25 February 2010

ROC OIL COMPANY LIMITED ("ROC")

STOCK EXCHANGE RELEASE

2009 ANNUAL FINANCIAL RESULTS: PRESENTATION AND WEBCAST

A copy of ROC's 2009 Annual Financial Results presentation is attached.

The live webcast of the 2009 Annual Financial Results teleconference can be accessed from 11.00am (AEDST) today on ROC's website: www.rocoil.com.au.

Matthew Gerber
Manager
Investor Relations & External Affairs

For further information please contact:
Mr Bruce Clement on
Tel: +61-2-8023-2000
Fax: +61-2-8023-2222
Email: bclement@rocoil.com.au
Or visit ROC's website: www.rocoil.com.au

2009 FINANCIAL RESULTS PRESENTATION

PRESENTATION AGENDA

- **Overview of 2009 Financial Results**
  - Operational Highlights
  - Key Financial Information
- **Basker-Manta-Gummy (“BMG”) Project**
  - 2P Reserves Downgrade
  - Future Plans
- **2009 Scorecard**
- **2010 Strategy**
- **2010 Objectives**

2009 RESULTS SUMMARY

- Reported loss of US$115.4 million (after tax)
  - Includes BMG impairment, hedging loss and an impairment reversal
- Underlying business performed broadly in line with expectations
  - Normalised profit of US$3.7 million (after tax)
  - Production within guidance (10,034 BOEPD)
  - Net operating cashflow ~US$100 million
  - Development expenditure <US$100 million
  - Exploration expenditure <US$10 million
  - Operating costs US$17.73/BOE (guidance was US$15.00/BOE)
- Strategic and operational achievements
  - Net cash position of US$18 million
  - Expenditure levels controlled
  - Asset portfolio rebalanced (Angola farm out and BMG sale)
  - BMG and Zhao Dong drilling programmes completed on budget
- Operational disappointments
  - BMG production below expectations
  - BMG reserves downgrade

OPERATIONAL HIGHLIGHTS

PRODUCTION	• 3.7 MMBOE (10,034 BOEPD) • Production decreased 9% compared to 2008 • 99% of production was oil
DEVELOPMENT	• Zhao Dong facilities installation and drilling completed – on schedule and within budget • BMG drilling and workover programme completed – on schedule and within budget • Beibu Gulf project ODP technical section completed
EXPLORATION	• Castanha-1 exploration well in Angola
HSEC	• Strong performance over 2.5 million man-hours – LTIFR of 0.4 (versus industry average of 1.3)* – TRIR of 1.2 (versus industry average of 6.4)* • Single LTI on Crystal Ocean FPSO during dry dock • No significant environmental incidents • Strengthened community engagement – Mid-West Life Education sponsorship in WA – Ongoing engagement in China and Africa

* APPEA industry averages as at end 3Q 2009.

2009 FINANCIAL HIGHLIGHTS

	(US$M)	Comment
Sales Revenue	204.5	• 99% of revenue from oil sales • Average realised oil price of US$56.88/BBL • 44% from China; 30% from Australia; and 23% from UK
Trading Profit	35.4	• Production costs of US$64.9 million (US$17.73/BOE) • Amortisation of US$91.0 million (US$24.84/BOE) • Chinese Government special taxes of US$6.8 million
Net Loss After Tax	(115.4)	• Impairment charges of US$82.2 million (before tax) • Exploration expense of US$7.1 million (before tax) • Derivative loss of US$36.9 million (before tax)
Normalised Net Profit After Tax	3.7	Excludes • effects of Nexus and BMG sales • after tax impairments of US$88.8 million • after tax unrealised hedging loss of US$30.4 million Includes • exploration expense of US$7.1 million
Net Cash	17.9	• US$49.2 million debt offset by US$67.1 million cash
Net Operating Cashflow	98.2	• Gross cash flow generated from operations of US$138.5 million before; - Income taxes US$47.0 million paid; - Finance costs US$7.4 million paid; and - Derivatives received of US$12.7 million
Exploration & Development Expenditure Incurred	72.2	• Exploration expenditure incurred of US$8.5 million • Development expenditure incurred of US$63.7 million
Equity Capital Raised	76.6	• US$55 million from institutional placement of 88.2 million shares at A$0.78/share • US$21.6 million from share purchase plan of 36.9 million shares at A$0.71/share

