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LEGACY OIL + GAS INC. ANNOUNCES SIGNIFICANT LIGHT OIL ASSET ACQUISITION AND \$100 MILLION BOUGHT DEAL FINANCING

CALGARY, ALBERTA (February 1, 2011) Legacy Oil + Gas Inc. (“Legacy” or the “Company”) (TSX:LEG) is pleased to announce the acquisition (the “Acquisition”) of highly focused, high working interest, operated producing oil assets in southwest Manitoba, consisting of light oil production, reserves and undeveloped land in the Spearfish light oil resource play from Molopo Energy Canada Ltd. (“Molopo”).

SUMMARY OF THE ACQUISITION

Through the Acquisition, Legacy is acquiring 800 Bbl/d (2010 exit rate) of high quality, high netback, light oil assets in an early stage resource play focused in the Pierson area of southwest Manitoba for total consideration of approximately \$185.4 million (subject to customary closing adjustments) consisting of \$93 million in cash and 6.18 million Legacy common shares (subject to a 180 day escrow). In addition, Legacy is acquiring eight gross (6.0 net) standing wells awaiting completion. With the Acquisition, Legacy increases its significant oil and NGL weighting to approximately 84 percent of proforma production and proved plus probable reserves.

The Acquisition has the following characteristics:

2010 Exit Production:	800 Bbl/d (100% light oil 36° API)
Proved plus Probable Reserves ⁽¹⁾ :	9.1 MMBbls (100% light oil)
Proved plus Probable RLI ⁽²⁾ :	31.2 years
Undeveloped Land:	33,217 net acres
Total Drilling Locations:	329 gross (234.0 net) – approximately 71 percent unbooked
Operating Netback ⁽³⁾ :	\$53.00/Bbl

1. Gross Company Reserves. Reserves are Legacy internal estimates prepared by a member of management who is a qualified reserves evaluator in accordance with National Instrument 51-101 effective December 31, 2010. Gross Company Reserves means the company’s working interest reserves before the calculation of royalties, and before the consideration of the company’s royalty interests.
2. Based on 2010 exit rate production.
3. Based on US\$85.00/Bbl WTI and US\$/CDN\$ exchange rate of 1.00 and calculated by subtracting royalties and operating costs from revenues.

Legacy has deposited \$8 million under the terms of the asset acquisition agreement, which is refundable to Legacy if the Acquisition does not close, except in the event of default by Legacy. Closing of the Acquisition is expected to occur on or about March 9, 2011 and is subject to certain conditions and the receipt of all regulatory approvals, including the approval of the TSX.

TRANSACTION METRICS

The Acquisition is initially neutral to slightly accretive to Legacy on key per share metrics, but brings to the Company a significant position in an emerging, high growth light oil resource play in the Spearfish formation.

Net of undeveloped land at an estimated value of \$13.3 million and based on the common share offering price of \$14.95 per common share, as described below, the transaction metrics are as follows:

Production ⁽¹⁾ :	\$215,125 per Bbl/d
Proved plus Probable Reserves ⁽²⁾ :	\$18.89/Bbl
Proved plus Probable Recycle Ratio ⁽³⁾ :	2.8 times

1. Excludes eight gross (6.0 net) horizontal wells waiting on completion.
2. Reserves as disclosed above.
3. Utilizing Netback shown above.

FINANCING

In furtherance of the Acquisition, Legacy has entered into an agreement, on a bought deal basis, with a syndicate of underwriters co-led by GMP Securities L.P. and Macquarie Capital Markets Canada Ltd., and including FirstEnergy Capital Corp., BMO Capital Markets, National Bank Financial Inc., Scotia Capital Inc., CanaccordGenuity Corp., Cormark Securities Inc. and Raymond James Ltd. for an offering (the "Financing") of 6,700,000 common shares at a price of \$14.95 per common share to raise gross proceeds of approximately \$100 million. Legacy will grant the underwriters an option to purchase an additional 1,005,000 common shares exercisable at the offering price for a period of 30 days from the closing date for additional gross proceeds of approximately \$15 million. Closing of the Financing is expected to occur on or about February 23, 2011 and is subject to customary conditions and regulatory approvals, including the approval of the TSX.

The net proceeds of the Financing will be used to fund the cash purchase price payable by Legacy pursuant to the Acquisition and general corporate purposes. The common shares will be issued pursuant to a short form prospectus to be filed by Legacy in each of the provinces of Canada and will also be offered for sale internationally pursuant to applicable registration or prospectus exemptions as permitted.

FINANCIAL ADVISORS

FirstEnergy Capital Corp. acted as financial advisor and Macquarie Capital Markets Canada Ltd. and GMP Securities L.P. acted as strategic advisors to Legacy with respect to the Acquisition.

STRATEGIC RATIONALE

The Acquisition represents the successful continuation of Legacy's business plan to acquire high quality light oil assets that can deliver significant development drilling and exploitation opportunities through the application of new technology while contemporaneously building a sustainable, predictable production base that provides internally generated free cash flow to fund Legacy's extensive light oil development drilling inventory.

The Spearfish light oil resource play began development in southwest Manitoba in early 2007 and since that time, more than 150 multi-stage fracture stimulated horizontal wells have been drilled in the greater Waskada area. The boundaries of the Spearfish light oil resource play have been expanded into the Pierson area in Manitoba with the successful drilling by Molopo and others and Legacy is currently working on extending the play into North Dakota with its current drilling activity in Bottineau County.

