



**Winstar Resources**  
**Q1 2009 Results Consistent with Q4 2008**

**CALGARY, May 13, 2009 – Winstar Resources Ltd.** (“Winstar” or “the Company”) (TSX: WIX) releases its operating and financial results for Q1 2009.

Winstar’s Q1 2009 operational results are an extension of Q4 2008. During the Q1 2009, the Company produced and sold 1,581 boepd (290 boepd in Canada, 75 boepd in Hungary and 1,216 boepd in Tunisia), which is comparable to Q4 2008 when Winstar produced and sold 1,550 boepd. Current production is 1,750 boepd, which will hopefully increase further depending upon ongoing field work in Tunisia.

Q1 2009 funds from operations were \$2.6 million, as compared to \$5.3 million for the preceding quarter. Lower funds from operations during the period ended March 31, 2009, is attributable to: a \$0.9 million decrease in oil and gas revenue (as the average sales price dropped to \$54 per boe during Q1 2009, compared with \$60 per boe during Q4 2008); and a \$1.8 million increase in current tax expense (as Q1 2009 taxes are estimated at \$0.2 million versus the recorded credit, in Q4 2008, of \$1.6 million). If commodity prices remain in the range currently observed,, Winstar would sell its crude oil during Q2 2009 for a significant premium over Q1 2009.

The following table illustrates the quarter over quarter variances in production, revenue and expenses:

	<b>Q1 2009</b>	<b>Q4 2008</b>	<b>Variance Q1/09 vs Q4/08</b>
Production and Sales	1,581 boepd	1,550 boepd	31 boepd
	<b>\$ 000s Cdn</b>	<b>\$ 000s Cdn</b>	
Oil and Gas Revenue	7,661	8,536	(875)
Net Royalty	(772)	(937)	165
Net Operating	(2,728)	(2,737)	9
General and Administrative (excluding non-cash stock based compensation)	(1,345)	(1,255)	(90)
Cash Income Tax	(221)	1,669	(1,890)
Other	16	(19)	35
Funds from Operations	2,579	5,257	(2,646)

The Company reported a loss of \$1.0 million in Q1 2009, as compared to a loss of \$3.8 million for Q4 2008, which included \$3.9 million of expenses related to the expiry of undeveloped land. As of March 31, 2009, the Company recorded a negative working capital of \$6.2 million, versus a positive working capital of \$2.0 million as at December 31, 2008.

During Q1 2009, the Company spent \$10.4 million on capital expenditures (all in Tunisia) as compared to \$19.5 million (all in Tunisia) in Q4 2008. Additional capital expenditures are dependent on internally generated funds from operations or the successful farming out of a select number of 100% assets, whereby third party capital is spent on Winstar’s land base.

## Operating and Financial Summary:

Highlights (CDN \$ thousands)	Three Months Ended March 31,			Q1	Q4	% Change
	2009	2008	% Change	2009	2008	
<b>Sales and Prices</b>						
Natural gas sales (Mcf/d)	1,978	3,489	(43)	1,978	1,553	27
Oil and NGL sales (boepd)	1,251	1,312	(5)	1,251	1,291	(3)
Average daily sales 6:1 (boepd)	1,581	1,893	(16)	1,581	1,550	2
Average natural gas price (\$/Mcf)	8.70	8.40	4	8.70	10.84	(2)
Average oil and NGL price(\$/bbl)	54.27	97.55	(44)	54.27	58.83	(8)
<b>Financial (\$)</b>						
Oil and gas revenue	7,661	12,064	(36)	7,661	8,536	(10)
Funds from operations	2,579	7,292	(65)	2,579	5,257	(51)
Per share - basic	0.08	0.21	(64)	0.08	0.15	(50)
Diluted	0.08	0.21	(64)	0.08	0.15	(50)
Net (loss)/income	(1,033)	1,368	(176)	(1,033)	(3,810)	(73)
Per share - basic	(0.03)	0.04	(175)	(0.03)	(0.11)	(73)
Diluted	(0.03)	0.04	(175)	(0.03)	(0.11)	(73)
Working capital at period end	(6,175)	22,223	(128)	(6,175)	1,992	(410)
Long term debt at period end	-	-	-	-	-	-
Shareholders' equity at period end	93,254	95,430	(2)	93,254	92,187	1
<b>Common Shares (thousands)</b>						
Weighted average during the period						
- Basic	34,223	34,022	1	34,223	34,223	-
-Diluted	34,223	34,749	(2)	34,223	34,223	-
Outstanding at period end	34,223	34,064	0	34,223	34,223	-

## Production

Production, as expected, during Q1 2009 was consistent with the Q4 2008. Additional production is expected in Q2 with the commissioning of the gas sales line from Chouech Essaida to El Borma and with successful results of the current recompletions at Chouech Essaida.

