

Strategic
Oil & Gas Ltd.

TSX.V **SOG**

Making
Strategic
Moves

Expanding
Light Oil Resource Opportunities
February 2011



Advisory

This disclosure contains certain forward looking statements that involve substantial known and unknown risks and uncertainties, certain of which are beyond Strategic's control including: the impact of general economic conditions in Canada and the United States, industry conditions (including commodity price fluctuations), change in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in foreign exchange or interest rates, and market valuations of companies with respect to announced transactions and the final valuations thereof, and obtaining required approvals of regulatory authorities. Strategic's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward looking statements will transpire or occur, or if any of them do so, what benefits, including the amount of proceeds, that Strategic will derive there-from.

Strategic Oil & Gas

2006		Founded by Arn Schoch
2008		Grew Company to 150 boe/d
2009	Q1	•Acquired Calgary based Private Company Zinmac
	Q2	• Signed Maxhamish Farmout with Encana
	Q3	• Brought in Partner to accelerate Maxhamish Development (61.5% Partner/ 38.5% SOG)
	Q4	•Raised \$14.5 million equity
2010	Q1	•Drilled Two Successful Multi Frac Horizontal wells
	Q2	•Increased land position in Maxhamish
	Q3	•Bought out Farmout from Encana (SOG owns net 38.5% WI in 100 sections of land)
	Q4	•Raised \$22.0 million equity; additional 36 million warrants exercised (for proceeds of \$21.5 million)
		•Acquired Steen River Oil & Gas <ul style="list-style-type: none"> ▪650 boe/d production (70% oil); Metrics: \$22,000 /flowing bbl ▪Large land base; 110 sections of undeveloped land in a oil fairway
		•Raised \$5.7 million equity
2011	Q1	•Commenced development program at Maxhamish and Steen River

TSXV: SOG – Corporate Summary

Shares Outstanding	138.5 mm (145.9 fully diluted*)
Market cap	\$180 mm (Feb 2011)
Liquidity	450,000+ shares/d (3 mo avg.)
Cash-on-Hand	\$ 30 million (Feb 1, 2011)
Line of Credit	\$5 million** (unutilized)
Tax Pools	\$130 million
Current production	900 boe/d (70 % oil) Western Canada
Land	155,000 net acres (115,000 undeveloped)



*All warrants exercised. Stock options issued in accordance with TSX guidelines

**Currently being reviewed to increase for Steen River acquisition

Management / Board

MANAGEMENT TEAM

Arn Schoch
President & CEO and
Director

Kirk Boote, P.Eng.
VP Operations

Sean Hayes, PhD, P.Geol. **Jim Screaton, CA**
COO VP Finance & CFO

Gurpreet Sawhney, MSc, MBA, P.Eng.
VP Business Development

TECHNICAL TEAM

Gary Billings, BSc Geophys
Sr. Geophysics Advisor

Oskar Skold, MSc Geol
Sr. Reservoir Advisor

Jeff Huckle
Director of Operations

Curt Maxwell
Land advisor

Ian Smith, BSc Geol
Sr. Petrophysics Advisor

BOARD

Arn Schoch
President & CEO and
Director

Colin McNeil, PGeophys
Director

Richard Skeith, John Harkins , PEng
LLB Director
Director

Management Objectives

Continue to Grow Strategic into a sizeable oil focused entity focused in Western Canada

EXPLOIT

- Develop the 500+ MMbbl Light oil resource play at Maxhamish
- Develop Keg River light oil at Steen River

