

ENERGULF RESOURCES INC.

200 - 675 West Hastings Street,
Vancouver, British Columbia V6B 1N2
Telephone: (604) 408-1990 Fax: (604) 801-5499
Website: www.energulf.com
Email: info@energulf.com

EnerGulf Exercises NAMCOR Option

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EnerGulf Resources Inc. (TSXV: ENG) is pleased to announce that it has exercised its option granted to it by The National Petroleum Corporation of Namibia (NAMCOR) for a 25% working interest in Block 1711, offshore Namibia. EnerGulf has notified the Namibia Ministry of Mines and Energy of its intent to exercise its NAMCOR option and will immediately file with the Ministry the required documents to seek all necessary approvals and licenses to expedite exploration activities on Block 1711. NAMCOR is the pari-statal petroleum company of Namibia, being under the jurisdiction of the Ministry of Mines and Energy.

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 km block, being the Kunene and Hartmann prospects. There are other undeveloped leads.

The Kunene prospect is defined by a 650 sq. km. 3D seismic survey. The structure forms a four way dip closure covering 95 sq. km. with vertical closure of approximately 650 meters. A number of Direct Hydrocarbon Indicators, including gas chimneys and Bottom Simulating Reflectors (BSR) have been identified by the seismic. The technical reviews by the previous license 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 2D seismic. It is identified as a stratigraphic trap with an area of 343 sq. km. and approximately 1,600 meters of vertical relief. The target carbonate reservoir section is believed to be the same age as that of the Kunene prospect.

In announcing resource potential estimates of the Kunene and Hartmann prospects on March 9, 2005, EnerGulf relied on technical reviews of the previous license holder, Vanco Energy and on figures provided to the previous license holder by the international petroleum consulting firm, Netherland Sewell and Associates, Inc. (www.netherlandsewell.com). Netherland Sewell

provides integrated consulting services encompassing geophysics, geology, petrophysics, engineering, reservoir modeling and economics supported by state-of-the-art tools for integrated petroleum companies, financial institutions and government agencies. As of this date, EnerGulf has found no reason to question the accuracy of the reports; however, it has been unable to fully verify that those "resource potential estimates" are in accordance with Canadian Oil and Gas Evaluation Handbook standards. EnerGulf has not completed its full evaluation, however, when it does, it will make available its own independent resource estimates. Due to the inherent uncertainty in evaluating resource potential estimates, and as discussed above, investors should not rely on the previous cited estimates.

Commenting on the option exercise, Bill St. John Ph. D., EnerGulf's advisor for African and International Oil and Gas Operations and member of the American Association of Petroleum Geologists states, "EnerGulf's exercise of the option granted by NAMCOR evidences our confidence in the potential of Block 1711. As I have stated previously, 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 500+ million barrels, as defined by the American Association of Petroleum Geologists. I also have sufficient confidence in Vanco and Netherland Sewell's methodology that they comply with good oil and gas industry practices"

In other matters, EnerGulf's Memorandum of Understanding (MOU) with Jebco Seismic Ltd. announced on March 1, 2005, covering the Tanga Block, remains in full force and effect. Under the terms of the MOU, which expires December 31, 2005 unless extended, between JEBCO and the Tanzania Petroleum Development Corporation (TPDC), the pari-statal petroleum company of Tanzania, JEBCO will transfer to EnerGulf all its interest in its MOU in exchange for a 5% carried interest through the drilling and evaluation of the first well. JEBCO will then have the right to participate for a 5% working interest in future activities on the block. The MOU is subject to the conclusion and execution of a Definitive Agreement between EnerGulf and JEBCO, the Geophysical Data Acquisition Agreement between JEBCO and TPDC, the Hydrocarbon Exploration License and Production Sharing Agreement between EnerGulf and TPDC and all necessary regulatory approvals.

EnerGulf is currently developing its proposed work program for the Tanga Block to be presented to TPDC and anticipates doing so in a timely manner.

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

"James Askew", President

Contact information: James Askew, President
Tel: (888) 822-8441 Fax: (604) 801-5499
website: www.energulf.com
email: info@energulf.com

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.