



FOR IMMEDIATE RELEASE

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CONNACHER UPDATES DRILLING AND LAND ACQUISITION PROGRAMS

Calgary, Alberta – Connacher Oil and Gas Limited (**CLL-TSX**) is pleased to provide an operations update with respect to its drilling and land acquisition programs in western Canada and Argentina. In its low-risk growth activities, Connacher nearly doubled its land holdings in the natural gas producing area of Shackleton, southwest Saskatchewan through the acquisition of 21,440 acres at a Crown land sale. The company is also set to begin testing an exploration well with large potential upside in the Neuquen Basin in Argentina.

WESTERN CANADA

Cabri / Shackleton, Saskatchewan

Since the last report on September 17, 2003 Connacher has drilled three additional 100 percent-owned natural gas wells on its Cabri North Block in southwest Saskatchewan. These are the first of 19 to 24 planned development wells to be drilled, completed and tied in to the company's main gas plant and compressor station. This centrally located facility will accommodate tying in future wells to be situated on Connacher's extensive and interconnected holdings in the region. Connacher's objective is to commence initial deliveries of five mmcf/d of natural gas in December 2003. In this regard, field activity is proceeding on schedule; this includes the 3.4 kilometre tie-in to the TransGas pipeline, which is expanding its trunkline capacity to handle additional volumes from the area.

While proceeding with its development drilling and tie-in program, Connacher has also begun planning for its 2004 activity in the region. This will include drilling on the Cabri South, Cabri Southeast and Cabri East blocks, which comprise approximately 21,000 acres of petroleum and natural gas rights. Up to four wells per section, or close to 150 natural gas wells, could be drilled to fully develop the acreage on 160 acre spacing. To date, only six wells have been drilled on these blocks, resulting in one Shaunavon oil well with uphole natural gas potential, and five natural gas wells.

This activity level does not include new drilling which might occur on the 33.5 sections (21,440 acres) of 100 percent owned lands acquired at the October 7, 2003 Saskatchewan Crown Sale for \$855,000. These lands are considered prospective for both shallow natural gas as well as deeper Roseway and Shaunavon oil. These purchases were made at attractive prices and have the effect of nearly doubling Connacher's acreage position in the region. The land acquisition is a reflection of the company's focused strategy of consolidating representation in core areas. Connacher operates all its holdings at Cabri / Shackleton.

Battrum, Saskatchewan

Connacher has now completed and placed onstream six of seven infill locations which were drilled this summer at Battrum. The company also completed the purchase of minority interests in the Battrum North Voluntary Unit #1 and adjacent lands, further consolidating its holdings in the area.

Six additional locations have been identified on 100 percent owned lands at Battrum and will be drilled later this year and in early 2004 to further expand productivity in the region. Also, a continuing workover, reactivation and waterflood reconfiguration program is expected to augment the region's productivity by year-end. As with Cabri, further activity will also be scheduled on new lands. These lands offset Battrum to the east and were also acquired at the October 7 Saskatchewan Crown Sale. Please refer to Connacher's website at www.connacheroil.com and click on the properties link to view a new map which will show the company's expanded holdings in the Shackleton / Battrum region of southwest Saskatchewan.

Other Areas

At Hazlet, Saskatchewan, Connacher drilled a 100 percent owned well which has been cased as an indicated Roseray oil well. It will be completed and brought onstream shortly. Follow-up drilling will await the well's performance.

At Bindloss, Alberta, Connacher has drilled and completed a 100 percent owned indicated Mannville medium-gravity oil well.

At Islay / Kitscoty, Alberta drilling of four wells (one natural gas well and three oil wells, including one horizontal) will be underway shortly.

ARGENTINA

The PMNX 1001 well on the La Ramona prospect in the Puesto Morales / Rinconada Concession in the Neuquen Basin, Argentina was spudded on September 20, 2003 and reached a total depth of 1,672 metres on October 4, 2003. The well encountered numerous hydrocarbon shows over a number of intervals aggregating in excess of 100 gross metres. Based on drilling results and subsequent log analysis, the well has been cased and testing procedures are being finalized and agreed on with the operator, Ingenieria Alpa, a private Argentinian company. A service rig is scheduled to be moved in for testing operations next week once the drilling rig is dismantled and moved off location. Connacher owns a 50 percent working interest in the well and concession, and test results will be disclosed once definitive information is available.

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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