5 September 2002

ROC OIL COMPANY LIMITED (“ROC”)
RELEASE TO
AUSTRALIAN STOCK EXCHANGE (“ASX”)

SUMMARY OF ROC’S FINANCIAL RESULTS FOR FIRST HALF 2002 (“1H02”)

IMPORTANT NOTES

- Today, ROC released its financial results for 1H02 which are summarised and commented upon below.
- There are no surprises in the results; they are consistent with information previously provided in ROC’s summary release to ASX dated 27 August 2002.
- During 1H02, ROC sold its minority interests in a developed field and a long term production tested, but undeveloped, field in the UK North Sea. These sales were part of ROC’s continuing strategy of monetising peripheral assets, including those that produce, in order to maximise the Company’s cash position ahead of a large, five country, exploration and appraisal drilling programme which has just commenced.

HIGHLIGHTS

$95.6 million in cash and receivables from asset sales

ROC holds $95.6 million in cash and receivables from asset sales, as at 30 June 2002; up $32.6 million (52%) from $63.0 million cash as at 30 June 2001. This cash is unencumbered because all the Company’s borrowings are effectively secured against the Saltfleetby Gas Field.

Modest debt level continues to be reduced

ROC’s already modest debt level continues to be reduced, with external borrowings of US$26.8 million as at 30 June 2002; a US$3.7 million (12%) improvement on the US$30.5 million borrowings as at 30 June 2001.

The Saltfleetby Gas Field continues to perform strongly

The Saltfleetby Gas Field, onshore UK, continues to perform strongly and, subsequent to half year end, the field produced its one billioneth cubic metre (35.3 BCF) of gas, about 33 months after coming on to production.

$22.07/BOE before tax cash margin on production, equivalent to 78% of sales revenue

1H02 cash operating costs averaged $6.28/BOE, compared to an average sales price of $28.35/BOE, which represents a cash margin of $22.07/BOE or 78% of field sales revenue. Even with the weaker UK gas prices experienced during the period, Satlfleetby’s realised gas price of $4.75/MCF compares very well with typical Australian, year round, gas sales prices of between $2.50/MCF and $3.00/MCF.

$5.0 million profit before tax

$5.0 million profit before tax; down $11.0 million (69%) from the comparable $16.0 million profit for the corresponding period last year.

$5.8 million after tax loss	$5.8 million after tax loss; down $15.8 million (158%) on the comparable $10.0 million after tax profit for the corresponding period last year. This loss primarily reflects a one-off, non-cash provision for a new UK tax effect and provision for potential capital gains tax from UK asset sales.
$2.7 million underlying profit after tax and adjustments	$2.7 million underlying profit after tax after adjustments for one-off UK tax changes, provision for potential capital gains tax on asset sales, net foreign currency losses and exploration expenditure expensed.
$26.8 million of sales revenue	Sales revenue of $26.8 million; down $24.3 million (47%) from the $51.1 million comparable revenue for the corresponding period last year.
$19.2 million net operating cash flow	$19.2 million net operating cash flow; down $22.5 million (54%) from the $41.7 million comparable cash flow for the corresponding period last year.
0.9 MMBOE of production	Production of 0.9 million barrels of oil equivalent (MMBOE), over 90% gas, down 0.5 MMBOE (34%) from the 1.4 MMBOE produced in the corresponding period last year. This result is mainly due to natural production decline at the Saltfleetby Gas Field, the sale of the Company's interest in the Kyle Oil and Gas Field in the UK North Sea and temporary constraints affecting third-party facilities receiving gas from the Saltfleetby Gas Field.
$14.1 million EBITDA	$14.1 million EBITDA; down $18.2 million (56%) from the $32.3 million comparable EBITDA for the corresponding period last year.

CEO'S COMMENTS

Commenting on the results, ROC's Chief Executive Officer, Dr John Doran, stated:

- The results released today are consistent with ROC's release to ASX dated 27 August 2002.

- The results reflect ROC's strategic view that, in today's international oil and gas industry and the more general global business climate, it is an advantage for an independent oil company to have cash in the bank – particularly when it is embarking on a major exploration and appraisal drilling programme. This is why ROC has monetised a number of its peripheral assets, including some producing properties. As a result, the Company has maximised its cash position ahead of a burst of exploration and appraisal activity which will not only follow up its recent drilling successes offshore Mauritania, Western Australia and China but also evaluate the potential of the area around the Saltfleetby Gas Field in the UK.

- After considerable thought, ROC concluded that the UK North Sea assets which it sold during the report period, were peripheral to its core strategy. This was because ROC had a modest equity in those assets and little/no influence over high cost operations which had little obvious upside growth potential. As ROC grew its cash position, including receivables from asset sales, to $95.6 million it also reduced, its already modest, external borrowing to US$26.8 million, all of which is, for all practical purposes, comfortably secured against the Saltfleetby Gas Field, thereby leaving ROC's cash reserve unencumbered. Because of this rebalancing of ROC's tangible asset base, the Company is in an excellent position to proceed towards its next growth phase.

- The manner in which ROC's project portfolio has evolved during the last twelve or more months - especially with regard to the Company's encouraging drilling record during that period - has resulted in a decision to channel corporate energy and funds into the current multi-well drilling programme that will see between 7 and 19 exploration and appraisal wells drilled in five different countries during the next 12 months.

- Already a significant measure of drilling success has been achieved. Most recently, the Chinguetti 4-2 exploration step out well, offshore Mauritania, encountered a 94 metre gross oil column and flowed oil at a rate of 1,560 BOPD, constrained by sand influx; an event which often implies excellent reservoir quality. The scheduled completion of the Mauritanian drilling activity by year-end will provide ROC shareholders with an almost seamless transition into the 3 to 8 well drilling programme which ROC is scheduled to operate in the offshore Perth Basin in four months time.

- If the current drilling campaign continues to generate good results, ROC should experience more upside growth than if the peripheral assets, which were sold during the report period, had been retained. The ultimate benefits of this strategy will depend upon the success or failure of the exploration and appraisal drilling programme. Arguably, that is an appropriate position for a young and growing exploration and production company to adopt in order to create maximum value for shareholders.

- The Saltfleetby Gas Field continues to perform strongly. On 4 September 2002, the field produced its billionth cubic meter of gas, equivalent to 35.3 BCF. This translates into an average daily production rate of 35.5 MMSCF/D since production started in December 1999. A successful workover of Saltfleetby-5 during August 2002 is further good news which is expected to boost the field's current 30 MMSCF/D production by more than 10%, in time for the seasonally stronger UK winter gas prices. Ahead of the anticipated strengthening in UK spot gas prices, an improvement in ROC's contracted sales gas price has been negotiated. As a result, ROC's contracted gas sales price will increase by about 50% from 1 October 2002.

- One of the rarely highlighted strengths of the Saltfleetby Gas Field is its relatively low cash operating cost, a consequence of its onshore location, proximity to infrastructure and reservoir productivity. In an industry characterised by product price fluctuations which are sometimes volatile, low operating costs and high cash margins represent a valuable benefit.

- Potentially one of the most significant events during 1H02 was ROC's entry into China. Subsequently, ROC was appointment as Operator of Block 22/12 in the Beibu Gulf and increased its equity in the permit to 40%. Although these events do not impact in any obvious manner on the financial results for the period under review, the speed with which ROC, its co-venturers and the relevant government authorities have progressed this exploration and appraisal project augers well for the future. A scenario is being developed whereby a successful 2003 drilling programme in China could lead to a potential fast-track, low cost, development that could leapfrog its way to the front of ROC's list of potentially commercial field developments.

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Dr John Doran
Chief Executive Officer

ROC OIL COMPANY LIMITED

ABN 32 075 965 856

FINANCIAL REPORT

FOR THE FINANCIAL HALF YEAR ENDED

30 JUNE 2002

DIRECTORS' REPORT

The Directors of Roc Oil Company Limited ("ROC" or the "Company") have pleasure in submitting the Financial Report and Directors' Report for the financial half year ended 30 June 2002. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

Directors

The names of the Directors of the Company during or since the end of the financial half year are:

Mr Andrew J Love (Non-Executive Director, Chairman)

Mr William G Jephcott (Non-Executive Director, Deputy Chairman)

Dr R John P Doran (Executive Director and Chief Executive Officer)

Mr Richard J Burgess (Non-Executive Director)

Mr Ross Dobinson (Non-Executive Director)

Mr Sidney J Jansma Jr (Non-Executive Director)

Mr Adam C Jolliffe (Non-Executive Director).

