



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

Boqueron Concession Farm-in Option

Black Rock Oil & Gas PLC (stock code: BLR), the UK-based exploration company, announces that it has executed a farm-in option agreement with CDS Oil & Gas Group plc ("CDS"), the AIM-listed oil and gas explorer (stock code: CDS.L) whereby Black Rock has the option to farm-in down to and including the Carboniferous on the 800,000 hectares Boqueron Concession granted to CDS located in north-west Paraguay (the "Option"), which includes the Emilia oil prospect ("Emilia").

The Farm-in Agreement

Under the terms of the Option Black Rock has a 100 day period in which to acquire a 20% interest in any hydrocarbons occurring down to and including the Carboniferous formation. The total consideration payable by Black Rock if the Option is exercised will, *inter alia*, fund 40% of the costs of a 2-D seismic programme to be undertaken by CDS in 2007. Should Black Rock decide not to exercise the Option, an abort fee of US\$50,000 will be payable to CDS. CDS has the right to terminate the Option in the event that there is a change in control of CDS or in the event that a third party agrees to farm-in to the Boqueron Concession for a percentage greater than 30% over the same target formation. The total cash cost to Black Rock of the Option and its share of the proposed 2-D seismic programme, should the option be exercised, is expected to be approximately US\$1,350,000.

The Boqueron Concession

As announced by CDS on 20 November 2006, CDS commissioned a study in September 2006 of the Emilia oil prospect from CAS International LLC (Collarini) of Houston, Texas (the "CPR") to evaluate the extent of the Emilia target and its resource potential. As set out in that announcement, the CPR estimates that the mid-case resource potential in the 142 hectares area of the Emilia prospect is 27.2 million barrels of original oil in place, of which 6.4 million barrels are thought to be recoverable. There are several other Emilia analogs on the Boqueron Concession. The key technical and financial assumptions of the report for the 143 hectares Emilia Well area on the Boqueron Block is available in the CDS announcement of 20 November 2006 which has been posted to the CDC website, www.cdsogg.com.

CDS will be the operator of the Boqueron Concession.

Commenting on the Option, Dr. John Cubitt, Managing Director, said:

"Black Rock is excited about taking a potential 20% non-operated interest in the Boqueron Concession in Paraguay as, following a detailed review by independent technical consultants, we consider that there is a high chance of commercial hydrocarbons occurring in the Emilia structure. This option agreement forms part of our stated strategy of increasing our presence in selected Latin American countries."

Qualified Persons

Dr John Cubitt (a Director of the Company) has been involved in the oil and gas production industry for more than 26 years. Dr John Cubitt is a registered Chartered Geologist (CGeol) and has a BSc and PhD in geology. He has compiled, read and approved the technical disclosure as it relates to Black Rock in this regulatory announcement.

The information regarding the Boqueron Concession is derived from the announcement made by CDS today and which was reviewed for CDS by Steven L. Veal. Mr Veal is a petroleum geologist with more than 26 years experience in the petroleum and natural gas industries and is a member, and former Vice President and Treasurer, of the American Association of Petroleum Geologists and a Fellow of the Royal Geological Society, London.

For further information, please contact:

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