Rules 4.2A.3

Appendix 4D

Half Year Report
Period ended 30 June 2012

Introduced 1/1/2003

1. Name of Entity:	**ROC OIL COMPANY LIMITED**
ABN:	32 075 965 856
Half year ended ('reporting period')	30 June 2012
Half year ended ('previous corresponding period')	30 June 2011

2. Results for announcement to the market

(Amount and percentage change up or down from the previous corresponding period)

					US$'000
2.1	Revenues from ordinary activities	up	3%	to	135,315
2.2	Profit (loss) from ordinary activities after tax attributable to members	up	N/A	to	28,625
2.3	Net profit (loss) for the reporting period attributable to members	up	N/A	to	28,625

2.4 Dividends (distributions)

	Amount per security	Franked amount per security
Final dividend	Nil	Nil
Interim dividend	Nil	Nil
Previous corresponding period	Nil	Nil

It is not proposed to pay dividends.

2.5 Record date for determining entitlements to the dividends.	N/A

2.6 Brief explanation of any of the figures reported above (see 2.1 to 2.4) to enable the figures to be understood:

A review of the consolidated entity's operations during the half year ended 30 June 2012 and the results of those operations are included in the Roc Oil Company Limited 30 June 2012 Half Year Financial Report on pages 2 to 5.

3. Net tangible assets per security

	Reporting period	Previous corresponding period
Net tangible asset backing per ordinary security	28c	19c

4. Control gained over entities having material effect

4.1	Name of entity	N/A
4.2	The date of the gain of control	N/A
4.3	The contribution of such entities to the reporting entity's profit from ordinary activities during the reporting period and the profit or loss of such entities during the whole of the previous corresponding period.	N/A

There was no gain or loss of control of entities during the current period having a material effect.

5. Dividends

There were no dividends paid or declared during the period ended on or after 30 June 2012.

6. Details of any dividend or distribution reinvestment plans in operation and the last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan.

N/A

7. Details of associates and joint venture entities

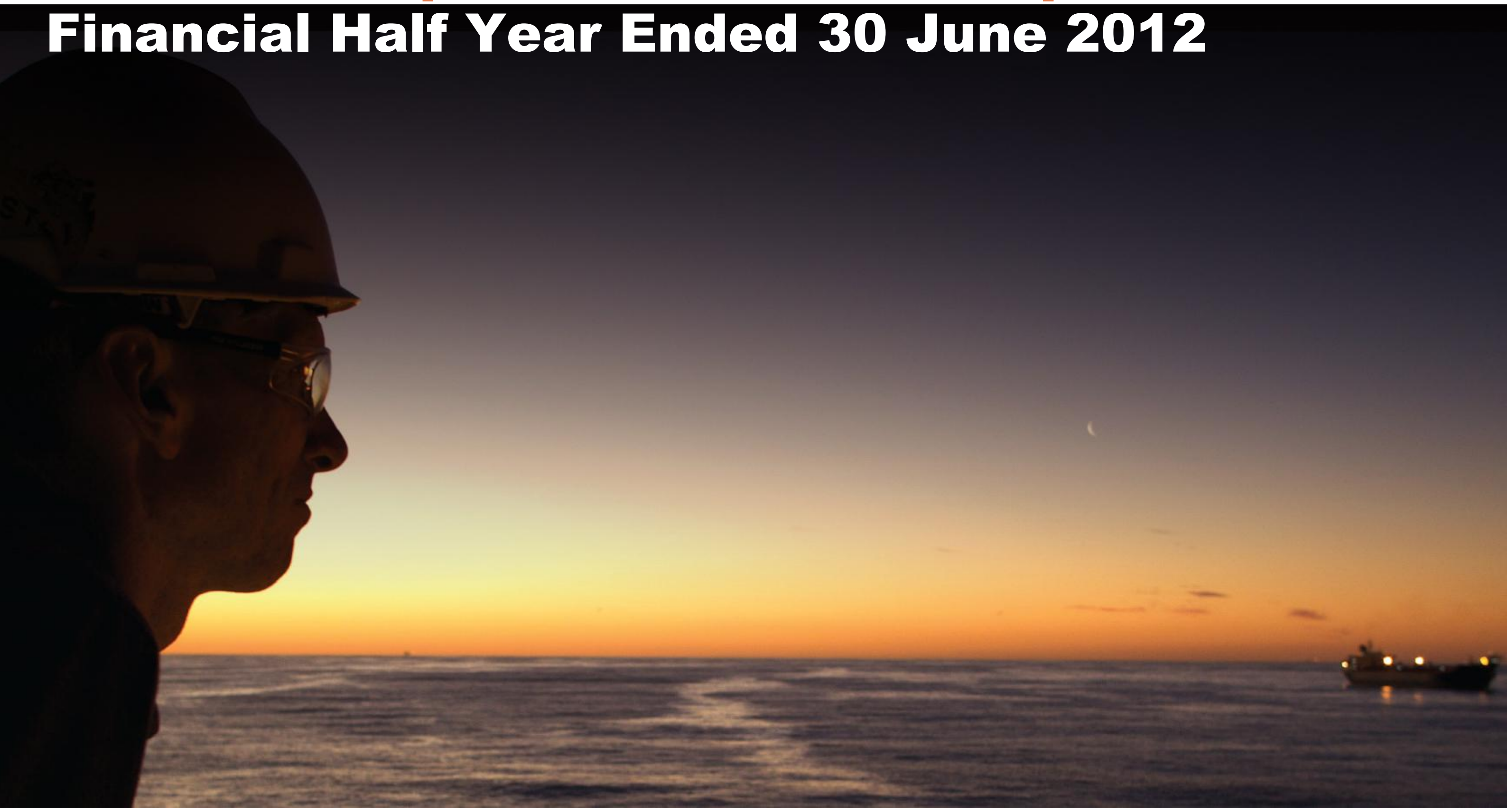
Name of entity	Percentage of ownership interest held at end of period or date of disposal		Contribution to net profit (loss) after income tax expense	
7.1 Associate entities	Current period	Previous corresponding period	Current period US$'000	Previous corresponding period US$'000
BC Petroleum Sdn Bhd	48%	Nil	Nil	Nil
Croft Exploration Limited	50%	50%	Nil	Nil
7.2 Joint venture entities			N/A	N/A
7.3 Total			**Nil**	**Nil**