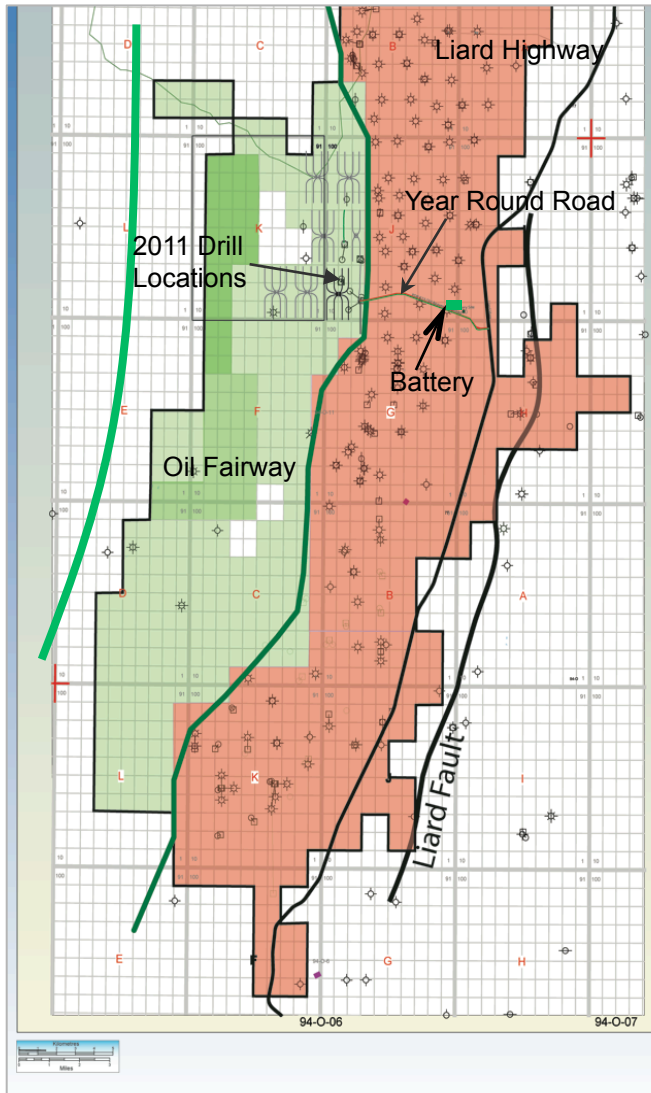
EXPLORE

- Explore the multi-zone oil fairway for light oil opportunities at Steen River
- Light oil opportunities in Western Canada using extensive data sets

ENHANCE

- Increase recovery using waterflood and other EOR techniques

Maxhamish Oil Field (NE British Columbia)



SIZE

100 sections (38.5% WI in 69,440 contiguous acres)

- Adjoining the Maxhamish Gas Field which has 500 bcf OGIP

OOIP >500 MMbbls

- Extensive sheet sand defined using a database of 140+ well, 25+ core, petrophysical analysis and seismic data

RESERVOIR

- Chinkeh Sand (equivalent to Cadomin Formation in Alberta)
- Depth: 1600 m TVD, Thickness: 4 m; Porosity: 16%; Perm: 4 md
- OOIP = 7 MMbbl /section

