

GUARDIAN ANNOUNCES CLOSING OF DEBENTURE FINANCING

TSX VENTURE EXCHANGE: GX

FOR IMMEDIATE RELEASE

CALGARY, ALBERTA – September 1, 2006 - Guardian Exploration Inc. (“Guardian” or the “Corporation”) (TSX Venture: GX) is pleased to announce that it has closed the previously announced debenture financing and has issued a \$1,000,000 convertible debenture (the “Debenture”) to Azimuth Opportunity, Ltd. (the “Lender”).

The Debenture bears interest at the rate of 7% per annum (increasing to 14% if the Corporation is in default), matures on April 21, 2007 and is convertible into common shares of Guardian at the rate of \$0.75 per share. The Debenture may be pre-paid in its entirety prior to the maturity of the Debenture upon 5 days notice to the Lender, if the Corporation is not in default under the terms of the Debenture. If the Corporation raises new equity or debt capital (excluding proceeds from warrant and option exercises) subsequent to the closing of the Debenture financing, the Lender has the right to require that these funds be used to repay all or part of the outstanding principal amount of the Debenture, excluding the first \$1,000,000 of funds received from the issuance of flow-through shares by the Corporation.

In connection with the Debenture private placement, the Lender was issued common share purchase warrants (the “Warrants”) to acquire 783,612 common shares of Guardian at an exercise price of \$0.75 per share until October 21, 2009. As a result, the Lender directly holds and has rights to acquire common shares of the Corporation representing 6.2% of the issued and outstanding common shares (giving effect to exercise of such rights). The acquisition was conducted for investment purposes and the Lender intends to evaluate the investment and to increase or decrease its holdings in Guardian as circumstances warrant.

Guardian is a Calgary-based corporation engaged in the acquisition, exploration and development of resource properties. Common shares of the company trade on the TSX Venture Exchange under the trading symbol “GX”.

For further information, contact:

Graydon Kowal
President and CEO
(403) 232-1748

An early warning report has been filed on SEDAR by the Lender. To obtain a copy of the report contact: Deirdre McCoy, Azimuth Opportunity, Ltd., Qwomar Complex, 4th Floor Road Town, Tortola, BVI (242) 323-3332.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy securities in any jurisdiction. The common shares of Guardian will not be and have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States, or to a U.S. person, absent registration or applicable exemption therefrom.

Except for historical information contained herein, this news release contains forward-looking statements that involve risks and uncertainties. Such forward-looking statements or information are based on a number of assumptions which may prove to be incorrect. Although Guardian believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on such forward-looking statements because Guardian can not give assurance that such expectations will prove to be correct. Forward-looking statements or information

are based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by Guardian and described in the forward-looking statements or information. The forward-looking statements or information contained in this news release are made as of the date hereof and Guardian does not undertake any obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

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