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ARCAN UPDATES OPERATIONS, REPORTS RESERVES ON ITS SWAN HILLS ACQUISITION AND ANNOUNCES NEW \$70,000,000 CREDIT FACILITIES

CALGARY, Alberta, Canada, March 17, 2010 – Arcan Resources Ltd. ("**Arcan**") (TSXV – "ARN") is pleased to announce that it has nearly completed the drilling of its second horizontal multi-stage acid fracture well at 5-34-67-8W5 ("**5-34**") and anticipates having three rigs drilling through breakup. Arcan has also finalized its reserves report with GLJ Petroleum Consultants Ltd. ("**GLJ**") under National Instrument 51-101 on its Swan Hills acquired assets as previously announced on February 19, 2010 ("**Acquired Assets**"). Finally, Arcan has executed a term sheet and arrangement agreement with ATB Corporate Financial Services ("**ATB**") relating to new expanded credit facilities with a syndicate of lenders.

Operations Update

Arcan spudded the 5-34 well on February 9, 2010 as an earning well as part of an ongoing farm-in and Arcan subsequently announced on February 19, 2010 that it had entered into an agreement to acquire those lands. The 5-34 well was drilled to a vertical depth of 2,345 meters into the Beaverhill Lake carbonate reservoir on the Swan Hills complex and was logged with core indicating over 14 net meters of oil bearing reef. Arcan decided to whipstock the 5-34 well and drill it horizontally. Arcan has drilled a horizontal leg approximately 1,200 meters in oil bearing reef. In the next few weeks Arcan plans to complete the 5-34 well with a multi-stage acid fracture utilizing a 10-15 stage stimulation treatment. This well is along the reef over 5 miles away from Arcan's first horizontal multi-stage acid fracture well at 12-29-68-8W5.

A second rig is currently drilling the first horizontal well on a two well pad at 10-17-68-8W5. A third rig was moved onto a two well pad at 10-29-68-8W5 and the first of two horizontal wells was spudded on March 16, 2010 and Arcan anticipates the rig from 5-34 will be moved into the Deer Mountain Unit #2 before break-up to a licenced drill-ready two well pad. With three rigs Arcan anticipates it may drill up to 6 (4.8 net) additional horizontal wells during the break-up period with completions to follow in May or July, 2010 depending on weather conditions. These six wells all have on-lease tie-ins pipelined to Arcan's existing 4,000 barrels per day total fluid capacity oil battery. Arcan's management anticipates that it may drill up to 9 horizontal wells in 2010. This total will be re-assessed based on ongoing success.

Arcan's first horizontal multi-stage fracture well at 12-29-68-8W5 (previously announced on February 19, 2010) continues to produce in excess of 500 barrels per day of 40 API sweet oil. The well was fractured on January 31, 2010 using 10 separately staged acid fracture treatments. Arcan tied in the well into Arcan's operated production facility on February 23, 2010. Arcan estimates that 2009 average production, Q4, 2009 average production and Q1, 2010 average production are all approximately 1,300 to 1,500 boe per day. Including the Acquired Assets Arcan estimates current production to be approximately 2,100 – 2,400 boe per day. Arcan also estimates debt and working capital deficit at December 31, 2009 was \$35 million.

Arcan's first well demonstrates the potential that the horizontal multi-stage fracture technology is expected to have on the revival of the Swan Hills reef complex and the ability to further enhance the recovery of the large volume of original oil in place. The horizontal wells combined with the reservoir parameters of the Swan Hills reef complex reinforce management's belief that Arcan has a significant land position in the next emerging horizontal light oil resource play.

Acquired Assets Reserves

In accordance with National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*, GLJ prepared a report dated February 24, 2010, effective December 31, 2009, on the Acquired Assets, evaluating the crude oil, NGLs and natural gas reserves attributable to the Acquired Assets (the "**GLJ Acquired Assets Report**").

The tables below are a summary of the oil, NGL and natural gas reserves attributable to the Acquired Assets and the net present value of future net revenue attributable to such reserves as evaluated in the GLJ Acquired Assets Report. The tables summarize the data contained in the GLJ Acquired Assets Report and, as a result, may contain slightly different numbers than such report due to rounding. Also due to rounding, certain columns may not add exactly. The tables are presented on a before tax basis and do not include the impact of the \$53,250,000 in tax pools, 25% of which are related to tangible assets, acquired and associated with the Acquired Assets.

The net present value of future net revenue attributable to reserves is stated without provision for interest costs and general and administrative costs, but after providing for estimated royalties, production costs, development costs, other income, future capital expenditures and well abandonment costs for only those wells assigned reserves by GLJ. **It should not be assumed that the undiscounted or discounted net present value of future net revenue attributable to reserves estimated by GLJ represent the fair market value of those reserves. Other assumptions and qualifications relating to costs, prices for future production and other matters are summarized herein. The recovery and reserve estimates of oil, NGL and natural gas reserves provided herein are estimates only. Actual reserves may be greater than or less than the estimates provided herein.**

The GLJ Acquired Assets Report is based on certain factual data supplied by Arcan and Arcan's opinion of reasonable practice in the industry. The extent and character of ownership and all factual data pertaining to petroleum properties and contracts (except for certain information residing in the public domain) were supplied by Arcan to GLJ. GLJ accepted this data as presented and neither title searches nor field inspections were conducted.

