

PRESS RELEASE

**ARSENAL ENERGY INC.
(TSX – AEI)(FRANKFURT – A1E)**

ARSENAL APPOINTS TONY VAN WINKOOP AS INTERIM PRESIDENT & CEO

FOR IMMEDIATE RELEASE

Calgary, Alberta, July 19, 2007 – Arsenal Energy Inc. (TSX-AEI) announces that it has accepted the resignation of Errol Stewart as President and C.E.O. Mr. Stewart intends to pursue other business activities. Arsenal wishes to thank Mr. Stewart for his contributions and wishes him every success in the future.

Arsenal is pleased to announce it has appointed Tony van Winkoop, current VP Exploration, as interim President and CEO. Mr. van Winkoop joined the company in July, 2006 and has in excess of 25 years experience in the oil and gas industry with Petro Canada, Venator Petroleum, and Prime West Energy.

Arsenal is an aggressive junior oil and gas company engaged in the exploration, development, and production of oil and natural gas in western Canada, North Dakota, U.S.A. and Egypt. Arsenal's common shares trade on the Toronto Stock Exchange under the symbol ' AEI' and on the Frankfurt Exchange under the symbol "A1E".

Certain statements in this material may be "forward looking statements" including outlook on oil and natural gas prices, estimates of future production, estimated completion dates of acquisitions and construction and development projects, business plans for drilling and exploration, estimated time and amount of capital expenditures and anticipated future debt levels and royalty rates. Information concerning reserves contained in this material may also be deemed forward looking statements as such statements involve the implied assessment the resources can be profitably produced in the future. These statements are based on current expectations, estimates and projections that involve a number of risks and uncertainties, which could cause the actual results to differ from those anticipated from Arsenal.

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