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**CDNX - DRK
OTC BB - DRKOF
Form 20-F File No.: 0-30072**

October 22, 2003

(Vancouver, B.C., October 22, 2003) – *Derek Oil & Gas Corporation* (the “Company”). The Company reports that, further to its news release of October 17, 2003 the Company has reduced the amount of debt that it intends to extinguish to \$148,732.16 by issuing a total of 495,774 units at a price of \$0.30 to one creditor. The units consist of one share valued at \$0.30 and one share purchase warrant which may be redeemed within one year for one share at a price of \$0.40. The issued shares will be subject to a four month hold period.

The debt in question consists of a loan made to the Company by the creditor.

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DEREK OIL & GAS CORPORATION

“Barry C.J. Ehrl”
Barry C.J. Ehrl, Director

For further information please contact Investor Relations 1-888-756-0066 or (604) 331-1757
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*The Canadian Venture Exchange has neither approved nor disapproved
the information contained herein*

Cautionary Note to U.S. Investors: Investors are urged to consider closely the disclosure in our Form 20-F, File No. 0-30072, available from us at Suite 1550, 355 Burrard Street, Vancouver, British Columbia, Canada, V6C 2G8. You can also obtain this Form 20-F from the SEC by calling 1-800-732-0330 or you may find it online at www.sec.gov or at www.sedar.com where it is filed as the Company’s Annual Information Form.