

EUROGAS INTERNATIONAL INC.

NEWS RELEASE

TORONTO, ONTARIO – (January 18, 2011) – Eurogas International Inc. (“Eurogas International” or the “Company”) announced that, together with its partner Atlas Petroleum Exploration Worldwide Ltd. (APEX), it has declared a condition of Force Majeure with respect to the Sfax Permit and Ras-El-Besh Concession located offshore Tunisia. The Company and APEX believe that the current political uncertainty and civil unrest in Tunisia, which have resulted in the collapse of the government, a declaration of a state of emergency and serious civil disturbance, adversely affects their ability to continue their exploration and evaluation activities in Tunisia. Eurogas International believes that the declaration of a Force Majeure will allow the Company and Apex to temporarily suspend their activities, while the conditions resulting in the Force Majeure continue. It is anticipated that acceptance of the Force Majeure declaration will result in an extension of the term of the Sfax Permit and Ras-El-Besh concession for a period of time equivalent to the time that activities were suspended as a result of the Force Majeure, and, once the situation in Tunisia is resolved, the Company and Apex will resume their exploration and evaluation activities.

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

Certain information set forth in these documents, including management’s assessment of each of the Company’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 Company’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 Company’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.

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