Compliance statement

8. The information in 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.

9. The Roc Oil Company Limited Financial Report for the financial half year ended 30 June 2012 has been subject to review. A copy of the independent review report to the members of Roc Oil Company Limited is attached.

Directors' Report and Financial Report for the Financial Half Year Ended 30 June 2012



Roc Oil Company Limited (ABN 32 075 965 856)

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 2012. In order to comply with the provisions of the Corporations Act 2001, the Directors’ Report is as follows:

Directors

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

Mr Andrew Love (Non-Executive Director, Chairman)

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

Mr Alan Linn (Executive Director) (appointed Director 27 February 2012)

Mr Robert Leon (Non-Executive Director)

Mr Graham Mulligan (Non-Executive Director)

Mr Christopher Hodge (Non-Executive Director)

Mr Michael Harding (Non-Executive Director) (appointed 1 June 2012)

Mr Nigel Hartley (Non-Executive Director) (appointed 1 June 2012)

Mr Sidney Jansma Jr (Non-Executive Director) (resigned 17 May 2012)

The above Directors were in office for the entire Period unless otherwise stated.

Corporate Information

ROC is a company incorporated in Australia and limited by shares, which are publicly traded on the Australian Securities Exchange.

Review and Results of Operations

The consolidated entity’s principal activities during the financial Period were oil and gas exploration, development and production. There were no significant changes in the nature of those activities during the financial Period.

A review of the consolidated entity’s operations during the financial Period and the results of those operations are included in the Half Year Financial Report on pages 2 to 5.

Rounding

The Company is a company of the kind referred to in Australian Securities and Investments Commission Class Order 98/100, dated 10 July 1998 and in accordance with that Class Order, amounts in the financial statements have been rounded off to the nearest thousand dollars, unless otherwise indicated.

Auditor

The Auditor’s Independence Declaration is included on page 6 and forms part of this report.

This Directors’ Report is made in accordance with a resolution of the Board of Directors on 29 August 2012 pursuant to section 306(3) of the Corporations Act 2001.

On behalf of the Directors

Mr A J Love
Chairman

Sydney, 29 August 2012

DISCUSSION AND ANALYSIS OF FINANCIAL STATEMENTS

This discussion and analysis is provided to assist readers in understanding the Financial Statements for the financial half year ended 30 June 2012.

FINANCIAL PERFORMANCE

Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2012, the Group reported a net profit after income tax of US$28.6 million (1H11: net loss of US$6.6 million) from a trading profit of US$67.2 million (1H11: US$51.5 million).

Sales and Production Growth

The Group's working interest production of 1.2 MMBOE (6,798 BOEPD), a decrease of 10% compared to 1H11 of 1.4 MMBOE (7,567 BOEPD) primarily due to operational issues at the non-operated UK-assets, planned maintenance at Zhao Dong and natural field decline offset by increased Cliff Head production.

