

ARSENAL ENERGY INC.

(TSX – AEI)

Arsenal Energy Inc. Announces Exploration Results

CALGARY, October 8, 2009 – Arsenal Energy Inc. (“Arsenal”) (TSX: AEI) has completed a three well drilling program in North Dakota. The first two wells are Bakken horizontals and the third is Arsenal’s first Three Forks well.

In July, Arsenal participated for a 31.27% working interest in the Hess operated RS Harstad - 433H-1. The horizontal lateral of the well was completed and stimulated in early August at an initial flowing rate of 1006 bbl/d of 40 API oil on cleanup. The Fidelity operated Craft 22-15H was drilled in late July. Arsenal’s working interest is 3.13%. The well achieved an initial flowing oil rate of 1449 bbl/d of 40 API oil on clean up. Bakken wells typically stabilize between one third to one quarter of their initial test rates after 4-5 months of production. Arsenal believes that its entire acreage in Stanley is now fully proven with an additional 11 gross (2.3 net) drilling locations available based on 640 acre spacing.

Arsenal participated in its first well in the emerging Three Forks play with a 31.25% working interest in the Burke 100-20H well. The one mile long horizontal encountered oil shows in chip samples. Completion will commence in late October and the well should be on production in late November. The Burke 100-20H, if successful opens up Arsenal’s Stanley land for a development of a similar scope to the Bakken.

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 and Saskatchewan and North Dakota, U.S.A. Arsenal’s common shares trade on the Toronto Stock Exchange under the symbol “AEI”.

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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