



NEWS RELEASE

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For Immediate Dissemination

EnerGulf Resources Releases New Prospective Resource Estimates for Block 1711 Offshore Namibia with a Mean Estimate of 3.166 Billion Barrels of Oil (EnerGulf Gross Net 474.9 Million Barrels)

DALLAS, TEXAS (February 21, 2012), EnerGulf Resources Inc. (TSX-V: ENG; FSE: EKS) (“the Company”) is pleased to announce the Company has received a prospective oil resources report for four prospects and nine leads on Block 1711, Offshore Namibia, including a mean estimate of 3.166 Billion barrels of potentially recoverable oil. The report was prepared by independent oil and natural gas reservoir engineers Netherland Sewell and Associates, Inc. (“NSAI”) of Dallas, Texas (www.netherlandsewell.com). The report was prepared as of December 31, 2011, and will be available on SEDAR (www.sedar.com) and on the EnerGulf website (www.energulf.com).

NSAI estimates the unrisks gross (100 percent) prospective oil resources for the prospects and leads as of December 31, 2011, to be:

Gross (100%) Unrisks Prospective Oil Resources (MMbbl)

	Low Estimate	Best Estimate	High Estimate	Mean
Total	742	2,749	6,108	3,166

The estimates in this report have been prepared in accordance with the definitions and guidelines set forth in Canadian National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities and Section 5 of Volume 1, Second Edition, of the Canadian Oil and Gas Evaluation Handbook (COGEH), prepared jointly by the Society of Petroleum Evaluation Engineers (Calgary Chapter) and the Canadian Institute of Mining, Metallurgy & Petroleum (Petroleum Society) (the latter of which is now the Petroleum Society of Canada). Please also see footnote below.



The following table reports the results from the NSAI report by individual prospect or lead.

Play Type/ Prospect/Lead	Unrisked Gross (100 Percent) Prospective Oil Resources (MMbbl)			
	Low Estimate	Best Estimate	High Estimate	Mean ⁽¹⁾
Paleocene-Eocene Turbidites				
Hartmann Prospect	175	655	1,363	729
Ondangwa Prospect	60	203	411	223
Entanga Lead	160	610	1,319	688
Lead C	45	157	326	175
Lead J	68	226	468	252
Early Cretaceous Synrift Sandstones				
Kunene Deep Prospect	21	85	203	102
Kunene South Prospect	48	189	455	227
Lead F	41	164	383	193
Lead K	42	148	338	174
Precambrian-Paleozoic Basement				
Kunene Deep Lead	19	74	209	99
Lead G	8	33	87	42
Pangea Lead	36	141	371	178
Rodinia Lead	17	65	174	84
Total⁽²⁾	742	2,749	6,108	3,166

(1) In accordance with the COGEH, NSAI have reported the low, best, and high estimates for each prospect and lead. As requested, NSAI have also included mean estimates for each prospect and lead

(2) Totals are the arithmetic sum of multiple probability distributions and may not add because of rounding.

Block 1711 comprises 2.2 million acres (8,900 square km) and is situated in the Namibe basin off the northern coast of Namibia along the international boundary with Angola. The co-venturers in Block 1711 are currently EnerGulf 15% (with a possible additional 4%), PetroSA 10%, NAKOR 10% (carried), NAMCOR 7% (carried), HRT 2.7%, and Kunene Energy 0.3% (carried). EnerGulf has been granted the authority to market and negotiate the terms for the remaining 51% to 55% interest in Block 1711 with potential qualified industry participants with the consent of the Namibian Ministry of Mines and Energy. EnerGulf will continue as the interim Operator under the Joint Operating Agreement (EnerGulf News Release October 12, 2011).

EnerGulf's extensive work program has determined that Block 1711 contains at least five Paleocene-Eocene turbidite sand prospects and leads. They comprise a current mean recoverable resource estimate per the NSAI report of more than 2 Billion barrels. This play was not considered for Block 1711 before the Kunene #1 well was drilled, but biostratigraphic information from the well suggested its importance. NSAI's High Estimates for these prospects



and leads, totaling 4 billion barrels is in line with similar turbidite fields of the same age in the Campos Basin of Brazil. Other Giant (>500 million barrels) deepwater turbidite sand analogs for this play exist in the deepwater play off Angola, north of Block 1711, as well as elsewhere in West Africa, and the Gulf of Mexico.