Oil and gas sales revenue of US$135.3 million (1H11: US$131.2 million) was generated from sales volumes of 1.2 MMBOE (1H11: 1.2 MMBOE), which achieved an average realised oil price of US$118.33/BBL (1H11: US$110.41/BBL) before hedging, a premium of 4% to the average Brent oil price for the Period of US$113.61/BBL.

Operating costs of US$68.1 million (1H11: US$79.5 million) included production costs of US$16.5 million (US$13.36/BOE), amortisation of US$36.4 million (US$29.42/BOE) and Chinese special oil income levy and royalty of US$18.5 million, offset by stock and underlift movements of US$3.3 million.

Exploration Expenditure

Exploration expenditure of US$3.0 million (1H11: US$10.2 million) was incurred during the Period. In accordance with ROC's Successful Efforts accounting policy US$2.6 million in exploration costs were expensed during the Period.

Income Tax

An income tax expense of US$25.1 million (1H11: US$25.4 million) was incurred during the Period, which included an income tax expense of US$20.3 million, PRRT of US$10.2 million offset by deferred income tax of US$5.3 million.

Financial Ratios

Basic earnings per share for the Period was US$0.04 cents based on a weighted average number of fully paid ordinary shares on issue of 682.7 million shares.

Hedging

Remaining hedge positions from 1 July 2012 to 31 December 2012 are 75,000 Brent oil price swaps, at a weighted average Brent price of US$114.59/BBL. The hedge book mark-to-market valuation at 30 June 2012 was an asset of US$1.3 million.

Consolidated Statement of Financial Position

At 30 June 2012, ROC's net cash position was $35.9 million (2011: US$26.5 million), consisting of gross debt of US$13.4 million (2011: US$13.1 million) offset by cash assets of US$49.3 million (2011: US$39.6 million). At 30 June 2012, the total facility limit was US$105 million.

Oil and gas assets decreased by US$14.0 million to US$204.3 million (2011: US$218.3 million) during the Period mainly as a result of amortisation of US$36.4 million, partly offset by US$22.4 million of development expenditure.

Consolidated Statement of Cash Flows

Net cash generated during the Period from operating activities was US$49.4 million (1H11: US$6.8 million). The increase in operating cash flows mainly relates to higher cash received from sales and lower derivative payments offset by an increase in income tax paid.

Corporate activity

Health, Safety, Environment and Community ("HSEC") Issues

During the Period, there were no Lost Time Injuries, no significant loss of containment incidents and no significant environmental incidents.

OPERATIONAL OVERVIEW

The Group undertook and was involved in a number of exploration, development and production operation activities during the Period.

Production and Development

The Group incurred US$16.5 million in production expenditure and US$22.4 million in development expenditure during the Period. Development expenditure was incurred mainly in relation to the WZ6-12 and WZ 12-8 west oil field development, Beibu Gulf, (US$13.6 million) and Zhao Dong development drilling programme (US$8.8 million).

Zhao Dong Oil Fields, Bohai Bay, Offshore China (C&D Oil Fields ROC: 24.5% & Operator, C4 Oil Field ROC: 11.575% unitised & Operator, Zhanghai & Chenghai Blocks ROC 80% & Operator and Zhanghai Oil Field ROC: 39.2% & Operator)

Gross oil production for the Period averaged 18,548 BOPD (ROC: 4,335 BOPD); down 7% compared to 1H11 average production of 19,907 BOPD (ROC: 4,649 BOPD) due to natural oil field decline and some planned maintenance during the Period.

The 2012 development drilling commenced, with a total of 20 development wells (16 producers and 4 injectors) planned to be drilled during 2012.

Technical work on the Zhanghai and Chenghai blocks continued during the Period. A second appraisal well is planned to be drilled in Zhanghai block during 4Q 2012.

Cliff Head Oil Field, WA-31-L, Perth Basin, Offshore Western Australia (ROC: 42.5% & Operator)

Gross oil production for the Period averaged 3,240 BOPD (ROC: 1,377 BOPD); up 24% compared to 1H11 average production of 2,611 BOPD (ROC: 979 BOPD) due to the completion of an successful workover in 2H11 and no adverse impact from crude contamination in 1H11.

BMG Oil and Gas Fields, VIC/L26, VIC/L27, VIC/L28, Offshore Victoria (ROC: 30% & Operator)

Activities to enter the field into a Non-Production Phase (“NPP”) were completed during the Period, on budget and without experiencing an LTI or significant loss of containment incident. The NPP Environmental Plan was accepted by the Regulator in June 2012.

