



Winstar Reports Record Second Quarter Results

CALGARY, August 14, 2008 – Winstar Resources Ltd. (“Winstar” or the “Company”) (TSX:WIX) is pleased to announce its operating and financial results for the second quarter and the first six months of 2008.

Winstar, a junior oil and gas company focused on Tunisia with assets in Romania, Hungary and Canada, generated record Second Quarter 08 sales (1,986 boepd), production (1,719 boepd) and funds from operations (\$11.83 million). For the first six months of 2008 the Company reports record funds from operations (\$19.1 million) and flat production year over year, in which Canadian and Hungarian natural declines were replaced with incremental Tunisian oil and gas sales (2007;1,854 boepd as compared to 1,803 boepd in 2008).

HIGHLIGHTS Second Quarter 2008		
<i>CDN \$ thousands</i> (three months ended June 30, 2008)	Results	Compared to Q2 2007
Sales	1,986 boepd	Up 24%
Production	1,719 boepd	Up 6%
Funds from operations ⁽¹⁾⁽⁴⁾	\$11,829 or \$0.35 per share	Up 228%
Earnings/(Loss) ⁽¹⁾⁽²⁾	(\$780) or (\$0.02) per share	Up 39%
Netback per boe ⁽³⁾	\$65.42	Up 164%

Notes:

1. Per share amounts obtained by dividing by June 30, 2008 outstanding shares.
2. Winstar reports a net loss of \$780,000 or (\$0.03) per share) for the three months ended June 30, 2008, utilizing the successful efforts accounting policy which expenses and therefore reduces earnings for exploration expenses (including geological and geophysical costs). During the quarter, the Company incurred \$7.2 million of exploration expenses relating primarily to 3D and 2D seismic acquisition costs in Tunisia, Hungary and Romania. Net income before exploration expense was \$6.4 million or \$0.19 per share for the three months ended June 30, 2008.
3. Funds from operations netback per boe.
4. Funds from operations is a non-GAAP measure discussed in more detail at the end of this press release. The components of the Company’s funds from operations are as follows:

<i>CDN \$ thousands</i>	Three Months Ended		Six Months Ended	
	2008	2007	2008	2007
June 30,				
Net Revenue (revenues including interest income less net royalties)	\$18,511	\$8,502	\$29,628	\$21,229
Less				
Operating	\$3,525	\$2,340	\$5,727	\$5,041
General and administration (excluding non-cash G&A)	\$1,587	\$1,219	\$3,006	\$2,281
Foreign exchange loss/(gain)	(\$35)	\$30	\$61	(\$1)
Other (income)/expense	(\$11)	\$151	(\$64)	\$158
Current tax provision	\$1,616	\$1,155	\$1,778	\$2,055
Funds from operations	\$11,829	\$3,607	\$19,120	\$11,695



Operating and Financial Summary

HIGHLIGHTS

CDN \$ thousands except for per share amounts	Three Months Ended June 30,			Six Months Ended June 30,		
	2008	2007	% Change	2008	2007	% Change
Sales and Prices						
Natural gas sales (Mcf/d)	2,112	2,933	(28)	2,802	4,392	(36)
Oil and NGL sales (boepd)	1,634	1,109	47	1,346	1,327	(1)
Average daily sales 6:1 (boepd)	1,986	1,598	24	1,813	2,059	(12)
Average natural gas price (\$/Mcf)	11.16	8.43	32	9.44	8.64	9
Average oil and NGL price(\$/bbl)	119.03	72.66	64	110.58	69.42	59
Financial (\$)						
Oil and gas revenue	19,847	9,585	107	31,911	23,540	36
Funds from operations	11,829	3,607	228	19,120	11,695	63
Per share - basic	0.35	0.13	177	0.56	0.38	47
- Diluted	0.34	0.13	171	0.55	0.38	45
Net (loss)/income	(780)	(1,288)	39	588	3,232	(82)
Per share – basic and diluted	(0.02)	(0.04)	49	0.02	0.11	(85)
Working capital at period end	23,044	1,156	1,893	23,044	1,156	1,893
Long term debt at period end	-	-	-	-	-	-
Shareholders' equity at period end	94,904	69,094	37	94,904	69,094	37
Common Shares (thousands)						
Weighted average during the period - Basic	34,048	28,741	18	34,074	28,742	19
- Diluted	34,727	28,741	21	34,744	29,041	20
Outstanding at period end	34,079	28,740	19	34,079	28,740	19

Production and Sales

Production does not necessarily equate to sales. In Tunisia, the majority of Winstar oil production is exported. Exported oil is stored as inventory until a tanker is arranged. Sales are recorded when oil is loaded into the tanker. Sales vary from production depending upon the available space and timing of tanker sales.

During the second quarter of 2008, the company had sales volumes in excess of production as a result of an opening crude oil inventory of 27,138 bbls as at April 1, 2008. As at June 30, 2008 the company carried only 2,000 bbls of crude oil inventory. During the first six months of 2008, the company had sales volumes which were approximately the same as production volumes.



