



FOR IMMEDIATE RELEASE

October 22, 2004

CONNACHER RESPONDS TO RECENT SHARE PRICE APPRECIATION AND INCREASED TRADING ACTIVITY

CALGARY, Oct. 22 - Connacher Oil and Gas Limited (CLL-TSX) announces that since July, 2004 it has been engaged in discussions with various parties with respect to the company's finances and, in conjunction therewith, financing of the evaluation and development of its Great Divide oil sands project in northeastern Alberta. These discussions are continuing.

Recently, in part as a consequence of high oil prices, there appears to have been an increase in investor interest in companies with involvement in or exposure to Alberta's oil sands. Connacher owns a 100% working interest in over 80 sections of oil sands rights in the Hangingstone/Divide region of Alberta (Townships 80-82, Ranges 12-13, W4M) southwest of Ft. McMurray. A number of oil-bearing channels or leads have been identified on Connacher's acreage and on October 5, 2004 the company reported on the possible reserves presently assigned to this acreage by an independent consultant.

At the Alberta Crown Sale on October 13, 2004 oil sands parcel L0011 comprising 20 sections (12,800 acres), situated approximately ten miles east of Connacher's land, was acquired by Canadian Coastal Resources Ltd. for a bonus of \$15.4 million or approximately \$1,200 per acre. This was the highest priced parcel sold in western Canada in 2004.

On or about October 21, 2004 industry was notified of the postings for the upcoming December 13, 2004 Alberta Crown Sale of oil sands leases. Over 100,000 hectares (approximately 250,000 acres) have been posted for sale. Most of these lands are adjacent to both Connacher's lands and the aforementioned high-priced parcel.

There are no other corporate developments to report at this time.

For further information:

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