All directors held office for the whole financial half year.

Review and Results of Operations

The principal activities of the consolidated entity during the financial half year were oil and gas exploration, development and production.

Key Points

The consolidated entity recorded a net loss after income tax expense of $5.8 million (compared with a net profit after income tax expense of $10.0 million for the prior financial half year). The result included income tax expense of $10.8 million on a profit before tax of $5.0 million. Income tax expense included a one-off non-cash tax expense of $4.7 million relating to the adjustment to the deferred tax liability following the application of the 10% supplementary tax in the UK. Also included was a $1.7 million provision for potential capital gains tax payable on the Kyle and Chestnut asset sales.

Sales revenue of $26.8 million was achieved for the financial half year, compared with sales revenue of $51.1 million for the prior financial half year. Sales revenue was down on the prior financial half year due to no revenue from the Kyle Oil and Gas Field following its sale, effective 1 January 2002, lower production volumes from the Saltfleetby Gas Field (28.2 MMSCF/D versus 35.4 MMSCF/D) and lower UK spot gas prices received ($4.22 per thousand cubic feet compared to $7.17 per thousand cubic feet during the prior financial half year). Despite some production constraints during the financial half year due to maintenance work on third party processing facilities, the Saltfleetby Gas Field continues to perform strongly, with production capacity being maintained at 30 MMSCF/D into the third quarter of 2002. With cash operating costs averaging $6.28/barrel of oil equivalent ("BOE") and sales revenue averaging $28.35/BOE, the Saltfleetby Gas Field had a cash margin of $22.07/BOE, or 78% of sales revenue, during the financial half year.

During the financial half year, ROC received £8.6 million (approximately $23.2 million) cash from the sale of its interest in the Kyle Oil and Gas Field (12.5%). During August 2002, £3.0 million (approximately $8.6 million) cash was received from the sale of the undeveloped Chestnut Oil Field (14.875%). The sales were effective 1 January 2002.

As a result of successful negotiations between the US$4.5 billion Innogy plc, the contract sales price of Saltfleetby gas for the next contract year, from 1 October 2002 to 30 September 2003, was improved. The new price reflects current market prices, which are in the order of 50% higher than the contract gas prices negotiated by the previous owners of the field prior to it being brought onto production in 1999.

Total production from the UK operations for the financial half year was 0.9 million barrels of oil equivalent (5,093 barrels of oil equivalent per day). The Saltfleetby Gas Field produced 5.1 billion cubic feet ("BCF") of gas at an average gas production rate of 28.2 million standard cubic feet per day.

ROC also experienced exploration success during early 2002, participating in oil discoveries in offshore China and in the Perth Basin, offshore Western Australia.

In WA-286-P, in the Perth Basin, offshore Western Australia (ROC: 30% and operator), the Cliff Head-2 exploration well was drilled via sidetrack from the Cliff Head-1 well during early January 2002 and intersected a 28.5 metre gross vertical oil column, confirming the Cliff Head oil discovery. On 1 May 2002, ROC was appointed operator of the TP/15 joint venture, adjacent to WA-286-P offshore Western Australia. The WA-286-P and TP/15 joint ventures plan to drill between 3 and 8 exploration and appraisal wells on the Cliff Head Field and adjacent prospects during early 2003.

ROC agreed to farm-in to Block 22/12 in the Beibu Gulf, offshore China, in February 2002. In consideration for acquiring the 25% interest, ROC paid 25% of the costs of drilling an exploration well to test the Wei 6-12 prospect. The well was successfully drilled to a depth of 1,755 metres on 10 March 2002, under a turnkey contract for a cost of US$4.0 million. The well intersected a 13.5 metre gross vertical oil column, with a 9 metre net vertical oil pay, 80 metres down dip from the structural high point. Based on the well results, ROC exercised its option to acquire a 25% interest in the permit and became operator of the joint venture by providing Bligh Oil and Minerals NL ("Bligh") with an amount in the order of US$750,000 reflecting a reimbursement of Bligh's pre-drill costs and prepayment of some of Bligh's future permit administration costs.

At 30 June 2002, the consolidated entity was in a sound financial position with no net debt after accounting for cash assets of $87.5 million, a net increase of $11.4 million from 31 December 2001, with a further $8.6 million receivable from the sale of the Chestnut Oil Field.

Condensed Consolidated Statement of Financial Performance

The consolidated entity recorded a net loss after income tax expense of $5.8 million for the financial half year. The result was achieved from a trading profit of $12.2 million, a profit before tax of $5.0 million and income tax expense of $10.8 million.

Income tax expense for the financial half year was $10.8 million, relating to the UK operations. Income tax expense was adversely affected by the recent introduction of the 10% UK supplementary tax on UK oil company profits from 17 April 2002, which is in addition to the existing 30% UK Corporation Tax.

Income tax expense for the financial period included a provision of $4.7 million relating to a one-off, non-cash adjustment to ROC's deferred income tax liability and a $1.7 million provision for potential capital gains tax payable on the Kyle and Chestnut asset sales. The adjustment to the deferred income tax liability arose as a result of the application of the 10% UK supplementary tax, which required the restatement of the deferred income tax liability with an offsetting charge to income tax expense.

Also included in the financial half year result were, largely unrealised, net foreign currency losses of $1.9 million after tax.

	2002 $ Million	2001 $ Million
Net Profit/(Loss) After Tax	(5.8)	10.0
Adjusted for:		
Net foreign currency losses	1.9	2.9
Exploration expenditure expensed	0.2	0.1
One-off adjustment to deferred income tax liability	4.7	-
One-off capital gains tax provision on Kyle and Chestnut asset sales	1.7	-
Adjusted Profit After Tax	2.7	13.0

Sales revenue for the financial half year was $26.8 million, all from the UK operations. Production from the UK operations comprised 72,564 barrels of NGLs and 5.1 BCF of gas.

The result reflected the continuing strong production performance of the Saltfleetby Gas Field, and buoyant oil prices and UK domestic gas prices. Gas prices received (including hedging) during the financial half year averaged £1.76 ($4.75) per thousand cubic feet of gas down 12% respectively on average gas prices received during the prior financial half year ended 30 June 2001 of £2.01 ($5.53) per thousand cubic feet of gas.

UK production costs for the financial half year were $6.1 million. Amortisation, restoration and depreciation costs were $8.9 million.

Net financing costs for the financial half year were $0.2 million, including interest income of $0.8 million.

Exploration expenditures of $0.2 million were expensed during the financial half year, in accordance with ROC's accounting policy.

A net foreign currency loss before income tax expense of $1.4 million was recorded, which was attributable to a foreign currency gain of $2.3 million on the revaluation of the US$ syndicated bank loan in the UK, resulting from the favourable movement in the British pound against the United States dollar (from £1:US$1.4514 as at 31 December 2001 to £1:US$1.5265 as at 30 June 2002); offset by net foreign currency losses of $3.7 million on foreign currency cash assets, receivables and payables.

Condensed Consolidated Statement of Financial Position

During the financial half year, total assets decreased from $303.7 million to $280.0 million, total liabilities decreased from $101.1 million to $88.7 million and total equity decreased from $202.7 million to $191.3 million. In addition to the changes resulting from production operations, the major net changes in the Statement of Financial Position resulted from development and exploration expenditure, restatement of non-current tax liabilities and the appreciation of the Australian dollar against the British pound from $1:£0.3518 as at 31 December 2001 to $1: £0.3700 as at 30 June 2002.

