

March 3, 2011

LEGACY OIL + GAS INC. ANNOUNCES 2011 BUDGET AND PUBLIC GUIDANCE

CALGARY, ALBERTA (March 3, 2011) Legacy Oil + Gas Inc. (“Legacy”) (TSX:LEG) Legacy Oil + Gas Inc. (“Legacy” or the “Company”) is pleased to announce its capital and operating budget and associated public guidance for 2011. The Company was recently successful in building out its dominant position in the Spearfish play in southern Manitoba and North Dakota, which has added significantly to its drilling inventory and will play a key role in 2011 organic activity and growth.

Legacy expects to spend \$254 million in 2011, a 45 percent increase over 2010 capital spending guidance. This capital spending will be light oil focused and the majority (85 percent) will be directed to drilling, completions and tie-ins. The spending is broken down as follows: drilling, completions and tie-ins - \$216 million; land and seismic - \$15 million; facilities - \$15 million; and reclamation and other \$8 million. The capital spending will be allocated to the Company’s major plays – Turner Valley - \$39 million (15 percent), Taylorton - \$39 million (15 percent) and Spearfish (Manitoba and North Dakota) - \$38 million (15 percent). The exact capital spending allocation between Manitoba and North Dakota will be determined based on the results from Legacy’s current drilling program, expected over the next month. In addition, the Company will make major capital expenditures at Frys/Antler - \$24 million (9 percent), and Heward/Stoughton - \$18 million (7 percent).

Legacy is planning to drill 158 gross (112.0 net) wells in 2011 targeting high quality light oil. In addition to drilling, the Company is planning capital expenditures on pilot waterfloods at Frys/Antler, Taylorton/Pinto and Heward/Stoughton. No capital has been budgeted for acquisitions, although the Company continues to evaluate new opportunities, both within and beyond its core areas.

Legacy anticipates a 2011 average production rate of 14,150 Boe per day (80 percent weighted to light oil and NGL) representing growth of 59 percent over 2010 public guidance. Legacy expects to exit 2011 at over 15,750 Boe per day, representing 21 percent growth from 2010 exit rate guidance. The production estimates take into account operational issues expected from spring break-up, pipeline access issues plaguing the industry in southeast Saskatchewan and a turnaround at the Quirk Creek natural gas plant, which in aggregate reduce the expected average by approximately 600 Boe per day. The operational parameters used in the budget are as follows:

- Production - 14,150 Boe per day (80 percent light oil and NGL)
- Average Crude Quality - 37° API
- Royalty Rate - 17.5 percent
- Operating Costs (including Transportation) - \$13.50 per Boe
- G&A (expensed) - \$2.25 per Boe
- Common Shares Outstanding (basic, weighted average) - 139.4 million

At recent strip pricing, this budget is expected to deliver cash flow in excess of \$250 million, (\$1.80 per basic common share) resulting in projected 2011 year end net debt of \$230 million and a debt to trailing cash flow ratio of less than 1.0 times. Cash flow sensitivity to changes in oil price is 2.1 percent per USD 1.00 per barrel change in WTI oil price.

Legacy begins 2011 with an extensive light oil development drilling inventory of 984 gross (696.5 net) locations, which represents over six years of development potential, based on expected 2011 activity levels. This significant opportunity set does not reflect the potential upside from downspacing Bakken light oil resource play lands from 4

to 8 wells per section or the waterflood potential at Frys/Antler, Taylorton/Pinto and Heward/Stoughton. Furthermore, Legacy has material exposure to emerging light oil resource plays at Bottineau County, North Dakota for Spearfish, southern Alberta for Alberta Bakken and Maxhamish in northeast BC for Chinkeh that could add significantly to the development drilling inventory and growth potential of the Company.

Legacy is a uniquely positioned, technically driven intermediate oil and natural gas company with a proven management team committed to aggressive, cost-effective growth of light oil reserves and production in large hydrocarbon in-place assets and resource plays. Legacy's common shares trade on the TSX under the symbol LEG.

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FORWARD LOOKING STATEMENTS: This press release contains forward-looking statements. More particularly, this press release contains statements concerning planned capital expenditures, the breakdown of planned capital expenditures by class and area, planned exploration and development activities, the anticipated 2011 average and exit rates of production, anticipated cash flow and cash flow per share in 2011 and the anticipated year end net debt and debt to trailing cash flow ratio.

The forward-looking statements contained in this press release are based on certain key expectations and assumptions made by Legacy, including the operational parameters specifically set out in the press release and expectations and assumptions concerning the success of future drilling and development activities, the performance of existing wells, the performance of new wells, the successful application of technology, prevailing commodity prices, royalty regimes and exchange rates and the availability of capital, labour and services.

Although Legacy 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 Legacy 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, 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 reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses; and health, safety and environmental risks), uncertainty as to the availability of labour and services, commodity price and exchange rate fluctuations and changes to existing laws and regulations. Certain of these risks are set out in more detail in Legacy's Annual Information Form which has been filed on SEDAR and can be accessed at www.sedar.com.

The forward-looking statements contained in this press release are made as of the date hereof and Legacy undertakes 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.

Meaning of Boe: When used in this press release, Boe means a barrel of oil equivalent on the basis of 1 Boe to 6 thousand cubic feet of natural gas. Boe/d means a barrel of oil equivalent per day. Boe's may be misleading, particularly if used in isolation. A Boe conversion ratio of 1 Boe for 6 thousand cubic feet of natural gas is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.