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NEWS RELEASE

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PetroSA Joins EnerGulf in West Africa

(HOUSTON) EnerGulf Resources Inc. (TSXV: ENG) is pleased to announce it has been notified that PetroSA (a pari-statal South African petroleum company) has now officially entered into the Joint Operating Agreement (JOA) for Block 1711 offshore Namibia. The other participants, including EnerGulf, had previously entered into the JOA.

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. Moscow-based Sintezeftgaz is the operator with a 70-per-cent working interest (and carrying NAMCOR and BEE's 10% interest). EnerGulf and PetroSA each have a 10% working interest.

The exploration work program calls for a four-year licence term with two, two-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 per cent of the costs over the first four years is \$8.4-million (U.S.) with an additional \$3.7-million (U.S.) commitment over both renewal periods combined.

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 \$21.2-million (U.S.) 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. Analogue 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).

As announced on September 8, 2006, EnerGulf Resources Inc. has received a Netherland, Sewell & Associates Inc. (NSAI) prospective resource assessment of the Kunene and Hartmann prospects. The report is in accordance with Canadian National Instrument 51-101 and other Canadian, United States and international standards. NSAI was engaged by EnerGulf to prepare the report in part as the due diligence basis requested by financing sources.

Further to the company's news release of September 8, 2006, the NSAI report states that the Kunene and Hartmann prospects combined could contain over 6 billion barrels of oil.

Commenting for EnerGulf, Jeff Greenblum, Chairman of the Board stated, "With all participants fully signed on to Block 1711, we expect that work on the project will rapidly move forward, leading to the drilling of our first exploration well in Namibia. As we have continued with our review of the NSAI report and held discussions with financing sources and other outside parties concerning Block 1711, our opinion of this project as a world class opportunity continues to be further enhanced. Our capital structure compliments the high-impact potential of this project and we are excited to move forward with our other Block 1711 Exploration License participants."

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

"James Askew "

President/Director

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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.