	Q1 2009			Q4 2008		
	Oil and Liquid (bbl/d)	Gas (mcf/d)	Total (boepd)	Oil and Liquid (bbl/d)	Gas (mcf/d)	Total (boepd)
<b>Canada</b>	109	1,084	290	115	1,318	335
<b>Hungary</b>	-	453	75	-	-	-
<b>Tunisia</b>						
Chouech Essaida/Ech Chouech	827	-	827	814	-	814
Sabria	209	441	283	244	537	333
Zinnia/Sanrhar	106	-	106	110	-	110
<b>Tunisia Total</b>	<b>1,142</b>	<b>441</b>	<b>1,216</b>	<b>1,168</b>	<b>537</b>	<b>1,317</b>
<b>Total</b>	<b>1,251</b>	<b>1,978</b>	<b>1,581</b>	<b>1,291</b>	<b>1,554</b>	<b>1,550</b>

## **Operational Update**

### **Tunisia**

During Q1 2009, Winstar's capital investment program continued to focus on the re-entry of the Sabria N3H well and the construction of the Chouech Essaida sales pipeline and related compression facilities. The re-entry operation at Sabria N3H consisted of drilling two new horizontal laterals from the existing wellbore. The Sabria N3H well is currently producing in a relatively stable condition at the rate of 160 - 170 boepd (gross). Winstar, with its 45% net working interest, is the operator of the Sabria concession with its 55% working interest partner, l'Entreprise Tunisienne d'Activités Pétrolières (ETAP).

The Chouech Essaida gas sales pipeline and the associated compression and sales measurement facilities were completed and commissioned at the end of March, 2009. Gas started to flow in early April. The gas line has a current capacity of 400,000 m<sup>3</sup>/d (14 mmscf/d) of gas and the two compressors have a combined capacity of 170,000 m<sup>3</sup>/d (6.0 mmscf/d). Current production is limited to 35,000 m<sup>3</sup>/d (1.2 mmscf/d) due to technical issues and the associated reduced take-away capacity in the main gas sales pipeline operated by the Tunisian national utility company, STEG. These issues are being addressed by STEG and it is anticipated that gas sales from Chouech will gradually increase through the year as more capacity becomes available.

The interpretation of the 400 square kilometers of new, high quality 3D seismic acquired over Winstar's 100% working interest Chouech Essaida and Ech Chouech concessions has continued. The Company is pleased and optimistic about the growing inventory of drilling opportunities that the new seismic has identified. Numerous opportunities exist in four main horizons: the Triassic, Devonian, Silurian and the Ordovician geologic horizons are all presenting strong leads and prospects.

### **Canada**

Production from Winstar's properties in Alberta during the Q1 2009 averaged 290 boepd, compared to 336 boepd in the Q1 2008 and 297 boepd in Q4 2008. Production was impacted by natural declines in the various producing wells and some wells being temporarily shut in due to cold weather.

Investment in the Company's Canadian assets during 2009 will be limited to minor activities that are required to maintain existing production.

### **Hungary**

Production during Q1 2009 averaged 75 boepd compared to none in the Q4 2008. The propane gas enrichment system installed early in early Q1 2009 continued to function well. Production is expected to continue to the end of May and then will be shut-in during the summer months with the expectation of re-starting by Q4 2009 if gas prices recover. Significant exploration upside has been identified in the Company's exploration permit and Winstar is actively searching for a farm-in partner to evaluate this potential.

### **Romania**

There were no field operations in the Satu Mare Exploration Permit during Q1 2009. The Company is actively pursuing the accumulation and interpretation of available technical data with the intent to be ready for seismic and drilling operations in 2010.

## **Plans and Perspectives for 2009**

For the balance of 2009, under a commodity price forecast of \$45-\$50 US per barrel Brent, the Company expects to limit further capital investment and will instead focus available funds to the repayment of its existing line of credit, the ramping up of gas sales from Chouech Essaida, re-establishing production from suspended wells at Chouech Essaida and Ech Chouech and improving individual well reliability and performance. If additional funds become available, they may be directed to the repair of the well CS#8 and the drilling and testing of new well locations at Chouech Essaida and Ech Chouech.

### **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 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. 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 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, expect as required by law.

*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 Tunisia, Canada, Hungary and Romania. Winstar's common shares trade on the Toronto Stock Exchange under the symbol WIX.*

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