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**FOR IMMEDIATE RELEASE**

Portrush wishes to announce that it has signed a letter of intent with the McAlester Fuel Company of Houston, Texas to enter into a joint venture to develop the Mission River Development project, situated in Refugio and Goliad Counties, Gulf Coast, Texas.

Phase One of the development will fund the drilling and completion of twelve wells within the project area of 620 acres. Portrush will earn the right to participate in the additional development of the property as spacing may dictate on the project. Portrush's 10% working interest will be vested concurrent with the funding of and completion or abandonment of each well.

The McFuel properties are comprised of three contiguous tracts of land totalling 620 acres and are considered part of the Mission River Oil and Gas field discovered in 1930. They are adjacent to the Refugio Area Field Complex (gas discovered in 1919; oil discovered in 1928), which area currently has produced over 944,000,000 barrels of oil and eventually will produce another 500,000,000 barrels, plus at least a trillion cubic feet of natural gas. A string of large oil and gas fields runs Northeast Southwest. These include the giant Tom O'Connor, Greta, Lake Pasture and McFadden Fields. All these fields produce from less than 6,500 feet.

The 620 acre leases are presently held by production from the  $\pm$ 6,500 foot level. Two wells on the property produce approximately 20 barrels of oil a day.

The initial twelve (12) well program will test (a) bypassed oil and gas payzones in the traditional producing intervals from 5,000 to 6,400 feet; (b) untested shallow oil at 4,100 feet and (c) untested shallow gas from 600 to 2,300 feet. Openhole and cased-hole logs, sidewall cores and open hole repeat formation testing will evaluate these intervals for completion.

The project will add to the company's cash flow almost immediately, following drilling and completion operations. The operator conservatively estimates that the property has potential to add over 2 million barrels of oil and 10 billion cubic feet of gas to the existing reserves as a result of the proposed program. A gas pipeline runs through the property.

In addition to a 10% working interest in the twelve well program Portrush will also earn a 5% working interest in the No.1 San Bernard well in Austin and Colorado Counties and the No.1 North Strahan well in Austin County, both in Texas.

The company also wishes to announce it has agreed a 3.75 million share private placement at 20 cents a share. An update on the company's Michigan property will be released shortly. Information on the company can be obtained by calling 1 800 828 1866 or at portrushpetroleum.com.

To the extent that this news release contains forward-looking statements regarding drill results, estimates of petroleum reserves and the timing of future exploration programs, the reader should bear the following in mind. Forward-looking statements address future events and conditions based on the opinions and estimates of management and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements. The reader is cautioned not to place undue reliance on forward-looking statements.

ON BEHALF OF THE BOARD,  
"M. Cotter"

M.Cotter  
President

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.