June 30 boepd	Three Months Ended			Six Months Ended		
	2008	2007	%	2008	2007	%
Production	1,719	1,627	6	1,803	1,854	(2)
Sales	1,986	1,616	24	1,813	2,048	(11)

Production by Country/Area and Product

Company produced an average of 1,803 boepd during the first six months of 2008, comprised of 74% oil and liquids and 26% natural gas, as compared to an average of 1,854 boepd, comprised of 61% oil and liquids and 39% natural gas, during the equivalent period in 2007.

Improved performance in Tunisia of an incremental 242 boepd during the first half of 2008 effectively offset natural declines of 95 boepd and 199 boepd from Canada and Hungary respectively as compared to the first six months of 2007.

For the six months ended June 30

	2008			2007		
	Oil and liquid (bbl/d)	Gas (mcf/d)	Total (boepd)	Oil and liquid (bbl/d)	Gas (mcf/d)	Total (boepd)
Canada	133	1,177	329	159	1,592	424
Hungary	-	1,005	168	-	2,200	367
Tunisia						
Chouech Essaida	751	-	751	689	-	689
Sabria	343	610	445	185	422	255
Zinnia/Sanrhar	111	-	111	89	178	119
Tunisia Total	1,205	610	1,307	963	600	1,063
Total	1,338	2,792	1,803	1,122	4,392	1,854



Capital Program (including exploration activities)

CDN \$ thousands	Three months ended			Six months ended		
	2008	2007	%	2008	2007	%
June 30,						
Tunisia	10,219	4,100	149	19,724	12,423	59
Canada	613	2,436	(75)	2,205	6,520	(66)
Hungary	524	(96)	100	1,308	(96)	100
Romania (1)	663	N/A	N/A	663	N/A	N/A
Total	12,019	6,440	87	23,900	18,847	27

Note:

(1) Winstar commenced investing in Romania in April 2008.

Winstar continued to deliver record financial results in the second quarter of 2008 while focusing its operational activities on laying the foundation for significant growth into 2009 and beyond.

The Company took a major step during the quarter to make the most of its tremendous potential in Tunisia by acquiring \$8 million worth of 3D seismic data on more than 400 square kilometers at Chouech Essaida and Ech Chouech. This seismic is currently being processed, and by Q1 2009 is anticipated to delineate new drilling locations within the existing Triassic and Devonian oil fields, plus identify deeper high impact Silurian targets. Winstar is confident this investment will pay dividends to shareholders for years to come.

Winstar also used the second quarter to design a remedial program for its existing 100%-owned 80 kilometer oil sales line from Chouech Essaida to El Borma, which is expected (Q4 2008) to allow both gas and oil to be transported simultaneously. Also in July, work began on a new 100%-owned 80 kilometer gas sales line from Chouech Essaida to El Borma with the delivery of the first 20 kilometers of six-inch diameter pipe, and the spudding of a development well; namely, Chouech Essaida # 9.

Winstar is focusing approximately 80% of its approved 2008 capital budget in Tunisia. Capital expenditures for 2008 are expected to be between \$45MM and \$50MM dependent on program success and the advancement of current opportunities. Winstar expects to fund the program using working capital and cash flow. This budget range is indicative of the inventory of opportunities within the Company.

Outlook

With more than half of 2008 now behind us, management is pleased with Winstar's performance to date. Winstar believes it has assembled the necessary equipment and construction materials to execute its record \$45 to \$50 million capital program for 2008, which is being funded through cash flow and the working capital surplus. Although the Company was unable to add production in the second quarter, due mostly to equipment availability challenges, the Company is confident it has set the stage for another record performance in the second half of 2008 and into 2009. During the third quarter of 2008, the Company anticipates production to be consistent with the first six months, as significant incremental production additions are delayed until the fourth quarter. At this time, the Company notes that first half 2008 significant delays in equipment have marginally decreased Winstar's annual production guidance to 2,000 – 2,200 boepd.

In order to mitigate the risk associated with equipment availability, the Company has contracted two large 1,500 hp rigs capable of drilling the Triassic and Silurian targets in the Chouech Essaida and Ech Chouech concessions, as well as the multilateral horizontal wells in the Sabria concession. One of



these rigs landed in Tunisia in early August and is expected to spud its first well at Sabria during the third quarter. In addition, the Company currently has a medium sized rig capable of drilling development wells in the Chouech Essaida concession.

During the second quarter, the Company commenced two significant capital programs in Tunisia: the acquisition of 3D seismic data over Chouech Essaida and Ech Chouech (\$7.4 million) and the construction of a new 80 km gas sales line from Chouech Essaida to El Borma (\$1.6 million). Both projects strategically position Winstar for production deliverability and exploration growth and are fundamental to the Company's four year business plan.

The four year plan is based upon, among other parameters, historical decline rates plus finding and development costs. One of the most significant observations is that the company believes it has the potential to increase its current production levels by 3 to 5 times, funded primarily from projected cash flows and existing working capital surplus, exploiting only its current undeveloped land base. Additional opportunities to enhance shareholder value may require the company to utilize outside financing options including, but not limited to, the issuance of new equity or the utilization of undrawn credit facilities.

