



PRESS RELEASE

August 28, 2009

CONNACHER ANNOUNCES ACQUISITION OF UNITS OF PETROLIFERA PETROLEUM LIMITED

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CALGARY - Connacher Oil and Gas Limited ("Connacher" – CLL - TSX) announced today that on August 28, 2009 it acquired 13,556,000 units (the "Acquired Units") of Petrolifera Petroleum Limited ("Petrolifera") pursuant to an equity offering (the "Offering") completed by Petrolifera. The Acquired Units are comprised of 13,556,000 Common Shares (the "Acquired Shares") and 6,778,000 Warrants (the "Acquired Warrants") of Petrolifera. Each Acquired Warrant entitles Connacher to purchase one common share in the capital of Petrolifera (each a "Warrant Share") at an exercise price of \$1.20 per Warrant Share at any time up to 5:00 pm (Calgary time) on August 28, 2011. In the event that the 20-day volume weighted average price of the common shares of Petrolifera (the "Petrolifera Shares") on the Toronto Stock Exchange (or such other stock exchange or quotation system on which the Petrolifera Shares are listed and where a majority of the trading volume occurs), exceeds \$2.50, Petrolifera may, within five business days after such an event, provide notice to the holders of Warrants ("Warrantholders") of early expiry and thereafter the Acquired Warrants will expire on the date which is 30 days after the date of the notice to the Warrantholders. The Acquired Shares represent approximately 12.1% of the issued and outstanding Petrolifera Shares immediately following completion of the Offering on an undiluted basis and as a result of the purchase Connacher now owns 26,698,859 Petrolifera Shares (representing approximately 23.8% of the issued and outstanding Petrolifera Shares as at the date hereof). The Acquired Warrants represent approximately 23.8% of the issued and outstanding warrants of Petrolifera (the "Petrolifera Warrants") immediately following completion of the Offering on an undiluted basis.

The acquisition of the Acquired Shares and Acquired Warrants by Connacher was completed pursuant to the Offering and was not conducted through the facilities of any stock exchange. The Acquired Units were purchased for a cost of \$11,929,280 (\$0.88 per Acquired Unit) and were purchased for investment purposes. Subject to market conditions and its ongoing evaluation of its investment in Petrolifera, Connacher may make additional investments in or dispositions of securities of Petrolifera, including additional purchases or sales of Petrolifera Shares or Petrolifera Warrants. Connacher also owns an option to purchase 200,000 Petrolifera Shares at price of \$0.50 until February 1, 2010.

Based on the closing trading price of Petrolifera Shares on August 27, 2009 of \$0.82, Connacher's ownership of Petrolifera Shares (excluding Petrolifera Shares issuable upon the exercise of options or Petrolifera Warrants) has a current market value of \$21.9 million.

Connacher will be filing a report (as contemplated by National Instrument 62-103 - The Early Warning System and Related Take-Over Bid and Insider Reporting Issues) in connection with the acquisition of the Acquired Units. For further information, or to obtain a copy of such report, please contact Mr. Richard A. Gusella, President and Chief Executive Officer of Connacher Oil and Gas Limited at (403) 538-6201.

Connacher is a Calgary-based integrated oil company. Its primary upstream production is from oil sands operations at its 10,000 bbl/d Great Divide Pod One steam assisted gravity drainage ("SAGD") plant in northeastern Alberta. The company has plans to construct a second similar sized SAGD project in Great Divide at Algar. It owns conventional Canadian production and reserves, a downstream operation with a 9,500 bbl/d heavy oil refinery in Great Falls, Montana and maintains an approximate 24 percent equity stake in Petrolifera Petroleum Limited (PDP-TSX), a successful production and exploration company active in Argentina, Colombia and Peru in South America. Connacher's Common Shares and convertible debentures are listed for trading on the Toronto Stock Exchange.

Forward-Looking Statements: This news release contains certain "forward-looking information" within the meaning of applicable securities law including statements regarding plans to construct a SAGD project at Algar. 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. 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, 2008. 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
OR
Grant D. Ukrainetz
Vice President, Corporate Development
Phone: (403) 538-6201 Fax: (403) 538-6225
inquiries@connacheroil.com
Website: www.connacheroil.com

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