



FOR IMMEDIATE RELEASE

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CONNACHER ACHIEVES 100% SUCCESS RATE FOR SUMMER DRILLING PROGRAM

Calgary, Alberta – Connacher Oil and Gas Limited (CLL – TSX) is pleased to provide an update on its successful summer drilling program and plans for the remainder of 2003. Connacher cased all 19 of its 100%-owned wells drilled during July, August and early September, 2003 and plans to drill 27 additional wells prior to year-end.

Cabri / Shackleton, Saskatchewan

Since July, 2003 Connacher has drilled eleven 100%-owned wells on three of its four acreage blocks in this natural gas prone region of southwest Saskatchewan. All of the wells were cased, resulting in nine natural gas wells and two potential oil/gas wells. Completion and testing is in progress, with some delays having been experienced due to restricted availability of certain services, equipment and materials.

Cabri North Block

Five of the new wells were drilled on Connacher's Cabri North block, acquired in May 2003. All were completed in the Milk River Formation and testing continues. Initial flow rates ranging between 120 mcf/d to 230 mcf/d were recorded; these rates are expected to improve as wells clean up and stabilize following extended flow periods. Two wells drilled by another operator on this block prior to their sale to Connacher were also tested by the company at rates between 120 mcf/d and 290 mcf/d. The average initial flow rate for the seven wells on the Cabri North block is consistent with the target of 200 mcf/d per well underpinning the project development plan. Based on these results, commencing later in September 2003 an additional nineteen 100%-owned Milk River wells will be drilled on the North block.

Connacher is now well-advanced in the design of its Cabri gas gathering and compression system, including the placement of orders for major equipment. Also, arrangements are being finalized to connect to the TransGas pipeline system approximately 5.5 kilometres east of Connacher's main Cabri compressor station. This has been centrally located to facilitate rapid and cost-effective development and tie-in of Connacher's other Cabri blocks. Initial deliveries of 5 mmcf/d of natural gas are scheduled for December 2003.

Cabri South and Southeast Blocks

In addition to the five Cabri North wells, Connacher drilled six wells, three on each of the 100%-owned South and Southeast blocks, which had been acquired at Crown Sales in April 2003. These were drilled primarily to evaluate the Milk River Formation as well as the potential of other shallower and deeper zones, including two deep tests which penetrated the Shaunavon Formation. One of these deeper wells has been completed for oil production while the other requires further evaluation. Both have indicated uphole natural gas potential. The remaining four wells will be tested in a timely manner to enable Connacher to finalize development plans for each block in early 2004, with up to forty additional wells anticipated, based on initial 320-acre spacing. These would likely be brought onstream in the spring of 2004.

Cabri East Block

On August 12, 2003 Connacher acquired a 100% working interest in an additional 10.75 sections (6,880 acres) on the Shackleton gas play. Drilling on this block, situated in Twps 19-20, Range 16 W3M, will be initiated in 2004. Up to 22 wells would be required to develop this acreage on 320-acre spacing.

Connacher anticipates Cabri will be its major activity area for the balance of 2003 and into 2004. As 160-acre spacing is now permitted, further downspacing to enhance reserves, to accelerate deliverability and to offset normal production declines is anticipated over the next several years. Up to 100 additional of these infill locations have been identified for future drilling on Connacher's existing holdings.

Battrum, Saskatchewan

During July and August 2003 Connacher drilled seven of ten planned wells at Battrum, Saskatchewan. Five wells were drilled in Battrum Unit 4 and two were drilled in Battrum North Voluntary Unit 1. All seven wells were cased as potential oil wells. Two of the five Unit 4 wells are on pump at a combined rate in excess of 100 bbls/d and pumps are being installed at the other three wells. The two wells in Unit 1 to the north have been perforated and are awaiting frac treatments before being placed on pump.

Connacher anticipates its Battrum oil production will approach 1,000 bbls/d by year end as these and additional planned wells are placed onstream. This compares favorably to 442 bbls/d of actual production from this region in June 2003.

Other Areas

Islay / Kitscoty, Alberta (Heavy Oil and Natural Gas)

At Islay / Kitscoty, Alberta Connacher has scheduled four wells for October and November, 2003. Two wells are direct offsets to a Sparky oil well presently producing about 70 bbls/d; one well is being drilled primarily for natural gas and offsets a cased natural gas well; and one horizontal well is scheduled to exploit an established Lloydminster Channel.

Bindloss, Alberta (Natural Gas)

Connacher has also cased another 100%-owned well at Bindloss, Alberta. This well will be tested shortly to determine its productivity capacity and follow-up drilling plans will be developed thereafter.

Puesto Morales, Argentina (Light Oil and Natural Gas)

In Argentina, a non-operated exploratory well is scheduled to commence drilling on or about September 20, 2003 on Connacher's 50%-owned 95,000 acre Puesto Morales Concession in the Neuquen Basin, Argentina. The well is being drilled on a seismically-defined structure situated west of the PMNX-1 natural gas producer and approximately ten kilometers south of and ontrend with the Tapera Avendano Sur oil field. The primary objective is light gravity crude oil with natural gas as a secondary target. The operator has advised the well will take approximately 7-10 days to drill and to evaluate several prospective horizons with a projected total depth of 1,675 meters. In Argentina, light crude oil currently sells for approximately C\$35.00 per barrel which yields attractive economics for the project.

Summary and Conclusion

Connacher has had a busy and successful summer, drilling and casing nineteen wells, including 11 natural gas wells at Cabri / Shackleton, Saskatchewan; seven oil wells at Battrum, Saskatchewan; and one natural gas well at Bindloss, Alberta. Based on results to date Connacher will proceed with the drilling of nineteen additional wells on its Cabri North block and the installation of a gathering and compression system with a view to delivering 5 mmcf/d of natural gas by December 2003.

The seven wells at Battrum are being completed and oil production from this region is expected to approach 1,000 bbls/d by year-end. The Bindloss, Alberta natural gas well will be placed onstream as soon as possible, if warranted by test results.

In addition to three more oil wells in the Battrum region, Connacher has also scheduled four additional wells at Islay / Kitscoty, Alberta (three oil, including one horizontal; one natural gas) and is a 50% participant in a prospective exploratory well about to be drilled on a seismically-defined feature within the Puesto Morales concession in the Neuquen Basin, Argentina.

As a result of its internally-generated drilling success, Connacher continues to target an exit rate for 2003 approaching 2,750 boe/d compared to current production of 1,000 to 1,100 boe/d. Further growth in 2004 will be focused on continued development of Cabri / Shackleton natural gas, with over 60 identified locations before consideration of downspacing.

Connacher is a Calgary-based oil and natural gas company. Its primary assets are located at Battrum and Cabri / Shackleton, Saskatchewan and at Islay, Alberta. A non-operated 50-percent working interest is also held in the producing 95,000-acre Puesto Morales concession in Argentina.

Certain statements included in this press release that are not historical facts should be considered to be "forward-looking statements".

The TSX has neither approved nor disapproved of the contents herein.

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