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ARCAN RESOURCES LTD. ANNOUNCES RESULTS FROM ITS TWELFTH HORIZONTAL MULTI-STAGE FRACTURED WELL

CALGARY, Alberta, Canada, October 25, 2010 – Arcan Resources Ltd. (TSXV – "ARN") ("**Arcan**") is pleased to report initial test results from its twelfth horizontal multi-stage fractured well at 12-20-68-8W5 (surface location) 06-30-68-8W5 (bottom hole location) in its Beaverhill Lake Swan Hills reef development program.

Beaverhill Lake Swan Hills (12-20) 06-30-68-8W5Hz ("06-30") Horizontal Multi-Stage Fractured Well

Arcan's twelfth horizontal multi-stage fractured well was drilled in the Beaverhill Lake carbonate reservoir to a vertical depth of 2,450 meters with a horizontal leg of approximately 1,400 meters for a total measured depth of 4,005 meters. At a depth of 4,005 meters, the well qualifies for a 5% crown royalty on the first 90,000 barrels of oil produced. Arcan has an 81% working interest in the 06-30 well which was successfully fractured using 14 separate, 43 cubic meter 28% hydrochloric acid fracture stimulation treatments. The 06-30 well was production tested over a continuous seven day period. After production testing, the well averaged in excess of 550 boe per day of 40 API light sweet oil and associated sweet natural gas. The 06-30 well has already been tied into Arcan operated pipeline infrastructure and production facilities and has been placed on production.

Arcan presently has two drilling rigs operating in the area and expects to drill another four to five horizontal wells by the end of 2010.

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 75,508,070 common shares, and 7,258,501 stock options outstanding. Arcan is in the process of completing its previously announced \$43,500,000 equity financing, which is expected to close November 5, 2010.

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 barrels 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.

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 following: Arcan's future drilling program,

expectations regarding drilling and completion of new wells and expanding facilities, anticipated rates of production, expectations and assumptions concerning success of future exploration and development activities, the performance of existing wells, the performance and viability of new wells and Arcan's expectations regarding the completion of its previously announced equity offering.

The forward-looking information and statements contained in this press release reflect several material factors and expectations and assumptions of Arcan including, without limitation: that Arcan will continue to conduct its operations in a manner consistent with past operations; that the production from new wells will be comparable to the results realized from Arcan's existing horizontal wells, 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 and on terms acceptable to Arcan; 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: 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; unanticipated events leading to the termination of Arcan's previously announced equity offering; the impact of competitors; reliance on industry partners; the risk that the update to Arcan's banking facilities will not be completed in the time anticipated by Arcan or at all; 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, 2009, 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.

These securities have not been and will not be registered under the United States Securities Act of 1933, as amended, or the securities laws of any state, and may not be offered or sold in the United States unless an exemption from registration is available. This press release does not constitute an offer to sell or the solicitation of an offer to buy these securities in the United States.

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