Exploration expenditure of $15.3 million was incurred during the financial half year, with major expenditure in the following geographical areas:

- Equatorial Guinea ($0.6 million). Final interpretation was completed on the 3D seismic information;
- The Perth Basin offshore Western Australia ($1.1 million), the consolidated entity undertook drilling of the Cliff Head-2 exploration well in WA-286-P, farmed into TP/15 and undertook preparatory work and planning for the upcoming multi-well drilling programme;
- China ($2.6 million), the consolidated entity agreed to farm in to Block 22/12 in the Beibu Gulf, offshore China. In consideration for acquiring the 25% interest, ROC paid 25% of the costs of drilling an exploration well to test the Wei 6-12 prospect plus approximately US$750,000 reflecting reimbursement of pre-drill costs and prepayment of some future permit administration costs;
- Senegal ($0.2 million), the consolidated entity completed processing and undertook interpretation of the acquired 2D seismic data;
- Mauritania ($0.7 million), primarily the consolidated entity's share of costs associated with the 1,360 sq km Block 7 3D seismic survey, the 1,175 sq km Ouadane 3D seismic survey and acquisition of data from the 1,064 sq km Koumbi Saleh 3D seismic survey;
- Mongolia ($0.5 million), the consolidated entity maintained its share of field operations; and
- The United Kingdom ($9.4 million), the consolidated entity completed the planned South Humber Basin 3D seismic acquisition programme, which had been delayed from 2001, and the Bempton 3D seismic survey in the Cleveland Basin.

Additions to development expenditure of $2.3 million were incurred during the financial half year in the UK. This expenditure primarily relates to development activities at the Saltfleetby Gas Field.

The majority of the $47.4 million in interest bearing liabilities as at 30 June 2002 relates to the US$ syndicated bank loan in the UK (US$26.8 million).

The market capitalisation of the Company was $159.5 million as at 30 June 2002, based on the end of June 2002 share price of $1.47 per share and 108,526,056 fully paid ordinary shares on issue.

Condensed Consolidated Statement of Cash Flows

Cash assets increased by $11.4 million over the financial half year and as at 30 June 2002 the consolidated entity held a cash and short term deposit balance of $87.5 million, with a further $8.6 million receivable from the sale of the Chestnut Oil Field.

Cash flow from operating activities was $19.2 million. The major cash flows from operating activities included gross receipts from the sale of oil and gas in the UK of $38.3 million and payments to suppliers and employees of $15.0 million.

Net cash provided by investing activities was $3.6 million. The major investments during the financial half year were the payments for development expenditure ($6.0 million) and payments for exploration expenditure ($15.9 million). Also included in investing activities was $22.7 million associated with the sale of ROC's interests in the Kyle Oil and Gas Field (12.5%) and $2.8 million received from Star Energy Limited with respect to the second bonus payment associated with the sale of non-core onshore UK assets during 2000.

Financial Ratios

Basic earnings per share for the financial half year were (5.3) cents, based on a weighted average number of fully paid ordinary shares on issue of 108,526,056.

Cash flow from operating activities for the financial half year was $19.2 million, or 18 cents per share, down $22.5 million on the prior financial half year.

EBITDA[1] for the financial half year was $14.1 million. EBITDAX[2] for the financial half year was $14.5 million, down $17.9 million on the prior financial half year.

The debt to equity ratio as at 30 June 2002 was 25%. Based on cash assets of $87.5 million, the consolidated entity had no net debt as at 30 June 2002.

Hedging

<u>Oil price</u>

The consolidated entity's oil price hedging for the financial half year consisted of a 181,000 barrels of oil hedging arrangement at an average Brent oil price of US$25.90 per barrel. The hedging contract was financially settled monthly and receipts under the hedge totalled $782,473 during the financial half year. The hedging contract was closed out during early April 2002.

<u>Gas price</u>

The UK subsidiaries of ROC sell gas production from the Saltfleetby Gas Field under a fixed price, take or pay contract with Innogy plc ("Innogy") and as spot and forward market sales into the UK domestic market.

The contract with Innogy fixes the contract price for the period to 30 September 2003 and provides the consolidated entity with a gas price hedge over that period. Approximately 32% of the consolidated entity's gas production during the financial half year was sold under the contract at the contract price.

In addition to the Innogy contract, the consolidated entity's gas price hedging for the financial half year consisted of 0.8 BCF (4.55 MMSCF/D) of sales gas at an average price of 22.6 pence per therm. The hedging contract was financially settled monthly and receipts under the hedge totalled $1,740,566 during the financial half year.

Future gas hedging in place as at 30 June 2002 comprises a gas price hedge covering 0.4 BCF (4.55 MMSCF/D) of sales gas over the financial period from 1 October 2002 to 31 December 2002 at an average price of 20.05 pence per therm (equivalent to US$3.36/$5.96 per thousand cubic feet as at 30 June 2002 exchange rates).

<u>Foreign exchange</u>

The consolidated entity's foreign exchange hedging strategy is to hedge against specific future commitments and identified cash flow exposures. For the financial half year, the consolidated entity did not have any foreign currency hedge instruments in place.

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[1] EBITDA is calculated as profit from ordinary activities before income tax expense, net interest expense, depreciation, amortisation and restoration expense.
[2] EBITDAX is calculated as EBITDA after excluding profit from sale of assets, provision for write down of development assets and exploration expenditure expensed or written off.

Rounding

The Company is a company of the kind referred to in Australian Securities and Investments Commission Class Order 98/0100, dated 10 July 1998 and, in accordance with that Class Order, amounts in the Financial Report have been rounded off to the nearest thousand dollars, unless otherwise indicated.

This Directors' Report is made in accordance with a resolution of the Board of Directors made on 4 September 2002.

On behalf of the Directors:

DR R J P Doran
Director

Sydney, 5 September 2002

DIRECTORS' DECLARATION

The Directors declare that:

(a) The attached financial statements and notes thereto comply with relevant Australian Accounting Standards;

(b) The attached financial statements and notes thereto give a true and fair view of the financial position and performance of the consolidated entity; and

(c) In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This Directors' Declaration is made in accordance with a resolution of the Board of Directors made on 4 September 2002.

On behalf of the Directors:

DR R J P Doran
Director

Sydney, 5 September 2002

Rules 4.1, 4.3

Appendix 4B

Half Yearly Report

Introduced 30/6/02

Name of entity

ROC OIL COMPANY LIMITED

ABN	Half yearly *(tick)*	Preliminary final *(tick)*	Half year ended ('current period')
32 075 965 856	4		30 June 2002

For announcement to the market

Extracts from this report for announcement to the market (see note 1).

				$A'000
Product sales revenue (*item 1.23*)	down	47%	to	26,848
Revenues from ordinary activities *(item 1.1)*	up	16%	to	60,816
Profit (loss) from ordinary activities after tax attributable to members (*item 1.22*)	down	158%	to	(5,795)
Profit (loss) from extraordinary items after tax attributable to members (*item 2.5(d))*	gain (loss) of			Nil
Net profit (loss) for the period attributable to members *(item 1.11)*	down	158%	to	(5,795)

Dividends (distributions)	Amount per security	Franked amount per security
Final dividend *(Preliminary final report only - item 15.4)* Interim dividend *(Half yearly report only - item 15.6)*	Nil	- ¢
Previous corresponding period *(Preliminary final report – item 15.5; half yearly report - item 15.7)*	Nil	- ¢

+Record date for determining entitlements to the dividend, (in the case of a trust, distribution) *(see item 15.2)*: N/A

Brief explanation of any of the figures reported above *(see Note 1)* and short details of any bonus or cash issue or other item(s) of importance not previously released to the market:

None.

As this is a half yearly report it is to be read in conjunction with the most recent annual financial report.

+ See chapter 19 for defined terms.

Condensed consolidated statement of financial performance		Current period $A'000	Previous corresponding period $A'000
1.1	Revenues from ordinary activities		
	Sales revenue *(detail in item 1.23)*	26,848	51,061
	Interest income *(see item 1.24)*	790	1,465
	Sundry income *(see item 1.25)*	205	79
	Proceeds on disposal of non-current assets *(see item 1.25)*	32,973	2
		60,816	52,607
1.2	Expenses from ordinary activities (*see items 1.26 +12.7*)	(54,892)	(34,540)
1.3	Borrowing costs (refer Attachment A)	(953)	(2,063)
1.4	Share of net profits (losses) of associates and joint venture entities (*see item 16.7*)	-	-
1.5	**Profit (loss) from ordinary activities before tax**	**4,971**	**16,004**
1.6	Income tax expense on ordinary activities *(see note 4)*	(10,766)	(6,047)
1.7	**Profit (loss) from ordinary activities after tax**	**(5,795)**	**9,957**
1.8	Profit (loss) from extraordinary items after tax (*see item 2.5*)	-	-
1.9	**Net profit (loss)**	**(5,795)**	**9,957**
1.10	Net profit (loss) attributable to outside +equity interests	-	-
1.11	**Net profit (loss) for the period attributable to members**	**(5,795)**	**9,957**
Non-owner transaction changes in equity			
1.12	Increase (decrease) in revaluation reserves	-	-
1.13	Increase (decrease) in foreign currency translation reserve arising on translation of foreign self-sustaining controlled operations	(5,536)	6,880
1.14	Other revenue, expense and initial adjustments recognised directly in equity (attach details)	-	-
1.15	Initial adjustments from UIG transitional provisions	-	-
1.16	**Total revenue and expense adjustments attributable to members of Roc Oil Company Limited and recognised directly in equity** *(items 1.12 to 1.15)*	**(5,536)**	**6,880**
1.17	**Total changes in equity other than those resulting from transactions with owners as owners**	**(11,331)**	**16,837**

Earnings per security (EPS)		Current period	Previous corresponding period
1.18	Basic EPS (cents per share)	(5.3)	9.4
1.19	Diluted EPS (cents per share)	N/A	8.9

+ See chapter 19 for defined terms.