The Company's outlook is bright. Winstar realizes it will be an ongoing challenge to find skilled personnel to manage its ambitious drilling program. The rapid and largely unexpected increase in oil prices experienced recently is changing the oil industry dramatically in terms of increasing costs and diminishing availability of services due to heightened competition. That said, the Company is confident it has the track record, prospects and atmosphere to attract and retain among the best employees in the business and the experience to overcome operational challenges.

The Company's high level of activity and the increasingly difficult operating environment have certainly presented a challenge for Winstar's hard-working staff; appropriately, our colleagues have responded with professionalism and dedication. The Company expresses its gratitude to them and looks forward to continuing to work together for the benefit of Winstar's faithful shareholders.

BOE

References herein to "boe" mean barrels of oil equivalent derived by converting gas to oil in the ratio of six thousand cubic feet (Mcf) of gas to one barrel (bbl) of oil. Boe may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf:1 bbl is based upon an energy conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Non-GAAP Measures

The Company uses the terms "funds from operations," "funds from operations per share" and "netbacks" which are not recognized measures under Canadian generally accepted accounting principles. The Company uses these measures to help evaluate better its performance. Management considers netbacks an important measure as it demonstrates the Company's profitability relative to current commodity prices. Netbacks are calculated as revenue plus international royalty income net of royalties, operating, transportation, general and administrative and current tax expenses. Management uses funds from operations to analyze performance and considers it a key measure as it demonstrates the Company's ability to generate the cash necessary to fund future capital investments and to repay debt, if any. Funds from operations have been defined by the Company as cash flow from operating activities excluding the change in non-cash working capital related to operating activities, geological and geophysical expenses and expenditures on asset retirement obligations and reclamation. See Note 4 under the table on the first page of this press release for a more detailed calculation of funds from operations. The Company also presents funds from operations per share whereby (unless otherwise indicated) amounts per share are calculated using weighted average common shares outstanding consistent with the calculation of earnings per share. Winstar's determination of funds from operations may not be comparable to that reported by other companies nor should it be viewed as an alternative to cash flow from operating activities, net earnings or other measures of financial performance calculated in accordance with Canadian GAAP.



Sales and Seasonality

Oil and natural gas production is not necessarily equal to sales. Tunisian oil is transported or pipelined to a terminal for periodic offloading onto oil tankers. Revenue from tanker sales is recognized only when the sale occurs. Production during the period is carried in inventory until sold. Hungarian natural gas is sold on a monthly basis into the local market. Monthly sales are subject to local market product demand which increases during the heating seasons of fall and winter and curtails over the warmer spring and summer seasons.

Forward-Looking Statements

This press release contains certain forward-looking statements. These statements relate to future events or future performance of Winstar. When used in this press release, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "predict", "seek", "propose", "expect", "potential", "continue", and similar expressions, are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties, and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Such statements reflect the Company's current views with respect to certain events, and are subject to certain risks, uncertainties and assumptions. Many factors could cause Winstar's actual results, performance, or achievements to materially differ from those described in this press release. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described in this press release as intended, planned, anticipated, believed, estimated, or expected. Specific forward-looking statements in this press release include, among others, statements pertaining to the following: factors upon which Winstar will decide whether or not to undertake a specific course of action; and estimated volumes and timing of future production; business plans for drilling, exploration and development; and other expectations, beliefs, plans, goal, objectives, assumptions, information and statements about possible future events, conditions, results of operations or performance. The risks to which the Company is subject include those of the oil and gas industry in general including operational risks in exploring for, developing and producing crude oil and natural gas; risks and uncertainties involving geology of oil and gas deposits; volatility in global market prices for oil and natural gas; general economic conditions; competition; liabilities and risks, including environmental liability and risks, inherent in oil and gas operations; uncertainties as to the availability and cost of financing and changes in capital markets; alternatives to and changing demand for petroleum products; and changes in legislation and the regulatory environment, including uncertainties with respect to the Kyoto Protocol. Furthermore, statements relating to "reserves" or "resources" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the resources and reserves described can be produced profitably in the future. The forward-looking statements contained in this press release are expressly qualified in their entirety by this cautionary statement. These statements speak only as of the date of this press release. The Company does not intend and does not assume any obligation, to update these forward-looking statements to reflect new information, subsequent events or otherwise, except as required by law.

Winstar Resources Ltd. is a Calgary-based junior oil and gas company, which explores for, develops, produces, and sells crude oil, natural gas liquids and natural gas in Tunisia, Canada, Hungary and Romania. Winstar's common shares trade on the Toronto Stock Exchange under the symbol WIX.

Winstar's second quarter management discussion and analysis and unaudited financial statements and notes can be obtained at http://www.winstar.ca/investorinfo/financial_statements.html.



For further information, please contact:

Mr. David Monachello
President
Phone 403-513-4200
Email dmonachello@winstar.ca

or

Mr. Charles de Mestral
Chief Executive Officer
Phone: Toll-free (Canada and USA) 1-800-875-1217
(Note: Mr. de Mestral is based in Europe, in a time zone eight hours ahead of Calgary time)
Email: cdemestral@winstar-resources.ch