ROC OIL COMPANY LIMITED

(ABN 32 075 965 856)

REPORT TO SHAREHOLDERS
Activities for the Quarter Ended 31 December 2004

SUMMARY

The period reviewed was characterised by very high levels of operational activities and some very far reaching asset and corporate transactions. With thousands of square kilometres of 3D seismic acquired and 10 wells drilled, exploration and appraisal activity was at record levels, as were pre-development and development activities which related to six fields in four different countries – UK (North Sea), Mauritania, Australia and China.

On the transactional front, the very profitable sale of Saltfleetby Gas Field, the acquisition of an option to acquire up to 26% over the 8,000 BOPD Ardmore Field and a 9.9 million share placement at a premium to market have repositioned the Company in many ways, not least of which related to ROC's net cash position at 27 January of approximately A$190 million.

HIGHLIGHTS

Production 2,800 BOEPD	Similar to the previous quarter, but down 38% on the corresponding quarter in 2003, consistent with long term production decline in the Saltfleetby Gas Field.
Sales Revenue $11.3 million	Up 40% on previous quarter, but down 25% on the corresponding quarter in 2003. Sales revenue was up primarily because of higher seasonal gas prices in UK. Note, this is the last quarter of production and sales revenue from the Saltfleetby Gas Field.
Saltfleetby Gas Field Sale	Sold for £44 million. Profit after tax of at least $72 million.
Ardmore Oil Field Acquisition	Executed agreements providing ROC with option to acquire up to 26% of producing Ardmore Oil Field, UK North Sea.
Cliff Head Oil Field Development	FEED completed, major contracts tendered, FID scheduled for February 2005. Costs up 20% to 25% on FEED estimates based on firm contract tenders.
Chinguetti Oil Field Development	Development activities continue. Development drilling recommenced in December 2004 and is scheduled to be completed in mid 2005.
Tevét Discovery	New field discovery offshore Mauritania.

Tiof Appraisal	Up to end January 2005, 4 appraisal wells were drilled on the Tiof Oil Field, offshore Mauritania.
Angola PSA activated	Agreement with Sonangol to trigger the Production Sharing Agreement for the Cabinda South Block, Onshore Angola.
Pre-development activities on Wei 12-8-west, China and Blane and Enoch, UK North Sea	Engineering work continued ahead of planned mid-2005 development decisions for Wei 12-8-west, Blane and Enoch. First oil potential in 2007 for Wei 12-8-west and late 2006 for Blane and Enoch.
ROC's cash balance $190 million	Following the share placement and closing of the Saltfleetby sale, ROC's cash balance is approximately $190 million.

Subsequent Events

On 21 January 2005, ROC closed the sale of the Saltfleetby Gas Field for £44 million.

On 27 January 2005, 9.9 million shares (5.3% of the issued capital) were issued at $2.00 per share to two European-based institutions.

The Errington-1 exploration well discovered tight gas saturated sands that merit further review.

QUARTERLY REPORT – 31 DECEMBER 2004

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1. CEO'S REPORT

A company only sells its main asset when it has a view that more production will be cost efficiently acquired and/or developed within the next 12-18 months and the purchase price offered is very compelling.

That was the background to the sale of the Saltfleetby Gas Field. That sale, together with the acquisition of an option over the producing Ardmore Oil Field and a US$15 million placement of shares at a premium to market has provided the Company with a new centre of gravity and a broader strategic outlook.

Over the last 5 years, Saltfleetby has been a wonderful asset; a prodigious and reliable supplier of cash that, almost single handedly, fuelled ROC's expansion into West Africa, China, Australia and New Zealand.

In this context, most of the Company's current crop of global exploration, appraisal and development projects have their origins below the flat fields of Lincolnshire – a truly "sensibly contrary" thought!

Now, with a cash position which is even stronger than before, ROC is well placed to move forward on several fronts within and beyond its current portfolio. While this may appear an exciting time it is also a time for very careful thought before the deployment of funds, because as the industry and market continue on their upbeat courses, bad deals are much easier to find.

Whether or not the Ardmore Option proves to be a good or a bad deal will be largely determined by the results of the next workover to be undertaken in February and the next well which will be drilled over the next few months. If Ardmore 'works' it will go a long way towards replacing Saltfleetby reserves and production. If it doesn't 'work' it will have absorbed less than 10% of the Saltfleetby sale price. Either way, the Ardmore transaction has already signalled to the relevant parts of the industry that ROC has the ability and appetite to move very quickly on complex transactions provided that they meet the Company's fundamental investment criteria.

