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For Immediate Release

Stream Provides Operational Update & Guidance for 2011

Program to Expand into Enhanced Oil Recovery Projects for Increased Recovery

CALGARY, March 20, 2011 - Stream Oil & Gas Ltd. (TSX-V: SKO) (the "Company") is pleased to report an update on current operations as well as provide its growth plan for 2011, which reflect a near doubling of production for the year. The 2011 budget provides increases in cash flow and capital expenditures compared to 2010 and significantly expands Stream's work programs to encompass both well reactivations/interventions and enhanced recovery projects.

Operational Update

In 2010, Stream's focus on early production additions, testing of various artificial lift techniques for conventional recovery and continued reservoir assessment yielded strong results in both resource and production increases. Management intends to leverage this success in 2011 through the deployment of incremental oil recovery techniques, development of its gas resources and the further definition of identified enhanced oil recovery ("EOR") opportunities.

Activities at the beginning of 2011 were focused on detailed planning to access Stream's large resources and on preparing to execute the 2011 growth programs. The Company continued expanding its jet pump rollouts and progressive cavity pump ("PCP") workovers of existing wells, as well as preparing facilities to roll out the program at the Cakran-Mollaj oilfield. The Gorisht-Kocul oilfield and facilities takeover was completed, enabling construction of an expanded waterflood pilot project and readying the Company to inject water into the waterflood pattern in late April. Stream will then observe the periphery wells and test the waterflood for approximately six to nine months while optimizing and preparing for a commercial project. Preparation for takeover of Ballsh-Hekal oilfield continued, securing necessary equipment for the reactivation program. At the Delvina gas field, Stream finished required demolition and site preparation for the vertical well recompletions, the first of which is expected to begin in April.

"Our progress continues as planned in the execution of our development plans," said Dr. Sotirios Kapotas, President and CEO. "This year will be key to the future value of the Company, highlighting its significant growth potential as we move into a new phase of development by fully applying primary recovery

techniques and initiating work on secondary and enhanced recovery projects. 2011 represents Stream's first full year of operation of the fields, providing us with the ability to manage our development and growth for the benefit of shareholders."

2011 Capital Program & Guidance

In 2011 Stream will be focused on activities that will promote its rapid growth through the continuation of primary extraction techniques as well as further development of growth potential through EOR techniques.

2011 planned exit daily production* (boe/d)	2,250 – 2,600
Capital expenditures (\$ millions)	
Cakran-Mollaj oilfield	\$7.1
Gorisht-Kocul oilfield	\$7.6
Ballsh-Hekal oilfield	\$5.8
Delvina gas field	\$14.4

* Stream's net share of production volumes (gross exit is forecast at 3,500 - 4,000boe/d)

Based on forecast prices, Stream anticipates that it will invest approximately \$34.9 million in capital development in 2011, utilizing available cash flow and funds from other sources. This level of expenditure is expected to result in a near doubling of production, exiting 2011 between 2,250 and 2,600 net boed.

At the ***Cakran-Mollaj*** oilfield, capital will be utilized primarily for the recompletion of 23 wells in 2011. Evaluation of drilling a new deviated well to access undeveloped rock is expected to be finalized with deployment in late 2011, subject to services availability.

Approximately 28 well reactivations and recompletions are planned for the ***Gorisht-Kocul*** oilfield in 2011, as well as completing repairs on additional wells. In addition, Stream has allocated funds toward the continued testing and completion of the waterflood pilot project to optimize the commercial injection starting in late 2011. Takeover of the three oilfield interconnecting pipelines has been approved by Albpetrol ("NOC"), providing the Company with source water to transfer from Cakran-Mollaj and Ballsh-Hekal to Gorisht-Kocul for injection.

Stream anticipates the take-over of additional wells (55 operating wells) at the ***Ballsh-Hekal*** oilfield during 2011 and the remaining balance in 2012. Approximately 22 well reactivations and recompletions will be completed during 2011, along with repairs to existing wells. In addition, the Company will finalize its evaluation for the drilling of a new infill well, anticipated to commence in late 2011, subject to service availability.

At all three oilfields additional capital will be employed for logging, geological and geophysical work to provide incremental information for future infill drilling and EOR programs. In addition, Stream intends to undertake progressive facility rehabilitation during the year to support higher fluid rates.

The Company is working to establish permanent export facilities in the third quarter of 2011 to support the export activities initiated in the fourth quarter of 2010, which are expected to provide additional customers and higher prices. Stream continues to work with its partner in planning the field testing of oil fuelled power generation for future supply of CO₂ for the Company's EOR utilization.

At the *Delvina* gas field, Stream plans to workover the two existing producing gas wells and facilities, commencing in the second quarter of 2011. Key equipment and services are secured for the program, as well as the gas transmission pipelines connecting Delvina with the Fier and Ballsh areas (including Stream's oilfields), supporting the requirements of the horizontal drilling program. The Company will finalize the required goods and service commitments to begin the horizontal well program in late 2011. Geosciences and seismic work will also begin in the Delvina Block in the second quarter as part of the second phase of the exploration program. Activities will be undertaken for progressive facilities rehabilitation and expansion to support additional gas production in the future.

