

Clear direction. Global growth.



Arsenal Energy Inc.

PRESIDENT'S MESSAGE

During the third quarter of 2006 Arsenal demonstrated the capability of our drilling program to deliver superb results. Arsenal had record activity levels which were accompanied by cashflows which were consistent with the second quarter of 2006. Arsenal is leveraged to crude oil production and is continuing to focus its drilling program on oil targets while building an inventory of low risk gas drilling projects. The Tower Creek flow tests have indicated that the first well should be an excellent producer and Arsenal, along with partners, has elected to drill a follow up well.

Arsenal's drilling program was successful in the Evi area. Arsenal operates this property and in the third quarter drilled 2 wells which have each produced at rates in excess of 240 boe/d. A major pipeline in this area was shut down for repairs in the third quarter and has slowed Arsenal's production from the Evi and Lubicon properties.

Arsenal has continued to build its team and in the third quarter of 2006 Mr. Tony VanWinkoop became Vice President of Exploration and Mr. Greg Kaidannek joined Arsenal as Senior Exploration Geophysicist. Mr. Rick Howe joined Arsenal as Senior Exploitation Engineer and Mr. Jay LaForge became Senior Operations Technologist. The addition of these key people has helped Arsenal to significantly increase the inventory of drilling targets on our land and caused production rates to increase subsequent to the quarter ended September 30, 2006.

On the international side, the Egyptian government has now approved the companies first 2 drilling locations on the Nuqra concession and Arsenal is waiting for the government approval of a third contingent location.

On November 8, 2006, we closed an \$8.0 million flow through share offering at a price of \$1.10 per share, which strengthens our balance sheet, and will fund a portion of our 2007 capital program. We are pleased to report that the share offering was significantly over subscribed and Arsenal elected to increase it from the original offering of \$6.0 million.

THIRD QUARTER CORPORATE HIGHLIGHTS

- * Cashflow of \$2.01 million for the three months ended September 30th.
- * Successful testing of deep gas well at Tower Creek.
- * Drilled and cased 8 wells at Worsley, Evi, Lubicon and Wildmere.
- * Selection of the first two locations and one contingent location on the Nuqra Concession in Egypt.

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OPERATIONS IN REVIEW

The third quarter of 2006 was the busiest in our history. We participated in 13.0 (7.925 net) wells resulting in 6 (3.775 net) oil wells, and 2 (1.15 net) gas wells and the remainder were either waiting on further evaluation or abandoned. As a result of the pipeline constraints and exceptionally wet weather, Arsenal's production for the quarter lagged forecasts to average 1,775 boe/d. The new wells at Evi have been put on more regular production subsequent to the quarter end. Commodity prices declined approximately 30% during the quarter, which negatively impacted our forecasted cashflows.

EGYPT

All three selected drilling locations are in the Nuqra sub basin in the central part of the 5.625 million acre Nuqra concession. The concession operator has located a suitable drilling rig and is currently in the process of preparing the necessary contracts and receiving government approvals. It is expected that the rig will be available to commence drilling in the first quarter of 2007.

TOWER CREEK

As announced in the second quarter of 2006, Arsenal participated in the successful drilling of a 4,900 meter exploratory Leduc well at Tower Creek, Alberta in which Arsenal holds a 14% working interest. This well was tested in the third quarter and the operator has indicated that raw gas production flow rates are expected to be in the 20 to 25 mmcf/d range. Arsenal expects to have net sales gas, after shrinkage, of 2.1 to 2.4 MMcf/d or 350 to 400 boe/d. Arsenal and partners have committed to drill a follow up location at 11-26-55-27 W5M and the operator has licensed the well and commenced preparing surface for a drilling rig which is expected to arrive in the first quarter 2007.

EVI

Arsenal drilled 3 (1.8 net) wells in the Evi area of Alberta. Of these wells, 2 wells (.8 net) were cased and completed and 1 well (1 net) was dry and abandoned. Initial production from each of these wells has been above 240 boe/d, however, a break in the third party oil shipper's pipeline has caused production from this area to be intermittent. Arsenal has a 50% working interest before payout and 30% after payout in one well, a 30% working interest in the second well and a 30% working interest in follow up locations on this property.

WORSLEY

Arsenal drilled 1 (0.6 net) well at Worsley, Alberta. This well is waiting on further evaluation.

LUBICON

Arsenal drilled 2 (0.75 net) oil wells at Lubicon, Alberta. Arsenal does not operate the wells but has a 37.5% working interest in one well and a 50% working interest before payout reverting to a 37.5% working interest after payout in one well. These wells were cased and completed during the quarter; however this property also had pipeline constraints. Arsenal expects that these wells will provide more stable production in November.

PRINCESS/ALDERSON

Arsenal and partners drilled 2 (1.15 net) wells at Princess/Alderson, Alberta. These wells are both cased as potential gas wells. Arsenal operates 1 well (0.75 net). Arsenal intends to complete the well during the fourth quarter.

WILDMERE

Arsenal drilled 3 (2.1 net) wells at Wildmere, Alberta. All of these wells were cased and are presently producing at rates averaging 15 boe/d. In October 2006 Arsenal acquired an additional property in the area and drilled a well which was subsequently cased as an oil well.

NORTH DAKOTA

Production has remained stable throughout the third quarter at 375 boe/d. The 180 boe/d hedge which was put in place upon the acquisition of the properties on September 1, 2004 expired on September 1, 2006. It is anticipated that this will add approximately \$150,000 per month in cashflow to Arsenal for the next quarter based on the pricing received for the production from these properties in the first three quarters of 2006, assuming a WTI price of USD\$60 per barrel.

COMMODITY PRICING

West Texas Intermediate crude oil prices declined approximately 20% from highs exceeding USD\$75 per barrel of WTI in August to around USD\$60 in November.

Natural gas prices were down significantly during the third quarter, as storage inventories neared capacity in Canada and the United States. Recent cold weather in the eastern states has resulted in natural gas prices recovering from September lows. Natural gas futures for winter 2006 and 2007 deliveries are presently around \$8 US on the NYMEX exchange.

Heavy crude oil differentials remained seasonally strong during the third quarter. Arsenal believes that this is a result of the busy summer paving season and the benefit from pipeline reversals in the Midwestern United States during 2006, which now transport Canadian heavy crude oil to the US Gulf Coast.

