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ASX RELEASE

DRILLING UPDATE – ZHANGHAI BLOCK, BOHAI BAY (OFFSHORE CHINA)

Roc Oil (Bohai) Company, a wholly owned subsidiary of ROC, advises that drilling has commenced on the second exploration/appraisal well ZD CP2N-H-2 in the Zhanghai Block, Bohai Bay (off shore China). The well is located in one of two adjoining blocks added to ROC's existing Zhao Dong Block Contract (announced 25 March 2011).

The drilling from the Zhao Dong C4 platform commenced at 06:00 hours on 26 November. Total depth planned for this well is 3,283 metres TVD (4,236 metres measured depth).

If successful and commercial, this well will be tied-in to existing Zhao Dong facilities. PetroChina exercised its right under the PSC to participate in the successful H-1 well in the Zhanghai Block (announced 25 August 2011). The working interests in any developments in the two new additional blocks are PetroChina 51%, ROC 39.2% and Sinochem 9.8%. The H-2 well (ROC 80% and Sinochem 20% - cost obligation on dry hole basis) is the final obligation well for the block. ROC is continuing to pursue other opportunities for further development in the Zhao Dong area.

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Zhanghai Block

