ROC OIL COMPANY LIMITED

(ABN 32 075 965 856)

REPORT TO THE AUSTRALIAN STOCK EXCHANGE (ASX)
Activities for the Quarter Ended 30 June 2003

SUMMARY

Good production and sales revenue figures, respectively 11% and 32% up on the corresponding period last year, and a high level of asset consolidation in several of ROC's core areas, offered a counterpoint to the lull in exploration drilling and seismic activity which occurred during the Quarter. An important change to ROC's management structure occurred during the Quarter with the promotion of the Chief Financial Officer, Mr Bruce Clement, to the newly created position of Chief Operating Officer. This strategic move is designed to ensure that the Company's CEO, Dr John Doran, is better able to focus on growing ROC in a manner over and above the growth that is expected to be achieved by the successful completion of exploration and appraisal projects presently within ROC's existing portfolio.

HIGHLIGHTS

- Sales revenue of $13 million, up 32% compared to the corresponding quarter last year[1], despite foreign exchange rates moving in an adverse direction.

- Production of 5,032 BOEPD, up 11% compared to the corresponding quarter last year, despite natural decline at the Saltfleetby Gas Field.

- Quarterly exploration and development expenditure of $1.8 million, down 83% on the previous quarter, mainly due to the completion of the early 2003 drilling programme in the Perth Basin.

- ROC's interest in the ROC-operated WA-286-P, which contains the Cliff Head Oil Field, increased to 37.5% through the addition of a 7.5% interest at an initial cost of $9.0 million with up to an additional $3.75 million of contingent payments, subject to oil prices and recoverable reserves reaching pre-defined levels.

- Perth Basin portfolio expanded through the addition of a tiny (0.25%) but strategic interest in EP 413 and an option over a 7.5% interest in WA-226-P.

- ROC's interest in the ROC-operated Cabinda South Block, onshore Angola, increased to 60% through the purchase of an additional 15% interest for an initial cash payment

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[1] *Because of the seasonal fluctuations of UK gas prices, a comparison with the corresponding quarter last year is more relevant than a comparison with the preceding quarter.*

of US$125,000 and a contingent subsequent payment of US$100,000 subject to approval of the first development plan for the Block.

- New exploration prospects generated from last year's 3D seismic survey in Block 22-12, offshore China, and the continuing engineering review of the oil accumulations already known to exist within that Block have caused the Joint Venture to commit to the drilling of between two and four wells during late 2003.

- In the month immediately subsequent to the end of the Quarter:

  - The next phase of ROC's active drilling programme commenced with the initiation of operations at the Saltfleetby-7 well site. The drilling programme will see ROC participate in drilling up to 13 wells during the next seven months.

  - A wholly owned subsidiary of ROC was awarded a new exploration licence, PEDL 127, in Norfolk, onshore UK, based on a novel low cost, big upside, exploration concept.

FURTHER INFORMATION
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ASX QUARTERLY REPORT 30 JUNE 2003

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1. CEO'S REPORT

Quarterly production and sales revenue figures were strong compared to the corresponding period last year, despite adverse foreign exchange movements. While we would like to claim that these results were due to good management, the fact is that there were a number of other relevant factors, not all of which were within ROC's control including: better than usual UK spot gas prices, a higher contract gas price, as a result of the re-negotiated contract price which became effective in October 2003, and the lack of disruption to gas production due to the shut-down of third party facilities.

As far as exploration and appraisal operations are concerned, the Quarter under review represented a breathing space following a hectic period of activity that effectively started more than two years ago. Although ROC is a proactive industry participant and an enthusiastic operator, it readily acknowledges that there are occasions when at least a brief respite from on-ground activities is appropriate as the Company's focus swings towards asset consolidation and strategic planning, prior to the start of another round of intense drilling activity. This next phase of continuous drilling started in early July 2003 and is expected to run beyond the end of the year. During this seven month period ROC expects to drill up to 13 wells, of which the Company will operate nine. This drilling programme should be of particular interest to investors who measure the potential value of a company by the level of its current and imminent drilling activity.

On the asset acquisition front, the Quarter and the month immediately after it was one of the busiest periods for some time. Three new projects were added to ROC's portfolio as the Company also increased its interest in two existing areas, both of which are operated by ROC. This activity is consistent with ROC's *Organic Growth* Strategy, which was referred to at the Company's Annual General Meeting in May 2003 as the "*As-Is*" strategy. Within this strategy, ROC will focus on developing its current asset base with the expectation that this could cause its company-wide reserves and production to more than double within the next two or three years as a result of commercialising projects in which it presently owns an interest and, in most cases, operates.

