EUROGAS INTERNATIONAL INC.

NEWS RELEASE

EUROGAS INTERNATIONAL INC. ANNOUNCES 2013 FINANCIAL RESULTS

TORONTO, ONTARIO – (January 30, 2014) – Eurogas International Inc. ("Eurogas International" or the "Corporation") (CSE: EI) today reported its 2013 financial results. The Corporation's 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*.

FINANCIAL RESULTS

During the year ended December 31, 2013, the Corporation incurred a net loss of $2.1 million (2012 – $2.1 million), or a loss of approximately $0.07 per share (2012 – $0.07 per share).

Farmout Agreement with DNO Tunisia AS

In June 2013, the Corporation and its joint venture partner, Atlas Petroleum Exploration Worldwide Ltd. ("APEX" and, together with the Corporation, the "Original Contractors") entered into negotiations to complete a farmout agreement with DNO Tunisia AS, a subsidiary of DNO International ASA, in respect of the Sfax Permit. The farmout agreement with DNO (the "DNO Agreement") provides for DNO acquiring an 87.5% working interest in the Sfax Permit in exchange for a US$6 million cash payment to the Original Contractors, and the carrying of 100% of all future costs associated with the Sfax Permit, including the associated drilling commitments. DNO will assume operatorship of the Sfax Permit under the terms of the DNO Agreement. The DNO Agreement was completed on January 17, 2014, whereupon the Corporation received US$2.7 million, representing its 45% interest of the US$6.0 million cash payment received from DNO.

Under the terms of the DNO Agreement, the Original Contractors will be entitled to 12.5% of the profit oil or profit gas component of production from the Sfax Permit, to a maximum of US$125 million (or 12.5% of the profit oil or profit gas from the production of 75 million barrel of oil equivalents, whichever comes first). Thereafter, the Original Contractors are entitled to 6.25% of the profit oil or profit gas component of production from the Sfax Permit to a maximum of an additional US$75 million (or 6.25% of the profit oil or profit gas component from the production of an additional 45 million barrel of oil equivalents, whichever comes first). The Corporation is entitled to 45% of any payments made to the Original Contractors under these arrangements.

The Original Contractors have conceded a temporary deferral of 50% of their entitlement to a share of the profit oil or profit gas component of production from the Sfax Permit, as outlined above, until such time as DNO recovers $150 million of total incurred costs, including costs to be incurred by DNO subsequent to completion of the DNO Agreement, from the cost oil or cost gas component of production on the Sfax Permit.

In addition to their entitlement to a share of the profit oil or profit gas, the DNO Agreement also provides the Original Contractors with entitlement to receive 20% of the cost oil or cost gas component of production from the Sfax Permit, to a maximum of the lesser of 18% of the costs incurred by the Original Contractors prior to completion of the DNO Agreement, or US$20 million.

Under the terms of the DNO Agreement, and with the approval of the Tunisian authorities, DNO has contractually assumed full responsibility for completion of the drilling obligations associated with the Sfax Permit, including any compensatory payments that may arise as a result of non-compliance. In that regard, DNO has provided a full guarantee to the Tunisan governmental authorities.

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 Securities Exchange (*www.cnsx.ca)* 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*.

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