



PRESS RELEASE

July 9, 2009

CONNACHER'S GREAT DIVIDE POD ONE BITUMEN PRODUCTION SURPASSES THREE MILLION BARRELS

Calgary, Alberta – Connacher Oil and Gas Limited (CLL - TSX) announced today that on May 15, 2009 its Great Divide Pod One bitumen production surpassed the three million (3,000,000) barrel mark and as at June 30, 2009 total production from its Pod One steam-assisted gravity drainage ("SAGD") plant was 3.3 million barrels. This level of cumulative production has been achieved in approximately 18 months since the commencement of Pod One sales in December 2007. Current production at Pod One is approximately 8,000 bbl/d and bitumen production is anticipated to approach Pod One plant capacity of 10,000 bbl/d during the third quarter 2009. This would contribute to the continuing reduction in per barrel operating costs, which recently have been below \$15.00 per barrel produced, assisted by lower natural gas prices, improved production and lower variable costs as a result of optimization efforts by the company's operating staff. As many of the company's operating costs at Pod One costs are fixed, higher anticipated volumes should result in lower unit costs during the remainder of the year, other things being equal.

Connacher also advised that it is now posting slides on its website detailing the operating conditions and progress of construction at its second 10,000 bbl/d SAGD plant at Algar, situated approximately eight kilometers east of Great Divide Pod One. Investors should go to www.connacheroil.com and click on the Operations link. Click on Algar, then Algar Slideshow to view developments. The slides will be updated periodically as the company counts down on its goal of completion of the Algar plant and related SAGD horizontal well pairs in approximately 275 days from the July 7, 2009 recommencement of construction at the site.

Forward-Looking Information

This news release contains certain "forward-looking information" within the meaning of applicable securities laws including information regarding the planned construction of Algar and the drilling of 15 SAGD well pairs and the timeline associated therewith. 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 risks include, but are not limited to risk associated with the oil and gas industry (e.g. operational risks in development, exploration and production delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections in relation to production, costs and expenses and health, safety and environmental risks), the risk of commodity price and foreign exchange rate fluctuations, risks associated with obtaining, maintaining and the timing of receipt of regulatory approvals, permits and licenses, uncertainties relating to access to capital markets and the risk of continuing deterioration of global economic conditions. In certain circumstances the Corporation may curtail production, defer expenditures and/or modify its plans with respect to capital expenditures, which may impact year-end cash balances and net operating income. Additional risks and uncertainties are described in the Corporation's Annual Information Form which is filed on SEDAR at www.sedar.com. Due to the risks, uncertainties and assumptions inherent in forward looking information,

prospective investors in the Corporation's securities should not place undue reliance on forward looking information. Forward looking information contained in this press release is made as of the date hereof and are subject to change. The Corporation assumes no obligation to revise or update forward looking information to reflect new circumstances, except as required by law.

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