While the report period has witnessed some key transactions, the Company's operational activities have soared to record levels of seismic, drilling, pre-development studies and development projects, which is consistent with ROC's organic growth strategy.

The Errington-1 tight gas discovery will be subject to further evaluation as part of ROC's emerging tight gas sand strategy for onshore UK which will also include the Cloughton well in Yorkshire. As with the Ardmore Option, if ROC's tight gas strategy 'works' it will go a long way towards replacing the Saltfleetby reserves. If it doesn't 'work' ROC's total investment in the project will be less than 5% of the Saltfleetby sale proceeds.

Finally, on a more sombre note, the worldwide increase in contractor costs and materials hit the potential Cliff Head Oil Field development in January 2005 with a 20% to 25% increase in estimated capex. As a result the project economics have been bruised. Fortunately oil prices have also headed in the same upward direction as capex, which is not entirely coincidental. The net effect is that the project remains within ROC's funding ability and the field's economic viability remains essentially intact. However, the Cliff Head-5 'pathfinder' well which is due to be drilled in February 2005 has become more significant in mitigating risk than was originally envisaged when the well was proposed last year. A 'bad' result at CH-5 won't necessarily kill the project but it would send parts of it back to the drawing board for fundamental revision with associated delay. A 'good' result at CH-5 is expected to lead to a Final Investment Decision by end February 2005 and first oil in 1Q2006.

These are the considerations that ensure that, despite its relatively high profile transactions during the review period, ROC remains firmly focused on operations.

2. STATISTICS

2.1 PRODUCTION

OIL AND NGLS (BBL)	September '04 Quarter	December '04 Quarter	Change
UK – Onshore Oil (Keddington)	2,707	3,815	+41%
UK – Onshore NGL (Saltfleetby)	22,460	22,324	-1%
Australia – Onshore Oil (Jingemia)	419	735	75%

GAS (MCF)			
UK – Onshore (Saltfleetby)	1,359,480	1,388,590	+2%

TOTAL PRODUCTION (BOEPD)	2,741	2,808	2%

2.2 SALES REVENUE (UNAUDITED)

	September '04 Quarter $'000	December '04 Quarter $'000	Change
UK Oil and NGLs	954	990	4%
UK Gas	7,072	10,234	45%
Australian Oil	19	37	95%
Total	**8,045**	**11,261**	**40%**

Sales revenue was up 40% from the previous quarter due mainly to higher seasonal gas prices in the UK. Revenue from oil and NGLs increased 6% due to increased production in both Australia and the UK.

2.3 EXPENDITURE (UNAUDITED)

	September '04 Quarter $'000	December '04 Quarter $'000
Exploration		
Australia/NZ	1,511	4,231
UK	1,195	4,827
Other International	2,370	13,023
Development		
UK	340	542
Other International	2,721	3,787
Total	**8,137**	**26,410**

Exploration expenditure for the quarter included Mauritania ($6.4m), Angola ($6.6m, which included provision for ROC's $5.8 m share of the signature bonus payable under the PSA), UK ($4.8m) New Zealand ($1.0m) and Australia ($3.2m). Included in Australian exploration expenditure are FEED costs of $1.3m related to the Cliff Head Oil Field.

Developments expenditure for the quarter predominantly comprises costs related to the Chinguetti development, offshore Mauritania and predevelopment expenditures in relation to the Blane and Enoch in the UK North Sea.