OUTLOOK

We are providing exit guidance for 2006 of 2,000 boe/d and we are currently producing approximately 1,900 boe/d. Arsenal has initiated a five well drilling program at Wildmere, Lashburn, Hillmond and Dee Valley. Once the facility constraints are resolved at Evi/Lubicon, and with additional drilling, we are confident that this mark is achievable, and sustainable. The new management is continuing to grow its' inventory of quality prospects focusing on oil locations and reserving gas targets to be pursued when market conditions improve. Our recent success at Tower Creek will prove to be a key asset for Arsenal which will, when on-stream, provide stable production well into the future.

We have exited the busiest quarter in our history, and our drilling success will provide a strong platform from which we will continue to grow in 2007 and beyond. We look forward to continued growth in production in the fourth quarter, and with stable commodity prices we will achieve record cashflow. Thank you for your continued support of Arsenal Energy.

On behalf of the Board of Directors,



Errol Stewart
President and Chief Executive Officer
November 14, 2006

SELECTED FINANCIAL AND OPERATIONAL INFORMATION

FINANCIAL	Three Months Ended September 30		Nine Months Ended September 30	
	2006	2005	2006	2005
Financial				
Funds from operations ¹	2,006,566	1,835,349	5,131,211	3,193,209
Per unit - basic	0.04	0.07	0.09	0.14
Per unit - diluted	0.03	0.07	0.09	0.13
Bank debt	20,535,965	7,601,583	20,535,965	7,601,583
Operating costs per boe	21.26	13.69	16.81	11.36
Operating netbacks per boe	18.85	17.47	19.26	15.62
Market				
Shares outstanding				
End of period	65,677,403	28,015,244	65,677,403	28,015,244
Weighted average - basic	65,656,022	26,601,305	59,312,943	23,531,894
Weighted average - diluted	66,506,268	27,817,126	60,163,189	24,747,715
Shares trading				
High	1.36	1.69	1.88	1.92
Low	0.90	1.00	0.89	0.88
Close	1.00	1.40	1.00	1.48
Average daily volume	122,700	51,600	145,000	51,100
OPERATIONS				
Daily production (average)				
Crude oil (bbl)	1,356	1,437	1,305	758
NGLs (bbl)	61	32	53	31
Natural gas (mcf)	2,149	562	1,650	231
Total (boe) ²	1,775	1,563	1,632	828
Realized commodity prices (\$Cdn.)				
Total crude oil (bbl)	57.06	44.56	47.28	38.67
NGLs (bbl)	57.05	51.78	48.57	38.53
Natural gas (mcf)	5.91	6.22	6.19	7.46
Average (boe) ²	52.70	44.81	45.61	38.59
Reference pricing				
WTI (U.S.\$/bbl)	70.48	63.19	68.24	49.84
AECO gas (\$Cdn./mcf)	5.71	8.81	6.85	6.63
Foreign Exchange (U.S./\$Cdn.)	1.12	1.20	1.13	1.23

¹ Funds from operations before change in non-cash working capital is not a recognized measure under Canadian generally accepted accounting principles. Management uses funds from operations before change in non-cash working capital to analyze performance and considers it a key measure as it demonstrates the Company's ability to generate the cash necessary to fund future capital investments and to repay debt. Funds from operations before change in non-cash working capital has been defined by the Company as net earnings (loss) plus the add back of non-cash items (depletion, depreciation and accretion, stock-based compensation, future income taxes, convertible debenture accretion and unrealized foreign exchange) and excludes the change in non-cash working capital related to operating activities. Arsenal's determination of funds from operations before change in non-cash working capital may not be comparable to that reported by other companies. Arsenal also presents funds from operations before change in non-cash working capital per share whereby amounts per share are calculated using weighted average shares outstanding consistent with the calculation of earnings per share.

² The term barrels of oil equivalent ("boe") may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet per barrel (6mcf/bbl) of natural gas to barrels of oil equivalence is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. All boe conversions in the report are derived from converting gas to oil in the ratio mix of six thousand cubic feet of gas to one barrel of oil.

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") for Arsenal Energy Inc. ("Arsenal" or the "Company") should be read in conjunction with the unaudited interim consolidated financial statements for the three and nine months ended September 30, 2006 and 2005 and with the audited consolidated financial statements and MD&A for the year ended December 31, 2005. The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP") and are presented in Canadian currency except where indicated as being in another currency. Arsenal is an oil and gas issuer and disclosures pertaining to oil and gas activities are presented in accordance with National Instrument 51-101 ("NI 51-101"). For additional disclosures as required under NI 51-101 please refer to www.sedar.com. This MD&A is dated November 2, 2006.

Funds from operations before change in non-cash working capital is not a recognized measure under Canadian GAAP. Management uses funds from operations before change in non-cash working capital to analyze performance and considers it a key measure as it demonstrates the Company's ability to generate the cash necessary to fund future capital investments and to repay debt. Funds from operations before change in non-cash working capital has been defined by the Company as net earnings (loss) plus the addback of non-cash items (depletion, depreciation and accretion, stock-based compensation, convertible debenture accretion and future income taxes and unrealized foreign exchange) and excludes the change in non-cash working capital related to operating activities. Arsenal's determination of funds from operations before change in non-cash working capital may not be comparable to that reported by other companies. Arsenal also presents funds from operations before change in non-cash working capital per share whereby amounts per share are calculated using weighted average shares outstanding consistent with the calculation of earnings per share.

RESULTS OF OPERATIONS

PRODUCTION AND MARKETING

Production volumes for the three and nine month periods ended September 30, 2006 increased 14% and 38% respectively over comparable periods in 2005. The increase in volume is attributable to the integration of corporate and property acquisitions and new wells drilled during the year.

Arsenal is currently producing approximately 1,900 boe/d, and has established a 2006 year end target exit rate of 2,000 boe/d. The increase in volume is attributable to our fourth quarter drilling program, and resolution of facility constraints which impacted production in Northern Alberta for September and October.

