

EUROGAS INTERNATIONAL INC.

PRESS RELEASE

MAY 22, 2009

TORONTO, ONTARIO – (May 22, 2009) – Eurogas International Inc. announces the following update with respect to the joint venture relating to its Tunisian assets (“Joint Venture”)

Eurogas International Inc. (“EI”) announces that, together with its Joint Venture partner, Atlas Petroleum Exploration Worldwide Ltd. (“APEX”), it has reached an agreement (the “Agreement”) with Delta Hydrocarbons B.V. (“Delta”) with respect to Delta’s previously expressed desire to exit from the Joint Venture and the related agreements pertaining to the farmout of the Sfax Exploration Permit and the Ras El Besh Concession in Tunisia. Prior to exiting the Joint Venture, Delta had expended approximately US \$110 million on the project.

Under the Agreement, Delta will reassign its 50% participating interest in the Sfax Exploration Permit and the Ras El Besh Concession and transfer its shares in Innovative Productions Services Limited (“IPS”) to the remaining Joint Venture partners, including EI. In exchange, Delta will be entitled to a portion of certain payments, when received by the Joint Venture, including a share of the proceeds from the Cost Oil portion of any future production revenues and a share of the proceeds from any sale or lease of assets, to a maximum of US \$20 million. Delta remains committed to fund 50% of any costs associated with the abandonment of the REB-3 well until December 9, 2011.

The reassignment of Delta’s participating interest is subject to the approval of the Tunisian regulatory authorities. On completion of such reassignment, EI’s participating interest in the Sfax Exploration Permit, Ras El Besh Concession and IPS will be 45% and APEX’s participating interest will be 55%.

The Joint Venture is continuing with its re-evaluation work on the Sfax Permit, including reprocessing seismic data covering the El Garia and Reneiche formations in the Ras El Besh Concession area and north. Upon completion of the seismic reprocessing the Joint Venture partners will consider a revised work program.

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 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.

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