



**BASE OIL & GAS LTD. ANNOUNCES CLOSING OF FINAL TRANCHE OF NON-BROKERED FINANCING AND SALE OF WORKING INTEREST IN LONG COULEE SECTION**

CALGARY, ALBERTA – (June 30, 2010) – Base Oil & Gas Ltd. (“**Base**” or the “**Company**”) (TSX VENTURE: BOG) has closed the final tranche of its previously announced non-brokered private placement (the “**Private Placement**”) for aggregate gross proceeds of \$395,549.90. The Company issued 1,318,499 common shares on a “flow-through” basis under the *Income Tax Act* (Canada), at a price of \$0.30 per share pursuant to this tranche. In connection with this tranche of the Private Placement, the Company paid a 5% finder’s fee on \$380,549.90 of the gross proceeds received by the Company. The total gross proceeds under the Private Placement were \$626,549.90.

The proceeds will be used towards financing the Company’s share of the second earning well (“**2<sup>nd</sup> Earning Well**”) under a previously announced farm-in agreement to develop Cardium production with a private company in the Pembina area. By paying 37.5% of the drilling, completing, equipping and tie-in costs of the 2<sup>nd</sup> Earning Well, Base will earn a 22.5% working interest in the well and the Cardium within the section. Commencement of drilling operations is scheduled for July 10<sup>th</sup> 2010.

All securities issued in connection with the Private Placement will be subject to a four-month hold period.

The Company also announces that it has sold its working interest in one of two non-producing sections it currently holds in the Long Coulee area to a junior public company. The sale proceeds of \$256,000 will be used towards financing the Company’s share of the 2<sup>nd</sup> Earning Well as noted above.

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 the Company 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.

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