The Acquisition provides Legacy an operated, high working interest in 40,924 gross (35,749 net) acres or 55.9 net sections of land in the high impact, Spearfish light (36° API) oil resource play at Pierson. This includes 37,284 gross (33,217 net) undeveloped acres or nearly 52 net undeveloped sections of land, adding appreciably to the

Company's already significant Spearfish play exposure and providing a highly complementary production and land base to Legacy's North Dakota operations.

Based on the 62 wells drilled to date by Molopo, Legacy believes the Acquisition encompasses a large resource play for light oil in the Spearfish formation. Existing well control has de-risked approximately 24 gross sections of land over 14 miles of the Spearfish fairway in the Pierson area. By capturing the opportunity, Legacy believes it can continue to unlock the large resource potential through continued improvements in technology, including potential secondary and tertiary recovery schemes. As with all resources plays, improvements in technology result in continuous increases in production rates and reserves and decreases in costs over the long lifespan of these types of developments. Legacy has successfully demonstrated these improvements in its existing light oil resource play portfolio.

Currently producing wells were typically drilled horizontally with a combination of both long (1200+ m) and short (600 m) single laterals and completed utilizing multi-stage frac treatment. Long horizontal wells within the productive Spearfish fairway are expected to have average 30 day initial rates of approximately 100 Bbl/d and 90 day average initial rates of 80 Bbl/d. Well costs are expected to be \$1.5 million to drill, complete and tie-in, with proved plus probable recoveries expected to be approximately 102,000 Bbl/well. Wells are currently producing through single well batteries; however equipment has been secured for a central oil battery which is expected to be constructed and operational in 2011. It is anticipated that this facility will lead to lower operating costs through the elimination of third party treating and salt water disposal and the reduction of infield fluid trucking.

Legacy has identified 329 gross (234.0 net) horizontal development drilling locations targeting light oil, of which 239 gross (166.8 net) or 71 percent are unbooked, as well as eight gross (6.0 net) standing horizontal wells awaiting completion. The number of locations is based on the expectation that development of the Acquisition will result in eight long lateral horizontal wells per section, or the equivalent of 16 short lateral horizontal wells per section. Current well spacing in a large portion of the Waskada area has reached 24 short lateral horizontal wells per section or the equivalent of 12 long lateral horizontal wells per section. Successful demonstration of downspacing in the Pierson area to the well density seen in Waskada, could significantly increase Legacy's development drilling inventory. Furthermore, the South Pierson Unit No. 1 Spearfish pool has been successfully waterflooded since 1993, demonstrating the secondary recovery potential associated with the Acquisition.

Proforma the Acquisition, Legacy has the following characteristics:

Exit 2010 Production	13,800 Boe/d (84% light oil and NGL's)
Proved plus Probable Reserves ⁽¹⁾ :	84.9 MMBoe (84% light oil and NGL's)
Proved plus Probable RLI ⁽²⁾ :	16.9 years
Undeveloped Land:	569,217 net acres
3D Seismic:	1,535 square miles
Total Development Drilling Locations:	984 gross, 696.5 net

1. Gross Company Reserves. Reserves evaluated by Sproule Associates Ltd. ("Sproule") as at December 31, 2009 for Legacy and CanEra Resources Inc. Reserves evaluated by GLJ Petroleum Consultants Ltd. ("GLJ") as at March 31, 2009 for Villanova Resources Inc. Reserves for the Acquisition are Legacy internal estimates prepared by a member of management who is a qualified reserves evaluator in accordance with National Instruments 51-101 effective December 31, 2010. Gross Company Reserves means the Company's working interest reserves before the calculation of royalties, and before the consideration of the Company's royalty interests.
2. Based on exit 2010 production.

Legacy will incorporate the Acquisition into its 2011 budget, which is currently being prepared and will provide formal guidance upon approval by the board of directors. The new budget is expected to be approved and disseminated in early March, 2011.

Legacy is a uniquely positioned, well-capitalized, 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 Toronto Stock Exchange under the symbol LEG.

This press release shall not constitute an offer to sell, nor the solicitation of an offer to buy, any securities in the United States, nor shall there be any sale of securities mentioned in this press release in any state in the United States in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

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FORWARD LOOKING STATEMENTS: This press release contains forward-looking statements. More particularly, this press release contains statements concerning the anticipated dates for the closing of the Acquisition and Financing, the potential exploration and development opportunities associated with the Acquisition, the potential results of wells drilled and completion techniques, the potential application of secondary and tertiary recovery schemes, the anticipated impact of the Acquisition on Legacy and the anticipated timing of the release of Legacy's 2011 budget.

The forward-looking statements contained in this document are based on certain key expectations and assumptions made by Legacy, including: (i) with respect to the anticipated closing dates of the Acquisition and Financing, expectations and assumptions concerning timing of receipt of required regulatory approvals and third party consents and the satisfaction of other conditions to the completion of the Acquisition and Financing, (ii) with respect to the timing of the release of the 2011 budget, assumptions as to the timing of completion of budgeting and approval processes and (iii) with respect to the remaining forward-looking statements, 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 and prevailing royalty regimes.

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, the failure to obtain necessary regulatory approvals or satisfy the conditions to closing the Acquisition or Financing, risks associated with the oil and natural 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), commodity price and exchange rate fluctuations changes to existing laws and regulations and uncertainties resulting from potential delays or changes in plans with respect to exploration or

development projects or capital expenditures. 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 document 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 per day 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.