

ARGOSY ENERGY INC.

**PRESS RELEASE
FOR IMMEDIATE DISTRIBUTION**

Argosy Energy Inc. Announces Completion of \$6,000,000 Private Placement

September 30, 2009 - Calgary, Alberta: Argosy Energy Inc. (the “**Corporation**”) (TSX: GSY) is pleased to announce that the Corporation has successfully completed its previously announced bought-deal equity financing (the “**Offering**”) of special warrants (“**Special Warrants**”) through a syndicate of underwriters led by National Bank Financial Inc. (“**NBF**”), and including Canaccord Capital Corporation and Maison Placements Canada Inc. (collectively, the “**Underwriters**”). The Underwriters exercised in full their option to purchase an additional 600,000 Special Warrants resulting in the issuance of a total of 4,800,000 Special Warrants at a price of \$1.25 per Special Warrant (the “**Offering Price**”) for aggregate gross proceeds of \$6,000,000.

Each Special Warrant shall evidence the right of the holder: (i) to receive, if the Release Time (as hereinafter defined) occurs on or before 5:00 p.m. on October 16, 2009 (the “**Release Deadline**”), for no additional consideration, one common share of the Corporation (an “**Underlying Share**”); and (ii) if the Release Time fails to occur prior to the Release Deadline, to receive an amount equal to the sum of the Offering Price per Special Warrant and a pro rata share of the accrued interest on the Escrowed Funds, less applicable withholding taxes, if any.

The gross proceeds from the Offering will be escrowed (the “**Escrowed Funds**”) and not available to the Corporation until the time (the “**Release Time**”) on the date not later than the Release Deadline that: (i) the Corporation has received all necessary regulatory approvals to the Offering and the issue of the Underlying Shares, including conditional listing approval from the Toronto Stock Exchange for the Underlying Shares; (ii) the Corporation has obtained a receipt for the final prospectus of the Corporation and any amendments thereto in respect of the distribution of the Underlying Shares in the provinces of British Columbia, Alberta and Ontario (the “**Qualifying Provinces**”) issued by the securities commissions or similar regulatory authorities in each of the Qualifying Provinces; and (iii) disinterested shareholder approval of the Offering and the issuance of the Underlying Shares has been given at a special meeting of shareholders of the Corporation to be held on October 6, 2009, as described in the Management Information Circular of the Corporation dated September 8, 2009.

The net proceeds of the Offering will be used by the Corporation to fund on-going capital expenditures expected to be incurred in connection with the Corporation’s drilling program in the Claresholm area of Alberta, as well as land, seismic and property purchases, all relating to the Corporation’s 2009 capital expenditure program and completion and equipping operations.

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

Telephone: (403) 269-8846

Email: investor@argosyenergy.com

Website: www.argosyenergy.com

Cautionary Statements

This media release contains certain statements which constitute forward-looking statements or information, including the use of the Offering proceeds and the occurrence of the Release Time.. Although the Corporation believes that the expectations reflected in our forward-looking statements are reasonable, our forward-looking statements have been based on factors and assumptions concerning future events which may prove to be inaccurate. Those factors and assumptions are based upon currently available information. Such statements are subject to known and unknown risks, uncertainties and other factors that could influence actual results or events and cause actual results or events to differ materially from those stated, anticipated or implied in the forward looking information. As such, readers are cautioned not to place undue reliance on the forward looking information, as no assurance can be provided as to future results, levels of activity or achievements. Risks include, but are not limited to: completion of the events related to the Release Time and that such events will not be successfully completed for any reason (including the failure to obtain the required approvals or clearances from regulatory authorities), uncertainties and other factors that are beyond the control of the Corporation, risks associated with the mining industry, commodity prices and exchange rate changes, operational risks associated with exploration, development and production operations, delays or changes in plans, risks associated with the uncertainty of reserve estimates, health and safety risks and the uncertainty of estimates and projections of production, costs and expenses. The Corporation assumes no obligation to update any forward-looking statements or to update the reasons why actual results could differ from those reflected in the forward-looking statements unless and until required by securities laws applicable to the Corporation. Additional information identifying risks and uncertainties is contained in filings of the Corporation with Canadian securities regulators, which filings are available under the Corporation's profile at www.sedar.com.