



ASX RELEASE

ACTIVITIES FOR THE THIRD QUARTER - ENDED 30 SEPTEMBER 2012

Highlights

- Exploration drilling activities commenced in Beibu Gulf (China); WZ6-12 N-1 discovery announced in first exploration well
- Pre-development appraisal drilling programme commenced for Balai Cluster (Malaysia) and encouraging Bentara-2 appraisal well results announced
- On track for full year production target of 6000 – 7000 BOEPD
- Continued profitability expected for full year
- YTD revenue of US\$196 million; net cash position of US\$50.9 million
- NDRC formally approved Beibu Gulf (China) development
- Building towards transformational long term reserve growth

CEO Comments

During the Quarter exploration and appraisal activity in China and Malaysia commenced with subsequent results very encouraging for the business.

The high level of operational activity will continue through 2012 and into 2013 with ongoing drilling throughout this period. These activities are building a balanced growth portfolio within our core operating regions of China, Malaysia and Australia to complement our existing oil producing assets.

ROC production assets continued to perform reliably throughout the quarter, delivering production in-line with 2012 guidance, ensuring the continuing profitability of the business and underpinning the capacity of the business to fund its existing projects. This is a very positive result, made possible by the quality of our assets and the teams working in the regions.

ROC recently announced a strong start to our Beibu exploration campaign, with an oil discovery made from the first exploration well in Beibu Gulf (WZ6-12N-1). The results of the well will materially enhance the value of the overall Beibu project for ROC and its Joint Venture partners. The well was drilled within budget, on schedule and demonstrates the supportive and close operating relationship shared between ROC and CNOOC.

In Malaysia the pre-development programme commenced in the Balai Cluster with the Bentara-2 appraisal well. The results of this first appraisal well were very encouraging with the Bentara-2 well encountering in excess of 100 metres of hydrocarbon pay.

Continuing incident free safety and environmental performances from all operated facilities resulted in no Lost Time Injuries and no significant environmental incidents for the year to date.

In September Dr. Pierre Eliet joined the Company as GM Exploration, Geoscience & Business Development.



Key Activities

1. Consolidated Revenue & Production

- 1.1. Total working interest production of 0.565 MMBOE (6,143 BOEPD); compared to 0.571 MMBOE (6,269 BOEPD) in 2Q.
- 1.2. Sales volumes of 0.555 MMBOE; up 8% compared to 0.516 MMBOE in 2Q due to inventory movements.
- 1.3. Total sales revenue of US\$60.7 million; compared to US\$58.7 million in 2Q due to higher sales volume offset by lower realised oil price.
- 1.4. Average realised oil price (excluding hedging) of US\$109.84/BBL, a US\$0.34/BBL premium to Brent (Brent oil price averaged US\$109.50/BBL); compared to US\$113.80/BBL in 2Q.

2. Health Safety, Environment and Community (HSEC)

During the Quarter there were no LTIs, zero significant loss of containment incidents and no significant environmental incidents reported from any of ROC's operations.

3. Production Assets

3.1. Zhao Dong Oil Fields, Bohai Bay, Offshore China (C & D Oil Fields ROC: 24.5% & Operator, C4 Oil Field ROC: 11.575% unitised & Operator, Zhanghai ROC: 39.2% & Operator)

Zhao Dong gross oil production averaged 20,503 BOPD (ROC: 4,206 BOPD); up 19% compared to 2Q due to continued development drilling on C4 and C&D oil fields which resulted in additional development wells coming online during the 3Q 2012 and no further lost time due to maintenance.

Technical work on the Zhanghai and Chenghai blocks continued during the Quarter. A second appraisal well is planned to be drilled in Zhanghai block during 4Q 2012.

3.2. Cliff Head Oil Field, WA-31-L, Offshore Western Australia (ROC: 42.5% & Operator)

Gross oil production averaged 2,969 BOPD (ROC: 1,262 BOPD); down 7% compared to the previous quarter primarily due to planned safety testing which affected production over a four day period.

3.3. Blane Oil Field, North Sea (ROC: 12.5%)

Gross oil production averaged 5,185 BOPD (ROC: 648 BOPD); down 7% from 2Q. Production from the Blane field has been shut-in since 12 September following a safety incident on the host Ula platform. This incident is unrelated to the Blane field and is under investigation by BP Norge AS (Ula platform operator) and the Petroleum Safety Authority (Norway). BP has advised the operator of Blane (Talisman) that it expects production to resume during November 2012. The Blane field was expected to contribute net average daily production of 775-900 BOEPD during 2012.

