



27 May 2011

## ASX RELEASE

# COMPANY OVERVIEW PRESENTATION

Attached is ROC's Company Overview June 2011 presentation. A copy is also available on ROC's website:  
<http://www.rocoil.com.au/Investor-Centre/Presentations/>

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# a unique strategy for growth

Company Overview  
June 2011



# Corporate Profile



ASX-listed Upstream Company since 1999

- 182 employees
- Offices in Sydney, Perth, Beijing and Kuala Lumpur
- 713 million shares on issue
- Market capitalisation ~A\$285 million (@ A\$0.40/share)

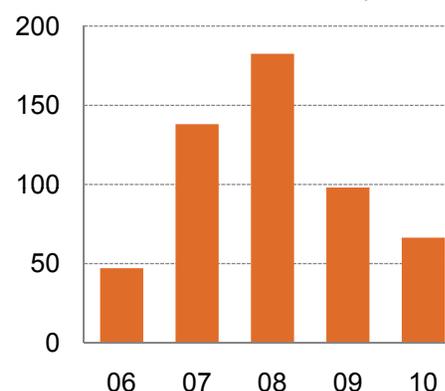
## Operational Position

- Net production 3.1 MMBOE (8,483 BOEPD) in 2010
  - 7,637 BOEPD for 1Q 2011
- China represents over 50% of production
- 2P reserves of 16.2 MMBOE at year-end
  - 2.3 MMBOE increase from 2009: 17% YoY
  - Beibu Gulf FID contributed 4.7 MMBBL
- Operating cost was US\$21.87/BOE in 2010
  - Opex excluding BMG was US\$13.35/BOE

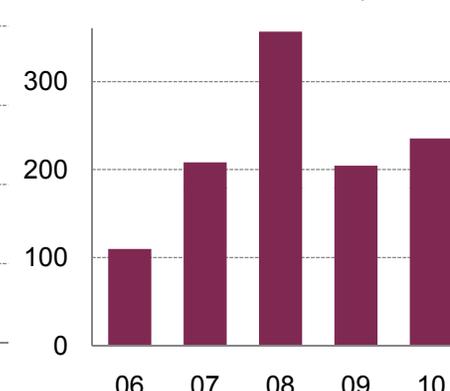
## 2010 Results & Financial Position

- Sales revenue of US\$235 million
- Net cash of US\$31 million at year-end
  - US\$81 million cash offset by US\$50 million debt
- Net operating cashflow US\$58 million
- Trading profit of US\$69 million
- Reported loss of US\$36 million
  - BMG impairment of US\$44 million

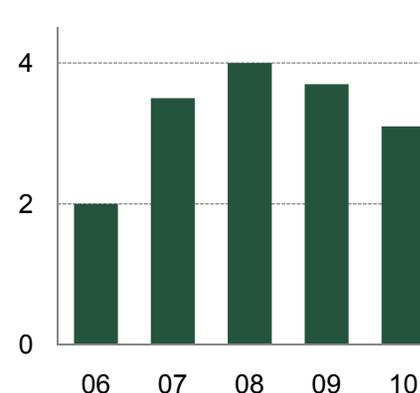
Cashflow US\$



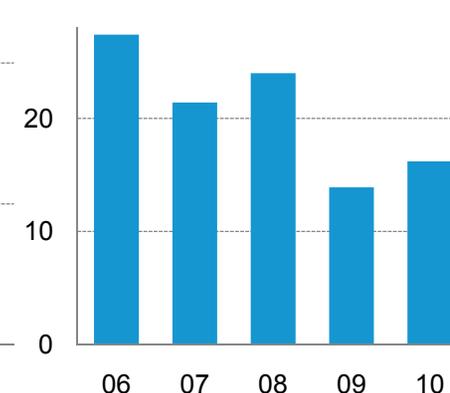
Revenue US\$



Production MMBOE



Reserves MMBOE



# HSEC Performance



## Health & Safety

- Asset integrity management programme initiated
- 1.5 LTIFR
  - Slightly above APPEA 2010 average of 1.0
  - 3 LTIs during 2010
- 5.4 TRIFR
  - Slightly above APPEA 2010 average of 5.2
  - 41 TRIs during 2010 compared to 50 in 2009

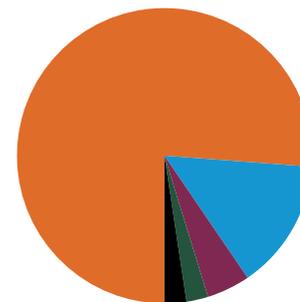
## Environment

- 35% decrease in Scope-1 GHG Emissions
- 54% decrease in total flared gas
- 4 significant loss of containment incidents
  - incidents caused minimal/low environmental impact

