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NEWS RELEASE

March 20, 2007

CONTRACTS AWARDED ON BLOCK 1711, OFFSHORE NAMIBIA AND PRIVATE PLACEMENT FINANCING

EnerGulf Resources Inc. (TSX-V: ENG) is pleased to provide an operational update on Block 1711, located offshore Republic of Namibia.

The Block 1711 Joint Operating Committee, comprised of Sintezneftegaz of Moscow; PetroSA, the national petroleum company of South Africa; NAMCOR, the national petroleum company of Namibia; and EnerGulf, has held regular meetings in both Windhoek, Namibia and Moscow and has established procedures for awarding of the various contracts required for the ongoing work program.

Under the criteria established by the Joint Operating Committee, three contracts have been awarded to date from bids made by multiple qualified companies.

The contract for the reprocessing and reinterpretation of 2D and 3D seismic data to further confirm the optimal drilling location on the prospect for the Kunene #1 identified by 3D data, as required by the Production Sharing Contract ("PSC") with the Government of Namibia, has been awarded to WesternGeco (Schlumberger).

The contract for developing the Drilling Program and engineering monitoring for the Kunene #1 exploratory well construction has been awarded to Halliburton. Drilling is scheduled to commence by March 2008.

The contract for the Environmental Impact Assessment for scheduled drilling operations on Block 1711 required by the PSC has been awarded to Risk-Based Solutions of Namibia.

Negotiations regarding the awarding of the well construction management and the drilling contract are currently underway with companies that should secure proposals for rig availability, and a drilling rig that appears to be available for drilling the Kunene #1 has been identified.

Block 1711 is situated in the Namibe basin off the northern coast of Namibia along the international boundary with Angola. Two separate exploration prospects have been identified by extensive modern seismic data on the 8,931-square-kilometre block, being the Kunene and Hartmann prospects. There are other undeveloped leads.

The Kunene prospect is defined by a 650-square-kilometre three-dimensional (3D) seismic survey. The structure forms a four-way dip closure covering 95 square kilometres, with vertical closure of approximately 650 metres. A number of direct hydrocarbon indicators, including gas chimneys and bottom-simulating reflectors (BSR), have been identified by the seismic survey. The technical reviews by the previous licence holder also indicate that an oil slick has also been identified by satellite radar situated down current from the Kunene prospect.

The Hartmann prospect has been delineated by extensive two-dimensional (2D) seismic surveys. It is identified as a stratigraphic trap with an area of 343 square kilometres and approximately 1,600 metres of vertical relief. The target carbonate reservoir section is believed to be the same age as that of the Kunene prospect.

Bill St. John, PhD, EnerGulf's adviser for African and other international oil and gas exploration operations, and a member of the American Association of Petroleum Geologists ("AAPG"), states: "Block 1711 contains the most attractive undrilled structure that I have seen in over 40 years of exploring for oil and gas internationally. In my opinion, each of the Kunene and the Hartmann prospects are of a sufficient size to have the potential to contain a 'giant field,' being over 500 million barrels (as defined by AAPG)."

As stated in EnerGulf's news release dated September 8, 2006, EnerGulf received a Netherland, Sewell & Associates Inc. ("NSAI") prospective resource assessment of the Kunene and Hartmann prospects located in Block 1711 offshore Namibia. The report, dated July 27, 2006, is in accordance with Canadian National Instrument 51-101 and other Canadian, United States and international standards.

The report covers the oil case and an alternative (independent) gas case for the Kunene and Hartmann prospects and provides prospective hydrocarbon resource estimates in low (conservative, P90 confidence level), best (realistic, most likely) and high (optimistic, P10 confidence level) categories in each case. The report's risk analysis, as reported in EnerGulf's news release dated September 8, 2006, provides a range of probabilities of hydrocarbon occurrence for both the Kunene and Hartmann prospects. Additionally, as reported in the September 8, 2006 news release, NSAI conducted a scoping economic analysis of the Kunene prospect only, using the best estimate for both an oil case and a gas case. (The scoping economics in the report does not include the additional Hartmann prospect).

UNRISKED GROSS (100 PERCENT)
PROSPECTIVE HYDROCARBON RESOURCES
Oil

OIL CASE (MMBO-millions of barrels)

Kunene	Oil(MMBO	Gas (BCF)
Low estimate	126	123
Best estimate	454	445
High estimate	921	899
Hartmann		
Low estimate	863	618
Best estimate	2,704	1,928
High estimate	5,118	3,671

GAS CASE (BCF-billions of cubic feet)

Kunene		
Low estimate	11	720
Best estimate	38	2,561
High estimate	78	5,209
Hartmann		
Low estimate	69	4,592
Best estimate	211	14,064
High estimate	399	26,461

Regarding the Company's Lotshi Block in the Democratic Republic of Congo ("DRC"), EnerGulf understands that the delay in receiving the decree is due to the Constitution of the DRC being amended shortly after the PSC was signed, which then required the decree of the future new government. The new government of the DRC has just recently been installed and the National Assembly met on March 15, 2007 for the opening of its first ordinary session. EnerGulf has paid its signature bonus of US$500,000 for the Lotshi Block and expects such decree in the near future.

EnerGulf is also pleased to announce a private placement of up to 4,000,000 units at $0.70 per unit to raise proceeds of up to $2,800,000, subject to acceptance by the TSX Venture Exchange. Insiders of EnerGulf may be subscribing for a portion of the private placement.

Each unit will consist of one common share and one warrant entitling the holder to purchase one additional common share at a price of $0.90 for a period of one year.

Finders fees will be payable on a portion of the private placement in accordance with the policies of the TSX Venture Exchange. Proceeds of the private placement will be used for the Company's oil and gas exploration projects and for working capital.

Commenting, Jeff Greenblum, Chairman of the Board of EnerGulf, said: "Significant progress is being made on the pre-drilling and drilling work program for Block 1711. EnerGulf is working very closely with its partners in Block 1711 to insure that the work program is carried out in an efficient and cost effective manner. We are pleased to have awarded important contracts to such established and qualified companies as Western Geco and Halliburton and look forward to working with them as we prepare to drill this very exciting prospect. In the DRC, we remain optimistic about the Lotshi Block and expect that recent developments in the DRC government will enable our decree to be forthcoming. We remain committed to prudent capital structure management as is evident by our shares outstanding. This financing allows us to protect our shareholders interests and maximize value as we advance our projects forward."

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.