KEY FINANCIAL SUMMARY

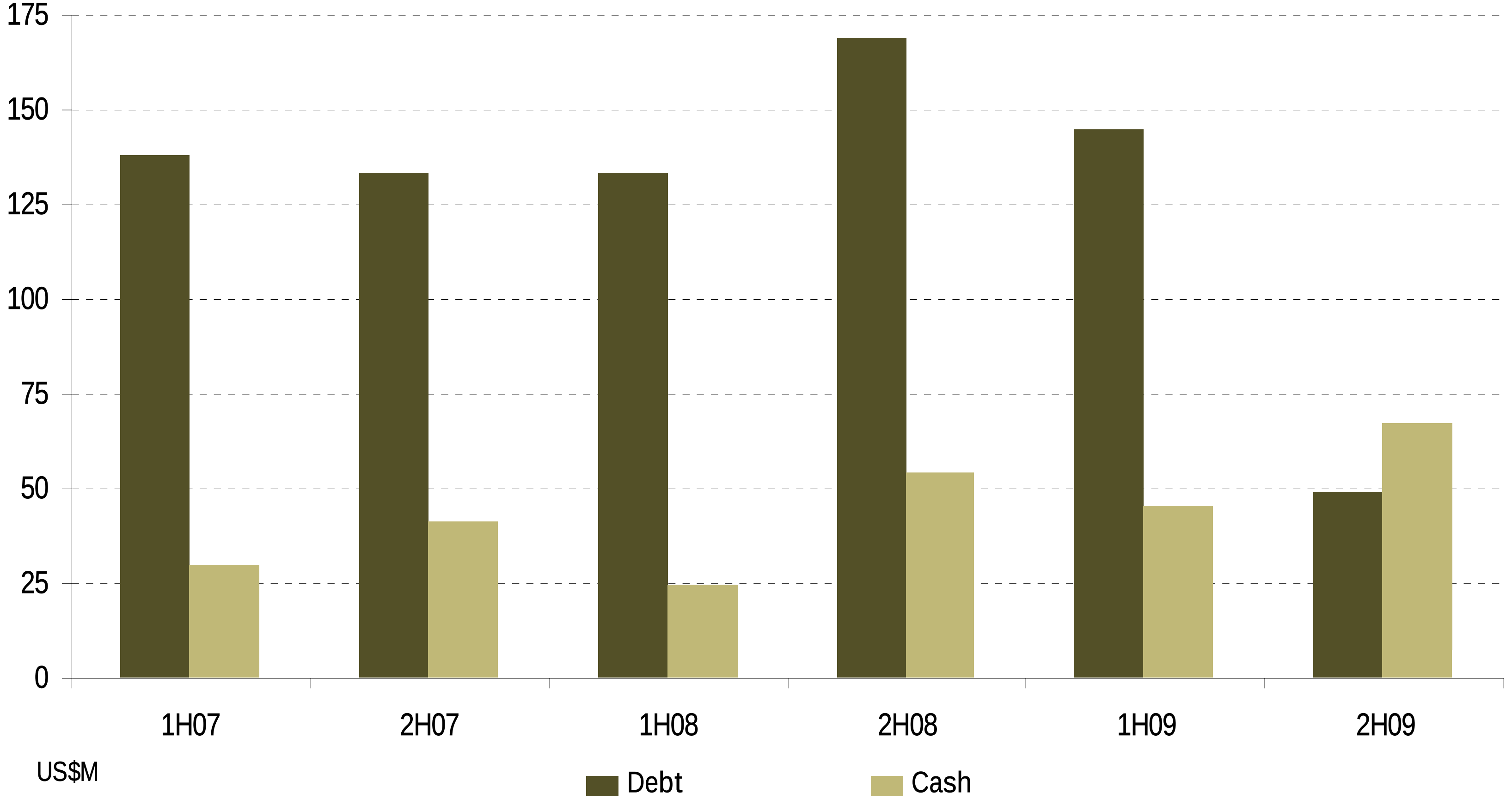
	2009	2008
Production (MMBOE) – working interest	3.66	4.03
% Government Share of Production	4.7	5.0
Sales Volume (MMBOE)	3.61	3.90
Oil & Gas Sales Revenue (US$M)	204.4	356.8
Operating Cash Flow (US$M)	98.2	182.5
Averaged Realised Oil Price (US$/BBL)	56.88	92.06
Production Costs (US$/BOE)	17.73	10.98
Amortisation (US$/BOE)	24.84	29.83
Exploration & Development Expenditure Incurred (US$M)	72.2	191.4

NON-CASH IMPAIRMENTS

Total asset write downs of US$82.2 million before tax due to:

