 and revenue of US\$18.1 million.

In the first half of 2014 the Blane Oil Field produced 0.1 MMBOE. The Blane Oil Field contributed 6% of ROC's total production for the first half of 2014 and revenue of US\$15.9 million.

Key details of the Blane Oil Field are contained in the table below.

Blane Oil Field, P111-Block 30/3a (Upper), North Sea

Operator	Talisman Energy Norge AS (Field Operator) Talisman Sinopec Energy (UK) Limited (Wells Operator)
ROC Interest	12.5% unitised; 15.24% un-unitised
Joint venture partners and interests	Talisman Energy Norge AS – Field Operator: 18% Talisman Sinopec Energy (UK) Limited – Wells Operator: 25% Dana Petroleum (BVUK) Limited: 12.5% Faroe Petroleum (UK) Limited: 18% JX Nippon Exploration and Production (UK) Limited: 14%
1H2014 production rate	Gross: 4,704 BOPD Net to ROC: 588 BOPD
Net 2P Reserves as at 1 January 2014	1.3 MMBOE (7% of ROC's net 2P Reserves) (see section 4.4(e))
Production start-up	September 2007
Field facilities	Two horizontal production wells with gas lift and one water injection well tied back to BP-operated Ula platform located in the Norwegian continental shelf (approximately 34km to the north-east)

(2) Enoch Oil and Gas Field

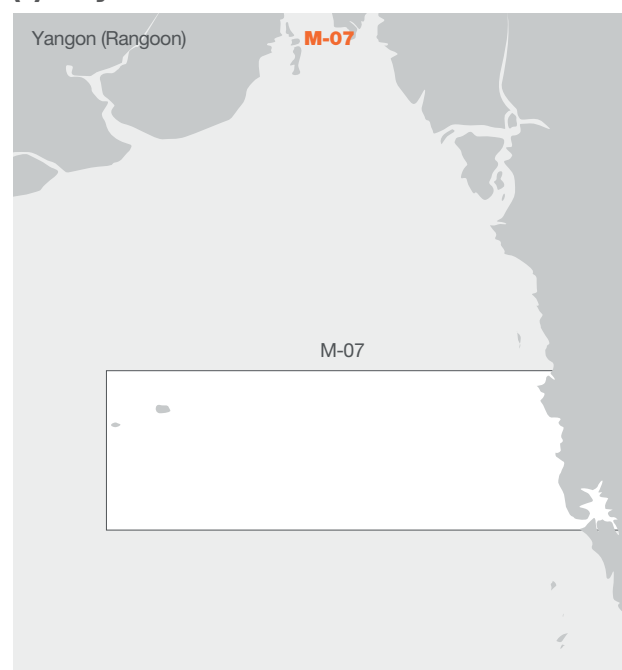
The Enoch Oil and Gas Field has been shut in since 29 January 2012 due to mechanical issues in subsea equipment. Restoration works were completed in the first quarter of 2014 and production is expected to resume in the second half of 2014.

Key details of the Enoch Oil and Gas Field are contained in the table below.

Enoch Oil and Gas Field, P219-Block 16/13a&e, North Sea

Operator	Talisman Sinopec North Sea Limited
ROC Interest	12% unitised; 15% un-unitised
Joint venture partners and interests	Talisman Sinopec North Sea Limited – Operator: 25.2% Dana Petroleum (BVUK) Limited: 20.8% Endeavour Energy UK Limited: 8% First Oil Expro Limited: 14% Statoil Petroleum AS: 11.78% Noreco Oil AS: 4.36% DetNorske AS: 2% Faroe Petroleum AS: 1.86%
1H2014 production rate	–
Net 2P Reserves as at 1 January 2014	0.3 MMBOE (2% of ROC's net 2P Reserves) (see section 4.4(e))
Production start-up	May 2007
Field facilities	One subsea production well with gas lift capability tied back to the Marathon Oil Corporation-operated Brae-A platform located on the United Kingdom continental shelf (approximately 15km to the south-west)

(e) Myanmar



Block M07 is located in the gas and condensate prone Moattama Basin, offshore Myanmar in water depths of between 15-50 metres at the mouth of the Irrawaddy Delta. The block is 13,000 sq km in size and is situated 160km east of the 6.5 Tcf Yadana Field and 110km north-east of the 1.5 Tcf Zawtika Field.

In 2013, after pre-qualifying for the Myanmar offshore licensing round, ROC submitted bids for two offshore shallow water blocks, including Block M07. In March 2014, ROC was notified by the Myanmar Ministry of Energy (MOE) of the successful award of a PSC for Block M07.

The PSC award is subject to finalisation of terms with the MOE and ROC Board approval which is anticipated to occur in the second half of 2014. ROC will hold a 59.375% interest and operate the licence on behalf of the joint venture participants, Tap Oil Limited and Smart E&P International Co. Ltd. The block award includes a provision for the joint venture to undertake an 18 month Environmental Impact Assessment and Study Period, following which it has an option to proceed into a three year exploration work programme.

4.4 ROC's Reserves and resources statement

(a) Economic interest Reserves by asset as at 1 January 2014

	1P Dev Oil (MMBBL)	1P Undev Oil (MMBBL)	1P Dev Gas (BCF)	1P Undev Gas (BCF)	1P Total BOE (MMBOE)	2P Dev Oil (MMBBL)	2P Undev Oil (MMBBL)	2P Dev Gas (BCF)	2P Undev Gas (BCF)	2P Total BOE (MMBOE)
Zhao Dong	2.2	0.6	0.5	0.2	2.9	2.4	1.2	0.6	0.3	3.7
Beibu	3.9	0.0	0.0	0.0	3.9	4.7	0.0	0.0	0.0	4.7
Cliff Head	1.4	0.0	0.0	0.0	1.4	2.2	0.0	0.0	0.0	2.2
Blane	0.7	0.0	0.1	0.0	0.7	1.3	0.0	0.1	0.0	1.3
Enoch	0.2	0.0	0.0	0.0	0.2	0.3	0.0	0.0	0.0	0.3
D35/D21/J4 ¹	0.9	2.0	2.7	2.0	3.7	1.4	2.6	3.7	3.2	5.2
Closing Balance 1 Jan 14	9.3	2.6	3.3	2.2	12.8	12.3	3.8	4.4	3.5	17.4

(b) Economic interest Reserves and resources by region as at 1 January 2014

	2P		2C		Best Estimate Prospective Risked Resource			
	MMBOE	Oil MMBBL	Gas BCF	MMBOE	Oil MMBBL	Gas BCF	MMBOE	
Malaysia	5.2	22.1	10.3	23.9	7.2	0.0	7.2	
China	8.4	5.5	1.0	5.7	13.1	1.3	13.3	
Australia	2.2	2.3	–	2.3	0.5	–	0.5	
UK	1.6	0.9	5.6	1.8	0.0	0.0	0.0	
Closing Balance 1 Jan 14	17.4	30.8	16.9	33.7	20.8	1.3	21.0	

The estimated quantities of petroleum that may potentially be recovered by the application of future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further appraisal is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

(c) Reconciliation of economic interest Reserves

	1P Developed and Undeveloped			2P Developed and Undeveloped		
	Oil (MMBBL)	Gas (BCF)	BOE (MMBOE)	Oil (MMBBL)	Gas (BCF)	BOE (MMBOE)
Opening Balance 31 Dec 2013 (economic interest)	9.0	0.8	9.1	12.1	1.0	12.2
D35/D21/J4 (economic interest)	2.9	4.7	3.7	4.1	6.9	5.2
Closing Balance 1 Jan 2014 (economic interest)	11.9	5.5	12.8	16.2	7.9	17.4

(d) Reconciliation of economic interest resources

	2C BOE (MMBOE)	Best Estimate Prospective Risked Resource ² (MMBOE)
Opening Balance 31 Dec 13	23.6	37.8
D35/D21/J4 (economic interest)	23.9	7.2
Beibu 12-8 East ³	0.8	0.6 ⁴
BMG Sale	(14.6)	(6.2)
09/05 ⁵	–	(18.4)
Closing Balance 1 Jan 2014 (economic interest)	33.7	21.0

1 Assuming ROC has 30% participating interest following farm-out of 20% participating interest.

2 This is ROC's initial assessment of estimated prospective risked resources and will be revised during phases 1 and 2.

3 Updated as at 30 May 2014.

4 Subject to approval of licence boundary extension.

5 Updated to reflect farm-out of 40% participating interest to AWE (released on 14 August 2014) and incorporating the QK11-1-1 well results (released on 10 September 2014).

(e) Reserves and resources methodology

The deterministic method has been used to compile Reserve and Contingent Resource estimates and the probabilistic method has been used to compile Prospective Resource estimates. The aggregate 1P Reserve may be a very conservative estimate and the aggregate 3P Reserve may be a very optimistic estimate due to the portfolio effects of arithmetic summation. Prospective Resources have been adjusted for risk using the chance of discovery.

Estimates of Reserves are reported net of lease fuel. The reference point used for the purposes of measuring and assessing the estimated Reserves is the sales point.

ROC has put in place an *Estimation and Reporting of Reserves and Resources Guideline* which sets out the governance arrangements and internal controls regarding the reported estimates of petroleum Reserves and resources and the estimation process to apply at ROC. The guideline provides for an annual review of all Reserves and resources by the ROC Chief Reservoir Engineer (**ROC CRE**) and for an annual audit covering all material assets over a rolling three year period.

All audits are undertaken by independent third party resource evaluators and are overseen by the ROC CRE who is a petroleum Reserves and resources evaluator qualified in accordance with Listing Rule requirements. No public reporting of any Reserves or resources estimate is permitted without the sign-off by the ROC CRE and the approval of the ROC Chief Executive Officer. All public reporting of the Reserves or resources estimates is in accordance with the requirements set out in Chapter 5 of the Listing Rules and the ROC Continuous Disclosure Policy.

The ROC Reserves, Contingent Resources and Prospective Resources reported in this section 4.4(e) were estimated, reviewed and audited in accordance with the ROC *Estimation and Reporting of Reserves and Resources Guideline*.

The Reserves, Contingent Resources and Prospective Resources estimates used in this section are supported by Bill Billingsley's (ROC CRE and full-time employee of ROC) statement contained in the Important Notices section of this Target's Statement.

4.5 ROC historical financial information

(a) ROC's 30 June 2014 half yearly financial results (unaudited)

ROC's financial statements (unaudited) for the half year ended 30 June 2014 were released to the ASX on 20 August 2014 and are attached in Annexure A to this Target's Statement.

During the period, ROC reported a net profit after tax of US\$53.8 million including a US\$32.6 million profit on the sale of BMG relating to the reversal of the provision for abandonment.

At 30 June 2014, ROC had net cash of US\$67.2 million and an undrawn debt facility of US\$60 million.

(b) Historical financial information of the ROC Group (audited)

The selected statement of comprehensive income, financial position and statement of cash flows information contained below for ROC is extracted from the audited consolidated financial statements of ROC for the years ended 31 December 2013, 31 December 2012 and 31 December 2011.

The financial information has been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards (including Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board and the Corporations Act. The financial information also complies with the recognition and measurement requirements of International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. The audit opinions in these financial statements were issued by Ernst & Young and were unqualified.

The financial information presented in the tables below does not represent complete financial statements and should therefore be read in conjunction with the financial statements for the respective periods, including the description of accounting policies contained in those financial statements and the notes to those financial statements. Where appropriate, adjustments have been made to headings and classifications of historical data to provide a consistent basis of presentation.

Except as set out in section 4.5(a) and Annexure A, in the interval between the end of the year ending 31 December 2013 and the date of this Target's Statement, there has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the ROC Directors, to significantly affect the operations of the ROC Group, the results of those operations, or the state of affairs of the ROC Group, in future financial years other than as disclosed in the 31 December 2013 full year financial statements and subsequent filings on ASX.

ROC Shareholders may view complete copies of the audited consolidated financial statements of ROC for the years ending 31 December 2013, 31 December 2012 and 31 December 2011 on ASX's website at www.asx.com.au or on the ROC website at www.rocoil.com.au.

(c) ROC consolidated statement of comprehensive income

	2013 US\$'000	2012 US\$'000	2011 US\$'000
Sales revenue	250,995	242,067	285,831
Operating costs	(154,889)	(135,917)	(177,864)
Gross profit	96,106	106,150	107,967
Other income	189	3,967	193
Gain on sale of exploration and development assets	8,000	10,315	40
Net derivative losses	–	(878)	(13,140)
Exploration expensed and written off	(16,537)	(18,081)	(13,548)
Reversal of prior period impairment of oil and gas assets	–	–	18,633
Provision for restoration	–	(3,379)	–
Impairment of investment in associate company	(6,900)	–	–
Foreign currency translation reserve gain on liquidation of subsidiary	36	4,649	–
Impairment of exploration asset	–	–	(484)
Other costs	(15,346)	(13,413)	(12,987)
Finance costs	(3,839)	(6,595)	(6,003)
Profit before income tax	61,709	82,735	80,671
Income tax expense	(16,520)	(21,781)	(52,924)
Net profit	45,189	60,954	27,747
Other comprehensive income			
Foreign currency translation reserve gain on liquidation of subsidiary	(36)	(4,649)	–
Cash flow hedges transferred to trading profit	–	–	946
Other comprehensive loss net of tax	(36)	(4,649)	946
Total comprehensive profit	45,153	56,305	28,693
Basic earnings per share – cents	6.6	8.9	3.9
Diluted earnings per share – cents	6.5	8.8	3.9

(d) ROC consolidated statement of financial position

	2013 US\$'000	2012 US\$'000	2011 US\$'000
Current assets			
Cash assets	65,140	56,783	39,624
Trade and other receivables	32,361	25,474	67,335
Inventories	2,133	658	2,305
Derivatives	–	–	1,318
Total current assets	99,634	82,915	110,582
Non-current assets			
Oil and gas assets	227,158	237,292	218,342
Exploration and evaluation expenditure	587	1,094	1,169
Property, plant and equipment	858	1,080	1,678
Deferred tax assets	20,594	13,021	5,115
Investments in associate companies	67,203	33,422	15,999
Total non-current assets	316,400	285,909	242,303
Total assets	416,034	368,824	352,885
Current liabilities			
Trade and other payables	42,247	36,088	48,136
Current tax liabilities	8,258	9,944	21,195
Provisions	14,235	10,868	13,091
Total current liabilities	64,740	56,900	82,422
Non-current liabilities			
Bank loan	–	–	13,082
Deferred tax liabilities	21,078	26,406	31,777
Provisions	63,961	66,869	63,995
Total non-current liabilities	85,039	93,275	108,854
Total liabilities	149,779	150,175	191,276
Net assets	266,255	218,649	161,609
Equity			
Share capital	734,150	734,150	734,150
Accumulated losses	(488,833)	(534,022)	(594,976)
Other Reserves	20,938	18,521	22,435
Total equity	266,255	218,649	161,609

(e) ROC consolidated statement of cash flows

	Inflow/ (Outflow) 2013 US\$'000	Inflow/ (Outflow) 2012 US\$'000	Inflow/ (Outflow) 2011 US\$'000
Cash flows from operating activities			
Cash generated from operations	154,341	190,336	176,166
Derivatives received/(paid)	68	(676)	(42,792)
Payments for exploration and evaluation expenses	(16,470)	(5,449)	(11,249)
Interest received	189	3,965	151
Finance costs paid	(1,579)	(2,866)	(3,473)
Payments made for abandonment costs	(2,299)	–	–
Payments for non-production phase for BMG	(1,837)	(12,099)	(21,451)
Income taxes and PRRT paid	(30,878)	(46,950)	(53,958)
Net cash generated from operating activities	101,535	126,261	43,394
Cash flows from investing activities			
Payments for plant and equipment	(184)	(104)	(498)
Payments for development expenditure	(59,561)	(59,401)	(35,379)
Payments for exploration and evaluation expenditure initially capitalised	–	(19,404)	(5,711)
Proceeds from sale of exploration and development assets	7,985	1,779	20,518
Adjustments/(payments) for acquisition of additional 5% interest in Cliff Head	–	551	(2,664)
Investment in associate company	(40,680)	(17,423)	(15,999)
Net cash used in investing activities	(92,440)	(94,002)	(39,733)
Cash flows from financing activities			
Share buy-back payments	–	–	(10,051)
Bank loan repayments	–	(15,000)	(50,000)
Bank loan advances	–	–	15,000
Net cash used in financing activities	–	(15,000)	(45,051)
Net increase/(decrease) in cash held	9,095	17,259	(41,390)
Cash at beginning of financial year	56,783	39,624	80,960
Effect of exchange rate changes on the balance of cash held in foreign currencies	(738)	(100)	54
Cash at end of financial year	65,140	56,783	39,624

4.6 Management discussion and analysis in relation to historical financial information

(a) ROC's 30 June 2014 half yearly financial results (unaudited)

The information in this section has been adapted from ROC's discussion and analysis of financial statements for the half year ended 30 June 2014 contained in ROC's 2014 Financial Half Year Report Ended 30 June 2014, attached in Annexure A to this Target's Statement.

