ASX RELEASE

ACTIVITIES FOR QUARTER ENDED 31 DECEMBER 2011

CEO Comments

An improved production result in 4Q 2011 capped a positive and transitional year for ROC, during which operational and financial performances were strong, and strategic objectives were achieved. The Company continues to pursue new opportunities in core focus areas, designed to enhance the growth profile of the business and to build shareholder returns.

Production in 4Q 2011 increased by 7% on the previous quarter because of improved performances from the Zhao Dong, Cliff Head and UK assets. Production for FY11 was 7,527 BOEPD. Net cash at Quarter-end was US$26.5 million. Continuing strong safety and environmental performances at all operated facilities meant that ROC experienced no Lost Time Injuries and no significant environmental incidents in FY11.

Highlights from the Quarter included: ongoing progress on the pre-development phase of the Balai Cluster RSC; ongoing progress at the Beibu Gulf development project; the Chinese Government decision to increase the threshold on the Special Oil Income Levy; completion of the on-market share buy-back; and the appointment of new and existing employees into key management positions.

ROC delivered the majority of its 2011 business objectives including:

- Award of a new business growth opportunity in Malaysia (Balai Cluster RSC);
- Meeting the production target of between 7,000-8,000 BOEPD;
- Controlling costs across the business (opex <US$17/BOE; capex <US$120 million);
- Divesting and farming down non-core assets in Africa; and
- Building capacity and capability to support delivery of the Company growth strategy.

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Key Activities

1. Consolidated Revenue & Production

1.1. Total working interest production of 0.713 MMBOE (7,752 BOEPD); up 7% compared to 0.664 MMBOE (7,221 BOEPD) in the previous quarter.

1.2. Sales volumes of 0.687 MMBOE; down 3% compared to 0.712 MMBOE in the previous quarter due to timing of crude oil sales. ROC's net crude oil underlift position at Quarter-end decreased by 0.039 MMBOE to 0.011 MMBOE.

1.3. Total sales revenue of US$76.4 million; down 3% compared to US$79.1 million in the previous quarter due to timing of crude oil sales.

1.4. Average realised oil price (excluding hedging) of US$111.28/BBL; compared to US$111.47/BBL in the previous quarter. Brent oil price averaged US$110.33/BBL.

2. Production Assets

2.1. Zhao Dong Oil Fields, Bohai Bay, Offshore China

C&D Oil Fields (ROC: 24.5% & Operator) gross oil production averaged 17,609 BOPD (ROC: 4,314 BOPD); up 3% compared to the previous quarter due to ongoing development drilling.

C4 Oil Field (ROC: 11.575% unitised & Operator) gross oil production averaged 2,483 BOPD (ROC: 28 BOPD); up 34% compared to the previous quarter due to ongoing development drilling.

Zhanghai Block (ROC: 39.2% & Operator) gross oil production averaged 152 BOPD (ROC: 60 BOPD); down 72% compared to the previous quarter due to natural decline.

During the Quarter, various Chinese government authorities and agencies continued to conduct nationwide reviews of offshore oil and gas production facilities and operations, including the Zhao Dong fields, following the incident in June 2011 at the ConocoPhillips-operated Penglai 19-3 oil field in the Bohai Bay. These reviews did not interrupt Zhao Dong operations or production and the annual production target of 7.2 MMBBL was achieved.

At Quarter-end, the Chinese Government announced an increase in the threshold level of the Special Oil Income Levy, effective 1 November 2011. *Refer Section 5.6*

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

Gross oil production averaged 3,581 BOPD (ROC: 1,401 BOPD); up 12% compared to the previous quarter. 4Q 2011 was the first quarter to fully benefit from the successful workover to install a higher rate Electric Submersible Pump in the CH12 well that was brought online in August 2011.

ROC's interest in WA-31-L increased from 37.5% to 42.5% from 1 December 2011 following the acquisition of an additional 5.0% from CIECO Energy Australia Pty Ltd for US$2.1 million after working capital adjustments. Final government approval is anticipated in 1Q 2012.

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

Gross oil production averaged 8,967 BOPD (ROC: 1,121 BOPD); up 4% from the previous quarter. Unlike 3Q 2011, there were no major production interruptions during the Quarter.

2.4. Enoch Oil and Gas Field, North Sea (ROC: 12%)

Gross oil production averaged 2,553 BOPD (ROC: 306 BOPD); up 58% from the previous quarter. Unlike 3Q 2011, there were no major production interruptions during the Quarter.

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

Gross oil production averaged 6,551 BOPD (ROC: 213 BOPD); down 13% from the previous quarter due to natural field decline and a five-day planned maintenance shutdown during November 2011.

