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NEWS RELEASE

Progress Announces Completion of Subscription Receipt Financings

CALGARY, ALBERTA (March 2, 2010) – (TSX-PRQ) Progress Energy Resources Corp. ("Progress") is pleased to announce that it has completed its previously announced bought deal and private placement subscription receipt financings for aggregate gross proceeds of approximately \$600 million.

Progress issued 19,850,000 subscription receipts at a price of \$12.60 per subscription receipt, on a bought deal basis, for gross proceeds of approximately \$250 million, through a syndicate of underwriters led by BMO Capital Markets and including CIBC World Markets Inc., Peters & Co. Limited, RBC Capital Markets, Scotia Capital Inc., Cormark Securities Inc., FirstEnergy Capital Corp., National Bank Financial Inc., Canaccord Financial Ltd. and Macquarie Capital Markets Canada Ltd. In addition, Progress issued 27,780,000 subscription receipts at a price of \$12.60 per subscription receipt, by way of a private placement to the Canada Pension Plan Investment Board for gross proceeds of approximately \$350 million.

The gross proceeds of the subscription receipt financings will be held in escrow pending the completion of the previously announced acquisition of properties in northeastern British Columbia for a purchase price of approximately \$390 million, prior to customary closing adjustments and any rights of first refusal that may be exercised by third parties (the "Acquisition"). If the Acquisition is completed on or before April 30, 2010 as currently contemplated, the proceeds will be released to Progress and each subscription receipt will be exchanged for one common share of Progress for no additional consideration or further action. If the Acquisition is not completed on or before April 30, 2010 or the Acquisition is terminated at an earlier time, holders of subscription receipts will receive a cash payment equal to the offering price of the subscription receipts together with any interest that was earned thereon during the term of escrow. Progress expects the closing of the Acquisition to occur on March 31, 2010.

The subscription receipts issued through the bought deal financing will be listed for trading on the TSX under the symbol PRQ.R on March 2, 2010.

INVESTOR INFORMATION

Progress is a Calgary based, mid-size energy company primarily focused on natural gas exploration, development and production in northwest Alberta and northeast British Columbia. Common shares of Progress are listed on the Toronto Stock Exchange under the symbol PRQ.

This news release is not an offer to sell or a solicitation of offers to buy the Subscription Receipts in the United States. The Subscription Receipts have not been and will not be registered under the United States Securities Act and may not be offered or sold in the United States except in transactions exempt from such registration.

Advisory Regarding Forward-Looking Information and Statements

This press release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "will", "expects", "believe", "plans", "potential" and similar expressions are intended to identify forward-looking statements or information. More particularly and without limitation, this press release contains forward-looking statements and information concerning the closing of the Acquisition and the expected timing of such closing. The forward-looking statements and information in this press release are based on certain key expectations and assumptions made by Progress, including completion of the Acquisition on the timing planned. Although Progress believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because Progress can give no assurance that they will prove to be correct.

Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to the risks associated with the risk that some conditions to the closing of the acquisition are not satisfied. Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect the operations or financial results of Progress are included in reports on file with applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com).

The forward-looking statements and information contained in this press release are made as of the date hereof and Progress undertake no obligation 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.

FOR FURTHER INFORMATION:

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