The evaluation of options for a separate Phase-2 gas development continues.

Blane Oil Field, North Sea (ROC: 12.5%)

Gross production for the Period averaged 6,776 BOEPD (ROC: 847 BOEPD); down 38% compared to 1H11 average production of 10,888 BOEPD (ROC: 1,361 BOEPD). During the Period there were major upgrades to the Ula platform safety systems which resulted in gas lift being unavailable for the Blane wells. This process was completed early in the third quarter as planned.

Enoch Oil & Gas Field, North Sea (ROC: 12.0%)

Gross oil and gas production for the Period averaged 417 BOEPD (ROC: 50 BOEPD); down 85% compared to 1H11 average production of 2,767 BOEPD (ROC: 332 BOEPD) due to mechanical issues related to subsea equipment. Production from the Enoch oil and gas field was shut in on 29 January 2012 and is expected to be offline for the remainder of 2012. The planned intervention to recover the production tree was completed during the Period. The necessary remedial activities required to reinstate production are planned for fourth quarter 2012.

DISCUSSION AND ANALYSIS OF FINANCIAL STATEMENTS

Chinguetti Oil Field, PSC Area B, Offshore Mauritania (ROC: 3.25%)

Gross oil production for the Period averaged 5,785 BOPD (ROC: 188 BOPD); down 23% compared to 1H11 average production of 7,538 BOPD (ROC: 245 BOPD) due to natural field decline. The transaction relating to the sale by ROC of its interest in the Chinguetti field was completed on 26 July 2012.

WZ 6-12 and WZ 12-8 West Oil Field Development, Beibu Gulf, Offshore China (ROC: 19.6%)

The Environmental Impact Assessment was approved by the State Oceanic Administration in February. The final government approval required is sanction of the project by the National Development and Reform Commission which is expected to be received in 3Q 2012.

Development activity continued during the Period with the onshore well platform jackets and topsides fabrication being completed. Drilling activity is expected to commence in 2H12 and will include up to four exploration/appraisal wells, to be followed by the development drilling programme.

First oil production from Beibu Gulf project is targeted to be around the end of 2012/early 2013. The ramp-up to the full-field peak production is anticipated during 2013.

Exploration and New Ventures

The Group incurred US$3.0 million in exploration expenditure during the Period.

New Zealand

PEP52181, Offshore Taranaki, New Zealand (ROC: 50% & Operator): The New Zealand government formally approved the withdrawal of ROC from the permit on 15 June 2012. The continuing parties agreed to the appointment of NZOG Energy Limited as the operator.

Africa

Progress continues to complete the transactions relating to the sale by ROC of its Mozambique Channels interests with the finalisation of the French Government approval expected around the end of 2012.

Block H, Offshore Equatorial Guinea (ROC: 20%):

Preparations continue for the drilling of an exploration well, through which ROC has a free carry. An option is in place for White Rose Energy Ventures (Equatorial Guinea) Limited to acquire ROC's remaining interest in Block H for US$16.1 million prior to the spud of any exploration well.

China

WZ 6-12 and WZ 12-8 West Oil Field Development, Beibu Gulf, Offshore China (ROC: 40% & Operator)

Planning continues for the drilling of up to four near-field exploration/appraisal wells during second half 2012. Several wells are planned to be drilled from the WZ 6-12 wellhead platform following its scheduled installation in 2H12. If successful and commercial, these wells could be completed and included as additional production wells for the Beibu Gulf project.

Block 09/05, Bohai Bay, Offshore China (ROC: 100% & Operator)

ROC entered a Petroleum Contract with CNOOC for a 100% operated interest in the 335km^2 exploration block 09/05, offshore Bohai, in May 2012. The block is located approximately 15km north of ROC's existing Zhao Dong production and appraisal blocks in water depths of four to 10 metres. Work commitment for the first three-year exploration period includes the acquisition of 150km^2 3D seismic and the drilling of two exploration wells.

Malaysia

Balai Cluster Risk Service Contract, offshore Sarawak, Malaysia (ROC: 48%)

The pre-development phase of the Balai Cluster RSC continued to gain momentum, with work undertaken during the Period including: the fabrication of four wellhead platforms with installation of the platforms at the Bentara and Balai fields completed; the mobilisation of the drilling rig Ensco 53 with drilling expected to commence shortly; and the conversion of a purchased vessel to an Early Production Vessel (EPV).