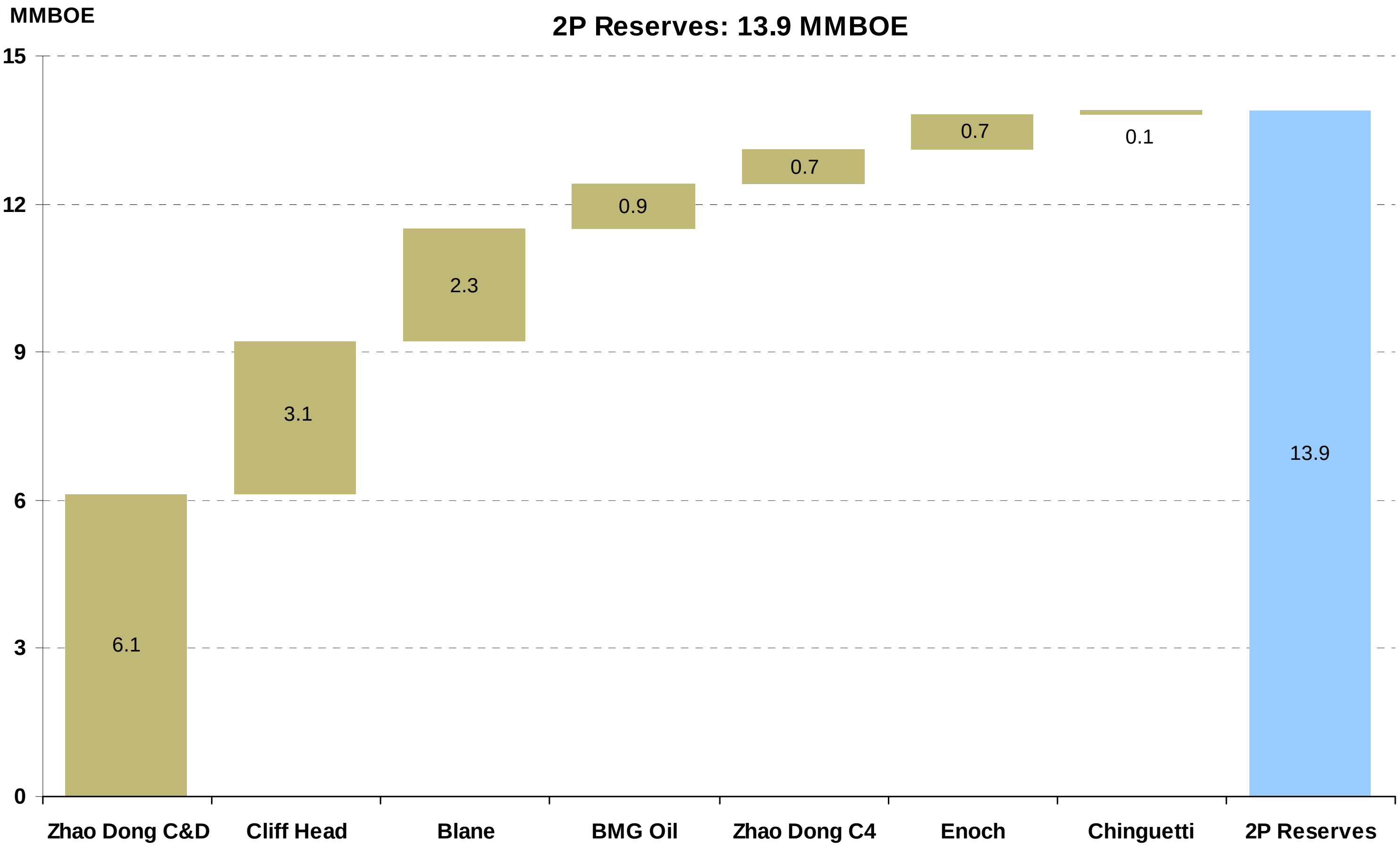
- BMG impairment of US$98.8 million as a result of a downward revision of Remaining 2P Oil Reserves to 0.9 MMBBL (net)
- Chinguetti impairment of US$10.1 million as a result of an increase in restoration costs and 0.2 MMBBL (net) decrease in 2P reserves
- Zhao Dong 2008 impairment reversal of US$26.8 million (US$20.1 million after tax) as a result of improved oil prices

DEBT POSITION



- Balance sheet recapitalised and net cash of US$17.9 million at year end
- Debt facility of US$90 million available (US$49.2 million drawn at year end) and matures in August 2011

2P RESERVES



- Year end 2P Reserves of 13.9 MMBOE (over 99% oil)
  - 49% located in China; 29% located in Australia
- Year end 2P Reserves downgrade of 4.7 MMBOE mainly due to BMG
- 5.2 MMBBL to be booked as 2P Reserves on Beibu Gulf FID approval

HEDGING POSITION

BRENT OIL PRICE SWAPS

	Volume	Weighted Average Brent Price USD/BBL
2010	1,206,984	67.67
2011	875,997	63.71
	2,082,981	66.00

- Hedging strategy consistent with prior periods and regularly reviewed:
  - Majority of production remains exposed to oil price changes
  - For specific transactions, development projects and high capex periods
- 15% of total remaining 2P Reserves hedged
- Year end hedge book mark-to-market position was US$32.8 million liability
- P&L hedge loss of US$36.9 million includes
  - Unrealised loss of US$30.4 million
  - Realised loss of US$6.5 million
- Realised cashflow of US$12.7 million