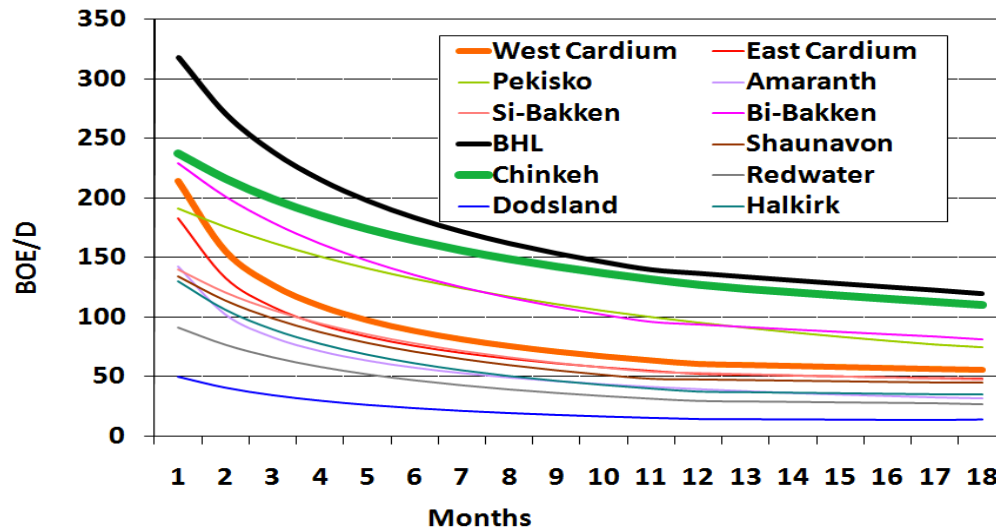
PROVEN OIL

- 42° API oil
- 5 Vertical wells (Vertical well IP 15-45 bbl/day, 3+ years of production)
- 2 successful Multi Frac Horizontal wells Drilled with Legacy in Q1 2010
 - 11 stage fracs
 - Wells producing restricted by facility constraints

DEVELOPMENT

- Plan to develop 4 wells per section
- 2011 Development
 - **All Weather Road for Year Round Access**
 - Construct Oil Battery and drill 4 wells

Maxhamish - Chinkeh Oil Economics



CHINKEH TYPE CURVE*

Depth : 1600 meters TVD

Initial Production: 200-250 bop/d

Year 1 average : 150-180 bop/d

DRILLING ECONOMICS

IP: 200 bopd; Cum: 200 Mbbbl

Cost: \$3.5 million

Oil Price: \$80 /bbl esc (GLJ pricing)

RORBT: 95%

PVBT: \$4.9 million

Netback at \$80 oil : \$41 per bbl

300-400 Potential Locations

CHINKEH vs BAKKEN COMPARISON

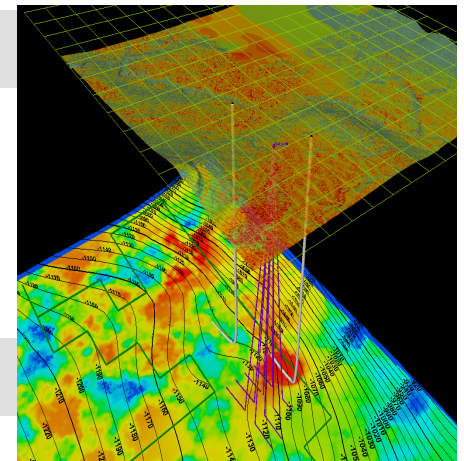
	Chinkeh Sand*	Bakken Shale	Comments
Depth (m)	1,600	1,500	
Thickness (m)	3-8	5-10	Chinkeh is relatively thin
Average permeability	2-20 md	0.001-1.0md	Chinkeh is better
kH flow potential (thickness X permeability)	6-160	0.005-10.0	Chinkeh is 15-100 times better
Average porosity	16%	4-8%	Four times oil storage capacity
OOIP/section	5-8 MMbbbls	3-5 MMbbbls	Higher OOIP/section
Recovery factor	13-15%	10-15%	Chinkeh allows for secondary recovery-up to 40% RF
Reserves/well	200-250 Mbbbls	125 Mbbbls	600 Mbbbls/well under secondary recovery
Production/well-1 st yr.	150+ bbl/d	100 bbl/d	

Chinkeh is a conventional sand play, Bakken is an unconventional shale play

* Type curve for Chinkeh Horizontal well is obtained by simulating vertical and horizontal well data

Maxhamish - Development Plan

2010	Phase I	Proof of Concept
		Drill, complete and test 2 wells
2011	Phase II	Early Phase Development
		Add all year access road
		Oil Battery, facility as required
		Drill /Frac initial 4 wells
		Continue drilling on the 8 well pad
2012 +	Phase III	Development Plan
		Pad Development: 8 wells /pad
		4 wells/section
		Waterflood Feaseability