While the progress of the Organic Growth Strategy will be readily apparent to the market through announcements to ASX, the implementation of ROC's parallel strategy, referred to at the May 2003 Annual General Meeting as the "*Change-the-Company*" ("C-t-C") strategy, will necessarily have a lower public profile – until such time as a specific result is achieved. This could happen any time within the next three to 18 months. There isn't any guarantee that the C-t-C Strategy will work, but shareholders should be encouraged by the fact that the potential growth trajectory represented by ROC's concurrent Organic Growth Strategy will proceed independent of the C-t-C strategy.

The progress made by the Company's exploration effort offshore China is potentially very important; it can be gauged from the fact that the Joint Venture has decided to drill two firm wells and, subject to their results, two additional contingent wells, towards the end of this year. This represents a major drilling commitment for ROC and its co-venturers. The technical rationale on which this decision is based reflects the result of ROC's review of the 12-8 Oil Field, which is regarded as a strong candidate for potential commercial development, and the outcome of the 421 sq km 3D seismic survey which the Joint Venture conducted last year. That survey has revealed a number of high quality prospects, in particular one which is considered to be a prime exploration target: 12-7. For all practical purposes, ROC's drilling activity offshore China will impart a new dimension to the Company's activities. The main point for shareholders to note is that the ground work for this drilling programme was finalised during the Quarter under review and, as such, it typifies the progress that a company can make even during periods that appear to be relatively quiet from an operations point of view.

In a similar context, a significant part of the Company's workforce during the Quarter was focussed on the continuing evaluation of the commercial potential of the Cliff Head Oil Field.

That process remains on schedule for an in-principle development decision prior to the end of September 2003.

Finally, as a result of a recent internal management decision - which shareholders should take as an indication of the strategic direction in which the Company may evolve - it was decided to relocate ROC's General Manager –Business Development, Dr Kevin Hird, to London, so as to provide ROC with even better access to the global deal stream as well as current and potential industry partners.

2. STATISTICS

2.1 PRODUCTION

OIL AND NGLS (BBL)	March '03 Qtr	June '03 Qtr	Change
UK – Onshore Oil (Keddington)	4,598	4,336	-6%
UK – Onshore NGL (Saltfleetby)	40,065	40,162	+0%
GAS (MCF)			
UK – Onshore (Saltfleetby)	2,645,840	2,480,330	-6%
TOTAL PRODUCTION (BOEPD)	**5,396**	**5,032**	**-7%**

The above production statistics do not include ROC's 0.25% share, being 184 BBL, of oil production from an extended production test of the Jingemia Oil Field, located in EP 413, onshore Perth Basin, Western Australia, because it is not yet regarded as representing long term commercial production.

2.2 SALES REVENUE (Unaudited)

	March '03 Qtr $'000	June '03 Qtr $'000	Change
UK Oil and NGLs	1,517	1,158	-24%
UK Gas	17,343	11,874	-32%
Australian Oil	-	7	NA
Total	**18,860**	**13,039**	**-31%**

Sales revenue was down from the previous quarter due to reduced production (see Section 2.1 above), seasonally low summer gas prices in the UK and adverse foreign exchange rate movements.

2.3 EXPENDITURE (Unaudited)

	March '03 Qtr $'000	June '03 Qtr $'000
Exploration		
Australia	7,963	644 **
UK	2,074	501
Other International	872	650
Development		
Australia	-	-
UK	61	49
Other International	-	-
Total	**10,970**	**1,844**

** Note: ROC acquired an additional 7.5% interest in WA-286-P from Arc Energy NL for a purchase price of $9.0 million (see Section 6.2). In addition, ROC acquired a 0.25% interest in EP 413 for $0.2 million see (Section 6.4). These purchase prices have not been included in exploration expenditure.

The 83% reduction in expenditure compared to the previous quarter largely reflects the completion of the 1Q03 drilling programme in the offshore Perth Basin.

2.4 DRILLING

ROC did not carry out or participate in any drilling activities during the Quarter. Subsequent to the end of the Quarter, ROC commenced drilling the Saltfleetby-7 appraisal/development well (see Section 7.1).

2.5 SEISMIC

ROC did not carry out or participate in any seismic surveys during the Quarter.

3. PRODUCTION

Production for the Quarter, which averaged 5,032 BOEPD, was 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 2.48 BCF (27.3 MMSCF/D), down 6% on the previous quarter, due to natural decline of the field.

3.2 OIL AND CONDENSATE PRODUCTION

UK oil production for the Quarter was 4,336 BBL (48 BOPD), down 6% on the previous quarter.

