



For Immediate Release

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Palliser Provides Update – Edam Salt Water Disposal Facilities Fully Operational

November 29, 2011, Calgary, Alberta – **Palliser Oil & Gas Corporation** ("**Palliser**" or the "**Company**") (TSXV: **PXL**) is pleased to provide an operations update.

At Edam, Saskatchewan all three new salt water disposal facilities ("SWD") are operational. The first SWD facility was brought on stream October 28, 2011 allowing two (2.0 net) wells to be brought back on production via flowline to the facility before the end of October. The remaining two SWD facilities were brought on stream November 19th and 25th respectively, with an additional four (4.0 net) wells being brought back on production via flowline. These SWD wells are performing at or above expectations and are collectively, currently taking water on vacuum at 14,000 - 15,000 bwpd. These new SWD facilities will provide the Company with enough water capacity to re-start all shut in wells and optimize all existing and newly drilled wells, with spare capacity for future growth in the Edam area. The Company is encouraged with initial oil production rates from the re-activated producing wells, and is starting to see reductions in operating costs as a result of these facilities.

Palliser has completed the majority of its fourth quarter heavy oil capital program with eleven (11.0 net) wells drilled (or re-entered) and one (1.0 net) well reactivated. Ten (10.0 net) of these wells have been equipped and are on production, with one (1.0 net) well forecast to be equipped and on production in early December. One well was cased for future SWD resulting in an overall success rate of 92%. The Company also drilled one (1.0 net) and re-entered two (2.0 net) SWD wells at Edam as mentioned above.

Palliser has spent the last three years testing and fine tuning its High Volume Lift ("HVL") technique which has been the backbone of the Company's production growth since 2008. The Company now has six (6.0 net) active SWD wells spanning its three main core areas of Edam and Manitou, Saskatchewan, and Lloydminster, Alberta. Looking forward, Palliser is now moving to the manufacturing phase of development by installing additional SWD facilities in conjunction with new oil wells, in order to unlock the remaining oil reserves on Company lands with optimal operational efficiency. Through 2012, Palliser expects to see further operating cost reductions as a result of the current SWD facilities and the new development plan, and expects these costs to begin to trend lower towards 2010 levels where the Company achieved operating costs of \$19.97/boe.

Palliser's corporate presentation is available on the Company's website at www.palliserogc.com. A copy of this press release is available at www.sedar.com or the Company's website at www.palliserogc.com.

About Palliser

Palliser is a Calgary-based emerging junior oil and gas company currently focused on high netback heavy oil production in the greater Lloydminster area of both Alberta and Saskatchewan.

Forward-Looking Statements

*Certain statements contained in this Press Release constitute forward-looking statements or information (collectively "**forward-looking statements**") within the meaning of applicable securities legislation, including, but not limited to management's assessment of future plans and operations, including: commodity focus; drilling plans and potential locations; expected production levels; development plans; reserves growth; production and operating sales and expenses; reservoir characteristics; the results of applying certain operational development techniques; certain economic factors; and capital expenditures. Forward-looking statements are typically identified by words such as "anticipate", "estimate", "expect", "forecast", "may", "will", "project" and similar words suggesting future events or performance or may be identified by reference to a future date. In addition, statements relating to oil and gas reserves and resources are deemed to be forward-looking statements as they involve the implied assessment, based on certain estimates and assumptions, that the reserves or resources described, as the case may be, exist in the quantities predicted or estimated and can be profitably produced in the future. With respect to forward-looking statements herein, Palliser has made assumptions regarding, among other things; future capital expenditure levels; future oil and natural gas prices; "differentials" between West Texas Intermediate and Western Canadian Select benchmark pricing; future oil and natural gas production levels; future exchange rates and interest rates; ability to obtain equipment and services in a timely manner to carry out development activities; ability to market oil and natural gas successfully to current and new customers; the impact of increasing competition; the ability to obtain financing on acceptable terms; and the ability to add production and reserves through development and exploitation activities. Although Palliser believes that the expectations reflected in the forward-looking statements contained herein, and the assumptions on which such forward-looking statements are made, are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned not to place undue reliance on forward-looking statements included herein, as there can be no assurance that the plans, intentions or expectations upon which the forward-looking statements are based will occur. By their nature, forward-looking statements involve numerous risks and uncertainties that contribute to the possibility that the forward-looking statements will not occur, which may cause Palliser's actual performance and financial results in future periods to differ materially from any estimates or projections. Additional information on these and other factors that could affect Palliser's results are included in reports on file with Canadian securities regulatory authorities, including the Company's Annual Information Form, and may be accessed through the SEDAR website at www.sedar.com.*

The forward-looking statements contained herein speak only as of the date hereof. Except as expressly required by applicable securities laws, Palliser does not undertake any obligation to, nor does it intend to, publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained herein are expressly qualified by this cautionary statement. In addition, readers are cautioned that historical results are not necessarily indicative of future performance.

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

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