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ASX RELEASE

PETRONAS AWARDS SMALL FIELDS RISK SERVICE CONTRACT TO ROC AND PARTNERS

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

Balai Cluster Fields

The Balai Cluster comprises a cluster of marginal oil and gas fields in the areas around the Balai and West Acis discoveries, which are located offshore Sarawak in water depths of approximately 60 metres.

Small Field Risk Service Contracts

A Risk Service Contract is a new petroleum arrangement PETRONAS is implementing in Malaysia. This model strikes a balance in sharing risks with fair returns for development and production of discovered marginal fields. In this arrangement, PETRONAS is the project owner while the contractor is the service provider. Upfront investment of the capital will be contributed by the contractors. The contractor group shall be compensated accordingly with reimbursement of costs plus a remuneration fee for services rendered. The remuneration fee is based on oil and gas production, as well as the contractor group meeting key performance indicators. Payment to contractors shall commence upon first production and be paid throughout the duration of the contract. The SFRSC contract duration is for 15 years.

Planned Activity

The Balai Cluster SFRSC has two distinct phases. The pre-development phase is scheduled to commence in 2H 2011 and is expected to take up to 18 months. Pre-development activities are planned to include geological and geophysical works, the drilling and testing of appraisal wells and the procurement of related facilities and equipment. The total cost of the pre-development phase is estimated to be between US\$200-250 million.

ROC presently considers that future cashflows, the existing debt facility, as well as potential project financing through the JVC will adequately fund the capital costs associated with the pre-development phase for the Balai Cluster.

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 for all or some of the fields and progress to the development phase. Production from all the fields in the cluster is planned to be online within 24 months from commencement of the development programme. Development activities are planned to include the drilling of wells, the installation of platforms, topsides and pipelines, and the tie-in of the new facilities to existing PETRONAS Carigali infrastructure as appropriate. The total cost of the development phase is estimated to be between US\$650-700 million.

Contractor Group Partners

DIALOG Group is one of Malaysia's leading integrated specialist technical services providers to the oil, gas and petrochemical industries. Headquartered in Kuala Lumpur, DIALOG Group has over 2,000 employees across offices and facilities located in 12 countries, and is listed on the Main Market of Bursa Malaysia with current market capitalisation of approximately US\$1.8 billion. The core services and activities provided by DIALOG Group range from upstream to downstream activities and encompass: logistic services for supply base and tank terminal operations; the provision of specialist products and services; the provision of plant maintenance and catalyst handling services; engineering, construction and fabrication; and ePayment technology and solutions.

PETRONAS Carigali is the wholly owned exploration and production subsidiary of PETRONAS, Malaysia's National Oil Company. PETRONAS Carigali has a successful track record of working with multinational corporations to explore, develop and produce oil and gas both in Malaysia and internationally.

CEO Comment

Commenting on the SFRSC award, ROC's Chief Executive Officer, Alan Linn, stated:

"This is an encouraging first step in pursuing the Company's stated strategy to grow the business in South East Asia and represents another vote of confidence in ROC's abilities as an offshore operator of small and marginal fields.

The award of the Small Field Risk Service Contract for the Balai Cluster is also a significant milestone for PETRONAS in pursuing its strategy of developing Malaysian marginal fields. ROC has worked productively with PETRONAS and DIALOG Group throughout the process leading to the SFRSC award and looks forward to building on these established relationships in the future.

ROC's entry into Malaysia is an important achievement and meets one of the Company's key objectives for 2011: to capture value by delivering a new production or pre-development opportunity in South East Asia or Australia."

Alan Linn
Chief Executive Officer

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