	Three Months Ended September 30			Nine Months Ended September 30		
	2006	2005	% Change	2006	2005	% Change
Crude Oil (bbl/d)	1,356	1,437	(6)	1,305	1,073	22
NGL (bbl/d)	61	32	90	53	35	50
Natural gas (mcf/d)	2,149	562	282	1,650	463	256
Total (boe/d)	1,775	1,563	14	1,632	1,185	38
Production split						
Oil & NGLs	80%	94%	(15)	83%	93%	(11)
Natural Gas	20%	6%	237	17%	7%	159

COMMODITY PRICES

Commodity price realizations during the nine month period ended September 30, 2006 increased 7% over the comparable period in 2005. The impact of favourable crude oil and natural gas prices were partially offset by a 7% decline in the value of the US dollar relative to the Canadian dollar during the year, as well as the impact of the forward contract which expired September 2006.

The increase in commodity price realizations is reflective of the asset portfolio of Arsenal at September 30, 2006, with approximately 60% of our oil production comprised of lower gravity heavy crude oil, compared to more than 75% of corporate production in the third quarter of 2005. The heavy oil differential traditionally widens over winter, as demand for heavy crude is highest in the summer. The differential exceeded USD\$25 per barrel for much of the first quarter, and has decreased starting in April reflecting historical seasonality. Arsenal will continue its plan to reduce the effects of this differential on its cash flows.

Arsenal anticipates continued historically high crude oil prices while inventory issues may continue to impact natural gas. It is anticipated that a colder than normal winter in North America could dramatically impact the North American gas price.

(\$Cdn.)	Three Months Ended September 30			Nine Months Ended September 30		
Prices - Before Derivatives	2006	2005	% Change	2006	2005	% Change
Total crude oil (bbl)	57.06	44.56	28	47.28	41.79	13
NGLs (bbl)	57.05	51.78	10	48.57	43.40	12
Natural gas (mcf)	5.91	6.22	(5)	6.19	6.84	(10)
Total (boe)	52.70	44.81	18	45.61	42.53	7

Reference Pricing

WTI (\$U.S./bbl)	70.48	63.19	12	68.24	55.40	23
AECO gas (\$Cdn./mcf)	5.71	8.81	(35)	6/85	7.38	(7)
NYMEX gas (\$U.S./mmbtu)	600	10.24	(41)	6.00	7.80	(23)
Foreign exchange (\$Cdn./\$U.S.)	1.12	1.20	(6)	1.13	1.22	(7)

OIL AND GAS REVENUE

Net oil and gas revenue for the three and nine month periods ended September 30, 2006 were 41% and 69% higher respectively, than comparable periods in 2005, reflecting increased petroleum and natural gas production and commodity prices. Revenue per boe for the three and nine month periods ended September 30, 2006 increased 24% and 23% respectively, over comparable periods in 2005, as the impact of the hedged production was offset by higher commodity prices.

(\$Cdn.)	Three Months Ended September 30			Nine Months Ended September 30		
	2006	2005	% Change	2006	2005	% Change
Crude oil sales	7,040,383	5,938,347	19	18,770,471	12,233,827	53
NGL sales	314,968	103,800	203	724,989	418,366	73
Natural gas sales	1,155,732	368,937	213	2,899,800	862,050	236
Other	251,753	7,824	3,118	367,371	195,387	88
Loss on forward contracts	(369,367)	(450,199)	(18)	(1,248,026)	(993,140)	26
Net oil and gas revenue	8,393,470	5,968,709	41	21,514,606	12,716,490	69
Per boe	51.40	41.52	24	46.41	37.78	23

ROYALTIES

Royalties as a percentage of gross oil and gas revenue were consistent with comparable periods in 2005 at 22%. Royalties per boe for the three months ended September 30, 2006 increased 9% over comparable periods in 2005, reflecting the changed asset portfolio of the Company, with a greater portion of corporate production coming from higher burden natural gas as a result of the Tiverton acquisition. Arsenal expects the corporate royalty rate to remain at 22% of gross oil and gas revenues for the remainder of the year.

(\$Cdn.)	Three Months Ended September 30			Nine Months Ended September 30		
	2006	2005	% Change	2006	2005	% Change
Royalties	1,845,036	1,489,165	24	4,791,216	2,891,924	66
% of gross oil and gas revenue	22	20	10	22	22	1
Per boe	11.30	10.36	9	10.33	8.59	20

Total Production	163,285	143,765	463,609	336,587
Number of Days in Quarter	92	92	284	284

OPERATING COSTS

Operating expenses per boe for the three and nine month periods ended September 30, 2006 increased 55% and 23% respectively over the same periods in 2005. The significant increase over prior periods is attributable to an extensive workover programs completed in Lloydmminster, Galahad and Wildmere. Arsenal anticipates that these workovers will result in reduced operating costs from these properties in the future.

(\$Cdn.)	Three Months Ended September 30			Nine Months Ended September		
	2006	2005	% Change	2006	2005	% Change
Operating expense	3,470,938	1,968,431	76	7,794,382	4,590,643	70
Per boe	21.26	13.69	55	16.81	13.64	23

PRODUCT NETBACKS¹

Netbacks for the three and nine month periods ended September 30, 2006 increased 8% and 19% respectively, over the comparative periods in 2005. Higher commodity prices were partially offset by increased royalties and operating costs experienced during 2006.

(\$Cdn. per boe)	Three Months Ended September 30			Nine Months Ended September 30		
	2006	2005	% Change	2006	2005	% Change
Net revenue after derivatives	51.40	41.53	24	46.41	39.29	18
Royalties	(11.30)	(10.36)	9	(10.33)	(8.94)	16
Operating expenses	(21.26)	(13.70)	55	(16.81)	(14.19)	18
Operating netback	18.85	17.47	8	19.26	16.16	19

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative costs per boe for the three and nine month periods ended September 30, 2006 increased by 548% and 56% respectively over the comparative period in 2005. Included in general and administrative costs for the first quarter is \$275,000 relating to employee annual bonuses for 2005. The increase in general and administrative costs is also reflective of increased staff over the prior year. Arsenal anticipates general and administrative costs to increase in absolute terms but decrease on a per barrel basis as the Company continues to grow production.

(\$Cdn.)	Three Months Ended September 30			Nine Months Ended September 30		
	2006	2005	% Change	2006	2005	% Change
General and administrative	725,525	317,858	128	2,676,608	1,440,617	86
Foreign Exchange	(1,840)	113,285	(102)	183,009	185,733	(1)
	723,685	431,143	27	2,849,617	1,626,350	84
General and administrative per boe	4.44	0.69	548	5.77	3.11	86
Foreign Exchange per boe	(0.01)	0.79	(101)	0.39	0.55	(28)

FINANCE CHARGES

Finance charges for the three month and nine month periods ended September 30, 2006 increased 250% and 199% respectively over the comparative periods in 2005, as the Company drew on its credit facility to fund both drilling and acquisition activities during 2006. Included in finance charges for the nine months ended September 30, 2006 is \$138,056 in interest relating to interest paid to the holders of the convertible debentures, and \$70,000 in accrued interest charges for the three month period ended September 30, 2006.