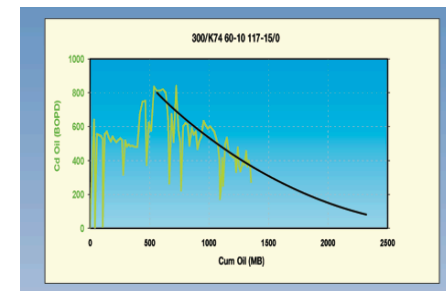
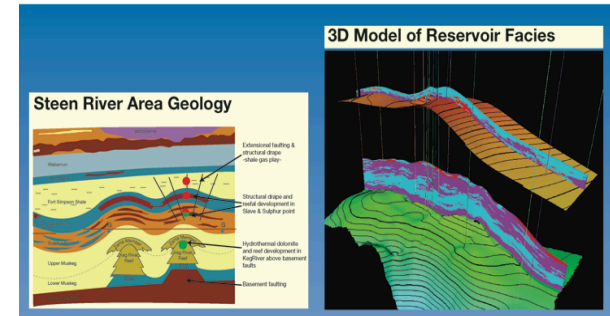
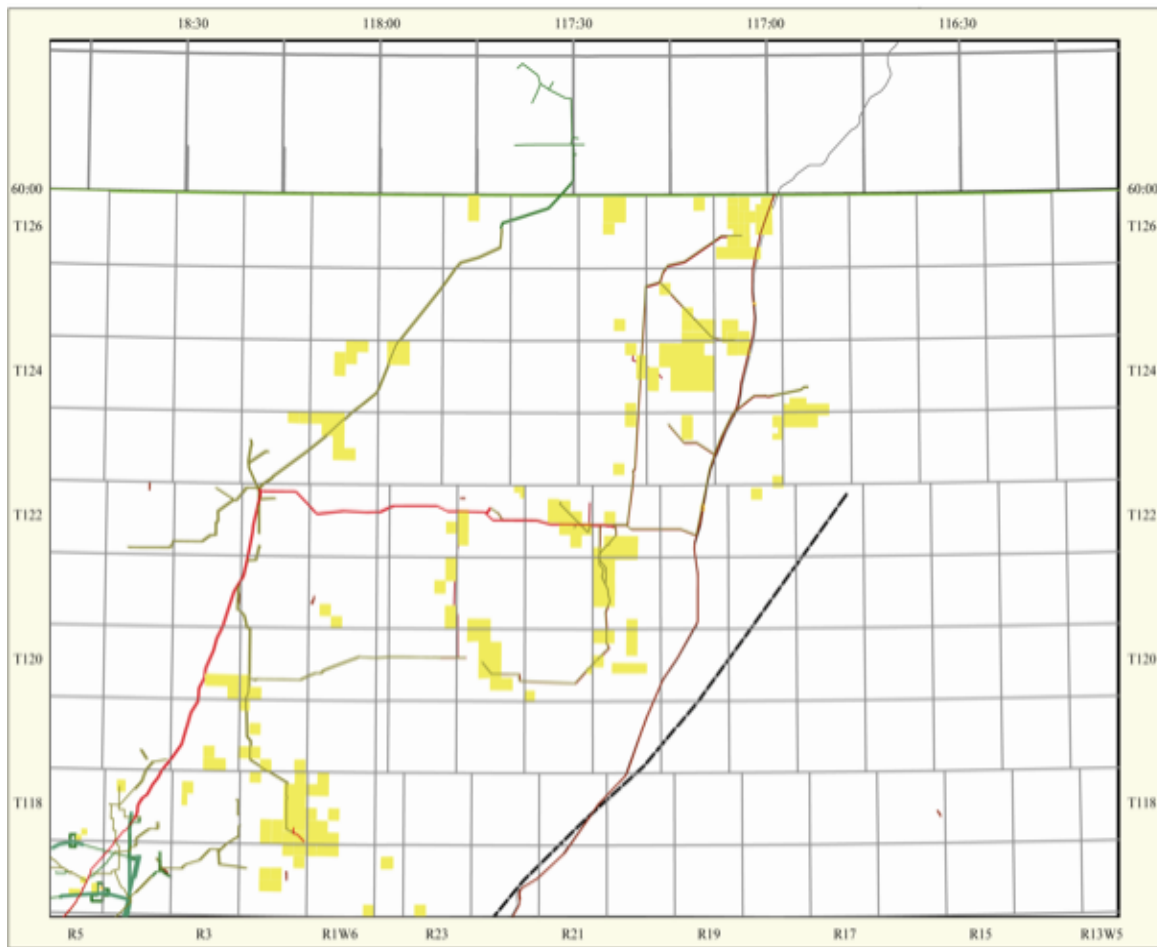


