

CALGARY, CANADA (TSX-V:CEX)
NEWS RELEASE

Contact Announces New Core Area in Western Canada and Provides New Brunswick Operations Update

September 6, 2011, (Calgary, Alberta) Contact Exploration Inc. ("**Contact**" or the "**Company**") (TSX-V: CEX) is pleased to report it has entered into an oil and gas project in the highly prolific Deep Basin region of Alberta, initiating a new core area for the Company. Contact has signed an agreement with another oil and gas producer, whereby Contact pays a land equalization amount and commits to participate in the drilling of a Contact-operated well. By securing a low cost of entry, Contact believes the transaction represents an extremely attractive opportunity towards the development of a productive and highly economic new core area in Western Canada.

In New Brunswick, Contact also continues to see excellent growth potential, confirmed by strong oil production rates and netbacks from the 2 horizontal wells drilled in the Stoney Creek Field (100% Contact) in late 2010. Production optimization activities have proven effective, helping to confirm strong reservoir quality and performance. Natural decline has flattened within both wells, with aggregate Stoney Creek production continuing above 100 bbls/d and realizing netbacks of approximately \$70/bbl. In addition, drilling plans have been finalized for Contact's newly-defined oil prospect ("**Hopewell**"), located in the Edgett's Landing area of New Brunswick. The Hopewell well (94% working interest) will test a new pool believed to be hydrocarbon-bearing which, if successful, could open up a new hydrocarbon fairway for Contact. Extensive production testing of a well flanking the seismically-defined Hopewell structure has demonstrated good light oil production, with significant opportunity existing to move up-structure with additional wells. The Hopewell drilling lease has been built and the well is expected to be spud in mid-September.

About Contact Exploration Inc.

Contact Exploration Inc. is a public company which has been focused on Canadian East Coast onshore oil and gas exploration and development. Our philosophy is to operate exploration and development in our core areas of Stoney Creek, Hillsborough and Edgett's Landing, New Brunswick and to participate through overrides and carried interests in certain regional unconventional plays in Nova Scotia and Newfoundland. In addition to the Atlantic Canadian properties, Contact is pursuing a new core area in Alberta's "Deep Basin".

For more information please contact:

Steve Harding

President and CEO

Contact Exploration Inc.

Phone: (403) 771-1091

Fax: (403) 695-3915

Email: sharding@contactexp.com

www.contactexp.com

ADVISORY ON FORWARD LOOKING STATEMENTS: *This press release contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the forgoing, this press release contains statements concerning the entering into of a farm-in transaction and the drilling of a farm-in well in Alberta, the farm-in transaction being an attractive opportunity to develop a new economic core area, the exploration and development of the Company's properties in the Stoney Creek area and the drilling of the Hopewell well in New Brunswick; petroleum and natural gas reserves and production that may be encountered through the exploration of such properties and future results from operations, among others.*

Forward-looking statements or information are based on a number of material factors, expectations or assumptions of Contact which have been used to develop such statements and information but which may prove to be incorrect. Although Contact believes that the expectations reflected in these forward-looking statements are reasonable, undue reliance should not be placed on them because Contact can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. In particular, in addition to other factors and assumptions which may be identified herein, no assurances can be given respecting: whether the Company's exploration and development activities respecting the farm-in opportunity in Alberta or in respect of the Stoney Creek area and Hopewell well of New Brunswick will be successful or that material volumes of petroleum and natural gas reserves will be encountered, or if encountered can be produced on a commercial basis; that Contact will continue to conduct its operations in a manner consistent with past operations; results from drilling and development activities will be consistent with past operations; the accuracy of the estimates of Contact's reserve volumes; the general stability of the economic and political environment in which Contact operates; drilling results; field production rates and decline rates; the general continuance of current industry conditions; the timing and cost of pipeline, storage and facility construction and expansion and the ability of Contact to secure adequate product transportation; future commodity prices; currency, exchange and interest rates; regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which Contact operates; and the ability of Contact to successfully market its oil and natural gas products.

Further, events or circumstances may cause actual results to differ materially from those predicted as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company, including, without limitation: changes in commodity prices; changes in the demand for or supply of the Company's products; unanticipated operating results or production declines; changes in tax or environmental laws, royalty rates or other regulatory matters; changes in development plans of Contact or by third party operators of Contact's properties, increased debt levels or debt service requirements; inaccurate estimation of Contact's oil and gas reserve and resource volumes; limited, unfavourable or a lack of access to capital markets; increased costs; a lack of adequate insurance coverage; the impact of competitors; and certain other risks detailed from time-to-time in Contact's public disclosure documents. Additional information regarding some of these risk factors may be found under "Risk Factors" in the Company's Management Discussion and Analysis prepared for the year ended March 31, 2011. The reader is cautioned not to place undue reliance on this forward-looking information. The forward looking statements contained in

this press release are made as of the date hereof and Contact undertakes no obligations 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.

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.