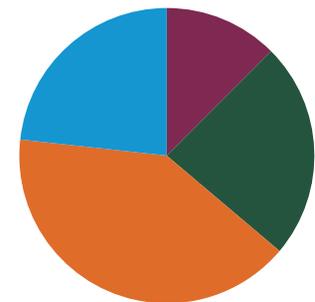
## Community

- 32% increase in community investment
- Considerable engagement effort in China
- Initiated partnership with Clontarf Foundation in Australia

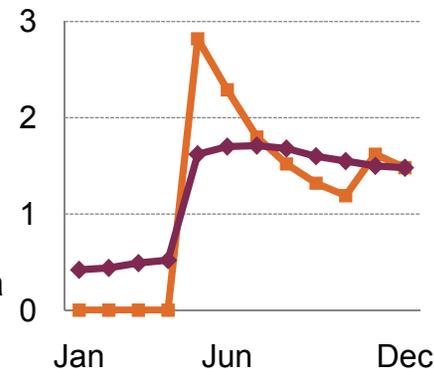
2010 Injuries



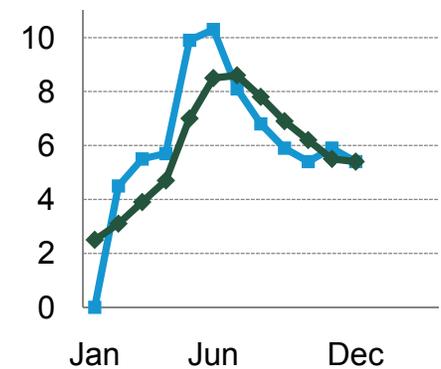
2010 Incidents



2010 LTIFR



2010 TRIFR





# Unique set of competitive advantages for a mid-sized company

Operational experience

Technical capabilities

Industry relationships

Regional focus





# 10+ years of operational experience

~25,000 BOPD ROC-operated production

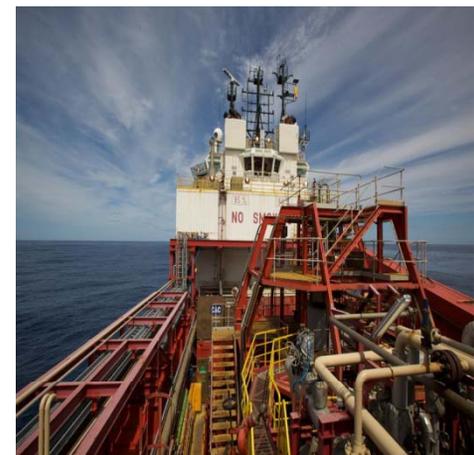
- China and Australia

## Development / Appraisal

- Zhao Dong, offshore northern China
- Cliff Head, offshore Western Australia
- Beibu Gulf, offshore southern China  
(recently finalised operational arrangements with CNOOC)

## Exploration

- Beibu Gulf, offshore southern China
- Cliff Head, offshore Western Australia
- Offshore New Zealand / Onshore Angola





# Respected technical capabilities

## Full Asset Cycle Operator

- Cliff Head production, offshore Australia
- Zhao Dong development & production, offshore China
- Beibu Gulf exploration & appraisal, offshore China
- Exploration, offshore New Zealand

## Integrated Upstream Service Provider

- G&G
- Development
- Operations

## Sustainability and HSEC

- Strong focus on safety and environment
- Asset integrity management





# Established industry relationships

## National Oil Companies

- Petrochina (China)
- CNOOC (China)
- Sinochem (China)
- PETRONAS (Malaysia)
- PETRONAS Carigali (Malaysia)
- Pertamina (Indonesia)

## Industry Partners

- AWE & Beach Energy in Australasia
- Itochu & Sojitz in Australia
- Horizon Oil & Petsec in China