(\$Cdn.)	Three Months Ended September 30			Nine Months Ended September 30		
	2006	2005	% Change	2006	2005	% Change
Bank line interest	316,722	110,387	187	695,599	302,572	130
Convertible debenture interest	70,000	–	100	208,056	–	100
	386,722	110,387	250	903,655	302,572	199
Per boe	1.94	0.77	153	1.50	0.90	67

DEPLETION, DEPRECIATION, AND ACCRETION

Depletion, depreciation and accretion per boe increased 143% for the three month period ended September 30, 2006 and 155% for the nine month period ended September 30, 2006 compared to the same periods in 2005. The increase is attributable to the higher production rates, significantly higher asset base in 2006 compared to 2005, and additional accretion incurred on the asset retirement obligation.

(\$Cdn.)	Three Months Ended September 30			Nine Months Ended September 30		
	2006	2005	% Change	2006	2005	% Change
Depletion, depreciation and accretion	3,979,771	1,440,866	176	9,128,532	2,601,853	251
Per boe	24.37	10.02	143	19.69	7.73	155

TAXES

During the nine month period ended September 30, 2006, Arsenal recovered future income taxes totalling \$3.7 million compared to an expense of \$0.4 million over the same period in 2005. Of this amount, \$2.5 million is attributable to the reduction in the substantially enacted corporate income tax rates for oil and gas producers. A future income tax balance of \$12.9 million is recorded as a liability as at September 30, 2006 (September 30, 2005 ñ \$7.9 million).

(\$Cdn.)	Three Months Ended September 30			Nine Months Ended September 30		
	2006	2005	% Change	2006	2005	% Change
Current income taxes	-	(213,468)	100	-	(213,468)	100
Future income taxes (reduction)	1,160,499	(147,737)	(886)	3,700,496	228,641	1,518
	1,160,499	(361,205)	(421)	3,700,496	15,173	24,289
Per boe	7.11	(2.51)	(383)	7.98	(0.05)	17,607

SUMMARY OF QUARTERLY RESULTS

The following table highlights the Company's performance for the most recent eight quarters that comprise three quarters of 2006, four quarters of 2005, and the last quarter of 2004. Total revenue is primarily impacted by commodity prices and production volumes. Net income and net income per share are primarily impacted by royalties, operating costs, general and administrative costs, depletion, depreciation and accretion, and future income taxes.

Per share values for the first and second quarters of 2006 and fourth quarter of 2005 are also impacted by the significant increase in shares outstanding, reflecting the Tiverton acquisition and equity issues during the periods.

(\$Cdn.)	2006			2005				2004
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Total net revenue	8,393,468	7,839,810	5,281,327	4,568,443	4,479,544	3,290,840	2,054,182	1,802,339
Net income (loss)	(1,200,629)	787,985	(848,458)	(611,180)	(200,436)	(157,408)	(156,261)	45,846
Per share - basic	(0.02)	0.01	(0.02)	(0.04)	(0.01)	(0.01)	(0.01)	0.00
Per share - diluted	(0.02)	0.01	(0.02)	(0.04)	(0.01)	(0.01)	(0.01)	0.00
Funds from operations	2,006,566	2,167,425	957,218	1,122,820	1,835,348	871,288	486,573	92,492
Per share - basic	0.04	0.04	0.02	0.03	0.06	0.03	0.02	0.01
Per share - diluted	0.03	0.04	0.02	0.03	0.06	0.03	0.02	0.01
Total assets	122,327,380	118,007,389	112,189,351	54,157,383	48,955,973	38,308,547	30,978,254	16,690,703
Total bank debt	20,535,965	18,748,615	11,128,145	2,496,195	12,443,478	12,668,469	7,601,583	3,743,852
Shares outstanding	65,677,403	65,636,501	65,528,875	42,231,244	33,400,567	28,015,244	26,407,303	18,989,706

LIQUIDITY

(\$Cdn.)	Nine Months ended September 30, 2006
Sources	
Funds from operations	5,131,211
Exercise of warrants	98,142
Exercise of options	59,000
Change in non-cash working capital - operating items	(399,042)
Change in non-cash working capital - investing items	(1,205,987)
Total sources of cash	3,683,324
Uses	
Plant, property and equipment additions	(17,262,119)
Share issue costs	(760,976)
Total uses of cash	(18,023,095)
Increase in bank debt	(14,339,770)

Bank Debt plus Working Capital Deficit

At September 30, 2006, the Company had \$20.5 million outstanding on its credit facility and a working capital deficit, excluding debt of \$1.9 million, for total debt plus working capital deficit of \$22.4 million, compared to total debt plus working capital deficit of \$13.0 million at September 30, 2005. The Company's anticipated funds from operations before change in non-cash working capital is expected to be sufficient to meet the current working capital deficit. The capital intensive nature of the industry will generally result in the Company having a working capital deficit, however, the Company will maintain total debt plus working capital deficit below the Company's credit facility. At September 30, 2006, the Company had a credit facility of \$23.0 million.

At September 30, 2006, the Company is in breach of a covenant governing the Company's banking agreement.† Management has informed the bank of the situation and the bank has indicated that they will review the financial statements in order to determine future covenant requirements. Subsequent to September 30, 2006, the Company closed an \$8.0 million private placement which was applied against the credit facility and significantly strengthen the Company's balance sheet.

Convertible Debenture

Arsenal completed the corporate acquisition of Tiverton effective March 14, 2006. A portion of Tiverton's capital structure was comprised of unsecured convertible debentures totalling \$3,480,000. Interest accrues at 8% on the debentures, payable semi-annually on June 30th and December 31st of each year. The debentures will mature on February 15, 2009 unless called for redemption earlier by Arsenal. After giving effect to the plan of arrangement, the debentures are convertible by the holders at any time prior to maturity into 1,539,170 shares of the Company, representing a conversion price of \$2.26 per Arsenal share.

