

ARGOSY ENERGY INC. AND RADIUS RESOURCES CORP.

PRESS RELEASE

BUSINESS COMBINATION UPDATE

FOR IMMEDIATE RELEASE – MARCH 19, 2010

ARGOSY ENERGY INC. (“Argosy”) (GSY.TSX) and RADIUS RESOURCES CORP. (“Radius”) (RAX. TSXV) jointly announced today that further to the business combination between Argosy and Radius previously announced on December 9, 2009, the parties have entered into a definitive purchase and sale agreement (the “Definitive Agreement”) to complete a business combination in conjunction with or as part of a restructuring process to be undertaken by Radius. The Definitive Agreement, among other things, adjusts the previously announced purchase price to be paid by Argosy for Radius. Under the terms of the Definitive Agreement, if the Proposal is approved, Argosy will acquire all of the issued and outstanding shares of Radius on a fully diluted basis resulting in the settlement of all claims (both secured and unsecured) for consideration of 748,000 common shares of Argosy (“**Argosy Shares**”) and \$2.5 million in cash. Argosy has also agreed to pay an additional \$225,000 in transaction expenses of Radius.

As part of the proposed business combination, Radius filed a proposal (“Proposal”) pursuant to the provisions of the *Bankruptcy and Insolvency Act* (“BIA”) on March 19, 2010. Alger & Associates Inc. has been appointed as the trustee acting under the Proposal. A copy of the Proposal may be obtained at www.alger.ca or under Radius’ profile on SEDAR at www.sedar.com. The Definitive Agreement and the Proposal are subject to the satisfaction of certain conditions and receipt of all approvals, including approval of Radius’ creditors, the Court and the Toronto Stock Exchange. If the Proposal is rejected, Radius will be declared bankrupt.

This press release may contain forward looking statements which may include plans, expectations, forecasts, projections, guidance or other statements that are not statements of fact, including without limiting the generality of the foregoing, meeting the terms, conditions and approval requirements under the proposed restructuring process, statements concerning the restructuring process and the satisfaction of certain terms and conditions relating to the same, including without limitation applicable regulatory, shareholder and creditor approvals. Although Radius and Argosy believe that the expectations reflected in such forward looking statements are reasonable, they cannot give any assurance that such expectations will prove to be correct. Completion of the business combination and restructuring process as proposed under the Definitive Agreement and Proposal are subject to a number of conditions which neither Radius nor Argosy can give any assurance that such conditions will be met on a timely basis, or if at all, as certain as the conditions are in the control of other parties. As such, the future plans and objectives of Radius and Argosy are forward looking statements that involve risks and uncertainties that may be based on assumptions that could cause actual results to differ materially from those anticipated or implied in such statements. The foregoing list of risk factors is not exhaustive. Additional information on risk factors is included in Radius’ and Argosy’s Annual Information Form and other public documents available under Radius’ and Argosy’s profile on SEDAR. Although Radius and Argosy have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in the forward looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. In making its forward looking statements, Radius and Argosy used, among others, the following material factors or assumptions to develop a forward looking information enumerated above: the conditions to closing under the Definitive Agreement will be met, the creditors of Radius will vote in favour of the Proposal, the Courts will approve the Proposal, and the economic and market conditions in the oil and gas industry shall remain sufficiently

stable for the parties to continue with the proposed transaction. Radius' and Argosy's forward looking statements are expressly qualified in their entirety by this cautionary statement. Unless otherwise required by applicable securities laws, neither Radius nor Argosy intend nor does it undertake any obligation to update or review any forward looking statements to reflect subsequent information, events, results or circumstances or otherwise.

Argosy is a junior oil and gas company focused on the exploration for and development of oil and natural gas in western Canada.

Radius is a junior oil and gas company engaged in the exploration for, and development and production of, crude oil and natural gas focusing in the Peace River Arch region of central Alberta.

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