

For immediate release

21 September 2006

**Black Rock Oil & Gas Plc
("Black Rock" or the "Company")**

**Project Updates
Steaming plant on site in Colombia
North Sea drilling commenced**

Black Rock Oil & Gas ("Black Rock" or "the Company"), which has interests in Colombia and offshore UK, announces that its projects in Colombia and the North Sea are proceeding in line with the Board's expectations and are expected to come to fruition in the next six months. The following update describes the progress made in more detail.

COLOMBIA

Las Quinchas: Arce Oil Field

The Company is pleased to advise that construction of the facilities on the Arce Oil Field required for the forthcoming testing programme has commenced. The steaming equipment and tanks to store the oil produced have arrived on location and steaming of the field will commence during the next 30 days. The steaming process is designed to take approximately 6 months. The Company will provide updates on progress, as and when significant developments are reported.

The operator (Kappa) has also advised the Company that it expects to start drilling a further 2 wells in the las Quinchas project area before the end of this calendar year. Further details will be provided closer to the commencement dates.

Alhucema Block

The joint venture company has commenced recording a 50 line kilometre 2D seismic survey within this project area. The survey is designed to better define and evaluate prospects and trends ahead of drilling which is scheduled for 2007.

NORTH SEA

Black Rock is pleased to announce that drilling of the 49/8c-4 well in the Monterey Gas Field of the Southern Gas Basin, UK North Sea commenced this week using the Noble Kolskaya. The Monterey Gas Field is estimated to contain 165 billion cubic feet of reserves and the well will appraise the commerciality of the field.

Operated by Wintershall, the Monterey appraisal well will take approximately 53 days to drill to a total depth of approximately 4,020 metres. If tested, it is estimated that it will take an additional 20 days to complete the well. The water depth in this location is about 35 metres.

Discovered in 1989, the field is located approximately 15 kilometres west of the Windermere gas platform and south of the Schooner and Ketch gas fields.

The initial well, 49/8-2, intersected a 300 foot gross gas column reservoir in Carboniferous sandstones. Despite severe formation damage in the original well, it flowed gas on test at a rate of 5 million cubic feet per day.

Details of well funding

As previously advised the arrangement with Gemini Oil & Gas Fund II, L.P. ("Gemini") to fund up to \$US4.274 million (approximately £2.4 million) in respect of the Monterey 49/8c-4 well is without recourse in return for an entitlement for Gemini to receive *interest and principal repayments* based on Black Rock's share of future revenues from the Monterey Gas Field. Gemini will therefore receive no repayment of the funds provided until the Monterey Field is taken into production *with the Company's cash flow position being further hedged by the Gemini payments being capped at 33% of Black Rock's gross revenue less its share of operating costs in any month*. This deal eliminated the need for the Company to raise equity to fund the drilling of the Monterey well and therefore does not dilute shareholders interest in the Company.

Ivan Burgess, Managing Director of Black Rock Oil & Gas plc, commented:

"We continue to make excellent progress towards our aim of becoming an oil and gas production company. We expect to be in production in Colombia later this year, in a small way initially, and we are very optimistic regarding the prospects for Monterey, the Company's share of the drilling costs which are being funded by Gemini. The field has been drilled previously and there are known, quantified reserves of gas.

"The agreement with Gemini is good news for shareholders as it allows us to fund our interest in the field without recourse to them, and yet retain a significant proportion of the potential cashflow.

"In both Colombia and the North Sea we have selected highly prospective acreage and experienced partners. As a result we are hopeful that the hard work that the Board has carried out over the past year will allow the Company to complete its transformation into a cash generating oil and gas production company before long".

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Editors' Notes:

Black Rock has holdings in the North Sea, Celtic Sea and Colombia. In the North Sea, Black Rock has a 15% interest in Blocks 49/8c and 49/9d operated by Wintershall. The

Monterey Field was originally drilled in 1989. Gas flowed and it is estimated to contain 165 BCF of gas. An appraisal well to test commerciality will be drilled shortly.

The Association Contracts in Colombia are held in conjunction with a joint venture partner, Kappa Resources Colombia Limited ("Kappa"). As announced in April 2005, the Company acquired a 50 per cent, non-operated equity interest from Kappa in the 249,000 acre Las Quinchas Association Contract located in the prolific Middle Magdalena Valley of Colombia. The contract contains three known fields, Arce, Baul and Bukhara. The Company anticipates that the Arce Oil Field, estimated to contain gross recoverable oil reserves of 5 million barrels, could be in commercial production during 2007. In addition, the Company has a 50% holding in the Alhucema Association Contract where initially seismic acquisition will be undertaken this year.

Gemini Oil & Gas Fund II, L.P. is an international oil and gas investment fund that provides funding to small to medium sized oil and gas companies globally for specific projects.

Qualified Person

Ivan BURGESS (a Director of the Company) has been involved in the oil and gas production industry for about 30 years and obtained a BSc(hons) in Geology from the University of Western Australia. He is a Chartered member of the Australasian Institute of Mining and Metallurgy. He has compiled, read and approved the technical disclosure in this regulatory announcement.

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