

Arkanova Energy Corporation Drilling Update for the Tribal-Max 1-2817

Arkanova Energy Corporation, through our subsidiary Provident Energy Associates of Montana, LLC, is currently drilling the Tribal-Max 1-2817 and has reached an approximate depth of 4,270 feet within the Two Medicine Cut Bank Sand Unit (TMCBSU) in Cut Bank, Montana.

Houston, TX—August 19, 2010—Arkanova Energy Corporation (OTCBB: AKVA) as of August 18, 2010 at 2:30PM MDT, through our subsidiary Provident Energy Associates of Montana, LLC, is currently drilling the *Tribal-Max 1-2817* and has reached an approximate depth of 4,270 feet within the Two Medicine Cut Bank Sand Unit (TMCBSU) in Cut Bank, Montana. The *Tribal-Max 1-2817* is located at SE1/4 SW1/4 Section 28, T32N, R6W, P.M.M. Glacier County, Montana.

The company is currently in day eight of an estimated thirty day program to complete the *Tribal-Max 1-2817*, which is intended to be drilled to an approximate total vertical depth of 6,000 feet to test deeper targets that include the Exshaw Shale, Spanish/Three Forks, Lodgepole and Nisku formations. Following our vertical downhole tests of the deeper targets, Arkanova intends to complete the horizontal leg of the *Tribal-Max 1-2817* with Schlumberger's PeriScope Technology. Arkanova intends to initiate the horizontal leg at approximately 3,300 feet and kick out roughly 2,000 to 3,000 feet in the Lower Cut Bank Sand.

Provident Energy Associates of Montana operates the TMCBSU and was acquired by a subsidiary of Arkanova Energy Corporation in October, 2008.

About Arkanova Energy Corporation

Arkanova Energy is an exploration and junior production company engaged in the acquisition, exploration, and development of oil and gas properties. The company has secured working interest in three key North American areas in Montana, Arkansas and Colorado. The company relies on experience, science and proven growth strategies in order to continuously balance a risk/reward portfolio.

For more information, please visit www.arkanovaenergy.com.

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This press release contains projections and forward-looking information that involve various risks and uncertainties regarding future events. Such forward-looking information can include statements based on current expectations involving a number of risks and uncertainties and are not guarantees of future performance of the company such as the statement that: (i) the company intends to initially drill the well vertically to an approximate depth of 6,000 feet; (ii) the company intends to complete the horizontal leg with Schlumberger's PeriScope Technology; and (iii) the company intends to initiate the horizontal leg at approximately 3,300 feet and kick out roughly 2,000 to 3,000 feet. There are numerous risks and uncertainties that could cause actual results and the company's plans and objectives to differ materially from those expressed in the forward-looking information, including: (i) delays with respect to the drill program; (ii) adverse market conditions; (iii) a decrease in demand for and price of oil; (iv) general uncertainties with respect to oil and gas exploration in general; and (v) the inability of the company to raise the financing necessary to carry out the exploration program. Actual results and future events could differ materially from those anticipated in such information. Except as required by law, the company does not intend to update such forward-looking information. The contents of this press release should be considered in conjunction with the risk factors and cautionary statements contained in the company's periodic filings with the Securities and Exchange Commission available at www.sec.gov.