



**Winstar Announces Record Funds from Operations for the Three and Nine Month Period of 2008
With One-time Non-Cash Write Down**

CALGARY, Alberta, Canada, November 10, 2008 – **Winstar Resources Ltd.** ('Winstar' or the 'Company') (TSX:WIX) is pleased to announce its operating and financial results for the third quarter and the first nine months of 2008.

Operating and Financial Summary

Winstar, a junior oil and gas company, focused on Tunisia with assets in Romania, Hungary and Canada, generated record third quarter 2008 funds from operations (\$10.45 million) and record nine month 2008 funds from operations (\$29.57 million) with production year over year being 10% lower (1,749 boepd) and 5% lower (1,786 boepd), respectively. Funds from operations netback per boe for the third quarter of 2008 increased 68% to \$64.15 from \$38.20 during the same period in 2007, while for the nine months of 2008 netback per boe increased 79% to \$60.00 as compared to \$33.58 in 2007. The collapse of the equity market and the corresponding devaluation of the Company's common shares resulted in a one-time \$9.3 million impairment of goodwill, a non-cash balance sheet item. This impairment resulted in a three and nine month loss of \$10.4 million and \$9.8 million, respectively, as compared to the equivalent periods in 2007, which recorded earnings of \$2.1 million and \$5.3 million respectively.

HIGHLIGHTS

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2008	2007	% Change	2008	2007	% Change
Sales and prices						
Natural gas sales (mcf/d)	2,082	3,435	(39)	2,560	4,069	(37)
Oil and NGL sales (boepd)	1,425	1,367	4	1,373	1,204	14
Average daily sales 6:1 (boepd)	1,772	1,940	(9)	1,799	1,882	(4)
Average natural gas price (\$/mcf)	10.30	7.13	44	9.68	8.21	18
Average oil and NGL price (\$/bbl)	106.49	75.68	41	109.16	71.56	53
Financial						
(Cdn \$ thousands except per share amounts)						
Oil and gas revenue	15,929	11,696	36	47,841	35,236	36
Funds from operations ⁽¹⁾	10,452	6,779	54	29,572	18,474	60
Per share – basic	0.31	0.22	39	0.87	0.64	35
Per share – diluted	0.30	0.22	35	0.85	0.64	34
Net (loss)/income	(10,422)	2,092	(598)	(9,834)	5,324	(285)
Per share – basic and diluted	(0.30)	0.07	(533)	(0.29)	0.18	(260)
Working capital at period end	14,218	24,723	(42)	14,218	24,723	(42)
Long term debt at period end	-	-	-	-	-	-
Shareholders' equity at period end	86,837	90,643	(4)	86,837	90,643	(4)
Common shares (thousands)						
Weighted average during the period – basic	34,203	29,744	15	34,100	28,742	19
Weighted average during the period – diluted	34,663	30,415	14	34,679	29,041	19
Outstanding at period end	34,223	33,845	1	34,223	28,740	19



(1) 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:

CDN \$ thousands	Three Months Ended		Nine Months Ended	
	2008	2007	2008	2007
September 30,				
Net Revenue (revenues including interest income less net royalties)	14,461	11,087	44,090	32,316
Less				
Operating	2,300	2,427	8,028	7,468
General and administration (excluding non-cash G&A)	1,461	1,205	4,469	3,486
Foreign exchange loss/(gain)	305	(41)	366	(42)
Other (income)/expense	205	43	139	201
Current tax (gain)/provision	(262)	674	1,516	2,729
Funds from operations	10,452	6,779	29,572	18,474

Production and Sales

Production was approximately equal to sales during the third quarter and nine months of 2008. From time to time, the Company may be unable to load all of its Tunisian oil production onto tankers for exportation. Oil is stored as inventory until oil is loaded into the tanker and sales are recognized. Sales may vary from production depending upon the timing of tanker sales and available capacity.

(boepd)	Three Months Ended Sept. 30,			Nine Months Ended Sept. 30,		
	2008	2007	% Change	2008	2007	% Change
Production	1,749	1,940	(10)	1,786	1,882	(5)
Sales	1,772	1,928	(8)	1,799	2,015	(10)

Production by Country/Area and Product

The Company produced 1,786 boepd during the first nine months of 2008, 76% oil and liquids and 24% natural gas as compared to 1,882 boepd, 64% oil and liquids and 36% natural gas during the equivalent period in 2007.