PROFIT & LOSS

	2009 (US$M)	2008 (US$M)
Sales	204.5	358.2
Trading Profit	35.4	163.8
EBITDAX + Impairments	86.6	312.3
Exploration Expense	(7.1)	(112.7)
EBITDA + Impairments	79.5	199.6
Impairments (before tax)	(82.2)	(376.9)
EBIT	(94.3)	(298.5)
NPAT	(115.4)	(278.4)
Adjustment for significant items (after tax)		
Unrealised Derivative (Gains)/Losses	30.4	(51.1)
Loss on sale Nexus shares	5.6	-
Profit on sale BMG 10%	(5.7)	-
Impairment of assets (post tax)	88.8	290.7
Normalised NPAT	3.7	(38.8)

CASH FLOW

	2009 (US$M)	2008 (US$M)
Opening Cash	54.3	41.4
Net Cash from Operating Activities	98.2	182.5
Net (Repayments)/Advances from Borrowings	(120.0)	35.0
Net Proceeds from Share Issue	74.3	-
Investment Activities:		
Development Expenditure	(87.8)	(77.0)
Exploration Expenditure	(11.4)	(115.8)
Proceeds from 10% sale BMG	32.3	-
Proceeds from sale Nexus shares	18.5	-
Other	8.7	(11.8)
Closing Cash	67.1	54.3

BALANCE SHEET

	2009 (US$M)	2008 (US$M)
Cash Assets	67.1	54.3
Capitalised Exploration Expenditure	16.1	14.7
Oil and Gas Assets	244.6	366.6
Interest Bearing Debt	(49.2)	(168.7)
Net Deferred Tax (Liability)	(26.9)	(50.4)
Derivative Asset /(Liability)	(32.8)	14.1
Provisions	(46.5)	(33.4)
Net Other Asset/(Liabilities)	(4.6)	10.10
Total Equity	167.8	207.3