# Core focus on Asia and Australasia

## Established Hydrocarbon Provinces

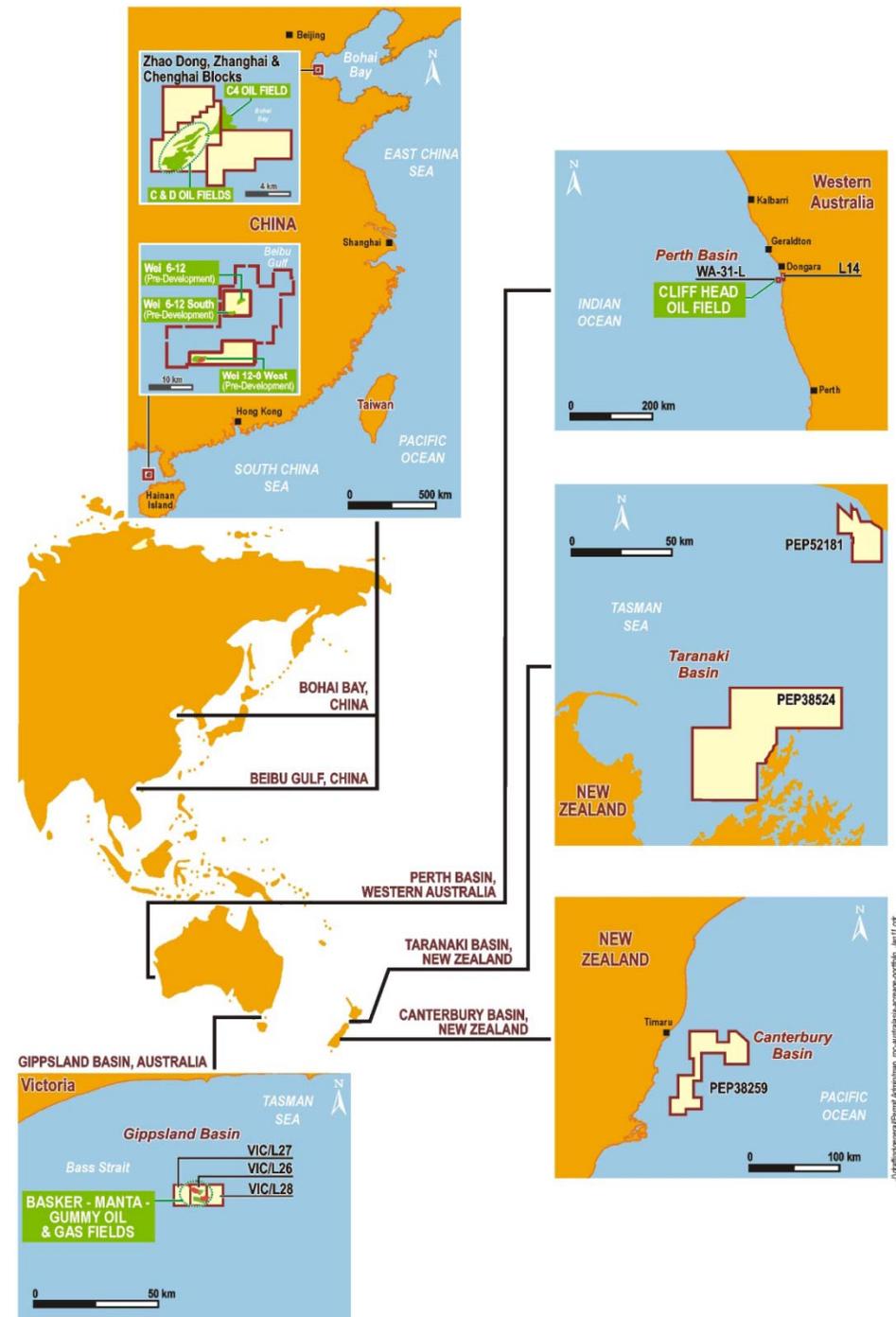
- Fits ROC's marginal field niche
- Lower exploration risk
- Established markets

## Established Relationships

- Asian NOCs

## Lower Cost Structure

- Shallow water
- Onshore
- Project pace benefits



# Four key strategic elements



## Generate Opportunities

*By leveraging ROC's:*

- Competitive advantages and distinctive industry position
- Technical capabilities and operating experience
- Established industry relationships
- Regional focus on China, South East Asia and Australasia

## Capture Value

- Gain new growth assets in the focus region
- Expand the China business
- Transform the exploration portfolio
- Sell non-core assets

## Deliver Operational Excellence

- Continue to exploit the existing reserve base
- Exercise commercial and financial discipline
- Strive to be a leader in HSEC and sustainability
- Implement effective risk management

## Enhance Business Effectiveness

- Improve the deployment of our employees' range of skills across the business
- Shape the organisation for sustainable growth
- Utilise appropriate systems and processes
- Reinvigorate leadership and culture