For the six months ended 30 June 2014, the ROC Group reported a net profit after income tax of US\$53.8 million (1H13: US\$20.5 million) from a gross profit of US\$56.3 million (1H13: US\$49.0 million). Included in the current period result was an after tax profit on the sale of ROC's interest in BMG for US\$32.6 million.

Oil and gas sales revenue was US\$143.4 million (1H13: US\$114.1 million) generated from sales volumes of 1.4 MMBOE (1H13: 1.1 MMBOE), which achieved an average realised oil price of US\$105.75/BBL (1H13: US\$104.21/BBL).

Operating costs were US\$87.1 million (1H13: US\$65.1 million) and included production costs of US\$25.8 million (US\$15.04/BOE), amortisation of US\$39.7 million (US\$23.11/BOE) and Chinese special oil income levy and royalty of US\$25.3 million.

Exploration expenditure of US\$2.2 million (1H13: US\$4.7 million) was incurred during the period. In accordance with ROC's Successful Efforts accounting policy, US\$2.1 million (1H2013: US\$4.6 million) in exploration costs were expensed during the period.

An income tax expense of US\$19.1 million (1H13: US\$14.2 million) was incurred during the period, which included a current income tax expense of US\$16.4 million, a prior year under provision of US\$2.3 million and PRRT expense of US\$4.5 million offset by a favourable movement in deferred income tax of US\$4.1 million.

The basic earnings per share for the period was US\$0.078 based upon a weighted average number of fully paid ordinary shares on issue of 687,010,999 million shares.

At 30 June 2014, ROC's net cash position was US\$67.2 million (2013: US\$65.1 million) and the total undrawn debt facility limit available was US\$60.0 million.

Net cash generated during the period from operating activities was US\$32.1 million and was mainly used to fund development of US\$21.7 million and the ongoing investment in BCP of US\$8.5 million.

(b) Historical financial information of the ROC Group (audited)

The information in this section has been adapted from ROC's discussion and analysis of financial statements for the year ended 31 December 2013 contained in ROC's 2013 Annual Report.

The ROC Group's net profit after income tax in the 2013 financial year ended 31 December 2013 was US\$45.2 million (2012: US\$61.0 million) and gross profit was US\$96.1 million (2012: US\$106.2 million).

Included in the overall result were items relating to:

- (1) after-tax profit on the sale of the Juan de Nova Maritime Profound Block of US\$8.0 million;
- (2) exploration expense of US\$16.5 million; and
- (3) impairment of the investment in BC Petroleum Sdn Bhd of US\$6.9 million.

Basic earnings per share for the year to 31 December 2013 were US\$0.066 based on a weighted average number of fully paid ordinary shares on issue of 683,580,268 shares.

Oil and gas sales revenue of US\$251.0 million (2012: US\$242.1 million) was generated from sale volumes of 2.4 MMBOE (2012: 2.1 MMBOE), which achieved an average realised oil price of US\$104.61/BBL (2012: US\$113.60/BBL).

Operating costs of US\$154.9 million (2012: US\$135.9 million) comprised production costs of US\$51.0 million (US\$19.26/BOE), amortisation costs of US\$70.8 million (US\$26.71/BOE), and Chinese special oil income levy and royalty of US\$35.1 million offset by stock movement of US\$2.0 million.

Exploration and evaluation expenditure of US\$16.0 million (2012: US\$29.0 million) was incurred during the 2013 financial year, attributable to seismic acquisition and processing costs on Block 09/05 and new venture costs. In accordance with ROC's Successful Efforts accounting policy, US\$16.5 million (2012: US\$18.1 million) in exploration costs were expensed and written-off during the period.

An income tax expense of US\$16.5 million (2012: US\$21.8 million) was incurred during the financial year ended 31 December 2013, which included an income tax expense of US\$18.7 million and current PRRT of US\$11.0 million offset by a prior year over-provision of US\$0.3 million and an income tax credit of US\$12.9 million relating to timing differences.

As at 31 December 2013, ROC's net cash position was US\$65.1 million.

4.7 Update on ROC financial performance and financial position

ROC expects that its Quarterly Activity Report for the quarter ending 30 September 2014 will be disclosed to the ASX on or before 31 October 2014. A copy of this report will be available at www.asx.com.au and www.rocoil.com.au.

4.8 Recent ROC share price performance

The graph below shows the ROC share price for the 12 months to 10 September 2014.

As at 10 September 2014:

- (a) the last recorded trading price of ROC Shares was A\$0.685;
- (b) the 10 day VWAP of ROC Shares was A\$0.686;
- (c) the highest recorded trading price of ROC Shares in the previous three months was A\$0.69; and
- (d) the lowest recorded trading price of ROC Shares in the previous three months was A\$0.538.

As at 1 August 2014, being the last day on which ROC Shares traded prior to announcement of the Takeover Bid:

- (a) the last recorded trading price of ROC Shares was A\$0.63;
- (b) the 10 day VWAP of ROC Shares was A\$0.60;
- (c) the highest recorded trading price of ROC Shares in the previous three months was A\$0.645; and
- (d) the lowest recorded trading price of ROC Shares in the previous three months was A\$0.455.

4.9 ROC dividend history

No dividends were paid or declared during or since the financial year ended 31 December 2013. No dividends have been recommended by the ROC Directors in respect of or since the financial year ended 31 December 2013.

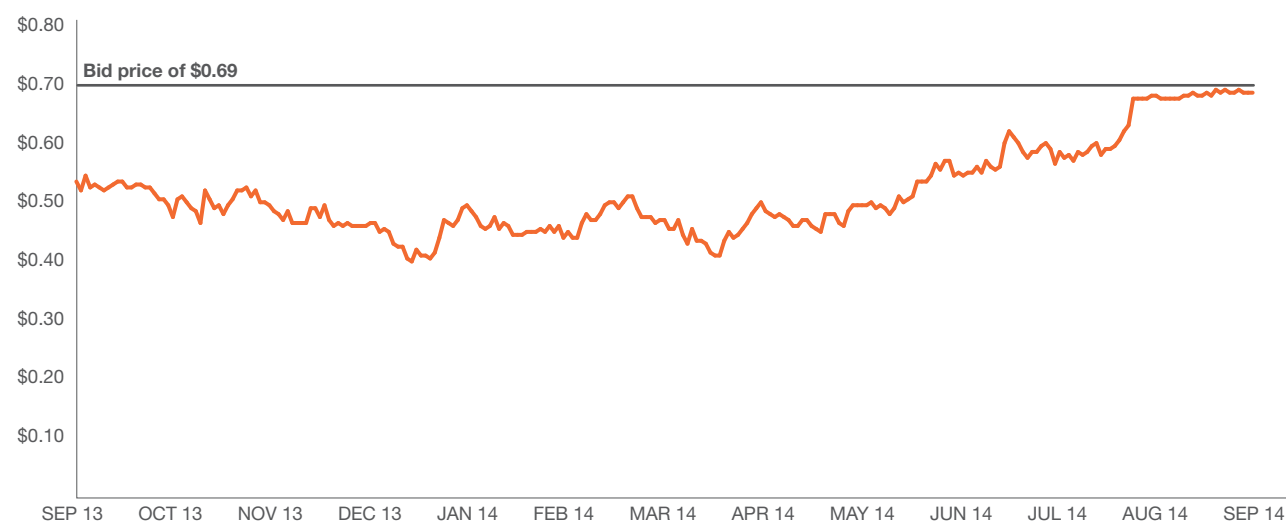
4.10 Publicly available information about ROC

(a) Continuously disclosing entity

As a company with securities quoted on the ASX and being a disclosing entity under the Corporations Act, ROC is subject to regular reporting and disclosure obligations. These obligations require ROC to announce price sensitive information as soon as it becomes aware of the information, subject to the exceptions for certain confidential information. ROC's recent ASX announcements are available from the ROC website at www.rocoil.com.au and the ASX website at www.asx.com.au. It is intended that further announcements concerning developments at ROC will continue to be made on these websites after the date of this Target's Statement. Historical ASX announcements and copies of half-yearly and annual financial results (and accompanying releases) are also available from the ROC website at www.rocoil.com.au.

Copies of these documents will also be made available free of charge at any time before the end of the Offer Period on a request in writing to ROC's Company Secretary at Inolan@rocoil.com.au.

ROC Share Price



Source: Bloomberg

(b) Recent ROC announcements

The following table summarises announcements made to the ASX by ROC that may have affected share price movements over the period between 1 January 2014 and the date of this Target's Statement.

Date	Event
10/09/14	Exploration Drilling Block 0905 Update
20/08/14	2014 Half Year Financial Results Presentation and Webcast
20/08/14	2014 First Half Financial Results
19/08/14	Webcast – ROC 2014 Half Year Financial Results
14/08/14	Exploration Drilling Commenced on Block 09/05 & Farm-Out
04/08/14	ROC Announces Superior Proposal to Acquire All ROC Shares
31/07/14	Activity Report for the Second Quarter – Ended 30 June 2014
17/07/14	Change of Director's Interest Notice
11/07/14	Results of ROC EGM
11/07/14	ROC EGM Presentation
10/07/14	ROC Receives a Second Non Binding Indicative Proposal
10/07/14	Extraordinary General Meeting Webcast
03/07/14	Approval of Horizon Scheme Booklet
25/06/14	ROC Confirms Receipt of Non Binding Indicative Proposal
23/06/14	Response to Shareholder Queries Relating to the EGM
18/06/14	UBS Conference Presentation
16/06/14	Letter to Shareholders – Independent Expert's Report
16/06/14	Independent Expert's Report
05/06/14	Notice of EGM and Proxy Form
30/05/14	Farm-out of Interest in PSC, offshore Malaysia
27/05/14	Results of ROC Annual General Meeting
27/05/14	ROC 2014 AGM Presentation
26/05/14	2014 Annual General Meeting Webcast
15/05/14	Shareholder Requisition of General Meeting
08/05/14	Letter to Shareholders
08/05/14	Macquarie Australia Conference Presentation
29/04/14	Activities for the First Quarter – Ended 31 March 2014
29/04/14	Merger Announcement – Investor Presentation
29/04/14	ROC and Horizon Proposed Merger Announcement
24/04/14	2013 Annual Report and Sustainability Report
24/04/14	Notice of Annual General Meeting and Proxy Form
24/04/14	Trading Halt
08/04/14	Correction to Appendix 3Y
08/04/14	Change of Director's Interest Notice

Date	Event
08/04/14	Appendix 3B
07/04/14	2014 Annual General Meeting
02/04/14	Webcast – ROC Farms In to PSC, Offshore Malaysia
01/04/14	Reserves Statement – ROC 2P Reserves Increase by 71%
01/04/14	ROC Farms In to PSC, Offshore Malaysia
31/03/14	ROC Exits Basker Manta Gummy (BMG)
27/03/14	Myanmar, Award of Shallow Water Exploration Block M07
25/03/14	Balai Cluster – Bentara Oil Field Development Plan Approval
12/03/14	Excellence in Oil & Gas Conference
07/03/14	Change of Director's Interest Notice
07/03/14	Appendix 3B
06/03/14	Ceasing to be a substantial holder
26/02/14	2013 Full Year Financial Results – Presentation and Webcast
26/02/14	ROC 2013 Full Year Financial Results
26/02/14	Appendix 4E / Full Year Statutory Accounts
24/02/14	Webcast – ROC 2013 Full Year Financial Results
29/01/14	Activities for the Fourth Quarter – Ended 31 December 2013

Copies of the announcements listed above may be obtained from the ASX website at www.asx.com.au.

Further information about ROC is contained in electronic form on the ROC website at www.rocoil.com.au.

Important matters for ROC Shareholders to consider

5

5.1 Fosun's Offer

Fosun announced its intention to make off-market takeover offers for the ROC Shares on 4 August 2014. A summary of the key features of the Offer is contained in section 6 of this Target's Statement.

Fosun's Offer is open for acceptance until 7.00pm (Sydney time) on 15 October 2014, unless it is extended or withdrawn (sections 6.6 and 6.7 of this Target's Statement describe the circumstances in which Fosun can extend or withdraw its Offer).

5.2 ROC share price following the close of the Offer

While there are many factors that influence the market price of ROC Shares, your ROC Directors believe that, following the close of the Offer, the market price of ROC Shares may fall significantly if:

- Fosun acquires more than 50% (but less than 100%) of the ROC Shares;
- Fosun acquires less than 50% of the ROC Shares and waives the 50% Minimum Acceptance Condition; or
- the Takeover Bid is otherwise unsuccessful or is withdrawn (and no Superior Proposal is received).

5.3 Your choices as a ROC Shareholder

Your ROC Directors unanimously recommend that you accept the Offer, and each ROC Director intends to accept the Offer in respect of the ROC Shares that they own or control, in the absence of a Superior Proposal.

However, as a ROC Shareholder you have three choices currently available to you:

(a) Accept the Offer

ROC Shareholders may elect to accept the Offer in respect of some or all of their ROC Shares.

Details of the cash consideration (that is, the payment) that will be received by ROC Shareholders who accept the Offer are set out in section 6.1 of this Target's Statement and in the Bidder's Statement.

ROC Shareholders who accept the Offer may be liable for CGT on the disposal of their ROC Shares (see section 10 of the Bidder's Statement for further details). However, they will not incur any brokerage charge.

The Bidder's Statement contains details of how to accept the Offer in section 12.3.

(b) Sell your ROC Shares on market

ROC Shareholders may elect to sell some or all of their ROC Shares on market for cash through the ASX if they have not already accepted the Offer in respect of those ROC Shares.

On 10 September 2014, ROC's share price closed at \$0.685, a 0.7% discount to Fosun's Offer Price of \$0.69 per ROC Share. The latest price for ROC Shares may be obtained from the ASX website www.asx.com.au.

ROC Shareholders who sell their ROC Shares on market may be liable for CGT on the sale (see section 10 of the Bidder's Statement for further details) and may incur a brokerage charge.

ROC Shareholders who wish to sell their ROC Shares on market should contact their broker for information on how to effect that sale.

(c) Do nothing

ROC Shareholders who do not wish to accept the Offer or sell their ROC Shares on market should do nothing.

ROC Shareholders should note that if Fosun and its Associates have a Relevant Interest in at least 90% of the ROC Shares during or at the end of the Offer Period, Fosun will be entitled to compulsorily acquire the ROC Shares that Fosun and its Associates do not already own. See section 6.13 of this Target's Statement for further details in relation to the compulsory acquisition process.

5.4 ROC employees

If you are a ROC employee and you are a participant in any of ROC's employee incentive plans, please refer to section 8.6 of this Target's Statement for information regarding the effect of the Takeover Bid on your interest in ROC Options or ROC Rights (as the case may be).