The Company can elect to prepay the debenture providing the Company's shares trade above \$2.60 per share for 22 consecutive days. The convertible debentures are a debt security with an embedded conversion option and were segregated into their debt and equity components based on their respective fair values at the date of acquisition. The \$370,000 equity component represents the holder's conversion right and is included in Shareholders' Equity, the remaining balance of \$3,110,000 has been classified as debt. If the holder exercises the conversion right, they will receive accrued and unpaid interest up to and including the conversion date.

During the third quarter, Arsenal incurred \$60,000 in accretion expense relating to the amortization of the discount of the debenture. In addition, Arsenal accrued and paid \$138,056 in interest charges to the debenture holders relating to interest for the first six months of 2006, and accrued interest totalling \$70,000 during the third quarter of 2006.

Share Capital

The following table outlines the common share issues, warrant and option exercises during the year:

	Common shares
Opening	42,231,244
Issued to acquire Tiverton	23,237,671
Issued on exercise of warrants	108,488
Issued on exercise of options	100,000
Shares issued	65,677,403
Shares held in escrow	(325,000)
Closing	65,352,403

CAPITAL RESOURCES

Revolving demand loan

At September 30, 2006, Arsenal has a revolving demand loan for \$23.0 million (September 30, 2005 - \$14.2 million) with a Canadian financial institution. The facility may be drawn down or repaid at any time and there are no scheduled repayment terms. The facility can be utilized in either Canadian or US dollars, bears interest on Canadian or US bank prime plus 0.25%, increasing to Canadian or US bank prime plus 0.40% if Net Debt to Annualized Cashflow exceeds 1.25:1. The facility is secured by a fixed and floating charge debenture providing a fixed charge over certain petroleum and natural gas interests and a floating charge over all Canadian and U.S. assets.

Flow-through share issue

On November 8, 2006, the Company closed a private placement for total gross proceeds of \$8.0 million. The shares were issued on a flow-through share basis, and the proceeds will be used to incur certain types of Canadian Exploration Expense ("CEE") or deemed CEE as defined in the Income Tax Act (Canada) and renounce, for the 2006 taxation year, such CEE in favour of original holders of the flow through shares in an amount equal to the subscription price for each flow through share.

CAPITAL EXPENDITURES

Capital expenditures for the nine month period ended September 30, 2006 totalled \$60.3 million. \$41.2 million was spent for the acquisition of Tiverton which closed March 14, 2006. Land costs relate to undeveloped lands acquired in northwestern Alberta and in Saskatchewan. Drilling and facilities costs were incurred at Manitou, Buzzard, Galahad, Princess/Alderson, Wildmere, Armada, Worsley, Evi, Lubicon and Tower Creek.

(\$ Cdn.)	Total
Corporate, property and land acquisition	46,343,892
Seismic	1,240,959
Drilling and completions	11,168,289
Production facilities	1,350,459
Other	248,816
Total capital expenditures	60,352,415

COMMITMENTS AND CONTINGENCIES

Arsenal has contractual obligations in the normal course of operations including purchase of assets and services, operating agreements, transportation commitments and sales commitments. These obligations are of a recurring and consistent nature and impact cash flow in an ongoing manner.

Letter of Credit

During the second quarter, Arsenal provided a letter of credit to the Egyptian government for USD \$1.6 million. The letter of credit is to be held until April 10, 2010, or until certain performance measures are achieved by Arsenal and its partners. Arsenal has obtained a Performance Security Guarantee ("PSG") from the Canadian government which guarantees Arsenal against the call of the bond by the Egyptian government. There is no impact to the existing credit facility of Arsenal from providing the letter of credit due to the PSG, however the company incurred approximately \$50,000 in stamping fees to obtain the PSG.

Flow Through Shares

At September 30, 2006, the Company had satisfied its expenditure obligations for flow through share offerings completed in 2005. The Company completed a private placement of flow-through common shares on November 8, 2006 for gross proceeds of \$8.0 million. The Company will renounce the appropriate tax pools in the 2006 taxation year, and will incur the qualifying expenditures during 2007.

RISK MANAGEMENT

Business risks affecting Arsenal are unchanged from those disclosed in the MD&A dated March 21, 2006 prepared in conjunction with the December 31, 2005 and 2004 financial statements.

SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The interim consolidated financial statements dated September 30, 2006 have been prepared following the same accounting policies and methods of computation as the consolidated financial statements for the fiscal year ended December 31, 2005.

FINANCIAL REPORTING UPDATE

COMPREHENSIVE INCOME

The CICA has issued Section 1530 "Comprehensive Income" which establishes standards for reporting and display of comprehensive income. This Section is effective for annual and interim periods beginning on or after October 1, 2006 with early adoption permitted for fiscal year ending on or after December 31, 2004. Arsenal has assessed that this guideline is unlikely to have a material effect on the financial statements and does not anticipate adopting the standard until October 2006.

OUTLOOK

STRATEGY

Arsenal's domestic production and cashflow has increased significantly over the past two years. The Company anticipates continued growth domestically both through the drill-bit and accretive acquisitions. The addition of a new Vice President of Exploration, a geophysicist, and two engineers in our Operations group has already begun to provide results for shareholders.

The Company remains committed to utilizing a portion of cashflows earned domestically to fund high impact international opportunities like the Nuqra concession in Egypt. The Company continues to search for other international opportunities with the following profile:

- * Stable Government and operating environment
- * Significant upside relative to capital exposure
- * Experienced and established international operator
- * Considerable land acreage
- * Pre-existing seismic or geological data establishing existence of source and reservoir rock.

Egypt

The 800 km seismic acquisition and processing program was completed in the second quarter. This data was included in the interpretation resulting from the reprocessing of the 3,200 km of seismic previously acquired over the concession. This combination of processed and interpreted data has confirmed several locations which we have high graded to allow us to select the first two drilling locations, and a third contingent location. The first two wells are scheduled to begin drilling during the first quarter of 2007, with the conditional well to follow immediately thereafter. The Egyptian government has granted approval of the first two locations, and we anticipate approval of the contingent location during the fourth quarter of 2006.

North America

Arsenal emphasizes a full-cycle approach to its business and plans to continue to develop drilling opportunities as a means to grow its production base and creating value for shareholders. Consistent with its full-cycle approach, Arsenal added to its undeveloped land position through Crown land sales and private property acquisitions during the third quarter in order to establish high-quality drilling prospects. The Company also commenced an active evaluation of the seismic obtained in the Tiverton acquisition and has already identified several drilling opportunities on its existing land base and on open Crown lands.

