

ROC OIL COMPANY LIMITED



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SMALLER INDEPENDENT VIEW

- **Life is shorter with a smaller asset base**
- **Business focus is generally on the next five years**
- **Resources are limited**
 - **Financial capacity**
 - **Human resources**
 - **Industry relationships**



SMALL INDEPENDENT VIEW

- **We do have advantages:**
 - **Capacity to move quickly**
 - **Flexibility and decision making**
 - **Focus**
 - **Management involvement**
- **Small independents do have an important role in meeting increasing demands on the industry**
 - **There are many roles and niches**



SMALL INDEPENDENT STRATEGIES

- **Success has come from focus**
- **There are industry niches in which we work**
 - before the majors arrive
 - in areas where majors do not operate
 - on assets not material to majors
- **Developing and producing reserves overlooked and/or undervalued by larger multinationals and national oil companies**



SMALL INDEPENDENT SUCCESS

A Case Study

Coal Seam Gas in Australia

- **In late 1990s the industry was in its infancy in Australia**
- **A number of smaller independent companies identified the opportunity**
 - **Apply North American technology**
 - **Large potential resources**
 - **Limited domestic gas market**
 - **US\$2 to US\$3/GJ gas prices**



SMALL INDEPENDENT SUCCESS

A Case Study

Coal Seam Gas in Australia

- **Independent companies took up large acreage positions in the 1990s**
- **Pilot projects were undertaken**
 - Low cost
 - Small overheads
 - Fit for purpose projects
 - Applying existing technology
- **Today there are four major projects planned in Australia run by multinational companies**
 - Total initial capacity 12 million tonnes/year
 - Investment US\$30 billion



ROC OIL COMPANY

An Independent Upstream Oil & Gas Company

- **A small independent oil company listed on the Australian Securities Exchange**
- **Operating capability and experience**
- **Focused on offshore continental shelf in China, SE Asia and Australia/New Zealand**
- **Operated development and production projects in China and Australia**
- **10,000 BOPD and sales revenue over US\$200 million in 2009**



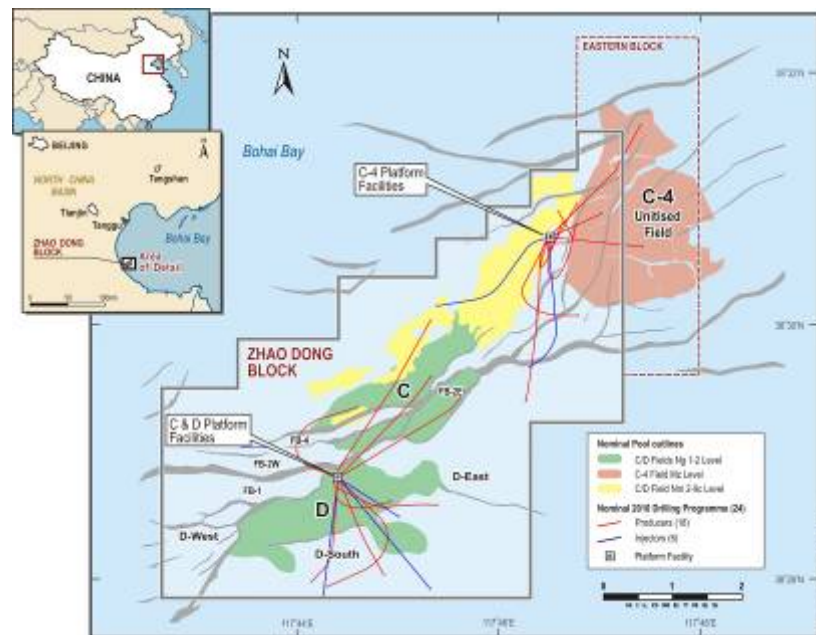
ROC'S STRATEGY

- **Further develop its operating capability**
- **Maintain focus on core business and exploiting asset base**
- **Leverage off strengths to access growth opportunities**
- **Work with industry partners**
- **Be an operator of choice**
- **Manage operating and financial risks**