2.4 EXPLORATION & APPRAISAL DRILLING

Category	Well % Interest	Location	Operator	Comment at End of Quarter
Exploration	Dorade-1 3.2%	PSC Area C, Block 2, Mauritania	Woodside Mauritania Pty Ltd	The well was plugged and abandoned as a dry hole.
Exploration	Capitaine-1A 3.693%	PSC Area B, Mauritania	Woodside Mauritania Pty Ltd	The well was drilled to a Total Depth of 3,130m and was plugged and abandoned as a dry hole.
Exploration	Tévet-1 3.693%	PSC Area B, Mauritania	Woodside Mauritania Pty Ltd	The well encountered a gross gas column of 70m, a gross oil column of 44m and was plugged and abandoned as planned.
Appraisal	Tiof-4 3.693%	PSC Area B, Mauritania	Woodside Mauritania Pty Ltd	The well was drilled to a Total Depth of 2,908m encountering a gross oil column on 113m. The well was plugged and abandoned as planned.
Appraisal	Tiof-3, ST1, ST2 3.693%	PSC Area B, Mauritania	Woodside Mauritania Pty Ltd	Production test data from the well was limited to various samples and pressure measurements due to operation difficulties. The well was suspended as a potential future development well.
Exploration	Errington-1, 100%	PEDL-028, Onshore UK	Roc Oil (GB) Ltd	After Quarter-end wireline logging was completed. Wireline log interpretation indicates gas saturated tight sands over a gross vertical interval of approximately 135m of which approximately 100m represents net sand. The well was suspended as a tight gas discovery.
Exploration	Merou-1, 3.693%	PSC Area B, Mauritania	Woodside Mauritania Pty Ltd	The well was drilled to a Total Depth of 3,060m encountering gas shows interpreted to be sub commercial. The well was plugged and abandoned.
Appraisal	Tiof-5, 3.693%	PSC Area B, Mauritania	Woodside Mauritania Pty Ltd	The well was drilled to a Total Depth of 3,010m encountering a gross oil column of 23m. The well was plugged and abandoned as planned.
Exploration	Fiddich-1 7.5%	WA-226-P, Australia	Origin Energy Developments Pty Ltd	The well was drilled to a Total Depth of 1341m without encountering significant hydrocarbons shows and was plugged and abandoned.
Appraisal	Tiof-6, 3.693%	PSC Area B, Mauritania	Woodside Mauritania Pty Ltd	After Quarter-end the well was drilled to a total depth of 2,963m. Preliminary interpretations of logs suggest the well intersected oil over a gross interval of approximately 124m.

2.5 SEISMIC

Type	Location	Operator	% Interest	Size	Comment at End of Quarter
3D	PSC Area D, Block 8, Mauritania	Dana Petroleum (E&P) Limited	2.0%	1,816 km^2	Completed.
3D (Kiffa)	PSC Area A, Mauritania	Woodside Mauritania Pty Ltd	4.155%	3,046 km^2	Completed.
2D (Melissa)	WA-349-P, Australia	Roc Oil (WA) Pty Ltd	50.0%	369.4 km	Completed
2D (Fiona)	WA-325-P, Australia	Roc Oil (WA) Pty Ltd	37.5%	121.5 km	Completed
2D (Naomi)	WA-286-P, Australia	Roc Oil (WA) Pty Ltd	37.5%	169.6 km	Completed
3D (Atar)	PSC Area C, Block 6, Mauritania	Woodside Mauritania Pty Ltd	5.0%	3,096 km^2 planned	At Quarter-end 1,755km^2 acquired.
2D (Norfolk)	PEDL-127, Onshore UK	Roc Oil (GB) Ltd	100%	34 km	Completed
3D (Totara)	PEP-38767, New Zealand	Roc Oil (NZ) Pty Ltd	40.0%	35 km^2	Completed.

3. PRODUCTION

Production for the Quarter, which averaged 2,808 BOEPD, was primarily from the Saltfleetby Gas Field and the Keddington Oil and Gas Field, both onshore UK.

3.1 GAS PRODUCTION

Total gas production for the Quarter from the Saltfleetby Gas Field was 1.4 BCF (15.1 MMSCF/D), up 2% on the previous quarter. Gas production for the Quarter was down 38% compared to the corresponding quarter in 2003.

3.2 OIL AND CONDENSATE PRODUCTION

UK oil production for the Quarter was 3,815 BBL (41 BOPD), up 41% on the previous quarter and down 28% on the corresponding period last year.

Condensate production for the Quarter, all from the Saltfleetby Gas Field, was 22,324 BBL (243 BCPD), down 1% on the previous quarter and down 37% on the corresponding period last year.

Australian oil production for the Quarter was 735 BBL from the Jingemia Oil Field.

3.3 SALES REVENUE

Quarterly sales revenue was A$11.3 million, up $3.2m (40%) on the previous quarter and down $3.8m (25%) on the corresponding quarter in 2003.

