



Winstar Releases Record 2006 First Quarter Results and an Increased Capital Budget

CALGARY, May 15, 2006 – Winstar Resources Ltd. (“Winstar” or “the Company”) (WIX: TSX Venture Exchange) today released its financial and operating results for the three month period ended March 31, 2006.

HIGHLIGHTS:

Q1 2006 financial results are significantly above the equivalent period in 2005 and comparable to Q4 2005. The first quarter of 2006 is the second full quarter since the August 2005 merger with Athanor B.V.

- **Production : 1,918 boepd** (470 boepd Q1 2005, 1679 boepd Q4 2005)
- **Oil and gas sales revenue: \$8.8 million** (\$2.0 million Q1 2005, \$9.3million Q4 2005)
- **Cash flow from operations: \$5.2 million or \$0.18/share** (\$0.5 million Q1 2005, \$5.4 million Q4 2005)
- **Net income: \$1,414,048 or \$0.05/share** (net loss (\$82,800) Q1 2005, net loss (\$68,822) Q4 2005)
- **Working capital: \$17.2 million** (\$4.7 million Q1 2005, \$14.9 million Q4 2005)
- **2006 capital budget:** increased from \$25 million to \$26.7 million

HIGHLIGHTS	Three Months Ended March 31		%	Q1 2006	Q4 2005	%
	2006	2005				
Sales and Prices						
Natural gas sales (Mcf)	773,930	53,786	1,139	773,930	628,103	23
Oil and NGL sales (bbls)	48,459	28,555	70	48,459	67,974	(29)
Average daily sales 6:1 (boepd)	1,972	417	373	1,972	1,877	5
Average natural gas price (\$/Mcf)	7.24	4.94	47	7.24	8.15	(11)
Average oil and NGL price (\$/bbl)	66.66	59.74	12	66.66	61.65	8
Financial (\$)						
Oil and gas revenue	8,831,013	1,971,691	348	8,831,013	9,308,223	(5)
Cash flow from operations	5,189,806	476,304	990	5,189,806	5,370,248	(3)
Per share, basic and diluted	0.18	0.04	350	0.18	0.19	(5)
Net income/(loss)	1,414,048	(82,800)	1,808	1,414,048	(68,822)	2,155
Per share, basic and diluted	0.05	(0.01)	600	0.05	0.00	1,983
Working capital at period end	17,242,818	4,678,356	269	17,242,818	14,864,484	16
Long term debt at period end	-	-	-	-	-	-
Shareholders' equity at period end	66,181,671	20,113,495	229	66,181,671	64,858,711	2
Common Shares						
Weighted average during the period – Basic and diluted	28,563,606	11,395,177	151	28,563,606	28,378,731	1
Outstanding at period end	28,563,606	11,395,177	151	28,563,606	28,563,606	-

(Note: Q1 2005 results include only the results of Athanor B.V. in Tunisia)

The Board, on May 12, 2006 increased the Company's 2006 capital budget by \$1.7 million to \$26.7 million (\$11.0 million Canada, \$12.9 million Tunisia and \$2.8 million Hungary). This budget increase, plus minor reallocations, affords the drilling of two high impact wells (45% working interest) within the Sabria Concession in west central Tunisia.

OVERVIEW OF OPERATIONS

Canada

Net Alberta production during the first three months of 2006 was 390 boepd, compared to 509 boepd for Q4 2005 (no Q1 2005 comparable). Quarter over quarter production was lower due to natural declines and facility down-time. Exit Q2 production is expected to increase to approximately 550 boepd as approximately 200 boepd behind pipe is tied in.

The Company began its capital program in March when field equipment first became available. During Q1 2006, the Company drilled two gross (1.0 net) wells, completed two gross (1.0 net) 2005 wells and reactivated two gross (1.0 net) pre-existing wells, resulting in one gross (0.5 net) oil well, three gross (1.5 net) gas wells and two gross (1.0 net) indicated gas wells.

Q1 field activity represents \$1.7 million of the Board approved \$10.7 million capital program (10 to 12 gross well drills and 3 to 4 gross well reactivations) planned for Alberta during the year.

