

ENERGULF RESOURCES INC.

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NEWS RELEASE

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ENERGULF PROJECT UPDATE

(HOUSTON) EnerGulf Resources Inc. (TSXV: ENG) is pleased to provide the following update on its projects:

Lotshi Block, Democratic Republic of Congo(DRC):

EnerGulf has paid the US\$500,000 signature bonus pursuant to the Production Sharing Contract (“PSC”) that was granted in November 2005 by the DRC government. It now awaits DRC Presidential Decree. EnerGulf has been granted a 90% interest in the PSC which covers the Lotshi Block, onshore Congo Coastal Basin. EnerGulf is planning an aggressive exploration program to begin as soon as possible. Additionally, EnerGulf is continuing its efforts to acquire other acreage in the area.

Namibia Block 1711:

The Exploration License is being finalized and EnerGulf understands it should be ready for signature by late February or early March. EnerGulf has been offered a 17% interest in Block 1711.

Nigeria OPL 252:

The EnerGulf/Derock JV continues to pursue its interest in OPL 252 and remains in discussions concerning the future of the block with various parties including the Nigerian government, potential industry partners and financing sources. EnerGulf understands that participation in the block by any parties will be at the discretion of the Government of Nigeria. EnerGulf is the technical partner of the EnerGulf/Derock JV and has a 60% interest in the JV. EnerGulf also continues with its geo-technical work regarding the block.

Tanga Block, Tanzania:

EnerGulf understands from The Tanzania Petroleum Development Corporation (TPDC) of the United Republic of Tanzania, that TDPC continues to review EnerGulf’s proposed PSA and that no final

decision has been made as to the offer. If the proposed PSA is not accepted in its current form by TPDC, EnerGulf, as previously announced, may re-evaluate the Tanga Block and its strategic importance to the company.

Longoria 174 #1, Duval County, Texas:

EnerGulf has been advised by Killam Oil Company, the operator of the well, that the initial testing on the Longoria 174 #1 was unable to be performed due to technical completion complications, and further operations were suspended over the holiday season. Completion operations on the well re-commenced last week utilizing a different completion technique. EnerGulf will advise as results become available.

Brian Irwin, a director of EnerGulf, has recently retired from the company's Board of Directors. Mr. Irwin has also recently retired as a partner from his Vancouver law firm, DuMoulin and Black. EnerGulf thanks Mr. Irwin for his years of service to EnerGulf and wishes him good health and happiness in his retirement.

EnerGulf Chairman of the Board, Jeff Greenblum comments, "EnerGulf has set high goals for 2006 and we are making substantial progress towards our objective of becoming a world class international exploration and production company. EnerGulf is planning an aggressive exploration program in the DRC. We expect Block 1711 in Namibia to be formally signed in the near future and then, look forward to participation in its planned exploration program. The EnerGulf/Derock JV continues to pursue the PSC for OPL 252, Nigeria and EnerGulf awaits word from TDPC on the Tanga Block, Tanzania. Also, we continue to pursue and evaluate additional oil and gas opportunities.

Increasing global demand for oil continues to be the driving force behind rising energy prices creating unprecedented opportunity. This opportunity, however, must be measured by the continually changing political climate and risks. We monitor global events very closely and assess political risks, as we do geologic and financial risks in each project. To our shareholders that have expressed concern over the recent increased violence in Nigeria, be assured that we are keenly aware of the situation and that it is being assessed as a part of our overall project risk profile, just as we evaluate the political climate in other areas that we are interested in."

On Behalf of the Board of Directors of
ENERGULF RESOURCES INC.

"Jim Askew ", President

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Certain disclosure in this release, including management's assessment of EnerGulf's plans and projects, constitute forward-

looking statements that are subject to numerous risks, uncertainties and other factors relating to EnerGulf's operations as an oil and gas exploration company that may cause future results to differ materially from those expressed or implied by those forward-looking statements and readers are cautioned not to place undue reliance on these statements.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy of this news release.