The average sales gas price received during the Quarter was 27.32 pence per therm (approximately A$7.80 per MCF), up 44% on average sales gas prices received during the previous quarter and up 12% on the average sales gas price of 24.4 pence per therm received for the corresponding quarter in 2003.

4. DEVELOPMENT

4.1 UK

4.1.1 Onshore (ROC: 100% and Operator)

UK onshore development expenditure for the Quarter was less than $10,000, related to the Keddington Oil Field.

4.1.2 North Sea (ROC: 12% - 15.2%)

UK offshore development expenditure for the Quarter was $0.5 million. Work continued on pre-development engineering and the preparation of Field Development Plans for the Blane Oil Field and the Enoch Oil and Gas Field which are scheduled for completion in mid-2005.

4.2 AUSTRALIA

4.2.1 Cliff Head Oil Field (ROC: 37.5% and Operator)

Significant progress was made on the Cliff Head Oil Field development during the Quarter. Front End Engineering and Design (“FEED”) was completed in October and requests for tenders were issued and bids were received for the major construction contracts for the project. Pre-development work continued on detailed design and the procurement of materials and equipment, preparation of the Field Development Plan (“FDP”), crude oil marketing and also environmental approvals. Geological and reservoir engineering modelling were completed and a Pre-Development Field Report and preliminary FDP were submitted to the Western Australian Department of Industry and Resources. The Cliff Head Public Environmental Review was approved by the WA government and was subsequently submitted to the Federal government for approval.

During the Quarter, planning was also progressed for the drilling of the Cliff Head-5 and Cliff Head-6 appraisal/early development wells in the southeastern part of the field and the main horst area of the field respectively. The wells are currently scheduled for drilling in February 2005.

In January 2005 tendered contract prices for the major contracts for the project were received. Based on these prices the development costs for the project are estimated to be approximately $250 million, including approximately 10% contingency. This capex estimate is some 25% higher than the estimated cost at the end of FEED. Increased construction costs of this order, seen throughout the upstream petroleum industry activity levels and in all facets of the business are close to record levels as availability of major equipment becomes tight.

A final investment decision ("FID") is scheduled to be made by the WA-286-P Joint Venture during February 2005. First oil from the field is scheduled for end 2005 or early 2006.

4.2.2 Jingemia Oil Field, EP-413, Perth Basin, Onshore Western Australia (ROC: 0.25%)

The field continued to produce over 3,000 BOPD on extended production testing, prior to long-term production facilities being installed. Planning continued for two development/ appraisal wells.

4.3 MAURITANIA – CHINGUETTI OIL & GAS FIELD (ROC: 3.25%)

The Chinguetti Development Project is continuing, with progress on reservoir studies, the Development and Production plan and construction of the facilities. The

Environmental Impact Assessment for the project received formal approval from the Mauritanian Ministry for Mines and Industry.

The drilling of Chinguetti development wells recommenced on 3 December 2004 and is planned to continue until mid-2005.

4.4 CHINA – BEIBU GULF BLOCK 22/12 (ROC: 40% AND OPERATOR)

During the Quarter, the pre-feasibility study, geological modelling and reservoir engineering modelling of the Wei 12-8-west field were completed. It is anticipated that this project will move into a full feasibility study and the preparation of a Development Plan during the first half of 2005.

5. EXPLORATION AND APPRAISAL

5.1 AUSTRALIA (ROC: GENERALLY 37.5% AND OPERATOR)

Australian exploration expenditure for the Quarter was $3.2 million, all of which related to ROC's activities in the Perth Basin, Western Australia, including work on the Cliff Head Oil Field.

Three ROC-operated 2D marine seismic acquisition surveys were completed in the Quarter (Section 2.5). An airborne gravity survey was acquired in TP/15 (ROC: 20%), which was used to fine-tune planning for a 2D Transition Zone seismic survey in TP/15 and WA-286-P (Section 8.5).

The Fiddich-1 well in WA-226-P (ROC: 7.5%) was drilled to a total depth of 1,341 metres without encountering significant hydrocarbon shows.

Drilling planning continued for Hadda-1 (WA-325-P, ROC: 37.5%) and Flying Foam-1 (WA-327-P, ROC: 37.5%) to be drilled by the drill ship ENSCO 56 in early 2005.

