

# Black Rock Oil & Gas Plc

27 October 2003

## FARM-OUT OF ONSHORE UK OIL EXPLORATION INTERESTS

Black Rock Oil & Gas plc (“Black Rock” or “the Company”) is pleased to announce that it has entered into an agreement to farm out 5 per cent interests in the UK onshore oil exploration licences PEDL 098, 099 and 113, located in southern England to Hereward Ventures PLC (“Hereward”). Northern Petroleum (GB) Limited is the operator of the licences.

The farm out is subject to receipt of the necessary approvals from the Department of Trade and Industry. The interests in the three licences will be earned by the contribution by Hereward of a 10 per cent share of future costs which will include an appraisal well to test a logged oil accumulation which is expected to be drilled on the Sandhills -2 prospect on PEDL 113 on the Isle of Wight during 2004.

The licences cover most of the Isle of Wight and the area inland from Portsmouth. Oil shows have been recorded in several previous wells of varying vintages, including Arreton -2, Portsdown -1 and -2 and Potwell -1. Most notable, however is the British Gas Sandhills-1 well, drilled in 1982, southwest of Cowes, on the Isle of Wight. The target of this well was the Sherwood sandstone of Triassic age, prolifically productive at Wytch Farm to the west, in Dorset. Oil was present in the Greater Oolite reservoir formation (Jurassic), but was untested as at that time the Oolite was not considered to be a viable reservoir in this area.

Subsequent geological reassessment utilising modern technical capabilities, armed with the experience from numerous oil discoveries in the Oolite, including the recently announced discovery at Avington -2, has determined that the Sandhills structure contains oil in place independently estimated at 49 million barrels probable and 76 million barrels probable plus possible. This is a potential of 15.2 million barrels of recoverable oil utilising a 20 per cent recovery factor.

Enquiries:

### David Steinepreis - Chairman

Telephone: Australia +61 8 9481 2407  
Fax: Australia +61 8 9481 2690  
E-mail: [dc@ascentcapital.com.au](mailto:dc@ascentcapital.com.au)