



PRESS RELEASE

March 10, 2009

CONNACHER OIL AND GAS LIMITED SUBMITS TERMS OF REFERENCE FOR THE EXPANSION OF ITS GREAT DIVIDE SAGD OIL SANDS PROJECTS TO 44,000 BBL/D

Calgary, Alberta – Connacher Oil and Gas Limited (“Connacher” or the “Company”, CLL – TSX) announced today that in accordance with a proposed expansion of its Great Divide Pod One and Algar steam assisted gravity drainage (“SAGD”) facilities from a combined design capacity of 20,000 bbl/d of bitumen to approximately 44,000 bbl/d of bitumen (the “Great Divide SAGD Expansion Project” or the “Project”), the Company has filed a Proposed Terms of Reference (“Terms of Reference”) for the Project with Alberta Environment. The filing of the Terms of Reference is the first step in the process of submitting an Environmental Impact Assessment (“EIA”) for the Great Divide SAGD Expansion Project, as directed by Alberta Environment.

Copies of the proposed Terms of Reference and associated project information can be viewed at the following locations:

- Fort McMurray Public Library, 9907 Franklin Avenue, Fort McMurray, Alberta
- Oil Sands Discovery Centre, 515 Mackenzie Blvd, Fort McMurray, AB
- Fort McMurray First Nation IRC Office – Gregoire Lake
- Chipewyan Prairie Dene First Nation Band Office - Janvier
- Alberta Environment’s Register of Environmental Assessment, 111 Twin Atria Bldg., 4999 – 98 Avenue, Edmonton, Alberta, 780-427-5282, Toll Free 310-0000, Attn: Melanie Daneluk
- Connacher website – www.connacheroil.com

Further information or copies of the proposed Terms of Reference and associated project information can be obtained from:

Great Divide SAGD Expansion Project
Connacher Oil and Gas Limited
Centrium Place
Suite 900, 332 6th Ave S.W.
Calgary, AB T2P 0B2
Attention: Mr. Steve De Maio, Vice President, Project Development
Telephone: (403) 538-6201
E Mail: eia@connacheroil.com
Website - www.connacheroil.com

Individuals wishing to provide written comments on the proposed Terms of Reference must submit them, by April 30, 2009, to:

Director, Environmental Assessment, Northern Region, Alberta Environment
111, Twin Atria Bldg., 4999 – 98 Avenue, Edmonton, Alberta, T6B 2X3,
Fax: (780) 427-9102, E-mail: environmental.assessment@gov.ab.ca

Connacher Oil and Gas Limited is a Calgary-based crude oil, natural gas and bitumen or heavy oil producer. Our principal asset is located at Great Divide in the oil sands region of Alberta. We also own conventional properties in

Alberta and Saskatchewan, a refinery in Montana, USA and hold a significant 24 percent equity stake in Petrolifera Petroleum Limited, a crude oil and natural gas producer active in Argentina, Colombia and Peru in South America.

Forward-Looking Information:

This press release contains "forward-looking information" including the development of the Great Divide SAGD Expansion Project. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "could", "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 statements are made, and are 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 statements. These factors include the inherent risks involved in the exploration and development of oil sands properties, difficulties or delays during construction and in start-up or ramp-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, construction, start-up, approvals and the continuing ability to access sufficient capital from external sources if required. Actual production levels at Great Divide Pod One and Algar may vary from design capacity and such variations may be material. The filing of the Terms of Reference is only the first step in a lengthy regulatory process which involves stakeholder consultation and regulatory review. There can be no assurance that Connacher will receive the required regulatory approvals required to develop the Great Divide SAGD Expansion Project on terms and conditions acceptable to Connacher or at all. For a description of the risks and uncertainties facing Connacher and its business and affairs, readers should refer to Connacher's Annual Information Form, which is available at www.sedar.com. Connacher undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change, unless required by law. Due to the risks and uncertainties inherent in forward-looking information, the reader is cautioned not to place undue reliance on this forward-looking information.

For further information, contact:

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OR

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