5.2 NEW ZEALAND – PEP 38767, TARANAKI BASIN (ROC: 40% AND OPERATOR)

Expenditure for the quarter was $1.0 million relating to the Totara 3D Seismic Survey (Section 2.5).

5.3 UK

UK exploration expenditure for the Quarter totalled $4.8 million, the majority of which was spent on the Errington-1 well in PEDL-028.

5.3.1 Onshore (ROC: 100% and Operator)

Activity in the Quarter focused on exploration drilling, seismic acquisition and reprocessing, and geological studies.

Operations commenced at the Errington-1 wildcat well in PEDL-028. Subsequent to Quarter-end log interpretations indicate the well has intersected several tight gas sands (Section 8.5).

Acquisition of the Norfolk 2D seismic survey in PEDL-127 was completed on 29 November 2004 (Section 2.5).

5.4 WEST AFRICA

During the Quarter, ROC's total expenditure on West African projects totalled $13.0 million, primarily associated with Mauritania ($6.3 million) and Angola ($6.6 million including provision for $5.8m signature bonus).

5.4.1 Mauritania (ROC: 2.0 – 5.5%)

Acquisition of the 3D seismic survey in PSC Area D, Block 8 (ROC: 2.0%) was completed, with a total of 1,816 full fold square kilometres acquired. Acquisition of the Kiffa 3D seismic survey in PSC Area A (ROC: 4.155%) was completed, with a total of 3,046 full fold square kilometres acquired. Acquisition of the 3,096 square kilometre Atar seismic survey in PSC Area C, Block 6 (ROC: 5.0%) commenced on 18 November 2004 and at Quarter-end, 1,755 square kilometres had been acquired.

The 2004 exploration/appraisal drilling campaign continued, utilising two drilling vessels, the "*West Navigator*" and the "*Stena Tay*". On 3 December 2004, the "Stena Tay" moved to the Chinguetti development operations.

The Tevét-1 exploration well (PSC Area B, ROC: 3.693%) was drilled to a total depth of 2,715 metres, intersecting a gross gas column of approximately 70 metres, above a gross oil column of approximately 44 metres. The well was plugged and abandoned as an oil and gas discovery.

The Dorade-1 (PSC Area C, Block 2, ROC: 3.2%), Capitaine-1A (PSC Area B, ROC: 3.693%) and Merou-1 (PSC Area B, ROC: 3.693%) exploration wells were drilled to total depth without encountering significant hydrocarbons (Section 2.4).

Two sidetracks were drilled and cored at Tiof-3 (PSC Area B, ROC: 3.693%). Production test data from the Tiof-3 Sidetrack-2 well was limited to various samples and pressure measurements due to operational difficulties. The well was suspended as a potential future development well. The Tiof-4 appraisal well was drilled to a total depth of 2,908 metres. Evaluation of logs, including fluid sampling and downhole pressure measurements, established that the well intersected a gross oil column of approximately 113 metres, containing several individual sands of variable thickness. The well was plugged and abandoned, as planned.

The Tiof-5 appraisal well (PSC Area B, ROC: 3.693%) was drilled to a total depth of 3,010 metres. Preliminary evaluation of logs, including fluid sampling and downhole pressure measurements, indicate the well intersected a gross oil column of approximately 23 metres in several individual sands of variable thickness. The well was plugged and abandoned as planned.

The Tiof-6 appraisal well (PSC Area B, ROC: 3.693%) was being drilled at Quarter-end. (See Section 8.2).

For Chinguetti Field development activity, refer to Section 4.3.

5.4.2 Equatorial Guinea (ROC: 18.75%)

Activity for the Quarter focussed on post-Bravo-1 evaluation/studies, geological and geophysical studies, and planning for the drilling of one well in 2005.

On 30 November 2004, the Joint Venture advised the Ministry of Mines, Industry and Energy ("MMIE") of its intention to continue in to the First Renewal Period from 3 February 2005. The renewal is a one-year exploration period with a one well obligation (refer also to Section 6.5).

5.4.3 Angola (ROC: 60% and Operator)

ROC formally agreed with Sonangol, the national oil company of Angola, to trigger the Production Sharing Agreement ("PSA") relating to the Cabinda South Block, onshore Angola, with an effective date of 1 November 2004.

Planning is underway for a seismic acquisition programme for mid-2005 and a possible drilling programme for 2006.

