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ASX RELEASE

2010 ANNUAL FINANCIAL RESULTS: PRESENTATION AND WEBCAST

A copy of ROC's 2010 Annual Financial Results presentation is attached.

The live webcast of the 2010 Annual Financial Results teleconference can be accessed from 11.00am (AEDST) today on ROC's website: www.rocoil.com.au.

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Roc Oil Company Limited
2010 Financial Results Presentation

Presented by

Alan Linn	**Chief Executive Officer**
Anthony Neilson	**Chief Financial Officer**

2010 Key Messages

Underlying business performed broadly in line with expectations

- Production of 3.1 MMBOE (8,483 BOEPD) was within guidance
- Sales of US$235.4 million (average realised oil price of US$78.60/BBL before hedging)
- Trading profit of US$69.1 million (~US$86 million excluding BMG trading loss)
- Normalised net loss after tax of US$13.4 million, which includes
  - Exploration expensed of US$20.5 million
  - BMG trading loss of US$17.1 million
- Net cash at year end of US$31.3 million

Operational achievements

- Expenditure levels controlled
- Production costs of US$21.87/BOE (US$13.35/BOE excluding BMG)
- Beibu Gulf has reached Final Investment Decision
- Zhao Dong drilling programme completed, despite worst winter weather conditions in 40 years
- Year end 2P Reserves upgraded to 16.2 MMBOE, including the Beibu Gulf project

FY10 Financial Results overview

Anthony Neilson (CFO)

Key Financial Summary

	2010	2009
Working Interest Production (MMBOE)	**3.10**	3.66
% Government share of production	**6.6**	4.7
Sales Volume (MMBOE)	**3.01**	3.61
Sales Revenue (US$M)	**235.4**	204.5
Operating Cash Flow (US$M)	**58.4**	91.4
Average Realised Oil Price before Hedging (US$/BBL)	**78.60**	56.88
Production Costs (US$/BOE)	**21.87**	17.73
Amortisation (US$/BOE)	**24.84**	24.84
Exploration & Development Expenditure Incurred (US$M)	**54.2**	72.2

Operational Results

Production	3.1 MMBOE (8,483 BOEPD); 15% lower compared to 2009
	99% of production was oil
Development	Zhao Dong development drilling completed within budget
	Beibu Gulf project approval progressed (FID now achieved)
	Cliff Head workovers completed
Exploration	Castanha appraisal wells onshore Angola
	Cormoran gas discovery offshore Mauritania
	Increased exploration position in New Zealand
Health, Safety, Environment & Community	Implementation of Asset Integrity systems and processes
	Implementation of HSE data collection system
	LTIFR of 1.5 (on par with APPEA five-year average)
	TRIFR of 5.4 (16% below APPEA five-year average)
	Four significant loss of containment incidents (>1 BOE)
	Strengthened community engagement in China
	Ongoing community engagement in Australia

Financial Results

	US$M	Comment
Sales Revenue	**235.4**	Average realised oil price of US$78.60/BBL (before hedging)
Trading Profit	**69.1**	Production costs of US$67.7 million (US$21.87/BOE)
		Amortisation of US$76.9 million (US$24.84/BOE)
		Chinese Government special taxes of US$17.3 million
Net Profit Before Tax	**6.5**	Net impairment charges of US$7.6 million
		Exploration expense of US$20.5 million
		BWO settlement paid of US$16.0 million
		Historic FX loss on closure & liquidation of subsidiary of US$9.5 million
		Derivative loss of US$9.1 million
		Profit on WA-351-P sale of US$15.8 million
Net Loss after Tax	**(35.9)**	Income tax expense of US$42.4 million, consisting of
		Current income tax of US$35.0 million; deferred tax benefit of US$4.2 million
		PRRT deferred tax in relation to Cliff Head of US$11.6 million
Normalised Net Loss after Tax	**(13.4)**	ADD: Net impairments of US$16.7 million (after tax); BWO settlement of US$16.0 million; and historic FX loss of US$9.5 million
		DEDUCT: Sale of WA-351-P of US$15.8 million; and Unrealised derivative gains of US$3.9 million
Net Operating Cashflow	**58.4**	Gross cashflow generated from operations of US$106.9 million before:
		Income taxes paid of US$29.0 million
		Derivatives outflow of US$13.0 million
		Operating exploration expenditure of US$8.0 million

Significant Items

Non-Cash Adjustments

BMG impairment of US$44.2 million

- Relates to the decision to enter into the NPP that resulted in the reduction of 0.7 MMBBL 2P Reserves. This figure consists primarily of all remaining assets being written-off (~US$14 million), remaining contractual costs being crystallised and additional costs relating to suspension activities in the field (~US$30 million).

