



PRESS RELEASE

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FOR IMMEDIATE RELEASE

June 2, 2009

UNDERWRITERS EXERCISE FULL OVER-ALLOTMENT OPTION

CALGARY, ALBERTA – Connacher Oil and Gas Limited ("Connacher" or the "Corporation") announced today that it has received notice from RBC Capital Markets, on behalf of the underwriters of the Corporation's equity financing announced May 19, 2009 (the "Offering"), that the underwriters have exercised their over-allotment option to purchase an additional 25,012,500 common shares of Connacher. As a result of the exercise of the over-allotment option in full, the aggregate gross proceeds to Connacher of the financing will now be \$172,586,250. The closing of the financing, including the over-allotment option, is expected to occur on or about June 5, 2009. Upon closing of the Offering, including the common shares issuable pursuant to the over-allotment option, the Corporation will have 403,463,442 common shares (443,905,457 common shares on a fully diluted basis) issued and outstanding.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States or any other jurisdiction outside of Canada, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The Common Shares offered have not been, and will not be, registered under the 1933 Act, or any state securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act and applicable state securities laws.

Connacher is a Calgary-based bitumen, crude oil and natural gas company. It is primarily an oil sands company, with operations at its 10,000 bbl/d Great Divide Pod One steam assisted gravity drainage ("SAGD") plant in northeastern Alberta and with plans to construct a second similar sized SAGD project in Great Divide at Algar. It owns conventional Canadian production and reserves, a 9,500 bbl/d heavy oil refinery in Great Falls, Montana and a 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 the proposed timing of closing of the Offering. 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.

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