



FOR IMMEDIATE RELEASE:

Richards Oil & Gas Limited Expands Horseshoe Canyon Land Position in the Thorsby Area of Alberta

Calgary, Alberta, January 22, 2008 -- Richards Oil & Gas Limited (the "Company"), (TSX Venture: RIX) announces it has significantly increased its Horseshoe Canyon Coalbed Methane ("CBM") land holdings at Thorsby Alberta through a combination of a Crown land acquisition and the execution today of a farmin agreement with a large integrated oil & gas company.

Crown Land Acquisition

At the November 14, 2007 Alberta Crown land sale, the Company acquired 100% interest in two sections adjacent to the Company's original lands.

Farmin Agreement

On January 22, 2008 the Company executed a farmin agreement representing a five well drilling commitment to earn a 100% working interest on five sections that are adjacent with the Company's current landholdings. Under the terms of the agreement, the Company has the option to earn up to nine additional surrounding sections with the drilling of additional wells.

If the Company elects to drill all of the earning and option wells under the farmin agreement its interests in the Thorsby property will increase from nine gross (four net) sections to 23 gross (18 net) contiguous sections. Full development of this land position would provide the Company 92 future drilling locations at an average working interest of 79%.

The Company's technical management has identified the Thorsby area as being prospective for natural gas production from the Horseshoe Canyon coals and conventional natural gas production from the Edmonton and Belly River sand channels. The Company currently has one Horseshoe Canyon CBM well producing (gross) at 100 mcf per day in the area and in December 2007 drilled and completed four additional wells. Flow test and tie-in activity for these additional wells is currently underway. The coal seams in this area are relatively consistent based on existing well control which increases the probability of success of future wells. The Edmonton and Belly River sands represent additional economic upside to the Company from the Thorsby area.

Richards Oil & Gas Limited (www.richardsoilandgas.com) is a Calgary-based exploration company, involved in the development of crude oil and natural gas, with an emphasis on the exploitation of coal bed methane (CBM). With a significant land base and industry-leading experience in the development of CBM projects, the Company is at the forefront of the CBM industry in Western Canada. The Company is able to capitalize on opportunities that create both short-term cash flow and long-term value for its shareholders.

Coalbed Methane (CBM) or Natural Gas from Coal (NGC) is technically defined as gas produced naturally by coalification, and found within coal natural gas reservoirs consisting predominately of methane, with smaller amounts of higher hydrocarbons, water vapor, nitrogen, carbon dioxide, or other non-hydrocarbons. The majority of gas is usually physically sorbed within the microporosity and mesoporosity within the organic matrix. The Company's management has extensive experience in the development of CBM projects, which it is using to exploit the Company's land base and to add and sustain significant value for its shareholders.



ADVISORIES

BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Statements in this news release contain forward-looking information including expectations of future production, procurement of drilling permits, plans for and results of exploration and development activities and other operational developments. The reader is cautioned that assumptions used in the preparation of such information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. These risks include, but are not limited to; the risks associated with the oil and gas industry, commodity prices, and exchange rate changes. Industry related risks include, but are not limited to; operational risks in exploration, development and production, availability of skilled personnel and services, failure to obtain industry partner, regulatory and other third party consents and approvals, delays or changes in plans, risks associated with the uncertainty of reserve estimates, health and safety risks and the uncertainty of estimates and projections of reserves, production, costs and expenses. The reader is cautioned not to place undue reliance on this forward-looking information. The forward-looking statements contained herein are subject to change. Except as required by applicable securities laws, the Company assumes no obligation to update or revise any forward-looking statements should circumstances or management's opinions or estimates change.

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