Zhao Dong impairment reversal of US$36.6 million before tax

- 2P Reserve increase of 0.9 MMBBL
- Increase in oil prices

Foreign Currency Translation Reserve loss of -US$9.5 million

- Historical issue relating to closure and liquidation of a dormant 100% subsidiary company
- Caused by differences in exchange rates on expenditures and change in the Company's functional currency from A$ to US$ in 2007

Cash Adjustments

Settlement of BWO litigation of -US$16.0 million

- Settlement of proceedings relating to termination in 2008 of an LOI for an FPSO at BMG

Profit on sale of WA-351-P of US$15.8 million

- Cash to be received in FY11

Hedging

Remaining hedge positions from 1 January 2011 to 31 December 2011 are 875,997 Brent Oil Price Swaps, at a weighted average Brent price of US$63.71/BBL.

- 5% of remaining 2P reserves hedged
- Majority of 2011 hedges settled during 1H11
- Hedge book mark-to-market position at 31 December 2010 was US$27.3 million liability
- P&L hedge loss for the period of US$9.1 million includes:
  - Unrealised gain of US$3.9 million
  - Realised loss of US$13.0 million
- Cash outflow for the period of US$13.0 million

Hedging strategy going forward will be consistent with prior periods:

- Implemented for specific transactions, development projects and high capital expenditure periods
- Majority of production will remain exposed to oil price changes

Segment Results

	Zhao Dong	Cliff Head	Blane	Enoch	Chinguetti	BMG	Total
US$M							
Sales	112.4	43.2	35.0	15.3	8.1	21.4	235.4
Production Costs	(16.7)	(11.7)	(5.1)	(1.4)	(3.2)	(29.6)	(67.7)
Amortisation	(46.8)	(10.0)	(9.2)	(3.2)	(1.5)	(6.2)	(76.9)
Trading Profit/(Loss)	32.1	21.5	20.3	10.0	2.3	(17.1)	69.1
US$/BOE							
Production Costs	10.45	21.08	12.04	7.66	34.14	121.89	21.87
Amortisation	29.25	18.03	21.60	18.10	15.83	25.47	24.84
Realised Oil Price	78.16	78.04	81.25	78.84	80.23	77.30	78.60

All assets performed well, with the exception of BMG

Trading profit of ~US$86 million, excluding the BMG result

Profit and Loss

	2010 US$M	2009 US$M
Sales	**235.4**	204.5
Trading Profit	**69.1**	35.4
EBITDAX + Impairments	**114.2**	86.6
Exploration Expense	**(20.5)**	(7.1)
EBITDA + Impairments	**93.7**	79.5
Amortisation/Depreciation	**(77.6)**	(91.6)
Impairments before tax	**(7.6)**	(82.2)
EBIT	**8.5**	(94.3)
NPAT	**(35.9)**	(115.4)

Normalised NPAT

	2010 US$M	2009 US$M
NPAT	**(35.9)**	(115.4)
Adjustment for Significant Items (after tax)		
Unrealised Derivative (Gains)/Loss	**(3.9)**	49.7
Gain on sale of WA-351-P	**(15.8)**	-
BWO settlement	**16.0**	-
Historic FX loss on liquidation of subsidiary	**9.5**	-
Loss on Sale of Nexus Shares	**-**	5.6
Profit on Sale of 10% of BMG	**-**	(5.7)
Net Impairment	**16.7**	88.8
Normalised NPAT	**(13.4)**	23.0