Notes to the condensed consolidated statement of financial performance

Profit (loss) from ordinary activities attributable to members		Current period $A'000	Previous corresponding period $A'000
1.20	Profit (loss) from ordinary activities after tax (*item 1.7*)	(5,795)	9,957
1.21	Less (plus) outside +equity interests	-	-
1.22	**Profit (loss) from ordinary activities after tax, attributable to members**	**(5,795)**	**9,957**

Revenue and expenses from ordinary activities
(see note 15)

			Current period $A'000	Previous corresponding period $A'000
1.23	Revenue from sales or services			
	Sales revenue	- Oil	783	9,436
		- NGL	1,913	3,626
		- Gas	24,152	36,949
		- Mongolian test oil [(i)]	-	1,050
	Total Sales Revenue		26,848	51,061
1.24	Interest revenue		790	1,465
1.25	Other relevant revenue			
	Sundry income		205	79
	Proceeds on disposal of non-current assets		32,973	2
1.26	Details of relevant expenses		Refer Attachment A	Refer Attachment A
1.27	Depreciation and amortisation excluding amortisation of intangibles *(see item 2.3)*		Refer Attachment A	Refer Attachment A

Capitalised outlays		Current period $A'000	Previous corresponding period $A'000
1.28	Interest costs capitalised in asset values	-	-
1.29	Outlays capitalised in intangibles (unless arising from an +acquisition of a business)	-	-

[(i)] Revenue from sale of test oil production from wells in Mongolia pending a development decision has been credited to sales revenue, but an amount based on such revenue has been charged to cost of sales and credited against exploration expenditure expensed, so as to record a zero net margin on such production.

Consolidated retained profits

		Current period $A'000	Previous corresponding period $A'000
1.30	Retained profits (accumulated losses) at the beginning of the financial period	(19,150)	(9,994)
1.31	Net profit (loss) attributable to members *(item 1.11)*	(5,795)	9,957
1.32	Net transfers from (to) reserves *(details if material)*	-	-
1.33	Net effect of changes in accounting policies	-	-
1.34	Dividends and other equity distributions paid or payable	-	-
1.35	**Retained profits (accumulated losses) at end of financial period**	**(24,945)**	**(37)**

Intangible and extraordinary items

		Consolidated – current period			
		Before tax $A'000 (a)	Related tax $A'000 (b)	Related outside +equity interests $A'000 (c)	Amount (after tax) attributable to members $A'000 (d)
2.1	Amortisation of goodwill	-	-	-	-
2.2	Amortisation of other intangibles	-	-	-	-
2.3	**Total amortisation of intangibles**	-	-	-	-
2.4	Extraordinary items (details)	-	-	-	-
2.5	**Total extraordinary items**	**-**	**-**	**-**	**-**

Comparison of half year profits

(Preliminary final report only)

		Current year $A'000	Previous corresponding year $A'000
3.1	Consolidated profit (loss) from ordinary activities after tax attributable to members reported for the *1st* half year (item 1.22 in the half yearly report)	N/A	N/A
3.2	Consolidated profit (loss) from ordinary activities after tax attributable to members for the *2nd* half year	N/A	N/A

Condensed consolidated statement of financial position

		At end of current period $A'000	As shown in last annual report $A'000	As in last half yearly report $A'000
	Current assets			
4.1	Cash assets	87,529	76,123	63,026
4.2	Receivables	13,525	17,136	19,148
4.3	Investments	16	74	48
4.4	Inventories	853	1,360	824
4.5	Tax assets	-	-	-
4.6	Other – Development assets held for sale and prepayments	764	33,531	559
4.7	**Total current assets**	**102,687**	**128,224**	**83,605**

+ See chapter 19 for defined terms.

Condensed consolidated statement of financial position		At end of current period $A'000	As shown in last annual report $A'000	As in last half yearly report $A'000
	Non-current assets			
4.8	Receivables	538	845	248
4.9	Investments (equity accounted)	-	-	-
4.10	Other investments	-	-	-
4.11	Inventories - Materials	47	63	41
4.12	Exploration and evaluation expenditure capitalised (see para .71 of *AASB1022*)	80,753	66,946	57,899
4.13	Development properties (+mining entities)	94,184	105,574	170,937
4.14	Other property, plant and equipment (net)	1,834	2,095	1,877
4.15	Intangibles (net)	-	-	-
4.16	Tax assets	-	-	1,991
4.17	Other	-	-	-
4.18	**Total non-current assets**	**177,356**	**175,523**	**232,993**
4.19	**Total assets**	**280,043**	**303,747**	**316,598**
	Current liabilities			
4.20	Payables	9,407	17,851	14,560
4.21	Interest bearing liabilities	19,437	22,760	5,922
4.22	Tax liabilities	2,393	3,907	2,882
4.23	Provisions exc. tax liabilities – Employee entitlements	469	403	358
4.24	Other	-	-	-
4.25	**Total current liabilities**	**31,706**	**44,921**	**23,722**
	Non-current liabilities			
4.26	Payables	-	-	-
4.27	Interest bearing liabilities	27,937	36,979	54,194
4.28	Tax liabilities	24,341	14,222	14,112
4.29	Provisions exc. tax liabilities - Restoration	4,738	4,973	6,673
4.30	Other	-	-	-
4.31	**Total non-current liabilities**	**57,016**	**56,174**	**74,979**
4.32	**Total liabilities**	**88,722**	**101,095**	**98,701**
4.33	**Net assets**	**191,321**	**202,652**	**217,897**
	Equity			
4.34	Capital/contributed equity	201,234	201,234	201,234
4.35	Reserves – Foreign currency translation	15,032	20,568	16,700
4.36	Retained profits (accumulated losses)	(24,945)	(19,150)	(37)
4.37	**Equity attributable to members of the parent entity**	**191,321**	**202,652**	**217,897**
4.38	Outside +equity interests in controlled entities	-	-	-
4.39	**Total equity**	**191,321**	**202,652**	**217,897**

4.40	Preference capital included as part of 4.33	**-**	**-**	**-**

+ See chapter 19 for defined terms.

Notes to the condensed consolidated statement of financial position

Exploration and evaluation expenditure capitalised

(To be completed only by entities with mining interests if amounts are material. Include all expenditure incurred.)

		Current period $A'000	Previous corresponding period $A'000
5.1	Opening balance	66,946	34,260
5.2	Expenditure incurred during current period	15,269	16,028
5.3	Expenditure written off during current period	(211)	(1,221)
5.4	Acquisitions, revaluation increments, etc.	(1,251)	8,832
5.5	Expenditure transferred to Development Properties	-	-
5.6	**Closing balance as shown in the condensed consolidated balance sheet (item 4.12)**	**80,753**	**57,899**

Development properties

(To be completed only by entities with mining interests if amounts are material.)