5.5 Risk factors

There are risks which are specific to ROC and other risks which apply to investments generally which may materially and adversely affect the future operating and financial performance of ROC and the value of ROC Shares. Those risks (and other risks) will continue to be relevant to ROC Shareholders who do not accept the Offer and retain their current investment in ROC. These risks will also continue to be relevant to all ROC Shareholders if the Offer does not proceed. While some of these risks can be mitigated, some are outside the control of ROC and the ROC Directors and cannot be mitigated.

The principal risks associated with an investment in ROC include, but are not limited to, those detailed below. Prior to deciding whether to accept the Offer, sell your ROC Shares on the ASX or maintain an investment in ROC in the present circumstances, you should carefully consider this section 5.5 as well as other information contained in this Target's Statement (including section 5.2 in relation to the view of the ROC Directors on what may happen to the ROC share price following the close of the Offer and section 5.6 in relation to the possible implications of becoming a minority ROC Shareholder) and the Bidder's Statement.

(a) General economic and market risk factors**(1) Economic conditions**

ROC may be affected by general business cycles and a range of other factors beyond ROC's and the ROC Directors' control, including economic and political factors in Australia and overseas, such as economic growth, inflation, interest rates, employment levels, changes in government policies or regulatory regimes, changes in accounting or financial reporting standards and changes in taxation laws (or their interpretation) or regulations in the oil and gas industry. Deterioration of general economic conditions, adverse foreign exchange rate movements, the Australian and overseas stock markets, natural disasters and catastrophic events and changes in industry and commercial factors may also affect ROC's operating and financial position and the value of ROC Shares.

(2) Share market fluctuations

The value of ROC Shares is determined by the share market and will be subject to a range of factors beyond the control of ROC and the ROC Directors. Such factors include, but are not limited to, the demand for and availability of ROC Shares, movements in domestic interest rates and exchange rates and fluctuations in the Australian and international share markets.

See section 5.2 of this Target's Statement for further details in relation to the view of the ROC Directors on what may happen to the ROC share price following the close of the Offer.

(b) Specific risks**(1) Oil and gas industry risk**

The exploration, development and production of oil and gas involves numerous risks specific to that industry sector which even a combination of experience, knowledge and careful evaluation may be unable to protect against, and which may be outside the control of ROC and the ROC Directors. Such risks include, but are not limited to:

- (A) **Commodity price:** The demand for, and price of, oil is highly dependent on a variety of factors, including international supply and demand, transmission and distribution costs, weather conditions, the price and availability of alternative fuels, actions taken by governments and international cartels, and global economic and political developments. Historically, international oil prices have been volatile and may continue to fluctuate significantly in the future. Any substantial decline in the prices of oil or gas could have a material adverse effect on ROC and the value of ROC Shares.

- (B) **Exploration and production:** Oil and gas exploration and production involves significant risk. The future profitability of ROC and the value of ROC Shares are directly related to the results of exploration and production activities. There are inherent risks in these activities. No assurances can be given that funds spent on exploration will result in discoveries that will eventually be commercially viable. In addition, disruptions to ROC's expected production may occur due to numerous factors which may result in variations to ROC's expected revenue and could have an adverse effect on ROC's financial performance and ongoing operations.
- (C) **Drilling:** ROC may encounter hazards inherent in oil and gas drilling activities. Examples of such hazards include the risk of unusual or unexpected formations, abnormal pressures or rock properties, adverse weather conditions, mechanical difficulties, conditions which could result in damage to plant or equipment or the environment, or shortages or delays in the delivery of rigs and/or other equipment. Drilling may result in wells that, while encountering oil and gas, may not achieve economically viable results.
- (D) **Field development:** ROC has a number of field development opportunities which, if progressed, may result in variations to ROC's expected revenue, as a result of, for example, increases in development costs and delays to development timetables. These variations could have an adverse impact on ROC's financial performance and ongoing operations.
- (E) **Operational:** Industry operating risks include fire, explosions, blow outs, pipe failures, abnormally pressured formations, environmental hazards, limitations of activities due to seasonal weather conditions, unanticipated operational and technical difficulties, mechanical failure of operating plant and equipment, industrial and environmental accidents, industrial disputes, riots and other force majeure events and unexpected shortages or increases in the costs of labour, consumables or plant and equipment. The occurrence of any of these risks or events could result in legal proceedings being instituted against ROC and substantial losses to ROC due to injury or loss of life, damage to or destruction of property, natural resource or equipment, pollution or other environmental damage, clean up responsibilities, regulatory

investigation and penalties or suspension of operations. Damages occurring to third parties as a result of such risks may give rise to claims against ROC. The occurrence of any of these risks or events could also have an adverse impact on ROC's financial performance and ongoing operations.

- (F) **Reserves and resources estimates:** Reserves and resources estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates, while valid when made, may change significantly when new information becomes available through additional fieldwork or analysis. Reserves and resources estimates are necessarily imprecise and depend to some extent on interpretations, which may prove inaccurate. Actual Reserves and resources may differ from those estimated which could have a positive or negative impact on ROC's financial performance.
- (G) **Environment:** Oil and gas exploration, development and production can be potentially environmentally hazardous, giving rise to substantial costs for environmental rehabilitation, damage control and losses. ROC is subject to environmental laws and regulations in connection with its operations and could be subject to liability due to risks inherent in its activities, such as accidental spills, leakages or other unforeseen circumstances.
- (H) **Commercialisation and infrastructure:** The business of oil and gas development and production involves a degree of risk. Amongst other factors, success is dependent on successful design, construction and operation of efficient gathering, processing and transportation facilities. Even where ROC recovers commercial quantities of oil or gas, there is no guarantee that ROC will be able to successfully and economically transport the oil or gas to commercially viable markets or sell the oil or gas to customers to achieve a commercial return.
- (I) **Legislation, regulation and tenure:** ROC's activities in the oil and gas industry are subject to legislation, regulation and approvals. The introduction of new legislation, amendments to existing legislation, the application of developments in existing law or policies or changes in the interpretation of those laws or policies could have a material adverse effect on ROC. In addition, ROC requires various

government regulatory approvals for its operations and must comply with those approvals, applicable laws, regulations and policies. The impact of actions, including delays and inactions, by governments may affect ROC's activities including such matters as access to land and infrastructure, compliance with environmental regulations and production and exploration activities. This may affect the timing and scope of work that can be undertaken.

- (J) **Capital expenditure:** Substantial capital expenditure is required for oil and gas exploration, development and production. ROC may be unable to meet future capital requirements once current cash reserves are fully expended. In that event, ROC may be required to raise future additional capital. There are no guarantees that ROC will be able to raise additional capital on acceptable terms or at all. In the event such funds are not forthcoming, ROC may seek to divest all or part of its interests or reduce its commitments.
- (K) **Joint venture risk:** ROC participates in several joint venture arrangements and may enter into further joint venture agreements in the future. Under these agreements, ROC may be voted into programmes and budgets which it does not necessarily agree with or have the cash reserves to fund. It may also be required to contribute to any increases in capital expenditure requirements and/or operating costs. Furthermore, the situation could arise where any or all of the joint venture parties are unable to fund their percentage interest contributions to expenditure, in which case ROC may have to make increased contributions to ensure that the programmes proceed.
- Other companies may from time to time be operators under joint venture operating agreements and, to the extent that ROC is a minority joint venture partner, ROC will be dependent to a degree on the efficient and effective management of those operating companies as managers. The objectives and strategy of these operating companies may not always be consistent with the objectives and strategy of ROC, however, the operators must act in accordance with the directions of the relevant majority of joint venturers.

ROC is required under joint venture agreements to pay its percentage interest share of all costs and liabilities incurred by the joint venture in connection with joint venture activities. In common with other joint venture parties, if ROC fails to pay its share of any costs and liabilities, it may be obliged to transfer its interest in the relevant permits and joint venture agreements to other joint venture participants.

- (L) **Competition:** ROC operates in a competitive market which includes major oil and gas companies. Many of these companies may have greater financial strength and resources available to them than ROC and, as a result, may be in a better position than ROC to compete for future business opportunities.
- (M) **Sole contractors:** Certain aspects of ROC's business rely on contractors for whom there is no reasonably available alternative, in particular oil and gas transport, oil refining and drilling contractors. If any of these contractors are unable to perform their obligations, this may have a material adverse effect on ROC's business.
- (N) **Insurance:** Insurance of all risks associated with oil and gas exploration, development and production is not always available and, where available, the cost can be high. ROC will not be insured against all possible losses, whether because of the unavailability of cover or because the premiums may be excessive relative to the benefits that would accrue.
- (O) **Taxation:** In addition to normal income taxes imposed on all industries by Federal, State or foreign governments, the oil and gas industry is required to pay government royalties, indirect taxes, sales taxes and other imposts which generally relate to revenue or cash flows. ROC's operations and profitability may be affected by changes in government taxation policies, including changes to taxation regimes designed to address climate change and greenhouse gas emissions.

(2) Sovereign risk

ROC operates in countries outside Australia and there are risks that changes in the legal and business environment in those places such as currency and price controls, fiscal, monetary and regulatory policy changes and political changes may adversely affect the ability to develop and produce oil and gas reserves and thus the value of ROC's assets. Some of the jurisdictions in which ROC operates have legal systems and laws different to Australia that may lead to uncertainty for ROC in enforcing legal and contractual rights in those jurisdictions. Local laws in some foreign jurisdictions may also limit ROC's ability to hold a majority interest in its projects. In addition, contracts with host country governments or national oil companies may contain provisions that give host governments or national oil companies contractual rights to assume ownership of property and/or operatorship of assets which may have a material adverse effect on ROC's revenue.

(3) Foreign exchange risk

ROC and its Subsidiaries are exposed to foreign exchange risk on sales and purchases that are denominated in a currency other than the respective functional currencies of ROC and its Subsidiaries. The majority of the ROC Group's revenues and purchases are denominated in US\$, although the ROC Group is exposed to certain non-US\$ cash balances. The ROC Group's cash flows are therefore exposed to fluctuations and volatility in the exchange rates between the United States dollar and the currencies in which the remainder of ROC's cash flows are denominated.

(4) Litigation risk

ROC may be the subject of complaints or litigation by shareholders, customers, suppliers, government agencies or third parties. Such matters may have an adverse effect on ROC's reputation, divert its financial and management resources from more beneficial uses, or have a material adverse effect on ROC's future financial performance or position.

(5) Financing risk

ROC (and other members of the ROC Group as guarantors) entered into a Syndicated Loan Facility Agreement dated 9 May 2011 with Commonwealth Bank of Australia, Sumitomo Mitsui Bank and BNP Paribas, Sydney Branch (**Facility**). The current total undrawn debt Facility limit is US\$60 million. The Facility has not been utilised as at the date of this Target's Statement. You should refer to section 8.2 of this Target's Statement for information on the change of control provision in the Facility that may be triggered as a result of, or as a result of acceptances of, the Offer.

(6) Taxation risk

There are potential tax implications for ROC if Fosun acquires more than 50% but less than 90% of the ROC Shares. ROC currently has tax losses that have not been brought into account in Australia. The utilisation of these tax losses to set off against future Australian taxable income is dependent upon a number of factors and will only be relevant to you if you remain a ROC Shareholder following the close of the Offer Period. These factors include whether the applicable requirements of the Australian tax legislation for utilisation of tax losses are able to be satisfied. In particular, tax losses may only be used by ROC where the requirements of either the 'continuity of ownership test' or 'same business test' are satisfied. There is a risk that these legislative tests will not be satisfied and, accordingly, the tax losses will not be able to be utilised in future years. As at the date of this Target's Statement, ROC's Australian taxable income is primarily derived from its Cliff Head Oil Field operations.

(c) Other risks

Additional risks and uncertainties not currently known may also have an adverse effect on ROC's business and the value of ROC Shares. The information set out in this section 5.5 does not purport to be, nor should it be construed as representing, an exhaustive summary of the risks that may affect the performance of ROC and ROC Shares.

5.6 Minority ownership consequences

If Fosun acquires more than 50% but less than 90% of the ROC Shares then, assuming all other conditions to the Offer are fulfilled or freed, Fosun will acquire a majority shareholding in ROC but will not be entitled to acquire the ROC Shares that have not been accepted into the Offer. If Fosun acquires a majority shareholding in ROC and does not become entitled to acquire the ROC Shares that have not been accepted into the Offer, ROC Shareholders who do not accept the Offer will become minority ROC Shareholders. This has a number of possible implications, including:

- Fosun will be in a position to cast the majority of votes at a general meeting of ROC. This will enable Fosun to control the composition of ROC's board of directors and senior management and control the strategic direction of the businesses of ROC and its Subsidiaries;
- the price of ROC Shares may fall immediately following the end of the Offer Period and it is unlikely that the price of ROC's Shares will contain any control premium;
- the liquidity of ROC Shares may be lower than at present, and there is a risk that ROC could be fully or partially removed from certain S&P/ASX indices due to lack of free float and/or liquidity;
- there may be limited institutional support for ROC Shares;

- there may be limited analyst coverage of ROC Shares;
- if the number of ROC Shareholders is less than that required by the Listing Rules to maintain an ASX listing, then Fosun may seek to have ROC removed from the official list of the ASX. If this occurs, ROC Shares will not be able to be bought or sold on the ASX;
- if Fosun acquires 75% or more of the ROC Shares it will be able to pass a special resolution of ROC. This will enable Fosun to, among other things, change ROC's constitution; and
- if Fosun acquires a majority of the ROC Shares, your ROC Directors believe that it is unlikely that a subsequent takeover bid for ROC will emerge at a later date from a Third Party.

5.7 Taxation consequences of accepting the Offer

The taxation consequences of accepting the Offer depend on a number of factors and will vary depending on your particular circumstances. A general outline of the Australian taxation considerations of accepting the Offer are set out in section 10 of the Bidder's Statement.

You should carefully read and consider the taxation consequences of accepting the Offer contained in the Bidder's Statement. The outline provided in the Bidder's Statement is of a general nature only and you should seek your own specific professional advice as to the taxation implications applicable to your circumstances.

Key features of the Offer

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6.1 Consideration payable to ROC Shareholders who accept the Offer

The consideration being offered by Fosun is \$0.69 cash for each ROC Share on issue as at the Record Date.

6.2 Conditions to the Offer

Fosun's Offer is subject to a number of conditions. Those conditions are set out in full in section 12.5 of the Bidder's Statement.

(a) Outstanding conditions

By way of broad overview, the outstanding conditions to the Offer as at the date of this Target's Statement are:

- (1) **(50% Minimum Acceptance Condition)**
Fosun acquires a Relevant Interest in more than 50% of the ROC Shares;
- (2) **(no material adverse change in ROC)** until 5.00pm (Sydney time) on 19 October 2014 no matters occur, are announced or become apparent that have, or could reasonably be expected to have, a material adverse effect on the business, financial or trading position, assets or liabilities, profitability or prospects of the ROC Group (taken as a whole) including:
 - i. a reduction in the ROC Group's annual EBITDA for any of the financial years ending 31 December 2014, 31 December 2015 or 31 December 2016 by US\$15 million or more;
 - ii. a reduction in the ROC Group's net assets when compared to its net assets in its consolidated balance sheet as at 31 December 2013 by US\$15 million or more; or
 - iii. the ROC Group being unable to carry on its business in substantially the same manner as carried on as at 4 August 2014, including as a result of a material regulatory approval or licence being varied, cancelled, revoked or terminated by a Regulatory Authority,
 other than:
 - iv. anything required or permitted under the Bid Implementation Agreement or the Takeover Bid or the transactions contemplated by them;
 - v. matters disclosed to Fosun or its Related Persons or in public filings to ASX or ASIC prior to 4 August 2014;
 - vi. anything arising from any change in accounting policy required by law;

- vii. matters relating to general changes in economic, business, regulatory or political conditions, credit, financial, currency or securities markets, or the oil and gas industry (including commodity prices), or matters relating to changes in law, taxation, interest rates or global oil prices occurring after 4 August 2014; or
- viii. matters agreed in writing by ROC and Fosun.

