25 August 2011

ASX RELEASE

2011 HALF YEARLY FINANCIAL RESULTS PRESENTATION AND WEBCAST

Attached is ROC's 2011 Half Yearly Results Presentation.

A live webcast of ROC's 2011 Half Yearly Financial Results teleconference and presentation can be accessed from 11:00am (AEDST) on Thursday 25 August 2011 on ROC's website: www.rocoil.com.au.

The webcast will be recorded and available on ROC's website for future reference.

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2011 Half Year Financial Results

roc

Presented by

Alan Linn — Chief Executive Officer

Anthony Neilson — Chief Financial Officer

1H11 Key Messages

Underlying business performed in line with expectations

- Production of 1.4 MMBOE (7,567 BOEPD) is within guidance
- Sales of US$131.2 million (average realised oil price of US$110.41/BBL before hedging)
- Trading profit of US$51.5 million
- Net cash at Period end of US$40.6 million
- Higher oil price revenue benefits impacted by tax and derivatives

Operational achievements

- YTD production costs of US$19/BOE
- Progress to finalise BMG Non-Production Phase continues, with completion expected 1Q 2012
- Cliff Head workover completed successfully and production rates have increased as expected

Strategic achievements

- Material progress on divestment of African assets
- Expansion of Zhao Dong asset: first appraisal well in additional acreage successful and producing
- Beibu Gulf project development on track: first oil expected before end of 2012
- Malaysia country entry finalised, with award of Balai Cluster Small Field Risk Service Contract

1H11 Financial Results Overview

Anthony Neilson (CFO)

Key Financial Summary

	1H11	2H10	1H10
Working Interest Production (MMBOE)	**1.4**	1.6	1.5
% Government share of production	**5.6**	8.5	4.6
Sales Volume (MMBOE)	**1.2**	1.7	1.3
Sales Revenue (US$M)	**131.2**	135.2	100.2
Operating Cash Flow (US$M)	**6.8**	20.3	38.1
Average Realised Oil Price before Hedging (US$/BBL)	**110.41**	80.00	76.76
Production Costs (US$/BOE)	**19.16**	22.39	21.33
Amortisation (US$/BOE)	**30.91**	25.57	24.10
Exploration & Development Expenditure Incurred (US$M)	**20.6**	39.1	15.1
Net Cash Position (US$M)	**40.6**	31.3	52.7

Operational Results

Production	1.4 MMBOE (7,567 BOEPD)
	99% of production was oil
Development	Zhao Dong development drilling programme progressing as planned
	Appraisal well in new Zhao Dong block brought online in August
	Beibu Gulf project development phase commenced (CNOOC operator)
Health, Safety, Environment & Community	LTIFR of 0 (APPEA five-year average is 0.94)
	TRIFR of 2.3 (APPEA five-year average is 5.2)
	No significant loss of containment incidents (>1 BOE)
	Good progress during 1H 2011 implementing HSE and Asset Integrity Expectations
	Cliff Head safety case update approved
	Continued partnerships with Clontarf Foundation and Life Education
	Continued support for educational institutions in Australia & China

Financial Results

	US$M	Comment
Sales Revenue	**131.2**	Average realised oil price of US$110.41/BBL (before hedging)
Trading Profit	**51.5**	Production costs of US$26.2 million (US$19.16/BOE)
		Amortisation of US$42.3 million (US$30.91/BOE)
		Chinese Government special taxes of US$16.9 million
Net Profit Before Tax	**18.8**	Derivative loss of US$14.2 million
		Exploration expense of US$8.3 million
Net Loss after Tax	**(6.6)**	Income tax expense of US$25.4 million, consisting of
		Current income tax of US$26.8M; deferred tax benefit of US$7.7M
		Deferred income tax liability relating to UK tax rate change of US$5.4M
		Deferred tax liability for PRRT of US$0.9 million
Normalised Net Loss after Tax	**(19.8)**	ADD: Impairment of exploration US$0.5 million
		DEDUCT: Unrealised derivative gains of US$13.7 million
Net Operating Cashflow	**6.8**	Gross cashflow generated from operations of US$76.1 million before:
		Income taxes paid of US$19.7 million
		Derivatives outflow of US$28.1 million
		Operating exploration expenditure of US$5.1 million
		Payments for BMG NPP of US$14.0 million

Hedging

Remaining hedge positions from 1 July 2011 to 31 December 2012 are 360,000 Brent Oil Price Swaps, at a weighted average Brent price of US$84.58/BBL.

