



Winstar Resources Ltd. Reports Record Cash Flow from Operations of \$3.1 Million in Q3 2006 and Record \$38 Million Capital Budget for 2007

CALGARY, November 15, 2006 – Winstar Resources Ltd. (“Winstar” or “the Company”) (WIX: TSX Venture Exchange) today released its financial and operating results for the three and nine months ended September 30, 2006. Winstar significantly increased its production, cash flow from operations and sales revenue during the third quarter and first nine months of 2006 compared with the same periods of 2005.

Winstar's year-over-year growth, in the third quarter of 2006 compared with 2005, is primarily a result of the Company's merger with Athanor B.V. in August 2005 and Athanor's acquisition of Hungarian assets in June 2005. The positive impact of these transactions is illustrated by increases in all key parameters compared with the equivalent period of 2005.

Compared with the second quarter of 2006, Winstar maintained its production at 1,319 boepd, sales revenue at \$6.7 million, working capital at \$15.4 million and unused bank lines despite unexpected field repairs, corresponding high operating costs and one-time general and administrative expenses.

Winstar's drilling activity in Canada, Hungary and Tunisia puts the Company on track for an anticipated exit 2006 production rate of more than 2,500 barrels of oil equivalent per day (boepd).

On November 14, 2006, Winstar's Board of Directors approved a 2007 capital budget of \$38 million. The budget, subject to quarterly adjustments, is designed to aggressively exploit Winstar's Tunisian assets, maintain and grow its Canadian production base and continue to explore for high-impact prospects in Hungary.

Highlights for the three months ended September 30, 2006

- **Production sales up 217% to 1,319 boepd** (416 boepd Q3 2005)
- **Petroleum and natural gas sales up 231% to \$6.7 million** (\$2.0 million Q3 2005)
- **Cash flow from operations up 827% to \$3.1 million, or \$0.11 per share** (\$0.3 million or \$0.02 per share Q3 2005)
- **Cash flow netback per boe up 113% to \$25.45** (\$11.93 Q3 2005)
- **Working capital maintained at \$15.4 million** (\$15.6 million Q3 2005)

Highlights for the nine months ended September 30, 2006

- **Production sales up 250% to 1,531 boepd** (437 boepd first nine months 2005)
- **Petroleum and natural gas sales up 241% to \$22.2 million** (\$6.5 million first nine months 2005)
- **Cash flow from operations up 535% to \$12.1 million, or \$0.43 per share** (\$1.9 million or \$0.14 per share first nine months 2005)
- **Cash flow netback per boe up 66% to \$28.81** (\$17.33 first nine months 2005)

Highlights	Nine Months Ended September 30			Three months Ended September 30		
	2006	2005	% Chg.	2006	2005	% Chg.
Sales and Prices						
Natural gas sales (Mcf/d)	5,400	1,088	396	3,824	1,858	106
Oil and NGL sales (boepd)	631	256	147	681	106	542
Average daily sales 6:1 (boepd)	1,531	437	250	1,319	416	217
Average natural gas price (\$/Mcf)	6.99	7.21	(3)	6.67	8.59	(22)
Average oil and NGL price (\$/bbl)	69.23	62.66	10	69.45	56.90	22
Financial (\$)						
Oil and gas revenue	22,228,436	6,513,408	241	6,700,218	2,022,037	231
Cash flow from operations	12,141,314	1,910,846	535	3,094,782	333,824	827
Per share, basic and diluted	0.43	0.14	210	0.11	0.02	527
Net income/ (loss)	1,858,921	(1,414,356)	-	(402,650)	(1,845,776)	-
Per share, basic and diluted	0.07	(0.10)	-	(0.01)	(0.10)	-
Working capital at period end	15,371,663	15,602,585	(1)	15,371,663	15,602,585	(1)
Long-term debt at period end	-	-	-	-	-	-
Common Shares						
Weighted average during the period - Basic and diluted	28,563,606	14,053,828	103	28,563,606	19,313,334	48
Outstanding at period end	28,563,606	28,336,351	1	28,563,606	28,336,351	1

Q3 2006 OPERATIONAL HIGHLIGHTS

Canada:

Average Canadian production for the third quarter of 2006 increased by 30% to 616 boepd compared with 474 boepd in the previous quarter and 182 boepd in the third quarter of 2005. November 2006 average production is expected to exceed 650 boepd.

Winstar added significant production volumes through one well completion and tie-in at Ferrier, one well tie-in at Brazeau and one well re-activation at Sturgeon Lake. Additional production was negatively affected by third-party operated facilities and pipelines. A key well in Strachan was taken offline to prepare the well bore for a sidetrack re-entry into an adjacent Leduc structure spudded in early November. If successful, the Strachan re-entry well is expected to significantly impact the Company's Canadian reserves and increase production as early as December 2006. Winstar's working interest in the Strachan well is 70%.