Further, it has been recognized for some time that the Syn-Rift play in Block 1711 is geologically similar to the Pre-Salt plays in the Santos Basin of Brazil and in the Upper Congo Basin of West Africa, including EnerGulf's Lotshi Block in DRC. The Kunene #1 well penetrated the uppermost 200 meters of the Syn-Rift section, and although no commercial reservoir zones were found, the section was thermally mature and a significant show of heavy gas was noted just above the top of the zone. NSAI's High resource estimate of more than a billion barrels for 4 prospects and leads in this play hints at the promise it presents.

In addition to the Turbidite and Syn-Rift plays, each of which have many Giant (<500 million barrels recoverable) oil field analogs in West Africa and Brazil, the company has identified a new play involving huge structures in Basement rocks. This play has been recognized throughout West Africa and Brazil, and although there are no nearby Giant fields in this play, further study of the existing leads on Block 1711 could lead to a significant increase in the Block's resources.

EnerGulf also continues with plans for a mid 2012 drill program on its 500 square km Lotshi Block located in the onshore coastal salt basin of western DRC. EnerGulf recently reported the receipt of an assessment of the Prospective Resources on EnerGulf's Lotshi Block with a mean estimate of 313 million barrels for the potentially recoverable oil on seven oil prospects on the Lotshi Block. The report was prepared by DeGolyer and MacNaughton (D&M), an independent international petroleum consulting firm located in Dallas, Texas (www.demac.com) and is available on SEDAR (www.sedar.com) and on the Company's website (www.energulf.com). EnerGulf is the operator of the project and has a 90% interest and COHYDRO, the state oil company of the DRC, holds a 10% carried interest.

Jeff Greenblum, Chairman and CEO for EnerGulf states, "We are pleased to publicly demonstrate the breadth and depth of the prospect portfolio as it currently stands. The report by NSAI validates the work EnerGulf has done since taking over as operator of Block 1711. Our analysis of the information obtained during the drilling of the Kunene #1 well served as a catalyst for developing several new prospects and leads, as well as a complete re-evaluation of the existing prospect portfolio. We are looking forward to planning our upcoming 3-D seismic acquisition and drill programs, and pursuing talks with prospective qualified industry co-venturers."

Footnote: Per the NSAI report, "Prospective resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. The prospective resources included in this report indicate exploration opportunities and development potential in the event a petroleum discovery is made and should not be construed as reserves or contingent resources. There is no certainty that any portion of the prospective resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources. Entities for which prospective resources have been estimated in this report have been subclassified as prospects and leads. A prospect is defined as a project associated with a potential accumulation that is sufficiently well defined to represent a viable drilling target, and a lead is



defined as a project associated with a potential accumulation that is currently poorly defined and requires more data acquisition and/or evaluation in order to be classified as a prospect. The oil resources shown include crude oil only. Oil volumes are expressed in millions of barrels (MMbbl); a barrel is equivalent to 42 United States gallons.

The prospective resources shown in this report have been estimated using a combination of deterministic and probabilistic methods and are dependent on a petroleum discovery being made. If a discovery is made and development is undertaken, the probability that the recoverable volumes will equal or exceed the unrisks estimated amounts is 90 percent for the low estimate, 50 percent for the best estimate, and 10 percent for the high estimate. As recommended in the COGEH, the low, best, and high estimate prospective resources have been aggregated beyond the prospect and lead level by arithmetic summation; therefore, these totals do not include the portfolio effect that might result from statistical aggregation. Note that these distributions do not include consideration of the probability of success of discovering and producing commercial quantities of oil, but rather represent the likely distribution of the oil deposits, if discovered.”

On behalf of the Board of Directors,
EnerGulf Resources Inc.

“Jeff Greenblum”

Jeffrey L. Greenblum, Chairman & CEO

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