Condensate production for the Quarter, all from the Saltfleetby Gas Field, was 40,162 BBL (441 BCPD), essentially unchanged from the previous quarter, indicating a slightly increased condensate yield on the reduced volume of gas production from that field.

3.3 SALES REVENUE

Quarterly sales revenue was $13.0 million, down $5.8 million (31%) on the previous quarter.

The average sales gas price received during the Quarter was 17.2 pence per therm (approximately $4.79 per MCF), down 21% on average sales gas prices received during the previous quarter but up 30% on the equivalent price received for the corresponding period last year.

4. DEVELOPMENT

4.1 UK ONSHORE

UK onshore development expenditure for the Quarter was $0.2 million, the majority of which was spent on planning and preparation for the 2003 development drilling programme. The first well in that programme, the Saltfleetby-7 appraisal/development well, started drilling on 11 July 2003 (see Section 7.1).

4.2 UK OFFSHORE

UK offshore development expenditure for the Quarter was $0.1 million, which was offset by a refund of earlier expenditure of $0.2 million, received during the Quarter.

5. EXPLORATION AND APPRAISAL

5.1 AUSTRALIA

Australian exploration expenditure for the Quarter was $0.6 million[2], all of which related to ROC's activities in the offshore Perth Basin, Western Australia.

5.1.1 WA-286-P, Perth Basin, Offshore Western Australia (ROC: 30%[3] and Operator)

Exploration operations for the Quarter focussed on assessing the data from the drilling programme carried out in the previous quarter, continuing technical studies of the permit and preparation for a 2D seismic survey in the permit, likely to be carried out during 4Q03.

Appraisal operations for the Quarter were mainly preparation for a possible 3D seismic survey over the Cliff Head Oil Field, to be carried out in 4Q03.

Engineering work on development concepts and reservoir evaluation of the Cliff Head Oil Field continued during the Quarter. ROC also carried out pre-qualification

[2] *This expenditure does not include the purchase price of $9.0 million for ROC's acquisition of an additional 7.5% in WA-286-P (see Section 6.2), nor consideration of $0.2 million for ROC's acquisition of a 0.25% interest in EP 413 (see Section 6.4).*

[3] *ROC's interest increased to 37.5% on 4 July 2003 (see Section 6.2).*

of potential bidders for a front-end engineering and design ("FEED") study of the Cliff Head Oil Field. Bidding for the FEED study will take place in August 2003. An in principle decision as to whether or not the field should be developed will be taken in September 2003 and, if that decision is positive, the FEED contract is expected to be awarded in October 2003.

5.1.2 TP/15, Perth Basin, Offshore Western Australia (ROC: 20% and Operator)

Exploration operations for the Quarter focussed on assessing the data from the drilling programme carried out in the previous quarter, continuing technical studies of the permit and preparation for a 2D seismic survey in the permit, likely to be carried out in 4Q03.

5.1.3 WA-325-P, Perth Basin, Offshore Western Australia (ROC: 37.5% and Operator)

Interpretation of data from the 2,106 km Rita 2D seismic survey continued. Preparations commenced for a 500 sq km 3D seismic survey, to be carried out in 4Q03.

5.1.4 WA-327-P, Perth Basin, Offshore Western Australia (ROC: 37.5% and Operator)

Interpretation of the data from the 572 km Cheryl 2D seismic survey continued. Preparations commenced for a possible 170 sq km 3D seismic survey to be carried out in 4Q03.

5.1.5 EP 413, Perth Basin, Onshore Western Australia (ROC: 0.25%)

The extended production test of the Jingemia Oil Field produced 73,620 barrels (gross) of oil at the end of the Quarter, of which ROC's share was 184 barrels.

5.2 UK

UK exploration expenditure for the Quarter totalled $0.5 million, the majority of which was spent on evaluation work to mature prospects to drillable status for the 2003-04 drilling programme, scheduled to commence during 4Q03.

5.2.1 UK Onshore

Planning for the drilling of up to three exploration wells continued during the Quarter. An exploration drilling programme is expected to commence during October 2003 following the appraisal/development drilling at the Saltfleetby Gas Field (see Section 4.1 above).

- **South Humber Basin (ROC: 100% and Operator)**

  Evaluation and well planning work continued through the Quarter. A Planning Application to drill an exploration well on the Biscathorpe Prospect was lodged during the Quarter. Planning Authority approval of an earlier application to drill the East Keelby Prospect was received after the end of the Quarter.

- **North Humber (ROC: 100% and Operator)**

  Evaluation of this area continued during the Quarter.