(3) **(Prescribed Occurrences Condition)** none of the following occur (being the occurrences listed in section 652C of the Corporations Act) (together, the **Prescribed Occurrences**):

- i. ROC converting all or any of the ROC Shares into a larger or smaller number of shares;
- ii. ROC or any of its Subsidiaries resolving to reduce its share capital;
- iii. ROC or any of its Subsidiaries entering into, or resolving to approve the terms of, a buyback agreement;
- iv. ROC or any of its Subsidiaries issues or agrees to issue shares (other than as a result of the exercise and/or vesting of any ROC Option or ROC Right) or grants an option or agrees to grant an option over its shares;
- v. ROC or any of its Subsidiaries issuing, or agreeing to issue, convertible notes;
- vi. ROC or any of its Subsidiaries disposing or agreeing to dispose of the whole, or a substantial part, of its business or property;
- vii. ROC or any of its Subsidiaries granting, or agreeing to grant, a Security Interest in the whole, or a substantial part, of its business or property;
- viii. ROC or any of its Subsidiaries resolving that it be wound up;
- ix. the appointment of a liquidator or provisional liquidator to ROC or any of its Subsidiaries;
- x. the making of an order by a court for the winding up of ROC or any of its Subsidiaries;
- xi. an administrator of ROC or any of its Subsidiaries being appointed;
- xii. ROC or any of its Subsidiaries executing a deed of company arrangement; or
- xiii. the appointment of a receiver or a receiver and manager in relation to the whole, or a substantial part, of the property of ROC or any of its Subsidiaries.

- (4) **(no untrue statements to ASX)** until 5.00pm (Sydney time) on 19 October 2014, it is not announced or does not become known to Fosun or ROC that there is information previously announced by ROC to ASX prior to 4 August 2014 that is, or is likely to be, incomplete, untrue or misleading in a material respect such that Fosun might reasonably be expected to have not proceeded with the Takeover Bid or proceeded on materially different terms;
- (5) **(conduct of ROC's business)** until 5.00pm (Sydney time) on 19 October 2014, otherwise than in the ordinary course of business and which is consistent with the plans or budgets of ROC which have been provided to Fosun before 4 August 2014, neither ROC nor any of its Subsidiaries:
- i. announces, declares or distributes any dividend, bonus or other share of its profits or assets (except a distribution by a Subsidiary);
 - ii. makes any constitutional change, passes any special resolution or amends the terms of issue of any securities (other than as permitted by the Bid Implementation Agreement);
 - iii. gives or agrees to give any Security Interest, adverse interest or restrictions on transfer over the whole or a substantial part of its assets;
 - iv. borrows or agrees to borrow any money;
 - v. enters or agrees to enter into any contract of service or varies or agrees to vary any existing contract of service with any director or employee;
 - vi. makes or agrees to make any substantial change in the basis or amount of remuneration of any director, employee or consultant;
 - vii. pays or agrees to pay any retirement benefit or allowance to any director or employee except as provided under any superannuation, provident or retirement scheme or contract in effect on 4 August 2014; or
 - viii. acquires, offers to acquire or agrees to acquire any businesses, assets, entities or undertakings valued at, or involving a financial commitment of more than US\$15 million (individually or when aggregated), or makes an announcement in relation to such an acquisition,

in each case, otherwise than as disclosed to Fosun prior to 4 August 2014, as agreed between Fosun and ROC or as required or permitted by the Bid Implementation Agreement, the Takeover Bid or the transactions contemplated by them.

As at the date of this Target's Statement, ROC is not aware of any act, omission, event or fact that would result in any of the outstanding conditions to the Offer not being fulfilled.

(b) Horizon Merger Condition

(1) Withdrawal of Horizon Merger Condition

The Horizon Merger Condition has been withdrawn by Fosun and is no longer a condition to the Offer following:

- i. the termination of the Horizon MID and Horizon Scheme;
- ii. the ROC Group's confirmation in section 6.2(b)(3) of this Target's Statement that, from 4 August 2014 until the end of the Offer Period, other than the confidentiality agreement between ROC and Horizon dated 17 October 2013 and other than as disclosed to Fosun International, any other proposals, agreements or arrangements of the ROC Group in place as at 4 August 2014 in respect of the acquisition or potential acquisition by the ROC Group of any securities or assets of Horizon or its Subsidiaries (other than in the ordinary course of business of joint venture operations) or any other merger of the ROC Group with Horizon are terminated; and
- iii. the ROC Group's confirmation and undertaking in section 6.2(b)(3) of this Target's Statement that it will not, from 4 August 2014 until the end of the Offer Period, acquire, offer to acquire, agree to acquire or announce an intention to acquire an interest in any securities or assets of Horizon or any of its Subsidiaries (other than in the ordinary course of business of joint venture operations), including on a conditional basis.

(2) Background

The Horizon Merger Condition was set out in the Bid Implementation Agreement and is also set out below:

- i. before the end of the Offer Period:
 - A. the Horizon MID is validly terminated whether by agreement between ROC and Horizon or otherwise before 12 August 2014; and
 - B. the Horizon Scheme does not proceed for any reason, including that the Court does not approve the Horizon Scheme in accordance with section 411(4)(b) of the Corporations Act (including where Horizon has ended the Court approval process prior to the Horizon Scheme coming before the Court for approval);
- ii. from 4 August 2014 until the end of the Offer Period, other than the confidentiality agreement between ROC and Horizon dated 17 October 2013 and other than as disclosed to Fosun, any other proposals, agreements or arrangements of the ROC Group in place as at 4 August 2014 in respect of the acquisition or potential acquisition by the ROC Group of any securities or assets of Horizon or its Subsidiaries (other than in the ordinary course of business of joint venture operations) or any other merger of the ROC Group with Horizon are terminated; and
- iii. from 4 August 2014 until the end of the Offer Period, no member of the ROC Group acquires, offers to acquire, agrees to acquire, or announces an intention to acquire an interest in any securities or assets of Horizon or any of its Subsidiaries (other than in the ordinary course of business of joint venture operations), including on a conditional basis.

As set out in section 6.2(b)(1) of this Target's Statement, the Horizon Merger Condition has been withdrawn by Fosun and is no longer a condition to the Offer.

(3) Confirmation and undertaking

ROC, in its own capacity, and on behalf of the ROC Group:

- i. confirms that, from 4 August 2014 until the end of the Offer Period, other than the confidentiality agreement between ROC and Horizon dated 17 October 2013 and other than as disclosed to Fosun International, any other proposals, agreements or arrangements of the ROC Group in place as at 4 August 2014 in respect of the acquisition or potential acquisition by the ROC Group of any securities or assets of Horizon or its Subsidiaries (other than in the ordinary course of business of joint venture operations) or any other merger of the ROC Group with Horizon have been terminated; and
- ii. confirms and undertakes that it will not, from 4 August 2014 until the end of the Offer Period, acquire, offer to acquire, agree to acquire or announce an intention to acquire an interest in any securities or assets of Horizon or any of its Subsidiaries (other than in the ordinary course of business of joint venture operations), including on a conditional basis.

(c) FIRB Condition**(1) Withdrawal of FIRB Condition**

The FIRB Condition has been withdrawn by Fosun and is no longer a condition to the Offer.

(2) Background

The FIRB Condition was set out in the Bid Implementation Agreement and required that Fosun and its financier receive notice under the FATA and the FIRB Policy, by or on behalf of the Treasurer of the Commonwealth of Australia to the effect that the Commonwealth Government does not object to the acquisition by Fosun of the ROC Shares under the Offer or the financier's security over those ROC Shares, either unconditionally or on terms that are acceptable to Fosun (acting reasonably) (**FIRB Condition**).

Fosun has confirmed in section 11.3 of the Bidder's Statement as follows:

- i. it has received FIRB approval for the acquisition by Fosun of the ROC Shares under the Offer; and
- ii. the necessary funds for Fosun to meet its obligations under the Offer will be sourced from the Fosun Group's existing cash reserves and cash equivalents. Accordingly, the element of the FIRB Condition relating to Fosun's financier is no longer relevant.

Accordingly, and as set out in section 6.2(c)(1) above, the FIRB Condition has been withdrawn by Fosun and is no longer a condition to the Offer.

6.3 Notice of Status of Conditions

Section 12.8 of the Bidder's Statement indicates that Fosun will give a Notice of Status of Conditions to the ASX and ROC on 8 October 2014.

Fosun is required to set out in its Notice of Status of Conditions:

- whether the Offer is free of any or all of the conditions;
- whether, so far as Fosun knows, any of the conditions have been fulfilled on the date the notice is given; and
- Fosun's voting power in ROC.

If the Offer Period is extended by a period before the time by which the Notice of Status of Conditions is to be given, the date for giving the Notice of Status of Conditions will be taken to be postponed for the same period. In the event of such an extension, Fosun is required, as soon as practicable after the extension, to give a notice to the ASX and ROC that states the new date for the giving of the Notice of Status of Conditions.

If a condition is fulfilled (so that the Offer becomes free of that condition) during the Offer Period but before the date on which the Notice of Status of Conditions is required to be given, Fosun must, as soon as practicable, give the ASX and ROC a notice that states that the particular condition has been fulfilled.

6.4 When must Fosun declare the Offers wholly unconditional?

Fosun has agreed to free all of the outstanding conditions to the Offer outlined in section 6.2(a) of this Target's Statement within two Business Days after the date on which the 50% Minimum Acceptance Condition has been fulfilled or freed unless any of the conditions to the Offer have been or are reasonably likely to be breached or have otherwise become or are reasonably likely to become incapable of satisfaction.

6.5 Offer Period

Unless Fosun's Offer is extended or withdrawn, it is open for acceptance until 7.00pm (Sydney time) on 15 October 2014.

The circumstances in which Fosun may extend or withdraw its Offer are set out in sections 6.6 and 6.7 respectively of this Target's Statement.

6.6 Extension of the Offer Period

Under the BIA, Fosun must not extend the Offer Period beyond the date that is four months after the date the Offer first becomes open for acceptance without the prior written consent of ROC unless:

- (a) a Competing Transaction is publicly announced and has not been withdrawn or lapsed; or
- (b) an application has been made to the Takeovers Panel in respect of the affairs of ROC that has not been resolved.

Fosun may extend the Offer Period at any time before it gives the Notice of Status of Conditions (referred to in section 6.3 of this Target's Statement) while the Offer is subject to conditions, provided any such extension does not extend the Offer Period beyond the date that is four months after the date the Offer first becomes open for acceptance (other than with the prior written consent of ROC). Fosun has no obligation to voluntarily extend the Offer Period and may elect not to do so.

In addition, there will be an automatic extension of the Offer Period if, within the last seven days of the Offer Period:

- Fosun improves the consideration offered under the Offer; or
- Fosun's voting power in ROC increases to more than 50%.

If either of these two events occurs, the Offer Period is automatically extended so that it ends 14 days after the relevant event occurs.

6.7 Withdrawal of Offer

Fosun may not withdraw the Offer if you have already accepted it. Before you accept the Offer, Fosun may withdraw the Offer with the written consent of ASIC and subject to the conditions (if any) specified in such consent. If you have accepted the Offer and Fosun withdraws the Offer with ASIC's consent, the contract arising from your acceptance may become void because the outstanding conditions would not have been fulfilled or freed at the time of Fosun's withdrawal of the Offer.

6.8 Effect of acceptance

(a) Background

The effect of acceptance of the Offer is set out in section 12.3(5) of the Bidder's Statement. ROC Shareholders should read this section in full to understand the effect that acceptance will have on their ability to exercise the rights attaching to their ROC Shares and the representations and warranties which they give by accepting the Offer.

(b) Appointment of Fosun as proxy before the Offer becomes wholly unconditional

If you accept the Offer, the terms of the Offer entitle Fosun (and each director, secretary and nominee of Fosun) to attend and vote in person or by proxy at all general meetings of ROC on your behalf in respect of your ROC Shares for which you have accepted the Offer before all the other conditions to the Offer are fulfilled or freed until the earlier of the withdrawal of your acceptance under the Corporations Act or the end of the Offer Period or, if all the conditions to the Offer have been satisfied or waived, the registration of Fosun as the holder of your ROC Shares for which you have accepted the Offer. Those terms also preclude you from attending and voting or appointing another proxy on your behalf.

The above proxy right is in addition to the usual proxy rights conferred on a bidder by a shareholder accepting an offer under a takeover bid, which apply from the time when an offer becomes wholly unconditional. You should be aware that these proxy rights will not be limited to resolutions relating to, or affecting, the Offer.

6.9 Your ability to withdraw your acceptance

You only have limited rights to withdraw your acceptance of the Offer.

You may only withdraw your acceptance of the Offer if:

- any of the Offer conditions are not freed or fulfilled by the end of the Offer Period; or
- Fosun varies the Offer in a way that postpones, for more than one month, the time when Fosun needs to meet its obligations under the Offer. This will occur if Fosun extends the Offer Period by more than one month and the Offer is still subject to conditions.

6.10 When you will be sent your cash consideration if you accept the Offer

In the usual case, you will be sent your consideration on or before the later of:

- one month after the date the Offer becomes or is declared unconditional; and
- one month after the date you accept the Offer if the Offer is, at the time of acceptance, unconditional,

but, in any event (assuming the Offer becomes or is declared unconditional), no later than 21 days after the end of the Offer Period.

However, there are certain exceptions to the above timetable for the sending of consideration (that is, your cash payment). Full details of when you will be issued your consideration are set out in section 12.4 of the Bidder's Statement.

6.11 Effect of an improvement in consideration on ROC Shareholders who have already accepted the Offer

If Fosun improves the consideration offered under its Takeover Bid, all ROC Shareholders, whether or not they have accepted the Offer before that improvement in consideration, will be entitled to the benefit of that improved consideration.

6.12 Lapse of Offer

The Offer will lapse if the Offer conditions are not freed or fulfilled by the end of the Offer Period or, in the case of the Prescribed Occurrences Condition, three business days after the end of the Offer Period, in which case, all contracts resulting from acceptance of the Offer and all acceptances that have not resulted in binding contracts are void. In that situation, you will be free to deal with your ROC Shares as you see fit.

Please note that Fosun has agreed to declare the Offers wholly unconditional in certain circumstances. See section 6.4 of this Target's Statement for further details.

6.13 Compulsory acquisition of ROC Shares

(a) Introduction

Fosun has indicated in section 8.11 of its Bidder's Statement that, if it satisfies the required thresholds, it may, but has not determined that it will, compulsorily acquire any outstanding ROC Shares. Accordingly, ROC Shareholders should not assume that, if Fosun becomes entitled to exercise its right to compulsorily acquire any outstanding ROC Shares, Fosun will exercise that right.

(b) Compulsory acquisition within one month after the end of the Offer Period

Fosun will be entitled to compulsorily acquire any ROC Shares in respect of which it has not received an acceptance of its Offer on the same terms as the Offer if, during or at the end of the Offer Period, Fosun and its Associates have a Relevant Interest in at least 90% (by number) of the ROC Shares.

If this threshold is met and Fosun wishes to exercise its right to compulsorily acquire any outstanding ROC Shares, Fosun will have one month after the end of the Offer Period within which to give compulsory acquisition notices to ROC Shareholders who have not accepted the Offer. ROC Shareholders have certain rights under the Corporations Act to challenge a compulsory acquisition through this procedure, but a successful challenge will require the relevant ROC Shareholder to establish to the satisfaction of a court that the terms of the Offer do not represent 'fair value' for their ROC Shares. If compulsory acquisition occurs, ROC Shareholders who have their ROC Shares compulsorily acquired are likely to be issued their consideration approximately five to six weeks after the compulsory acquisition notices are despatched to them.