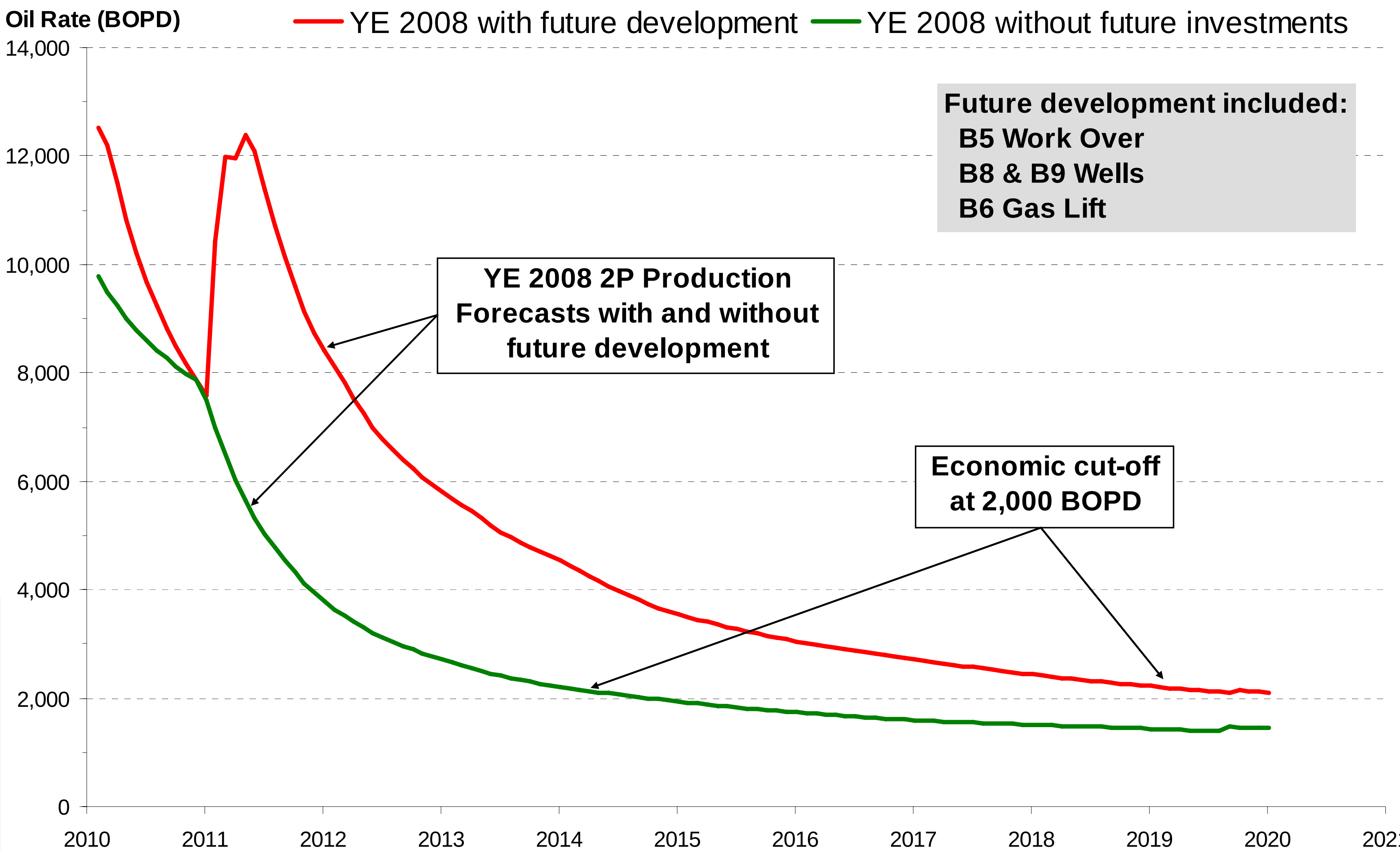
BMG: REPORTED 2P RESERVES

- Gross Remaining 2P Reserves at 31 December 2009 of 3.1 MMBBL
  - Based on a field life ending December 2011
  - Independent review completed by RISC
- Oil in place (OIP) in the Basker reservoir reduced by <10%
  - Compared with year-end 2008 model
- Recoverable reserves estimate based on preliminary results from the new integrated Basker full field simulation model
  - Joint Venture is yet to review
- Reservoir simulation is complex, with a number of factors affecting estimated reserves:
  - Multizone reservoir
  - Well performance
  - Interaction of wells and reservoir zones
  - Facilities performance
  - Facilities constraints (sub-sea manifold, riser system and FPSO)
  - Field operating costs
  - FPSO contract terms
  - Economic cut-off production rate

