

# ENERGULF RESOURCES INC.

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## **NEWS RELEASE**

**June 8, 2006**

### **ENERGULF ENGAGES NETHERLAND SEWELL**

(HOUSTON) EnerGulf Resources Inc. (TSXV:ENG) has engaged Netherland Sewell & Associates, Inc. to provide an Independent Assessment of Prospective Resources Report on Namibia Block 1711. Netherland Sewell ([www.netherlandsewell.com](http://www.netherlandsewell.com)) is a highly respected petroleum consulting firm that is technically qualified and experienced to provide a complete range of geological, geophysical, petrophysical, and engineering services. Netherland Sewell has performed services for and is familiar to most oil companies, financial firms and regulatory agencies around the world.

Netherland Sewell was engaged by EnerGulf to prepare the report in part as the due diligence basis required by the Company to proceed with a contemplated financing. Details of the contemplated financing will be made public as events warrant. EnerGulf is also currently negotiating the Joint Operating Agreement with its partners in Block 1711.

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. The Kunene prospect is defined by a 650-square-kilometre 3-D seismic survey. The structure forms a four-way dip closure covering 95 square kilometers, with vertical closure of approximately 650 meters. The Hartmann prospect has been delineated by extensive 2-D seismic. It is identified as a stratigraphic trap with an area of 343 square kilometers and approximately 1,600 meters of vertical relief.

EnerGulf also provides the following corporate update on its other projects:

TANZANIA: EnerGulf has been advised by the Tanzania Petroleum Development Corporation (TPDC) ([www.tpdc-tz.com](http://www.tpdc-tz.com)) that its latest offer to negotiate a Production Sharing Agreement

(PSA) for the Tanga Block has been rejected and another company has been invited to negotiate with TPDC. EnerGulf's offer was made based on detailed technical and financial due diligence to assess the potential of the block. EnerGulf was asked to increase its offer with respect to the percentage of profit oil allocated between TPDC and EnerGulf. Based on pro forma exploration and development economic models, the company declined to amend its offer.

EnerGulf's offer for the Tanga Block will remain valid for approximately five months. EnerGulf will monitor the negotiations between TPDC and the other company and remains interested in Tanzania and East Africa for future projects.

**NIGERIA:** The EnerGulf/Derock JV continues to evaluate Nigeria and opportunities there, including OPL 252. Political and business events are being closely monitored amid conflicting news and reports. The EnerGulf/Derock JV has representatives in country providing internal reports, which EnerGulf considers its best source of actual events.

**DEMOCRATIC REPUBLIC OF CONGO (DRC):** EnerGulf has had discussions with other companies in the area of EnerGulf's Lotshi Block regarding joint operations. EnerGulf also has further rights to nearby acreage and is interested in acquiring other acreage in the area. EnerGulf has begun design on an aggressive work program for the Lotshi Block and other potential areas. The company has paid the signature bonus and awaits Presidential decree required for local publication of its PSA.

**SOUTH TEXAS:** Due to the highly competitive business environment in the region, Killam Oil Company has designated Longoria 174 #1 a "tight-hole", meaning all information is kept confidential. Gas sales have now commenced. Killam and EnerGulf are working to expand their holdings in the area. Public statements will be made as approved by Killam.

Commenting for EnerGulf, Chairman Jeff Greenblum stated, "We are anxiously awaiting Netherland Sewell's Resource Assessment Report on Namibia Block 1711 and commencing the work program with our partners. Likewise, in DRC, we are excited about the future prospects for our project and should acquire additional acreage in the area to compliment our Lotshi Block to maximize our economic profile through economies of scale.

As we move forward with specific projects and review new ones, we continually assess and update multiple risk profiles on each project to determine the project's fit in our overall business plan. Regarding the Tanga Block in Tanzania, we made our best offer possible, based on our geologic and economic risk profile. While it has thus far been rejected, it is a very fair and competitive offer. In Nigeria, we have closely monitored events to determine how the political risk profile impacts opportunities. Events in Nigeria are disturbing but we continue our efforts and evaluation there based on information we receive from our own sources. EnerGulf is actively reviewing other prospects in Africa and will provide further comments as competitive and material events warrant."

On Behalf of the Board of Directors of  
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"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.