

ARGOSY ENERGY INC.
PRESS RELEASE
FOR IMMEDIATE DISTRIBUTION

August 26, 2009

ARGOSY ENERGY INC. ANNOUNCES FINANCING

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

Calgary, Alberta – Argosy Energy Inc. (“Argosy”) announces today that it has entered into a bought-deal financing agreement with an underwriting syndicate led by National Bank Financial Inc., and including Canaccord Capital and Maison Placements Canada Inc. (collectively, the “Underwriters”) to issue 4,200,000 common shares (the “Shares”) at \$1.25 each, resulting in gross proceeds to Argosy of \$5,250,000. The financing will be completed utilizing a short form prospectus.

Argosy has granted the Underwriters an option, exercisable at the offering price prior to the closing of the Offering, to purchase an additional 600,000 common shares to cover over-allotments, if any.

Management, Directors and certain insiders have agreed to purchase approximately 1.7 million shares at the offering price.

The issue is subject to normal regulatory approvals and closing is expected on or about September 17, 2009.

Proceeds from the Offering will be used for the expansion of the capital programs in the Claresholm, Pearce, Saxon and Ansell/Edson areas of Alberta.

Argosy trades on the TSX under the symbol “GSY”

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

For further information contact:

Mr. Peter Salamon
President and CEO

Mr. Tom Dalton
Vice President Finance and CFO

Argosy Energy Inc.
2100, 500 – 4th Avenue S.W.
Calgary, Alberta
T2P 2V6

Telephone: (403) 269-8846

Email: investor@argosyenergy.com

Website: www.argosyenergy.com

The Shares to be issued have not been registered under the United States Securities Act of 1933 and may not be offered or sold in the United States, or to a U.S. person, absent registration, or an applicable exemption therefrom.