

FOR IMMEDIATE RELEASE
TSX Venture Stock Symbol: GX
GUARDIAN EXPLORATION INC.

December 21, 2012
Calgary, Alberta

GUARDIAN EXPLORATION INC
UPDATE ON DRILLING OF HORIZONTAL PEKISKO WELL

Guardian Exploration Inc. (“Guardian” or “the Company”) is pleased to announce that it has finished drilling the farm-in well with Deckland Inc. in the Jenner area of Alberta, previously announced on November 30, 2012. Under the terms of the farm-in agreement, the Company has earned a 50% working interest in the well. This agreement is pending TSX-Venture Exchange approval as it is “non-arms length”.

The well reached a Total Measured Depth (“TMD”) of 2,300m, of which 1,200m is a horizontal, open-hole completion through the targeted Pekisko formation. Initial analysis indicates that 70% of the horizontal section encountered hydrocarbons with high gas shows and visible oil. The well was initially planned to be drilled to a TMD of 1,800m but, due to the target formation continuing further south than initially expected, the well was drilled another 500m. No significant operational issues were encountered and all costs over the budgeted \$900,000 were associated with the added length of the horizontal leg.

The drilling of this well satisfies Guardian’s flow through share spending obligation from its 2011 share issuance. It should also be noted that the majority of costs associated with this well to date have been paid using funds raised by the recent sale of assets. Therefore Guardian has not taken on debt and did not dilute its current shareholders in order to increase its monthly production rate going forward.

The well is not planned to be production tested as the operator is confident that the well will have economic production. Currently preparations are underway to tie into a natural gas pipeline that runs adjacent to the well pad to capture the associated solution gas. Oil will initially be produced to tanks on site and trucked to a nearby sales point. The expectation is that the well will be ready to start producing in the first week of January 2013. Production rates will be publicly disclosed once they become available.

Graydon Kowal, Guardian’s CEO, stated “Drilling in December can often be a challenge given weather and scheduling issues so we are happy that things went as planned and look forward to start producing this well in January.”

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”.

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