- **Cleveland Basin (ROC: 100% and Operator)**

  Evaluation of this area continued during the Quarter and a Planning Application to drill an exploration well was being prepared at end of the Quarter.

- **Widmerpool Gulf (ROC: 100% and Operator)**

  Planning Authority approval to drill the Old Hills exploration well was received during the Quarter.

- **Northumberland (ROC: 100% and Operator)**

  Planning for a well on the Errington Prospect continued. Planning Authority approval has already been obtained for the well.

5.2.2 North Sea

Geotechnical work was carried out on the Enoch/J1 fields. Following its takeover of Enterprise Oil UK Limited earlier this year, Shell International Exploration and Production Inc., the new Operator of the Ettrick, Blane, Enoch and J1 fields in the North Sea, announced its intention to sell its interests in those fields. As a result, appraisal work on these fields has been delayed.

5.3 WEST AFRICA

Exploration expenditure in West Africa totalled $0.4 million for the Quarter.

West African exploration activities for the Quarter were primarily associated with preparation of the 2003 drilling programme in offshore Mauritania, technical studies of previously acquired 3D seismic data in Equatorial Guinea and carrying out an on-ground situation assessment survey for the Cabinda South Block, onshore Angola.

5.3.1 Mauritania (ROC: 2.0-5.0%)

The Area B Joint Venture (ROC 2.4%) approved the drilling of two firm wells - an appraisal/early development well on the Chinguetti Oil Field and an exploration well - and one contingent well. Drilling is expected to commence during August 2003.

Appraisal studies on the feasibility of developing the Chinguetti Oil Field are ongoing, with the Area B Joint Venture aiming to reach a decision on commerciality in the second half of 2003.

During the Quarter, the Block 7 Joint Venture (ROC 2.0%) participants approved the drilling of the ‘Pelican’ Prospect. The well will be drilled after completion of the Woodside operated Area B drilling programme.

In Block 1 (ROC 2.0%), Operator Dana Petroleum plc continued to process and interpret the 1,342 sq km 3D seismic survey that was acquired in 4Q02.

5.3.2 Equatorial Guinea (ROC: 35% and Technical Manager)

ROC has continued to undertake geophysical studies that have resulted in a short-list of potential candidates for the 2004 well locations in Blocks H15 and H16. During 3Q03, ROC will continue this work with the intention of identifying the preferred exploration prospect to be drilled by the first exploration well in the block. ROC has, meanwhile, commenced drilling planning studies, which are aiming towards drilling the well during 1H04.

5.3.3 Angola (ROC: 45% and Operator)

An independent on-ground situation assessment of the Cabinda South Block was carried out during June 2003. As at the end of July 2003, ROC was awaiting the final report.

5.4 EAST ASIA

ROC's exploration expenditure in East Asia totalled $0.2 million for the Quarter, all of which related to ROC's activities in offshore China.

5.4.1 Offshore China (ROC: 40% and Operator)

Interpretation of the 422 sq km Beibu 3D seismic survey, acquired during 3Q02, continued during the Quarter. Subsequent to the end of the Quarter, the Block 22/12 Joint Venture approved a two firm and two contingent well drilling programme (see Section 7.3). Drilling is likely to commence in 4Q03, subject to the contracting of an acceptable drilling rig and receipt of all required government approvals.

During the Quarter, work continued on the evaluation of development concepts for the 12-8 Oil Field, ahead of appraisal drilling during 4Q03.

6. CORPORATE - INCLUDING ASSET ACQUISITIONS

6.1 GAS PRICE HEDGING

During the Quarter, ROC entered into the following forward gas sales contract with Innogy plc for the sale of gas from the Saltfleetby Gas Field.

Period	Volume (Therms/day)	Price	
		(Pence/Therm)	(A$/MCF) - approximate
Q2 2003	25,000	16.60	4.80

In addition to the above, ROC had in place the following forward gas sales contract with Innogy plc for the sale of gas from the Saltfleetby Gas Field.

Period	Volume (Therms/day)	Price	
		(Pence/Therm)	(A$/MCF) - approximate
Q2 2003	25,000	15.25	4.40

In addition to this, ROC has existing gas price hedging in place for 2003 comprising:

Period	Volume (Therms/day)	Price (Pence/Therm)	Price (A$/MCF) - approximate
Q2 2003	25,000	17.65	5.10
Q3 2003	25,000	16.55	4.50

6.2 WA-286-P

On 14 May 2003, a wholly owned subsidiary of ROC entered into a sale agreement with ARC Energy NL ("ARC") to purchase ARC's 7.5% interest in the ROC operated WA-286-P, which contains the Cliff Head Oil Field in the northern part of the offshore Perth Basin. The purchase price was an initial payment of $9.0 million plus contingent payments up to a maximum of $3.75 million, subject to certain reserve and oil price levels being achieved. The effective date was 1 April 2003 and the purchase was completed on 4 July 2003.

ROC's interest in WA-286-P increased from 30% to 37.5% upon completion of the transaction.

6.3 WA-226-P

On 27 June 2003, a wholly owned subsidiary of ROC entered into an option agreement with Norwest Energy NL ("NWE") under which NWE granted to ROC an option to acquire NWE's 7.5% interest in WA-226-P in the northernmost part of the offshore Perth Basin. In consideration for the grant of the option, ROC agreed to fund NWE's 7.5% share of the completed Macallan 3D seismic survey and its share of permit fees up to a maximum of $525,000.

If ROC exercises the option, it will be required to pay NWE a further cash payment of $200,000. Further, if a discovery in WA-226-P is declared commercial, ROC will make a final payment to NWE of $375,000.

6.4 EXPLORATION PERMIT EP 413, ONSHORE PERTH BASIN, WESTERN AUSTRALIA

On 16 April 2003, a wholly owned subsidiary of ROC entered into a sale agreement with Victoria Petroleum N.L. to purchase a 0.25% interest in Exploration Permit EP 413, onshore North Perth Basin, for a purchase price of $150,000. EP 413 contains the Jingemia oil discovery. The acquisition, which is viewed as being strategically rather than materially important, was completed on 13 June 2003.

6.5 ANGOLA

On 2 June 2003, Roc Oil (Cabinda) Company, a wholly owned subsidiary of ROC, entered into a sale agreement to purchase the 15% interest held by Lacula Oil Company Limited ("Lacula") in the Cabinda South Block Production Sharing Agreement ("Cabinda South PSA") onshore South Cabinda, Angola. The consideration will be a cash payment of US$125,000 on receipt of relevant Government approvals and a further payment of US$100,000 upon approval of the first development plan for the Block. Upon completion of the acquisition, ROC will hold a 60% interest in the Cabinda South PSA.

In a separate transaction, ROC was granted an option to purchase an overriding royalty, which attached to the 15% working interest being acquired from Lacula. The consideration for the grant of the option will be the payment by ROC of US$100,000 to the private parties in North America who own the royalty, within 14 days of the Cabinda South PSA being triggered. If ROC exercises the option (which will effectively extinguish the overriding royalty) it is required to make a further payment of US$250,000 within six months of commercial production commencing in the block.

6.6 WEBSITE

During the Quarter, ROC's website (www.rocoil.com.au) received approximately 22,715 visits (where a visit is an occasion when one or more of the website pages have been opened). This represents a new quarterly high.

7. POST-QUARTER EVENTS

7.1 UK ONSHORE: SALTFLEETBY GAS FIELD (ROC: 100%)

The Saltfleetby-7 appraisal/development well in the Saltfleetby Gas Field (ROC 100%) commenced drilling on 11 July 2003. The well is designed as a horizontal production well for recovery of gas from the potential Namurian gas reservoir and as an extra drainage point in the overlying main Westphalian gas reservoir.

The well will also test an oil play concept in the Brinsley Abdy Sands, some 220 metres above the main gas zone.

7.2 UK ONSHORE: PEDL 127 (ROC: 100%)

ROC's UK subsidiary, Roc Oil (UK) Limited, was awarded a new exploration licence in the UK's 11th onshore licensing round. The new licence, PEDL-127, is 828 sq km in area and is located in the northeastern part of East Anglia, onshore and regionally updip from the 4 TCF Hewett Gas Field, 25 km offshore. The licence carries a work commitment of 20 km of new 2D seismic data acquisition and has a 3-year initial period.

7.3 OFFSHORE CHINA

The Block 22/12 (ROC 40% and Operator) Joint Venture has approved a 2003 drilling programme of two firm wells and two contingent exploration/appraisal wells. The firm wells consist of one appraisal well of the 12-8 Oil Field and one exploration well to be drilled on the 12-7 prospect. Subject to tendering for, and signing a drilling contract for this drilling programme, it is expected to be carried out during 4Q03.

FURTHER INFORMATION

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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
"MCF"	means thousand cubic feet
"mBRT"	means metres below rotary table
"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
"Quarter"	means the period 1 April 2003 to 30 June 2003
"ROC"	means Roc Oil Company Limited and includes, where the context requires, its subsidiaries
"SCF"	means standard cubic feet
"TCF"	means trillion cubic feet