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For Immediate Release

Stream Announces 2010 Reserve Report

Proved Reserves Increase by 38% & Proved plus Probable Reserves Increase by 34%
Contingent Resources and Petroleum Initially-in-Place Evaluated

CALGARY, February 8, 2011 - Stream Oil & Gas Ltd. (TSX-V: SKO) (the "Company") is pleased to announce the results of its November 30, 2010, independent reserves evaluation. Evaluations were conducted by AJM Petroleum Consultants ("AJM"), Stream's independent reserve evaluators, in accordance with the provisions of National Instrument 51-101 ('NI51-101') and the Canadian Oil and Gas Evaluation Handbook ("COGEH").

2010 Reserves Summary (Net Share to Stream)

- Total proved reserves increased 38% to 14.3 MMboe from 10.4 MMboe in 2009
- Proved plus probable reserves increased 34% to 18.7 MMboe from 13.9 MMboe in 2009
- Proved reserves comprise 76% of total proved plus probable reserves, a slight increase from 2009
- Possible reserves of 16.7 MMboe were added to the evaluation for total reserves of 35.4 MMboe
- Reserve value increased 119% from year-end 2009 on a total proved basis & 75% on a total proved and probable basis, discounted at 10%
- Net asset value is $2.99 per common share on a proved basis and $3.99 per common share on a proved plus probable basis, based on the independently estimated reserve value, outstanding debt and the number of outstanding shares as of this release

The 2010 reserves growth is primarily attributable to approved Plans of Development, the take-over of the Cakran-Mollaj oilfield and the successful implementation of well reactivations. This is reflected in the increase in proved and probable categories, the upgrade of probable reserves into proved reserves and the addition of possible reserves. In addition, contingent resources and resources initially-in-place were assigned to Stream's oil and gas fields,.

"We're extremely pleased with the results of our reserves evaluation," said Dr. Sotirios Kapotas, President and CEO. "Our progress in Albania is providing substantial growth potential for the Company and its shareholders as shown by the increase across all reserve and resource categories. The fields' development plans outline the strategic direction to capture these resources through primary and secondary techniques, which is expected to result in significant future value."

All of Stream's 2010 reserves estimates are based on conventional primary recovery methods only and does not include upside potential for the following:

- Petroleum Agreements' provisions for neutralizing the 10% mineral tax;
- Gorisht-Kocul oilfield waterflood potential;
- Ballsh-Hekal and Cakran-Mollaj oilfield infill drilling or enhanced oil recovery ("EOR") potential;
- Delvina gas field horizontal well development potential.

Summary of Estimated Reserve Volumes

	2010							
	Oil		**Natural Gas**		**NGL**		**Total**	
December 31,	Gross (MBbl)	Net (MBbl)	Gross (MMcf)	Net (MMcf)	Gross (MBbl)	Net (MBbl)	Gross (MBoe)	Net (MBoe)
Proved								
Producing	11,254.4	8,021.9	1,308.9	1,308.9	-	-	11,472.6	8,240.1
Non-producing	-		-	-	-	-	-	-
Undeveloped	5,576.8	5,582.2	2,797.0	2,344.3	134.0	112.1	6,177.0	6,085.0
Total Proved	**16,831.2**	**13,604.1**	**4,105.9**	**3,653.2**	**134.0**	**112.1**	**17,649.5**	**14,325.1**
Probable	4,086.8	4,084.1	1,338.2	1,286.6	109.5	107.3	4,419.3	4,405.8
Total Proved + Probable	**20,918.0**	**17,688.2**	**5,444.1**	**4,939.8**	**243.5**	**219.4**	**22,068.9**	**18,730.9**
Possible	5,327.4	5,332.0	48,295.6	48,306.6	3,326.6	3,328.4	16,703.3	16,711.5
Total Proved + Probable + Possible	**26,245.4**	**23,020.2**	**53,739.7**	**53,246.4**	**3,570.1**	**3,547.8**	**38,772.1**	**35,442.4**

(1) Forecast prices and costs; numbers may not add due to rounding.

December 31,	2010 Total Gross (MBoe)	2010 Total Net (MBoe)	2009 Total Gross (MBoe)	2009 Total Net (MBoe)	Change %	Change %
Proved						
Producing	11,472.6	8,240.1	8,955	5,669	28%	45%
Non-producing	-	-	-	-	-	-
Undeveloped	6,177.0	6,085.0	4,895	4,744	26%	28%
Total Proved	**17,649.5**	**14,325.1**	**13,849**	**10,413**	**27%**	**38%**
Probable	4,419.3	4,405.8	3,549	3,520	25%	25%
Total Proved + Probable	**22,068.9**	**18,730.9**	**17,418**	**13,933**	**27%**	**34%**
Possible	16,703.3	16,711.5	-	-	100%	100%
Total Proved + Probable + Possible	**38,772.1**	**35,442.4**	**17,418**	**13,933**	**123%**	**154%**

(1) Forecast prices and costs; numbers may not add due to rounding.