		Current period $A'000	Previous corresponding period $A'000
6.1	Opening balance	105,574	175,531
6.2	Expenditure incurred during current period	2,260	4,842
6.3	Expenditure transferred from exploration and evaluation	-	-
6.4	Expenditure written off during current period	-	-
6.5	Amortisation, revaluation increments, etc.	(13,650)	(9,436)
6.6	Expenditure transferred to mine properties	-	-
6.7	**Closing balance as shown in the condensed consolidated balance sheet** *(item 4.13)*	**94,184**	**170,937**

Condensed consolidated statement of cash flows

		Current period $A'000	Previous corresponding period $A'000
	Cash flows related to operating activities		
7.1	Receipts from customers	38,258	61,583
7.2	Payments to suppliers and employees	(14,963)	(12,925)
7.3	Dividends received from associates	-	-
7.4	Other dividends received	-	-
7.5	Interest and other items of similar nature received	767	1,484
7.6	Interest and other costs of finance paid	(932)	(2,553)
7.7	Income taxes paid	(1,300)	-
7.8	Other – GST/VAT paid	(2,643)	(5,895)
7.9	**Net operating cash flows**	**19,187**	**41,694**

Condensed consolidated statement of cash flows

		Current period $A'000	Previous corresponding period $A'000
	Cash flows related to investing activities		
7.10	Payment for purchases of property, plant and equipment	(155)	(524)
7.11	Proceeds on disposal of non-current assets	-	2
7.12	Payment for purchases of equity investments	(1)	(3,974)
7.13	Proceeds from sale of equity investments	98	-
7.14	Loans to other entities	(30)	(251)
7.15	Loans repaid by other entities	-	-
7.16	Other (provide details if material)	3,712	(31,029)

	2002	2001
Proceeds from sale of non-core onshore UK assets	25,426	5,675
Payment for exploration expenditure	(15,893)	(15,997)
Payment for development expenditure	(5,985)	(5,842)
Recoupment of exploration expenditure	-	-
Payments for operated joint venture exploration expenditure	(1,114)	(504)
Reimbursement from operated joint venture operations	1,406	1,871
Payment for development studies	(210)	(956)
Payment for materials inventory	-	(27)
Saltfleetby incremental reserves payment	-	(15,450)
Other	82	201
TOTAL	3,712	(31,029)

		Current period $A'000	Previous corresponding period $A'000
7.17	**Net investing cash flows**	**3,624**	**(35,776)**
	Cash flows related to financing activities		
7.18	Proceeds from issues of +securities (shares, options, etc.)	-	-
7.19	Proceeds from borrowings	-	-
7.20	Repayment of borrowings	(7,098)	-
7.21	Dividends paid	-	-
7.22	Other (provide details if material)	-	-
7.23	**Net financing cash flows**	(7,098)	**-**
7.24	**Net increase (decrease) in cash held**	15,713	5,918
7.25	Cash at beginning of period *(see Reconciliation of cash)*	76,123	55,886
7.26	Exchange rate adjustments to item 7.25.	(4,307)	1,222
7.27	**Cash at end of period** *(see Reconciliation of cash)*	**87,529**	**63,026**

+ See chapter 19 for defined terms.

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. (If an amount is quantified, show comparative amount.)

None.

Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the condensed consolidated statement of cash flows) to the related items in the accounts is as follows.		Current period $A'000	Previous corresponding period $A'000
8.1	Cash on hand and at bank	1,769	4,946
8.2	Deposits at call	85,760	58,080
8.3	Bank overdraft	-	-
8.4	Other (provide details)	-	-
8.5	**Total cash at end of period** *(item 7.27)*	**87,529**	**63,026**

Other notes to the condensed financial statements

Ratios

		Current period	Previous corresponding period
9.1	**Profit before tax / revenue** Consolidated profit (loss) from ordinary activities before tax (*item 1.5*) as a percentage of revenue (*item 1.1*)	8.2%	30.4%
9.2	**Profit after tax / +equity interests** Consolidated net profit (loss) from ordinary activities after tax attributable to members (*item 1.11*) as a percentage of equity (similarly attributable) at the end of the period (*item 4.37*)	(3.0)%	4.6%

Earnings per security (EPS)

		Current period	Previous corresponding period
10.	Details of basic and diluted EPS reported separately in accordance with paragraph 9 and 18 of *AASB1027*: *Earnings Per Share* are as follows:		
	(a) Basic EPS	(5.3)¢	9.4¢
	(b) Diluted EPS (if materially different from (a))	N/A	8.9¢
	(c) Weighted average number of ordinary shares outstanding during the period used in the calculation of the Basic EPS	108,526,056	106,329,794

NTA backing

(see note 7)

		Current period	Previous corresponding period
11.1	Net tangible asset backing per +ordinary security	N/A	N/A

+ See chapter 19 for defined terms.

Discontinuing Operations

(Entities must report a description of any significant activities or events relating to discontinuing operations in accordance with paragraph 7.5(g) of AASB1029: Interim Financial Reporting, or, the details of discontinuing operations they have disclosed in their accounts in accordance with AASB1042: Discontinuing Operations (see note 17).)

12.1 Discontinuing Operations

N/A

Control gained over entities having material effect

13.1	Name of entity (or group of entities)	N/A
13.2	Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) since the date in the current period on which control was +acquired	N/A
13.3	Date from which such profit has been calculated	N/A
13.4	Profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period	N/A

Loss of control of entities having material effect

14.1	Name of entity (or group of entities)	N/A
14.2	Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the current period to the date of loss of control	N/A
14.3	Date to which the profit (loss) in item 14.2 has been calculated	N/A
14.4	Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) while controlled during the whole of the previous corresponding period	N/A
14.5	Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	N/A

Dividends (in the case of a trust, distributions)

15.1	Date the dividend (distribution) is payable	N/A
15.2	+Record date to determine entitlements to the dividend (distribution) (ie, on the basis of proper instruments of transfer received by 5.00 pm if +securities are not +CHESS approved, or security holding balances established by 5.00 pm or such later time permitted by the SCH Business Rules if +securities are +CHESS approved)	N/A

+ See chapter 19 for defined terms.

15.3	If it is a final dividend, has it been declared? *(Preliminary final report only)*	N/A

Amount per security

			Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
	(Preliminary final report only)				
15.4	**Final dividend:**	Current year	N/A	- ¢	- ¢
15.5		Previous year	N/A	- ¢	- ¢
	(Half yearly and preliminary final reports)				
15.6	**Interim dividend:**	Current year	Nil	- ¢	- ¢
15.7		Previous year	Nil	- ¢	- ¢

Total dividend (distribution) per security (interim *plus* final)

(Preliminary final report only)

		Current year	Previous year
15.8	+Ordinary securities	N/A	N/A
15.9	Preference +securities	N/A	N/A

Half yearly report - interim dividend (distribution) on all securities

		Current period $A'000	Previous corresponding period $A'000
15.10	+Ordinary securities	Nil	Nil
15.11	Preference +securities	N/A	N/A
15.12	Other equity instruments		
15.13	**Total**	**Nil**	**Nil**

The +dividend or distribution plans shown below are in operation.

N/A

The last date(s) for receipt of election notices for the +dividend or distribution plans	N/A

Any other disclosures in relation to dividends (distributions). (For half yearly reports, provide details in accordance with paragraph 7.5(d) of *AASB1029: Interim Financial Reporting*)

N/A

+ See chapter 19 for defined terms.

Details of aggregate share of profits (losses) of associates and joint venture entities

Group's share of associates' and joint venture entities':		Current period $A'000	Previous corresponding period $A'000
16.1	Profit (loss) from ordinary activities before tax	-	-
16.2	Income tax on ordinary activities	-	-
16.3	**Profit (loss) from ordinary activities after income tax**	-	-
16.4	Extraordinary items net of tax	-	-
16.5	**Net profit (loss)**	-	-
16.6	Adjustments	-	-
16.7	**Share of net profit (loss) of associates and joint venture entities**	**-**	**-**

Material interests in entities which are not controlled entities

The economic entity has an interest (that is material to it) in the following entities. (If the interest was acquired or disposed of during either the current or previous corresponding period, indicate date of acquisition ("from xx/xx/xx") or disposal ("to xx/xx/xx").)

Name of entity		Percentage of ownership interest held at end of period or date of disposal		Contribution to net profit (loss) (*item 1.9*)	
17.1	**Equity accounted associates and joint venture entities**	Current period	Previous corresponding period	Current period $A'000	Previous corresponding period $A'000
	Croft (UK) Limited and its controlled entities	50%	50%	Nil	Nil
17.2	**Total**	**50%**	**50%**	**Nil**	**Nil**
17.3	Other material interests	N/A	N/A	N/A	N/A
17.4	**Total**	**50%**	**50%**	**Nil**	**Nil**

Issued and quoted securities at end of current period

(Description includes rate of interest and any redemption or conversion rights together with prices and dates)

Category of +securities		Total number	Number quoted	Issue price per security (see note 14)	Amount paid up per security (see note 14)
18.1	**Preference +securities** *(description)*	-	-	-	-
18.2	Changes during current period				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through returns of capital, buybacks, redemptions	-	-	-	-
18.3	**+Ordinary securities**	**108,526,056**	**108,526,056**	**N/A**	**N/A**
18.4	Changes during current period				

+ See chapter 19 for defined terms.