Improved performance in Tunisia of an incremental 161 boepd during the first nine months of 2008 helped to offset natural declines of 86 boepd and 172 boepd from Canada and Hungary, respectively, as compared to the first nine months of 2007.

For the nine months ended Sept. 30	2008			2007		
	Oil and liquid (bbl/d)	Gas (mcf/d)	Total (boepd)	Oil and liquid (bbl/d)	Gas (mcf/d)	Total (boepd)
Canada	137	1,177	333	161	1,546	419
Hungary	-	752	125	-	1,780	297
Tunisia						
Chouech Essaida/Ech Chouech	789	-	789	660	-	660
Sabria	326	630	431	275	622	379
Zinnia/Sanrhar	107	-	107	108	121	127
Tunisia Total	1,222	630	1,327	1,043	743	1,166
Total	1,359	2,559	1,786	1,204	4,069	1,882



Operating Netback

The following tables outline the netbacks by country for the three and nine month periods ended September 30, 2008 and 2007:

Three months ended September 30,	2008				2007			
	Canada	Hungary	Tunisia	Total	Canada	Hungary	Tunisia	Total
Sales volumes								
Oil sales (bbls)	13,762	-	117,293	131,055	15,256	-	109,491	124,747
Gas sales (mcf)	106,680	23,305	61,579	191,564	133,902	87,922	94,218	316,042
Total sales (boe)	31,542	3,884	127,556	162,982	37,573	14,654	125,194	177,421
-boepd	343	42	1,386	1,772	408	159	1,361	1,928

Per sales boe (CDN \$)								
Realized sales price	76.81	76.15	103.57	97.73	45.45	54.46	73.41	65.92
International royalty income	-	-	5.88	4.60	-	-	5.98	4.22
Royalties	(12.77)	(10.42)	(14.87)	(14.36)	(6.68)	(7.40)	(8.40)	(7.96)
Operating expense	(19.39)	(37.24)	(12.11)	(14.11)	(19.93)	(11.73)	(12.03)	(13.68)
General and administration	(9.35)	(83.93)	(4.45)	(8.97)	(9.86)	(5.29)	(1.68)	(6.79)
Current tax expense	-	(5.38)	2.22	1.61	-	-	(5.38)	(3.80)
Operating netback	35.30	(60.82)	80.24	66.50	8.98	30.04	51.90	37.91
Interest income	2.75	3.11	0.20	0.76	0.57	0.21	0.23	0.30
Foreign exchange gain/(loss)	-	(11.01)	(2.05)	(1.87)	-	-	0.33	0.23
Other income/(expense)	0.39	-	(0.05)	(1.24)	(1.21)	-	0.01	(0.25)
Funds from operations netback	38.44	(68.72)	78.34	64.15	8.34	30.25	52.47	38.19

Nine months ended September 30,	2008				2007			
	Canada	Hungary	Tunisia	Total	Canada	Hungary	Tunisia	Total
Sales volumes								
Oil sales (bbls)	37,463	-	338,633	376,096	44,052	-	320,883	364,935
Gas sales (mcf)	322,507	206,198	172,753	701,458	422,076	486,052	202,810	1,110,938
Total sales (boe)	91,214	34,366	367,425	493,005	114,398	81,009	354,685	550,091
-boepd	333	125	1,341	1,799	419	297	1,299	2,015

Per sales boe (CDN\$)								
Realized sales price	76.19	52.03	106.42	97.04	48.52	57.33	70.60	64.05
International royalty income	-	-	6.35	4.73	-	-	3.69	2.38
Royalties	(13.12)	(7.94)	(13.91)	(13.35)	(7.21)	(7.80)	(8.06)	(7.84)
Operating expense	(23.45)	(21.93)	(13.98)	(16.28)	(19.10)	(9.40)	(12.75)	(13.58)
General and administration	(5.66)	(15.55)	(4.69)	(9.06)	(13.00)	(3.66)	(1.87)	(6.34)
Current tax expense	-	(1.27)	(4.01)	(3.07)	-	-	(7.69)	(4.96)
Operating netback	33.96	5.34	76.18	60.01	9.21	36.47	43.92	33.71
Interest income	4.39	1.35	0.14	1.01	0.19	0.30	0.11	0.15
Foreign exchange gain/(loss)	(0.05)	(1.23)	(0.87)	(0.74)	-	0.07	0.11	0.08
Other income/(expense)	0.75	-	(0.04)	(0.28)	(1.79)	-	0.01	(0.37)
Funds from operations netback	39.05	5.46	75.41	60.00	7.61	36.84	44.15	33.57



