

Strategic Oil & Gas Ltd. Closes \$5.7 Million Bought Deal Flow-Through Share Financing

CALGARY, ALBERTA--(Marketwire - Dec. 23, 2010) -

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES.

Strategic Oil & Gas Ltd. (TSX VENTURE:SOG) ("Strategic" or the "Company") has completed the bought deal flow through financing (the "Financing") which was announced on December 13, 2010 on the following terms:

- 5,175,000 Common Shares were issued on a flow-through basis (the "Flow-Through Common Shares") at a price of \$1.10 per Flow-Through Common Share, for gross proceeds of \$5,692,500. These shares are subject to trading restrictions until April 24, 2011.
- The Flow-Through Common Share proceeds will be used to incur eligible Canadian exploration expenditures that will be renounced to subscribers effective on or before December 31, 2010.

Macquarie Capital Markets Canada Ltd. of Calgary, Alberta acted as sole underwriter for the financing.

As of December 23, 2010, after completion of this financing, the exercise of warrants with a December 16, 2010 expiry and shares issued to acquire Steen River Oil & Gas Ltd. ("Steen") as previously announced, the Company now has approximately 138.5 million shares outstanding. All warrants issued pursuant to the November, 2009 private placement have now been exercised. After the acquisition of Steen, Strategic has in excess of \$31.5 million in working capital to fund its 2011 capital program.

About Strategic

Strategic is a junior oil and gas company with producing properties located in Maxhamish, northeast BC and Southern and Central Alberta. The Company recently announced it has closed its acquisition of a private company with light oil and natural gas assets in northwest Alberta. As a result, production capability is now in excess of 800 boe/d.

Strategic's highly regarded subsurface technical team is primarily focused on implementing development plans for the Maxhamish project and its southern Alberta properties, while continuing to review other high impact prospects.

Further information with respect to the Company can be found on its website at www.sogoil.com.

Forward-looking information

Certain information set forth in this document, including management's assessment of future plans and operations, contains forward-looking statements. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond our control. Those risks include, without limitation, the effect of general economic conditions, risks associated with oil and gas exploration, development, production, marketing and transportation, loss of markets, industry conditions and competition, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the ability to access qualified personnel and oilfield services, decisions by regulators and the ability to access sufficient capital from internal and external sources. Readers are cautioned not to place undue reliance on the forward-looking statements as the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and actual results, performance or achievements could materially differ from those expressed or implied in such forward-looking statements and accordingly, no assurance can be given that any of the events anticipated by forward looking statements will transpire or occur, or if any of them do so, what benefit Strategic will derive there from. The Company does not assume the obligation to revise or update this forward-looking information after the date of this release or to revise such information to reflect the occurrence of future unanticipated events, except as may be required under applicable securities laws.

Boe presentation

Barrel ("bbl") of oil equivalent ("boe") amounts may be misleading particularly if used in isolation. All boe conversions in this report are calculated using a conversion of six thousand cubic feet of natural gas to one equivalent barrel of oil (6 mcf=1 bbl) and is based on an energy conversion method primarily applicable at the burner tip and does not represent a value equivalency at the well head.

FOR FURTHER INFORMATION PLEASE CONTACT:

Contact:

Strategic Oil & Gas Ltd.

Arn Schoch

President & CEO

(403) 870-1245 or (403) 718-0183 ext. 242

aschoch@sogoil.com

www.sogoil.com

12/23/2010