DAYBREAK COMPLETES DRILLING IN LOUISIANA

Spokane, Washington, Daybreak Oil and Gas, Inc, announces that they have reached the total depth of 8,350 feet on the well being drilled in Tensas Parish, located in eastern Louisiana.

The company is currently evaluating results of the well logging.

In other news, Daybreak Oil and Gas, Inc., announced that on January 13, 2006, the Board of Directors appointed Terrence J. Dunne as a Director of the company. Mr. Dunne is an existing shareholder of Daybreak Oil and Gas, Inc. and is considered to be a 10% shareholder of the company.

Mr. Dunne is a business consultant, primarily focused on business acquisitions and corporate reorganizations. Mr. Dunne received a degree in Business Administration from Gonzaga University in 1970. He received his Masters Degree in Business Administration in 1975 from Gonzaga University. In addition, he received a Masters Degree in Taxation from Gonzaga University in 1984. Mr. Dunne is a former adjunct professor in the School of Business Administration of Gonzaga University, teaching courses in corporate mergers, acquisitions and reorganizations.

For information about Daybreak Oil and Gas, Inc., please contact Investor Relations:

Eric Moe	Telephone:	(509) 467-8204
	Email:	emoe27@aol.com
Mike McIntyre	Telephone:	(604) 484-6243
	Email:	mmac10@shaw.ca

"Safe Harbor" Statement under Private Securities Litigation Reform Act of 1995:
Certain statements contained herein constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Information contained herein contains "forward-looking statements" which can be identified by the use of forward-looking terminology such as "believe","expect","may","should","up to","approximately","likely", or "anticipates" or the negative thereof or given that the future results covered by such forward looking statements will be achieved. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only for the date the statement was made. Investors should carefully consider the preceding information as well as information contained in any news release before making any investment in the shares of the company. Daybreak Oil and Gas, Inc., undertakes no obligation to update any forward-looking statements.