Steen River Acquisition

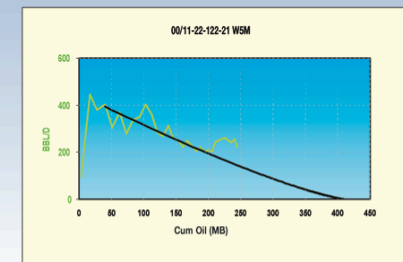
- Acquired shares of Steen River Oil & Gas Ltd. On December 22, 2010
- Purchase price
 - Consideration Paid: \$10.5 million
 - Cash: \$6.3 million
 - Shares: \$4.2 million (5.3 million shares of SOG issued)
 - \$3.5 million of existing 5% secured debentures assumed (due Nov 2011)
- Enterprise value: \$14.0 million
- Acquisition Summary
 - Current Production: 650 boe/d (70% Oil)
 - Land: 170 sections (110 undeveloped)
 - Facility: Capacity 2000 bopd & 35 mmscfd gas, \$35 million est. replacement cost
 - Tax Pools: >\$110 million
 - Acquisition Metrics
 - \$22,000 per boe/d



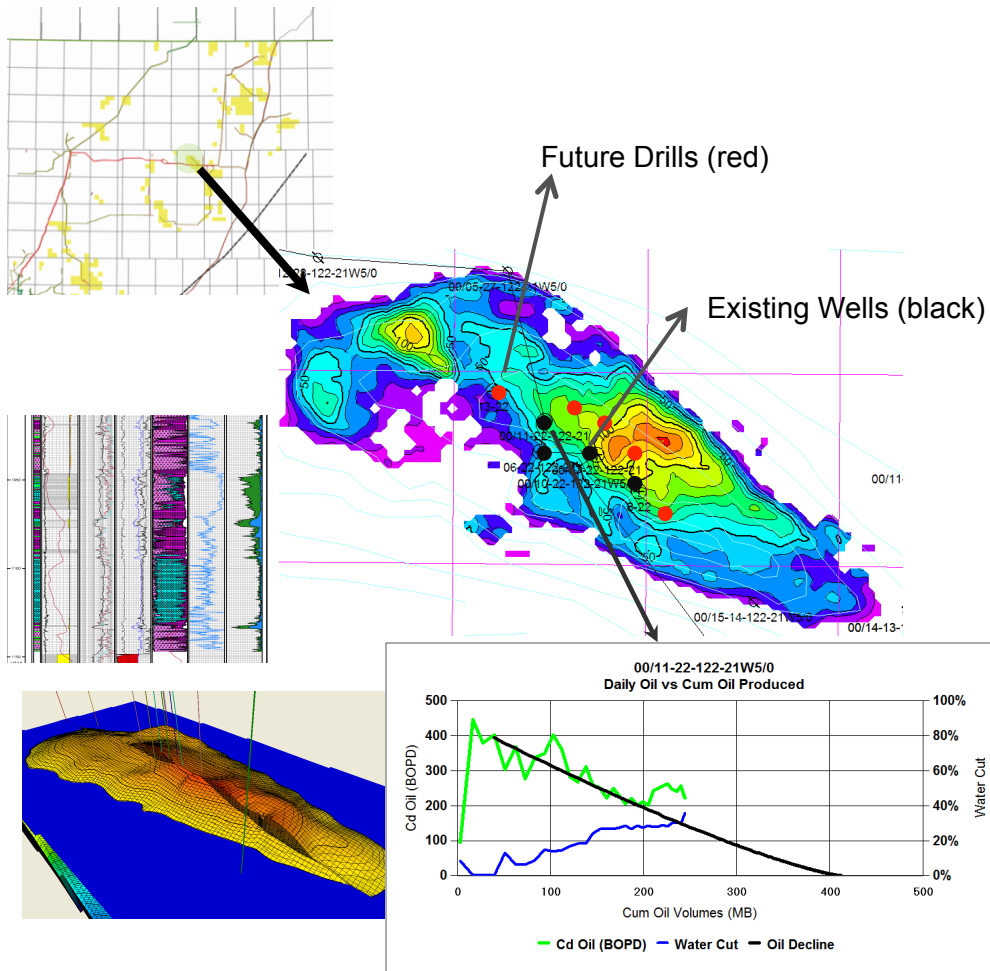
Steen River Area



Manhattan Island



Steen River - North Marlowe Development



STATUS

Current Keg River production > 450 bopd

Wells on production for > 5 years

PRODUCTION PROFILE

Expected IP rates: 200-250 bopd

Cumulative Oil: 100,000 to 250,000 bbls

POTENTIAL

Structural Mapping Yields 16 MMB OOIP

3D seismic program on-going

Potential for 10+ additional locations

Extend Keg River Pool & find new pools

DRILLING ECONOMICS

IP: 200 bopd; Cum: 200 Mbbl

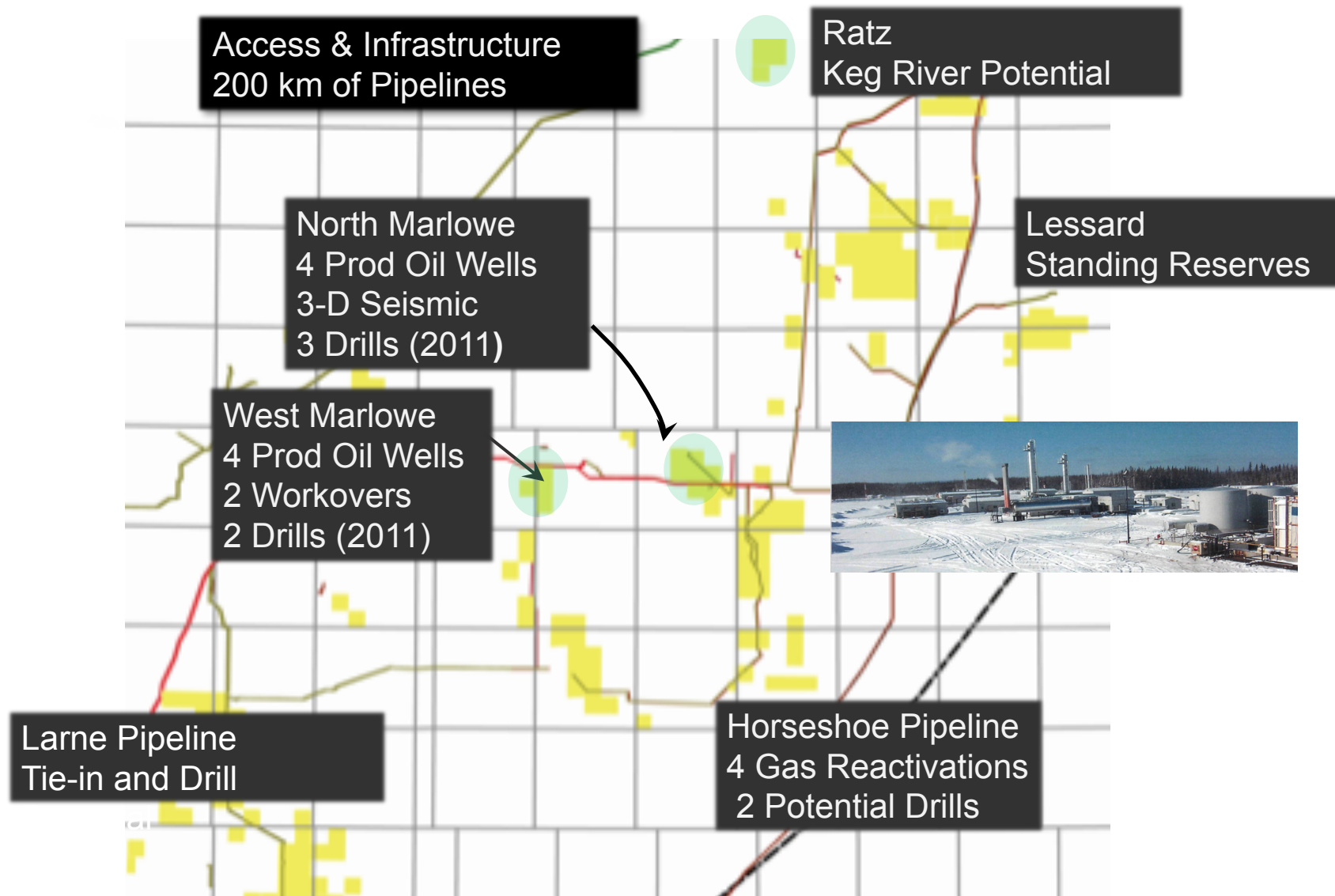
Costs: \$1.5 million

Oil Price: \$80 /bbl esc (GLJ pricing)

RORBT: 500%