Tunisia:

Production (sales) in Tunisia during the third quarter of 2006 averaged 600 boepd compared with 617 boepd in the previous quarter. Production during the third quarter was lower than anticipated as downhole pumps unexpectedly failed due to malfunctions of the downhole pump cables.

The drilling program for two (0.9 net) new multi-lateral wells in Sabria was finalized and approved by Winstar's partner, ETAP, the national oil petroleum company of Tunisia. All the equipment and services have been sourced and moved into place. Construction of the first surface lease and access road was completed and the second drilling location is under construction. At the end of the third quarter, the drilling rig was undergoing several weeks of routine maintenance prior to moving to the Sabria field. The first Sabria development well was spudded on October 24, 2006 and is programmed to drill 3,750 metres vertically and then drill two 500-metre horizontal laterals in the Ordovician Hamra formation. Winstar's working interest in the well is 45% with a net capital investment of \$5.5 million. If the well is drilled and completed as expected in 95 days, results should be released in late January or February 2007.

Hungary:

Winstar initiated two significant operating events in Hungary during the third quarter.

The drilling site for Koppanyszanto 1 exploration well was built and the well was spud October 1, 2006. Although the well was drilled for a cost significantly under the budgeted amount, Winstar did not find commercially exploitable gas. Two drill stem tests were conducted in open hole conditions resulting in one low permeability gas zone and one high permeability water zone. The information gained from this well will help to improve Winstar's geophysical and geological understanding of the exploration permit as the Company continues its exploration efforts.

The second key event was the successful sourcing, in Hungary, of a compressor for the Torokkoppany facility. Ordering, packaging and construction of the various compressor components as well as site construction began in the third quarter. It is anticipated the compression will be on site and operational by mid-November, allowing the Company to meet most peak demands this coming winter.

Low seasonal demand for natural gas in the third quarter of 2006 resulted in production of 103 boepd compared with 208 boepd in the second quarter of 2006. October production is estimated to have averaged 600 boepd and November is expected to average 750 boepd as the winter heating season begins.

Consolidated:

Winstar achieved average production sales of 1,531 boepd during the first nine months of 2006 compared with 437 boepd during the comparable period in 2005. The Company generated \$12.1 million of cash flow from operations during the first nine months of 2006, compared with \$1.9 million during the comparable period in 2005. These strong financial results reflect the collective strength of the successful merger of Athanor B.V. and Winstar in August 2005.

Unexpected third quarter operating costs, lower production in Tunisia due to downhole equipment failure, and lower Q3 and expected Q4 2006 commodity prices have led the Company to lower its 2006 cash flow from operations guidance by 15%. The Company anticipates it will generate between \$16.0 million and \$18.0 million (\$0.58 to \$0.63 per share) in cash flow from operations for the year ending December 31, 2006.

The Company continues to review processes and strategies to increase efficiencies. Notwithstanding unforeseen mechanical problems, weather-related delays and equipment shortages, the Company anticipates Q4 2006 production in the range of 1,800 to 2,000 boepd, average production for 2006 of 1,600 to 1,800 boepd and an exit 2006 rate of more than 2,500 boepd.

About Winstar

Winstar's 2006 third quarter interim report is anticipated to be mailed to shareholders on or about November 20, 2006. The third quarter interim report, which includes management's discussion and analysis and unaudited comparative financial statements for the three and nine months ended September 30, 2006 and 2005 is also being filed today with applicable securities regulators and will be available on SEDAR at www.sedar.com and on Winstar's website at www.winstar.ca.

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

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" or "funds from operations", "cash flow from operations per share" or "funds from operations per share" and "cash flow netback" are non-GAAP financial measures that do not have any standardized meaning prescribed by Canadian Generally Accepted Accounting Principles ("GAAP") and are therefore unlikely to be comparable to similar measures presented by other reporting issuers. Management believes cash flow from operations and cash flow netback are useful indicators of the Company's ability to fund future capital expenditures. Cash flow from operations or funds flow from operations is calculated as cash flows from operating activities prior to the change in operating non-cash working capital and expenditures on site restoration and reclamation. The Company also presents funds from operations per share, where funds from operations are divided by the weighted average number of shares outstanding to determine per share amounts. Cash flow netback is equal to total oil and gas revenue minus royalties, less operating costs, less transportation costs, less general and administrative costs.

Forward Looking Statements

The words "anticipate", "believe", "estimate", "expect" and similar expressions in this press release identify forward-looking statements about Winstar's future events or performance. 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. 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. Winstar's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth in Winstar's interim report for the three and nine months ended September 30, 2006. 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.

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