5.5 CHINA – BEIBU BLOCK 22/12 (ROC: 40% AND OPERATOR)

ROC's net exploration expenditure in China was less than $50,000 for the Quarter.

Activity focussed on geological and geophysical studies, reservoir engineering modelling, and pre-development studies (refer also to Section 4.4). Evaluation of the exploration potential in the Wei 6-12 area continued around the 2002 oil discovery.

6. ASSET ACQUISITIONS & DIVESTMENTS

6.1 UK ONSHORE – SALTFLEETBY GAS FIELD (ROC: 100% AND OPERATOR)

On 21 December 2004, ROC announced that it had entered into agreements with a German-Russian joint venture, WINGAS GmbH ("WINGAS"), for the sale of 100% of the share capital of one of its wholly-owned subsidiaries, the principal asset of which is the PEDL-005 licence which contains the Saltfleetby Gas Field, onshore UK for a cash consideration of £44 million (A$108.5 million), subject to effective date working capital adjustments. The net ROC after tax profit on the transaction is expected to be at least A$72 million, which will be booked in Financial Year 2005 (Section 8.1).

ROC will retain all its other UK assets, including 100% of the producing Keddington Oil Field in PEDL-005 and the Errington tight gas discovery, as well as its interests in the UK North Sea where the Blane and Enoch Fields are being reviewed with the aim of establishing first oil production in late 2006.

6.2 UK NORTH SEA – ARDMORE OIL FIELD (ROC: 26% OPTION)

On 30 December 2004, ROC announced it had acquired an option over 26% of the Ardmore Oil Field and surrounding acreage in the UK North Sea ("the Assets"). Under an agreement with Acorn Oil & Gas Limited, ROC has purchased the right to acquire up to 26% of the Assets by investing £750,000 via a secured senior ranking loan and undertaking to pay 26% of future joint venture cash calls. If ROC chooses to exercise its option to convert its loan to direct equity, a payment of an effective option exercise fee of up to £1.9 million will be required.

The Assets comprise Blocks 30/24a, b, c and d, 30/25b and 30/29b, which include the Ardmore Oil Field, two small abandoned oil fields, small undeveloped discoveries and several undrilled prospects and leads. The Ardmore Oil Field, independently estimated to have remaining reserves in the order of 23 MMBO, is currently undergoing a development drilling and workover programme.

It is expected that a decision will be made during May 2005, and if ROC converts to direct equity, it will book its net share of Ardmore's remaining recoverable reserves and associated production revenue during 2Q 2005.

6.3 MAURITANIA – CHINGUETTI EXPLOITATION AREA, PSC AREA B (ROC: 3.25%)

The Government of Mauritania exercised its right to participate in the Chinguetti Oil Field development through the entity Groupe Projet Chinguetti ("GPC"). Effective 9 November 2004, GPC will acquire an initial participating interest of 12% in the Chinguetti Exploitation Perimeter, which was granted in May 2004 under the terms of the PSC for Area B via an Exclusive Exploitation Authorisation ("EEA"). The interest will be acquired on a pro rata basis from the current non-government parties and GPC will be responsible for its share of development and past exploration costs associated with the Chinguetti Oil Field. Once finalised, ROC's interest in the Chinguetti EEA will decrease from 3.693% to 3.25%. ROC's interest in the remaining exploration areas of PSC Area B remains 3.693%.

6.4 MAURITANIA – BLOCK 7 (ROC: 5.5%)

Assignment documentation relating to Woodside's farmin to Block 7 PSC Area D is being finalised. Once the transaction is completed, ROC's equity in Block 7 will decrease from 5.5% to 4.95%, effective 1 January 2003.

6.5 EQUATORIAL GUINEA – BLOCK H (ROC: 18.75%)

A 20% participant formally notified the Joint Venture of its intention to withdraw from the PSC as of 3 February 2005, the end of the current term. Subject to government approval, the remaining joint venture parties have agreed to distribute the 20% equity on a pro rata basis and have formally notified the Ministry of Mines, Industry and Energy of this intent. Once the transaction is finalised, ROC's equity will increase from 15% to 18.75% with the original 15% being free carried through the 2005 exploration well.