3.4. Enoch Oil and Gas Field, North Sea (ROC: 12%)

There was no production in the Quarter. The Enoch field remained shut-in throughout the quarter due to mechanical and subsea issues that occurred in 1Q 2012. The necessary remedial activities required to reinstate production are planned for 1H 2013.

4. Development Assets

4.1. WZ 6-12 and WZ 12-8 West Oil Field Development, Beibu Gulf, Offshore China (ROC: 19.6%)

The final government approval has been granted by the National Development and Reform Commission (NDRC).

Development activity continued with the onshore platform jacket fabrication completed. Drilling activity commenced during the Quarter on the exploration/appraisal wells (refer to section 5.2), to be followed by the development drilling programme in 4Q 2012. Facilities were 85% complete at the end of October, with the forecast cost to complete still within the planned US\$300 million (gross) development budget.

First oil production from the Beibu Gulf project is targeted to be around the end 2012/early 2013. The ramp-up to full-field peak production is anticipated during 2013.

4.2. Basker-Manta-Gummy Oil and Gas Fields, VIC/L26, VIC/L27 & VIC/L28, Offshore Victoria (ROC: 30% & Operator)

The field remains in a Non-Production Phase ("NPP").

5. Exploration and Appraisal Assets

5.1. Balai Cluster Risk Service Contract, offshore Sarawak, Malaysia (ROC: 48%)

The pre-development program of the Balai Cluster RSC continued during the Quarter. The installation of wellhead platforms were successfully completed on the Balai and Bentara fields, in readiness for the commencement of drilling. The wellhead platforms for Spaoh and West Acis fields are scheduled to be installed during 4Q 2012.

Drilling activities commenced in September and, as announced on 24 October the first well - Bentara 2, was successful and confirmed the hydrocarbon extension of the Bentara field. Initial assessment of the well results indicates an estimated net hydrocarbon pay in excess of 100 metres across the hydrocarbon bearing zones over a total interval of 650 meters, across multiple hydrocarbon bearing reservoirs. The well is being cased and completed in preparation for well testing. With the wellhead platform in place, the Bentara well will be kept as a long-term producer well.

Following the Bentara well, the rig will move to the Balai field where a number of potential hydrocarbon targets will be drilled. Following the Balai field, the pre-development program will move to the Spaoh and West Acis fields.

The conversion of the Early Production Vessel (EPV) continues in Singapore and is scheduled to be deployed in the field for long-term production testing of the successful pre-development wells in 2013 after the monsoon period.

The Balai Cluster RSC consists of four fields: Balai, Bentara, West Acis and Spaoh fields. The drilling of the appraisal wells is part of the pre-development phase which commenced in early 2012. On successful completion of the pre-development phase and agreement on the economic viability of the fields, BCP will submit a field development plan and progress to development of the fields.

5.2. Beibu Gulf, Offshore China (ROC: 40% & Operator)

The exploration/appraisal drilling programme commenced on 1 October 2012. As advised by ROC on 10 October, an oil discovery was made at the first well (WZ6-12 N-1). The drilling of the A6 well commenced on 15 October. Additional optimisation study work revealed an option to test two prospects (Sliver and Liushagang) with the third exploration well (subsequently named A7). Subject to CNOOC concurrence and participation, successful wells will be completed and included as additional production wells for the Beibu Gulf project.

5.3. Block 09/05, Bohai Bay, Offshore China (ROC: 100% & Operator)

ROC has a Petroleum Contract with CNOOC for a 100% operated interest in the 335km² exploration block 09/05, offshore Bohai. The block is located approximately 15km north of ROC's existing Zhao Dong production and appraisal blocks in water depths of four to 10 metres. Work commitment for the first three-year exploration period includes the acquisition of 150km² 3D seismic and the drilling of two exploration wells. A limited farm-out process commenced during the Quarter.

5.4. Africa

Mauritania: All Mauritanian assets were sold to Tullow effective 26 July 2012 except for Block C6 which is expected to complete later this year.

Juan de Nova: Progress continues to complete the transactions relating to the sale by ROC of its offshore Juan de Nova Mozambique Channels interest with final government approval required by the French authorities for completion. This is expected late 2012/early 2013.