Category of +securities		Total number	Number quoted	Issue price per security (see note 14)	Amount paid up per security (see note 14)
	(a) Increases through issues	-	-	-	-
	(b) Decreases through returns of capital, buybacks	-	-	-	-
18.5	**+Convertible debt securities** *(description and conversion factor)*	-	-	-	-
18.6	Changes during current period (a) Increases through issues	-	-	-	-
	(b) Decreases through securities matured, converted	-	-	-	-

Category of +securities		Total number	Number quoted	*Exercise Price $A*	*Expiry Date (if any)*
18.7	**Options** *(description and conversion factor)*				
	Employee Share Options	465,000	NIL	$1.85	17/03/03
	Employee Share Options	445,000	NIL	$3.33	10/06/03
	Employee Share Options	110,000	NIL	$3.33	02/09/03
	Employee Share Options	16,740	NIL	$3.33	15/01/04
	Employee Share Options	5,320	NIL	$3.48	15/01/04
	Employee Share Options	60,000	NIL	$2.00	15/07/04
	Employee Share Options	1,030,000	NIL	$2.00	19/07/04
	Employee Share Options	82,850	NIL	$3.48	29/07/04
	Employee Share Options	50,000	NIL	$1.16	01/03/05
	Employee Share Options	30,000	NIL	$1.34	01/06/05
	Employee Share Options	100,000	NIL	$1.47	01/09/05
	Employee Share Options	1,256,000	NIL	$1.25	10/01/06
	Employee Share Options	35,000	NIL	$1.65	26/7/06
	Employee Share Options	256,000	NIL	$1.26	17/12/06
	Employee Share Options	90,000	NIL	$1.45	29/5/07
	Unlisted Options over Ordinary Shares	7,698,830	NIL	$2.30	05/08/04
18.8	**Issued during current period**				
	Employee Share Options	90,000	NIL	$1.45	29/5/07

+ See chapter 19 for defined terms.

				Exercise Price $A	Expiry Date (if any)
18.9	**Exercised during current period**	-	-	-	-
18.10	**Expired during current period**	-	-	-	-

18.11	**Debentures** *(description)*	-	-
18.12	Changes during current period		
	(a) Increases through issues	-	-
	(b) Decreases through securities matured, converted	-	-
18.13	**Unsecured notes** *(description)*	-	-
18.14	Changes during current period		
	(a) Increases through issues	-	-
	(b) Decreases through securities matured, converted	-	-

Segment reporting

(Information on the business and geographical segments of the entity must be reported for the current period in accordance with *AASB1005: Segment Reporting* and for half year reports, *AASB1029: Interim Financial Reporting*. Because entities employ different structures a pro forma cannot be provided. Segment information in the layout employed in the entity's +accounts should be reported separately and attached to this report.) – **Refer Attachment B.**

Comments by directors

(Comments on the following matters are required by ASX or, in relation to the half yearly report, by AASB1029: Interim Financial Reporting. The comments do not take the place of the directors' report and statement (as required by the Corporations Act 2001) and may be incorporated into the directors' report and statement. For both half yearly and preliminary final reports, if there are no comments in a section, state NIL. If there is insufficient space to comment, attach notes to this report.)

Basis of financial report preparation

19.1 This report is a half yearly report, it is a general purpose financial report prepared in accordance with the listing rules and AASB1029: Interim Financial Reporting. **It should be read in conjunction with the last +annual report and any announcements to the market made by the entity during the period**. The financial statements in this report are "condensed financial statements" as defined in AASB1029: Interim financial Reporting. This report does not include all the notes of the type normally included in an annual financial report.

+ See chapter 19 for defined terms.

19.2 Material factors affecting the revenues and expenses of the economic entity for the current period. In a half yearly report, provide explanatory comments about any seasonal or irregular factors affecting operations.

ROC's sales revenue and operating costs (cost of sales) excludes the 12.5% interest in the producing Kyle Oil and Gas Field that was sold effective 1 January 2002.

The Saltfleetby Gas Field (ROC interest 100%) produced 0.9 million barrels of oil equivalent during the period, with an average gas production rate of 28.2 million standard cubic feet per day. The field generated sales revenue (including gas price hedges) of $26.1 million during the financial period.

The Australian dollar appreciated against the United States dollar from A$1:US$0.5106 as at 31 December 2001 to A$1:US$0.5648 as at 30 June 2002 . The Australian dollar appreciated against the Pound Sterling from A$1:£0.3518 as at 31 December 2001 to A$1:£0.3700 as at 30 June 2002. The Pound Sterling appreciated against the United States dollar from £1:US$1.4514 as at 31 December 2001 to £1:US$1.5265 as at 30 June 2002.

19.3 A description of each event since the end of the current period which has had a material effect and is not related to matters already reported in this Appendix or in attachments, with financial effect quantified (if possible).

Since 30 June 2002, the following material events have occurred:

- <u>PSC Area B, Offshore Mauritania</u>

  Woodside Mauritania Pty Ltd, Operator of the Mauritania PSC Area B Joint Venture, has reported that as of 3 September 2002 a production test of the Chinguetti 4-2 step-out exploration well had been completed over the first of two zones within the primary reservoir interval.

  The oil rate was constrained by sand influx but a maximum rate of 1,560 BOPD and 650 MSCFD through a 30/64 inch choke was recorded.

- <u>Block 22/12 Beibu Gulf, Offshore China</u>

  The 421 sq km 3D seismic survey, which started recording on 28 July 2002, had acquired approximately 100% of the programme by 4 September 2002. The survey covers both exploration leads and existing discoveries and is expected to provide the basis for the drilling of one or more wells during 2003.

  ROC has agreed to increase its equity in Block 22/12 in the Beibu Gulf, offshore China, to 40%, through the acquisition of additional separate 10% and 5% interests from two of its co-venturers, Bligh Oil & Minerals NL ("Bligh") and Oil Australia Pty Ltd, a wholly-owned subsidiary of First Australian Resources Limited ("FAR"), respectively. The terms of the two transactions are essentially the same: both are based on ROC providing work programme carries in consideration for the interests received. The transactions are subject to the approval of the relevant government authorities in China and finalisation of farmin documentation.

- <u>East Gobi Basin, Mongolia</u>

  The East Tsagaan Els-1 exploration well, the second and last well in the current programme, started drilling on 17 August 2002. As at 2 September 2002, the East Tsagaan Els-1 exploration well was drilling ahead at a depth of 790 metres in 12¼ inch hole. ROC will be carried through the costs of this well by Dongsheng Jinggong Petroleum Development Group Co Limited, which is farming in and managing well operations.

- <u>Gas Price Hedging</u>

  During July 2002, ROC, through wholly owned subsidiaries in the UK, entered into forward sale contracts with Innogy plc under which 50,000 therms per day (approximately 4.55 MMSCF/D) of production from the Saltfleetby Gas Field was sold for August 2002 and September 2002 at prices of 12.3 pence per therm and 12.15 pence per therm respectively.

19.4 Franking credits available and prospects for paying fully or partly franked dividends for at least the next year.

Nil

19.5 Unless disclosed below, the accounting policies, estimation methods and measurement bases used in this report are the same as those used in the last annual report. Any changes in accounting policies, estimation methods and measurement bases since the last annual report are disclosed as follows. (Disclose changes and differences in the half yearly report in accordance with *AASB1029: Interim Financial Reporting*. Disclose changes in accounting policies in the preliminary final report in accordance with *AASB1001: Accounting Policies-Disclosure*).

> The accounting policies are consistent with those applied in the Roc Oil Company Limited 31 December 2001 Annual Report.
>
> The consolidated entity has also adopted the revised AASB1027 'Earnings Per Share' and AASB1005 'Segment Reporting'.

19.6 Revisions in estimates of amounts reported in previous interim periods. For half yearly reports the nature and amount of revisions in estimates of amounts reported in previous +annual reports of those revisions have a material effect in this half year.