Gross reserves are the total of the Company's working interest share before deduction of royalties and other government share. Net reserves are gross reserves net of royalty interests owned by others.

The total proved reserve base is comprised of 96% oil and 4% natural gas. Stream's net reserves for 2010 increased by approximately 3.9 MMBoe or 38% on a proved basis, and 4.8 MMBoe or 34% on a proved plus probable basis as compared to 2009. The addition of possible reserves further increased total proved plus probable plus probable reserve by 154%.

Net Present Value of Reserves

At November 30, 2009, future net revenue from Stream's reserves increased 119% from year-end 2009 on a total proved basis and 75% on a total proved and probable basis, discounted at 10%. The increase in valuations is primarily due to the inclusion of well defined Development Plans, the take-over of the Cakran-Mollaj oilfield and the successful implementation of primary recovery technology to increase well production as well as, to a lesser degree, the change in forecast oil prices.

Before Tax *December 31 (US$000s)*	2010 Discount Rate 0%	2010 Discount Rate 10%	2009 Discount Rate 0%	2009 Discount Rate 10%	% Change 0%	% Change 10%
Proved						
Producing	$ 381,730	$ 111,370	$ 136,198	$ 53,758	180%	107%
Non-producing	-	-	-	-	-	-
Undeveloped	124,440	79,190	102,992	33,287	21%	138%
Total Proved	**$ 506,170**	**$ 190,560**	**$ 239,190**	**$ 87,044**	**112%**	**119%**
Probable	259,330	63,640	174,667	58,266	48%	9%

Total Proved + Probable	**$ 765,500**	**$ 254,200**	**$ 413,857**	**$ 145,312**	**85%**	**75%**
Possible	885,600	335,700	-	-	-	-
Total Proved + Probable + Possible	**$ 1,651,100**	**$ 589,900**	**$ 413,857**	**$ 145,312**	**299%**	**306%**

(1) Forecast prices and costs; before income taxes; numbers may not add due to rounding.

	2010		2009		% Change	
After Tax	**Discount Rate**		**Discount Rate**			
December 31 (US$000s)	**0%**	**10%**	**0%**	**10%**	**0%**	**10%**
Proved						
Producing	$ 196,000	$ 67,400	$ 70,520	$ 31,092	178%	117%
Non-producing	-	-	-	-	-	-
Undeveloped	63,200	38,700	51,688	14,965	22%	159%
Total Proved	**$ 259,200**	**$106,100**	**$ 122,208**	**$ 46,057**	**112%**	**130%**
Probable	127,200	32,200	89,035	30,817	43%	4%
Total Proved + Probable	**$ 386,400**	**$ 138,300**	**$ 211,244**	**$ 76,874**	**83%**	**80%**
Possible	445,800	165,500	-	-	100%	100%
Total Proved + Probable + Possible	**$ 832,200**	**$ 303,800**	**$ 211,244**	**$ 76,874**	**294%**	**295%**

(1) Forecast prices and costs; after income taxes; numbers may not add due to rounding.

Future net revenues are calculated based upon estimated revenues less royalties and operating costs. The net present value should not be considered the current market value of Stream's reserves or the costs that would be incurred to obtain equivalent reserves.

The reserve values are based on the table of prices below. Oil prices are the equivalent price of Brent Oil discounted for quality based on local market conditions. Gas prices are based on the contract applicable.

Price Forecast as at November 30, 2010

	Brent Oil ($US/bbl)	**Natural Gas** ($US/mcf)	**Condensate** ($US/bbl)
2010 (1 month)	79.00	9.70	79.00
2011	84.15	9.89	84.15
2012	87.40	10.09	87.40
2013	91.80	10.29	91.80
2014	96.35	10.50	96.35
2015	103.80	10.71	103.80
2016	111.50	10.92	111.50
2017	113.70	11.14	113.70
2018	116.00	11.37	116.00

2019	118.30	11.59	118.30
Remaining	+ 2%	+ 2%	+ 2%

Incremental Contingent Resources

AJM also assigned contingent resource estimates to the Ballsh-Hekal, Cakran-Mollaj and Gorisht-Kocul oilfields, as well as to the Delvina gas field as of December 31, 2009:

	Low	Best	High
Oil (Mstb)			
Ballsh-Hekal	1,850	7,734	29,388
Cakran-Mollaj	1,899	7,554	30,055
Gorisht-Kocul	2,630	10,267	40,076
Total Oil(1)	**6,379**	**25,555**	**99,519**
Gas (MMcf)			
Delvina	10,596	31,238	92,092
Total Gas(1)	**10,596**	**31,238**	**92,092**

(1) Volumes are an arithmetic sum of multiple estimates of contingent resources, which statistical principles indicate may be misleading as to volumes that may actually be recovered. Readers should give attention to the estimates of individual classes of contingent resources and appreciate the differing probabilities of recovery associated with each. The probability associated with the High estimate would be considered far less likely than P10, and conversely, the Low estimate would be expected to be much higher than the presented arithmetic sum.