(c) Alternative compulsory acquisition regime

It is also possible that Fosun will, at some time after the end of the Offer Period, either alone or with a related body corporate, hold full beneficial interests in at least 90% of the ROC Shares. Fosun would then have rights to compulsorily acquire the ROC Shares not owned by it within six months of becoming the holder of 90% of all the ROC Shares. The price which Fosun would have to pay to compulsorily acquire all of the remaining ROC Shares under this alternative compulsory acquisition regime would have to be considered in a report of an independent expert.

ROC Shareholders would have certain rights under the Corporations Act to challenge a compulsory acquisition through this procedure, but a challenge would require people who hold at least 10% of the ROC Shares that are proposed to be the subject of the compulsory acquisition to object to the compulsory acquisition. If people holding such number of ROC Shares object to the compulsory acquisition, and Fosun still wishes to proceed with the compulsory acquisition, Fosun would be required to establish to the satisfaction of a court that the terms of the compulsory acquisition represent 'fair value' for the ROC Shares. In the absence of a challenge by people holding the requisite number of ROC Shares, ROC Shareholders who have their ROC Shares compulsorily acquired under this procedure are likely to be issued their consideration approximately five to six weeks after the compulsory acquisition notices are despatched to them.

Information relating to your ROC Directors

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7.1 Interests and dealings in ROC Securities

The ROC Directors' Relevant Interests in ROC Securities as at the date of this Target's Statement are detailed in the tables below.

ROC Director	ROC Shares
Mr Richard ('Mike') Harding	30,000
Mr Nigel Hartley	12,500
Mr Christopher Hodge	100,000
Mr Robert Leon	1,510,000
Mr Graham Mulligan	25,000
Mr Alan Linn	2,269,660

ROC Director	ROC Options	Issue date	Vesting date/ end of performance period	Exercise price
Mr Alan Linn	75,000	23/12/2008	23/12/2014	\$0.65
	22,500	23/12/2008	23/12/2014	\$0.75
	22,500	23/12/2008	23/12/2014	\$0.80
	30,000	23/12/2008	23/12/2014	\$0.85

ROC Director	ROC incentive plan	ROC Rights	Issue date	Vesting date/ end of performance period
Mr Alan Linn	Roc Oil Long Term Incentive Plan (2010)	500,000 (ROC 2010 LTI Right)	16/12/2011	16/12/2014
		977,538 (ROC EIP LTI Right)	15/05/2013	31/12/2015
	Roc Oil Equity Incentive Plan (2013)	1,180,851 (ROC EIP LTI Right)	14/07/2014	31/12/2016
		177,700 (ROC Deferred STI Right)	15/05/2013	142,160 on 31/12/2014 35,540 on 31/12/2015
		387,209 (ROC Deferred STI Right)	14/07/2014	193,605 on 31/12/2014 154,884 on 31/12/2015 38,720 on 31/12/2016

Except as expressed in the tables above:

- (a) no ROC Director has a Relevant Interest in any ROC Securities as at the date of this Target's Statement; and
- (b) no ROC Director has acquired or disposed of a Relevant Interest in any ROC Securities in the four month period ending on the date of this Target's Statement, other than as a result of accepting the Offer, the Options Offer, the Eligible Rights Offer and the Ineligible Rights Offer and other than the issue of the following rights to Mr Alan Linn:

ROC Director	ROC Rights	Issue date
Mr Alan Linn	1,180,851 (ROC EIP LTI Right)	14/07/2014
	387,209 (ROC Deferred STI Right)	14/07/2014

7.2 Interests and dealings in Fosun securities

As at the date of this Target's Statement:

- (a) no ROC Director has a Relevant Interest in any Fosun securities; and
- (b) no ROC Director has acquired or disposed of a Relevant Interest in any Fosun securities in the four month period ending on the date of this Target's Statement.

7.3 Benefits and agreements

(a) Benefits in connection with retirement from office

As a result of the Offer, no person has been or will be given any benefit (other than a benefit which can be given without member approval under the Corporations Act) in connection with the retirement of that person, or someone else, from a board or managerial office of ROC or a related body corporate of ROC.

(b) Agreements connected with or conditional on the Offer

There are no agreements made between any ROC Director and any other person in connection with, or conditional upon, the outcome of the Offer other than in their capacity as a ROC Shareholder, ROC Optionholder or ROC Rightholder.

(c) Benefits from Fosun

None of the ROC Directors has agreed to receive, or is entitled to receive, any benefit from Fosun or any related body corporate of Fosun which is conditional on, or is related to, the Offer, other than in their capacity as a ROC Shareholder, ROC Optionholder or ROC Rightholder.

(d) Interests of ROC Directors in contracts with Fosun

None of the ROC Directors has any interest in any contract entered into by Fosun, or any related body corporate of Fosun, other than in their capacity as a ROC Shareholder, ROC Optionholder or ROC Rightholder.

Additional information

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8.1 Bid Implementation Agreement

(a) The agreement

On 4 August 2014, ROC and Fosun entered into a bid implementation agreement (**BIA**) in relation to the Takeover Bid. The key terms of the BIA are summarised below.

(b) Exclusivity arrangements

The BIA contains certain exclusivity arrangements in favour of Fosun. In summary, during the Exclusivity Period:

- **No shop:** ROC must not encourage or solicit a Competing Transaction;
- **No talk:** ROC must not participate in any negotiations or provide any non-public information to a third party in relation to a Competing Transaction (unless the ROC Board has determined, in good faith and acting reasonably that the Competing Transaction could reasonably be considered to become a Superior Proposal and failing to respond to it would be likely to constitute a breach of fiduciary or statutory obligations owed by the ROC Directors); and
- **Notification of approaches:** ROC must promptly inform Fosun if it receives any Competing Transaction and provide the identity of the person making the approach and the material details of the approach (unless the ROC Board has determined, acting in good faith, that this would be likely to constitute a breach of the fiduciary or statutory obligations owed by the ROC Directors).

Under the BIA, ROC must also cease any discussions or negotiations existing as at 4 August 2014 relating to a Competing Transaction or any transaction that is reasonably likely to reduce the likelihood of the success of the Takeover Bid.

(c) Conduct of business

Until 5.00pm (Sydney time) on 19 October 2014, ROC has agreed that neither it nor its Subsidiaries will:

- (1) announce, declare or distribute any dividend, bonus or other share of its profits or assets (except a distribution by a Subsidiary);
- (2) make any constitutional change, pass any special resolution or amend the terms of issue of any securities (other than as permitted by the Bid Implementation Agreement);
- (3) give or agree to give any Security Interest, adverse interest or restrictions on transfer over the whole or a substantial part of its assets;
- (4) borrow or agree to borrow any money;
- (5) enter or agree to enter into any contract of service or vary or agree to vary any existing contract of service with any director or employee;
- (6) make or agree to make any substantial change in the basis or amount of remuneration of any director, employee or consultant;
- (7) pay or agree to pay any retirement benefit or allowance to any director or employee except as provided under any superannuation, provident or retirement scheme or contract in effect on 4 August 2014; or

- (8) acquire, offer to acquire or agree to acquire any businesses, assets, entities or undertakings valued at, or involving a financial commitment of more than US\$15 million (individually or when aggregated), or make an announcement in relation to such an acquisition,

in each case, otherwise than in the ordinary course of business and which is consistent with the plans or budgets of ROC which have been provided to Fosun before 4 August 2014, as disclosed to Fosun prior to 4 August 2014, as agreed between Fosun and ROC or as required or permitted by the Bid Implementation Agreement, the Takeover Bid or the transactions contemplated by them.

(d) Appointment of directors

As soon as practicable after Fosun acquires more than 50% of the ROC Shares and the Offer becomes unconditional, ROC must use its best endeavours to procure the resignation and appointment of ROC Directors such that a majority of the ROC Board are nominated by Fosun in writing.

(e) Fosun to declare Offer wholly unconditional upon the occurrence of certain matters

Under the BIA, Fosun must declare the Offer unconditional (that is, free the Offer from any outstanding conditions) within two Business Days after the date on which the 50% Minimum Acceptance Condition has been fulfilled or freed unless any of the conditions have been or are reasonably likely to be breached or have otherwise become or are reasonably likely to become incapable of satisfaction.

(f) Termination

Either ROC or Fosun may terminate the BIA:

- (1) for material breach of the BIA by the other party (and where capable of remedy, the material breach is not remedied within five Business Days); or
- (2) where Fosun withdraws the Takeover Bid without breach of the BIA or the Takeover Bid lapses.

8.2 Effect of the takeover on ROC's material contracts

The Facility contains change of control provisions which will be triggered as a result of, or as a result of acceptances of, the Offer. ROC (and other members of the ROC Group as guarantors) entered into the Facility on 9 May 2011. The current total undrawn debt Facility limit is US\$60 million. As at the date of this Target's Statement, the Facility has not been utilised.

The Facility provides that, if the control of ROC changes, it will trigger a "Review Event", upon which any financier may, by notice to ROC of not less than 90 days after the "Review Event", cancel the commitments and declare the principal outstanding together with accrued interest and fees and such other amounts owing under a finance document, due and payable on a date no less than 30 days after the date of the notice. ROC must repay all such amounts specified in the notice. As noted above, as at the date of this Target's Statement, the Facility has not been utilised.

8.3 Material litigation

ROC does not believe that it is involved in any litigation or dispute which is material in the context of ROC and its Subsidiaries taken as a whole.

8.4 Capital structure

As at the date of this Target's Statement, ROC's issued securities consist of:

- (a) 687,618,400 ROC Shares; and
- (b) 21,866,894 ROC Options and ROC Rights with the following details:

Plan	Type of ROC incentive	ROC Eligible Right/ROC Ineligible Right (if applicable for the purpose of section 8.6 of this Target's Statement)	Number outstanding	Issue date	Vesting date/end of performance period	Exercise price (if applicable)
Roc Oil Executive Option Scheme	ROC Option	–	150,000	23/12/2008	23/12/2014	\$0.65
	ROC Option	–	45,000	23/12/2008	23/12/2014	\$0.75
	ROC Option	–	45,000	23/12/2008	23/12/2014	\$0.80
	ROC Option	–	60,000	23/12/2008	23/12/2014	\$0.85
Roc Oil Long Term Incentive Plan (2010)	ROC 2010 LTI Right	ROC Eligible Right	4,345,000	16/12/2011	16/12/2014	–
	ROC 2010 LTI Right	ROC Ineligible Right	200,000	01/03/2012	01/03/2015	–
	ROC 2010 LTI Right	ROC Ineligible Right	500,000	13/09/2012	13/09/2015	–
	ROC 2010 LTI Right	ROC Ineligible Right	5,540,000	01/03/2013	01/03/2016	–
Roc Oil Equity Incentive Plan (2013)	ROC EIP LTI Right	ROC Ineligible Right	977,358	15/05/2013	31/12/2015	–
	ROC EIP LTI Right	ROC Ineligible Right	150,000	31/05/2013	24/03/2016	–
	ROC EIP LTI Right	ROC Ineligible Right	150,000	16/09/2013	02/09/2016	–
	ROC EIP LTI Right	ROC Ineligible Right	6,250,000	18/03/2014	31/12/2016	–
	ROC EIP LTI Right	ROC Ineligible Right	1,180,851	14/07/2014	31/12/2016	–
	ROC Deferred STI Right	ROC Eligible Right	142,160	15/05/2013	31/12/2014	–
	ROC Deferred STI Right	ROC Eligible Right	35,540	15/05/2013	31/12/2015	–
	ROC Deferred STI Right	ROC Eligible Right	1,110,702	07/03/2014	31/12/2014	–
	ROC Deferred STI Right	ROC Eligible Right	598,074	07/03/2014	31/12/2015	–
	ROC Deferred STI Right	ROC Eligible Right	193,605	14/07/2014	31/12/2014	–
ROC Deferred STI Right	ROC Eligible Right	154,884	14/07/2014	31/12/2015	–	
ROC Deferred STI Right	ROC Eligible Right	38,720	14/07/2014	31/12/2016	–	

All ROC Shares carry one vote per share and carry the right to dividends. All ROC Options and ROC Rights do not carry any voting rights or rights to dividends.

8.5 Substantial shareholders

As at 10 September 2014, ROC has been notified¹ that the following persons have a Substantial Holding of 5%, or more, of ROC Shares:

Person	Person's votes	Voting power (%)
Allan Gray Australia Pty Ltd (formerly known as Orbis Investment Management (Australia) Pty Ltd)	137,906,663	20.06% ²

8.6 Effect of Offer on ROC Optionholders and ROC Rightholders

The Offer does not extend to ROC Shares that are issued as a result of the exercise of ROC Options or upon the vesting of ROC Rights during the Offer Period.

However, ROC and Fosun International have also agreed that ROC or Fosun will:

- (a) make offers to each ROC Optionholder to have cancelled each of their ROC Options for cash consideration as follows:
 - (1) where the exercise price of the ROC Option is less than the Offer Price under the Takeover Bid, the difference between the Offer Price and the relevant exercise price of the ROC Option; and
 - (2) where the exercise price of the ROC Option is more than the Offer Price under the Takeover Bid, a nominal cash consideration of A\$0.005 cash per ROC Option, conditional only on Fosun acquiring a Relevant Interest in 90% or more of the ROC Shares as at the end of the Offer Period and the Offer under the Takeover Bid becoming, or being declared, unconditional (together, the **Options Offer**);
- (b) make offers to each ROC Eligible Rightholder to have cancelled each of their ROC Eligible Rights for a cash consideration, per ROC Eligible Right, equal to the Offer Price under the Takeover Bid, conditional only on the Offer under the Takeover Bid becoming, or being declared, unconditional (**Eligible Rights Offer**); and
- (c) make offers to each ROC Ineligible Rightholder to have cancelled each of their ROC Ineligible Rights for a replacement right under a replacement plan, with the intention that the replacement right will provide the holder with an equivalent economic interest to the existing ROC Ineligible Right (**Ineligible Rights Offer**). Any ROC Ineligible Rightholder who rejects the Ineligible Rights Offer will be deemed to have agreed to the cancellation of each of their ROC Ineligible Rights for the Offer Price for each ROC Ineligible Right.

In the case of ROC Optionholders and ROC Eligible Rightholders, the Options Offers and Eligible Rights Offers will be sent to the relevant holders on or around the same time as the first share offer is made under the Takeover Bid. In the case of ROC Ineligible Rightholders, ROC or Fosun will make the Ineligible Rights Offers after:

- (a) the terms of the replacement plan and replacement rights are agreed between ROC and Fosun International (or determined by KPMG Australia if required);
- (b) Fosun has acquired a Relevant Interest in 90% or more of the ROC Shares; and
- (c) the Offer under the Takeover Bid becomes, or is declared, unconditional.

ROC Options and ROC Rights have only been issued by ROC to its employees. Accordingly, only employees of ROC can be ROC Optionholders and/or ROC Rightholders.

In the event that a ROC Ineligible Rightholder's employment with ROC ceases for any reason other than resignation or termination for cause, the ROC Board will determine that the vesting of that ROC Ineligible Rightholder's ROC Ineligible Rights occurs immediately. This automatic vesting will only apply, in the case of redundancy or termination, after Fosun's nominees represent a majority of the ROC Board.

If Fosun's nominees represent a majority of the ROC Board, and Fosun has acquired a Relevant Interest in 90% or more of the ROC Shares, then:

- (a) ROC or Fosun (at ROC's election) must immediately offer to acquire; and
- (b) as a condition to vesting, Fosun must have a call option to purchase,

the ROC Shares that result from the vesting at a price per ROC Share equal to the Offer Price. Consideration will be payable within one month or such shorter timeframe as payments are being made under the Offer.

8.7 Consents

Bill Billingsley of ROC has given, and not withdrawn before the lodgement of this Target's Statement with ASIC, his written consent to be named in this Target's Statement in the form and context he is so named. Bill Billingsley takes no responsibility for any part of this Target's Statement other than any reference to his name.

