CALGARY, ALBERTA--(Marketwired - Jun 15, 2017) - Strategic Oil & Gas Ltd. ("Strategic" or the "Company") (TSX VENTURE:SOG) announces the commencement of its summer drilling program planned for the third quarter of 2017.

Building on the Company's success in the first half of 2017, Strategic has commenced a summer program to drill and complete up to four new Muskeg horizontal wells. In addition, Strategic plans to evaluate a second prospective formation in the Company's multi-zone light oil prospect at Marlowe. In the first half of 2017 Strategic brought five new Muskeg wells on production. Three of the new wells have produced their load fluid and production tested at the following rates:

Well	Test Rates (BOED) (Average 48 hour rate)
00/16-35	741 (94% oil)
00/13-01	746 (70% oil)
02/13-01	453 (77% oil)

The remaining two wells 00/5-12 and 00/11-12 have tested over 200 bbl/d of oil with limited gas as they continue to clean up. The five new wells are equipped with a pump jack and are now tied-in and producing into the Company's infrastructure. Early indications show that these Muskeg wells are significantly more oil weighted as compared to the previous Muskeg wells.

The new Muskeg wells have been designed and equipped with downhole equipment to handle the associated gas production and improve the efficiency of the pump jack over the life of the well. This new artificial lift configuration limits initial peak production rates from the Muskeg horizontal wells but is intended to increase overall performance over the first 90 days. The company is delighted with the success of the latest Muskeg horizontal wells and plans to further reduce drilling costs while improving production per stage.

About Strategic

Strategic is a junior oil and gas company committed to becoming a premier northern oil and gas operator by exploiting its light oil assets primarily in northern Alberta. The Company relies on its extensive subsurface and reservoir experience to develop its asset base and grow production and cash flows while managing risk. The Company maintains control over its resource base through high working interest ownership in wells, construction and operation of its own processing facilities and a significant undeveloped land and opportunity base. Strategic's primary operating area is at Marlowe, Alberta. Strategic's common shares trade on the TSX Venture Exchange under the symbol SOG.

ADDITIONAL INFORMATION

Additional information, including the Company's corporate presentation, is also available at www.sogoil.com and at www.sedar.com.

Reader Advisories

Any references in this news release to initial production or test rates are useful in confirming the presence of hydrocarbons, however, such rates are not necessarily determinative of the rates at which such wells will continue production. These flow-back or test results are quoted on a raw basis before shrinkage on natural gas volumes and may not be indicative of long-term well performance or ultimate recovery. While encouraging, readers are cautioned not to place reliance on such rates in estimating the aggregate production for the Company. Total corporate production volumes include natural gas shrinkage.

This news release includes certain information, with management's assessment of Strategic's future plans and operations, and contains forward-looking statements which may include some or all of the following: (i) anticipated production rates and the related oil weighting; (ii) capital spending programs and the results therefrom; (iii) capital projects to be undertaken; (iv) production equipment installed and its impact on long-term production rates, downtime and efficiency; and (v) future drilling costs and production performance per completion stage; which are provided to allow investors to better understand the Company's business. By their nature, forward-looking statements are subject to numerous risks and uncertainties; some of which are beyond Strategic's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, changes in environmental tax and royalty legislation, 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, and other risks and uncertainties described under the heading 'Risk Factors' and elsewhere in the Company's Annual Information Form for the year ended December 31, 2016 and other documents filed with Canadian provincial securities authorities and are available to the public at www.sedar.com. 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 principal assumptions Strategic has made includes security of land interests; drilling cost stability; royalty rate stability; oil and gas prices to remain in their current range; finance and debt markets continuing to be receptive to financing the Company and industry standard rates of geologic and operational success. Actual results could differ materially from those expressed in, or implied by, these forward-looking statements. Strategic disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Basis of Presentation

This discussion and analysis of Strategic's oil and natural gas production and related performance measures is presented on a working-interest, before royalties basis. For the purpose of calculating unit information, the Company's production and reserves are reported in barrels of oil equivalent (Boe) and Boe per day (Boe/d). Boe may be misleading, particularly if used in isolation. A Boe conversion ratio for natural gas of 6 Mcf: 1 Boe has been used, which is based on an energy equivalency conversion method primarily applicable at the burner tip and does not necessarily represent a value equivalency at the wellhead. As the value ratio between natural gas and crude oil based on the current prices of natural gas and crude oil is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

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 release.

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