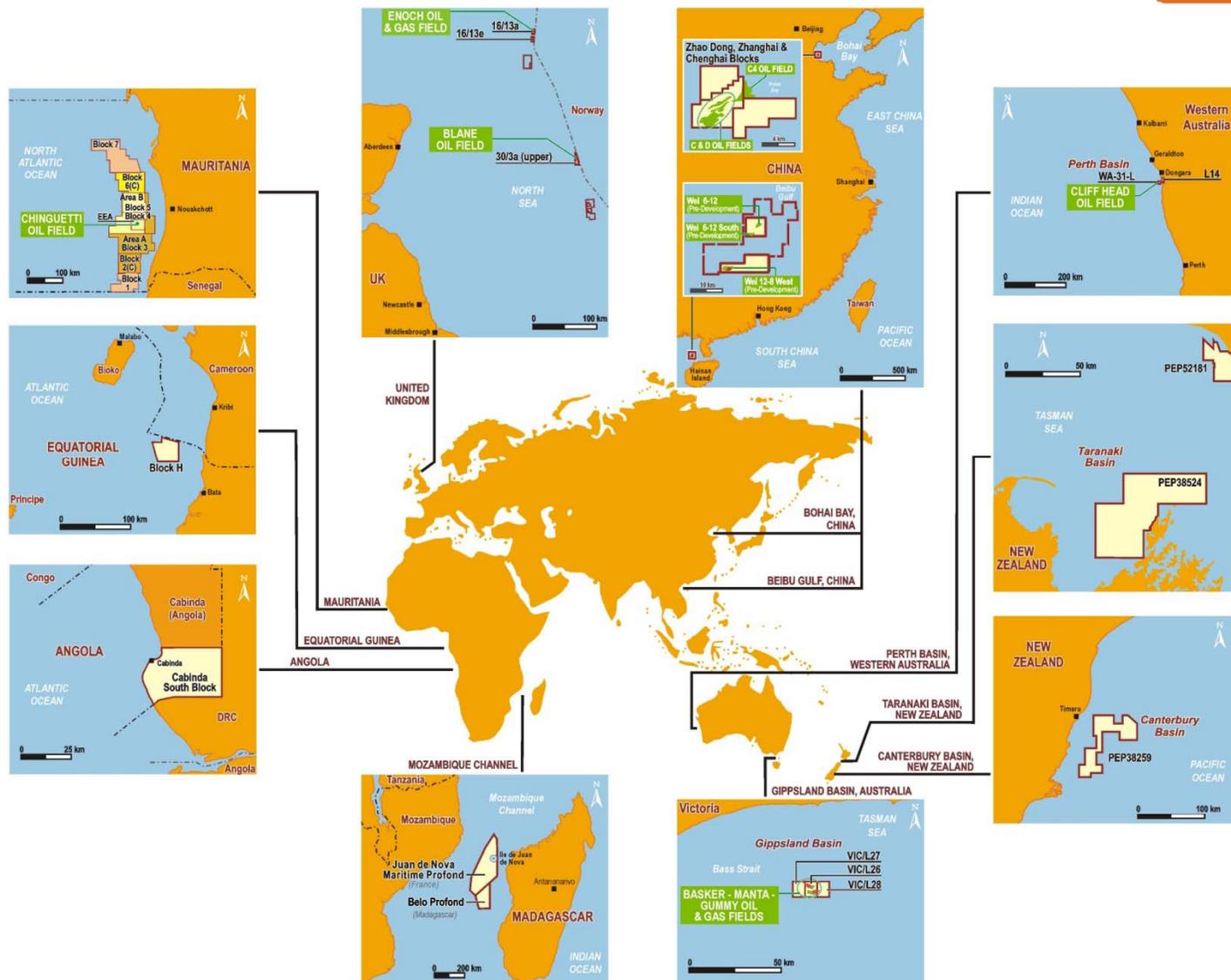
ROC has developed a renewed strategy for growth based on its operational and technical strengths, strong industry relationships and clear regional focus

# 2011 Objectives



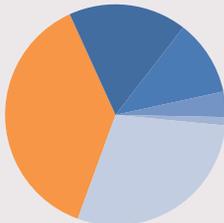
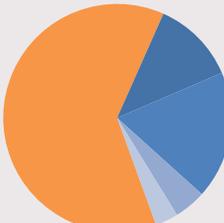
<b>Generate Opportunities</b>	Conduct reviews and/or bid on new business opportunities
<b>Capture Value</b>	Deliver risked recoverable 2C resources from new exploration assets
	Deliver new production or pre-development opportunity in SE Asia or Australasia
	Deliver new production or pre-development opportunity in China
<b>Deliver Excellence</b>	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
<b>Enhance Effectiveness</b>	Review organisational structure; engagement and culture to suit growth strategy
	Build new executive capacity and capability to deliver strategy and value growth