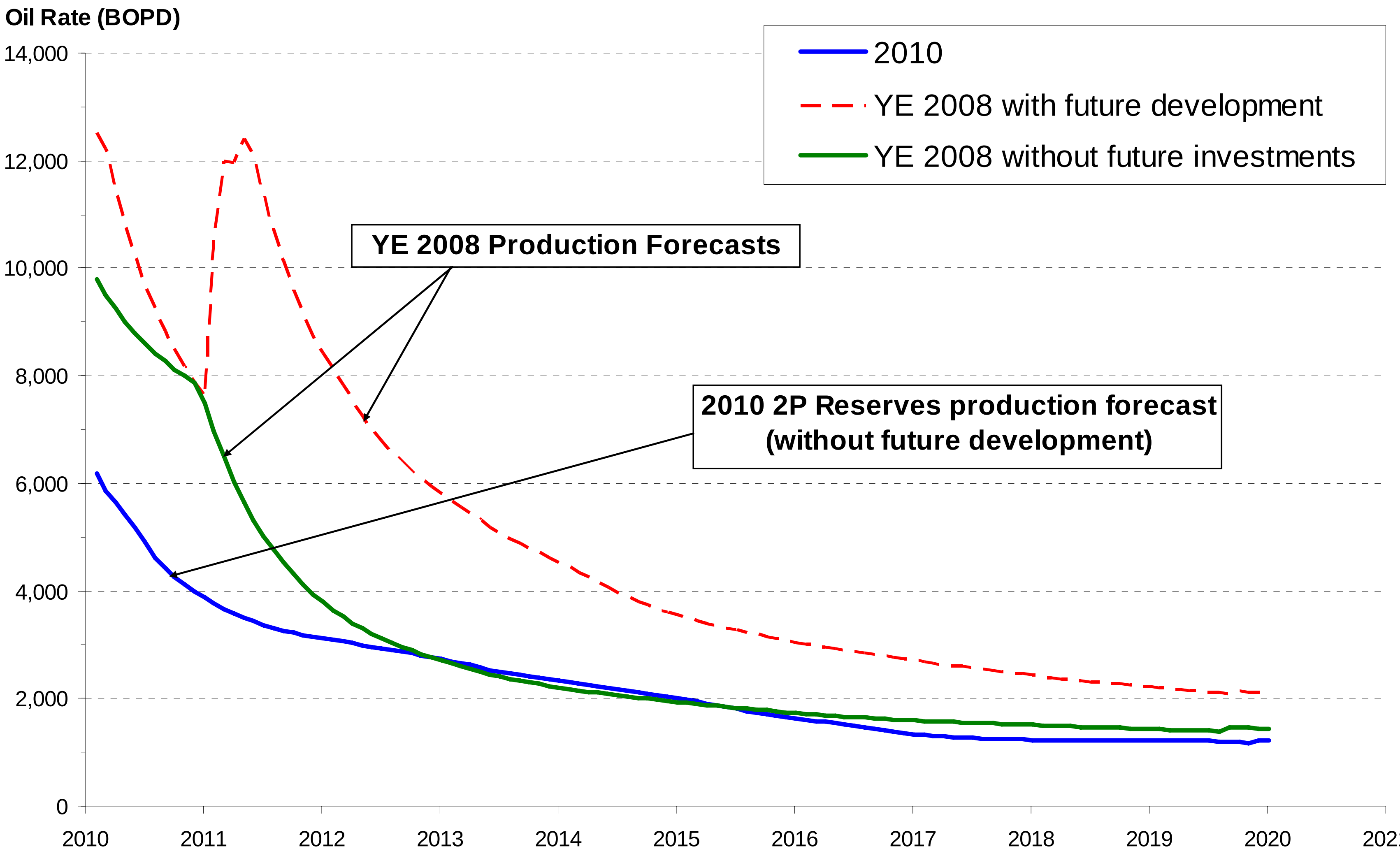
BMG: ECONOMIC PRODUCTION THRESHOLD

- Forecast economic production cut-off has increased
  - From 2,000 BOPD at year-end 2008
  - To 2,800-2,900 BOPD presently
- Operating cost forecast has increased in US$ terms:
  - >10% higher due to direct cost increases
    - Including additional subsea maintenance and inspection
  - Approximately 20% higher due to stronger A$
    - US$0.70 to US$0.90
    - Impact on A$ denominated costs

BMG: YEAR-END 2008 PRODUCTION FORECASTS (Adjusted for 2009 Production)

