

Daybreak Drills Successful Development Well in California and Completes Bear #1 Exploratory Well

SPOKANE, Washington, June 18, 2009 -- Daybreak Oil and Gas, Inc., (OTC Bulletin Board: DBRM) (“Daybreak” or the “Company”) a Washington Corporation, is pleased to announce the successful drilling of the Sunday #2 development well at its East Slopes Project in Kern County, California. The Sunday #2 well, which was drilled 600 feet away from the Sunday #1 well, encountered 25 feet of oil pay in the Vedder sands at 1,900 feet and is currently being completed. The Sunday #1 well is currently producing 80 barrels of oil per day.

The Bear #1 well has now been completed and put on production at a rate of 50 barrels of oil per day. Construction of permanent production facilities, which will serve both the Sunday and Bear prospect areas, is underway and should be completed by late summer.

James F. Westmoreland, President and Chief Executive Officer, stated, “We are off to a successful start to our development program on the Sunday prospect. We plan to drill another development well in the Sunday area in the very near future and possibly two more over the next few months. We are also planning to drill at least one development well in the Bear prospect area during the latter part of the summer. With oil prices on the rise, our focus now is to establish positive cash flow for the Company.”

Daybreak Oil and Gas, Inc. is an independent oil and gas company engaged in the exploration, development and production of oil and gas. The Company currently has participating interests in projects located in Alabama, California, and Louisiana.

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

Contact:

Ed Capko Telephone: 815-942-2581
Investor Relations Email: edc@daybreakoilandgas.com

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