

**ARCAN RESOURCES LTD.
NEWS RELEASE**

ARCAN ADDS NEW BOARD MEMBER

CALGARY, Alberta, Canada, January 18, 2007 – Arcan Resources Ltd. (TSXV – "ARN") ("Arcan"), the corporation formed by the amalgamation of Arcan Resources Ltd. and Desco Energy Ltd. ("Desco")(TSXV – "DSE"), is pleased to announce the appointment of Mr. M. Bruce Chernoff to the board of directors of Arcan. Mr. Chernoff is a professional engineer and an independent businessman, and has been involved in founding and directing numerous companies in the energy sector. He is currently President and Chairman of Caribou Capital Corp., a private investment management company, and Chairman of Harvest Operations Corp., the subsidiary and administrator of Harvest Energy Trust, a public oil and natural gas trust.

Arcan Resources Ltd. is an Alberta corporation that is principally engaged in the exploration, development and acquisition of petroleum and natural gas located in Canada's Western Sedimentary Basin.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

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