



For Immediate Release

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## **Palliser Hedges Production**

September 23, 2011, Calgary, Alberta – **Palliser Oil & Gas Corporation** ("**Palliser**" or the "**Company**") (TSXV: **PXL**) is pleased to announce that the Company, as part of its risk management program, has entered into two financial derivative contracts where the Company has hedged 700 bbl/d of production at fixed swap Western Canadian Select pricing for the fourth quarter of 2011 at \$74.67/bbl and for the first half of 2012 at \$74.21/bbl.

Interested parties are invited to visit the Company's website to view an updated corporate presentation for September 2011. A copy of this press release is available at [www.sedar.com](http://www.sedar.com) or the Company's website at [www.palliserogc.com](http://www.palliserogc.com).

### *About Palliser*

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

### *Forward-Looking Statements*

*Certain statements contained in this news release constitute forward-looking statements that involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. No assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this release should not be unduly relied upon. Information and statements in this news release relating to "resources" are deemed to be forward looking information and statements, as they involve the implied assessment, based on certain estimates and assumptions, that the resources described exist in the quantities predicted or estimated, and that the resources described can be profitably produced in the future. Actual results could differ materially as a result of changes in Palliser's plans, changes in commodity prices, regulatory changes, general economic, market and business conditions as well as production, development and operating performance and other risks associated with oil and gas operations including anticipated success of resource prospects and the expected characteristics of resource prospects; uncertainties inherent in estimating quantities of resources; anticipated capital requirements, project rates of return and estimated project life; estimates of original discovered resource; estimates of recovery factors; lack of diversification; and overall technical and economic feasibility of the Company's projects. These statements speak only as of the date of this release or as of the date specified in the documents*

*accompanying this release, as the case may be. The Company undertakes no obligation to publicly update or revise any forward-looking statements except as expressly required by applicable securities laws.*

*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.*

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

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