The pre-development phase is expected to be completed by Q1 2013. On successful completion of the pre-development work and a decision as to economic viability, the project will progress to the development phase. The cost of pre development work undertaken by BCP in accordance with the agreed scope of work is reimbursable.

During the Period, ROC directly contributed funds of US$17.4 million to BCP for pre-development phase activities relating to the Balai Cluster RSC. Project financing to assist in the funding of the pre-development phase was secured in May 2012, with a debt facility for US$162 million. This facility will be utilised to fund additional expenditure in BCP with no further significant contribution of funds from ROC expected during 2012.

ERNST & YOUNG

Ernst & Young Centre
680 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
www.ey.com/au

Auditor's Independence Declaration to the Directors of Roc Oil Company Limited

In relation to our review of the financial report of Roc Oil Company Limited for the half year ended 30 June 2012, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.

Ernst & Young

Ernst & Young

Trent van Veen
Partner
Sydney

29 August 2012

STATEMENT OF COMPREHENSIVE INCOME

For the half year ended 30 June 2012

	Note	30 June 2012 US$'000	30 June 2011 US$'000
Sales revenue	2	135,315	130,979
Operating costs	3	(68,117)	(79,463)
Trading profit		**67,198**	**51,516**
Other income		71	110
Net derivative gains/ (losses)		12	(14,166)
Impairment of exploration		-	(484)
Exploration expensed	4	(2,604)	(8,312)
Other costs		(7,506)	(7,365)
Finance costs		(3,466)	(2,479)
Profit before income tax		**53,705**	**18,820**
Income tax expense	5	(25,080)	(25,373)
Net profit / (loss) for the Period		**28,625**	**(6,553)**
Other comprehensive profit			
Net movement in cash flow hedges transferred to trading profit		-	241
Income tax benefit on items of other comprehensive income		-	-
Other comprehensive profit for the Period, net of tax		-	241
Total comprehensive profit/ (loss) for the Period		**28,625**	**(6,312)**
Basic earnings/ (loss) per share (cents)		4.2	(0.9)
Diluted earnings/ (loss) per share (cents)		4.1	(0.9)

STATEMENT OF FINANCIAL POSITION

As at 30 June 2012

	Note	30 June 2012 US$'000	31 Dec 2011 US$'000
Current Assets			
Cash assets		49,266	39,624
Trade and other receivables		47,418	67,335
Inventories		1,322	2,305
Derivatives		1,256	1,318
Total Current Assets		**99,262**	**110,582**
Non-Current Assets			
Oil and gas assets	6	204,334	218,342
Exploration and evaluation expenditure	7	1,595	1,169
Property, plant and equipment		1,379	1,678
Deferred tax assets		7,868	5,115
Investment in Associates		33,246	15,999
Total Non-Current Assets		**248,422**	**242,303**
Total Assets		**347,684**	**352,885**
Current Liabilities			
Trade and other payables		27,311	48,136
Current tax liabilities		17,491	21,195
Provisions		8,548	13,091
Total Current Liabilities		**53,350**	**82,422**
Non-Current Liabilities			
Bank loans		13,373	13,082
Deferred tax liabilities		29,193	31,777
Provisions		61,333	63,995
Total Non-Current Liabilities		**103,899**	**108,854**
Total Liabilities		**157,249**	**191,276**
Net Assets		**190,435**	**161,609**
Equity			
Share capital	8	734,150	734,150
Accumulated losses		(566,351)	(594,976)
Other reserves		22,636	22,435
Total Equity		**190,435**	**161,609**

STATEMENT OF CASH FLOW

As at 30 June 2012

	Inflow/ (Outflow) 30 June 2012 US$'000	Inflow/ (Outflow) 30 June 2011 US$'000
Cash flows from operating activities		
Cash generated from operations	102,666	76,115
Derivatives paid	(1,206)	(28,113)
Payments for exploration and evaluation expenses	(2,717)	(5,084)
Payments for the non-production phase for BMG	(13,556)	(13,989)
Interest received	71	69
Finance costs paid	(1,660)	(2,522)
Income taxes and PRRT paid	(34,195)	(19,662)
Net cash generated from operating activities	**49,403**	**6,814**
Cash flows from investing activities		
Payments for plant and equipment	(79)	(452)
Payments for development expenditure	(22,178)	(7,680)
Payments for exploration and evaluation expenditure initially capitalised	(420)	(6,069)
Proceeds from sale of WA-351-P	-	15,750
Adjustment for acquisition of an additional 5% interest in Cliff Head	552	-
Net cash (used in) / generated from investing activities	**(22,125)**	**1,549**
Cash flows from financing activities		
On-market share buy-back	-	(929)
Share buy-back expenses	-	(2)
Bank loan repayments	-	(45,000)
Loan to associate company	(17,424)	-
Net cash used in financing activities	**(17,424)**	**(45,931)**
Net increase / (decrease) in cash held	**9,854**	**(37,568)**
Cash at beginning of Period	39,624	80,960
Effect of exchange rate changes on the balance of cash held in foreign currencies	(212)	51
Cash at end of financial half year	**49,266**	**43,443**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 30 June 2012

