



Arsenal Energy Inc.

BACK TO GRASS ROOTS EXPLORATION



Arsenal Energy Inc. Announces Exploration Results

CALGARY, October 10, 2008 – Arsenal Energy Inc. (“Arsenal”) (TSX: AEI) (Frankfurt: A1E) is pleased to release the results of its Bakken exploration well in Stanley, North Dakota. The “George Robert 24-13H” well reached total depth today after opening a horizontal section of approximately 8900 feet of Bakken formation. The well encountered encouraging oil shows in drill cuttings and gas in the drilling mud. Arsenal has a 35% working interest in the George Robert well and has 1809 net acres of Bakken rights in the Stanley area. Completion and testing operations will be conducted over the next several weeks and will be released when the results are available.

Advisory

Certain statements and information contained in this press release, including but not limited to management’s assessment of Arsenal’s future plans and operations, production, reserves, revenue, commodity prices, operating and administrative expenditures, funds from operations, capital expenditure programs and debt levels contain forward-looking statements. All statements other than statements of historical fact may be forward looking statements. These statements, by their nature, are subject to numerous risks and uncertainties, some of which are beyond Arsenal’s control including the effect of general economic conditions, industry conditions, changes in regulatory and taxation regimes, volatility of commodity prices, escalation of operating and capital costs, currency fluctuations, the availability of services, imprecision of reserve estimates, geological, technical, drilling an processing problems, environmental risks, weather, the lack of availability of qualified personnel or management, stock market volatility, the ability to access sufficient capital from internal and external sources and competition from other industry participants for, among other things, capital, services, acquisitions of reserves, undeveloped lands and skilled personnel that may cause actual results or events to differ materially from those anticipated in the forward looking statements. Such forward-looking statements, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated in the statements made and should not unduly be relied on. These statements speak only as of the date of this press release. Arsenal does not intend and does not assume any obligation to update these forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law. Arsenal’s business is subject to various risks that are discussed in its filings on the System for Electronic Document Analysis and Retrieval (SEDAR).

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For further information on Arsenal, please visit our website at www.arsenalenergy.com, e-mail: info@arsenalenergy.com or contact:

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