



Winstar releases Q1 2010 results, preliminary drilling results from Tunisia and an update on farmout processes in Tunisia and Hungary

Calgary, Alberta, May 11, 2010, Winstar Resources Ltd. ("Winstar" or "Company") is pleased to announce its financial and operating results for the three month period ended March 31, 2010 (all dollar values are expressed in Canadian dollars unless otherwise stated). With the sale of Winstar's Canadian assets, effective September 1, 2009, the results from the Canadian segment of operations are being presented as "discontinued operations" in this document.

As well, the Company is releasing preliminary drilling results from two development wells within the Triassic Chouech Essaida field of southern Tunisia, and a progress report on its farmout process in Hungary and southern Tunisia (Ech Chouech concession).

Q1 2010 financial and operating results as compared to Q1 2009.

- Field operating netbacks in Tunisia were \$55.36 per boe; a 69% increase as compared with Q1 2009.
- Funds from continuing operations were \$5.8 million (\$0.17 per share); 152% higher than that reported in Q1 2009.
- Net income from continuing operations was \$419,000 (\$0.01 per share); as compared to a \$789,000 loss in Q1 2009.

Funds from continuing operations during Q1 2010 were \$5.8 million, which are a significant improvement relative to Q1 2009 of \$2.3 million. Higher funds from continuing operations were a result of oil prices being 45% higher year over year and a 17% increase in production and continued cost control.

Winstar produced an average of 1,505 barrels of oil equivalent per day (boepd) during Q1 2010 from its operations in Tunisia and Hungary compared to 1,291 boepd in Q1 2009 and 1,816 in Q4, 2009. Current production, subsequent to the end of Q1 2010, is approximately 2,000 boepd. Production has increased recently because:

- Mechanical compressor problems with STEG (the Tunisian national gas utility and buyer of the gas from Chouech Essaida) have been partially resolved with the effect that current gas sales are approximately 200 boepd. Winstar is working in concert with STEG to find a longer term solution with the aim of increasing our sales to 450 to 500 boepd.
- The well, Chouech Essaida 7 (CS#7), is now back in service producing 170 boepd following the replacement of a down-hole electrical submersible pump.
- The well, Ech Chouech 1 (EC#1), is now back in service at 125 boepd subsequent to a workover to clean sediment from the bottom of the well that was impeding oil production.

The Company currently has two significant operations ongoing at the Chouech Essaida 8 well (CS#8) and Chouech Essaida 11 well (CS#11), which are expected to add incremental production by early June 2010.

| Financial and operating results summary from continuing operations (excluding Canada) | | | |
|--|-----------------------------|---------|--------|
| | Three Months Ended March 31 | | |
| Financial | 2010 | 2009 | Change |
| Oil and gas sales | 10,529 | 6,688 | 57% |
| Net royalty | (1,042) | (648) | 61% |
| Operating expense | 2,170 | 2,212 | (2%) |
| General and administrative (excludes non-cash stock based compensation) | 1,349 | 1,345 | 0% |
| Current income tax | - | 212 | (100%) |
| Funds from operations | 5,815 | 2,345 | 148% |
| Basic and diluted per share | 0.17 | 0.07 | |
| Net income (loss) | 419 | (789) | |
| Basic and diluted per share | 0.01 | (0.02) | |
| Capital expenditures | 7,682 | 10,385 | (26%) |
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| Long-term debt | - | - | - |
| Common shares outstanding | | | |
| Basic (weighted average) | 34,236 | 34,223 | - |
| Diluted (weighted average) | 34,538 | 34,223 | 1% |
| Operational | | | |
| Total production (boepd) | 1,505 | 1,291 | 17% |
| Total sales (boepd) | | | |
| Oil (bopd) | 1,312 | 1,142 | 15% |
| Average price (\$ per bbl) | 80.30 | 55.40 | 45% |
| Gas (mcfpd) | 1,209 | 893 | 36% |
| Average price (\$ per mcf) | 9.56 | 12.35 | (22%) |
| Operating expense (\$ per boe) | 15.92 | 19.03 | (16%) |
| Financial and operating results summary from discontinued and continuing operations | | | |
| Oil and gas sales | 10,529 | 7,661 | 37% |
| Net royalty | (1,042) | (772) | 35% |
| Operating expense | 2,170 | 2,728 | (21%) |
| Current income tax | - | 212 | 100% |
| Funds from operations | 5,970 | 2,578 | 131% |
| Basic and diluted per share | 0.17 | 0.08 | |
| Net income (loss) | 537 | (1,033) | |
| Basic and diluted per share | 0.02 | (0.03) | |
| Operational | | | |
| Total production (boepd) | 1,505 | 1,581 | (5%) |
| Total sales (boepd) | | | |
| Oil (bopd) | 1,309 | 1,252 | 5% |
| Average price (\$ per bbl) | 80.30 | 54.27 | 48% |
| Gas (mcfpd) | 1,213 | 1,977 | (39%) |
| Average price (\$ per mcf) | 9.56 | 8.70 | 10% |
| Operating expense (\$ per boe) | 15.92 | 19.17 | (17%) |

