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ASX RELEASE

CNOOC APPROVES BEIBU GULF OVERALL DEVELOPMENT PLAN

Roc Oil (China) Company, on behalf of the Beibu Gulf project joint venture, advises that following internal and external expert reviews, CNOOC Limited, as the delegated authority, has internally approved the Project Investment and the Overall Development Plan ("ODP") of the WZ 6-12 and WZ 12-8 West Oil Fields in Block 22/12, in the Beibu Gulf, South China Sea. The Project Investment and ODP will be submitted to Chinese Government Authorities for formal approvals.

Each international joint venture partner is now progressing to a Final Investment Decision ("FID"), which is expected by the end of February. On FID, estimated 2P Reserves of 24 MMBBL will be booked for the project (ROC working interest: 4.7 MMBBL).

Early development preparation activities such as preliminary engineering design work and bidding for long lead equipment are already under way. To take advantage of the existing synergies and lower cost structures, CNOOC Limited will operate the project facilities on behalf of the joint venture and will be responsible for engineering and construction. ROC staff have been seconded to the joint project management team's principal office in Zhanjiang, Guangdong Province.

Estimated gross development costs for the project have not significantly changed. The development project plans to utilise existing CNOOC-operated facilities, including: water disposal wells; oil and gas export facilities; and the Weizhou Island oil terminal. A new CNOOC-operated integrated processing platform will host production from two unmanned platforms on the WZ 6-12 and WZ 12-8 West fields, and support production from other new CNOOC Limited fields. Eleven development wells are scheduled to be drilled during 2012 and 2013, with first oil production anticipated before year-end 2012. Operating costs are expected to be consistent with other CNOOC-operated fields in the area.

Provision has been made to drill several exploration prospects from the two new well platforms to further test reservoir limits and identified near-field prospects. The prospects are currently being matured and success will potentially increase the Development Area's commercial reserves and also potentially the peak production rate. The WZ 12-8 East Field, also located within the approved Development Area, is currently undergoing feasibility studies. If commercially attractive, development of the WZ 12-8 East Field will constitute the second phase of an integrated development following completion of the current WZ 6-12 and WZ 12-8 West project.

Participating interests in the Beibu Gulf project are:

CNOOC Limited.....	51.00%
Roc Oil (China) Company	19.60%
Horizon Oil (Beibu) Limited	14.70%
Petsec Petroleum LLC	12.25%
Oil Australia Pty Ltd (Majuko Corp)	2.45%

Commenting on CNOOC Limited approval of Project Investment and the ODP, ROC's Acting Chief Executive Officer, Alan Linn, stated:

"This is a significant milestone for all joint venture partners in the Beibu Gulf project. The Beibu Gulf project is the first instance where CNOOC Limited has entered into arrangements to share existing and new infrastructure with international joint venture partners to facilitate the development of multiple Chinese offshore oil fields. The international joint venture partners are proud of the cooperation achieved with CNOOC Limited and look forward to further strengthening the relationship as the Beibu Gulf project is fully developed over the next two years."

Important elements of ROC's strategy include growth generation through the commercialisation of resources in the company's existing asset portfolio and the development of strong relationships with joint venture partners. Working with CNOOC Limited to progress the Beibu Gulf project into the development phase meets a number of key objectives within this strategy."

Alan Linn
Acting CEO

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The reserve and resource information contained in this report is based on information compiled by Mr Neil Seage, Chief Reservoir Engineer, Roc Oil Company Limited, BA, BEng (Hons), MBA and Dip App Fin. Mr Seage, who is a member of the Society of Petroleum Engineers, has more than 30 years of relevant experience within the industry and consents to the information in the form and context in which it appears.