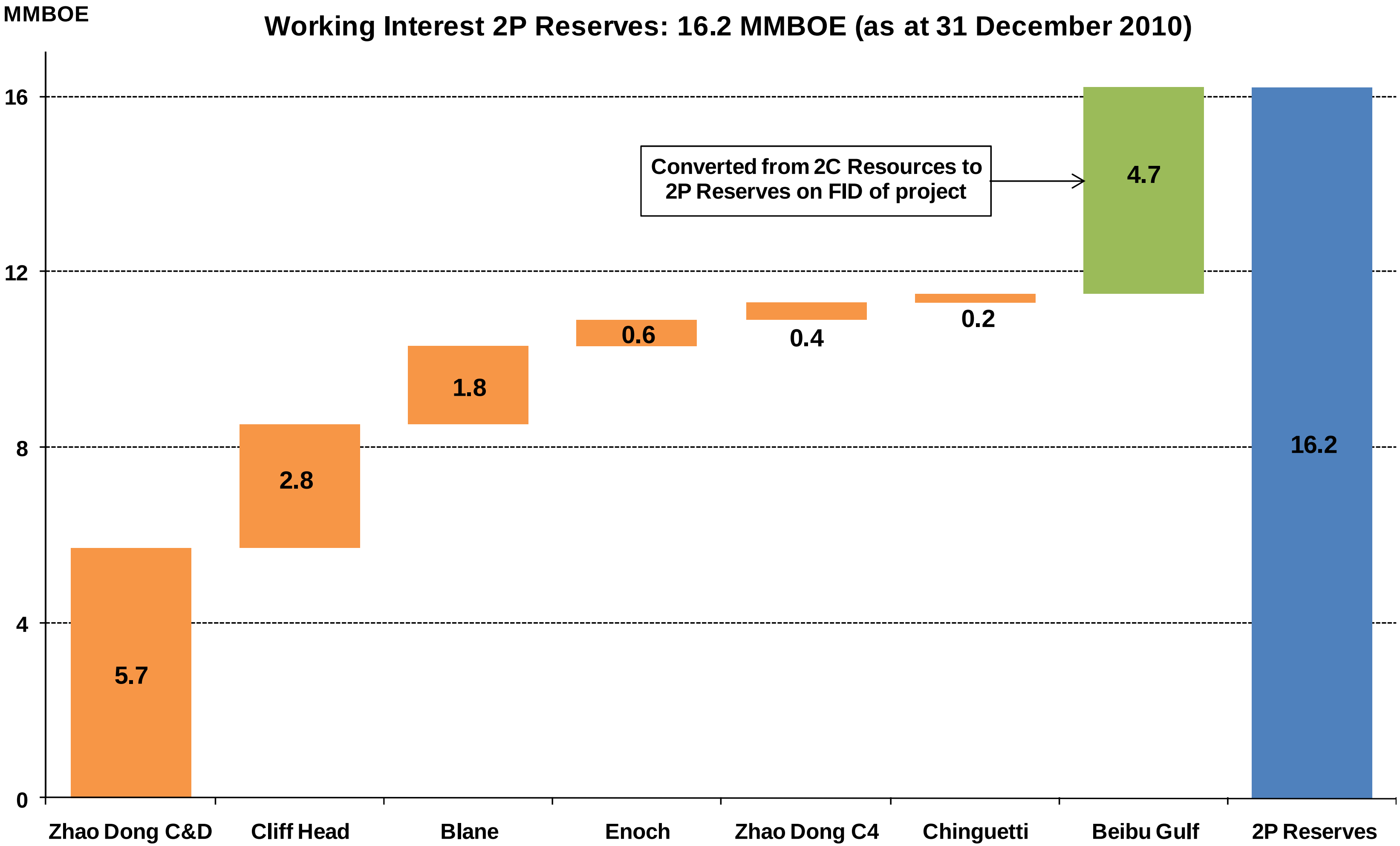
Cashflow

	2010 US$M	2009 US$M
Opening Cash	**67.1**	54.3
Net Cash from Operating Activities	**58.4**	91.4
Net Repayments of Borrowings	**-**	(120.0)
Investment Activities		
Development Expenditure	**(27.6)**	(87.8)
Initially Capitalised Exploration Expenditure	**(16.3)**	(4.6)
Net Proceeds from Share Issue	**-**	74.3
Proceeds from 10% Sale of BMG	**-**	32.3
Proceeds from Sale of Nexus Shares	**-**	18.5
Other	**(0.6)**	8.7
Closing Cash	**81.0**	67.1

Balance Sheet

	2010 US$M	2009 US$M
Cash Assets	**81.0**	67.1
Capitalised Exploration Expenditure	**4.9**	16.1
Oil and Gas Assets	**247.6**	244.6
Interest Bearing Debt	**(49.7)**	(49.2)
Net Deferred Tax Liability	**(34.4)**	(26.9)
Derivative Liability	**(27.3)**	(32.8)
Provisions	**(91.0)**	(46.5)
Net Other Asset / (Liability)	**10.9**	(4.6)
Total Equity	**142.0**	167.8

2P Reserves



FY10 opening balance was 13.9 MMBOE

2P Reserve upgrade of +0.7 MMBOE (ex-Beibu)

A unique strategy for growth

Alan Linn (CEO)

A unique set of competitive advantages for a mid-sized company

Operational experience

Technical capabilities

Industry relationships

Geographically focused

Priority objectives in 2011

Meet 2011 targets

- Production between 7,000-8,000 BOEPD
- Capital expenditure cashflow <US$120 million
- Control operating costs <US$17/BOE

Restructure the business

- Full exit from Africa
- Reinvigorate leadership and culture
- Reduce exposure to BMG Phase-2 gas project

Secure production growth beyond 2014

- New asset(s) in Asia-Australasia
  - Appraisal / Pre-development / Exploration
- Organic growth from existing assets
  - Appraisal upside in Beibu Gulf
  - Step-out potential at Cliff Head

Important Information

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The reserve and resource information contained in this announcement is based on information compiled by Neil Seage (Chief Reservoir 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.

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