

## **NEWS RELEASE**

### **DEEP WELL SEEKS TO RECOVER DEVELOPMENT COSTS**

**August 31, 2010 – 08:00 EDT**

EDMONTON, ALBERTA - (Marketwire – August 31, 2010) Deep Well Oil & Gas, Inc. (“Deep Well” or “Company”) (OTCQB Marketplace: DWOG) through its subsidiaries filed yesterday legal action to recover sums owed by a defaulting party under a Joint Operating Agreement covering past development of the Sawn Lake Project. The action seeks to recover an indebtedness in the amount of \$ 70,584.50 plus interest and the costs of the action from 1132559 Alberta Ltd. which is an Alberta Company whose President is William Tighe. This lawsuit is in addition to an earlier action filed to recover \$ 74,470.71 also plus interest and costs of the action regarding other expenditures on 1132559 Alberta Ltd.’s behalf.

Deep Well continues to await clearance from the Energy Resources Conservation Board for its first Test Well Project and is in the process of assembling the necessary resources to proceed with the Project.

This press release contains forward-looking statements including, without limitation, the use of proceeds of the private placement. The words or phrases “would be,” “will allow,” “intends to,” “will likely result,” “are expected to,” “will continue,” “is anticipated,” “estimate,” “project,” or similar expressions are intended to identify “forward-looking statements.” Actual results could differ materially from those projected in the Company’s proposed oil and gas related business and described in this press release. The Company’s business and the realization of the results contemplated by this press release are subject to various risks, which are discussed in the Company’s filings with the SEC. The Company’s filings may be accessed at the SEC’s Edgar system at [www.sec.gov](http://www.sec.gov). Statements made herein are as of the date of this press release and should not be relied upon as of any subsequent date. The Company cautions readers not to place reliance on such statements. Unless otherwise required by applicable law, we do not undertake, and we specifically disclaim any obligation, to update any forward-looking statements to reflect occurrences, developments, unanticipated events or circumstances after the date of such a statement. Deep Well Oil & Gas, Inc. (OTCQB Marketplace: DWOG - News).

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