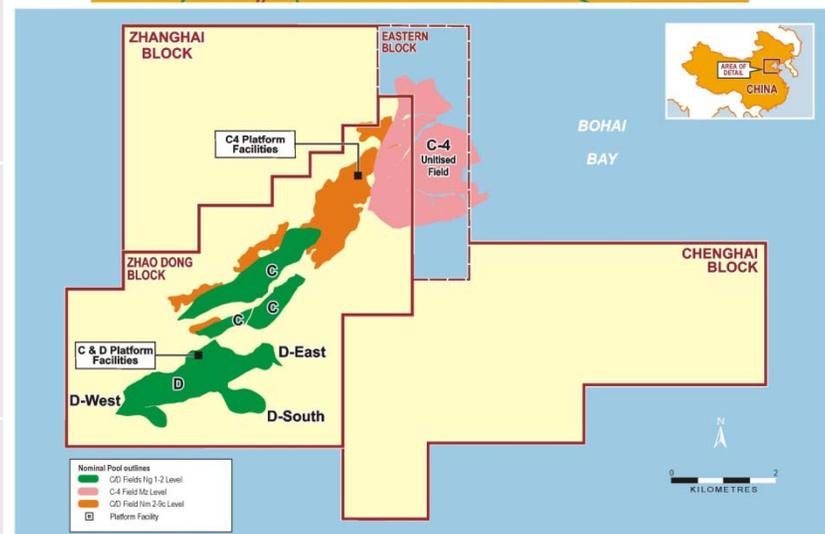
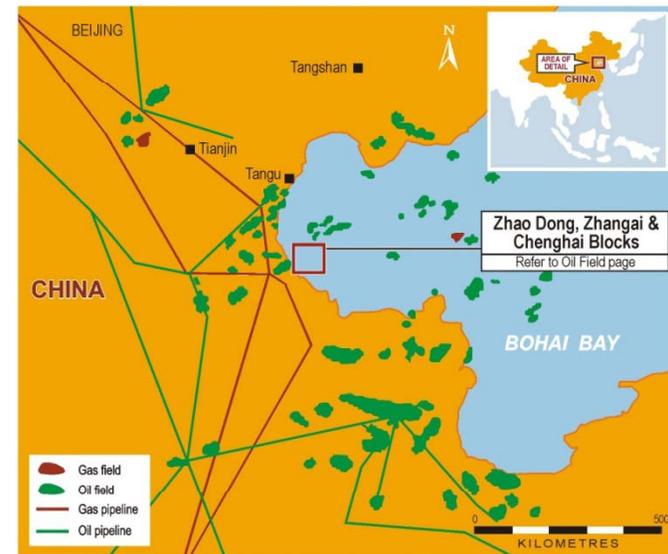
# Asset review



# Zhao Dong oil fields

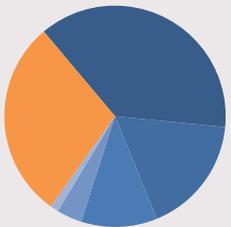


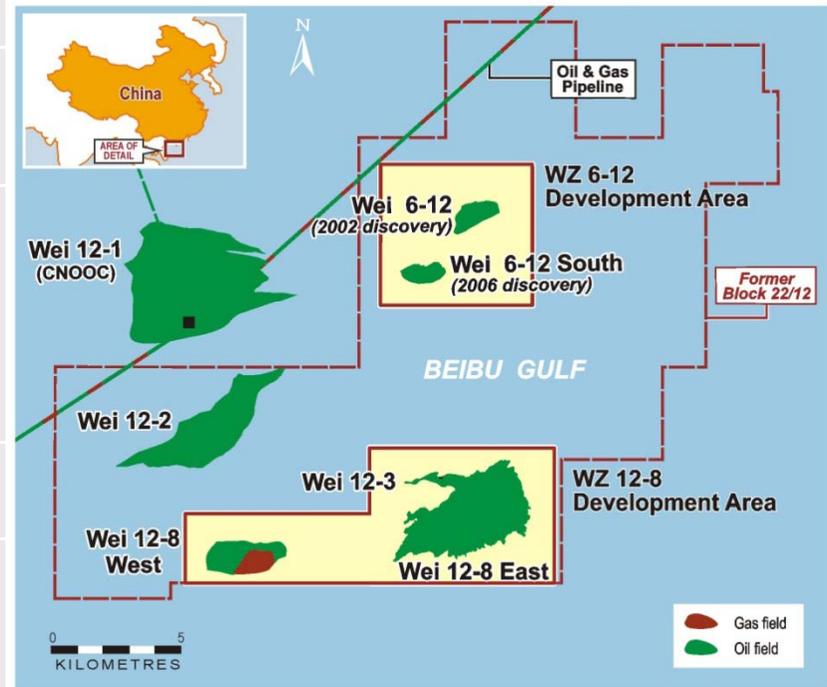
<b>Location:</b>	Offshore Bohai Bay China
<b>Working Interest:</b>	<ul style="list-style-type: none"> <li>C&amp;D (+ERA) 24.5%</li> <li>C4 Field 11.575% (unitised)</li> </ul>
<b>Operator:</b>	ROC
<b>Development:</b>	<ul style="list-style-type: none"> <li>4 linked platforms                             <ul style="list-style-type: none"> <li>– 2 for drilling &amp; accommodation</li> <li>– 2 for production &amp; processing</li> </ul> </li> <li>C4 platforms connected by pipelines</li> <li>Oil pipeline to be completed 2H 2011</li> </ul>
<b>2P Reserves:</b>	<p>C&amp;D (+ERA) 23.3 MMBOE C4 Field 3.5 MMBOE (as at 31 December 2010)</p> <p>6.1 MMBOE net to ROC 38% of 2P Reserves</p> 
<b>Production:</b>	<p>C&amp;D (+ERA) 18,650 BOPD C4 Field 1,294 BOPD (for 1Q 2011)</p> <p>4,719 BOPD net to ROC 62% of production</p> 
<b>Activity:</b>	Drilling programme of 20 wells (15 producers and 5 injectors) planned for 2011. Appraisal well planned in Zhanghai Block in 3Q 2011.