Block H, Offshore Equatorial Guinea (ROC: 20%): Preparations continue for the drilling of an exploration well the timing of which is subject to rig availability and JV approval, through which ROC has a free carry. An option is in place for White Rose Energy Ventures (Equatorial Guinea) Limited to acquire ROC's remaining interest in Block H for US\$16.1 million prior to the spud of any exploration well.

6. Financial

6.1. Overview

At Quarter-end ROC had net cash of US\$50.9 million: US\$64.4 million of cash offset by debt of US\$13.5 million.

6.2. Production (Working Interest)

Oil Production (BBL)	3Q 2012	2Q 2012	YTD	% Change (3Q12 to 2Q12)
Zhao Dong Oil Fields	386,940	361,458	1,175,914	7.0
Cliff Head	116,099	123,458	366,776	(6.0)
Blane	59,631	63,329	207,428	(5.8)
Chinguetti ⁽¹⁾	-	20,920	34,180	N/A
Enoch	-	96	9,125	N/A
Other	43	45	136	(4.4)
Total Oil Production	562,713	569,306	1,793,559	(1.2)
Blane (NGL Production)	2,452	1,195	8,796	105.2
Total Production (BOE)	565,165	570,501	1,802,355	(0.9)
Average Rate (BOEPD)	6,143	6,269	6,578	(2.0)

1. Chinguetti sale was completed in July. No further production will be shown for this asset.

6.3. Oil Sales

	3Q 2012		2Q 2012		YTD	
	BBL	US\$'000	BBL	US\$'000	BBL	US\$'000
Zhao Dong Oil Fields	335,592	36,709	327,370	38,501	1,056,145	123,127
Cliff Head	117,311	12,796	122,516	13,504	370,488	42,182
Blane	98,019	11,008	39,154	4,097	192,404	22,376
Enoch	-	-	-	-	21,178	2,494
Chinguetti	-	-	25,841	2,491	44,854	4,538
Other	43	5	45	5	136	16
Total Oil Sales	550,965	60,518	514,926	58,598	1,685,205	194,733
Blane (NGL's)	3,979	177	598	59	20,772	1,277
Total Sales (BOE)	554,944	60,695	515,524	58,657	1,705,977	196,010



6.4. Exploration and Development Expenditure Incurred

	3Q 2012 US\$'000	2Q 2012 US\$'000	YTD US\$'000
Exploration			
Africa	8	(369)	(298)
China	1,281	190	1,707
Other (includes New Ventures)	1,194	1,644	4,104
Total Exploration	2,483	1,465	5,513
Development			
Zhao Dong Oil Fields	8,653	4,849	17,492
Beibu Gulf Project	14,915	6,507	28,470
Total Development	23,568	11,356	45,962
Total Exploration & Development	26,051	12,821	51,475

6.5. Hedging

Remaining hedge positions from 1 October 2012 to 31 December 2012 are 37,500 Brent oil price swaps, at a weighted average Brent price of US\$114.59/BBL.

7. Corporate

7.1. Changes to management team

Dr Pierre Eliet joined ROC in September 2012 as General Manager - Exploration, Geoscience and Business Development.

7.2. Changes to the Board of Directors

Mr Will Jephcott has advised of his intention to retire from the Board later this year after over 15 years of dedicated service. This is part of the Board renewal process which began in 2010 and continued in 2012 with the appointment of Mr Nigel Hartley and Mr Michael Harding earlier this year.

Following his resignation the Board will comprise seven Directors (one executive Director and six non-Executive directors).

In accordance with ASX Listing Rules, the information in this Release has been reviewed and approved by Dr Pierre Eliet, General Manager - Exploration, Geoscience & Business Development, Roc Oil Company Limited, BA (Earth Science) PhD (Geology). Dr Eliet, who is a Fellow of the Geological Society London (FGS), has more than 17 years' relevant experience within the industry and consents to the information in the form and context in which it appears.



Further information

David Slack-Smith

General Manager Investor Relations & Corporate Affairs

Tel: +61 2 8023 2096

Roc Oil Company Limited ABN 32 075 965 856

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

Definitions

BBL(S)	barrel(s)
BOE	barrels of oil equivalent (6 MSCF = 1 BOE)
BOPD	barrels of oil per day
BOEPD	barrels of oil equivalent per day
CNOOC	China National Offshore Oil Company Limited
LTI	Lost time injury
Quarter	the period 1 July 2012 to 30 September 2012
ROC	Roc Oil Company Limited and includes, where the context requires, its subsidiaries
RSC	Risk Service Contract
YTD	Year to date