

News Release

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

ARSENAL ENERGY RELEASES Q1 DRILLING RESULTS

Calgary, Alberta, April 14, 2008 – Arsenal Energy Inc. (TSX: AEI) (FWB: A1E) (“**Arsenal**”) is pleased to release its Q1 2008 drilling results. In the first quarter, Arsenal participated in the drilling of 7 gross (4.5 net) wells resulting in 6 gross (3.5 net) oil wells and one (1 net) dry hole.

At Evi, in Northern Alberta, Arsenal participated in two successful oil wells. The wells have been completed and tied in to the battery acquired in December, 2007 and are currently producing 250 bbls/d of light oil net to Arsenal. Five wells previously produced to single well batteries were also tied in. The battery and flow lines should significantly reduce operating expenses.

At Alderson, in East Central Alberta, Arsenal participated in two (0.8 net) oil wells. The wells have been tested at a combined rate of 90 Boe/d net to Arsenal. Two further wells are planned for the second quarter. Facility and tie in options are currently being evaluated.

At Galahad, in East Central Alberta, Arsenal drilled two (2 net) oil wells. The wells have been completed and tested and tie in operations to a company owned facility are underway. It is anticipated that the wells will each produce at a stabilized rate of approximately 80 bbls/d. Arsenal also shot a new proprietary 3D seismic survey on offsetting lands and has identified a large exploration structure which it plans to drill in the second quarter.

Arsenal exited the quarter producing approximately 2000 Boe/d with an estimated 400 Boe/d of production behind pipe awaiting tie in.

Arsenal is a junior oil and gas company engaged in the exploration for, and development and production of natural gas and oil reserves primarily in Alberta, Saskatchewan, and North Dakota. Arsenal’s common shares trade on the Toronto Stock Exchange under the symbol “AEI” and on the Frankfurt Stock Exchange under the symbol “A1E”.

This press release may contain forward-looking statements. The words or phrases “would be”, “will”, “intend”, “will likely result”, “are expected to”, “will continue”, “anticipate”, “estimate” or similar expressions are intended to identify “forward-looking statements”. Those statements are based on current expectations, estimates and projections that involve a number of risks and uncertainties, which could cause actual results to differ from those anticipated by Arsenal. 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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