

Strategic Oil & Gas Ltd. Announces Closing of \$5.75 Million Private Placement and Exercise of Agent's Over-Allotment Option

CALGARY, ALBERTA--(Marketwired - Jan. 31, 2017) -

NOT FOR DISSEMINATION IN THE UNITED STATES

Strategic Oil & Gas Ltd. (TSX VENTURE:SOG) ("Strategic" or the "Company") is pleased to announce the closing of its previously announced brokered private placement offering (the "Private Placement") led by Paradigm Capital Inc. (the "Agent"), pursuant to which an aggregate of 47,916,600 Common Shares of the Company (each, a "Common Share"), including 6,249,933 Common Shares issued upon the exercise of the Agent's over-allotment option, were sold at a price of \$0.12 per Common Share, raising aggregate gross proceeds of approximately \$5.75 million. The Agent received a commission equal to 5% of the gross proceeds raised under the Private Placement. At closing of the Private Placement, Strategic had 927,479,913 Common Shares issued and outstanding.

The net proceeds of the Private Placement will be primarily used for development of the Company's Alberta assets, general corporate and working capital purposes. The Common Shares issued in the closing will be subject to a hold period expiring June 1, 2017.

About Strategic Oil & Gas

Strategic is a junior oil and gas company with a dominant land position in Canada. The Company is committed to building a premier oil producer through its high-quality, concentrated reserve base, and constructing an operated integrated sales infrastructure to support the Company's significant future growth. Strategic's common shares trade on the TSX Venture Exchange under the symbol SOG.

This news release does not constitute an offer of securities for sale in the United States. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and such securities may not be offered or sold within the United States absent U.S. registration or an applicable exemption from U.S. registration requirements.

Cautionary Note Regarding Forward-looking Statements

This press release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws, including statements with respect to the Private Placement and the use of proceeds (collectively, "**forward looking statements**"), and which are based on the expectations, estimates and projections of management of Strategic as of the date of this press release unless otherwise stated. Forward-looking statements are statements and information regarding possible events, conditions or results of operations that are based upon assumptions about future economic conditions and courses of action. Some of the forward-looking statements may be identified by words such as "expects", "anticipates", "believes", "plans", "projections", "outlook", "intends", "may", "could", "would", "might", "will" and similar expressions. More particular and without limitation, this press release contains forward-looking statements and information concerning the use of proceeds from the Private Placement. By their very nature, forward looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, and the risk that predictions and other forward looking statements will not prove to be accurate. Do not unduly rely on forward looking statements, as a number of important factors, many of which are beyond Strategic's control, could cause actual results to differ materially from the estimates and intentions expressed in such forward looking statements. Forward looking statements speak only as of the date those statements are made. Except as required by applicable law, Strategic does not assume any obligation to update, or to publicly announce the results of any change to, any forward looking statement contained herein to reflect actual results, future events or developments, changes in assumptions or changes in other factors affecting the forward looking statements.

The TSXV has in no way passed on the merits of this news release. Neither the TSXV nor its Regulation Services Provider (as that term is defined in policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

ADDITIONAL INFORMATION

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

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