



Stream Oil & Gas Ltd.
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For Immediate Release

Stream Oil & Gas Completes First Export Shipment

Company Announces Phase II of its Plan of Exploration for Delvina

CALGARY, December 20, 2010 - Stream Oil & Gas Ltd. (TSX-V: SKO) (the "Company") is pleased to announce that it has completed its first export shipment of crude oil for delivery to Alma Petroli refinery in Ravenna, Italy. The shipment consists of approximately 2,040 metric tonnes of crude oil (approximately 13,800 barrels) from Stream's Albanian oil fields. As this was the first shipment of Stream's crude oil out of Albania no price reference to other crude oil could be used however the Company received 60% of the Brent price and hopes to achieve a better percentage on future shipments, based on the higher API crude oil it actually delivers.

Stream has entered into a contract to supply the refinery with more shipments, the second of which is planned for the first quarter of 2011. The exports are in accordance with Stream's petroleum agreements that provide the right to export all of the Company's Albanian production.

"This export is an important milestone in Stream's growth strategy," said Dr. Sotiris Kapotas, President and CEO "Additional cash flow generated from higher export prices will benefit the Company by allowing us to advance the development of our assets. We plan to continue exports shipments in 2011 as production increases through the successful execution of our field development plans."

Delvina Gas field – Phase II Exploration Program Approved

In the latter half of 2010, the Company submitted Phase II of its Plan of Exploration ("PoE") for the Delvina gas field to the Albanian authorities. Phase I of the PoE was completed in 2010 and provided sub-surface analysis, including a structural interpretation, stratigraphic and petrophysical analysis as well as a review of the existing well information as part of the geological and reservoir model. Phase II is comprised of a combination of activities including passive seismic tomography and the drilling of a vertical exploration well in the first quarter of 2013 after further geological assessment and further calibration with the results of the Plan of Development. The program is automatically approved, as per Petroleum Agreement, if Company commits a minimum work program of US\$7.0 million for a period of 36 months. Stream has the option of drilling a second exploration well if required. This program is aimed at testing the sister structures that SKO has identified in the phase I exploration program.

Dr. Sotiris Kapotas continued “The Delvina gas field represents strong upside potential for Stream. Albania is short of natural gas resources, resulting in high demand and we believe that the additional sister structures in Delvina will be able to provide the resources to meet this need. ”

Delvina is the largest gas field in south east Europe and the only producing gas field in Albania. The field is currently producing approximately 700 gross mcf/d and 47 bbl/mmcf of natural gas liquids from two existing wells. Successful recompletion of the existing producing wells is expected to increase production to approximately 2,000 mcf/d. Production from the Delvina gas field has the capacity to support thermal power generation for Albania or the Company’s EOR projects.

- 30 -

Forward-Looking Statements

Certain information regarding the Company contained herein constitutes forward-looking information and statements and financial outlooks (collectively, “forward-looking statements”) under the meaning of applicable securities laws, including Canadian Securities Administrators’ National Instrument 51-102 Continuous Disclosure Obligations. Forward-looking statements relate to future events or future performance and reflect management’s current expectations and assumptions. Such forward-looking statements reflect management’s current beliefs and are based on assumptions made by and information currently available to the Company

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 oil fields 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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