> During the financial half year, the proved and probable reserves estimate for the Saltfleetby Gas Field remained the same but the forecast future capital expenditure necessary to develop the proved and probable reserves was revised upwards. The net financial effect of this revision was to increase consolidated amortisation expense in the current financial half year by $656,138 or $0.69 per BOE from the original estimate of $7,835,769 or $8.42 per BOE.

19.7 Changes in contingent liabilities or assets. For half yearly reports, changes in contingent liabilities and contingent assets since the last +annual report.

> There have been no such changes since the 31 December 2001 Roc Oil Company Limited Annual Report, except for:
>
> - <u>Contingent liability</u>
>
>   The claim by a contractor to an unincorporated joint venture to which a controlled entity in the consolidated entity is a party has been assumed by the purchaser of the interest in that joint venture, effective 1 January 2002. No losses were incurred by the consolidated entity.
>
> - <u>Contingent asset</u>
>
>   ROC will receive a further £750,000 (approximately $2.0 million at 30 June 2002 exchange rates) production payment, subject to the further development of the Chestnut Oil Field, from the purchaser of its interest in that field. No part of the £750,000 production payment has been included in the Statement of Financial Performance at this time, given it is contingent on the development of the field.

Additional disclosure for trusts

20.1	Number of units held by the management company or responsible entity or their related parties.	N/A
20.2	A statement of the fees and commissions payable to the management company or responsible entity. Identify: • initial service charges • management fees • other fees	N/A

+ See chapter 19 for defined terms.

Annual meeting
(Preliminary final report only)

The annual meeting will be held as follows:

Place	N/A
Date	N/A
Time	N/A
Approximate date the +annual report will be available	N/A

Compliance statement

1 This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to ASX (*see note 12*).

Identify other standards used | - |

2 This report, and the +accounts upon which the report is based, use the same accounting policies.

3 This report does give a true and fair view of the matters disclosed (*see note 2*).

4 This report is based on +accounts to which one of the following applies.

☐	The +accounts have been audited.	4	The +accounts have been subject to review.
☐	The +accounts are in the process of being audited or subject to review.	☐	The +accounts have *not* yet been audited or reviewed.

5 As this is a half yearly report, the Independent Review Report by the auditor has been attached to this report to satisfy the requirements of the Corporations Act 2001.

6 The entity has a formally constituted Audit Committee.

Sign here: .... Date: ....5 September 2002.....
(Director)

Print name: ....Dr Robert John Patrick Doran.....

Notes

1. **For announcement to the market** The percentage changes referred to in this section are the percentage changes calculated by comparing the current period's figures with those for the previous corresponding period. Do not show percentage changes if the change is from profit to loss or loss to profit, but still show whether the change was up or down. If changes in accounting policies or procedures have had a material effect on reported figures, do not show either directional or percentage changes in profits. Explain the reason for the omissions in the note at the end of the announcement section. Entities are encouraged to attach notes or fuller explanations of any significant changes to any of the items in page 1. The area at the end of the announcement section can be used to provide a cross reference to any such attachment.

2. **True and fair view** If this report does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the entity must attach a note providing additional information and explanations to give a true and fair view.

+ See chapter 19 for defined terms.

3. **Condensed consolidated statement of financial performance**

Item 1.1 The definition of "revenue" and an explanation of "ordinary activities" are set out in *AASB 1004: Revenue***,** and *AASB 1018: Statement of Financial Performance*.

Item 1.6 This item refers to the total tax attributable to the amount shown in item 1.5. Tax includes income tax and capital gains tax (if any) but excludes taxes treated as expenses from ordinary activities (eg, fringe benefits tax).

4. **Income tax** If the amount provided for income tax in this report differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the entity must explain in a note the major items responsible for the difference and their amounts. The rate of tax applicable to the franking amount per dividend should be inserted in the heading for the column "Franked amount per security at % tax" for items 15.4 to 15.7.

5. **Condensed consolidated statement of financial position**

Format The format of the consolidated statement of financial position should be followed as closely as possible. However, additional items may be added if greater clarity of exposition will be achieved, provided the disclosure still meets the requirements of *AASB 1029: Interim Financial Reporting,* and *AASB 1040: Statement of Financial Position*. Also, banking institutions, trusts and financial institutions may substitute a clear liquidity ranking for the Current/Non-Current classification.

Basis of revaluation If there has been a material revaluation of non-current assets (including investments) since the last +annual report, the entity must describe the basis of revaluation adopted. The description must meet the requirements of *AASB 1010: Accounting for the Revaluation of Non-Current Assets*. If the entity has adopted a procedure of regular revaluation, the basis for which has been disclosed and has not changed, no additional disclosure is required.

6. **Condensed consolidated statement of cash flows** For definitions of "cash" and other terms used in this report see *AASB 1026: Statement of Cash Flows*. Entities should follow the form as closely as possible, but variations are permitted if the directors (in the case of a trust, the management company) believe that this presentation is inappropriate. However, the presentation adopted must meet the requirements of *AASB 1026*. +Mining exploration entities may use the form of cash flow statement in Appendix 5B.

7. **Net tangible asset backing** Net tangible assets are determined by deducting from total tangible assets all claims on those assets ranking ahead of the +ordinary securities (ie, all liabilities, preference shares, outside +equity interests etc). +Mining entities are *not* required to state a net tangible asset backing per +ordinary security.

8. **Gain and loss of control over entities** The gain or loss must be disclosed if it has a material effect on the +accounts. Details must include the contribution for each gain or loss that increased or decreased the entity's consolidated profit (loss) from ordinary activities and extraordinary items after tax by more than 5% compared to the previous corresponding period.

9. **Rounding of figures** This report anticipates that the information required is given to the nearest $1,000. If an entity reports exact figures, the $A'000 headings must be amended. If an entity qualifies under ASIC Class Order 98/0100 dated 10 July 1998, it may report to the nearest million dollars, or to the nearest $100,000, and the $A'000 headings must be amended.

10. **Comparative figures** Comparative figures are to be presented in accordance with *AASB 1018* or *AASB 1029: Interim Financial Reporting* as appropriate and are the unadjusted figures from the latest annual or half year report as appropriate. However, if an adjustment has been made in accordance with an accounting standard or other reason or if there is a lack of comparability, a note explaining the position should be attached. For the statement of financial performance, *AASB 1029: Interim Financial Reporting* requires information on a year to date basis in addition to the current interim period. Normally an Appendix 4B to which *AASB 1029: Interim Financial Reporting* applies would be for the half year and consequently the information in the current period is also the year to date. If an Appendix 4B Half yearly version is produced for an additional interim period (eg because of a change of reporting period), the entity must provide the year to date information and comparatives required by

+ See chapter 19 for defined terms.

AASB 1029: Interim Financial Reporting. This should be in the form of a multi-column version of the consolidated statement of financial performance as an attachment to the additional Appendix 4B.

1. **Additional information** An entity may disclose additional information about any matter, and must do so if the information is material to an understanding of the reports. The information may be an expansion of the material contained in this report, or contained in a note attached to the report. The requirement under the listing rules for an entity to complete this report does not prevent the entity issuing reports more frequently. Additional material lodged with the +ASIC under the Corporations Act 2001 must also be given to ASX. For example, a director's report and declaration, if lodged with the +ASIC, must be given to ASX.

12. **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if one exists) must be complied with.

13. **Corporations Act 2001 financial statements** This report may be able to be used by an entity required to comply with the Corporations Act 2001 as part of its half-year financial statements if prepared in accordance with Australian Accounting Standards.

14. **Issued and quoted securities** The issue price and amount paid up is not required in items 18.1 and 18.3 for fully paid securities.

15. **Details of expenses** *AASB 1018* requires disclosure of expenses from ordinary activities according to either their nature or function. For foreign entities, there are similar requirements in other accounting standards accepted by ASX. *AASB ED 105* clarifies that the disclosures required by *AASB1018* must be either *all* according to nature or *all* according to function. Entities must disclose details of expenses using the layout (by nature or function) employed in their +accounts.

    The information in lines 1.23 to 1.27 may be provided in an attachment to Appendix 4B.

    Relevant Items *AASB 1018* requires the separate disclosure of specific revenues and expenses which are not extraordinary but which are of a size, nature or incidence that disclosure is *relevant* in explaining the financial performance of the reporting entity. The term "relevance" is defined in *AASB 1018*. There is an equivalent requirement in *AASB 1029: Interim Financial Reporting*. For foreign entities, there are similar requirements in other accounting standards accepted by ASX.