SUMMARY OF OIL AND GAS RESERVES AS OF DECEMBER 31, 2009

FORECAST PRICES & COSTS

Reserves Category	Light and Medium Oil		Natural Gas		Natural Gas Liquids		Total Oil Equivalent	
	Gross (Mbbls)	Net (Mbbls)	Gross (MMcf)	Net (MMcf)	Gross (Mbbls)	Net (Mbbls)	Gross (Mbbls)	Net (Mbbls)
Proved								
Developed Producing	1,269	991	474	402	73	48	1,421	1,106
Developed Nonproducing	—	—	—	—	—	—	—	—
Undeveloped	—	—	—	—	—	—	—	—
Total Proved	1,269	991	474	402	73	48	1,421	1,106
Total Probable	236	184	94	79	15	10	267	207
Total Proved + Probable	1,505	1,176	568	481	88	57	1,687	1,313

**SUMMARY OF NET PRESENT VALUE OF FUTURE NET REVENUE
AS OF DECEMBER 31, 2009**

FORECAST PRICES & COSTS

Reserves Category	Before Income Taxes – Discounted at (%/year)				
	0 (M\$)	5 (M\$)	10 (M\$)	15 (M\$)	20 (M\$)
Proved					
Developed Producing	70,814	50,279	39,349	32,580	27,965
Developed Nonproducing	—	—	—	—	—
Undeveloped	—	—	—	—	—
Total Proved	70,814	50,279	39,349	32,580	27,965
Total Probable	15,523	6,890	3,920	2,564	1,826
Total Proved + Probable	86,337	57,169	43,269	35,144	29,790

**TOTAL FUTURE NET REVENUE (UNDISCOUNTED)
AS OF DECEMBER 31, 2009**

FORECAST PRICES & COSTS

Reserves Category	Revenue (M\$)	Royalties (M\$)	Operating Costs (M\$)	Capital Develop- ment Costs (M\$)	Well Abandon- ment Costs (M\$)	Before Tax Future Net Revenue (M\$)
Proved						
Developed Producing	138,928	29,625	36,816	—	1,673	70,814
Developed Nonproducing	—	—	—	—	—	—
Undeveloped	—	—	—	—	—	—
Total Proved	138,928	29,625	36,816	—	1,673	70,814
Total Probable	33,209	6,925	10,601	—	160	15,523
Total Proved + Probable	172,137	36,551	47,417	—	1,832	86,337

**NET PRESENT VALUE OF FUTURE NET REVENUE BY PRODUCTION GROUP
AS OF DECEMBER 31, 2009**

FORECAST PRICES & COSTS

Reserves Category	Production Group	BT Discounted (10%/year) Future Net Revenue (M\$)	BT Discounted (10%/year) Future Net Revenue (\$/BOE)	BT Discounted (10%/year) Future Net Revenue (\$/Mcf)
Proved Producing	Light & Medium Oil	39,349	35.59	5.93
	Natural Gas	—	—	—
Total Proved Producing		39,349	35.59	5.93
Proved	Light & Medium Oil	39,349	35.59	5.93
	Natural Gas	—	—	—
Total Proved		39,349	35.59	5.93
Proved + Probable	Light & Medium Oil	43,269	32.96	5.49
	Natural Gas	—	—	—
Total Proved + Probable		43,269	32.96	5.49

**SUMMARY OF PRICING AND INFLATION RATE ASSUMPTIONS
AS OF DECEMBER 31, 2009**

FORECAST PRICES & COSTS

Year	Oil		Natural Gas	Natural Gas Liquids			Inflation & Exchange	
	WTI Cushing Oklahoma (\$US/bbl)	Edmonton Par Price 40% API (\$Cdn/bbl)	AECO Price (\$Cdn/MMbtu)	Edmonton Pentanes Plus (\$Cdn/bbl)	Edmonton Butanes (\$Cdn/bbl)	Edmonton Propane (\$Cdn/bbl)	Inflation Rate (%/year)	Exchange Rate (\$US/\$Cdn)
2010	80.00	83.26	5.96	84.93	64.11	52.46	2.0	0.950
2011	83.00	86.42	6.79	88.15	66.54	54.45	2.0	0.950
2012	86.00	89.58	6.89	91.37	68.98	56.43	2.0	0.950
2013	89.00	92.74	6.95	94.59	71.41	58.42	2.0	0.950
2014	92.00	95.90	7.05	97.82	73.84	60.42	2.0	0.950
2015	93.84	97.84	7.16	99.79	75.33	61.64	2.0	0.950
2016	95.72	99.81	7.42	101.81	76.85	62.88	2.0	0.950
2017	97.64	101.83	7.95	103.86	78.41	64.15	2.0	0.950
2018	99.59	103.88	8.52	105.96	79.99	65.45	2.0	0.950
2019	101.58	105.98	8.69	108.10	81.60	66.77	2.0	0.950
Thereafter	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	2.0	0.950

Abandonment Costs

The following table summarizes the Acquired Assets' associated abandonment costs deducted in the estimation of future net revenue attributable to the reserve categories noted below based on forecast prices and costs at December 31, 2009.