Ernst & Young has given, and not withdrawn before the lodgement of this Target's Statement with ASIC, its written consent to be named in this Target's Statement as ROC's external auditor in the form and context it is so named. Ernst & Young has not caused or authorised the issue of this Target's Statement, does not make or purport to make any statement in this Target's Statement or any statement on which a statement in this Target's Statement is based and takes no responsibility for any part of this Target's Statement other than any reference to its name.

¹ See form 604 lodged 9 September 2011 on ASX.

² As provided in Form 604 lodged 9 September 2011 on ASX, adjusted for increase in share capital since 9 September 2011. The Form 604 lodged on 9 September 2011 on ASX stated voting power of 19.56%.

Grant Samuel & Associates Pty Limited has given, and not withdrawn before the lodgement of this Target's Statement with ASIC, its written consent to be named in this Target's Statement in the form and context it is so named.

Computershare Investor Services Pty Limited has given, and not withdrawn before the lodgement of this Target's Statement with ASIC, its written consent to be named in this Target's Statement as ROC's share registrar in the form and context it is so named. Computershare Investor Services Pty Limited has not caused or authorised the issue of this Target's Statement, does not make or purport to make any statement in this Target's Statement or any statement on which a statement in this Target's Statement is based and takes no responsibility for any part of this Target's Statement other than any reference to its name.

JB North & Co Pty Ltd has given, and not withdrawn before the lodgement of this Target's Statement with ASIC, its written consent to be named in this Target's Statement as ROC's financial adviser in the form and context it is so named. JB North & Co Pty Ltd has not caused or authorised the issue of this Target's Statement, does not make or purport to make any statement in this Target's Statement or any statement on which a statement in this Target's Statement is based and takes no responsibility for any part of this Target's Statement other than any reference to its name.

Herbert Smith Freehills has given, and not withdrawn before the lodgement of this Target's Statement with ASIC, its written consent to be named in this Target's Statement as ROC's Australian legal advisers in the form and context it is so named. Herbert Smith Freehills has not advised on the laws of any foreign jurisdiction. Herbert Smith Freehills has not caused or authorised the issue of this Target's Statement, does not make or purport to make any statement in this Target's Statement or any statement on which a statement in this Target's Statement is based and takes no responsibility for any part of this Target's Statement other than any reference to its name.

As permitted by ASIC Class Order 13/521, this Target's Statement includes statements which are made in, or based on statements made in, documents lodged by Fosun with ASIC or given to ASX, or announced on the Company Announcements Platform of the ASX, by Fosun. Pursuant to the Class Order, the consent of Fosun is not required for the inclusion of such statements in this Target's Statement. Any ROC Shareholder who would like to receive a copy of any of those documents may request a copy (free of charge) during the Offer Period by contacting the ROC shareholder information line on 1300 823 159 (toll free for calls made from within Australia) or +61 2 8022 7902 (for calls made from outside Australia) and will be provided with a copy of any of those documents within two business days of the request. Any telephone calls to these numbers may be taped, recorded, indexed and stored.

As permitted by ASIC Class Order 13/523, this Target's Statement may include or be accompanied by certain statements:

- fairly representing what purports to be a statement by an official person;

- that are a correct and fair copy of, or extract from, what purports to be a public official document; or
- that are a correct and fair copy of, or extract from, statements which have already been published in a book, journal or comparable publication.

In addition, as permitted by ASIC Class Order 07/429, this Target's Statement contains share price trading data sourced from Bloomberg without its consent.

8.8 Listing Rule waiver

Listing Rule 6.23.2 requires that a change which has the effect of cancelling an option for consideration can only be made if shareholders approve the change.

The ASX has granted ROC a waiver from Listing Rule 6.23.2 to the extent necessary to permit ROC to cancel for consideration, and without shareholder approval, the ROC Options and ROC Rights. The waiver is conditional on the Offer being declared unconditional and Fosun acquiring voting power in ROC of at least 50.1%.

8.9 No other material information

This Target's Statement is required to include all the information that ROC Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer, but:

- only to the extent to which it is reasonable for investors and their professional advisers to expect to find this information in this Target's Statement; and
- only if the information is known to any ROC Director.

The ROC Directors are of the opinion that the information that ROC Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer is:

- the information contained in the Bidder's Statement (to the extent that the information is not inconsistent or superseded by information in this Target's Statement);
- the information contained in ROC's releases to the ASX, and in the documents lodged by ROC with ASIC before the date of this Target's Statement; and
- the information contained in this Target's Statement.

The ROC Directors have assumed, for the purposes of preparing this Target's Statement, that the information in the Bidder's Statement is accurate (unless they have expressly indicated otherwise in this Target's Statement). However, the ROC Directors do not take any responsibility for the contents of the Bidder's Statement and are not to be taken as endorsing, in any way, any or all statements contained in it.

In deciding what information should be included in this Target's Statement, the ROC Directors have had regard to:

- the nature of the ROC Shares;
- the matters that ROC Shareholders may reasonably be expected to know;
- the fact that certain matters may reasonably be expected to be known to ROC Shareholders' professional advisers; and
- the time available to ROC to prepare this Target's Statement.

Glossary and interpretation

9

9.1 Glossary

The meanings of the terms used in this Target's Statement are set out below.

Term	Meaning
1P	is equivalent to Proved Reserves. It denotes a Low Estimate scenario of Reserves.
2C	denotes the Best Estimate scenario of Contingent Resources.
2P or 2P Reserves	is equivalent to the sum of Proved Reserves plus Probable Reserves. It denotes the Best Estimate scenario of Reserves.
3P	is equivalent to the sum of Proved Reserves plus Probable Reserves plus Possible Reserves. It denotes the High Estimate scenario of Reserves.
50% Minimum Acceptance Condition	the condition contained in section 12.5(1) of the Bidder's Statement (and summarised in section 6.2(a) of this Target's Statement).
ASIC	the Australian Securities and Investments Commission.
Associate	has the meaning given in Division 2 of Part 1.2 of the Corporations Act as if section 12(1) of the Corporations Act included a reference to this Target's Statement.
ASX	ASX Limited ABN 98 008 624 691.
BBL(s)	barrel(s). A quantity of 42 United States gallons; equivalent to approximately 159 litres.
BCF	1,000 million cubic feet.
BCP	BC Petroleum Sdn Bhd.
Best Estimate	the best estimate of the quantity that will actually be recovered from accumulation of an oil and gas project. It is the most realistic assessment of recoverable quantities if only a single result were reported. When probabilistic methods are used, there should be at least a 50% probability (P50) that the quantities actually recovered will equal or exceed the Best Estimate.
BIA or Bid Implementation Agreement	the bid implementation agreement dated 4 August 2014 between ROC and Fosun International.
Bidder's Statement	the bidder's statement of Fosun dated 11 September 2014.
BMG	Basker Manta Gummy oil and gas fields.
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	barrels of oil equivalent per day.
BOPD	barrels of oil per day inclusive of natural gas liquids.
Business Day	a day other than a Saturday, Sunday or public holiday in Sydney, New South Wales except in the context of something required to be done by Fosun, a day other than a Saturday, Sunday or public holiday in Hong Kong or Shanghai.
business day	a day that is not a Saturday, Sunday or public holiday or bank holiday in the place concerned.
CGT	Australian capital gains tax.
CHESS	CHESS Depository Nominees Pty Limited.
CNOOC	China National Offshore Oil Corporation.

Term	Meaning
Competing Transaction	any proposal, agreement, arrangement or transaction, which, if entered into or completed, would have the same effect as, or be similar in economic terms to any transaction described in paragraphs 1 to 6 below, whether existing or arising before, on or after 4 August 2014: <ol style="list-style-type: none"> 1 a third party (either alone or with its Associates) acquiring (directly or indirectly) (including by way of joint venture, alliance, dual listed company structure or otherwise) any interest in all or a substantial part of the business or assets of the ROC Group; 2 a third party (either alone or with its Associates) becoming (directly or indirectly) the holder or controller of, or otherwise acquiring, all or substantially all of the ROC Shares; 3 a third party (either alone or with its Associates) acquiring Control of, or merging or amalgamating with ROC or any of its material Subsidiaries, including by way of takeover bid, scheme of arrangement or capital reduction or contractual arrangement; 4 ROC implementing any reorganisation of capital or dissolution; 5 a third party acquiring, after 4 August 2014, "voting power" (as that term is defined in the Corporations Act) in relation to 15% or more of the ROC Shares; or 6 any other proposal, agreement, arrangement or transaction which affects, prejudices or jeopardises, or might reasonably be expected to affect, prejudice or jeopardise, the success of the Takeover Bid.
Contingent Resources	those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development oil and gas projects but which are not currently considered to be commercially recoverable due to one or more contingencies.
Control	has the meaning given in section 50AA of the Corporations Act.
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Court	a court of competent jurisdiction under the Corporations Act.
Eligible Rights Offer	has the meaning given in section 8.6 of this Target's Statement.
EPV	early production vessel.
Exclusivity Period	the period from 4 August 2014 until: <ol style="list-style-type: none"> 1 the end of the Offer Period; or 2 the date that is four months after 4 August 2014, whichever is earlier.
Facility	has the meaning given in section 5.5 of this Target's Statement.
FATA	the <i>Foreign Acquisitions and Takeovers Act 1975</i> (Cth).
FDP	Field Development Plan.
FIRB Condition	the proposed condition to the Offer which is described in section 6.2(c)(2) of this Target's Statement, noting that it is no longer a condition to the Offer.
FIRB Policy	the Australian Government's Foreign Investment Policy.
Fosun	Transcendent Resources Limited, CR No.:1933828, a company registered in Hong Kong and a wholly-owned Subsidiary of Fosun International.
Fosun Group	Fosun International and each of its Subsidiaries, including Fosun.
Fosun International	Fosun International Limited.
Grant Samuel	Grant Samuel & Associates Pty Limited ABN 28 050 036 372.
Grant Samuel Independent Expert's Report	has the meaning given in section 3 of this Target's Statement.

Term	Meaning
High Estimate	an optimistic estimate of the quantity that will actually be recovered from an accumulation by an oil and gas project. When probabilistic methods are used, there should be at least a 10% probability (P10) that the quantities actually recovered will equal or exceed the High Estimate.
Horizon	Horizon Oil Limited ACN 009 799 455.
Horizon Merger or Horizon Scheme	the proposed scheme of arrangement under part 5.1 of the Corporations Act between Horizon and the Horizon Shareholders under which all the Horizon Shares were to be transferred to ROC.
Horizon Merger Condition	the proposed condition to the Offer which is described in section 6.2(b)(2) of this Target's Statement, noting that it is no longer a condition to the Offer.
Horizon MID	the merger implementation deed dated 29 April 2014 between Horizon and ROC relating to the implementation of the Horizon Scheme.
Horizon Scheme Meeting	the meeting of Horizon Shareholders ordered by the Court that was to be convened on 7 August 2014 under subsection 411(1) of the Corporations Act to consider and vote on the Horizon Scheme and includes any meeting convened following any adjournment or postponement of that meeting.
Horizon Share	a fully paid ordinary share in the capital of Horizon.
Horizon Shareholder	a registered holder of Horizon Shares.
IDP	Incremental Development Plan.
Ineligible Rights Offer	has the meaning given in section 8.6 of this Target's Statement.
Listing Rules	the official listing rules of ASX.
Low Estimate	a conservative estimate of the quantity that will actually be recovered from an accumulation by an oil and gas project. When probabilistic methods are used, there should be at least a 90% probability (P90) that the quantities actually recovered will equal or exceed the Low Estimate.
MMBBL	million barrels.
MMBOE	million barrels of oil equivalent.
MMscfd	million standard cubic feet per day.
MOE	Myanmar Ministry of Energy.
Notice of Status of Conditions	Fosun's notice disclosing the status of the conditions to the Offer which is required to be given by section 630(3) of the Corporations Act, and which is referred to in section 6.3 of this Target's Statement.
Offer	each offer to acquire ROC Shares made in connection with the Takeover Bid.
Offer Period	the period that the Offer is open for acceptance in accordance with section 12.2 of the Bidder's Statement.
Offer Price	A\$0.69 cash per ROC Share.
Options Offer	has the meaning given in section 8.6 of this Target's Statement.
PC	Contract for Petroleum Exploration, Development and Production.
Prescribed Occurrences	has the meaning given in section 6.2(a) of this Target's Statement.
Prescribed Occurrences Condition	the condition contained in section 12.5(3) of the Bidder's Statement (and summarised in section 6.2(a) of this Target's Statement).

Term	Meaning
Possible Reserves	those additional Reserves which analysis of geoscience and engineering data indicate are less likely to be recoverable than Probable Reserves. The total quantities ultimately recovered from the project have a low probability to exceed the sum of Proved Reserves plus Probable Reserves plus Possible Reserves (3P). When probabilistic methods are used, there should be at least a 10% probability that the actual quantities recovered will equal or exceed the 3P estimate.
Probable Reserves	those additional Reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than Proved Reserves but more certain to be recovered than Possible Reserves. It is equally likely that actual remaining quantities recovered will be greater than or less than the sum of the estimated Proved Reserves plus Probable Reserves (2P). When probabilistic methods are used, there should be at least a 50% probability that the actual quantities recovered will equal or exceed the 2P estimate.
Prospective Resources	those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.
Proved Reserves	those quantities of petroleum, which by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations. If deterministic methods are used, the term reasonable certainty is intended to express a high degree of confidence that the quantities will be recovered. When probabilistic methods are used, there should be at least a 90% probability that the quantities actually recovered will equal or exceed the estimate.
PRRT	petroleum resource rent tax.
PSC	Production Sharing Contract.
Record Date	7.00pm (Sydney time) on 11 September 2014, being the date set by Fosun pursuant to section 633(2) of the Corporations Act.
Regulatory Authority	includes: <ol style="list-style-type: none"> 1 ASIC and ASX and The Stock Exchange of Hong Kong; 2 a government or governmental, semi-governmental, administrative, fiscal or judicial body; 3 a minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of or controlled by any government; and 4 any regulatory organisation established under statute.
related body corporate	has the meaning given in section 50 of the Corporations Act.
Related Person	in relation to a person: <ol style="list-style-type: none"> 1 a related body corporate of that party; 2 an adviser of that party or an adviser of a related body corporate of that party; or 3 an officer or employee of any entity referred to in items 1 or 2 of this definition.
Relevant Interest	has the meaning given in sections 608 and 609 of the Corporations Act.
Reserves	those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Reserves must further satisfy four criteria: they must be discovered, recoverable, commercial and remaining based on the development project(s) applied.
ROC	Roc Oil Company Limited ACN 075 965 856.
ROC 2010 LTI Right	a long-term incentive right to acquire a ROC Share issued under the Roc Oil Long Term Incentive Plan (2010).
ROC Board	the board of directors of ROC.
ROC CRE	the Chief Reservoir Engineer of ROC.

