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NEWS RELEASE

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EnerGulf Enters Into Memorandum Of Understanding with Killam Oil Company

(HOUSTON) EnerGulf Resources, Inc. (TSXV: ENG) is pleased to announce that it has entered into a memorandum of understanding with Killam Oil Company of Laredo, Texas to participate in an upcoming South Texas drilling program to be operated by Killam.

EnerGulf will have the right to participate for a 10% working interest in the Longoria Prospect in Webb and Duval Counties in Texas and a 5% working interest in the Gutierrez Prospect in Zapata County, Texas.

EnerGulf would earn its interest(s) by paying: its pro rata share of land, 3D seismic and geophysical costs; its pro rata share per the industry standard 1/3 for 1/4 promoted basis of dry hole drilling costs for the initial well(s) on each prospect; on wells thereafter, its pro rata share of dry hole drilling costs; and its pro rata share of completion and production costs on all wells.

The Longoria Prospect is a 3D confirmed high-side fault closure with multi-zone targets in the Wilcox formation. It is in close proximity to several analogous producing fields with in excess of one TCF (trillion cubic feet) of discovered reserves. Potential reserves for the Longoria Prospect are estimated by Killam to be between 34-92 BCFG (billion cubic feet gas).

The Gutierrez Prospect is also based on 3D seismic and is essentially a step out from adjacent Middle Wilcox discoveries in the Charco formation to the north and west of the prospect. The wells will also go on to test the deeper Lobo sands. Reserves in this trend are estimated by Killam at 4 BCF/well.

Killam Oil Company pioneered oil exploration in South Texas (Webb, Zapata and Duval Counties) starting in 1921. Killam currently operates over 284 wells and is one of the top 5 producers of natural gas in Webb County. (The three counties are in Railroad Commission District 4, which is the largest gas producing district in Texas).

EnerGulf is continuing its assessment and evaluation of the Alborada Block, in Colombia, while awaiting the official relinquishment of the block by the current operator. It is unsure whether Ecopetrol, the current government administrator of the Block will retain or release it to Agencia Nacional de Hidrocarburos (ANH), the newly created government agency that will administer all future blocks. EnerGulf plans to hold further discussions with the governmental entity that assumes jurisdiction of the Block to create a new work program aimed at further exploration of Alborada. EnerGulf believes further geophysical work, including the reprocessing of existing seismic data, is required prior to a commitment of a second well that would test the Caballos formation.

EnerGulf is also in discussions and accessing various prospects in West Africa.

EnerGulf Resources is a Houston based oil, gas and mineral exploration company with projects in Texas, British Columbia and Colombia, South America.

On Behalf of the Board of Directors

“Jeff Greenblum”

Jeff Greenblum, Chairman

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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 a natural resource 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.