ROC IN CHINA

Operated Projects in Bohai Bay and Beibu Gulf

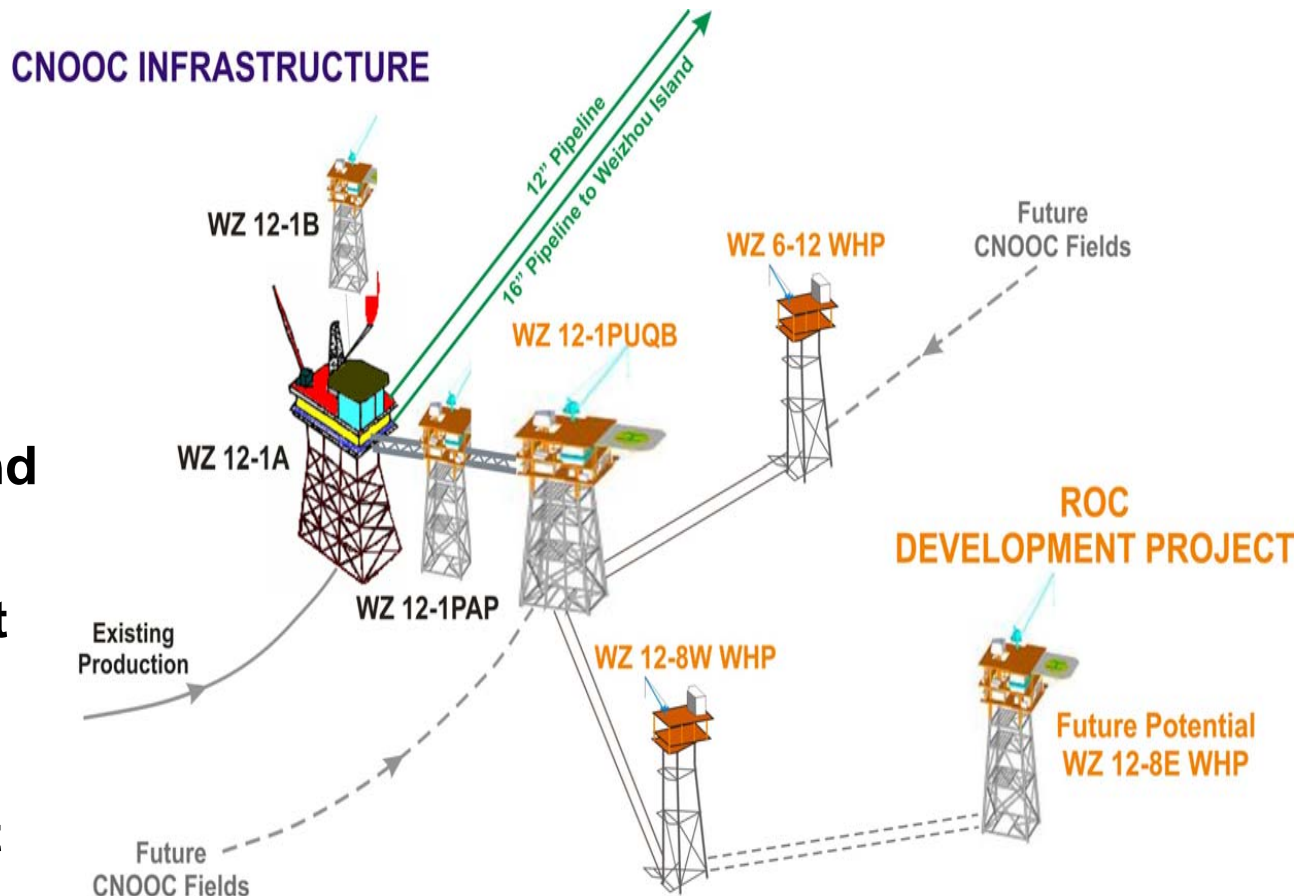
- **Zhao Dong project in Bohai Bay with PetroChina and Sinochem**
- **Successfully completed development 2006 to 2009**
- **Currently producing over 24,000 BOPD**
- **Development drilling in 2010**



ROC IN CHINA

Operated Projects in Bohai Bay and Beibu Gulf

- **Beibu Gulf 22/12 Block with CNOOC and Joint Venture partners**
- **Discovery and appraisal**
- **Development plan agreed**
- **Integrated development with CNOOC**





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The reserve and resource information contained in this announcement is based on information compiled by Neil Seage (Chief Reservoir and Planning Engineer). Mr Seage (BA, BEng (Hons), MBA and Dip App Fin), who is a member of the Society of Petroleum Engineers, has more than 30 years relevant experience within the industry and consents to the information in the form and context in which it appears.



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