- The existing hedge book is largely unwound, with ~2% of remaining 2P reserves hedged
- Majority of 2011 hedges have been settled during 1H11
  - 2011 hedges are primarily a legacy of refinancing that took place in late 2008 during the GFC
  - 210,000 BBLs of remaining hedge positions will be settled during 2H11 at ~US$63/BBL
  - 150,000 BBLs of remaining hedge positions will be settled during 2012 at ~US$114/BBL
- Hedge book mark-to-market position at 30 June 2011 was US$10.0 million liability
- P&L hedge loss for the Period of US$14.2 million
- Cash outflow for the Period of US$28.1 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$M							
Sales	78.1	17.2	26.6	5.9	3.1	0.3	**131.2**
Production Costs	(7.6)	(12.8)	(3.9)	(0.4)	(1.5)	-	**(26.2)**
Amortisation	(32.5)	(2.9)	(5.2)	(1.1)	(0.6)	-	**(42.3)**
Trading Profit	26.3	1.5	17.7	4.8	1.4	0.04	**51.5**
US$/BOE							
Production Costs	9.08	72.14(1)	15.63	6.36	35.39	-	**19.16**
Amortisation	38.62	16.49	21.12	19.12	12.65	-	**30.91**
Realised Oil Price	112.09	98.23(2)	114.92	109.77	109.98	99.54	**110.41**

(1) Cliff Head production cost includes expenses associated with

- CH12 workover (ROC: US$5.6 million)
- Oil contamination (ROC: US$1.3 million)

Cliff Head production cost excluding these expenses was US$33.46/BBL

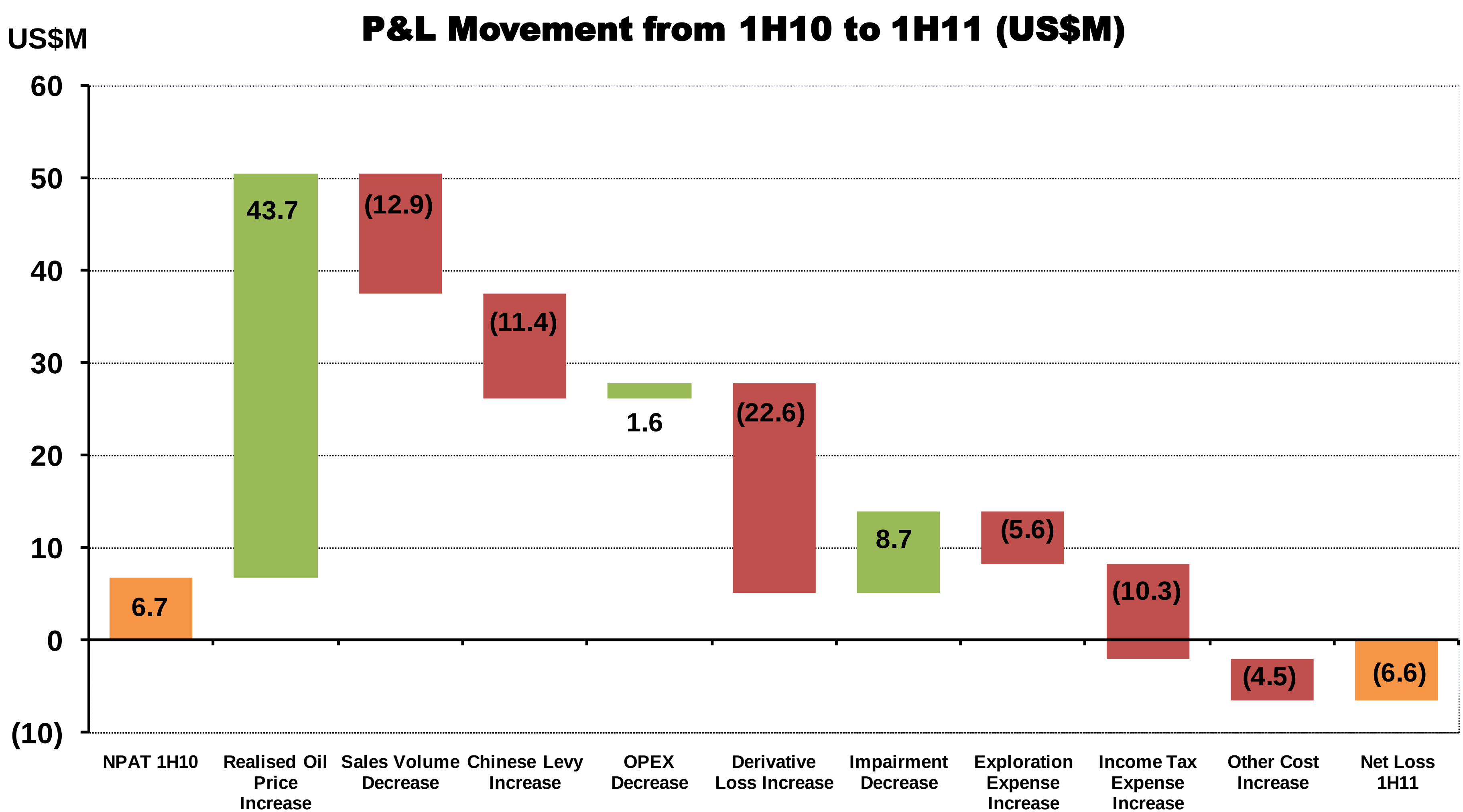
(2) Cliff Head realised oil price negatively impacted by sale of lower quality crude due to contamination (ROC: US$2.1 million)