# Beibu Gulf oil fields



<b>Location:</b>	Offshore Beibu Gulf China
<b>Working Interest:</b>	19.6%
<b>Operator:</b>	CNOOC
<b>Development:</b>	<ul style="list-style-type: none"> <li>• Two unmanned platforms</li> <li>• 11 development wells</li> <li>• Pipeline to CNOOC processing platform</li> </ul>
<b>2P Reserves:</b>	<p>Wei 6-12S 14.7 MMBOE Wei 12-8W 5.7 MMBOE Wei 6-12 3.6 MMBOE (as at 31 December 2010)</p> <p>4.7 MMBOE net to ROC 29% of 2P Reserves</p> 
<b>Production:</b>	First production is anticipated before the end of 2012.
<b>Activity:</b>	FID achieved in 1Q 2011. Basic engineering and design reviews and the procurement of long lead equipment have started. Major development will take place in 2012. A feasibility study is ongoing for the potential development of the Wei 12-8 East oil field, which could represent phase-2 of the Beibu Gulf project.



# Cliff Head oil field

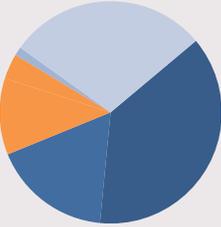
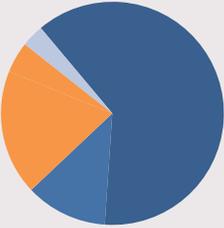


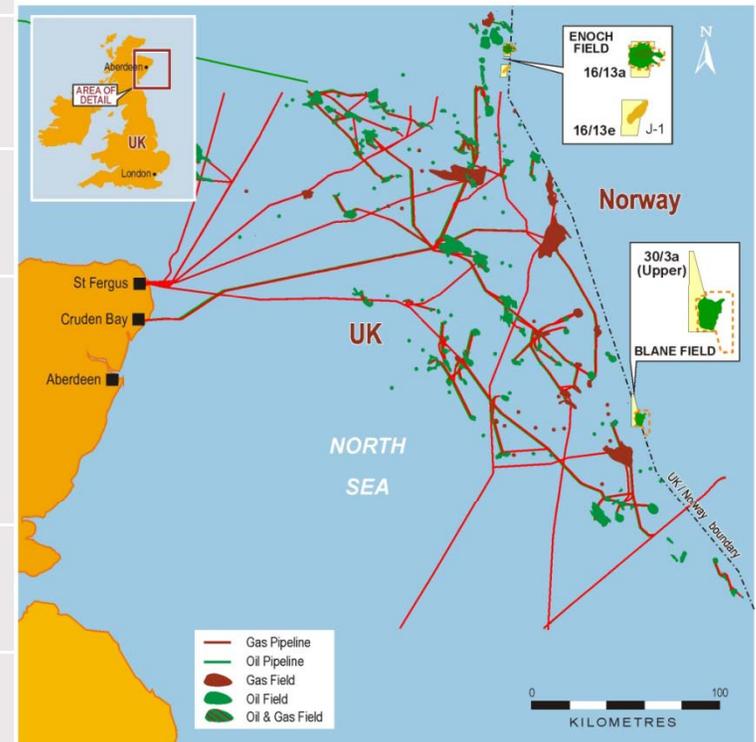
<b>Location:</b>	Offshore Perth Basin Western Australia
<b>Working Interest:</b>	37.5%
<b>Operator:</b>	ROC
<b>Development:</b>	<ul style="list-style-type: none"> <li>• Unmanned platform</li> <li>• Pipeline to onshore stabilisation plant</li> <li>• Oil trucked to BP refinery in Perth</li> </ul>
<b>2P Reserves:</b>	<p>7.5 MMBOE (as at 31 December 2010)</p> <p>2.8 MMBOE net to ROC 17% of 2P Reserves</p>
<b>Production:</b>	<p>2,400 BOPD (for 1Q 2011)</p> <p>900 BOPD net to ROC 12% of production</p>
<b>Activity:</b>	Workover activity commenced in early 2011 to install a higher-rate downhole ESP in the CH12 production well. The workover is anticipated to be completed mid-year and gross production could increase by up to 1,000 BOPD.