PVBT: \$5.5 Million

Steen River Opportunities



Steen River - Development Plan

Q1 2011

Repair pipeline at Marlowe North	Completed
Shoot 3-D seismic over Marlowe North	In progress
Workover 4 wells	In progress
Develop all year round road at Marlowe North	In progress
Drill 2 wells in Keg River	Subject to rig availability

Q2 to Q4, 2011

- Process seismic and select new Keg River locations and other multi-zone oil potential
- Drill additional locations at Marlowe
- Exploit untapped oil
- Prepare opportunities at other properties – Ratz, Lessard, Larne

2012 and beyond

- Multi-well drilling program – Keg River and other reservoirs
- Shoot additional seismic, if necessary
- Tie-in Lessard and Larne
- Explore Steen River oil fairway

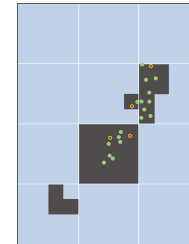
Southern Alberta

TABER

- 75% WI
- 100 bbl/day medium gravity from Glauconite zone

2011

- Infill Well
- Chemical flood pilot



CONRAD

- 100% WI
- 70 bbl/day medium gravity oil from Sawtooth Formation
- >13 sections of land

2011

- 2 Infill well locations
- Waterflood optimization



Capital Program 2011 (preliminary)

PROPERTY	CAPEX (\$ million)	POTENTIAL PRODUCTION Adds (boe/d)
Maxhamish drill up to 6 wells + infrastructure*	12	250
Steen River Drill up to 5 wells, seismic, optimize	10	600
