

EUROGAS INTERNATIONAL INC.

PRESS RELEASE

August 17, 2009

TORONTO, ONTARIO – (August 17, 2009) - Eurogas International Inc. (“EII” or the “Company”) announced today that Eurogas Corporation, the holder of 32.15 million Series A Preference Shares (“Preferred Shares”) of EII, has approved a request by EII to defer entitlement to payment of the cumulative 4% cash dividends payable on the Preferred Shares and entitlement to receive payment once such dividends are declared, until December 31, 2011.

EII may, at or before the time of payment, and subject to regulatory approval request that Eurogas reinvest such cash in common shares of EII.

Eurogas International is an independent oil and gas exploration company listed on the Canadian National Stock Exchange under the symbol EI.

For more information please see the Company website at www.eurogasinternational.com, or please visit the Listings Disclosure Hall at www.cnsx.ca.

Certain information set forth in this document, including management’s assessment of each of the Corporation’s future plans and operations, contains forward-looking statements. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond the Corporation’s control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility and ability to access sufficient capital from internal and external sources. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The Corporation’s actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits the Corporation will derive from them. The Corporation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

For further information, please contact:

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