



BASE OIL & GAS LTD. ANNOUNCES AMENDMENT TO TERMS OF FINANCING

CALGARY, ALBERTA – (December 18, 2009) – Base Oil & Gas Ltd. (“Base” or the “Company”) (TSX VENTURE: BOG) intends to amend the terms of the private placement announced on November 27, 2009, subject to the approval of the TSX Venture Exchange. The Corporation now intends to issue on a private placement basis (the “Private Placement”) up to 2 million common shares (“Common Shares”) at \$0.25 per share for gross proceeds of up to \$500,000 and up to 3,333,333 Common Shares on a “flow-through” basis under the Income Tax Act (Canada) (“Flow-Through Shares”) at \$0.30 per Flow-Through Share for gross proceeds of up to \$999,999.90. Total proceeds will be \$1,499,999.90. The Corporation has entered into an agreement whereby a third party will introduce the Corporation to potential investors in connection with the private placement of 3,083,333 Flow-Through Shares in exchange for a cash fee. The Private Placement of Flow-Through Shares is expected to close on or before December 22, 2009, and Private Placement of Common Shares on January 15, 2010.

The amendment to the terms of the Private Placement is subject to the approval of the TSX Venture Exchange, which may impose conditions in connection with its approval of either or both of those transactions. All securities issued in connection with the Private Placement will be subject to a four-month hold period.

Base is a Calgary based emerging oil and gas company, focused on the development of oil & gas reserves in the Western Canadian Sedimentary basin.

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.

FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements. More particularly, this press release contains statements concerning the use of funds from the Private Placement and the planned operations of the Company. The forward-looking statements contained in this document are based on certain key expectations and assumptions made by Base Oil & Gas Ltd. with respect to the use of funds from the Private Placement and the Company’s planned operations. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the failure to obtain the necessary regulatory approvals, risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks, commodity price and exchange rate fluctuations). The forward-looking statements contained in this document are made as of the date hereof and the Company takes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

FOR ADDITIONAL INFORMATION PLEASE CONTACT:

Base Oil & Gas Ltd.

Dennis Feuchuk
President & CEO
(403) 384-0000
dennisf@baseoilandgas.ca

Roy Evans, C.A.
Vice President, Finance & CFO
(403) 384-0000
roye@baseoilandgas.ca