



**CalStar Oil & Gas Ltd.**  
Suite 601 100 4<sup>th</sup> Ave. S.W.  
Calgary Alberta T2P 3N2

**CalStar Oil & Gas Ltd. Announces Update on APOC 4-9-34-20W4 Well**

**January 24, 2008**

**Calgary Alberta January 24, 2008 – CalStar Oil & Gas Ltd. (“CalStar”) trading on the CNQ – Canada’s New Stock Exchange under the symbol “CAL5”**

Ted K. Cantlon, President & CEO of CalStar announces that the Company has received an independent engineering report from Chapman Petroleum Engineering Ltd., (Chapman) of Calgary Alberta.

In the report, Chapman states – “Based on our analysis, we have concluded that there is commercial hydrocarbon (oil) potential (in our Leduc #1 Well) in two separate intervals in the Leduc formation, the intervals 1903 to 1932 meters KB (limestone) and 1940 to 1962 meters KB (dolomite). It is apparent from the seismic mapping that well 4-9 has encountered a Leduc interval down structure from, and in close proximity to a pinnacle reef identified on the seismic. Further, there is a strong likelihood that the pinnacle adjacent to well 4-9 will have trapped significant volumes of oil, creating an attractive drilling target for a commercial well at that location”

It has been recommended by Chapman that a stimulation program for the Leduc be designed to establish commercial rates in our Leduc #1 Well.

We encountered indications of oil saturation in 3 reefs in our Leduc #1 Well; D1 (Wabamun), D2 (Nisku) and the D3 (Leduc). The independent engineering study indicates that the Wabamun be drilled up-dip. As with the Wabamun, our independent engineering report also recommends we drill the Nisku up-dip from our present Leduc #1 Well. The hydrocarbons recovered from all the tests conducted were light oil and solution gas.

The second well is being surveyed and licensing will occur as soon as possible and drilling is planned for February 2008.

CalStar is a Calgary-based junior oil & gas Company that has assembled leases in two jurisdictions, California and Alberta and will maximize shareholder value through minimum risk/maximum return strategies through farm-out arrangements with key Joint Venture Partners and market opportunities.

Forward-looking statements - statements included in this press release that are not historical facts may be considered "forward-looking statements." All estimates and statements that describe the Company's objectives, goals or future plans are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties where actual results could differ materially from those currently anticipated.

For further information, contact Ted K. Cantlon, FCSI at (403) 390-4911

**The CNQ Exchange has not reviewed and does not accept responsibility  
for the accuracy and adequacy of this release.**

(Not for dissemination in the United States of America)