LEGACY OIL + GAS INC.

NEWS RELEASE

May 7, 2014

LEGACY OIL + GAS INC. ANNOUNCES DELEVERAGING LIGHT OIL CORPORATE ACQUISITION AND INCREASE TO 2014 GUIDANCE

CALGARY, ALBERTA (May 7, 2014) Legacy Oil + Gas Inc. ("Legacy" or the "Company") (TSX:LEG) is pleased to announce the acquisition of Highrock Energy Ltd. ("Highrock"), a Saskatchewan based private light oil company (the "Acquisition"), and an increase to Legacy's average and exit production guidance for 2014. The Acquisition represents the first step in enhancing the Company's balance sheet to position the Company for higher production and funds flow from operations growth.

SUMMARY OF THE ACQUISITION

Through the Acquisition, Legacy will acquire high quality, high netback, light oil assets focused in the Company's southeast Saskatchewan core area for total consideration of 18.9 million Legacy common shares and assumed net debt of $33.8 million (subject to certain adjustments). The producing properties are predominately operated with high working interests, 3D seismic coverage and control of key producing infrastructure and are associated with a light oil prospective undeveloped land base. The Acquisition also adds several key sections of land in Legacy's Taylorton/Pinto and Manor core properties and adds land in the emerging Torquay (Three Forks) play at Flat Lake and the emerging Duvernay play in Alberta.

Highrock's net debt on closing is anticipated to be below 0.8 times annualized funds flow from operations, resulting in a deleveraging of Legacy's balance sheet. Pro-forma the Acquisition, Legacy's proforma 2014 year end debt to current proforma annualized funds flow from operations will be approximately 1.6 times based on current strip pricing. Highrock production is currently unhedged and benefiting from the current strong oil prices, tighter differentials and weaker Canadian dollar.

The Acquisition has the following characteristics:

Current Production:	2,000 Boe/d (99 percent light oil, average 35^{o} API)
Proved plus Probable Reserves [(1)]:	7.54 MMBoe
Proved plus Probable RLI:	10.9 years
Undeveloped Land:	71,193 net acres
3D Seismic:	131 square miles
Total Development Drilling Locations:	106 gross, 101.3 net
Operating Netback [(2)]:	$60.00 per Boe

1. Reserves are Gross Company Reserves evaluated by Sproule Associates Limited ("Sproule") as of March 31, 2014. Gross Company Reserves are Highrock's working interest reserves before the deduction of royalties, and without including any of Highrock's royalty interests.
2. Based on expected average prices for Q1 2014 and calculated by subtracting royalties and operating costs from revenues.

TRANSACTION METRICS

The Acquisition is accretive to Legacy on an annualized funds flow from operations per share basis. Net of undeveloped land and seismic at an estimated value of $15.0 million and based on Legacy's current share price, the transaction metrics for the long reserve life, high netback acquired production are as follows:

Production:	$89,300 per Boe/d
Proved plus Probable Reserves [(1)]:	$23.70 per Boe
Proved plus Probable Recycle Ratio [(2)]:	2.5 times

1. Reserves as disclosed above.
2. Utilizing Netback shown above.

THE ACQUISITION

Legacy and Highrock have entered into an agreement (the "Arrangement Agreement") pursuant to which Legacy has agreed to acquire all of the outstanding common shares of Highrock by means of a plan of arrangement under the Business Corporations Act (Alberta). Legacy will issue a total of approximately 18.9 million Legacy common shares to the shareholders of Highrock and will also assume Highrock's net debt of approximately $33.8 million (subject to certain adjustments).

Holders of greater than 50 percent of the common shares of Highrock have entered into agreements with Legacy pursuant to which they have agreed to vote their shares in favour of the transaction and the board of directors of Highrock has unanimously approved the transaction and recommended that the shareholders of Highrock vote in favour of the transaction. The board of directors of Highrock has received a verbal opinion from Macquarie Capital Markets Canada Ltd. that the consideration to be received by Highrock shareholders pursuant to the transaction is fair, from a financial point of view, to the Highrock shareholders.

The Arrangement Agreement, among other things, provides for a mutual non-completion fee of $6.5 million in the event the transaction is not completed in certain circumstances. Completion of the transaction is subject to customary conditions, including the receipt of all required regulatory approvals, the approval of the TSX, the approval of the shareholders of Highrock and the approval of the Court of Queen's Bench of Alberta. The transaction is anticipated to close in June 2014.

FINANCIAL ADVISORS

FirstEnergy Capital Corp., BMO Capital Markets and National Bank Financial acted as financial advisors to Legacy with respect to the Acquisition. Cormark Securities Inc. acted as strategic advisor to Legacy with respect to the Acquisition.

Macquarie Capital Markets Canada Ltd. is acting as exclusive financial advisor to Highrock.

STRATEGIC RATIONALE

The Acquisition will represent the successful continuation of Legacy's business plan to acquire high quality conventional and resource play light oil assets and strengthen its operating position within its core areas. The Acquisition will increase Legacy's opportunity inventory in its light oil focus areas. Legacy has identified more than 100 net horizontal locations on the acquired lands. Based on anticipated activity levels, this represents more than 10 years of drilling inventory on these assets.

The Acquisition will provide an excellent operational fit with Legacy's current southeast Saskatchewan holdings, with a number of the properties located immediately adjacent to Legacy operated assets and increases Legacy's production and undeveloped land position in its operated core area at Taylorton/Pinto (Midale/Bakken/Torquay), at Manor (Alida/Tilston) and at Frys/Lightning (Tilston/Souris Valley/Torquay).