3. Development Assets

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

Development activity continued to progress during the Quarter and included: procurement activity; commencement of platform fabrication and installation; and preparation for the 2012 exploration and appraisal drilling programme. Approval of the Environmental Impact Assessment ("EIA") by the State Oceanic Administration ("SOA") remains pending. The delay has been caused by ongoing SOA nationwide reviews into offshore operations, following the incident in June 2011 at the ConocoPhillips-operated Penglai 19-3 oil field in the Bohai Bay. ROC anticipates EIA approval during 1H 2012.

The operator still anticipates first oil production from the Beibu Gulf project by the end of 2012. The ramp-up to full-field peak production is anticipated during 2013.

3.2. Zhao Dong Oil Fields, Bohai Bay, Offshore China

The 2011 development drilling programme was for 20 development wells (15 producers and 5 injectors). A total of 14 producer wells and three injector wells were drilled during 2011. At the C&D fields during the Quarter, five producer wells and one injector well were drilled, one producer was converted to an injection well and five well workovers were conducted. At the C4 field during the Quarter, one producer well was completed.

The subsea oil pipeline from Zhao Dong to the Dagang Refinery was fully commissioned and commenced deliveries on 19 October 2011. Utilisation of the pipeline has eliminated transportation of crude oil cargoes by barges: a method that had previously caused temporary production and delivery interruptions due to adverse weather conditions and Tanggu port capacity issues.

Technical work on the Zhanghai and Chenghai blocks continued during the Quarter. A second appraisal well is planned to be drilled in one of the blocks during 2012 (the first well, ZD CP2N-H-1, was brought into production in August 2011).

3.3. Basker-Manta-Gummy Oil and Gas Fields, VIC/L26, VIC/L27 & VIC/L28, Offshore Victoria (ROC: 30% & Operator)

During the Quarter, activities to prepare the field for the Non-Production Phase ("NPP") continued and included: the finalisation of offshore deconstruct engineering; the finalisation of contract tendering for deconstruct and well intervention activities (planned during 1H 2012); and the implementation of a monitoring and inspection programme. All regulatory approvals for offshore activities have been obtained and a vessel mobilised in late 2011 to undertake the removal of subsea infrastructure and other subsea facilities that are not required for any future field development. ROC's share of cash paid for NPP activities during the Quarter was US$2.2 million (FY11: US$21.5 million). This amount will be reflected in the operating activities section of ROC's 2011 Consolidated Statement of Cash Flows and will reduce a restoration provision in the Consolidated Statement of Financial Position.

The evaluation of options for a separate Phase-2 gas and oil development continues. ROC is pursuing the divestment of its interest in the BMG fields.

4. Exploration and Appraisal Assets

4.1. Balai Cluster Small Field Risk Service Contract, offshore Sarawak, Malaysia (ROC: 48%)

The pre-development phase of the project is progressing and work undertaken during the Quarter included: site surveys and soil boring of offshore field locations in preparation for drilling and platform installation; field sampling for the EIA study; re-processing of seismic data and commencement of data interpretation; tendering and awards for equipment and services, such as fabrication of wellhead platforms; and the agreement to purchase a vessel for conversion into an early production vessel. During the Quarter BC Petroleum Sdn Bhd, the company established to manage the Risk Service Contract ("RSC") and in which ROC has a 48% shareholding interest, also established a management team and workforce, as well as business systems and processes. Rolf Stork has been appointed CEO of BC Petroleum Sdn Bhd.

During the Quarter, ROC directly contributed funds of US$15.8 million to BC Petroleum Sdn Bhd for pre-development phase activities relating to the Balai Cluster RSC. The amount of equity invested will be reflected in the investing activities section of ROC’s 2011 Consolidated Statement of Cash Flows, rather than in the development activities section. The establishment of project financing to assist in funding the pre-development phase is continuing and a bank group has been selected. The finalisation of project financing arrangements is anticipated during 1Q 2012.

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

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

4.3. Australasia

PEP52181, Offshore Taranaki, New Zealand (ROC: 50% & Operator): Interpretation of reprocessed 3D seismic data was completed and incorporated with structural modelling during the Quarter. An exploration well is planned to be drilled on the Kaheru prospect during 1H 2013. ROC has initiated a farm-down process to reduce its 50% interest in the block to a more manageable equity position. This process is anticipated to be completed during 1H 2012.

PEP38259, Canterbury Basin, Offshore New Zealand (ROC: 15%): ROC has notified the joint venture of its intention to withdraw from the permit.

4.4. Africa

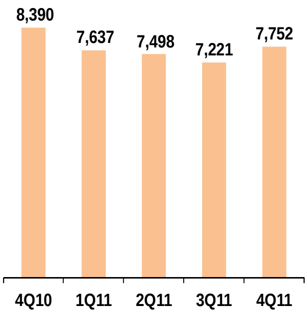
ROC completed the African asset divestment programme in 3Q 2011. The transaction for the sale of ROC’s remaining 10% interest in the Cabinda Onshore South Block, Angola, to Pluspetrol Resources Corporation was completed in early December 2011 on receipt of US$3.8 million after working capital adjustments. Progress continues to complete the transactions related to ROC’s former offshore Mauritania and Mozambique Channel interests.

