

Daybreak Updates Sale of Louisiana Properties

SPOKANE, Wash., March 28, 2008 -- Daybreak Oil and Gas, Inc. (OTC Bulletin Board: DBRM) ("Daybreak" or the "Company"), a Washington corporation, today announced that the Company anticipates the second closing on the sale of property interests located in Tensas and Franklin Parishes, Louisiana, will occur in April. Under terms of the Purchase and Sale Agreement signed in January, the transaction was scheduled to close in two tranches, the first closing for \$2 million, representing 25% of Daybreak's interests closed on January 18, 2008. The second closing will be in the amount of \$6 million for the remaining 75% of the Company's interest, subject to customary closing adjustments.

For more information about Daybreak Oil and Gas Inc., please visit its website at www.daybreakoilandgas.com.

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