Stream is entitled to 100% interest in these resources, subject to a cost recovery royalty, profit petroleum royalty and mineral taxes of 10%. Contingent resources on the oilfields have been attributed based on the active development of a waterflood pilot project in Gorisht-Kocul and investigation of the waterflood's affects, and further enhanced recovery methods on all three oilfields as demonstrated in recent project presentations. Economic viability has not been demonstrated, but it is expected that within the next five years these methods may be available for commercial application.

The Delvina reservoir has been penetrated and produced by a well, but further resources are contingent on the ability for horizontal well development to access the entire pool. Possible reserves were assigned based on horizontal well development but contingent resources assigned are indicative of further extension of current development plans beyond the level of certainty seen in reserve assignments. As future development occurs, it is expected that many of these contingent resources will move into the reserve categories based on development results.

Resources Initially-In-Place

AJM also evaluated resources initially-in-place as of December 31, 2009:

	Low	Best	High
Discovered Oil Initially-in-Place (Mstb)			
Ballsh-Hekal	185,035	329,783	587,765
Cakran-Mollaj	189,864	337,824	601,090
Gorisht-Kocul	263,014	459,144	801,528
Discovered Gas Initially-in-Place (MMcf)			
Delvina[(1)]	35,319	80,655	184,183
Undiscovered Gas Initially-in-Place (MMcf)			
Delvina[(1)]	81,788	187,889	431,659

(1) Volumes are an arithmetic sum of multiple estimates of contingent resources, which statistical principles indicate may be misleading as to volumes that may actually be recovered. Readers should give attention to the estimates of individual classes of contingent resources and appreciate the differing probabilities of recovery associated with each. The probability associated with the High estimate would be considered far less likely than P10, and conversely, the Low estimate would be expected to be much higher than the presented arithmetic sum.

Regarding the oilfields, the assessment does not take into consideration the extent or effect of any gas cap originally or currently in the reservoirs. The Ballsh-Hekal field is composed of two separate structural closures, however it is expected that there is reservoir communication between them. Very limited data is available on this pool but a substantial volume of oil has been produced, and therefore it is reasonable to assume that the in-place volume of oil may be quite large. The geology between the two structures in the Cakran-Mollaj field is yet to be understood due to a lack of information regarding the rock properties and distribution. In addition, there is limited knowledge on the oil water contact and differences in rock properties of the Gorisht-Kocul field, which will be critical to understanding the geometry and potential drainage of the field. Consequently, the range of estimates for the three oilfields is very wide.

AJM reviewed three prospective pools at Delvina for Undiscovered Gas Initially-in-Place. As none of these prospects have been penetrated or tested by a well it is not considered a known accumulation and is therefore undiscovered.

With increased certainty of information in Stream's reservoirs, the production characteristics and opportunity for enhanced recovery techniques could be more thoroughly investigated allowing for a more accurate assessment.

Dr. Kapotas also stated, "Quantifying Contingent and Resources Initially-in-Place confirms the fields' potential for growth through secondary extraction technologies such as waterflood and enhanced oil recovery projects. With success, future production volumes and reserves can increase significantly, providing substantial growth beyond that already being attained by field workovers and recompletions we have completed to date."

The Company is not aware of any information pending from the date of this release to the effective date that would materially affect the valuation results. Stream's Reserve Committee and Board of Directors have approved the Reserve Report.

Stream's reserve data is subject to and should be read in conjunction with the entire Form 51-101F1 – Statement of Reserves Data and Other Oil and Gas Information. The Form 51-101F1, Form 51-101F2 – Report of Independent Qualified Reserves Evaluator and Form 51-101F3 – Report of Management and Directors on Oil and Gas Disclosure are expected to be filed with Canadian securities regulators on or before the Company's 2010 filing deadline of March 30, 2011. At which time these filings can be accessed electronically on Stream's website or on the SEDAR website at www.sedar.com.

Forward-Looking Statements

Information in this news release respecting the Plan of Development, Plan of 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 reserves volumes and net present value of its reserves as at November 30, 2010. Investors are cautioned that these forward-looking 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 risks described in the Company's NI 51-101F1 filed on www.sedar.com.

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.

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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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