

## Daybreak Updates Sale of Louisiana Properties

SPOKANE, Wash., June 5, 2008 -- Daybreak Oil and Gas, Inc. (OTC Bulletin Board: DBRM) ("Daybreak" or the "Company") a Washington Corporation, is pleased to announce that the Company intends to sign the final closing documents for the sale of its Tuscaloosa Project properties on Friday, June 13, 2008. These properties are located in Tensas and Franklin Parishes, Louisiana. As reported previously, Daybreak received \$2,000,000 on January 18, 2008, in exchange for 25% of its interest. Under terms of the original Purchase and Sale Agreement, Daybreak and the Purchaser contemplated two separate closings for 100% of Daybreak's interests for a total purchase price of \$8,000,000. At an intermediate closing, April 30, 2008, Daybreak received \$500,000 in exchange for the transfer of 6.25% of the Company's original ownership interest in the properties. As amended, a final closing in the amount of \$5,500,000, subject to customary allowances, was to occur by May 31, 2008. This final closing has been re-scheduled by mutual agreement to accommodate requirements related to the Purchaser's optimized financing which have now been completed.

For more information about Daybreak Oil and Gas Inc., please visit its website at [www.daybreakoilandgas.com](http://www.daybreakoilandgas.com).

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