The Company will continue to pursue acquisitions that will be accretive on a per share basis to cash flow, production, reserves and net asset value. Arsenal believes that over the long term, outlook for both crude oil and natural gas pricing remains strong.

SENSITIVITIES

The following table provides estimates for 2006 of the sensitivity of the Company's 2006 net income and cash flow to changes in commodity prices and the U.S./Cdn. Dollar exchange rate:

Variable	Change	Cash Flow
Crude oil price	\$U.S. 1/bbl	\$ 350,000
Natural gas price	\$Cdn. 0.10/mcf	\$ 50,000
\$U.S./\$Cdn. exchange rate	0.01	\$ 50,000
Interest rate	1.00%	\$ 60,000
Crude oil production	100 bbl/d	\$ 750,000
Natural gas production	100 mcf/d	\$ 125,000

¹ Management's Discussion and Analysis contains the term funds from operations, funds from operations per share, and operating netbacks, which should not be considered to be an alternative to, or more meaningful than net income as determined in accordance with Canadian generally accepted accounting principles as an indicator of the Company's performance. The company presents funds from operations per share whereby per share amounts are calculated consistent with the calculation of earnings per share.

**INTERIM CONSOLIDATED BALANCE SHEETS
(UNAUDITED)**

As at	September 30, 2006	December 31, 2005
ASSETS		
Current assets		
Accounts receivable	8,779,128	4,583,927
Reclamation bonds	195,027	203,291
Property, plant and equipment	94,984,133	44,578,604
Goodwill	18,369,093	4,791,561
	122,327,380	54,157,383
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	10,648,234	6,365,577
Revolving demand loan (note 3)	20,535,965	2,496,195
Deferred revenue	-	287,533
	31,184,199	9,149,305
Convertible debentures (note 8)	3,302,473	-
Future income tax (note 12)	12,928,259	7,509,044
Asset retirement obligations (note 4)	2,592,597	1,295,500
	50,007,528	17,953,849
SHAREHOLDERS' EQUITY		
Common shares (note 5)	72,685,429	36,514,809
Warrants (note 6)	303,731	303,731
Contributed surplus (note 7)	2,007,244	1,170,444
Common share conversion rights (note 8)	370,000	-
Deficit	(3,046,552)	(1,785,450)
	72,319,852	36,203,534
	122,327,380	54,157,383

Contingency (note 3)

Segmented information (note 10)

Commitments (note 11)

Subsequent event (note 11 b)

**INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT
(UNAUDITED)**

	Three Months Ended September 30		Nine Months Ended September 30	
	2006	2005	2006	2005
REVENUE				
Oil and gas	8,393,468	5,968,709	21,514,605	12,716,490
Royalties	(1,845,036)	(1,489,165)	(4,791,216)	(2,891,924)
	6,548,432	4,479,544	16,723,389	9,924,566
EXPENSES				
Operating	3,470,938	1,968,431	7,794,382	4,590,643
General and administrative	723,685	431,143	2,849,617	1,626,350
Finance charges	386,722	110,387	903,655	302,572
Convertible debenture accretion	60,000	–	120,000	–
Depletion, depreciation and accretion	3,979,771	1,440,866	9,128,532	2,601,853
Stock-based compensation (note 7)	288,444	367,948	878,801	775,144
	8,909,560	4,318,775	21,684,987	9,896,562
Net income (loss) before income taxes	(2,361,128)	160,769	(4,961,598)	(71,996)
Income taxes				
Current tax (expense) reduction	-	(213,468)	-	(213,468)
(note 12)	1,160,499	(147,737)	3,700,496	(228,641)
	1,160,499	(361,205)	3,700,496	(442,109)
Net loss	(1,200,629)	(200,436)	(1,261,102)	(514,105)
Deficit - beginning of period	(1,845,922)	(998,695)	(1,785,450)	(685,026)
Deficit - end of period	(3,046,551)	(1,199,131)	(3,046,552)	(1,199,131)
Loss per share - basic and diluted	\$ (0.02)	\$ (0.01)	\$ (0.02)	\$ (0.02)

Segmented information (note 10)

**INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
(UNAUDITED)**

	Three Months Ended September 30		Nine Months Ended September 30	
	2006	2005	2006	2005
Cash flows from operating activities				
Net loss	(1,200,630)	(200,436)	(1,261,102)	(514,105)
Items not affecting cash				
Depletion, depreciation and accretion	3,979,771	1,440,866	9,128,532	2,601,853
Convertible debenture accretion	60,000	–	120,000	–
Accrued interest on convertible debenture	70,000	–	70,000	–
Future income taxes (reduction)	(1,160,499)	147,737	(3,700,496)	228,641
Stock-based compensation expense (note 7)	288,444	367,948	878,801	775,144
Deferred revenue	(28,680)	(34,051)	(287,533)	(84,057)
Unrealized foreign exchange loss	(1,840)	113,285	183,009	185,733
	2,006,566	1,835,349	5,131,211	3,193,209
Net change in non-cash working capital (note 9)	2,595,457	181,830	(399,042)	(1667,299)
Net cash provided by operating activities	4,602,023	2,017,179	4,732,169	1,525,910
Cash flows from investing activities				
Corporate and property acquisitions (note 2)	–	–	–	(11,441,054)
Additions to property, plant and equipment	(11,443,469)	(3,219,160)	(17,262,119)	(6,034,030)
Changes in non-cash working capital (note 9)	(753,112)	500,258	(1,205,987)	568,741
Net cash provided by (used in) investing activities	(12,196,581)	(2,718,902)	(18,468,106)	(16,906,343)
Cash flows from financing activities				
Issues of shares for cash	–	305,184	–	1,977,694
Issue of shares upon exercise of warrants	39,021	695,266	98,143	4,551,016
Issue of shares for cash upon exercise of stock options	–	–	59,000	193,784
Share issue costs	(204,430)	(73,736)	(760,976)	(258,750)
Revolving demand loan	7,759,967	(244,991)	14,339,770	8,699,629
Net cash provided by (used in) financing activities	7,594,558	701,723	13,735,937	15,163,370
Change in cash during the period	–	–	–	(217,063)
Cash - Beginning of period	–	–	–	217,063
Cash - End of period	–	–	–	–

Supplemental information (note 9)

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**1. SIGNIFICANT ACCOUNTING POLICIES**

The interim consolidated financial statements of Arsenal Energy Inc. (“Arsenal” or the “Company”) have been prepared by management in accordance with accounting principles generally accepted in Canada. The interim consolidated financial statements have been prepared following the same accounting policies and methods of computation as the consolidated financial statements for the fiscal year ended December 31, 2005. The disclosures provided below are incremental to those included with the annual consolidated financial statements. The interim consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto in Arsenal’s annual report for the year ended December 31, 2005.

