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ARGOSY ENERGY INC.

SAXON ASSET DISPOSITION

Investment Highlights

- ◆ Argosy Energy has retained Peters & Co. to seek cash proposals for the sale of their Saxon area assets. Preference will be given to offers for the entire package, however they are willing to consider offers specific to rights either above or below the Base of the Triassic
- ◆ 26 section contiguous land block located in prime Duvernay (shale gas), Montney and stacked Cretaceous fairways of W. Central Alberta
- ◆ 200 BOE/d (1.2 mmcf/d) of 100% W.I., liquids-rich gas production from the Gething formation
- ◆ Total proved + probable reserves of 693 MBOE and 2010E cash flow of \$1.1MM
- ◆ Significant unbooked upside reserve potential:
 - ◆ 17.75 net sections of Duvernay rights - immediately offsets July 7, 2010 Crown postings, and on trend with \$384MM of recent (Dec. 2009) Crown sale activity
 - ◆ 24 net sections of Triassic Montney rights – on trend with recent hzl. activity at Kaybob South, Waskahigan and Ante Creek pools.
 - ◆ Multiple Bluesky and Gething locations.
 - ◆ 16 locations identified on 4.5 sections in the oil-prone lower Cardium conglomerates



Contacts

Peters & Co. will act as the sole contact for all Interested Parties. The directors, officers and employees of Argosy should not be contacted directly. All communications and inquiries from Interested Parties should be directed to one of the representatives listed below:

Argosy and Peters & Co. expressly reserve the right at any time to amend or terminate these sale procedures, to decline to permit an Interested Party to participate in the process, to terminate discussions with any or all Interested Parties, to reject any or all offers, or to negotiate with any party with respect to a possible transaction.

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