	Share Capital US$'000	Accumulated Losses US$'000	Share Equity Reserve US$'000	Foreign Currency Translation Reserve US$'000	Hedge Reserve US$'000	Total US$'000
Balance at 1 January 2011	744,201	(622,723)	10,760	10,710	(946)	142,002
Net loss for the Period	-	(6,553)	-	-	-	(6,553)
Other comprehensive income	-	-	-	-	241	241
Total comprehensive loss for the Period, net of tax	-	(6,553)	-	-	241	(6,312)
Transactions with owners						
On-market share buy-back	(931)	-	-	-	-	(931)
Share-based payments	-	-	582	-	-	582
Total transactions with owners	(931)	-	582	-	-	(349)
Balance at 30 June 2011	**743,270**	**(629,276)**	**11,342**	**10,710**	**(705)**	**135,341**
Balance at 1 January 2012	734,150	(594,976)	11,725	10,710	-	161,609
Total comprehensive profit for the period, net of tax	-	28,625	-	-	-	28,625
Total transactions with owners: share based payments	-	-	201	-	-	201
Balance at 30 June 2012	**734,150**	**(566,351)**	**11,926**	**10,710**	**-**	**190,435**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

(a) Basis of preparation

The Half Year Financial Report does not include all notes of the type normally included within the Annual Financial Report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The Half Year Financial Report should be read in conjunction with the Annual Financial Report of ROC as at 31 December 2011.

The accounting policies and methods of computation are the same as those adopted in the most recent Annual Financial Report.

It is also recommended that the Half Year Financial Report be considered together with public announcements made by ROC and its controlled entities during the half year ended 30 June 2012 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

The Half Year Financial Report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, AASB 134 *Interim Financial Reporting* and other mandatory professional reporting requirements. The financial report has been prepared on the historical cost basis except for financial instruments that have been measured at fair value.

For the purpose of preparing the Half Year Financial Report, the half year has been treated as a discrete reporting Period.

The financial report is presented in US dollars with all values rounded to the nearest thousand dollars (US$'000) unless otherwise stated under the option available to the Company under the ASIC Class Order 98/100. The Company is an entity to which the Class Order applies.

Australian accounting standards and interpretations that have been recently issued or amended but are not yet effective, have not been adopted by the Group for the reporting Period ending 30 June 2012 and are not expected to have a material impact, but are assessed by management on an ongoing basis.

(b) Basis of consolidation

The consolidated financial statements comprise the financial statements of the parent entity and its subsidiaries ('Group'). The consolidated financial statements include the information and results of each controlled entity from the date on which the Company obtains control and until such time as the Company ceases to control such entity.

In preparing the consolidated financial statements, all intercompany balances and transactions, and unrealised profits and losses arising within the Group are eliminated in full.

Note 2. Sales Revenue

	30 June 2012 US$'000	30 June 2011 US$'000
Oil	134,215	131,213
NGL	1,100	7
Hedging losses	-	(241)
	135,315	**130,979**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

	30 June 2012 US$'000	30 June 2011 US$'000
Note 3. Operating Costs		
Production costs	16,535	26,247
Amortisation	36,402	42,331
Movement in stock and underlift	(3,341)	(6,048)
Royalty and other levies	18,521	16,933
	68,117	**79,463**

Note 4. Exploration Expensed

Africa	(306)	4,630
Other (includes new ventures)	2,910	3,682
	2,604	**8,312**

Note 5. Income Tax

Composition of income tax		
Income tax charge – current Period	20,373	26,767
Income tax charge – prior Period	(146)	-
PRRT – current period	10,190	-
Deferred income tax	(5,337)	(6,795)
Deferred income tax – change in tax rate	-	5,401
	25,080	**25,373**