2. BUSINESS ACQUISITION

On March 14, 2006 Arsenal acquired all of the issued and outstanding securities of Tiverton Petroleum Ltd. (“Tiverton”). On March 31, 2005 Arsenal acquired all of the issued and outstanding of IC Energy Inc. (“IC Energy”). The purchase method of accounting was used for both business combinations and the allocation of the purchase price and consideration for each acquisition is as follows:

	Tiverton 2006	IC Energy 2006
Net assets acquired at assigned values:		
Working capital deficiency	(2,112,791)	–
Property, plant and equipment	42,740,000	10,243,000
Goodwill	13,572,428	2,665,198
Bank debt	(3,700,000)	–
Convertible debentures	(3,182,473)	–
Asset retirement obligation	(1,095,000)	(123,713)
Future income taxes	(6,937,798)	(2,784,485)
Common share conversion rights	(370,000)	–
Net assets acquired	38,942,157	10,000,000
Financed by:		
Shares issued	38,314,366	4,500,000
Cash	–	5,500,000
Acquisition costs	600,000	–
Purchase price	38,914,366	10,000,000

3. REVOLVING DEMAND LOAN

At June 30, 2006, the Company has available a demand operating loan in the amount of \$23.0 million (December 31, 2005 - \$14.2 million). The facility can be utilized in either Canadian or US dollars, bears interest on Canadian or US bank prime plus 0.25%, increasing to Canadian or US bank prime plus 0.40% if Net Debt to Annualized Cashflow exceeds 1.25:1. The facility is secured by a fixed and floating charge debenture providing a fixed charge over certain petroleum and natural gas interests and a floating charge over all Canadian and U.S. assets.

At September 30, 2006, the Company is in breach of a covenant governing the Company’s banking agreement. Management has informed the bank of the situation and the bank has indicated that they will review the financial statements in order to determine future covenant requirements.

4. ASSET RETIREMENT OBLIGATIONS

The following table presents the beginning and ending aggregate asset retirement obligations associated with the retirement of oil and gas properties:

	Nine Months Ended September 30, 2006	Year Ended December 31, 2005
Asset retirement obligations - beginning of period	1,295,500	780,889
Liabilities acquired (note 2)	1,095,000	334,119
Liabilities incurred	91,100	114,808
Change in estimate	29,997	(14,022)
Accretion expense	81,000	79,706
Asset retirement obligations - end of period	2,592,497	1,295,000

5. COMMON SHARES

	Nine Months Ended September 30, 2006		Year Ended December 31, 2005	
	Shares	Amount (\$)	Shares	Amount (\$)
Balance - beginning of period	42,231,244	36,514,809	18,989,706	7,458,134
Issued to acquire Tiverton	23,237,671	38,914,366	-	-
Issued to acquire IC Energy	-	-	3,000,000	4,500,000
Issued to acquire Quadra	-	-	4,088,292	5,483,014
Issued for cash	-	-	8,760,496	13,573,157
Cost of shares issued	-	(760,976)	-	(723,785)
Tax effect of flow-through shares	-	(2,369,913)	-	(1,445,169)
Tax effect of share issue costs	-	188,000	-	247,000
Issued on exercise of options	100,000	59,000	972,025	207,334
Issued on exercise of warrants	108,488	98,143	6,745,725	6,133,159
Allocated from contributed surplus	-	42,000	-	93,205
Allocated from warrants	-	-	-	988,760
Shares issued	65,677,403	72,685,429	42,556,244	36,514,809
Shares held in escrow	(325,000)	-	(325,000)	-
Balance - end of period	65,352,403	72,685,429	42,231,244	36,514,809

¹Included in accounts receivable is \$225,000 from a former officer and director of the Company pursuant to a share purchase loan for the issuance of 325,000 common shares. The loan is unsecured and there are no specified terms of repayment. At September 30, 2006 the fair value of the shares held in escrow is \$225,000.

The per share calculations for the nine month period ended September 30, 2006 were based on weighted average shares outstanding of 59,312,943 (September 30, 2005 – 25,915,932). The per share calculations for the three month period ended September 30, 2006 were based on weighted average shares outstanding of 65,656,022 (September 30, 2005 – 30,942,600). In computing net loss per share – diluted, 850,246 shares (September 30, 2005 – 1,086,238) were added to the weighted average number of shares outstanding for the three month period, reflecting the dilutive effect of stock options and share purchase warrants.

6. WARRANTS

When share purchase warrants are exercised, the consideration paid is recorded to the shareholders' equity account along with an allocation for the deemed value of the warrants previously recognized in the warrants account. The following table details the changes in the warrant account balance:

	Nine Months Ended September 30, 2006		Year Ended December 31, 2005	
	Warrants	Amount (\$)	Warrants	Amount (\$)
Balance - beginning of period	2,031,100	303,731	6,588,664	988,760
Private placement	–	–	2,031,100	303,731
Agents' warrants (1)	108,488	–	157,061	–
Allocated to common equity upon exercise of warrants	(108,488)	–	(6,745,725)	(988,760)
Balance - end of period	2,031,100	303,731	2,031,100	303,731

(1) During 2006 the Company's underwriters and agents exercised their right to an additional 67,586 warrants pursuant to their respective agency agreements relating to equity offerings completed in 2004 and 2005.

