

OPERATOR COMPLETES DRILLING SECOND AND THIRD WELL AT SAWN LAKE

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EDMONTON, ALBERTA – (CCNMatthews – September 19, 2006) Deep Well Oil & Gas, Inc. and its subsidiaries ("Deep Well") (PINK SHEETS:DWOG - News) are pleased to announce that its joint venture partner and operator of the Sawn Lake heavy oil project, Signet, today announced the completion of drilling the second and third wells in the Bluesky Formation at Sawn Lake. At this time, Signet Energy will not be drilling the fourth well at its proposed location since it would not provide any additional geological information in its delineation of the Sawn Lake Reservoir beyond that of the two recently completed wells in the same vicinity. Signet is currently evaluating the two horizontal wells recently drilled and completed. Updates on the evaluation will follow when information is provided to Deep Well by Signet.

Deep Well Oil & Gas, Inc. is a Nevada corporation based in Alberta Canada. Deep Well and its subsidiaries Northern Alberta Oil Ltd. and Deep Well Oil & Gas (Alberta) Ltd. have an 80% working interest, subject to a farmout agreement, in 63 contiguous sections of oil sands leases and 6.5 sections of oil sands permits in the Sawn Lake heavy oil area in North Central Alberta. The permits and leases cover 43,964 acres. To fully earn their interest in the project, Signet Energy must drill 10 wells at no cost to Deep Well by, February 25, 2008. Once the 10 wells are drilled, Deep Well will then directly hold 40% of the project. In addition, Deep Well owns 7.55 million common shares of Signet. A previously published independent engineering report estimated that, there are 819.5 million original barrels of oil in place.

This press release contains forward-looking statements. 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. The Company's business is subject to various risks, which are discussed in the Company's filings with the Securities and Exchange Commission ("SEC"). The Company's filings may be accessed at the SEC's Edgar system at 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. (PINK SHEETS:DWOG - News)

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