

ENERGULF RESOURCES INC.

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NEWS RELEASE

January 31, 2008

ENERGULF CLOSSES \$8,800,000 PRIVATE PLACEMENT

(HOUSTON) EnerGulf Resources Inc. (TSXV: ENG) is pleased to announce that it has now closed its private placement consisting of a total of 8,000,000 units of the Company at the price of \$1.10 per unit to raise proceeds of \$8,800,000. Each unit consists of one common share and one common share purchase warrant with each warrant entitling the holder to purchase one additional common share of the Company at a price of \$1.35 per share until January 30, 2009.

In connection with the private placement, EnerGulf paid finder's fees in the aggregate amount of \$110,139.92 and issued 186,900 Finder's Units to finders, each Finder's Unit having the same terms as the private placement Units.

All of the securities issued in connection with the private placement are subject to a hold period and may not be traded in British Columbia until May 31, 2008 except as permitted by applicable securities legislation and by the TSX Venture Exchange.

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

"Clive Brookes", Director

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Certain disclosure in this release, including the private placement, use of proceeds, and 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 does not accept responsibility for the adequacy or accuracy of this news release.