



February 9, 2010

**Palliser Oil & Gas Corporation To  
Commence Trading on the TSX Venture Exchange**

Calgary, Alberta – **Palliser Oil & Gas Corporation** (“**Palliser**” or the “**Company**”) is pleased to announce the final receipt for its Non-Offering Prospectus was received February 2, 2010 and the Company’s common shares will commence trading on the TSX Venture Exchange, at the market open, on February 10, 2010 under the symbol “**PXL**”.

Palliser is a Calgary-based emerging junior oil and gas company with current production of approximately 450 boepd (80% oil). The Company is currently focused on high netback conventional heavy oil production in the greater Lloydminster area of both Alberta and Saskatchewan.

The management team of Palliser is led by Kevin J. Gibson, P.Geol., President & CEO, formerly President and Director of TSX listed Innova Exploration Ltd. Innova was sold to Crescent Point Energy Trust for \$400 million (\$7.55/share) plus assumption of bank debt in October 2007. Prior to Innova, Kevin was President and Director for TSX listed Western Star Exploration Ltd. The members of the Palliser senior management team each bring years of relevant experience in their respective fields as well as experience with high growth publicly listed oil and gas companies:

- Allan B. Carswell, P.Geol, VP Exploration – previously with NuVista Energy, Bonavista Petroleum and Canadian Natural Resources.
- Carrie L. McLauchlin, VP Finance & CFO – previously with Luke Energy, KeyWest Energy, KPMG
- Robert R. Padget, P.Eng., VP Engineering – previously with Great Plains Exploration, Seventh Energy, Encal Energy
- Glenn Taylor, VP Production and Operations – previously with TransGlobe Energy, Western Star Exploration, Inverness Petroleum
- Gordon Timm, P.Land, VP Land – previously with NuVista Energy, Signal Energy, Penn West Petroleum

The Board of Directors is comprised of Daryl S. Fridhandler, QC, Partner with Burnet Duckworth & Palmer LLP (Chairman); Kevin J. Gibson, President & CEO of Palliser; Wayne R. Toole, P.Eng, President of Silver Strand Energy; Ken Crowther, P.Eng., former President of

Sproule Associates Ltd.; and Stephen C. Hayden, MBA LLB, Founder and Managing Director of Ivy Capital Partners.

### Corporate Highlights:

- Current production of 450 boepd (80% conventional heavy oil). Based on favourable oil pricing and narrow differentials, Palliser's conventional heavy oil is receiving excellent field net backs ranging from \$30 - \$35 per bbl.
- 50,300 gross acres (40,200 net acres) of undeveloped land.
- Over 80 drilling/reactivation locations on existing acreage (75% oil prospects).
- 21.7 million basic shares outstanding (23.9 million diluted).
- Approximately \$2 million of estimated net debt at December 31, 2009 and a credit facility of \$3 million.
- Proved plus probable reserves of 1,424 mboe at December 31, 2009 (per an independent report prepared by GLJ Petroleum Consultants Ltd.) and \$28.7 million net present value of proved plus probable reserves at a 10% discount before tax.
- 100% working interest and operatorship in oil properties and prospects.

### 2009 Reserves<sup>1</sup>:

A summary of the reserve report follows:

Gross Reserves	Oil (mmbbl)	Gas (mmcf)	Barrels of Oil Equivalent (mboe)	Net Present Value of Reserves Discounted at 10% before tax (\$000)
Proved	521	1,091	703	14,770
Probable	566	929	721	13,896
Proved + Probable	1,087	2,020	1,424	28,666

<sup>1</sup>The required National Instrument 51-101 reporting of the reserve report is included in the Company's Final Non-Offering Prospectus available on [www.sedar.com](http://www.sedar.com) and the Company's website [www.palliserogc.com](http://www.palliserogc.com).

### Reserve Report Highlights:

- Proved Reserves increased 148% to 703 mboe at December 31, 2009 from 283 mboe at December 31, 2008.
- Proved plus Probable Reserves increased 119% to 1,424 mboe.
- Proved plus Probable oil reserves increased 750 mmbbl to 1,087 mmbbl from 2008 year end and now represent 76% of the Company's reserves.

The significant change in reserves was the result of the Company's successful fall drilling and reactivation program.

The Final Non-Offering Prospectus can be obtained on [www.sedar.com](http://www.sedar.com) and the Company's website at [www.palliserogc.com](http://www.palliserogc.com).

### **Cautionary Statements**

Disclosure provided herein in respect of BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf to 1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. All BOE conversions in this press release are derived by converting gas to oil according to this 6 Mcf to 1 Bbl ratio.

Certain information contained in this press release constitutes forward-looking statements, including, without limitation, the Company management's assessment of future plans and operations, anticipated exploration and development opportunities, production estimates, reserve estimates, drilling inventory and wells to be drilled, timing of drilling, productive capacity of new wells, capital expenditures and the timing thereof, drilling programs and drilling efficiencies, the quantity of undeveloped land and drilling locations and inventory, operating costs, debt levels, credit facilities and the Company's estimated 2010 average and exit rates of production. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond the party's control including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility and ability to access sufficient capital from internal and external sources, inability to meet or continue to meet listing requirements, the inability to obtain required consents, permits or approvals, failure to realize the anticipated benefits of the Arrangement and the risk that actual results will vary from the results forecasted and such variations may be material. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The Company's actual results, performance or achievement could differ materially from those expressed in or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits the Company will derive therefrom.

The forward-looking statements contained in this press release are made as of the date of this press release. Palliser disclaims any intention and assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Additionally, Palliser undertakes no obligation to comment on the expectations of, or statements made by, third parties in respect of the matters discussed above.

***The TSX Venture Exchange has neither approved nor disapproved the contents of this press release.***

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***Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this Press release.***