Block H, Offshore Equatorial Guinea (ROC: 20%): Preparations continue for the drilling of an exploration well, which is anticipated to start during September 2012, 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.

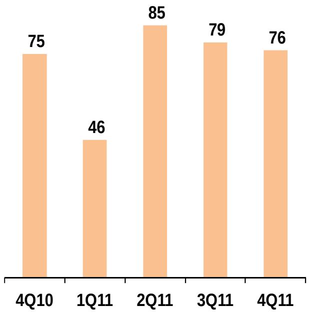
5. Financial

5.1. Overview

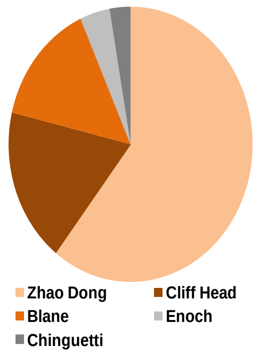
At Quarter-end ROC had net cash of US$26.5 million: US$39.6 million of cash offset by gross debt of US$13.1 million.



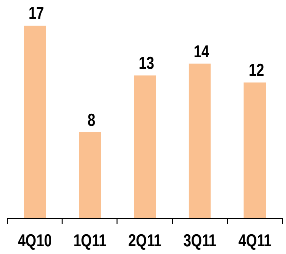
Average Quarterly Production Rate (BOEPD)



Quarterly Sales Revenue (US$ million)



Quarterly Production Break Down (BOEPD)



Quarterly Development & Exploration Expenditure (US$ million)

5.2. Hedging

The end of 2011 marked the completion of ROC's historic hedge book, with the final hedges being settled at US$64.05/BBL during the Quarter. ROC's only remaining hedge position is for 150,000 Brent oil price swaps at a weighted average price of US$114.59/BBL between 1 January 2012 and 31 December 2012. The hedge book mark-to-market valuation at 31 December 2011 was an asset of US$1.3 million.

5.3. Production (Working Interest)

	4Q 2011	3Q 2011	FY11	% Change (3Q11 to 4Q11)
Oil Production (BBL)				
Zhao Dong Oil Fields	428,848	411,914	1,682,208	4
Cliff Head	128,886	109,877	415,994	17
Blane	103,115	99,007	439,832	4
Enoch	28,185	17,839	106,139	58
Chinguetti	19,588	22,535	86,472	(13)
Other	53	56	236	(5)
Total Oil Production	**708,675**	**661,228**	**2,730,881**	**7**
NGL Production (BOE)				
Blane	4,553	3,143	16,362	45
Total Production (BOE)	**713,228**	**664,371**	**2,747,243**	**7**
Average Rate (BOEPD)	**7,752**	**7,221**	**7,527**	**7**

5.4. Sales

	4Q 2011		3Q 2011		FY11	
Oil Sales	**BBL**	**US$'000**	**BBL**	**US$'000**	**BBL**	**US$'000**
Zhao Dong Oil Fields	381,221	42,717	431,975	47,566	1,509,873	168,375
Blane	132,634	14,470	140,318	16,171	504,102	57,204
Cliff Head	129,216	14,515	108,478	12,091	413,042	43,831
Enoch	25,361	2,768	20,552	2,363	99,433	11,006
Chinguetti	18,317	1,948	8,387	923	55,315	6,018
BMG*	-	-	-	-	2,979	297
Other	53	6	56	6	236	26
Total Oil Sales	**686,802**	**76,424**	**709,766**	**79,120**	**2,584,980**	**286,757**
NGL Sales (BOE)						
Blane	532	2	2,044	11	3,817	20
Total Sales (BOE)	**687,334**	**76,426**	**711,810**	**79,131**	**2,588,797**	**286,777**

* Final sale of crude oil from BMG Phase-1 oil project.