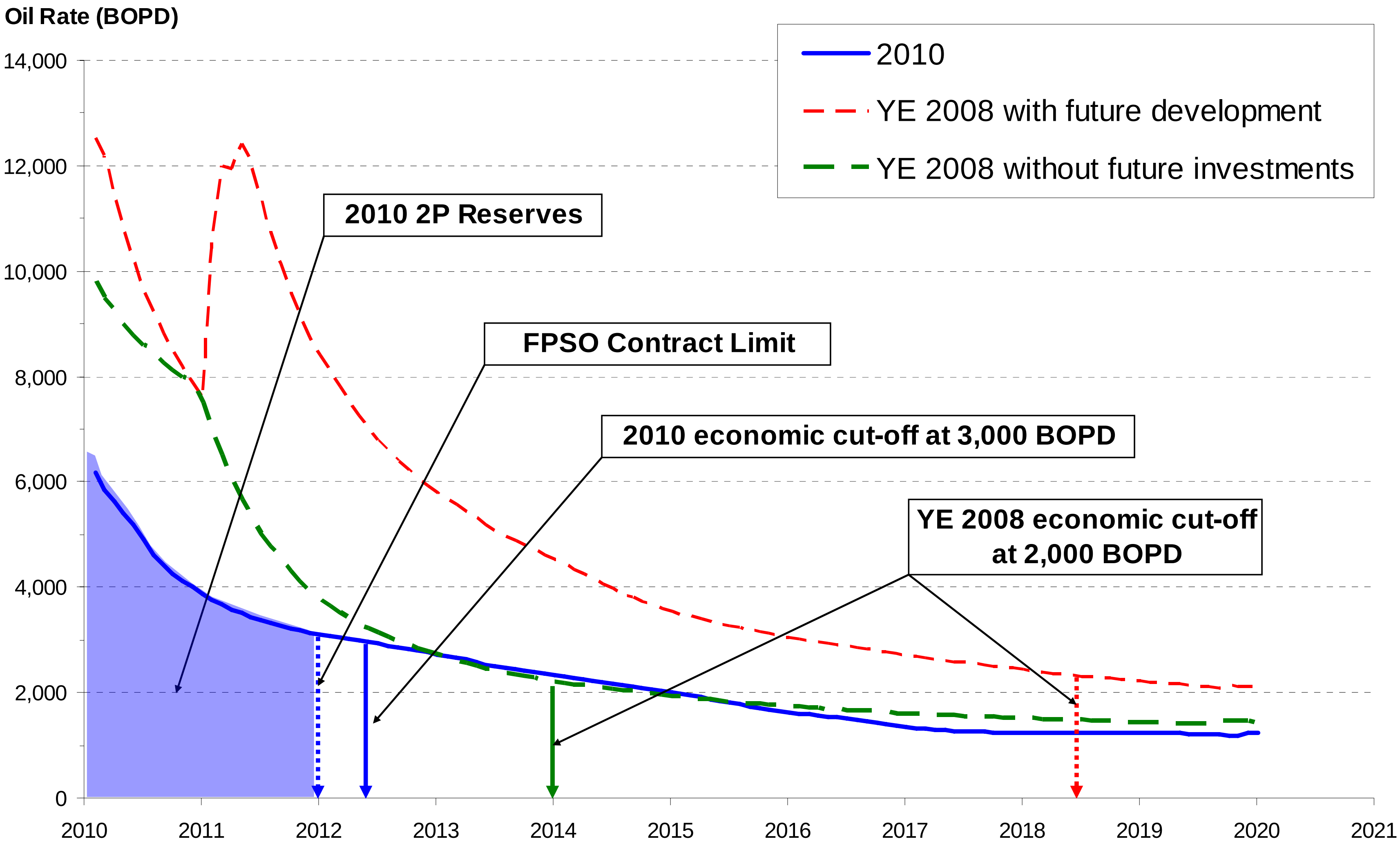


BMG: YEAR-END 2008 PRODUCTION FORECAST and 2010 PRELIMINARY PRODUCTION FORECAST



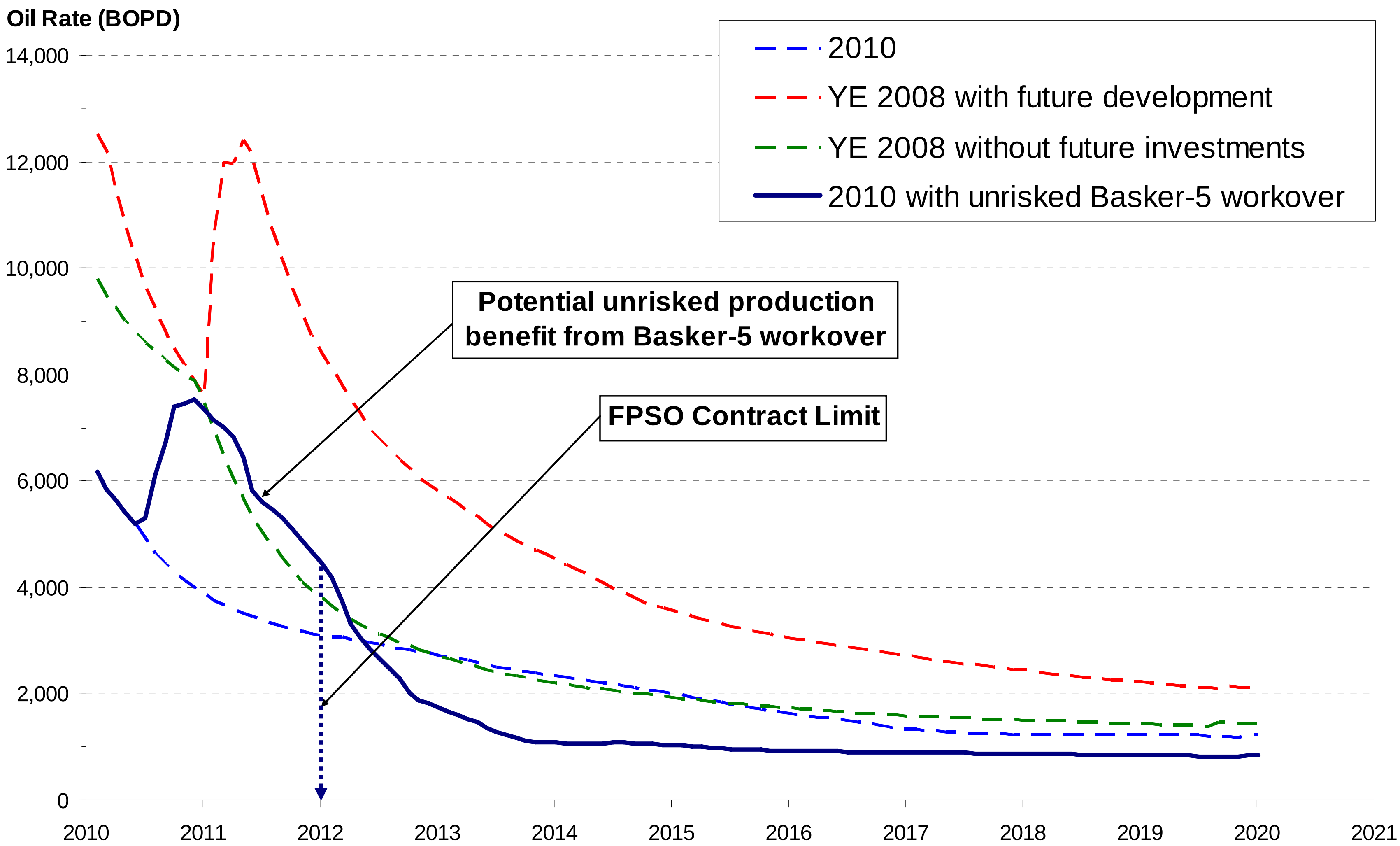
Note: YE 2008 production forecasts adjusted for 2009 production