Stream will continue to support its partner's deployment of small power generation to be commissioned in 2011 at the gas field. In addition, support will be provided to the partner in finalizing plans for the large scale power generation plant in support of Stream's full scale Delvina field and block development. These activities are expected to provide additional value for Stream's gas production by providing additional markets of power generation and oilfield EOR utilization as well as other industrial consumers adjacent to the gas transmission pipelines.

2011 Reserves Growth Activities

The Company's 2010 reserves estimates are based only on conventional primary recovery methods and do not include upside potential for waterflood potential, infill drilling or EOR potential at the oilfields, or horizontal well development potential at the Delvina field and block. Management anticipates that success with secondary extraction technologies will provide substantial growth for Stream's future oil production volumes and reserves, while the vertical workovers and horizontal wells will render similar benefits for Stream's gas production and reserves. Reserves are expected to increase as resources are moved into the reserves category through the conventional and enhanced extraction techniques, in turn validating the potential and increasing ultimate recovery from Stream's fields.

As a result, additional logging and coring services are committed in 2011 to provide supplementary information required for the detailed evaluation of various enhanced recovery projects at the oilfields and the gas properties. Possible enhanced recovery projects are being evaluated and developed for the oilfields, such as CO₂ EOR opportunities, and water alternating gas and thermal EOR opportunities. For the Delvina gas field, additional logging and coring will be performed in 2011 as part of the vertical well workovers. Passive seismic services are committed at the Delvina Block for the second quarter of 2011, providing dense monitoring and the evaluation of the north, south and east structures. Additional geosciences support has been retained for these evaluations. Validation of oil reservoir properties is expected to convert portions of contingent resources into the probable reserves category. Activities at Delvina are expected to result in the conversion of possible reserves into probable reserves, while the drilling of the first horizontal well is expected to convert probable into proved reserves and contingent resources into probable reserves. Furthermore there are substantial remaining resources initially-in-place remaining in the fields to be extracted by Stream:

Field	Resource Initially-in-Place	Recovery to date
Cakran-Mollaj oilfield	601 ¹ MMbbl	4.5%
Gorisht-Kocul oilfield	801 ¹ MMbbl	9.7%
Ballsh-Hekal oilfield	588 ¹ MMbbl	5.6%
Delvina gas field	184 ¹ BCF	1.5%
Delvina Block	430 ¹ BCF	none

Growth Strategy

Stream will continue to focus on resource evaluation while increasing production in line with its growth strategy and plan. Management continues to refine its strategy to capture the additional reserves and resources identified in its recent reserves evaluation with the following objectives:

- Attain the 2011 planned net exit production and continue to seek additional means to exceed its future production forecasts.
- Increase reserves volumes and value by converting resources to reserves;
- Improve return on capital invested and value of assets.

As Stream moves forward, it will continue to expand its development plans in order to unlock the potential of its fields for the long-term benefit of the Company and its shareholders.

Forward-Looking Statements

Information in this news release respecting matters such as plans of development or exploration, reserves estimates, production estimates and targets, development costs, work programs and budgets constitute forward-looking information (collectively, “forward-looking statements”) under the meaning of applicable securities laws, including Canadian Securities Administrators’ National Instrument 51-102 Continuous Disclosure Obligations. Such forward-looking information is based on certain assumptions, including the availability of funds for capital expenditures necessary to construct the infrastructure required for future development, a favorable political and economic operating environment, a consistent rate of well re-completions and costs, success rates, production performance and build-up periods for well re-completions that are consistent with or an improvement over historical levels.

The forward-looking statements contained herein are made as of the date of this release solely for the purpose of generally disclosing Stream’s plans for 2011. Investors are cautioned that these forward-looking

¹ high estimates AJM Petroleum Consultants

statements are neither promises nor guarantees, and are subject to risks and uncertainties that may cause future results to differ materially from those expected. Such forward-looking information reflect management's current beliefs and are based on assumptions made by and information currently available to the Company, and involves known and unknown risks, uncertainties and other factors which may cause the actual costs and results of the Company and its operations to be materially different from estimated costs or results expressed or implied by such forward-looking statements. Such factors include, among others political and economic risks associated with foreign operations, general risks inherent in petroleum operations, risks associated with equipment procurement and equipment failure, availability of qualified personnel, risks associated with transportation, currency and exchange rate fluctuations and other general risks inherent in oil and gas operations.

Contingent resources disclosed herein represent those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations, using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies. There is no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources.

Although the Company has attempted to take into account important factors that could cause actual costs or results to differ materially, there may be other factors that cause costs and timing of the Company's program or results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. These forward-looking statements are made as of the date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances except as required under applicable securities legislation.

Use of Boe Equivalents

The oil and gas industry commonly expresses production and reserve volumes on a barrel of oil equivalent (Boe) basis whereby natural gas volumes are converted at the ratio of six thousand cubic feet of natural gas to one barrel of oil. Boe may be misleading particularly if used in isolation. A Boe conversion ratio of 6 Mcf: 1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

About Stream Oil & Gas Ltd.

Stream Oil & Gas Ltd. is a Canadian-based emerging oil and gas production, development and exploration company focused on the re-activation and re-development of three oilfields and a gas/condensate field in Albania. The Company's strategy is to use proven technology, incremental and enhanced oil recovery techniques to significantly increase production and reserves.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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