

ARGOSY ENERGY INC.

PRESS RELEASE

ARGOSY ENERGY INC. PROVIDES OPERATIONAL UPDATE

FOR IMMEDIATE RELEASE – September 14, 2011. ARGOSY ENERGY INC. (“Argosy”) (GSY.TSX) is pleased to provide the following operational update with respect to its operations to date in the emerging Exshaw / Bakken / Big Valley play in Southern Alberta.

Argosy has drilled and completed 1 (1 net) vertical well and 2 (2 net) horizontal wells and has established a large contiguous land position in the Claresholm area.

The most significant horizontal well targeted the Exshaw / Bakken / Big Valley formation and was completed using a multistage packer system. This well was placed on pump but continues to flow up the casing and is not showing any drawdown as it continues to clean up. In the last 10 days, the well has averaged a fluid production rate of 50 m³/day of which 60% is light reservoir oil (38 API) with minor natural gas volumes and the balance being load fluid. Oil cuts and volume from this well are steadily increasing as load fluid is recovered.

Since the beginning of the test flow back period on August 11, the well has produced approximately 50% of the 6552 m³ of completion fluid and 725 m³ of new oil. It is noteworthy that during this flowback period the well was produced intermittently (50%), due to various operational activities which have included the installation of a pump jack and the drillout of the packer system.

The company is in the process of obtaining approvals for a central battery facility. Argosy is encouraged by the results from the Big Valley formation and has identified over 140 drilling locations on its 44 section land base in the area.

The vertical exploratory well tested oil in both the Big Valley and Banff and produced oil at initial rates from the Banff of 12 m³ / day with current production of 3-4 m³ / day.

The company’s other horizontal well was drilled on expiring lands as a follow-up to the vertical discovery well and was completed in the Banff using a cased hole seven stage “plug and perf” design. Results from this well indicate this that portion of the field is less significant with current production rates of 8-10 m³ / day of total fluid at an 80% oil cut with a gravity of 38 API. The well is still on cleanup with half of the load fluid yet to be recovered.

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

For further information please contact:

Mr. Peter Salamon
President and CEO

Argosy Energy Inc.

2100, 500 – 4th Avenue S.W.
Calgary, Alberta
Telephone (403) 269-8846
Email: investor@argosyenergy.com
Website: www.argosyenergy.com

Advisory Regarding Forward-Looking Information

This press release contains forward-looking information concerning the anticipated use of the net proceeds of the Offering and renunciation of Canadian Exploration Expenses to subscribers of the Flow-Through Shares. Although Argosy believes that the expectations reflected in the forward-looking information is reasonable, undue reliance should not be placed on it because Argosy can give no assurance that it will prove to be correct. Since forward-looking information addresses future events and conditions, by its very nature it involves inherent risks and uncertainties. The intended use of the net proceeds of the Offering by Argosy might change if the board of directors of Argosy determines that it would be in the best interests of Argosy to deploy the proceeds for some other purpose. The forward-looking information contained in this press release is provided as of the date hereof and Argosy undertakes no obligations to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.