# North Sea oil fields



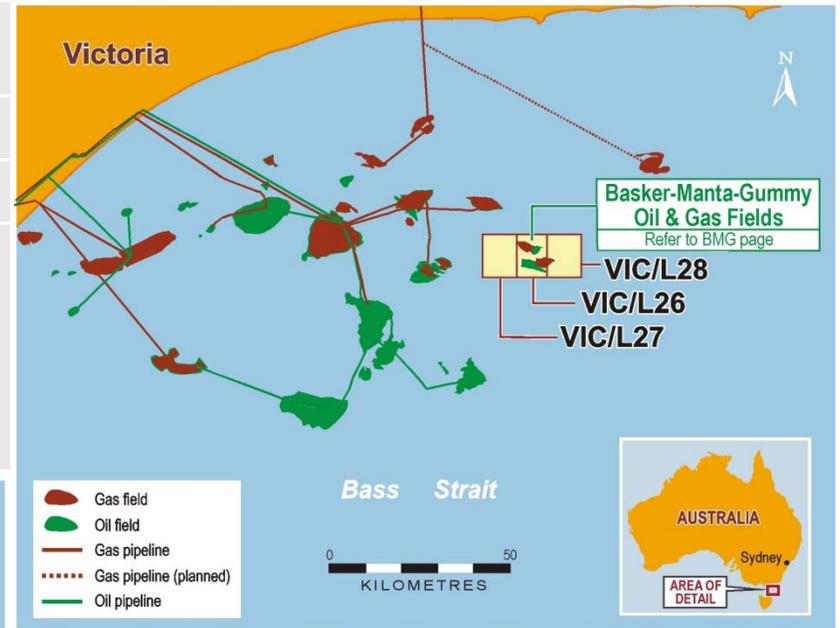
	Blane	Enoch
<b>Working Interest:</b>	12.5% Unitised	12%
<b>Operator:</b>	Talisman Energy	Talisman Energy
<b>Development:</b>	2 production wells and 1 water injector. Gas lift tie-back to Ula platform	1 production well. Gas lift tie-back to Brae-A platform
<b>2P Reserves:</b>	14.4 MMBOE (as at 31 December 2010) 1.8 MMBOE net to ROC	5.0 MMBOE (as at 31 December 2010) 0.6 MMBOE net to ROC
	<p><u>Combined</u> 2.4 MMBOE net to ROC 15% of 2P Reserves</p> 	
<b>Production:</b>	11,012 BOPD (for 1Q 2011) 1,377 BOPD net to ROC	2,862 BOPD (for 1Q 2011) 343 BOPD net to ROC
	<p><u>Combined</u> 1,720 BOEPD net to ROC 23% of production</p> 	