16. **Dollars** If reporting is not in A$, all references to $A must be changed to the reporting currency. If reporting is not in thousands of dollars, all references to "000" must be changed to the reporting value.

17. **Discontinuing operations**

    Half yearly report

    All entities must provide the information required in paragraph 12 for half years beginning on or after 1 July 2001.

    Preliminary final report

    Entities must either provide a description of any significant activities or events relating to discontinuing operations equivalent to that required by paragraph 7.5 (g) of *AASB 1029: Interim Financial Reporting*, or, the details of discontinuing operations they are required to disclose in their +accounts in accordance with *AASB 1042: Discontinuing Operations*.

    In any case the information may be provided as an attachment to this Appendix 4B.

18. **Format**

    This form is a Word document but an entity can re-format the document into Excel or similar applications for submission to the Companies Announcements Office in ASX.

+ See chapter 19 for defined terms.

ROC OIL COMPANY LIMITED
Financial Half Year Ended 30 June 2002

ATTACHMENT A

EXPENSES AND LOSSES BY FUNCTION

	Consolidated	
	2002 **$A'000**	**2001** **$A'000**
(a) Expenses from Ordinary Activities		
Operating costs (Cost of sales)		
Production costs	6,098	8,774
Amortisation expense	8,518	15,034
Restoration expense	23	216
Mongolian test oil production costs (refer (i) below)	-	1,050
Total operating costs	**14,639**	**25,074**
Depreciation of non-current assets		
Plant and equipment	376	349
Leasehold improvements	3	50
Motor vehicles under finance lease	9	7
Total depreciation of non-current assets	**388**	**406**
Exploration expenditure expensed		
Mongolia	-	1,050
United Kingdom	46	87
Other	165	84
Transfer of test oil sales revenue to exploration expenditure expensed (refer (i) below)	-	(1,050)
Total exploration expenditure expensed	**211**	**171**

Note:
(i) Revenue from sale of test oil production from wells in Mongolia pending a development decision has been credited to sales revenue, but an amount based on such revenue has been charged to cost of sales and credited against exploration expenditure expensed, so as to record a zero net margin on such production.

	2002 $A'000	2001 $A'000
Sale of development assets held for sale		
Cost of development assets sold during period	32,133	-
Associated transaction costs	1,167	-
Total cost of development assets held for sale	**33,300**	**-**
Net foreign currency (gains) losses		
US$ syndicated bank loan in the UK	(2,362)	3,255
Other (including cash and short term deposits)	3,727	599
Total net foreign currency losses	**1,365**	**3,854**
Operating lease rental expenses	**286**	**311**
Transfer to provision: employee entitlements	**66**	**54**
Provision for write down on loan owing by other entities	**-**	**63**
Other expenditure (including general and administrative costs)	**4,637**	**4,607**
EXPENSES FROM ORDINARY ACTIVITIES	**54,892**	**34,540**

+ See chapter 19 for defined terms.

		Consolidated	
		2002 $A'000	**2001 $A'000**
(b)	**Borrowing Costs Expensed**		
	Interest expense		
	- on loans	798	2,044
	Other borrowing costs	155	19
	Less borrowing costs capitalised	-	-
	TOTAL BORROWING COSTS EXPENSED	**953**	**2,063**
(c)	**Significant Item**		
	Sale of development assets held for sale (refer (i) below)		
	Proceeds on sale	(32,973)	-
	Cost of assets sold	32,133	-
	Associated transaction costs	1,167	-
	Loss on sale of development assets held for sale	**327**	**-**

Note:

(i) Subsequent to 31 December 2001, Roc Oil (UK) Limited entered into agreements with third parties to sell its interests in two development assets: its 12.5% interest in the Kyle Oil and Gas Field and its 14.875% interest in the Chestnut Oil Field. The sales were effective 1 January 2002 and the consideration for the sales totalled $33.0 million.

ROC OIL COMPANY LIMITED
Financial Half Year Ended 30 June 2002

ATTACHMENT B

SEGMENT REPORTING

Primary Reporting – Geographical Segments

SEGMENT REVENUES	United Kingdom	Australia	Africa, Mongolia, Other	Unallocated	Total
2002	$A'000	$A'000	$A'000	$A'000	$A'000
Sales to customers outside the consolidated entity	26,848	-	-	-	26,848
Other revenues from customers outside the consolidated entity	32,973	38	68	889	33,968
Total segment revenue	**59,821**	**38**	**68**	**889**	**60,816**
2001					
Sales to customers outside the consolidated entity	50,011	-	1,050	-	51,061
Other revenues from customers outside the consolidated entity	-	28	53	1,465	1,546
Total segment revenue	**50,011**	**28**	**1,103**	**1,465**	**52,607**

SEGMENT RESULTS	United Kingdom	Australia	Africa, Mongolia, Other	Unallocated	Total
2002	$A'000	$A'000	$A'000	$A'000	$A'000
Segment Results	12,144	(808)	(138)	-	11,198
Interest income	-	-	-	790	790
Borrowing costs expensed	(798)	-	-	(155)	(953)
Net foreign currency (losses) gains	2,362	-	-	(3,727)	(1,365)
Other expenditure (including general and administrative costs)	(2,235)	(2,273)	(231)	40	(4,699)
Consolidated entity profit (loss) from ordinary activities before income tax expense	**11,473**	**(3,081)**	**(369)**	**(3,052)**	**4,971**
Income tax expense	(10,766)	-	-	-	(10,766)
Consolidated entity profit (loss) from ordinary activities after income tax expense	**707**	**(3,081)**	**(369)**	**(3,052)**	**(5,795)**
Extraordinary items	-	-	-	-	-
Net profit (loss)	**707**	**(3,081)**	**(369)**	**(3,052)**	**(5,795)**
2001					
Segment Results	25,684	(443)	(1,422)	-	23,819
Interest income	-	-	-	1,465	1,465
Borrowing costs expensed	(2,044)	-	-	(19)	(2,063)
Net foreign currency (losses) gains	(3,255)	-	-	(599)	(3,854)
Other expenditure (including general and administrative costs)	(1,389)	(1,874)	(27)	(73)	(3,363)
Consolidated entity profit (loss) from ordinary activities before income tax expense	**18,996**	**(2,317)**	**(1,449)**	**774**	**16,004**
Income tax expense	(6,047)	-	-	-	(6,047)
Consolidated entity profit (loss) from ordinary activities after income tax expense	**12,949**	**(2,317)**	**(1,449)**	**774**	**9,957**
Extraordinary items	-	-	-	-	-
Net profit (loss)	**12,949**	**(2,317)**	**(1,449)**	**774**	**9,957**

(a) Revenue from sale of test oil production from wells in Mongolia pending a development decision has been credited to sales revenue, but an amount based on such revenue has been charged to cost of sales and credited against exploration expenditure expensed, so as to record a zero net margin on such production.

Secondary Reporting – Business Segments

The consolidated entity operates predominantly in one business, namely exploration, development and production of hydrocarbons.

Segment Accounting Policies

Segment accounting policies are the same as the consolidated entity's policies.

+ See chapter 19 for defined terms.

ROC OIL COMPANY LIMITED
Financial Half Year Ended 30 June 2002

ATTACHMENT C

RECONCILIATION OF PRIMA FACIE TAX EXPENSE WITH PRE-TAX ACCOUNTING PROFIT

	2002 $A'000	2001 $A'000
The prima facie income tax expense on pre-tax profit differs from the income tax expense provided in the accounts and is reconciled as follows:		
Profit (loss) from ordinary activities	4,971	16,004
Prima facie income tax expense at 30%	1,491	4,801
Tax effect of permanent and other differences which increase/(decrease) income tax expense:		
Non-deductible expenses	37	338
Non-deductible amortisation	395	98
Overseas tax rate differential	1,152	-
Capital gains tax on sale of UK North Sea assets	1,737	-
Provision for income tax no longer required	(473)	-
Adjustment to deferred tax liability for tax rate change re UK supplementary tax	4,672	-
Timing differences and tax losses not brought to account as future income tax benefit	1,815	703
Quarantined expenditure	89	107
Other	(149)	-
Income tax expense on ordinary activities	**10,766**	**6,047**

+ See chapter 19 for defined terms.