6.6 ANGOLA – CABINDA SOUTH BLOCK (ROC: 60% AND OPERATOR)

In August 2004, ROC agreed to acquire an additional 20% working interest (25% contributing interest) in the Production Sharing Agreement ("PSA") from its co-venturer Force Petroleum Limited. Completion of the acquisition was subject to the usual approvals of Government. The time frame for receipt of approval has now lapsed. On this basis, ROC believes it is unlikely that it will acquire the additional 20% interest.

7. CORPORATE

7.1. GAS PRICE HEDGING

There was no gas or oil price hedging in place and no new hedging was entered into during the Quarter.

7.2 WEBSITE

During the Quarter, ROC's website (www.rocoil.com.au) received approximately 27,930 visits (a "visit" being an occasion when one or more of the website pages have been opened). This compares to 23,712 visits in the prior Quarter.

8. POST-QUARTER EVENTS

SUBSEQUENT TO 31 DECEMBER 2004, THE FOLLOWING POST-QUARTER EVENTS OCCURRED.

8.1 SALE OF SALTFLEETBY GAS FIELD

On 21 January 2005 the sale of the 100% owned ROC company which owns the Saltfleetby Gas Field was completed.

8.2 MAURITANIA

The Tiof-6 appraisal well was drilled to a total depth of 2,963 metres. Preliminary interpretation of logs acquired while drilling and wireline logging operations, including fluid sampling and downhole pressure measurements, indicate the well has intersected oil over a gross interval of approximately 124 metres.

The Tiof-6 appraisal well was suspended as planned on 17 January 2005. It is planned that the well will be production tested at a later stage.

On 17 January 2005, the *"West Navigator"* rig returned to the Chinguetti Oil Field to complete Chinguetti tophole drilling, before returning to resume Tiof-6 test preparations.

As at 23 January 2005, 2,698 square kilometres of the Atar 3D seismic survey had been acquired (87% of total).

8.3 CLIFF HEAD CAPITAL COSTS

During late January 2005 ROC advised that the likely capital costs for developing the Cliff Head Oil Field, offshore Western Australia had increased by about 25% to approximately $250m including 10% contingency.

8.4 PLACEMENT

On 27 January ROC completed a placement to two European-based institutions to raise US$15m/A$19.8m by issue of 9,900,990 fully paid ordinary shares at a price of $2.00 per share representing an 11% premium to the previous 10 day average trading price. The shares represent approximately 5.3% of the issued share capital of the Company.

8.5 ERRINGTON-1, TIGHT GAS DISCOVERY

On 29 January 2005 the rig was released from the Errington-1 location 35km west of Newcastle after the well had been cased and suspended as a tight gas discovery with the intention that it will be evaluated further later this year as part of ROC's onshore UK tight gas strategy. Wireline log interpretation indicates gas saturated tight sands over a gross vertical interval of approximately 135m of which approximately 100m represents net sand.

8.6 TRANSITION ZONE SEISMIC, OFFSHORE WESTERN AUSTRALIA

An innovative Transition Zone seismic survey in the shallow surf zone waters off TP/15 commenced on 21 January 2005. The survey is focused on firming up near shore drill targets west of the Hovea and Jingemia onshore oil fields.

FURTHER INFORMATION

For further information please contact ROC's Chief Executive Officer, Dr John Doran on:

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Definitions:

"BBL"	means barrels
"BCF"	means billion cubic feet
"BOE"	means barrels of oil equivalent
"BOPD"	means barrels of oil per day
"BOEPD"	means barrels of oil equivalent per day
"BCPD"	means barrels of condensate per day
"BPD"	means barrels per day
"GWC"	means gas-water contact
"MCF"	means thousand cubic feet
"mBRT"	means metres below rotary table
"mTVDSS"	means metres true vertical depth below sea level
"MMSCF"	means million standard cubic feet
"MMSCF/D"	means million standard cubic feet per day
"MMBO"	means million barrels of oil
"MMBOE"	means million barrels of oil equivalent
"NGL"	means natural gas liquids
"OWC"	means oil-water contact
''PEDL''	means Petroleum Exploration Development Licence
"PSC"	means Production Sharing Contract
"Quarter"	means the period 1 October 2004 to 31 December 2004
"ROC"	means Roc Oil Company Limited and includes, where the context requires, its subsidiaries
"SCF"	means standard cubic feet
"TCF"	means trillion cubic feet