10 May 2004

ROC OIL COMPANY LIMITED ("ROC")
RELEASE TO
AUSTRALIAN STOCK EXCHANGE ("ASX")

ROC COMMENCES APPRAISAL WELL IN BLOCK 22/12, BEIBU GULF, OFFSHORE CHINA

KEY POINT

- On 10 May 2004, the Nanhai IV jack-up drilling rig commenced drilling the Wei 12-3-4 appraisal well 2 kilometres north of the Wei 12-8-3 appraisal well in Block 22/12 in the Beibu Gulf, offshore China. The well is expected to take up to 10 days from commencement of drilling to rig release.

BLOCK 22/12, BEIBU GULF, OFFHORE CHINA (ROC: 40% and Operator)

On 8 May 2004 the Nanhai IV jack-up drilling rig was released from the Wei 12-8-3 location after the 3D element of the VSP operation was cancelled due to mechanical problems with a contractor's equipment. On 10 May 2004 the Nanhai IV drilling rig started drilling the Wei 12-3-4 appraisal well in approximately 33 metres of water, 2 kilometres north of the Wei 12-8-3 appraisal well (Attachment 1).

The well is expected to take up to 10 days to drill, log and fully evaluate to a Total Depth of approximately 1,510 metres, prior to plugging and abandonment – which will be undertaken regardless of the results of the well – and rig release. The Wei-12-3-4 well will be a down dip appraisal of the Wei 12-3-1 oil discovery which was drilled in 1982 and flowed 36° API oil at 1,380 BOPD from the Weizhou Formation.

Unless there are operational problems which would cause the drilling to be more prolonged than anticipated, ROC does not intend to release further information about the well until a preliminary interpretation of the wireline logs over the zone of interest is available. This is because, in this part of the Beibu Gulf, the reporting of "oil shows" observed while drilling, prior to the interpretation of wireline logs, is not particularly meaningful.

The Block 22/12 Joint Venture consists of:

Roc Oil (China) Company	40% and Operator
Horizon Oil Limited	30%
Petsec Energy Limited	25%
Oil Australia Pty Limited *	5%

* a wholly owned subsidiary of First Australian Resources

Please note that in the event of a commercial development within Block 22/12 the interests held by the current joint venturers may reduce on a pro-rata basis by up to 51%, assuming that the China National Offshore Oil Corporation ("CNOOC") exercises its right to participate for up to a 51% equity level in the development.

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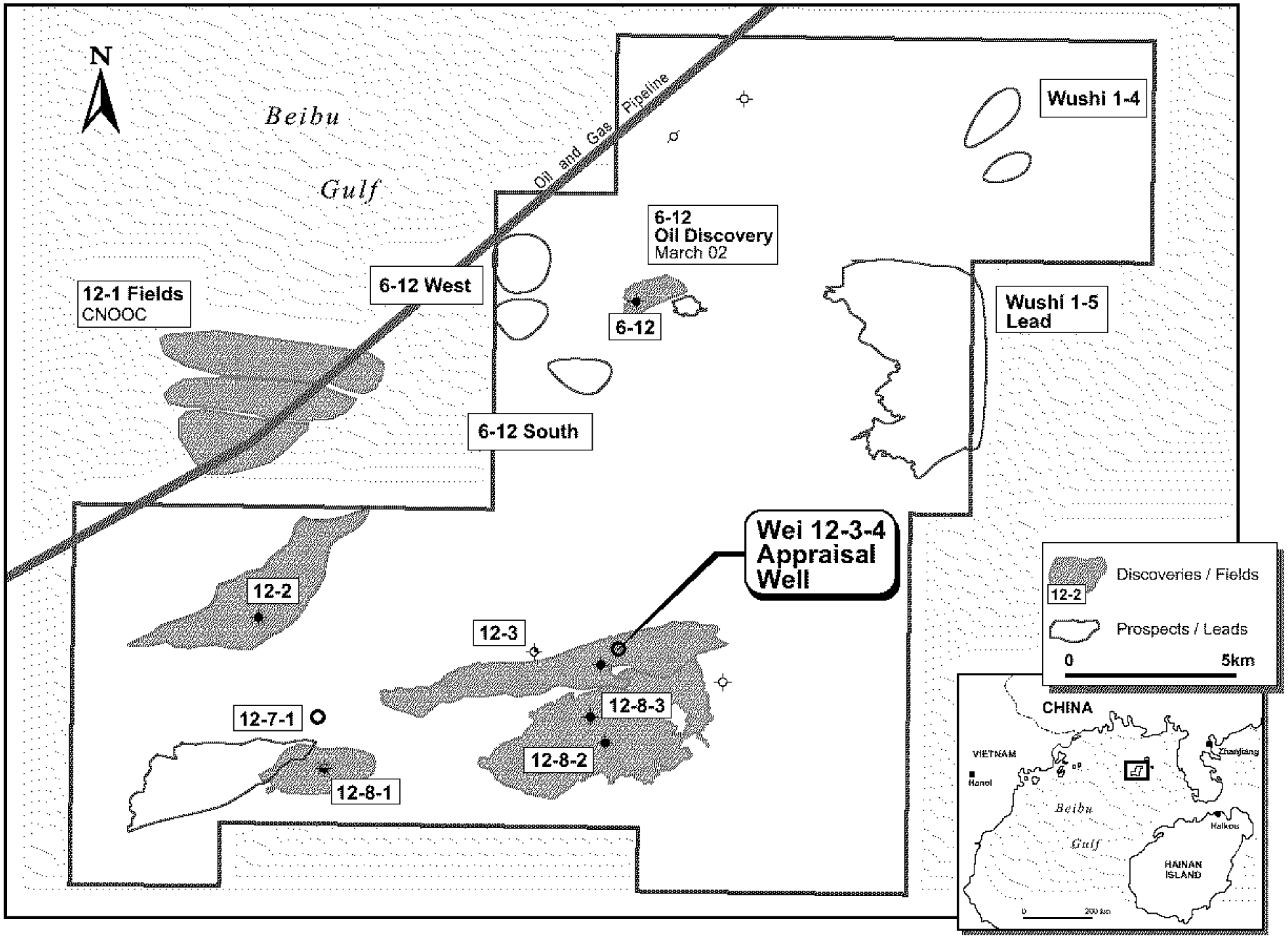
Bruce Clement
Chief Operating Officer

Attachment 1

FIELDS, PROSPECTS AND LEADS, BLOCK 22/12, BEIBU GULF, OFFSHORE CHINA



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