



PRESS RELEASE

November 16, 2007

## CONNACHER ANNOUNCES CLOSING OF BOUGHT DEAL OFFERING

**Calgary, Alberta, Canada** – Connacher Oil and Gas Limited ("Connacher" – CLL – TSX) announces that it has closed its previously announced bought deal financing of 10,350,000 flow-through common shares ("Flow-Through Shares") at a price of \$5.00 per Flow-Through Share for gross proceeds of \$51,750,000, which includes the exercise in full by the underwriters of an over-allotment option to purchase an additional 1,350,000 Flow-Through Shares. The bought deal financing was underwritten by a syndicate led by RBC Capital Markets and including GMP Securities L.P., Orion Securities Inc., Raymond James Ltd., TD Securities Inc., D & D Securities Company, Desjardins Securities Inc. and HSBC Securities (Canada) Inc. The net proceeds of the offering of Flow-Through Shares will be used to incur eligible Canadian exploration expenses, which will be renounced in favour of the purchasers for the 2007 taxation year.

Directors, officers, employees and associates of Connacher collectively purchased an aggregate of 400,000 Flow-Through Shares at a price of \$5.00 per Flow-Through Share, on identical terms to those afforded all other purchasers.

Connacher also announces that it has issued an aggregate of 100,000 Flow-Through Shares to an arm's length party pursuant to a private placement. The Flow-Through Shares were issued at a price of \$5.00 per Flow-Through Share and are subject to a four month hold in accordance with applicable securities legislation. Total gross proceeds of \$52,250,000 were raised by Connacher pursuant to the bought deal financing and the private placement.

After giving effect to the common shares issued under the financing and private placement, Connacher now has 209,896,923 common shares outstanding.

Connacher Oil and Gas Limited is a Calgary-based Canadian company primarily engaged in the exploration for, and development, production, refining and marketing of, bitumen, crude oil, natural gas and refined petroleum products. The company's principal assets are its significant bitumen reserves and resources and its 100 percent working interest in approximately 95,000 acres of oil sands leases in the Divide and Halfway Creek regions near Fort McMurray, Alberta. It also owns conventional production and reserves at Marten Creek and Three Hills, Alberta and at Battrum, Saskatchewan. Connacher owns and operates a 9,500 barrel per day refinery in Great Falls, Montana and maintains a valuable 26 percent equity stake in Petrolifera Petroleum Limited (PDP – TSX), a public company active in Argentina, Colombia and Peru in South America.

*Forward-Looking Statements: This news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "would", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Forward-looking information is based on the opinions and estimates of management at the date the information is provided, and is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. These factors include the inherent risks involved in the exploration and development of oil sands properties, difficulties or delays in start-up operations, the uncertainties involved in interpreting drilling results and other geological data, fluctuating oil prices, the possibility of unanticipated costs and expenses, uncertainties relating to the availability and costs of financing needed in the future and other factors including unforeseen delays. As an oil sands enterprise in the development stage, Connacher faces risks including those associated with exploration, development, start-up, approvals and the ability to access sufficient capital from external sources. For a description of the risks and uncertainties facing Connacher and its business and affairs, readers should refer to Connacher's Annual Information Form for the year ended December 31, 2006. Connacher undertakes no obligation to update forward-looking statements if*

*circumstances or management's estimates or opinions should change, unless required by law. The reader is cautioned not to place undue reliance on forward-looking statements..*

**For further information, contact:**

Richard A Gusella

President and Chief Executive Officer

Connacher Oil and Gas Limited

Phone: (403) 538-6201 Fax: (403) 538-6225

[inquiries@connacheroil.com](mailto:inquiries@connacheroil.com) Website: [www.connacheroil.com](http://www.connacheroil.com)

**NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION  
IN THE UNITED STATES**

Suite 900  
332 - 6th Avenue S.W.  
Calgary, Alberta T2P 0B2  
Telephone: (403) 538-6201 Facsimile: (403) 538-6225