BMG: YEAR-END 2008 and 2010 PRODUCTION FORECASTS



Note: YE 2008 production forecasts adjusted for 2009 production

BMG: PRODUCTION FORECASTS INCLUDING BASKER-5 WORKOVER (UNRISKED POTENTIAL)



Note: YE 2008 production forecasts adjusted for 2009 production

BMG: FUTURE PLANS

- Continue to safely produce field at optimum production rate
- Evaluate development opportunities to improve commercial oil recovery, including:
  - Basker-5 workover
  - Basker-8 well
  - Basker-9 well
  - Basker-6 gas lift
- Evaluate opportunities to develop gas resource
- Conduct review to address
  - Reserves evaluation process
  - Management of the BMG asset since acquisition

2009 SCORECARD

Deliver Operating Budget	✓ Production within guidance (lower end of range) ✓ Control development and exploration expenditure ~ Operating costs contained (per BOE increased due to BMG)
Exploit Existing Reserve Base	✓ Zhao Dong facilities installation and drilling programme ✓ Cliff Head workovers (CH-10 and CH-6) ✗ BMG Phase-1 oil project production
Pursue Growth Opportunities	✓ Beibu Gulf project ODP technical section completed ~ Beibu Gulf project commercial negotiations: ONGOING ✗ BMG Phase-2 gas project progressed: UNDER REVIEW
Strengthen Balance Sheet	✓ Successful equity capital raising ✓ Net cash position at year end
Rebalance Asset Portfolio	✓ Sale of 10% participating interest in BMG ✓ Angola farm out ✓ Assessing opportunities in SE Asia-Australasia ~ Reduce exposure in African permits: ONGOING

Slide 21

2010 STRATEGY

Despite BMG set backs, the Board and Management remain focused on the existing strategy

- Increase value of the business
  - Increase reserves and resource base
  - New business development
- Exploit reserve and resource base
  - Maximise production
  - Commercialise resources
- Leverage operating and technical capabilities
  - Business process improvement
  - Focused portfolio management
- Balance and manage risk
  - Financial
  - Operating
  - Resource
- Steward resources and focus on financial performance
  - Pro-active capital management

2010 OBJECTIVES

Deliver Operating Budget	• Production of between 8,000-9,000 BOEPD • Development and exploration expenditure <US$80 million (excluding further BMG development) • Contain and control operating costs • Maintain excellent HSEC record (aim for zero LTI in 2010)
Exploit Existing Reserve Base	• Zhao Dong drilling to maintain production at 2009 levels • Pursue further Cliff Head workover opportunities
Pursue Growth Opportunities	• Beibu Gulf project FID and commencement of development • Conclude BMG review • Reserve replacement opportunities
Increase Exploration Activity	• Finalise drillable prospects in WA-351-P, Carnarvon Basin • Farm out and drill Aleta-1 prospect offshore Equatorial Guinea • Potential Castanha appraisal well & acquire seismic in Angola • Acquire seismic in offshore Mozambique Channel permits
Rebalance Asset Portfolio	• Reduce exposure to Africa through farm outs • Increase presence in SE Asia-Australasia focus area

Slide 23

DISCLAIMER

Important Information

The information in this presentation is an overview and does not contain all information necessary for investment decisions. In making investment decisions investors should rely on their own examination of ROC and consult with their own legal, tax, business and/or financial advisers in connection with any acquisition of securities.

The information contained in this presentation has been prepared in good faith by ROC. However, no representation or warranty expressed or implied is made as to the accuracy, correctness, completeness or adequacy of any statements, estimates, opinions or other information contained in this presentation. To the maximum extent permitted by law, ROC, its directors, officers, employees and agents disclaim liability for any loss or damage which may be suffered by any person through the use or reliance on anything contained in or omitted from this presentation.

Certain information in this presentation refers to the intentions of ROC, but these are not intended to be forecasts, forward looking statements or statements about future matters for the purposes of the Corporations Act or any other applicable law. The occurrence of events in the future are subject to risks, uncertainties and other factors that may cause ROC's actual results, performance or achievements to differ from those referred to in this presentation. Accordingly, ROC, its directors, officers, employees and agents do not give any assurance or guarantee that the occurrence of the events referred to in this presentation will actually occur as contemplated.

The reserve and resource information contained in this announcement is based on information compiled by Neil Seage (Chief Reservoir and Planning Engineer). Mr Seage (BA, BEng (Hons), MBA and Dip App Fin), who is a member of the Society of Petroleum Engineers, has more than 30 years relevant experience within the industry and consents to the information in the form and context in which it appears.

www.rocoil.com.au

For further information contact:

Matthew Gerber
Manager, Investor Relations and External Affairs
+61 2 8023 2096
mgerber@rocoil.com.au