ABANDONMENT COSTS

FORECAST PRICES & COSTS

Year	Proved (M\$)	Proved + Probable (M\$)
2010	—	—
2011	—	—
2012	104	104
2013	—	—
2014	—	—
2015	55	55
Remainder	1,514	1,673
Total Undiscounted)	1,673	1,832
Total (Discounted at 10%/year)	385	315

The New \$70,000,000 Credit Facilities

The new credit facilities will consist of a \$60,000,000 syndicated revolving credit facility and a \$10,000,000 revolving operating facility. The new facilities will replace Arcan's existing \$50,000,000 credit facilities with ATB, of which approximately \$40,040,814 is currently drawn. The borrowing base for the new credit facilities will be determined by the lenders prior to the closing. The credit facilities will have a revolving period of 364 days from the closing date, extendible annually. If not extended, the facilities will automatically convert to a one year non-revolving term loan. The credit facilities will be secured by a charge on all of Arcan's assets. The credit facilities will include customary positive and negative covenants by Arcan in favour of the lenders. The new credit facilities are subject to syndication of a portion of the commitment to other lenders by ATB, the completion of customary definitive documentation (including security documents) and the completion of the acquisition of the Acquired Assets in a manner satisfactory to the lenders. Closing of the new credit facilities is expected to occur on or about April 26, 2010.

Arcan is principally engaged in the exploration, development and acquisition of petroleum and natural gas located in Canada's Western Sedimentary Basin. Arcan has 48,870,060 common shares, 511,631 warrants and 4,502,000 stock options outstanding.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

BOE Presentation – Production and reserve information is commonly reported in units of barrel of oil equivalent ("**boe**"). For purposes of computing such units, natural gas is converted to equivalent barrels of oil using a conversion factor of six thousand cubic feet to one barrel of oil. Boe's may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet of natural gas to one barrel of oil (i.e., 6 Mcf: 1 bbl) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Readers should be aware that historical results are not necessarily indicative of future performance.

Reserves Disclosure – The estimates of reserves and future net revenue for individual properties may not reflect the same confidence level as estimates of reserves and future net revenue for all properties, due to the effects of aggregation.

Finding and Development Costs – The aggregate of the exploration and development costs incurred in the most recent financial year and the change during that year in estimated future development costs generally will not reflect total finding and development costs related to reserves additions for that year.

Advisory Regarding Forward-Looking Information and Statements

This press release contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "guidance", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the foregoing this press release contains forward-looking information and statements pertaining to: the anticipated closing of the acquisition of the Acquired Assets and the new credit facilities; the expected timing of drilling and well completion; the expected number of wells to be drilled in 2010; the expected impact of the horizontal multi-stage fracture technology on the Swan Hills reef complex; and the expected number of producing and injection wells.

Statements relating to "reserves" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described can be profitably produced in the future.

The forward-looking information and statements contained in this press release reflect several material factors and expectations and assumptions of Arcan including, without limitation: the timing of receipt of regulatory approvals, including the TSX Venture Exchange and third party consents, the satisfaction of other conditions to the completion of the acquisition of the Acquired Assets, the new credit facilities and the Arcan's proposed equity offering; satisfactory marketing for the proposed equity offering; conditions in the oil and gas market; market conditions generally; and other general risks relating to Arcan's business; that Arcan will continue to conduct its operations in a manner consistent with past operations; the general continuance of current or, where applicable, assumed industry conditions; availability of debt and/or equity sources to fund Arcan's capital and operating requirements as needed; the continuance of existing and, in certain circumstances, proposed tax and royalty regimes; the accuracy of the estimates of Arcan's reserve volumes; and certain commodity price and other cost assumptions. Arcan believes the material factors, expectations and assumptions reflected in the forward-looking information and statements are reasonable at this time but no assurance can be given that these factors, expectations and assumptions will prove to be correct. The forward-looking information and statements included in this press release are not guarantees of future performance and should not be unduly relied upon. Such information and statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information or statements including, without limitation: the failure to obtain necessary regulatory approvals or satisfy the conditions to closing the acquisition of the Acquired Assets, the proposed equity offering or the new credit facilities; changes in commodity prices; unanticipated operating results or production declines; changes in tax or environmental laws or royalty rates; increased debt levels or debt service requirements; inaccurate estimation of Arcan's oil and gas reserves volumes; limited, unfavorable or no access to debt or equity capital markets; increased costs and expenses; the impact of competitors; reliance on industry partners; and certain other risks detailed from time to time in Arcan's public disclosure documents including, without limitation, those risks identified in this press release, and in Arcan's Annual Information Form for the year ended December 31, 2008, copies of which are available on Arcan's SEDAR profile at www.sedar.com.

The forward-looking information and statements contained in this press release speak only as of the date of this press release, and Arcan does not assume any obligation to publicly update or revise them to reflect new events or circumstances, except as may be required pursuant to applicable laws.

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