Cliff Head realised oil price excluding this adjustment was US$110.05/BBL

Profit and Loss

	1H11 US$M	2H10 US$M	1H10 US$M
Sales (including hedging loss)	**131.0**	135.2	100.2
Trading Profit	**51.5**	38.5	30.6
EBITDAX + Impairments	**72.7**	42.2	71.6
Exploration Expense	**(8.3)**	(17.8)	(2.7)
EBITDA + Impairments	**64.4**	24.8	68.9
Amortisation/Depreciation	**(42.7)**	(40.5)	(37.1)
Impairments before tax	**(0.5)**	1.6	(9.2)
EBIT	**21.2**	(14.1)	22.6
NPAT	**(6.6)**	(42.6)	6.7

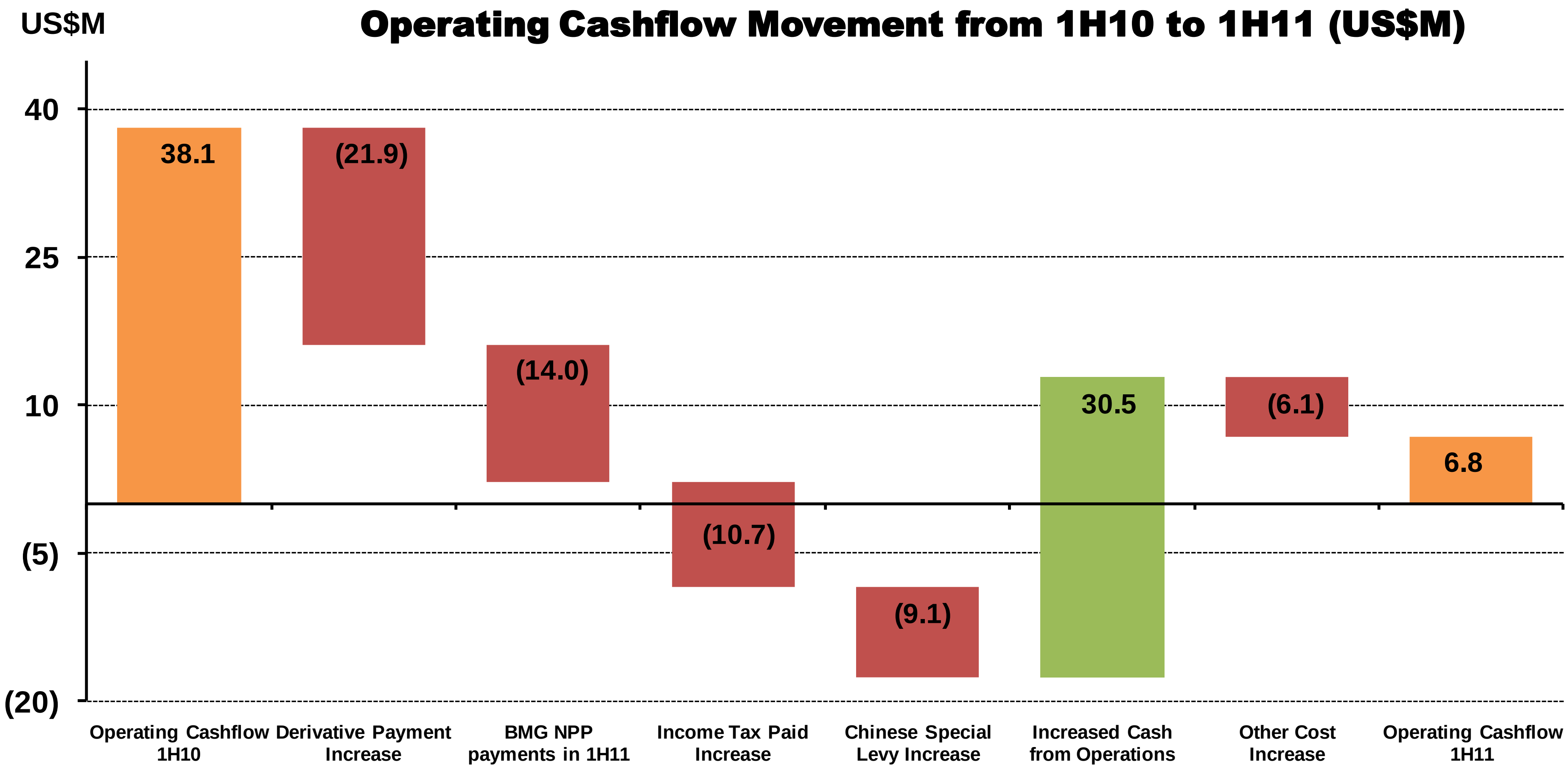
P&L Movements



Cashflow

	1H11 US$M	2H10 US$M	1H10 US$M
Opening Cash	**81.0**	102.2	67.1
Net Cash from Operating Activities	**6.8**	18.1	38.1
Net Repayments of Borrowings	**(45.0)**	-	-
Investment Activities			
Development Expenditure	**(7.7)**	(26.5)	(1.1)
Initially Capitalised Exploration Expenditure	**(6.1)**	(11.9)	(2.2)
Proceeds from sale of WA-351-P	**15.8**	-	-
Other	**(1.4)**	(0.9)	0.3
Closing Cash (Gross)	**43.4**	81.0	102.2
Closing Debt Position	**(2.8)**	(49.7)	(49.5)
Net Cash (Debt) Position	**40.6**	31.3	52.7

Operating Cashflow Movements



Balance Sheet

	1H11 US$M	2H10 US$M	1H10 US$M
Cash Assets	**43.4**	81.0	102.2
Capitalised Exploration Expenditure	**6.3**	4.9	16.8
Oil and Gas Assets	**215.6**	247.6	219.7
Interest Bearing Debt	**(2.8)**	(49.7)	(49.5)
Net Deferred Tax Liability	**(33.0)**	(34.4)	(28.5)
Net Derivative Liability	**(10.0)**	(27.3)	(17.8)
Provisions	**(79.0)**	(91.0)	(56.4)
Net Other Asset / (Liability)	**(5.2)**	10.9	(11.6)
Total Equity	**135.3**	142.0	174.9

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

Malaysia entry

Small Field Risk Service Contract (SFRSC) for "Balai Cluster" fields awarded

- The Balai Cluster comprises a cluster of oil and gas fields in the areas around the Balai and West Acis discoveries
- Contractor group interests are ROC 48%, Dialog 32% and PETRONAS Carigali 20%
- Vote of confidence in ROC's proven abilities as an operator of small fields
- First mover advantage
- Future cashflows, the existing debt facility, as well as potential project financing through the Joint Venture Company should adequately fund capital costs associated with the pre-development phase

ROC worked productively with PETRONAS and DIALOG Group throughout the process

Malaysia entry is a first step in pursuing ROC's strategy to grow the business in SE Asia

