

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
Vancouver, BC
TSX Trading Symbol: ENG

NEWS RELEASE **September 8, 2006**

Namibia Offshore Block 1711 Prospective Resource Report

(HOUSTON) EnerGulf Resources Inc. (TSXV: ENG) is pleased to announce that it has received Netherland, Sewell & Associates, Inc. (“NSAI”) Prospective Resource Assessment of the Kunene and Hartmann Prospects located in Block 1711 offshore Namibia. The report is in accordance with Canadian NI 51-101 and other Canadian, United States and International standards. NSAI (www.netherlandsewell.com) was engaged by EnerGulf to prepare the report in part as the due diligence basis requested by financing sources.

Block 1711 is situated in the Namibe basin off the northern coast of Namibia along the international boundary with Angola. The two separate exploration prospects, the Kunene and Hartmann, have been identified by extensive modern seismic data on the 893,100 hectare (2.2 million acre) block. EnerGulf has a 10% working interest in the project.

The report covers the oil case and an alternate (and completely independent) gas case for the Kunene and Hartmann Prospects and gives 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 provides a range of probabilities of hydrocarbon occurrence for both the Kunene and Hartmann. Additionally, NSAI conducted a scoping economic analysis of the Kunene Prospect using the “Best Estimate” for both an oil case and a gas case.

PROSPECTIVE RESOURCE ASSESMENT

Specifically, the NSAI report provides the following: (MMBO=Millions of barrels of oil:
BCF=Billions of cubic feet of gas)

Unrisked Gross (100 Percent)
Prospective Hydrocarbon Resources

OIL CASE

<u>Prospect</u>	<u>Oil</u> <u>(MMBO)</u>	<u>Gas</u> <u>(BCF)</u>
Kunene		
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

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

RISK ANALYSIS

Probability of Success:

Kunene: 10-16%

Hartmann: 7-13%

The NSAI report states “As the first well drilled in the license area will be at the Kunene prospect, a successful test there will significantly reduce the risk of the Hartmann Prospect by reducing uncertainty pertaining to reservoir, source, and seal.”

KUNENE PROSPECT SCOPING ECONOMICS

The following estimates are based on an unrisks gross (100 percent) of the best estimate of the prospective hydrocarbon resources on the Kunene Prospect. The initial net prices, for the purpose of the analysis are \$62.59 per barrel for the oil case (including \$3.00/ bbl for transportation and processing costs) and \$3.08 per MCF for the gas case (including \$4.00/MCF for transportation and the various processing costs). The base product prices, facility and operating costs are escalated at 3% per year. Included in the capital costs are provisions for exploration and delineation wells to evaluate the prospect with production beginning in 2014.

KUNENE PROSPECT	Unrisks Best Estimate Net Revenue After Income Tax	Unrisks Best Estimate After-Tax Cumulative Present Worth Discounted at 10%
OIL CASE (US\$000):	\$18,832,849	\$5,371,504
GAS CASE (US\$000):	\$11,614,159	\$2,737,451

The Kunene prospect is defined by a 650-square-kilometre 3-D seismic survey. The structure forms a four-way dip closure covering 82 square kilometres, with vertical closure of over 400 metres. A test well at Kunene would be expected to be drilled to a total depth of approximately 3,625 metres in approximately 900 metres of water, at a cost of approximately US\$21,200,000, including testing and completion or abandonment costs.

The Hartmann prospect has been delineated by 1,085 km of 2-D seismic. It is identified as a stratigraphic trap with an area of 377 square kilometres and approximately 1,600 metres of vertical relief. A Hartmann test well is anticipated to be drilled to a total depth of approximately 3,500 metres.

The Kunene and Hartmann Prospects reservoirs are thought to be reef or carbonate bank buildup. Analog reef type oil and gas fields around the world include the Malampaya Field (offshore Philippines), the Tengiz Field (onshore Kazakhstan) and the fields of the Golden Lane trend (onshore and offshore Mexico).

Moscow based Sintezneftegaz is the operator with a 70% working interest. The exploration work program calls for a 4 year license term with two 2 year renewal periods. There is a two exploration well commitment with the first exploration well to be drilled by the end of year two, being March 2008. EnerGulf's commitment for 10% of the costs over the first 4 years is US\$8,400,000 with an additional US\$3,700,000 commitment over both renewal periods combined.

Commenting on the Netherland Sewell Report, EnerGulf Chairman Jeff Greenblum said, "We

are very pleased to have an interest in such an outstanding exploration prospect with the potentially dramatic high impact upside Block 1711 offers. The Netherland Sewell report is consistent with historical estimates of the resource potential and risks for the block and the report clearly confirms our belief that Block 1711 is a world class exploration prospect. EnerGulf's capitalization structure allows us significant flexibility in our financing options, and as we move into this next phase of commencing the exploration program on Block 1711, we continue to work to advance our other projects and aggressively seek out, evaluate and pursue other prospects that meet our criteria."

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

"*James Askew* ", President

Contact information: Clive Brookes, Director
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.