Preliminary drilling results from re-entry CS#8 and CS#11

- The re-entry and side-track operation at CS#8 encountered numerous operational challenges, which extended the original estimated completion date of mid-April 2010 by six weeks to the end of May 2010. The new side-track borehole, located about 50 meters from the original, has encountered the two expected productive zones 3 - 4 meters structurally higher and 50% - 100% thicker as compared to the original well. CS#8 has been completed in both zones and testing is underway with results expected to be announced in early June 2010.
- The CS#11 location, which was spudded at the end of March 2010, was completed on May 6, 2010 within expected time and costs. The well appears, from open hole well logs, to have four separate pay zones. CS#11 has been completed in all the zones and testing is underway with results expected by the end of May.

Upgrades at Chouech Essaida Central Production Facility

In anticipation of increased production and also to optimize existing facility performance, a new three phase group separator was installed and commissioned at the Chouech Essaida Central Production Facility. Current processing capacity is estimated to be 4,000 to 5,000 bopd. In addition, the existing electrical generation equipment was upgraded to convert fuel usage from purely diesel to a mixture of diesel and natural gas, significantly reducing diesel consumption and associated operating costs. Future plans are to further revamp the electrical generation facilities to further convert to 100% natural gas and also to increase the overall capacity of the installation to accommodate future electrical equipment.

Progress report on its farmout process in Hungary (Igal II and Torokkoppany) and southern Tunisia (Ech Chouech concession)

Hungary

In Hungary, the Company continues the process to find a partner(s) to fund the drilling of a well and acquiring of a 2D seismic program that will satisfy the extension requirements for the Igal II permit. However, no transaction has been entered into as of this date. The Company has proceeded to obtain all necessary approvals for the seismic acquisition program that could be carried out this summer.

Efforts continue to evaluate the economic potential to convert the existing Torokkoppany gas field into a gas storage facility and partners with the technical and marketing capability for such a project are actively being sought.

Southern Tunisia

The Company began a search to find partner(s) for the Ech Chouech concession to accelerate the Silurian drilling campaign and prove up the high potential, high impact exploration targets identified by 3D seismic. This farm-out process is ongoing but no transaction has been entered into as of this date.

If acceptable farm-out terms cannot be reached with potential partner(s), Winstar intends to conduct the deepening of Ech Chouech South 1 well (ECS#1) to test the Silurian potential later in 2010 with its own financial resources. The Company has signed a "Letter of Intent" with a major drilling contractor already active in Tunisia for a rig capable of deepening the ECS#1 well by some 1,500 meters, to test a deeper Silurian drilling target evident on 3D seismic. Dependent on rig availability, this well deepening project is expected to commence in the fall 2010 and to complete in 30 days. The Company may also exercise its option for two additional wells with the same rig immediately following the ECS#1 deepening.

With experienced management and skilled employees worldwide to direct and guide our production prospects, the Board of Directors and management are excited about Winstar's future.

**Annual and Special General Meeting
will be held
Tuesday, May 11, 2010 at 3pm,
Calgary Petroleum Club (Viking Room)
319- 5th Ave SW, Calgary, Alberta, Canada.**

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 6 mcf: 1 bbl is based upon an energy conversion method primarily applicable at the burner tip and does not necessarily represent a value equivalency at the wellhead.

Non-GAAP Measures

Funds from operations are a non-GAAP measure, defined by the Company as cash flow from operating activities excluding:

- The change in non-cash working capital related to continuing and discontinued operations, which is eliminated to show the net cash effect on income;
- Geological and geophysical expenses from continuing and discontinued operations, which are costs incurred for the purpose of generating future investment opportunities and are therefore not indicative of operational performance; and
- Expenditures on asset retirement obligations and reclamation, which are also not indicative of operational performance.

Management uses funds from operations to analyze performance and considers it to be a key measure as they demonstrate the Company's ability to generate the cash necessary to fund future capital investments. Winstar's determination of funds from operations may not be comparable to that reported by other companies nor should they 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.

Field operating netback is a non-GAAP measure defined by the Company as revenue, plus international royalty income less royalty, operating expense and current income tax. Management considers field operating netbacks an important measure as they demonstrate the Company's profitability from field operations, before general and administrative costs, relative to current commodity prices.

Forward-looking Statements

This press release contains certain forward-looking statements. These statements relate to future events or future performance of the Company. 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 a number of 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 other public disclosures made by the Company or 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 involving geology of oil and gas fields and 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 declaration. 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, Hungary and Romania. Winstar's common shares trade on the Toronto Stock Exchange under the symbol WIX.

Winstar's interim financial statements and management discussion and analysis for the three month periods ended March 31, 2010 can be obtained at www.winstar.ca

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