Taber/Conrad drill up to 2 wells + facilities**	2	60
Other properties	1	50
TOTAL	25	950

Strategic is well positioned for an accelerated development program at Maxhamish once year-round access is completed

* 2011 program is currently being finalized

** Does not include a chemical flood program



Strategic Today

Two Large Light Oil plays with dominant land position

Politically safe environment to explore/produce

Production exceeds 900 boe/d & growing

Leading Edge Technical Team

Financed and Debt Free

MAXHAMISH

Light Oil Resource Play

42 deg API

38.5% WI in 100 sections

Promising initial results

Building year round access

2011 program underway

STEEN RIVER

Light Oil Asset

34 deg API

100% WI in over 100 sections

Producing over 650 boe/d (70% Oil)

Multi-zone oil & gas fairway

2011 program underway

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TSX.V **SOG**

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Contact Information

1800, 510 - 5 Street SW
Calgary, Alberta T2P 3S2
Tel: 403.718.0183
Fax: 403.718.0184
Email: contactus@sogoil.com
Website: www.sogoil.com

Arn Schoch

President & CEO
Dir: 403.718.0183 ext 242
Cell: 403.870.1245

Gurpreet Sawhney

VP Business Development
Dir: 403.718.0183 ext 227
Cell: 403.606.3727