5.5. Exploration and Development Expenditure Incurred

	4Q 2011	3Q 2011	FY11
Exploration	**US$'000**	**US$'000**	**US$'000**
New Zealand	276	76	666
Mauritania	99	305	2,895
Mozambique Channel	22	5	479
Equatorial Guinea	(101)	99	580
Angola	-	(7)	2,965
Other	2,002	2,962	8,332
Total Exploration	**2,298**	**3,440**	**15,917**
Development			
Zhao Dong Oil Fields	7,928	10,126	27,439
Beibu Gulf Project	1,983	325	3,496
Blane	(10)	10	(201)
Chinguetti	-	-	22
Total Development	**9,902**	**10,461**	**30,756**
Total Exploration & Development	**12,200**	**13,901**	**46,673**

5.6. Chinese Special Oil Income Levy (Windfall Tax)

ROC has received notification from the Chinese Ministry of Finance regarding an increase in the threshold level of the Special Oil Income Levy (commonly referred to as the "Windfall Tax"), with effect from 1 November 2011. The levy threshold has been increased from US$40/BBL to US$55/BBL. The levy will continue to be calculated on a monthly basis and to be collected on a quarterly basis. The increase in the levy threshold will provide ROC with pre-tax savings of US$6/BBL at oil prices above US$75/BBL. Details of the levy are as follows:

Crude Oil Prices (US$/BBL)	Level of Levy
55-60 (inclusive)	20%
60-65 (inclusive)	25%
65-70 (inclusive)	30%
70-75 (inclusive)	35%
Over 75	40%

6. Corporate

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

During 2011 there were no Lost Time Injuries, no significant loss of containment incidents and no significant environmental incidents reported from any of ROC's operations. An internal audit of the Zhao Dong fields was completed during the Quarter and indicated that the implementation of ROC's Asset Integrity Management programme was progressing well at this asset.

6.2. On-Market Share Buy-Back

ROC commenced an on-market buy-back of ordinary shares on 30 May 2011 in accordance with the Corporations Act 2001 and ASX Listing Rules. The buy-back ceased on 9 December 2011. At the date of completion, 30,748,208 million shares had been acquired at a total cost of A$9.8 million. ROC now has approximately 682.5 million ordinary shares on issue.

6.3. Senior Management Appointments and Movements

ROC continues to actively assess and pursue growth opportunities in Malaysia, as well as in the broader focus area of China, South East Asia and Australasia. Locating and temporarily seconding senior management to Kuala Lumpur is an important element in ensuring that the Company maximises efforts to secure attractive growth assets and builds strong relationships in the region. Alan Linn (Chief Executive Officer) and Leanne Nolan (General Counsel & Company Secretary) are now located in ROC's Kuala Lumpur office. Several key management positions have been filled by new and existing employees.

Chief Operating Officer (COO) – Rolf Stork: Mr Stork has over 30 years experience in the upstream oil and gas industry. He worked at Origin Energy for 17 years in various roles and assignments in Australia, followed by seven years with Cairn in India, where he held the position of Director of Operations. Mr Stork has extensive experience in South East Asia and the Subcontinent, as well as the UK and North America and is a member of the International Society of Petroleum Engineers.

Mr Stork has also been appointed CEO of BC Petroleum Sdn Bhd and will spend significant time in Kuala Lumpur to establish BC Petroleum operations and oversee the pre-development phase of the Balai Cluster RSC.

Assistant Company Secretary – Jacquie Shanahan: Ms Shanahan has been appointed as Assistant Company Secretary. She has over 20 years experience in corporate and commercial law, company secretarial practice and corporate governance. Prior to joining ROC, Ms Shanahan was involved in the review and monitoring of corporate governance reporting for the Australian Securities Exchange Limited for six years and also conducted analysis of corporate governance reporting by ASX-listed entities. She was a senior associate in the corporate commercial practice area at Corrs Chambers Westgarth for 15 years before taking a role as in-house legal counsel for a private company involved in developing sustainable energy projects.

Details of ROC's senior management team are available on the website (www.rocoil.com.au).

7. Further Information

For further information please contact Matthew Gerber, General Manager, Corporate Affairs and Planning:

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The reserve and resource information contained in this report is based on information compiled by Bill Billingsley (Chief Reservoir Engineer). Mr Billingsley BSc (Chem) MSc (Petroleum Engineering) DIC (Imperial College), who is a member of the Society of Petroleum Engineers, has more than 16 years relevant experience within the industry and consents to the information in the form and context in which it appears.

Definitions

BBL(S)	barrel(s)
BMG	Basker-Manta-Gummy Oil and Gas Fields, Bass Strait, Australia
BOE	barrels of oil equivalent (6 MSCF = 1 BOE)
BOPD	barrels of oil per day
BOEPD	barrels of oil equivalent per day
CNOOC	China National Offshore Oil Company Limited
EIA	Environmental Impact Assessment
ERA	Extended Reach Area
FPSO	Floating production, storage and offloading vessel
FY11	2011 Financial Year, ending 31 December 2011
MMSCF	million standard cubic feet
MMSCFD	million standard cubic feet per day
MMBBL	million barrels
MMBOE	million barrels of oil equivalent
PSC	Production Sharing Contract
Quarter	the period 1 October 2011 to 31 December 2011
ROC	Roc Oil Company Limited and includes, where the context requires, its subsidiaries
RSC	Risk Service Contract
US$	US dollars
YTD	year to date