

CALGARY, Jan. 18, 2016 /CNW/ - [Connacher Oil and Gas Ltd.](#) (CLC – TSX; "Connacher" or the "Company") announces that in light of exceptionally low commodity prices, the Company plans to further reduce production at Great Divide.

Average production for the month of January is expected to be 7,000 to 8,000 barrels per day. February and March production is expected to be 3,000 to 4,000 barrels per day. Both plants at Great Divide will remain operating the majority of this time and equipment maintenance is ongoing.

Based on field estimates, Connacher's Great Divide production for Q4 2015 averaged approximately 13,900 barrels per day. Connacher ended the year with a \$47.2 million cash position and plans to actively maximize liquidity through this challenging environment.

About Connacher

Connacher is a Calgary-based in-situ oil sands developer, producer and marketer of bitumen. The Company holds a 100 percent interest in approximately 440 million barrels of proved and probable bitumen reserves and operates two steam assisted gravity drainage facilities located on the Company's Great Divide oil sands leases near Fort McMurray, Alberta. For more information about Connacher please visit www.connacheroil.com.

Forward Looking Information

Forward looking information is based on management's expectations regarding the Company's future financial position, the Company's future growth, results of operations and production, future commodity prices and foreign exchange rates, future capital and other expenditures (including the amount, nature and sources of funding thereof), plans for and results of drilling activity, environmental matters, business prospects and opportunities and future economic conditions. Forward looking information involves significant known and unknown risks and uncertainties, which could cause actual results to differ materially from those anticipated. These risks include, but are not limited to: the risks associated with the oil and gas industry (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 and resource estimates, the uncertainty of geological interpretations, the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), risk of commodity price and foreign exchange rate fluctuations, risks associated with the impact of general economic conditions, risks and uncertainties associated with maintaining the necessary regulatory approvals and securing the financing to proceed with the operation and continued expansion of the Great Divide oil sands project.

In addition, reported average production levels may not be reflective of sustainable production rates and future production rates may differ materially from the production rates reflected in this press release due to, among other factors, difficulties or interruptions encountered during the production of bitumen.

Additional risks and uncertainties affecting Connacher and its business and affairs are described in further detail in Connacher's Annual Information Form for the year ended December 31, 2014. Although Connacher believes that the expectations in such forward looking information are reasonable, there can be no assurance that such expectations shall prove to be correct. The forward looking information included in this press release is expressly qualified in its entirety by this cautionary statement. The forward looking information included herein is made as of the date of this press release and Connacher assumes no obligation to update or revise any forward looking information to reflect new events or circumstances, except as required by law.

SOURCE [Connacher Oil and Gas Ltd.](#)

Contact

Merle Johnson, Chief Executive Officer; Jeff Beeston, Vice President of Finance and Interim Chief Financial Officer; [Connacher Oil and Gas Ltd.](#), Phone: (403) 538-6201, Fax: (403) 538-6225, Suite 900, 332 - 6th Avenue SW, Calgary, Alberta T2P 0B2, inquiries@connacheroil.com, www.connacheroil.com