

GUARDIAN ANNOUNCES PROPOSED BUSINESS COMBINATION

September 23, 2009

PRESS RELEASE FOR IMMEDIATE RELEASE

Calgary, Canada – Guardian Exploration Inc. (TSX–V: GX) ("**Guardian**") is pleased to announce that it has entered into a letter of intent (the "Letter of Intent") with respect to a proposed business combination (the "**Business Combination**") of Guardian and Luxor Oil & Gas Inc. ("**Luxor**"), an Alberta based private oil and gas company. The resulting issuer following the Proposed Business Combination is herein referred to as "Newco".

About the Business Combination

Guardian and Luxor have agreed to combine their businesses to form a new oil and natural gas exploration and development company which will continue under a name that is to be determined. The Letter Agreement contemplates that Guardian and Luxor will, with the assistance of their respective professional advisers, determine a transaction structure for the Business Combination. Representatives of Guardian and Luxor expect to finalize the transaction structure for the Business Combination and enter into a formal agreement on or prior to September 30, 2009, at which time Guardian and Luxor expect to issue a further press release setting out additional details concerning the Business Combination.

For purposes of the Business Combination, it is anticipated that with respect to Guardian, the outstanding common shares of Guardian ("**Guardian Shares**") (including Guardian Shares issued on exercise or conversion of Guardian's issued and outstanding convertible securities subsequent to the date hereof and prior to the effective date of the Business Combination) will be exchanged for such number of common shares ("**Newco Shares**") of the resulting company after completion of the Business Combination ("**Newco**") as will reflect a net value of Guardian equal to \$500,000 (the "**Guardian Exchange Ratio**"), subject to adjustment based upon the due diligence review of Guardian to be completed by Luxor.

For purposes of the Business Combination, it is anticipated that with respect to Luxor, the outstanding common shares of Luxor ("**Luxor Shares**") (including Luxor Shares issued on exercise or conversion of Luxor's issued and outstanding convertible securities subsequent to the date hereof and prior to the effective date of the Business Combination) will be exchanged for such number of Newco Shares as will reflect a net value of Luxor equal to \$700,000 (inclusive of the Luxor Share Financing, as defined below) (the "**Luxor Exchange Ratio**"), subject to adjustment based upon the value of Luxor at closing. The value of Luxor will be based on the independent valuation of Luxor oil and gas reserves (based on proven plus one-half probable reserves at 15% discount to constant dollar values) and net positive working capital of Luxor at Closing.

Further, pursuant to the Business Combination, holders of Luxor Shares will receive an option whereby if certain payables of Guardian, which are considered to be inactive, become active within 12 months following closing of the Business Combination ("**Renewed Payable Claims**"), the shareholders of Luxor will have an option to receive additional Newco Shares equal to the amount of the Renewed Payable Claims multiplied by the Luxor Exchange Ratio at an exercise price of \$0.01 per Newco Share.

Other than as described below, all unexercised options and warrants to purchase Guardian Shares or Luxor Shares will either be exercised prior to the effective date of the Business Combination or will continue as Newco options or warrants for the purchase of Newco Shares.

It is contemplated that the board of directors of the Newco will consist of five members, including Wally Pollock and Issa Abu-Zahra, current directors of Luxor, and Scott Reeves, a current director of Guardian, along with two additional (2) nominees of Luxor. Mr. Pollock will also be appointed President and Chief Executive Officer of Newco and Mr. Abu-Zahra will be appointed the Vice-President, Operations. Additional officers of Newco, including a Chief Financial Officer, are expected to be identified prior to the completion of the Business Combination. Newco will also adopt an incentive stock option plan in accordance with the policies of TSX Venture Exchange (the "Exchange") providing for a pool of stock options to be not less than 10% of the issued and outstanding shares of Newco, and such options will be granted to the management and board of directors of Newco as determined by the board of directors of Newco following closing of the Business Combination.

The Business Combination is an arms' length transaction as none of the directors or officers of Luxor have any interest whatsoever in Guardian.

Prior to Closing, Luxor will complete a private placement financing involving the issuance of units, each unit consisting of one Luxor Share and one purchase warrant, at a price not less than \$0.85 per unit, with each purchase warrant being exercisable into one Luxor Share at a purchase price of \$0.85 per Luxor Share for a period of 24 months following closing (the "**Luxor Share Financing**").

Also prior to Closing, Luxor will also complete a private placement financing involving the issuance of Luxor convertible debentures, convertible into Newco Shares at a price not less than \$0.0125 per share, for gross proceeds of \$800,000 (the "**Luxor Debenture Financing**").

Concurrently with the Closing of the Business Combination, Graydon Kowal, President and Chief Executive Officer of Guardian ("**Kowal**") will (a) return to Guardian for cancellation 7.3 million Guardian Shares beneficially held by him; (b) execute an escrow agreement in a form suitable to Luxor and Guardian placing 2 million Guardian Shares owned by Kowal into escrow; (c) execute a settlement agreement settling all employment matters including, but not limited to, any severance and bonus entitlements for the sum of \$1; and (d) agree to the cancellation of all option of Guardian held by him. In exchange, Guardian will agree to transfer to Kowal at Closing its 100% shareholding in its wholly-owned subsidiary, K2 America Corp. and grant to Kowal an option to repurchase the oil and gas interests owned by Guardian in the Gunnell area of British Columbia for an option price equal to \$1, which option will terminate if an economic oil or gas well has been drilled and tested by Luxor or its farm-in or joint venture partner on or before December 31, 2012 (collectively, the "**Kowal Obligations**").

Completion of the Business Combination is subject to a number of conditions in favor of Guardian and Luxor, respectively, including the execution and delivery of a formal agreement, board approval of such formal agreement, completion of satisfactory due diligence inquiries, receipt of all necessary regulatory approvals (including the consent of the Exchange), receipt of third party approvals, approval of the shareholders of Guardian and Luxor, Guardian having a working capital deficit at Closing of not greater than \$400,000 (net of Guardian's \$1.8 million flow through obligation and abandonment liabilities), Guardian having net production from its wells located in the Girouxville area of Alberta not less than an average of 115 bbls/day for the 60 days prior to August 31, 2009, the settlement by Guardian of all of its management contract liabilities prior to Closing, Guardian having unexpended flow through share contractual

commitments of not greater than \$1,800,000 at Closing, Luxor having working capital at Closing of not less than \$200,000 (including the Luxor Share Financing, but not including the Luxor Debenture Financing), the completion of the Luxor Debenture Financing for proceeds of not less than \$800,000, the Kowal Obligations being satisfied, and a threshold for the exercise of dissent rights (10%) not being exceeded (if the Business Combination is structured in such a manner as to give rise to statutory dissent rights). There is no assurance that these conditions will be satisfied and the Business Combination will be completed.

Information about Guardian Exploration Inc.

Guardian Exploration Inc. is an Alberta-based oil and natural gas company. Guardian is engaged in the exploration for, and the acquisition, development and production of, natural gas and crude oil with emphasis on the shallow to mid-depth hydrocarbon prone zones of the western Canadian sedimentary basin in Alberta and northeastern British Columbia.

For further information please contact:

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