Note 6. Oil and Gas Assets

	Producing Assets US$'000	Assets under Development US$'000	Total US$'000
Costs			
Balance at 1 January 2011	953,246	16,375	969,621
Development expenditure incurred	27,260	3,496	30,756
Increase in restoration asset	3,777	-	3,777
Acquisition cost	2,112	-	2,112
Costs at 31 December 2011	**986,395**	**19,871**	**1,006,266**
Expenditure incurred for the Period	8,839	13,555	22,394
Costs at 30 June 2012	**995,234**	**33,426**	**1,028,660**
Accumulated Amortisation			
Balance at 1 January 2011	(722,057)	-	(722,057)
Charge for the year	(84,500)	-	(84,500)
Reversal of prior period impairment of assets	18,633	-	18,633
Accumulated Amortisation at 31 December 2011	**(787,924)**	**-**	**(787,924)**
Charge for the Period	(36,402)	-	(36,402)
Accumulated Amortisation at 30 June 2012	**(824,326)**	**-**	**(824,326)**
Net book value at 30 June 2012	**170,908**	**33,426**	**204,334**
Net book value at 31 December 2011	198,471	19,871	218,342

Note 7. Exploration and Evaluation Expenditure

	30 June 2012 US$'000	31 Dec 2011 US$'000
Opening balance	1,169	4,867
Expenditure incurred	3,030	15,917
Impairment of exploration asset	-	(484)
Asset sold	-	(5,583)
Amounts expensed	(2,604)	(13,548)
	1,595	**1,169**

The ultimate recovery of the capitalised exploration and evaluation expenditure is dependent on the successful development and commercial exploitation or the commercial sale of the relevant areas of interest.

Note 8. Share Capital

	30 June 2012 Number of Shares	31 Dec 2011 Number of Shares	30 June 2012 US$'000	31 Dec 2011 US$'000
Movement in fully paid ordinary shares				
Balance at beginning of Period	682,506,352	713,154,560	734,150	744,201
Issue of shares pursuant to the exercise of rights and the Long Term Incentive Plan	729,200	100,000	-	-
Cancellation of shares pursuant to the Company's on-market share buy-back	-	(30,748,208)	-	(10,051)
Balance at end of Period	**683,235,552**	**682,506,352**	**734,150**	**734,150**

All issued fully paid ordinary shares carry one vote per share and carry the right to dividends.

Note 9. Commitments for Expenditure

		30 June 2012 US$'000	31 Dec 2011 US$'000
(a)	Capital commitments		
	Not longer than one year		
	Joint ventures	35,167	23,479
	Longer than one year but not longer than five years		
	Joint ventures	11,000	-
		46,167	23,479
(b)	Operating expenditure commitments		
	Not longer than one year	3,267	3,285
	Longer than one year but not longer than five years	5,486	4,842
	Longer than five years	-	1,177
		8,753	**9,304**

Note 10. Segment Information

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Chief Executive Officer in assessing performance and in determining the allocation of resources.

The operating segments identified by management are based on each individual oil and gas field. Discrete pre-tax financial information about each of these fields is reported to the Chief Executive Officer on a monthly basis.

For the financial half year ended 30 June 2012

US$'000	BMG Australia	Cliff Head Australia	Blane UK	Enoch UK	Chinguetti Africa[2]	Zhao Dong China	Beibu China	Explor-ation	Other	Total
Sales revenue	-	29,386	12,468	2,494	4,538	86,418	-	-	11	135,315
Production costs	-	3,997	1,976	1,671	1,744	7,138	-	-	9	16,535
Amortisation	-	4,233	3,267	243	432	28,226	-	-	1	36,402
Segment results[1]	-	21,021	9,644	(389)	1,814	35,107	-	-	1	67,198
Capital expenditure incurred	-	-	-	-	-	8,839	13,981	2,604	-	25,424
Segment assets	2,501	45,263	29,072	7,614	4,076	136,876	34,420	667	183	260,672
Current restoration provision	3,000	-	-	-	-	3,874	-	-	-	6,874
Non-current restoration provision	24,907	12,112	3,844	2,285	10,173	6,701	-	-	-	60,022

US$'000	BMG Australia	Cliff Head Australia	Blane UK	Enoch UK	Chinguetti Africa[2]	Zhao Dong China	Beibu China	Explor-ation	Other	Total
30 June 2011										
Sales revenue	297	17,225	26,570	5,875	3,147	78,092	-	-	(227)	130,979
Production costs	-	12,786	3,850	383	1,570	7,639	-	-	19	26,247
Amortisation	-	2,923	5,203	1,149	561	32,494	-	-	1	42,331
Segment results[1]	41	1,516	17,692	4,780	1,414	26,320	-	-	(247)	51,516
Capital expenditure incurred	-	-	(201)	-	22	9,384	1,188	10,179	-	20,572
31 December 2011										
Segment assets	975	52,718	41,412	9,146	2,597	155,087	-	1,169	25,326	288,430
Current restoration provision	9,928	-	-	-	-	1,615	-	-	-	11,543
Non-current restoration provision	26,653	11,759	3,732	2,218	9,876	8,644	-	-	-	62,882

Note:

(1) Total segment results ("trading profit") is reconciled to net profit before income tax on the Consolidated Statement of Comprehensive Income.