7. STOCK OPTIONS

A summary of the changes in the options outstanding under the Option Plan is as follows:

	Nine Months Ended September 30, 2006		Year Ended December 31, 2005	
	Options	Weighted Average Price (\$)	Options	Weighted Average Price (\$)
Balance - beginning of period	3,592,252	0.99	2,505,000	0.40
Granted	760,000	1.14	2,495,000	1.24
Exercised	(100,000)	0.59	(972,025)	0.23
Cancelled	(125,000)	1.23	(435,723)	0.59
Balance - end of period	4,127,252	1.02	3,592,252	0.99
Exercisable - end of period	2,627,252	0.93	1,977,259	0.90

The Company incurred non-cash compensation expense of \$878,801 for the nine month period ended September 30, 2006 (2005 – \$775,144) related to vested options issued under the Option Plan with a corresponding increase to contributed surplus. When options are exercised by employees, contractors and directors of the Company, the consideration paid is recorded to the shareholders' equity account along with related non-cash compensation expense previously recognized in contributed surplus. The following table reconciles the movement in the contributed surplus balance:

	Nine Months Ended September 30, 2006		Year Ended December 31, 2005	
	Options	Weighted Average Price (\$)	Options	Weighted Average Price (\$)
Balance - beginning of period	1,170,444		144,183	
Issuance of stock options	878,801		1,119,466	
Reclassification to common shares on exercise of options	(42,000)		(93,205)	
Balance - end of period	2,007,244		1,170,444	

8. CONVERTIBLE DEBENTURE

As outlined in Note 2, Arsenal completed the corporate acquisition of Tiverton effective March 14, 2006. A portion of Tiverton's capital structure was comprised of unsecured convertible debentures totalling \$3,480,000. Interest accrues on the debentures at 8% on the debentures, payable semi-annually on June 30th and December 31st of each year. The debentures will mature on February 15, 2009 unless called for redemption earlier by Arsenal. After giving effect to the plan of arrangement, the debentures are convertible by the holders at any time prior to maturity into 1,539,170 shares of the Company, representing a conversion price of \$2.26 per Arsenal share.

The Company can elect to prepay the debenture providing the Company's shares trade above \$2.60 per share for 22 consecutive days. Interest is payable semi-annually on June 30th and December 31st of each year. The convertible debentures are a debt security with an embedded conversion option and were segregated into their debt and equity components based on their respective fair values at the date of acquisition. The \$370,000 equity component represents the holder's conversion right and is included in Shareholders' Equity, the remaining balance of \$3,242,473 has been classified as debt. If the holder exercises the conversion right, they will receive accrued and unpaid interest up to and including the conversion date.

9. SUPPLEMENTAL CASH FLOW INFORMATION

	Three Months Ended Sept 30, 2006	Three Months Ended Sept 30, 2005	Nine Months Ended Sept 30, 2006	Nine Months Ended Sept 30, 2005
Change in non-cash working capital items				
Operating accounts receivable	(1,073,963)	(1,830,951)	(4,195,202)	(13,143,915)
Operating accounts payable	3,669,420	2,012,781	3,796,160	1,476,616
Amounts relating to operating activities	2,595,457	181,830	(399,830)	(1,667,299)
Amounts relating to investing activities	(753,112)	500,258	(1,205,987)	568,741
	1,842,345	682,088	(1,605,029)	(1,098,558)
Taxes paid	–	–	213,985	–
Interest paid	316,722	67,996	761,906	238,022

10. SEGMENTED INFORMATION

A significant portion of the Company's assets and revenues are earned in the United States and Egypt and are monitored as identifiable reporting segments by management. The remaining assets and associated revenues are earned in Canada by Arsenal Energy Inc. The following table outlines key operating results by entity:

(\$ Cdn.)	2006			
	Canada	U.S.	Egypt	Total
Oil and gas revenue	15,693,101	5,821,504	–	21,514,605
Net income (loss) before income taxes	(4,941,333)	101,155	(121,419)	(4,961,597)
Property, plant and equipment	85,123,670	4,312,511	5,547,952	94,984,133
Capital expenditures (including acquisitions)	17,163,966	98,153	–	17,262,119
(\$ Cdn.)	2005			
	Canada	U.S.	Egypt	Total
Oil and gas revenue	7,192,763	5,523,727	–	12,716,490
Net income (loss) before income taxes	(488,446)	529,646	(113,196)	(71,996)
Property, plant and equipment	29,923,039	4,885,278	5,983,014	40,791,331
Capital expenditures (including acquisition)	17,376,931	98,153	–	17,475,084

11. COMMITMENTS

Letter of Credit

During the second quarter, Arsenal provided a letter of credit to the Egyptian government for USD \$1.6 million. The letter of credit is to be held until April 10, 2010, or until certain performance measures are achieved by Arsenal and its partners. Arsenal has obtained a Performance Security Guarantee (“PSG”) from the Canadian government which guarantees Arsenal against the call of the bond by the Egyptian government. There is no impact to the existing credit facility of Arsenal from providing the letter of credit due to the PSG, however the Company incurred approximately \$50,000 in stamping fees to obtain the PSG.

Flow Through Shares

At September 30, 2006, the Company has satisfied its expenditure obligations for flow through share offerings completed in 2005. In addition, the Company completed a private placement of flow-through common shares on November 8, 2006 for gross proceeds of \$8.0 million. The Company will renounce the appropriate tax pools, and will incur the qualifying expenditures during 2007.

12. FUTURE INCOME TAXES

During the nine month period ended September 30, 2006, the Company reduced its future income tax liability by \$3.8 million. Of this amount, approximately \$2.5 million of the reduction related to a change in the substantively enacted corporate tax rates for Canadian oil and gas producers.

Officers and Management

Errol Stewart
President and Chief Executive Officer

Jesse Meidl CA (4)
Chief Financial Officer

Robert K. Howard P. Land
Vice President Land

Tony Van Winkoop
Vice President Exploration

Exchange Listings

Toronto Stock Exchange: AEI
Frankfurt Stock Exchange: A1E

Legal Counsel

Borden Ladner Gervais LLP

Auditors

KPMG LLP

Bankers

ATB Financial

Evaluation Engineers

AJM Petroleum Consultants

Registrar and Transfer Agent

Computer Share Trust
Company of Canada

Privacy Officer

Jesse Meidl CA
privacy@arsenalenergy.com

Board of Directors

Michael Vandale

William Hews (1) (3)

Errol Stewart (2) (4)

Greg Belzberg (1)

R. Neil MacKay (2) (4)

Alain Gaucher (1) (4)

Curtis Stewart (2) (3) (4)

Donald Edwards (4)
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Committees of the

Board of Directors

- (1) Audit Committee member
- (2) Reserves Committee member
- (3) Compensation Committee member
- (4) Disclosure Committee member

Website/Email

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