

22 March 2004

Black Rock Oil & Gas PLC (“Black Rock” or “the Company”) acquires ten per cent. interest in two UK exploration Licences.

Black Rock advises that it has reached agreement with the Australian company, Magellan Petroleum Australia Limited (“Magellan”), whereby Black Rock will acquire a ten per cent. equity in two Southern England licences, Petroleum Exploration and Development Licenses (PEDL) 125 and 126.

The two licences are north of PEDL 98 and PEDL 113 which are located on the Isle of Wight, and in which Black Rock will participate in the drilling of the Sandhills 2 well during 2004. This appraisal well in PEDL 113 will investigate an untested potential oil column intersected by Sandhills 1.

Under the terms of the farm-in, Black Rock will fund part of Magellan’s drilling costs for the first two exploration wells, which may be located on either of the PEDL 125 or PEDL 126 licences. Any subsequent long term production testing, well completion or other joint venture costs shall be borne by the parties in proportion to their respective interests in the licences. It is expected that drilling will occur during the 2005 calendar year.

PEDL’s 125 and 126 were granted to Magellan and Northern Petroleum (GB) Limited (operator of the joint venture) in 2003 pursuant to the United Kingdom Petroleum Act 1998, and cover portions of the onshore Weald and Wessex Basins in Southern England, adjacent to the Horndean and Singleton oil fields.

The area is considered to have good potential for the discovery of small to medium sized oil fields which are close to markets. Although there are a number of producing fields in the vicinity, the area is still seen as under-explored. Recent technical evaluation has enhanced the geological understanding of the region. In particular, it has high-graded the potential of the Jurassic carbonates, the under-exploited main producing horizons of the Weald Basin.

The main play in these blocks is the Great Oolite carbonate reservoir section, which has been demonstrated to be effective at both Horndean and Singleton oil fields. Several drilling prospects have already been identified from seismic mapping, which have estimated potential recoverable reserves ranging from around 1 million to the order of 10 million barrels of oil.

This is Black Rock’s second farm-in with Magellan. On 2 March 2004, the Company announced it had acquired fifteen per cent. and ten per cent. respectively, in PEL 94 and PEL 110 in the Cooper Basin of South Australia.

Further information:

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