(2) ROC has agreed to sell its interest Offshore Mauritania to wholly owned subsidiaries of Tullow Oil plc, for US$4 million subject to working capital adjustments. At 30 June 2012, the necessary approvals were still outstanding; completion occurred on 26th July 2012.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 11. Contingent Liabilities

In accordance with normal oil and gas industry practice, the Group has entered into joint venture operations and farmin agreements with other parties for the purpose of exploring and developing its licence interests. If a party to a joint venture operation defaults and does not contribute its share of joint venture operation obligations, then the other joint venturers are liable to meet those obligations. In this event, the interest in the licence held by the defaulting party may be redistributed to the remaining joint venturers. Furthermore, the Group has agreements in place where liabilities may arise upon commercial discovery or once certain production milestones have been achieved.

There have been no material changes to the contingent liabilities since 31 December 2011.

Note 12. Subsequent Events

The transactions relating to the sale by ROC of its offshore Mauritania interests, excluding Block C6, were completed on 26 July 2012. The estimated profit expected to be booked in 2H12 is approximately US$8.3 million mainly as a result of the reversal of the provision for restoration. Progress continues for the transaction relating to the sale of Block C6.

No other events have arisen subsequent to 30 June 2012 that have significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity.

Note 13. Additional Company Information

Roc Oil Company Limited is a public company listed in Australia on the ASX and incorporated in Australia and operating in Australia and overseas.

The registered office and principal place of business is:

Level 18, 321 Kent Street
Sydney NSW 2000
Australia.

DIRECTORS' DECLARATION

In the opinion of the Directors:

(a) the financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including:

 (i) giving a true and fair view of the financial position of the consolidated entity as at 30 June 2012 and of its performance for the half year ended on that date; and

 (ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors:

Mr A J Love
Chairman

Sydney, 29 August 2012

Ernst & Young Centre
680 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
www.ey.com/au

To the members of Roc Oil Company Limited

Report on the Half Year Financial Report

We have reviewed the accompanying half year financial report of Roc Oil Company Limited, which comprises the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity. The consolidated entity comprises the company and the entities it controlled at the half year end or from time to time during the half year.

Directors' Responsibility for the Half Year Financial Report

The directors of the company are responsible for the preparation of the half year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act* 2001. The directors are also responsible for such internal controls that the directors determine are necessary to enable the preparation of the half year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2011 and its performance for the half year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001*. As the auditor of Roc Oil Company Limited and the entities it controlled during the half year, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half year financial report of Roc Oil Company Limited is not in accordance with the *Corporations Act 2001*, including:

i. giving a true and fair view of the consolidated entity's financial position as at 30 June 2012 and of its performance for the half year ended on that date; and

ii. complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Ernst & Young

Trent van Veen
Partner
Sydney
29 August 2012

GLOSSARY

AUD/A$	Australian currency.
ASIC	Australian Securities and Investments Commission.
ASX	Australian Securities Exchange.
BBL(s)	Barrel(s), oil barrel is equivalent to 0.159 cubic metres.
BCF	One billion cubic feet of natural gas.
BMG	Basker-Manta-Gummy.
BOE	Barrel of oil equivalent. The factor used to convert gas to oil equivalent is based upon an approximate energy value of 6,000 cubic feet per barrel and not price equivalence at the time.
BOEPD	Barrel of oil equivalent per day.
BOPD	Barrel of oil per day inclusive of NGLs.
CNOOC	China National Offshore Oil Company.
FPSO	Floating production, storage and offloading vessel.
km	Kilometres.
m	Metre.
MCF	One thousand cubic feet of natural gas.
MM	Millions.
MMBBL	One million barrels of oil.
MMBOE	One million barrels of oil equivalent.
MMSCFD	One million standard cubic feet of natural gas per day.
NGL	Natural gas liquid.
Period	The financial half year ended 30 June 2012.
pound or £	UK pounds.
PRRT	Petroleum Resource Rent Tax.
ROC	Roc Oil Company Limited.
UK	United Kingdom.
US$	United States dollars.
3D	Three dimensional.
2P	Proved and probable reserves.