The Company has had excellent success in the Pinto and Taylorton areas after being the leader in establishing highly economic oil production from the Midale Formation along the Saskatchewan and North Dakota border over three years ago. A number of successful conventional horizontal wells have been drilled by Legacy in the Manor and Frys areas. In addition, through the Acquisition, Legacy is acquiring lands in the emerging Flat Lake Torquay play (10 sections) and Duvernay oil-window prospective land in Alberta (80 sections).

Furthermore, the Acquisition will result in a reduction in Legacy's proforma debt to funds flow from operations and accelerates the deleveraging that has been underway for the last number of months. Pro-forma the Acquisition, Legacy's proforma 2014 year end debt to current proforma annualized funds flow from operations will be approximately 1.6 times based on current strip pricing. An enhanced balance sheet and additional growth opportunities position the Company for higher production and funds flow from operations growth.

INCREASED 2014 PRODUCTION GUIDANCE

Upon closing of the Acquisition, and giving effect to production declines, spring break up conditions and timing of closing the Acquisition, Legacy is increasing its guidance for 2014 average production to 22,150 Boe per day (88 percent oil and NGL's) and increasing its guidance for 2014 exit rate production to 25,250 Boe per day (90 percent oil and NGL's), representing a 16 percent and 17 percent increase over 2013 average and exit production rates respectively.

With the increased production and funds flow from operations, Legacy has increased its 2014 capital budget to $370 million compared to proforma funds flow from operations estimates at current pricing of $400 million resulting in further debt reduction and balance sheet enhancement. Royalties are expected to average 16 percent and operating and transportation costs are expected to average $17.75 per Boe.

Proforma the Acquisition, Legacy has the following key attributes:

Average 2014 Production:	22,150 Boe per day (88 percent light oil and NGL's)
Exit 2014 Production:	25,250 Boe per day (90 percent light oil and NGL's)
Debt to Funds flow from operations(1):	1.6 times
Proved plus Probable Reserves(2):	124.7 MMBoe (85 percent light oil and NGL's)
Proved plus Probable RLI(3):	14.9 years
Undeveloped Land:	More than 435,000 net acres
3D Seismic:	2,156 square miles
Total Development Drilling Locations:	More than 2,200 net

1. Proforma 2014 year end debt to current proforma annualized funds flow from operations, based on current strip prices.
2. Reserves are Gross Company Reserves evaluated by Sproule as at December 31, 2013 for Legacy and Gross Company Reserves evaluated by Sproule as at March 31, 2014 for Highrock. Gross Company Reserves are the Company's working interest reserves before the deduction of royalties, and without including any of the Company's royalty interests.
3. Based on 2014 average production with Acquisition annualized.

Legacy is a uniquely positioned, well-capitalized, technically driven, intermediate oil and natural gas company with a proven management team committed to aggressive, cost-effective growth of light oil reserves and production in large hydrocarbon in-place assets and resource plays. Legacy's common shares trade on the TSX under the symbol LEG.

This press release shall not constitute an offer to sell, nor the solicitation of an offer to buy, any securities in the United States, nor shall there be any sale of securities mentioned in this press release in any state in the United States in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

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FORWARD LOOKING STATEMENTS: This press release contains forward-looking statements. More particularly, this press release contains statements concerning the anticipated date for the closing of the Acquisition, Highrock's anticipated net debt to annualized funds flow from operations at closing, the anticipated impact of the Acquisition on annualized funds flow from operations, the anticipated pro forma ratio of 2014 year end debt to annualized funds flow from operations, the total drilling locations associated with Highrock and with Legacy's properties, the potential exploration and development opportunities associated with the Acquisition, anticipated 2014 average and exit rates of production, anticipated capital expenditures in 2014, estimated pro forma funds flow from operations in 2014, anticipated royalty rates and anticipated operating and transportation costs.

The forward-looking statements contained in this document are based on certain key expectations and assumptions made by Legacy, including: (i) with respect to the anticipated closing date of the Acquisition, expectations and assumptions concerning timing of receipt of required regulatory approvals, shareholder approvals and third party consents and the satisfaction of other conditions to the completion of the Acquisition, and (ii) with respect to the remaining forward-looking statements, expectations and assumptions concerning the success of future drilling and development activities, the performance of existing wells, the performance of new wells, the viability of waterflood projects, the availability of services, the availability and cost of capital, prevailing commodity prices, prevailing economic conditions, prevailing weather and break-up conditions and prevailing royalty regimes.

Although Legacy believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Legacy can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the failure to obtain necessary approvals or satisfy the conditions to closing the Acquisition, risks associated with the oil and natural gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), constraint in the availability of services, unfavorable weather and break-up conditions, commodity price and exchange rate fluctuations and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. Certain of these risks are set out in more detail in Legacy's Annual Information Form which has been filed on SEDAR and can be accessed at www.sedar.com.

The forward-looking statements contained in this document are made as of the date hereof and Legacy undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

MEANING OF BOE: When used in this press release, Boe means a barrel of oil equivalent on the basis of 1 Boe to 6 thousand cubic feet of natural gas. Boe per day or Boe/d means a barrel of oil equivalent per day. Boe's may be misleading, particularly if used in isolation. A Boe conversion ratio of 1 Boe for 6 thousand cubic feet of natural gas is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio of oil compared to natural gas based on currently prevailing prices is significantly different than the energy equivalency ratio of 1 Boe to 6 thousand cubic feet of natural gas, utilizing such a conversion ratio may be misleading as an indication of value: