



**Argan, Inc.'s Wholly Owned Subsidiary Gemma Power Systems California, Inc.  
Receives Full Notice to Proceed on the \$250 Million Engineering, Procurement and  
Construction Contract for the CPV Sentinel Peaking Power Project in Riverside County,  
California**

**The Contract to Build the 800 MW Project Commences Immediately**

**May 31, 2011 -- Rockville, MD – Argan, Inc. (NYSE AMEX: AGX)** announced that its wholly owned subsidiary, Gemma Power Systems California, Inc. (GPS), has received a full notice to proceed from CPV Sentinel for an approximately \$250 million contract to design, build and perform other services in connection with the 800 MW, eight GE LMS100 unit simple cycle peaking power plant near Desert Hot Springs, CA. CPV Sentinel has entered into a long term agreement with Southern California Edison for the output of the facility. The project is estimated to be completed in the Summer of 2013.

Rainer Bosselmann, Chairman and Chief Executive Officer of Argan, stated, “We are excited to join a team of power industry leaders in constructing the CPV Sentinel power plant. We anticipate a highly successful partnership.”

**About Argan, Inc.**

Argan’s primary business is designing and building energy plants through its Gemma Power Systems subsidiary. These energy plants include traditional gas as well as alternative energy including biodiesel, ethanol, and renewable energy sources such as wind power and solar. Argan also owns Southern Maryland Cable, Inc.

*Certain matters discussed in this press release may constitute forward-looking statements within the meaning of the federal securities laws and are subject to risks and uncertainties including, but not limited to; (1) the Company’s ability to achieve its business strategy while effectively managing costs and expenses; (2) the Company’s ability to successfully and profitably integrate acquisitions; and (3) the continued strong performance of the energy sector. Actual results and the timing of certain events could differ materially from those projected in or contemplated by the forward-looking statements due to a number of factors detailed from time to time in Argan’s filings with the Securities and Exchange Commission. In addition, reference is hereby made to cautionary statements with respect to risk factors set forth in the Company’s most recent reports on Form 10-K and 10-Q, and other SEC filings.*

Company Contact:  
Rainer Bosselmann  
301.315.0027

Investor Relations Contact:  
Arthur Trudel  
301.315.9467