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**ARCAN RESOURCES LTD. ANNOUNCES AMENDMENT TO TERMS OF DEBENTURE OFFERING**

CALGARY, Alberta, Canada, February 7, 2011 – Arcan Resources Ltd. (TSXV – "ARN") ("Arcan") announces that it has agreed with the underwriting syndicate in respect of its previously announced proposed public offering (the "Offering") of \$75,000,000 aggregate principal amount of 6.25% convertible unsecured subordinated debentures ("Debentures") to amend the proposed terms of the Debentures. The conversion price of the Debentures will be changed to \$8.75 per share from \$9.00 per share, such that each \$1,000 principal amount of Debentures will be convertible into 114.2857 common shares of Arcan rather than 111.1111. No other terms of the offering were changed. The Offering is expected to close on or about February 14, 2011.

**About Arcan**

Arcan Resources Ltd. is an Alberta, Canada corporation that is principally engaged in the exploration, development and acquisition of petroleum and natural gas located in Canada's Western Sedimentary Basin. Arcan has 88,090,446 common shares and 8,470,500 stock options outstanding at a weighted average exercise price of \$4.03 per share.

*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.*

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