



## Winstar Releases Preliminary Test Results from Chouech Essaida No.9 Well in Southern Tunisia and Operational Updates for Various Activities in its Tunisian Concessions

**CALGARY - Winstar Resources Ltd.** Winstar Resources Ltd. ("Winstar" or the "Company") today releases updates on the following operations:

- Production test results from the newly drilled well Chouech Essaida No.9 (CES 9);
- Dual completion of well Chouech Essaida No.8 (CES 8);
- Production update for the well Ech Chouech No.1 (EC 1);
- Update on the construction of the new gas sales line from Chouech Essaida and the repair of the existing oil sales line;
- Operational update on the Sabria N3H well re-entry within the Sabria concession of West-Central Tunisia; and
- Update on the interpretation of the newly acquired and processed 3D seismic data over the Chouech Essaida and Ech Chouech concessions.

In addition, the Company will release a financial update for the three and nine month period ending September 30, 2008 during the week of November 10, 2008. Preliminary indications are that the Company will be reporting results consistent with its previously released guidance.

### Chouech Essaida No.9 (100% working interest)

Production Testing has now been completed on four distinct Triassic hydrocarbon zones in the well CES 9 with the following highly encouraging results:

Test Number	Interval: (m)	Oil/Condensate Rate (bbl/d)	Gas Rate (mcf/d)	Water Rate (bbls/d)	Total Hydrocarbon Rate (boepd)	Flowing Wellhead Pressure (psi)
1	2428.8 - 2431m	160	2790	98	620	2500
2	2413 - 2415m	130	124	128	150	272
3	2275 - 2277m	307	263	0	350	354
4	2261 - 2266m	392	273	0	437	522
<b>Total</b>		<b>989</b>	<b>3450</b>	<b>226</b>	<b>1557</b>	

Test number 3 and test number 4 are particularly significant as they represent new zones that have never been tested or produced in the Upper TAGI Triassic sandstone at Chouech Essaida. The quality of the oil in these upper sands is 41 degree API sweet crude, identical to the other producing wells in Chouech Essaida. These positive results have led to a re-examination of some established petrophysical assumptions that should lead to new play types for future drilling as well as recompletion potential in both producing and currently suspended wells.

Tests one and two are analogous to the lower zones tested and announced for Chouech Essaida No.1 (CES 1) in March, 2008 and are actually better in CES 9 than in CES 1 with respect to net pay and productivity. All four tests are expected to add significant new proved reserves to Winstar's books this year at a very attractive cost.

The CES 9 well is currently tied in and is expected to be producing to the Chouech Essaida Production Facility (the CPF) at a rate of approximately 350 bbls/d from the uppermost zone tested in the upper Triassic (Test 4) within the next several days. The plan in the near future is to mobilize the service rig from the CES 8 well to recomplete the CES 9 well in a configuration that will allow multiple zones to produce simultaneously. It is anticipated that this recompletion will be conducted in November of this year. The gas/condensate zone (Test 1) will likely not be produced until the completion of the new gas sales line in the first quarter of 2009 (see update below) and negotiation of a sales contract for non-associated gas.

#### **Chouech Essaida No.8 (CES 8) Well Dual Recompletion:**

Workover operations are nearing completion to allow simultaneous but segregated production from both zones successfully tested in CES 8 earlier this year (press release dated March 25, 2008). Following the recompletion, the well is expected to produce at a combined rate of 450-500 bbl/d and should be back in service in early November.

#### **Production Update for Ech Chouech No.1 (EC 1) Well (100% working interest):**

Following a well recompletion operation and the installation of a downhole pumping system, the EC 1 well has been producing from the Devonian Ouan Kasa sandstone formation (approximately 3500m depth) since August, 2008 to the CPF fourteen kilometres away. The well's production has gradually increased and is currently stable at a rate of 60 bbl/d of 41 degree API oil with a very minor amount ((less than)5%) of water. Winstar is very pleased with the establishment of stable production from its fifth concession in Tunisia. The well EC 1 also represents the Company's first production from the Devonian formation in Tunisia.

#### **Chouech Essaida Gas Sales Pipeline Project Update:**

The construction of the 100% working interest, six inch diameter, eighty kilometer gas pipeline from the CPF to the El Borma gas sales station is proceeding on schedule. Welding and inspection of the new line is approximately forty-five percent complete and is currently scheduled for full commissioning and start-up in January, 2009. Two sales gas compressors have been purchased and are currently being shipped to Tunisia from North America for installation in late November.

The existing six inch oil sales line was inspected earlier this year and was found to have external corrosion issues in need of repair. Five short sections of the line are currently being replaced. All of this repair work is being conducted with the line still in service to minimize any loss or interruption of production and oil sales. The repairs to the line are expected to be completed in November, 2008.

#### **Sabria North 3H (Sab N3H) Well Re-Entry (45% Working Interest):**

Operations have commenced on the re-entry of this well using a newly contracted 1500HP drilling rig (see press release dated August 14, 2008). To date, the original completion equipment has been recovered from the well and the physical integrity of the wellbore confirmed. Drilling of a 250-300m extension to the existing 400m horizontal drain has commenced. Upon the drilling of this extension, the Company plans to drill a second horizontal lateral of 550-600m in length. Drilling operations are expected to be complete by early December with production testing to the Sabria Production Facility to commence by the end of this year.

## **Update on the Chouech Essaida/Ech Chouech 3D Seismic Processing and Interpretation (100% Working Interest):**

Initial processing (by one of the two selected processing companies) of the 3D seismic data acquired in the first half of this year over the Chouech Essaida and Ech Chouech Concessions has been completed. The Company is very pleased to confirm that the preliminary indications of seismic anomalies announced in the September 17, 2008 press release have been confirmed and indeed have increased in number and definition. Interpretation is underway with preliminary drilling locations for the highly prospective Silurian Acacus formation expected in November. These preliminary drilling locations will be reviewed and confirmed upon receipt of the processing results from the second processing company, expected by the end of this year. In addition to the Acacus formation (that has been successfully explored for in the immediately offsetting Exploration Permits operated by OMV, Pioneer and ENI), Winstar will also be using this newly acquired seismic data set to define new drilling prospects in the shallower Triassic and Devonian formations.

## **Financial update for the third quarter of 2008**

With the current turmoil in the global capital markets, the Company takes the unprecedented move to give assurance to its shareholders that a preliminary review of the Company's financial results for the three and nine month period ending September 30, 2008 indicates that those results will be consistent with previously released guidance. Financial results will be formally released during the week of November 10, 2008, further to review and approval of the Audit Committee and Board of Directors. The Company has no debt, has unused lines of credit of \$6 million (which may be increased to \$10 million on satisfaction of certain conditions), which have been recently reaffirmed, and is expected to have a significant working capital surplus as of September 30, 2008. Management and the Board have been reviewing the capital expenditure budget and cash position under a wide range of conservative commodity price and drilling success scenarios for the remainder of 2008 and 2009. The Company has a number of options which allow it to continue to focus first on its high potential Southern Tunisian assets (Chouech Essaida, Ech Chouech and Sabria concessions), including commitments made in respect of drilling rigs as described in the Company's press release dated August 14, 2008, plus initiate its Romanian development as described in the Company's press release dated April 10, 2008, while maintaining a prudent and solid financial posture.

## **About Winstar**

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

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## **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.*

## **Forward Looking Statements**

*This press release contains 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 the Company'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 Winstar 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.*