Tunisia

Net Tunisian production (which may not be equivalent to sales) during the first three months of 2006, was 405 boepd, compared to 454 boepd for Q4 2005 and 470 boepd for the comparable period in 2005. Quarter over quarter production was down as producing wells in Chouech Essaida and Zinnia were taken off line.

As of early May 2006, 3 gross (3 net) recompletions or workovers had been completed. At Zinnia, upgraded down hole pumping equipment and tubulars enhanced production from 80 boepd to 150 boepd. Recompletions at two Chouech Essaida wells increased production from 80 bopd to 280 bopd. Winstar has four additional 2006 reactivations or recompletions scheduled for existing wells at the Zinnia, Sabria, Sanrhar, Chouech Essaida and Ech Chouech concessions. As of this date, Winstar is producing approximately 750 boepd in Tunisia.

The highest impact project for 2006 is the two well infill development (\$8 million net) drilling program at Sabria (operated by Winstar, 45% working interest) currently scheduled to begin in late July or early August with results expected 90 to 120 days later.

Hungary

Net Hungarian production during the first three months of 2006, was 1,123 boepd, compared to 716 boepd for Q4 2005 (no Q1 2005 comparable). Production during Q2 and Q3, 2006 is expected to average 150 to 200 boepd as demand, earlier driven by the winter heating season, is reduced with the onset of warmer weather.

The Company continues to forecast an average 2006 Hungarian production of 500 to 550 boepd.

During 2006, the Company plans to add compression to its 100% owned and operated gas plant at Torokkoppány and expects to drill up to two exploratory wells for a net \$2.8 million. Pre-planning is well underway, with activity anticipated to begin during the second half of the year.

Consolidated

The Company produced (which may not be equivalent to sales) a net 1,918 boepd during the first three months of 2006, compared to 1,679 boepd during Q4, 2005 and 470 boepd during the comparable period in 2005 (Athnor B.V. only).

The Company is pleased with its Q1, 2006 results and continues to forecast Q2 and Q3, 2006 production rates of 1300 to 1350 boepd and 2006 production averaging 1,600 to 1,800 boepd, with an exit rate of more than 2,500 boepd.

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

"Cash flow from operations" is a non-GAAP financial measure that does not have any standardized meaning prescribed by Canadian Generally Accepted Accounting Principles ("GAAP") and is therefore unlikely to be comparable to similar measures presented by other reporting issuers.

Management believes this term is useful as an indicator of the Company's ability to fund future capital expenditures. Cash flow from operations is calculated before changes in non-cash working capital.

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 vary 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*
- *Winstar's capital expenditure program.*

With respect to forward-looking statements in this press release, Winstar has made assumptions, regarding, among other things:

- *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.*

Winstar's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in Winstar's interim report for the three months ended March 31, 2006:

- *The risks of the oil and gas industry, such as operational risks in exploring for, developing and producing crude oil and natural gas, and market demand;*
- *Risks and uncertainties involving geology of oil and gas deposits*
- *General economic conditions;*
- *Volatility in global market prices for oil and natural gas;*
- *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.

About Winstar

Winstar advises that its 2006 first quarter interim report is anticipated to be mailed to shareholders on or about the last week of May 2006. The first quarter interim report, which includes management's discussion and analysis and unaudited comparative financial statements for the three months ended March 31, 2006 and 2005 is also being filed today with applicable securities regulators and will be available on www.sedar.com.

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 and Hungary. Winstar's common shares trade on the TSX Venture Exchange under the symbol WIX.

For further information, please contact:

Robert Cowper,
Chief Financial Officer and Manager of Investor Relations:
Phone: 403-205-3722, extension 238
Email: rcowper@winstar.ca

Or

Charles de Mestral
Chief Executive Officer:
Phones (from Canada or USA only) Toll free 1-800-875-1217, or +41 22 949 10 40.
(Note: Mr. de Mestral is based in Europe, in a time zone eight hours ahead of Calgary time)
Email: cdemestral@winstar-resources.ch

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or the accuracy of this news release.