

EUROGAS INTERNATIONAL INC.

NEWS RELEASE

EUROGAS INTERNATIONAL ANNOUNCES FINANCIAL RESULTS FOR THE THREE MONTHS ENDED MARCH 31, 2012

TORONTO, ONTARIO – (April 30, 2012) – Eurogas International Inc. (“Eurogas International” or the “Corporation”) today announced its financial results for the three months ended March 31, 2012. The Corporation’s unaudited condensed interim financial statements, along with the accompanying management’s discussion and analysis have been filed on the System for Electronic Document Analysis and Retrieval (“SEDAR”) and may be viewed by interested parties under the Corporation’s profile at www.sedar.com or the Corporation’s website at www.eurogasinternational.com.

Eurogas International is conducting exploration and evaluation programs for oil and natural gas in the shallow Mediterranean waters offshore Tunisia, where it holds a 45% working interest in the Sfax Permit. The Corporation has entered into a joint operating agreement with Atlas Petroleum Exploration Worldwide Ltd. (“APEX”), a production sharing agreement with the Tunisian state oil company, and an exploration permit with the Tunisian government. Pursuant to these arrangements, the Corporation and APEX agreed to undertake exploration, evaluation and production operations on the Sfax Permit. APEX is the operating partner in the joint venture arrangement.

DECLARATION OF FORCE MAJEURE

As a result of political uncertainty and civil unrest in Tunisia, on January 18, 2011, the Corporation announced that, together with APEX, it had declared a condition of Force Majeure with respect to the Sfax Permit and Ras El Besh development concession. The Corporation believes that the declaration of Force Majeure allowed the Corporation and APEX to suspend their activities, while the conditions resulting in the Force Majeure continued.

BUSINESS DEVELOPMENTS

During the first quarter of 2012, the Corporation’s joint venture partners substantially completed the plug and abandonment of the REB-3 well located within the Ras El Besh development concession. The REB-3 well was originally drilled in 2008, and was subsequently suspended pending further evaluation of geological and geophysical data.

The Corporation’s share of the costs of plugging and abandoning the well were approximately US\$1.4 million. In order to secure the resources necessary to complete these activities, on January 31, 2012, the Corporation arranged for a \$2.5 million revolving term credit facility with its principal shareholder, Dundee Corporation. Borrowings under the facility will bear interest at prime plus 1.25%. The terms of the facility provide that Dundee Corporation may, at its discretion, require Eurogas International to convert all of the amounts outstanding pursuant to the credit facility into common shares of Eurogas International, at a conversion price that is based on the fair value of the common shares at the time of the conversion, subject to a minimum conversion price of \$0.05 per share. Any issuance of common shares by the Corporation will be subject to regulatory and other approvals.

COMMITMENTS

On July 7, 2011, the Corporation received approval from the Tunisian government to extend the term of the Sfax Permit to December 8, 2012. The joint venture partners are committed to drilling an exploration well, with depth to a specified geological zone, during the extension period. The actual cost for an exploration well will depend on the selection of the prospect and the location within the Sfax Permit. Based on current information, the Corporation estimates that its share of the cost to meet this commitment ranges between US\$6 million and US\$9 million. In the event that such work commitment is not completed, a compensatory payment of up to US\$12 million will be payable to the Tunisian government by the joint venture partners, less any amounts previously incurred by the joint venture partners in respect of the completion of its obligation.

The Corporation's current financial resources are insufficient to meet its planned 2012 business activities. The Corporation is considering alternative financing options including farmout arrangements, possible debt or equity issuance, or the monetization of certain assets. There can be no assurance that the Corporation will be successful in any of these initiatives.

FINANCIAL RESULTS

During the three months ended March 31, 2012, the Corporation incurred a net loss of \$0.6 million, representing a loss of approximately \$0.02 per share. This compares with a net loss of \$0.7 million or \$0.02 per share in the same period of the prior year.

FORWARD LOOKING STATEMENTS

Certain information set forth in these documents, including management's assessment of the Corporation's future plans and operations, contains forward-looking statements. Forward-looking statements are statements that are predictive in nature, depend upon or refer to future events or conditions or include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" or similar expressions. 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, risks associated with foreign operations, currency fluctuations, exploration and development risks, reliance on key personnel and management, the ability to access sufficient capital from internal and external sources, risks of not being able to obtain or renew permits and licenses, environmental risks and competition from other industry participants. 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, except as required by law.

ABOUT THE CORPORATION

Eurogas International Inc. is an independent oil and gas exploration company listed on the Canadian National Stock Exchange under the symbol EI. Eurogas International has filed its unaudited condensed interim financial statements, along with the accompanying management's discussion and analysis with the Canadian securities regulatory authorities on SEDAR.

All documentation may be viewed under the Corporation's profile on SEDAR (www.sedar.com) or under the Corporation's website at www.eurogasinternational.com. For more information about Eurogas International, please visit the Listings Disclosure Hall at www.cnsx.ca.

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