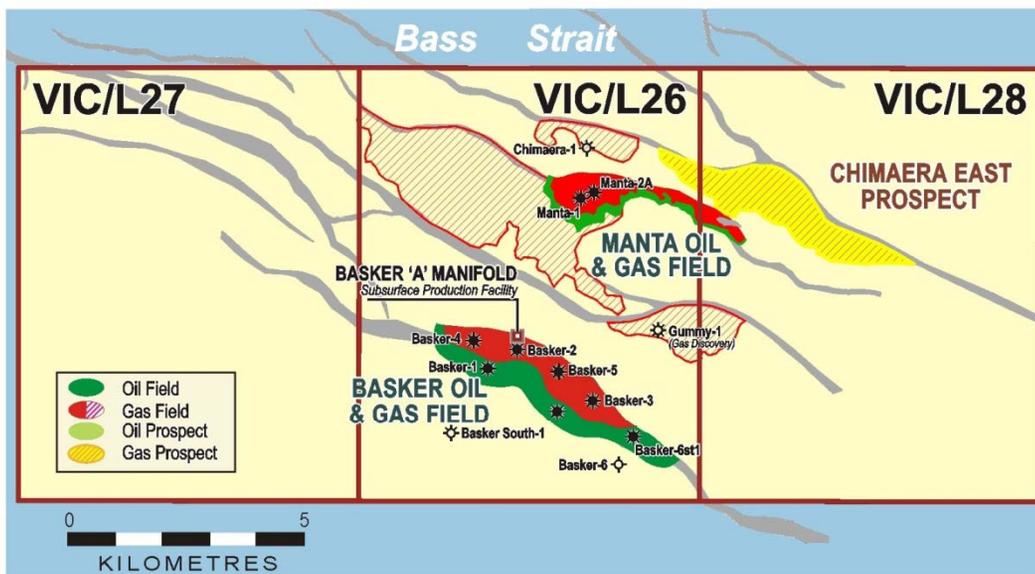
# BMG oil and gas fields



<b>Location:</b>	Offshore Gippsland Basin Victoria
<b>Working Interest:</b>	30%
<b>Operator:</b>	ROC
<b>Activity:</b>	<p>The BMG fields have entered a non-production phase and the joint venture continues to review future Phase-2 gas development options.</p> <p>ROC is interested in farming down its holding in the BMG oil and gas fields.</p>



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# Africa exploration



Africa is a non-core focus for ROC and the Company is divesting its African assets.

## Angola

ROC has agreed to sell its remaining 10% in the Cabinda Onshore South Block to PlusPetrol for US\$5 million.

## Mauritania

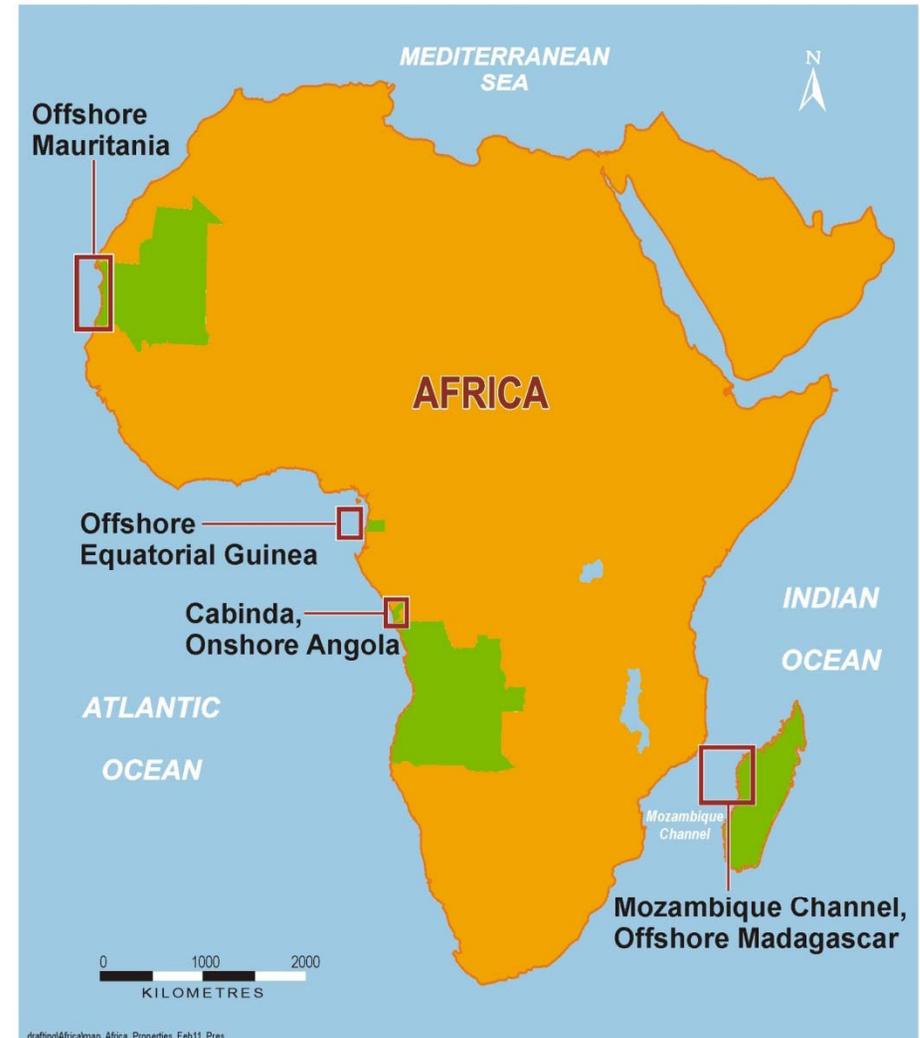
ROC has varying interests between 2.00-5.49% in all offshore blocks, including a 3.25% interest in the producing Chinguetti field.

## Equatorial Guinea

ROC has a 37.5% interest in deepwater Block H, in which the sizeable Aleta-1 prospect is ready to be drilled.

## Mozambique Channel

ROC has a 75% interest in two ROC-operated, frontier exploration deepwater blocks.





## 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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