



PRESS RELEASE

FEBRUARY 6, 2006

**CONNACHER ANNOUNCES INCREASED BOUGHT DEAL
PRIVATE PLACEMENT FINANCING**

Calgary, Alberta – Connacher Oil and Gas Limited (CLL - TSX) announces that it has entered into a further agreement with GMP Securities L.P. to increase the size of the previously announced private placement to \$100,000,950, including the Underwriters' option. Pursuant to this agreement, Connacher has agreed to sell to a syndicate of underwriters led by GMP Securities L.P. and including Raymond James Limited, Dominick & Dominick Securities Inc., PowerOne Capital Markets Limited, Jennings Capital Inc., Octagon Capital Corporation, Bolder Investment Partners Ltd. and Mustang Capital Partners Inc. (collectively "the Underwriters"), 8,571,500 common shares at a price of \$5.25 per common share to raise aggregate gross proceeds of \$45,000,375 on a bought deal basis. Connacher has granted the Underwriters an option, exercisable in whole or in part at any time prior to closing, to purchase up to an additional 10,476,300 common shares at the same offering price. Should the Underwriters' option be exercised in full, the total gross proceeds of the offering would be \$100,000,950. Closing is expected to occur on or about February 23, 2006. The common shares will be resold to accredited investors by way of private placement and will be subject to a four month hold period from closing.

The net proceeds from the financing will be used to fund Connacher's ongoing exploration and development activities, for general corporate purposes, for working capital and may be used to partially reduce short-term indebtedness incurred to acquire Luke Energy Ltd.

The securities offered have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent registration or applicable exemption from the registration requirements.

Connacher is a Calgary-based oil and natural gas exploration and production company. Its principal asset is its 100 percent ownership of the Great Divide oil sands project in Alberta, where 110 sections (70,400 acres) of oil sands leases are held. The company also owns extensive conventional acreage and oil production in southwest Saskatchewan. Connacher owns approximately 35 percent (basic) of Petrolifera Petroleum Limited (PDP - TSX), a Canadian public company engaged in oil and natural gas exploration and production in Argentina and Peru. Connacher has also agreed to acquire Luke Energy Ltd. and is negotiating a binding agreement pursuant to which it is proposing to acquire the refining assets of Montana Refining Company.

FOR FURTHER INFORMATION PLEASE CONTACT:

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