

EUROGAS INTERNATIONAL INC.

NEWS RELEASE

EUROGAS INTERNATIONAL INC. ANNOUNCES 2012 FINANCIAL RESULTS

TORONTO, ONTARIO – (February 5, 2013) – Eurogas International Inc. (“Eurogas International” or the “Corporation”) today announced its financial results for the year ended December 31, 2012. The Corporation’s annual audited 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.

BUSINESS DEVELOPMENTS

In November 2012, the Corporation announced that, together with its joint venture partner, Atlas Petroleum Exploration Worldwide Ltd., it had received approval from the Tunisian regulatory authorities for a renewal of the Sfax offshore exploration permit (the “Sfax Permit”) from December 9, 2012 to December 8, 2015 (the “First Renewal Period”). As part of the granting of the First Renewal Period, the joint venture partners were required to relinquish 807 square kilometres of land in the southwestern region of the Gulf of Gabes. The Sfax Permit now encompasses approximately 800,000 acres, located within a prolific hydrocarbon fairway extending from offshore Libya, through the Gulf of Gabes, to onshore Tunisia. It is surrounded by producing oil and natural gas fields to the west, north and east, including the Ashtart oil field that lies along the southeast boundary.

The terms of the First Renewal Period include an obligation for the joint venture partners to drill an exploration well (the “First Renewal Well Obligation”) of sufficient depth to enable an appropriate assessment of potential reserves. The First Renewal Well Obligation is in addition to the obligation of the joint venture partners to drill an exploration well under the initial terms of the Sfax Permit (the “Initial Well Obligation”). With the concurrence of the Tunisian authorities, and as a condition to the approval of the First Renewal Period, the Initial Well Obligation has been transferred to the First Renewal Period. The Initial Well Obligation must be drilled to sufficient depth to reach the Bireno limestones of the Cretaceous age.

The actual cost of drilling these two wells will depend on the selection of the prospect and location within the Sfax Permit. Based on current information, the Corporation estimates that its share of the cost to meet the Initial Well Obligation ranges from between US\$6 million and US\$9 million. The Corporation has not yet completed its assessment of the costs associated with the First Renewal Well Obligation.

In the event that the Corporation’s drilling commitments are not completed prior to the expiry of the First Renewal Period, a compensatory payment of up to US\$8 million per well will be payable to the Tunisian government by the joint venture partners, less any amounts incurred by the joint venture partners in respect of the completion of these obligations.

In support of its exploration and evaluation activities, the Corporation has obtained a commitment from its parent company, Dundee Corporation, to provide the Corporation with the necessary financial resources to enable it to complete the Initial Well Obligation, subject to certain conditions. The Corporation is also considering alternative financing options, including farmout arrangements, possible debt or equity issuances or the monetization of certain assets in order to meet its commitments. There can be no assurance that the Corporation will be successful in any of these other alternatives.

FINANCIAL RESULTS

During 2012, the Corporation incurred a net loss of \$2.1 million, or a loss of approximately \$0.07 per share. This compares with a net loss of \$2.0 million or a loss of approximately \$0.06 per share in 2011. The Corporation continues to incur geological and geophysical costs to permit an improved understanding of the various prospective structures contained within the Sfax Permit, and in order to determine the best locations for drilling to optimize the chances of commercial production.

FORWARD-LOOKING STATEMENTS

Certain information set forth in this document, 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 risks of not being able to obtain or renew permits and licenses, the inability to access sufficient capital from internal and external sources, risks associated with foreign operations, the impact of general economic conditions, currency fluctuations, exploration and development risks, reliance on key personnel and management, risks relating to the abandonment of operations, 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 EUROGAS INTERNATIONAL

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

All documentation in respect of the Corporation 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.

For further information, please contact:

Eurogas International Inc.

c/o Dundee Corporation
21st Floor, Dundee Place
1 Adelaide Street East
Toronto, ON M5C 2V9

Jaffar Khan, President & CEO
Telephone: (403) 264-4985
Telefax: (403) 262-8299
Website: www.eurogasinternational.com