Term	Meaning
ROC Deferred STI Right	a deferred short-term incentive right to acquire a ROC Share issued under the ROC Oil Equity Incentive Plan (2013).
ROC Directors	the directors of ROC.
ROC EIP LTI Right	a long-term incentive right to acquire a ROC Share issued under the ROC Oil Equity Incentive Plan (2013).
ROC Eligible Right	those ROC 2010 LTI Rights and ROC Deferred STI Rights described as 'ROC Eligible Rights' in section 8.4 of this Target's Statement.
ROC Eligible Rightholder	a holder of ROC Eligible Rights.
ROC Group	ROC and each of its Subsidiaries, and a reference to a ' member of the ROC Group ' is to ROC or any of its Subsidiaries.
ROC Ineligible Right	those ROC 2010 LTI Rights and ROC EIP LTI Rights described as 'ROC Ineligible Rights' in section 8.4 of this Target's Statement.
ROC Ineligible Rightholder	a holder of ROC Ineligible Rights.
ROC Option	an option to acquire a ROC Share issued under the Roc Oil Executive Option Scheme.
ROC Optionholder	a registered holder of ROC Options.
ROC Right	a right to acquire a ROC Share issued under the: <ol style="list-style-type: none"> 1 Roc Oil Long Term Incentive Plan (2010); or 2 Roc Oil Equity Incentive Plan (2013).
ROC Rightholder	a registered holder of ROC Rights.
ROC Securities	ROC Shares, ROC Options and ROC Rights.
ROC Share	a fully paid ordinary share in the capital of ROC.
ROC Shareholder	a registered holder of ROC Shares.
RSC	Risk Service Contract.
Security Interest	has the meaning given in section 51A of the Corporations Act.
Subsidiary	has the meaning given in Division 6 of Part 1.2 of the Corporations Act.
Substantial Holding	has the meaning given in section 9 of the Corporations Act.
Superior Proposal	a bona fide Competing Transaction of the kind referred to in paragraphs 1, 2, 3, 4 and 6 of the definition of Competing Transaction which the ROC Board, acting in good faith, determines is: <ol style="list-style-type: none"> 1 reasonably capable of being completed taking into account all aspects of the Competing Transaction; and 2 more favourable to ROC Shareholders than the Offer, taking into account all terms and conditions of the Competing Transaction.
Takeover Bid	the off-market takeover bid made by Fosun for all the ROC Shares, as contained in the Bidder's Statement.
Target's Statement	this document (including the Annexures), being the statement of ROC under Part 6.5 Division 3 of the Corporations Act.
Tcf	trillion cubic feet, equal to 1,000 bcf.
Third Party	a party other than ROC and any Subsidiary of ROC and Fosun International and any Subsidiary of Fosun International.
VWAP	volume weighted average price.

9.2 Interpretation

In this Target's Statement (other than the Annexures):

- (a) Other words and phrases have the same meaning (if any) given to them in the Corporations Act.
- (b) Words of any gender include all genders.
- (c) Words importing the singular include the plural and vice versa.
- (d) An expression importing a person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa.
- (e) A reference to a section, clause, attachment and schedule is a reference to a section of, clause of and an attachment and schedule to this Target's Statement as relevant.
- (f) A reference to any legislation includes all delegated legislation made under it and amendments, consolidations, replacements or re-enactments of any of them.
- (g) Headings and bold type are for convenience only and do not affect the interpretation of this Target's Statement.
- (h) A reference to time is a reference to the time in Sydney, Australia.
- (i) A reference to dollars, \$, A\$, AUD, cents, ¢ and currency is a reference to the lawful currency of the Commonwealth of Australia.
- (j) A reference to US\$ and USD is to the lawful currency of the United States of America.

Authorisation

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This Target's Statement has been approved by a resolution passed by the ROC Directors. All ROC Directors voted in favour of that resolution.

Signed for and on behalf of ROC.

11 September 2014

A handwritten signature in black ink, appearing to read 'R. M. Harding'. The signature is written in a cursive style with a prominent initial 'R' and a long, sweeping underline.

Mr R M Harding
Chairman

Annexure

A

Directors' Report and Financial Report for the
Financial Half Year Ended 30 June 2014

Directors' Report and Financial Report for the Financial Half Year Ended 30 June 2014



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 2014. 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 Michael Harding (Non-Executive Director, Chairman)

Mr Alan Linn (Executive Director)

Mr Robert Leon (Non-Executive Director)

Mr Graham Mulligan (Non-Executive Director)

Mr Christopher Hodge (Non-Executive Director)

Mr Nigel Hartley (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.

Rounding

The Company is a company of the kind referred to in Australian Securities and Investments Commission Class Order 98/100, 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 6 and forms part of this report.

This Directors' Report is made in accordance with a resolution of the Board of Directors on 28 August 2014 pursuant to section 306(3) of the Corporations Act 2001.

On behalf of the Directors



Mr R M Harding
Chairman

Sydney, 19 August 2014

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 2014.

FINANCIAL PERFORMANCE

Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2014, the Group reported a net profit after income tax of US\$53.8 million (1H13: US\$20.5 million) from a gross profit of US\$56.3 million (1H13: US\$49.0 million). Included in the current period result was an after tax profit on the sale of ROC's interest in BMG for US\$32.6 million.

Sales and Production Growth

The Group's working interest production of 1.72 MMBOE (9,487 BOEPD), was an increase of 46% compared with 1H13 of 1.17 MMBOE (6,478 BOEPD) primarily driven by the farm-in to the D35/D21/J4 PSC (D35 Project) and a full period of Beibu Gulf production. From the total working interest production, 0.3 MMBOE (14.8%) was delivered to host governments in relation to the respective governments' share of profit oil under the Groups Production Sharing Contracts.

Oil and gas sales revenue was US\$143.4 million (1H13: US\$114.1 million) generated from sales volumes of 1.4 MMBOE (1H13: 1.1 MMBOE), which achieved an average realised oil price of US\$105.75/BBL (1H13: US\$104.21/BBL), a discount of 3% to the average Brent oil price for the Period of US\$108.93/BBL.

Operating costs were US\$87.1 million (1H13: US\$65.1 million) and included production costs of US\$25.8 million (US\$15.04/BOE), amortisation of US\$39.7 million (US\$23.11/BOE) and Special levy and royalty costs of US\$25.3 million.

Exploration Expenditure

Exploration expenditure of US\$2.2 million (1H13: US\$4.7 million) was incurred during the Period mainly relating to new venture costs and studies. In accordance with ROC's Successful Efforts accounting policy US\$2.1 million (1H13: US\$4.6 million) in exploration costs were expensed during the Period.

Income Tax

An income tax expense of US\$19.1 million (1H13: US\$14.2 million) was incurred during the Period, which included a current income tax expense of US\$16.4 million, a prior year under provision of US\$2.3 million, PRRT expense of US\$4.5 million offset by a favourable movement in deferred income tax of US\$4.1 million.

Financial Ratios

The basic earnings per share for the Period was US 7.8 cents based upon a weighted average number of fully paid ordinary shares on issue of 687,010,999 million shares.

Consolidated Statement of Financial Position

At 30 June 2014, ROC's net cash position was US\$67.2 million (2013: US\$65.1 million) and the total undrawn debt facility limit available was US\$60.0 million.

Oil and gas assets decreased by US\$17.6 million to US\$209.6 million (2013: US\$227.2 million) during the Period mainly as a result of amortisation of US\$39.7 which was partly offset by US\$5.6 million of development expenditure; D35 project acquisition of US\$8.9 million and an increase in the restoration costs of US\$7.6 million.

Consolidated Statement of Cash Flows

Net cash generated during the Period from operating activities was US\$32.1 million (1H13: US\$42.1 million) and was mainly used to fund development of US\$21.7 million and the ongoing investment in BC Petroleum Sdn Bhd (BCP) of US\$8.5 million.

DISCUSSION AND ANALYSIS OF FINANCIAL STATEMENTS CONTINUED

OPERATIONAL OVERVIEW

The Group undertook and was involved in a number of exploration, development and production activities during the Period.

Corporate activity

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

ROC's continuing focus on HSEC and asset integrity performance has helped produce another half year with no significant process or personnel safety incidents.

Production and Development

The Group incurred US\$25.8 million in production expenditure and US\$5.6 million in development expenditure during the Period. Development expenditure was incurred mainly in relation to Zhao Dong development drilling programme (US\$5.4 million).

Malaysia

D35/D21/J4, Offshore Malaysia (ROC: 30% & Project Development Manager)

On 1 April ROC announced the farm-in to a PSC of the D35, D21 and J4 fields PSC (D35 project), effective 1 January 2014 with ROC production reported from 1 April 2014. Gross oil production for the 2Q averaged 9,330 BOPD (ROC: 2,799 BOPD) and gross gas production for the 2Q14 averaged 15.4 MMscfd (ROC: 4.6 MMscfd) which was in line with expectations. ROC is in the process of finalising a sale and purchase agreement with PETRONAS for the sale of ROC's share of the D35 project crude entitlement. The agreement is expected to be finalised in the 2H14.

The D35 project farm-in which includes three producing fields D35, D21 and J4 is located offshore Malaysia and fully aligned with the ROC regional development strategy. The fields are expected to become cornerstone development assets within our growth portfolio and contain material in place oil and gas volumes. The overall field recovery is expected to benefit significantly from the introduction of secondary and tertiary recovery technologies. The fields provide a portfolio of immediately bookable reserves plus contingent and prospective resources, and materially add to and extend the production life of ROC's reserves and resources inventory.

PETRONAS Carigali is the Operator of the PSC and it has appointed ROC as the Project Development Manager, responsible for subsurface management, well engineering, new facilities projects and project execution. During the reporting period hand over activities have continued as ROC transitions into the role of Project Development Manager. Development planning activities for the remainder of 2014 and 2015 is underway with PETRONAS Carigali.

On 30 May ROC announced that it had entered into a binding Letter of Intent to farm-out a 20% participating interest in the PSC for the D35 project, to Dialog Resources Sdn Bhd (Dialog). The Dialog farm-in reduces ROC's participating interest to 30%. The 20% farm-out has been approved by PETRONAS and existing joint venture partners and is subject to completion of documentation.

China

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

Gross oil production for the Period averaged 12,545 BOPD (ROC: 2,459 BOPD); up 245% compared to 1H13 average production of 3,633 BOPD (ROC: 712 BOPD) recognising a full period of production compared to 1H13 as the fields originally commenced production in March 2013.

The fields are performing in line with expectations, with well performance being assessed during the 1H14 to ensure appropriate reservoir management and continuing stable production.

DISCUSSION AND ANALYSIS OF FINANCIAL STATEMENTS CONTINUED

Zhao Dong Oil Fields, Bohai Bay, Offshore China (C&D Oil Fields ROC: 24.5% & Operator, C4 Oil Field ROC: 11.667% unithised & Operator, Zhanghai and Chenghai Oil Field ROC: 39.2% & Operator)

Gross oil production for the Period averaged 16,365 BOPD (ROC: 3,801 BOPD); down 6% compared to with 1H13 average production of 17,786 BOPD (ROC: 4,024 BOPD) due to natural oil field decline.

During the Period five development wells were drilled.

ROC was advised by PetroChina of its intention to assume operatorship of Zhao Dong in 2Q15. ROC will continue as a full partner, post transition, and will continue to assist PetroChina in building their offshore operations and international management team whilst maximising the hydrocarbon recovery from Zhao Dong and area opportunities and ensuring the continued sustainable development of the Zhao Dong fields.

Australia

Cliff Head Oil Field, WA-31-L, Perth Basin, Offshore Western Australia (ROC: 42.5% & Operator)

Gross oil production for the Period averaged 1,988 BOPD (ROC: 845 BOPD); down 25% compared with 1H13 average production of 2,638 BOPD (ROC: 1,121 BOPD) due to natural field decline and CH-13 being off-line for part of the current reporting period.

During the period the Electrical Submersible Pump on CH-13 failed. Workover activities were successfully undertaken during 2Q14. The well was recommissioned recently and is performing in line with expectations.

BMG Oil and Gas Fields, VIC/L26, VIC/L27, VIC/L28, Offshore Victoria (ROC: 37.5% & Operator)

In line with ROC's strategy to exit from non-core assets, on 31 March ROC announced that it signed a Sale and Purchase Agreement to sell its entire 50% participating interest in the BMG field to Cooper Energy Limited (ASX: COE). The sale of the BMG asset generated a profit of US\$32.6 million mainly from the reversal of the restoration provision; released personnel for new projects and mitigated a significant future abandonment obligation. ROC received an upfront cash consideration of A\$1 million and a A\$5 million contingent consideration, subject to first hydrocarbons from a commercial development.

The sale was effective 1 January 2014 and all regulatory approvals have been received and the interests and operatorship have now been transferred to COE.

United Kingdom

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

Gross production for the Period averaged 4,704 BOEPD (ROC: 588 BOEPD); down 5% compared to 1H13 average production of 4,968 BOEPD (ROC: 621 BOEPD). During the Period there was downtime on the Ula platform caused by unavailability of compression during part of January and repair to storm damage in February. Production since March has been in line with expectations.

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

Restoration works were completed on Enoch in early 2014 with production expected to resume during 3Q14.

Exploration and New Ventures

The Group incurred US\$2.2 million in exploration expenditure during the Period.

China

WZ 6-12 and WZ 12-8 West Oil Field Development, Beibu Gulf, Offshore China (ROC: 40% & Operator)

The 12-8E feasibility study continues, and overall development plan study is scheduled to complete by the end of 2014.

DISCUSSION AND ANALYSIS OF FINANCIAL STATEMENTS CONTINUED

Block 09/05, Bohai Bay, Offshore China (ROC: 100% & Operator)

Seismic processing of the 3D data is completed and an initial prospect identified. Well planning is complete and on 14 August, ROC announced the spudding and farm-out of a 40% interest in Block 09/05 to AWE China Pte. Ltd (AWE) for US\$2 million and a part carry of two exploration wells, subject to regulatory approvals.

Malaysia

Balai Cluster Risk Service Contract, offshore Sarawak, Malaysia (ROC: 48%, equity investment of BCP)

In March BC Petroleum (BCP) received Field Development Plan (FDP) approval from PETRONAS for the development of the Bentara Field within the Balai Cluster.

On 25 May, oil production from the Bentara Field was successfully brought on stream. The Bentara Field has achieved the First Oil milestone with a stabilised start-up rate of approximately 1,300 BOPD of oil and 0.8 MMSCFD of gas.

Production from the Bentara Field is from the two appraisal wells through the existing platform and then processed onboard the EPV. The Crude is transferred to point of sale via a ship-to-ship transfer with a shuttle tanker, and the first transfer of ~50,000 barrels completed on 18 July.

BC Petroleum Sdn. Bhd. (BCP) is the ROC 48% owned company incorporated to operate and manage the Balai Cluster RSC. Under the terms of the RSC, BCP (and ROC) do not have title to the oil produced and therefore are not able to book reserves and resources associated with the Bentara oil field. ROC is unable to show Bentara production and revenue within its owned reported volumes.

Myanmar

In March, ROC was notified by the Myanmar Ministry of Energy (MOE) of the successful award of a PSC for shallow water Block M07 in the Moattama basin. M07 plays to ROC's core capabilities in offshore shallow water exploration and development, and offers the potential for exploration led growth close to producing fields and existing infrastructure.

ROC is continuing to work through the award process which is subject to finalisation of terms with the MOE and is targeted during 2H14.

ROC continues to actively pursue attractive farm-in opportunities near existing infrastructure. Entry into Myanmar remains aligned with ROC's wider strategic objective to identify and secure material exploration, appraisal and field re-development opportunities in established petroleum provinces across South East Asia.

Africa

Block H, Offshore Equatorial Guinea (ROC: 20%)

In line with our strategy to progressively increase our business focus in South East Asia and China ROC finalised its exit non-core assets Block H Equatorial Guinea. The Minister of Mines, Industry and Energy of Equatorial Guinea did not extend the Block H permit; consequently the PSC expired on 2 February 2014.

Corporate Activity

ROC and Horizon Oil Limited (Horizon) announced on 29 April that they entered into a Merger Implementation Deed (MID) under which they agreed to merge via a Horizon Scheme of Arrangement. As a result of the Fosun takeover Offer on 5 August 2014 Horizon notified ROC that they had terminated the MID.

On 4 August 2014, ROC announced that it has entered into a Bid Implementation Agreement (BIA) under which it is proposed that Fosun International Limited or a subsidiary of it (Fosun) will acquire all of the ROC shares currently on issue for A\$0.69 cash per share by way of off-market takeover offers (Fosun Offer). The BIA, sets out the conditions of the Fosun Offer which include:

- Termination of the Horizon Merger Implementation Deed
- FIRB approval;

DISCUSSION AND ANALYSIS OF FINANCIAL STATEMENTS CONTINUED

- More than 50% acceptance of the offer;
- No material adverse change until 5.00pm (Sydney time) on 19 October 2014;
- No prescribed occurrences; and
- Various other business conduct conditions until 5.00pm (Sydney time) on 19 October 2014.