Capital Program (including exploration activities)

(Cdn \$ thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2008	2007	2008	2007
Tunisia	17,045	2,928	16,613	5,162
Canada	149	370	2,343	17,080
Hungary	2,232	65	3,720	(30)
Romania	150	-	52	-
Total	19,746	3,363	22,728	22,212

Overview

Winstar delivered record funds from operations during the third quarter of 2008 while incurring a one-time non-cash write off.

The Company generated record funds flow for the three and nine month period of \$10.4 million and \$29.6 million respectively, as compared to the equivalent periods in 2007 at \$6.8 million and \$18.5 million. With such strong nine months results, the Company expects a record year even with the sharp decline of commodity prices during the fourth quarter to date. The Company further expects that during the next six months, the Company will be increasing production, which again will place the quarterly funds flow on an appreciating profile presuming commodity prices stabilize at or near current levels.

The collapse of the equity market during September and October 2008 and the corresponding devaluation of the Company's common shares resulted in a one time \$9.3 million impairment of goodwill, during the third quarter of 2008. The impairment was a result of the decrease in the Company's market capitalization and the Company's focus on its international assets which eroded the excess value that was assigned to the Company's Canadian assets at the time of the merger in 2005. This impairment plus exploration costs deducted from earnings under 'successful efforts accounting' resulted in a three and nine month loss of \$10.4 million and \$9.8 million, respectively, as compared to the equivalent periods in 2007 which had earnings of \$2.1 million and \$5.3 million.

The Company continued its Tunisian-focused business plan during the third quarter. In southern Tunisia at the Chouech Essaida Concession, the new well CES #9 production tested 1,557 boepd (100% Winstar). This well is currently flowing oil at a rate of 240 bopd and 45 bbls/d of water, with solution gas of approximately 40 boepd flared from its top two zones (tests #3 and 4) and the well is expected to decline further. At the Ech Chouech Concession, the previously suspended Ech Chouech #1 well was recompleted and is contributing 60 bbl/d (100% Winstar), marking the Company's first production from this concession. During the next 3-4 months, Winstar should realize the significant production increases resulting from the wells CES #8 and CES #9 as well as the start-up of the Chouech Essaida gas sales line. With success, the positive results of these operations combined are expected to add in excess of 800 boepd to the Company's net production base.

At the Sabria Concession in central Tunisia, the Sabria North-3H oil well (45% Winstar) is being re-entered. The recompletion expected to be finished by year's end, includes extending the existing horizontal hole and drilling a new second horizontal drain using the 1,500 horsepower new rig imported by Winstar from North America last August. The Company is hopeful that this program will significantly increase the productivity and reserve life of this pre-existing well.

On October 31, 2008, the Company announced that Mr. Evgenij Iorich with Pala Investments AG, a Switzerland-based advisor to a Jersey, Channel Islands investment fund, was joining the Board of Directors. The Pala group, at the time of this announcement, held approximately 18% of the common shares of Winstar. The addition of Mr. Iorich to our Board will be a source of renewed strength and diversity.



During this period, management and Board have reviewed our financial prospects under numerous and arduous commodity price and drilling success scenarios. This review has enabled the Company to re-prioritize its capital budget. Specific predictions are difficult in these turbulent times, but our overall plan is to concentrate our efforts first in southern Tunisia, secondly in central Tunisia and then in Romania. Other projects are deferred until markets stabilize.

Winstar shareholders should rest assured that their Company is sound and well prepared to weather the current situation. Over the past three years, Winstar's prudent financial management in avoiding structural debt, maintaining a positive working capital balance year over year and expending funds for capital programs as a function of success and within current means, has given the Company resilience and sustainability.

BOE

References herein to 'boe' mean barrels of oil equivalent derived by converting gas to oil in the ratio of 6,000 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 six 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. The Company also presents funds from operations per share whereby 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, goals, 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 involved 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 third quarter management discussion and analysis and unaudited financial statements and notes can be obtained at http://www.winstar.ca/investorinfo/financial_statements.html.

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