



PRESS RELEASE – CONTACT EXPLORATION INC.

NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

CONTACT EXPLORATION INC. APPOINTS VICE PRESIDENT, EXPLORATION

Calgary, Alberta – August 2nd, 2011

Contact Exploration Inc. ("**Contact**" or the "**Company**") (TSX-V: CEX) is pleased to announce the appointment of Mark Hadley as Vice President, Exploration of the Company. Mr Hadley is a professional geologist and brings more than 25 years of experience in the oil and gas business to Contact, having worked numerous basins and play types within North America. During the past 9 years, Mr. Hadley worked for Fairborne Energy Ltd., where he most-recently led the successful exploration and development of the Wilrich horizontal resource gas play at Pine Creek, Alberta. Contact has issued 1,000,000 stock options to Mr. Hadley, in accordance with the Company's shareholder approved stock option plan. The stock options are exercisable at a price of \$0.18 per share, expire in five years and vest immediately.

Contact Exploration Inc. is a public company with a current focus on Canadian East Coast onshore oil production & exploration. Our philosophy is to operate production and exploration in our core area of New Brunswick and to participate through overrides and carried interests in other Atlantic regional unconventional plays, such as coalbed methane in the Cumberland Basin, shale gas in the Windsor area, and exploration on the west coast of Newfoundland. Contact has onshore interests in Nova Scotia, Newfoundland and New Brunswick, which includes the Stoney Creek Field.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy the securities in any jurisdiction. The common shares of Contact 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.

For more information please contact:

Steve Harding

President and CEO

Contact Exploration Inc.

Phone: (403) 234-8663

Fax: (403) 695-3915

Email: sharding@contactexp.com

www.contactexp.com

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.