The ROC directors unanimously recommend the ROC shareholders accept the Fuson Offer in the absence of a superior proposal. All of the ROC directors have advised their intention to accept the Fuson Offer with respect to the ROC shares they own or control, in the absence of a superior proposal.



Ernst & Young
680 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

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 2014, 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.

A handwritten signature in cursive script that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in cursive script that reads 'Trent van Veen'.

Trent van Veen
Partner
Sydney
19 August 2014

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the half year ended 30 June 2014

		30 June 2014 US\$'000	30 June 2013 US\$'000
Sales revenue	2	143,426	114,130
Operating costs	3	(87,126)	(65,082)
Gross profit		56,300	49,048
Other income	4	1,443	144
Gain on sale of non-production asset	7	32,597	-
Impairment of investment in associate	12	(1,500)	-
Exploration expensed	5	(2,078)	(4,648)
Other costs		(11,427)	(7,791)
Finance costs		(2,415)	(2,041)
Profit before income tax		72,920	34,712
Income tax expense	6	(19,111)	(14,218)
Net profit for the Period		53,809	20,494
Other comprehensive income			
Foreign currency translation reserve gain on liquidation of Subsidiary		-	(37)
Other comprehensive income for the Period, net of tax		-	(37)
Total comprehensive income for the Period		53,809	20,457
Basic earnings per share (cents)		7.8	3.0
Diluted earnings per share (cents)		7.7	2.9

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2014

	Note	30 June 2014 US\$'000	31 Dec 2013 US\$'000
Current Assets			
Cash assets		67,178	65,140
Trade and other receivables	9	82,624	32,361
Inventories		7,382	2,133
Total Current Assets		157,184	99,634
Non-Current Assets			
Oil and gas assets	7	209,592	227,158
Exploration and evaluation expenditure	8	739	587
Property, plant and equipment		197	858
Deferred tax assets		22,642	20,594
Investment in associate	12	74,199	67,203
Total Non-Current Assets		307,369	316,400
Total Assets		464,553	416,034
Current Liabilities			
Trade and other payables		53,012	42,247
Current tax liabilities		12,999	8,258
Provisions		14,995	14,235
Total Current Liabilities		81,006	64,740
Non-Current Liabilities			
Long term liabilities		7,500	-
Deferred tax liabilities		19,066	21,078
Provisions		36,037	63,961
Total Non-Current Liabilities		62,603	85,039
Total Liabilities		143,609	149,779
Net Assets		320,944	266,255
Equity			
Share capital	10	734,150	734,150
Accumulated losses		(435,024)	(488,833)
Other reserves		21,818	20,938
Total Equity		320,944	266,255

CONSOLIDATED STATEMENT OF CASH FLOW

For the half year ended 30 June 2014

	Inflow/ (Outflow) 30 June 2014 US\$'000	Inflow/ (Outflow) 30 June 2013 US\$'000
Cash flows from operating activities		
Cash generated from operations	55,641	67,734
Derivatives settled	-	68
Payments for exploration and evaluation expenses	(2,850)	(5,514)
Receipts/(Payments) for the non-production phase for BMG	1,824	(1,825)
Interest received	51	144
Finance costs paid	(1,216)	(912)
Payments made for abandonment costs	(2,990)	-
Income taxes and PRRT paid	(18,340)	(17,580)
Net cash generated from operating activities	32,120	42,115
Cash flows from investing activities		
Payments for plant and equipment	(95)	(168)
Payments for development expenditure	(21,661)	(19,586)
Investment in associate	(8,496)	(20,569)
Net cash used in investing activities	(30,252)	(40,323)
Net increase in cash held	1,868	1,792
Cash at beginning of Period	65,140	56,783
Effect of exchange rate changes on the balance of cash held in foreign currencies	170	(457)
Cash at end of financial half year	67,178	58,118

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 30 June 2014

	Share Capital US\$'000	Accumulated Losses US\$'000	Share Equity Reserve US\$'000	Foreign Currency Translation Reserve US\$'000	Total US\$'000
Balance at 1 January 2013	734,150	(534,022)	12,460	6,061	218,649
Total comprehensive income for the Period, net of tax	-	20,494	-	(37)	20,457
Total transactions with owners: share based payments	-	-	744	-	744
Balance at 30 June 2013	734,150	(513,528)	13,204	6,024	239,850
Balance at 1 January 2014	734,150	(488,833)	14,913	6,025	266,255
Total comprehensive income for the period, net of tax	-	53,809	-	-	53,809
Total transactions with owners: share based payments	-	-	880	-	880
Balance at 30 June 2014	734,150	(435,024)	15,793	6,025	320,944

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 2013.

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 2014 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 98/100. 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 2014 and are not expected to have a material impact, but are assessed by management on an ongoing basis.

(b) Significant Accounting Policies

Except as described below, the accounting policies applied by the Group in this consolidated interim financial report are the same as those applied by the Group in its consolidated financial report as at and for the year ended 31 December 2013.

Changes in accounting policy and disclosures

The Group has adopted all the new and amended Australian Accounting Standards and AASB Interpretations that are effective as of 1 January 2014.

The adoption of these amendments did not have any impact on the financial position or the performance of the Group.

(c) 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

	30 June 2014 US\$'000	30 June 2013 US\$'000
Note 2. Sales Revenue		
Oil	141,841	114,130
Gas	1,585	-
	143,426	114,130
Note 3. Operating Costs		
Production costs	25,823	17,762
Amortisation	39,690	32,303
Movement in stock and underlift	(3,723)	321
Royalty and other levies	25,336	14,696
	87,126	65,082
Note 4. Other Income		
Interest income - external	51	144
Sale of sundry equipment	1,392	-
	1,443	144
Note 5. Exploration Expensed		
China	798	568
Other (includes new ventures)	1,280	4,080
	2,078	4,648
Note 6. Income Tax		
Composition of income tax		
Income tax charge – current Period	16,405	13,541
Income tax charge – prior Period	2,313	(44)
PRRT – current period	4,454	5,917
Deferred income tax	(4,061)	(5,196)
	19,111	14,218

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

	Producing Assets US\$'000	Assets under Development US\$'000	Total US\$'000
Note 7. Oil and Gas Assets			
Costs			
Balance at 1 January 2013	975,029	75,509	1,050,538
Development expenditure incurred	60,682	-	60,682
Transfers	75,509	(75,509)	-
Costs at 31 December 2013	1,111,220	-	1,111,220
Development expenditure incurred	5,585	-	5,585
Increase in restoration asset	7,637	-	7,637
Asset acquisition	8,902	-	8,902
Asset disposal	(245,182)	-	(245,182)
Costs at 30 June 2014	888,162	-	888,162
Accumulated Amortisation			
Balance at 1 January 2013	(813,246)	-	(813,246)
Charge for the year	(70,816)	-	(70,816)
Accumulated Amortisation at 31 December 2013	(884,062)	-	(884,062)
Charge for the Period	(39,690)	-	(39,690)
Asset disposal	245,182	-	245,182
Accumulated Amortisation at 30 June 2014	(678,570)	-	(678,570)
Net book value at 30 June 2014	209,592	-	209,592
Net book value at 31 December 2013	227,158	-	227,158

On 31 March ROC announced that it signed a Sale and Purchase Agreement to sell its entire 50% participating interest in the BMG field to Cooper Energy Limited. The sale of the BMG asset generated a profit of US\$32.6 million mainly from the reversal of the restoration provision. ROC received an upfront cash consideration of A\$1 million and a A\$5 million contingent consideration, subject to first hydrocarbons from a commercial development

	30 June 2014 US\$'000	31 Dec 2013 US\$'000
Note 8. Exploration and Evaluation Expenditure		
Opening balance	587	1,094
Expenditure incurred	2,230	16,030
Amounts expensed	(2,078)	(16,537)
	739	587

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

	30 June 2014 US\$'000	31 Dec 2013 US\$'000
Note 9. Trade and other receivables		
Trade receivables	55,546	26,710
Other receivables	27,078	5,651
	82,624	32,361

Included in Trade receivables is US\$13.3million relating to ROC's D35 project share of net entitlement production of 153,220 BOE for 1Q14.

Included in Other receivable is US\$10.9 million relating to cash calls paid on behalf of Dialog for their 20% interest of the D35 project which is recoverable from Dialog, subject to meeting conditions precedent and completion of documentation

	30 June 2014 Number of Shares	31 Dec 2013 Number of Shares	30 June 2014 US\$'000	31 Dec 2013 US\$'000
Note 10. Share Capital				
Movement in fully paid ordinary shares				
Balance at beginning of Period	686,461,740	683,235,552	734,150	734,150
Issue of shares pursuant to the exercise of rights and the Long Term Incentive Plan	1,156,660	3,226,188	-	-
Balance at end of Period	687,618,400	686,461,740	734,150	734,150

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

	30 June 2014 US\$'000	31 Dec 2013 US\$'000
Note 11. Commitments for Expenditure		
(a) Capital commitments		
Not longer than one year		
Joint operations	9,074	21,065
Longer than one year but not longer than five years		
Joint operations	72,778	14,736
	81,852	35,801
(b) Operating expenditure commitments		
Not longer than one year	2,920	2,331
Longer than one year but not longer than five years	2,658	4,589
	5,578	6,920

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

	30 June 2014 US\$'000	31 Dec 2013 US\$'000
Note 12. Investment in associate		
Equity	32,833	32,833
Impairment of investment	(8,400)	(6,900)
Net book value of investment	24,433	25,933
Loan to associate company	49,766	41,270
	74,199	67,203

During the Period, ROC recorded an impairment of US\$1.5 million for its share of costs relating to non-recoverable expenditure in BCP, mainly interest on BCP bank loans which would not be reimbursable from PETRONAS. The asset valuations were based on discounted cash flows. Cost recovery is subject to PETRONAS approval and substantiation.

Cash contributions to BCP are initially made as a loan and subsequently converted to equity following shareholder approval. Cash contributions during the period were US\$8.5 million.

Note 13. 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.

For the financial half year ended 30 June 2014

US\$'000	BMG Australia	Cliff Head Australia	Blane UK	Enoch UK	D35 ⁽²⁾ Malaysia	Zhao Dong China	Beibu China	Other	Total
Sales revenue	-	16,462	15,854	-	1,585	65,702	43,823	-	143,426
Production costs	-	5,724	2,187	855	5,915	6,749	4,392	1	25,823
Amortisation	-	2,304	1,828	-	3,250	23,148	9,160	-	39,690
Segment results ⁽¹⁾	-	8,513	8,007	(872)	(6,684)	25,008	22,329	(1)	56,300
Exploration and Development expenditure incurred	-	-	-	-	-	6,202	333	1,280	7,815
Segment assets	-	33,615	23,140	7,839	42,454	85,620	102,278	176	295,122
Current restoration provision	-	-	-	-	-	3,710	9,562	-	13,272
Non-current restoration provision	-	15,318	6,427	2,648	-	7,300	2,925	-	34,618

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

Note 13. Segment Information (continued)

US\$'000	BMG Australia	Cliff Head Australia	Blane UK	Enoch UK	D35 ²⁾ Malaysia	Zhao Dong China	Beibu China	Other	Total
30 June 2013									
Sales revenue	-	21,558	12,343	-	-	68,433	11,796	-	114,130
Production costs	-	6,800	1,502	669	-	7,286	1,501	4	17,762
Amortisation	-	3,177	2,338	-	-	24,247	2,541	-	32,303
Segment results ⁽¹⁾	-	11,542	6,441	(601)	-	25,761	5,909	(4)	49,048
Exploration and Development expenditure incurred	-	-	-	-	-	11,325	21,357	4,649	37,331
31 December 2013									
Segment assets	2,482	36,767	24,398	7,839	-	87,513	99,893	177	259,069
Current restoration provision	3,230	-	-	-	-	6,000	3,400	-	12,630
Non-current restoration provision	29,432	15,070	4,964	2,624	-	7,944	2,745	-	62,779

Note:

- (1) Total segment results ("gross profit") is reconciled to net profit before income tax on the Consolidated Statement of Comprehensive Income.
- (2) ROC's 30% participating interest after farm-out to Dialog, subject to meeting conditions precedent and documentation.

Note 14. Contingent Liabilities

In accordance with normal oil and gas industry practice, the Group has entered into joint operations and farm-in agreements with other parties for the purpose of exploring and developing its licence interests. If a party to a joint operation defaults and does not contribute its share of joint operation obligations, then the other joint operations parties 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.

Note 15. Subsequent Events

On 4 August 2014, ROC announced that it has entered into a Bid Implementation Agreement (BIA) under which it is proposed that Fosun International Limited or a subsidiary of it (Fosun) will acquire all of the ROC shares currently on issue for A\$0.69 cash per share by way of off-market takeover offers (Fosun Offer). The BIA, sets out the conditions of the Fosun Offer which include:

- Termination of the Horizon Merger Implementation Deed
- FIRB approval;
- More than 50% acceptance of the offer;
- No material adverse change until 5.00pm (Sydney time) on 19 October 2014;
- No prescribed occurrences; and
- Various other business conduct conditions until 5.00pm (Sydney time) on 19 October 2014.

The ROC directors unanimously recommend the ROC shareholders accept the Fosun Offer in the absence of a superior proposal. All of the ROC directors have advised their intention to accept the Fosun Offer with respect to the ROC shares they own or control, in the absence of a superior proposal.

On the 5 August 2014 Horizon Oil Limited notified ROC that they had terminated the Merger Implementation Deed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

Note 15. Subsequent Events (continued)

On 14 August, ROC announced the spudding and farm-out of a 40% interest in Block 09/05 to AWE China Pte Ltd (AWE) for US\$2 million and a part carry of two exploration wells, subject to regulatory approvals.

Note 16. 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 36,
Governor Phillip Tower
1 Farrer Place
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 2014 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 R M Harding
Chairman

Sydney, 19 August 2014



Ernst & Young
680 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

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 2014, 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 comprising 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* and for such internal controls as 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 2014 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Roc Oil Company Limited and the entities it controlled during the period, 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, a copy of which is included in the Directors' Report.



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:

- a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2014 and of its performance for the half year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A handwritten signature in black ink, appearing to read 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink, appearing to read 'Trent van Veen'.

Trent van Veen
Partner
Sydney

19 August 2014

GLOSSARY

APPEA	Australian Petroleum Production & Exploration Association
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 2014.
pound or £	UK pounds.
PRRT	Petroleum Resource Rent Tax.
ROC	Roc Oil Company Limited.
TRIFR	Total Recordable Injury Frequency Rate
UK	United Kingdom.
US\$	United States dollars.
3D	Three dimensional.
2P	Proved and probable reserves.

ROC Corporate Directory

Board of Directors

Mr R Michael Harding – Chairman

Mr Alan S Linn – Executive Director

Mr Nigel D R Hartley – Director

Mr Christopher C Hodge – Director

Mr Robert C A Leon – Director

Mr Graham D Mulligan – Director

Company Secretary

Ms Leanne Nolan

Assistant Company Secretary

Ms Jacquie Shanahan

Share Registrar

Computershare Investor
Services Pty Limited
Level 4, 60 Carrington Street
Sydney NSW 2000, Australia

Registered Office

Sydney (Office address)
Level 36, Governor Phillip Tower,
1 Farrer Place, Sydney
NSW 2000, Australia
Tel: +61 2 8023 2000
Fax: +61 2 8023 2222

(Postal address)

Roc Oil Company Limited
PO Box Q1496
Queen Victoria Building
NSW 1230, Australia

Website

www.rocoil.com.au

Financial Adviser

NORTH

JB North & Co Pty Ltd

Legal Adviser



HERBERT
SMITH
FREEHILLS

Herbert Smith Freehills