- Pre-development phase is scheduled to commence in 2H 2011
  - Expected to take up to 18 months
  - Total cost of pre-development phase is estimated to be between US$200–250 million
- On the successful completion of the pre-development phase and agreement on the project viability of the fields, the contractor group will submit a field development plan
- Fields are anticipated to be in production within 24 months of the start of the development

ROC is pursuing further Malaysian growth opportunities in addition to the Balai Cluster

- Appraisal and development opportunities, including further SFRSCs
- Mature field rejuvenation projects
- Shallow water exploration
- Primary focus upon opportunities with potential synergies with the Balai Cluster

Africa exit

Africa exit will allow redeployment of capital and resources to pursue opportunities more consistent with ROC's strategy to generate future growth through exploration, appraisal and pre-development opportunities located in China, South East Asia and Australasia.

- Sold remaining 10% interest in Cabinda Onshore South Block, **Angola**
  - Sale price US$5 million
  - Announced in May 2011
- Sold and withdrew from **Mozambique Channel** exploration blocks
  - Sale price between US$8.0–8.5 million for 75% interest in Juan de Nova Maritime Profond Block
  - Withdrew from 75% interest in Belo Profond Block
  - Announced in July 2011
- Farmed down interest in Block H, offshore **Equatorial Guinea**
  - From 37.5% to 20.0% for a free carry through the drilling of an exploration well in 2012
  - ROC will receive upfront payment of US$0.9 million plus additional bonuses subject to well success
  - Block H contains several prospects and leads, including the undrilled Aleta-1 prospect
  - Announced in August 2011
- Confident that interests in offshore **Mauritania** Blocks will be divested before the end of 2011

China expansion

An important element of ROC's strategy is to generate future growth through the commercialisation of near field opportunities through existing infrastructure.

- In March, the **Zhao Dong block was expanded** through the addition of the Zhanghai and Chenghai adjacent blocks with the aim of:
  - Commercialising previous near field discoveries in the area; and
  - Encouraging further exploration activity.
- **First appraisal well** in the new Zhanghai block was successful
  - Production was brought online in August
  - Interests in the new blocks are PetroChina 51%, ROC 39.2% and Sinochem 9.8%
  - Another appraisal well is planned to be drilled in the new blocks during 2012

Another element of ROC's strategy is to generate future growth through exploration, appraisal and pre-development opportunities located in China.

- In February, the Final Investment Decision for the **Beibu Gulf project** was approved
  - Development phase of the Beibu Gulf project has commenced
  - CNOOC has assumed operatorship
  - Five ROC employees have been seconded to the subsidiary operating company
  - First oil is anticipated before the end of 2012

ROC's 2011 achievements

ROC has already delivered against the goals set as part of the renewed strategy.

- ✓ Appointed new CEO (Feb)
- ✓ FID for Beibu Gulf Project (Feb)
- ✓ Expanded Zhao Dong Block acreage (Mar)
- ✓ Sold onshore Angola asset (May)
- ✓ Refinanced debt facility (May)
- ✓ Implemented share buy-back (May)
- ✓ Exited offshore Mozambique Channel assets (Jul)
- ✓ Increased Cliff Head production following workover (Aug)
- ✓ Awarded Malaysian Small Field RSC (Aug)
- ✓ Farm down of Equatorial Guinea Block H (Aug)
- ✓ First production from new Zhao Dong block (Aug)

ROC's 2011 objectives

Generate Opportunities	Conduct reviews and/or bid on new business opportunities
Capture Value	Deliver risked recoverable 2C resources from new exploration assets
	Deliver new production or pre-development opportunity in SE Asia or Australasia
	Deliver new production or pre-development opportunity in China
Deliver Excellence	Meet production target (7,000-8,000 BOEPD)
	Control costs across the business (opex <US$17/BOE; capex <US$120 million)
	Maintain and improve overall HSEC and process safety performance
	Focused portfolio management through divesting/farming down non-core assets
Enhance Effectiveness	Review organisational structure; engagement and culture to suit growth strategy
	Build new executive capacity and capability to deliver strategy and value growth

Important Information

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The reserve and resource information contained in this presentation is based on information compiled by Bill Billingsley (Chief Reservoir Engineer). Mr Billingsley BSc (Chem) MSc (Petroleum Engineering) DIC (Imperial College), who is a member of the Society of Petroleum Engineers, has more than 16 years relevant experience within the industry and consents to the information in the form and context in which it appears.

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