

# DualEx and Winslow Agree on Terms for Business Combination

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Calgary, Alberta. DualEx Energy International Inc. (TSX VENTURE:DXE) ("DualEx") and Winslow Resources Inc. (TSX VENTURE:WLR) ("Winslow") are pleased to jointly announce that they have executed a letter agreement to effect a business combination whereby DualEx will acquire all of the outstanding common shares of Winslow in exchange for units of DualEx. Pursuant to the business combination, Winslow shareholders will receive 0.44 units of DualEx for each Winslow common share held, with each full unit being comprised of 1.0 common share of DualEx and one-half of one share purchase warrant of DualEx, each whole share purchase warrant being exercisable for one common share of DualEx at a price of \$0.30 per share for a period of 18 months from the date of issue, provided that, after 12 months DualEx can force the exercise of the warrants if DualEx's common shares trade at \$0.40 or higher for twenty consecutive trading days.

This arm's length transaction is conditional upon the execution of a definitive agreement, completion of satisfactory due diligence, receipt of shareholder, court (if applicable) and regulatory approval, and receipt of third party consents and other conditions customary in a transaction of this nature. In addition, the transaction is subject to the completion by Winslow of the sale of certain of its oil and gas assets located in the Leader area of western Saskatchewan (the "Leader Transaction"). Please refer to Winslow's May 29, 2007 news release for information regarding the Leader Transaction. Pursuant to the letter agreement, the directors and officers of Winslow have agreed to support the proposed transaction, subject to certain conditions customary in a transaction of this nature.

As of June 29, 2007, there were 47,123,599 Winslow common shares outstanding. Each outstanding Winslow warrant will be exercisable into DualEx common shares and warrants in lieu of one common share of Winslow on the same terms and conditions as the original warrant, option or other right after taking into consideration the above exchange ratio. Options of Winslow shall be exercisable until the closing of the transaction.

John Nelson, Winslow's President, commented; "after a thorough review of DualEx's portfolio, we believe this transaction provides our shareholders with significant upside through the exploration and development of DualEx's international assets."

The proposed transaction would allow Winslow shareholders to participate in DualEx's international exploration and development portfolio, currently consisting of the following projects:

## **Pannonian Basin, Hungary**

DualEx has a 37.5% working interest in the 614,000 acre Nyirseg North and South Exploration Permits, which include the once-productive Penészlek field. As part of the early stage re-development program at Penészlek, in addition to tying-in the Company's PEN-104 discovery well, DualEx and its partners have commenced the necessary permitting and approval work regarding the re-entry of two existing gas discoveries, PEN-9 and PEN-12, with the goal of establishing production therefrom. Collectively, these three wells tested over 7.5 million cubic feet per day of natural gas. Work is underway to establish

integrity of the existing gathering system and once complete will pave the way for the commencement of production. DualEx is targeting this winter season (2007/08) for first production in Hungary.

In addition to the development efforts at Penészlek, DualEx and its partners are formulating the go-forward exploration plans for the Permits, which are significantly underexplored, having less than 40 wells drilled to date on the entire 614,000 acre block.

### **Block XVII, Syrian Arab Republic**

Field operations are well advanced on DualEx's exploration program on Block XVII, with the 1100-plus kilometer 2D seismic survey scheduled to be completed in August 2007. DualEx and its partners expect to have processing and interpretation completed towards the end of the year with a view to selecting one or more drill targets early in the new year with a possible Q2 '08 timeframe for drilling. DualEx has a 31.67% working interest in this 1.25 million acre Block.

The southern Palmyrides area, in which Block XVII resides, has become very active in the past year with a number of large scale facilities projects under way. Three major gas plants with hydrocarbon liquids recovery systems are either under tender or have had EPC agreements concluded that will result in take away capacity on the order of 500 million cubic feet per day with on-stream dates starting in 2010. These facilities are being constructed to process some of the 2.5 - 4 TCF of undeveloped gas discovered to-date in the south Palmyra area immediately north of Block XVII.

### **Lusitanian Basin, Portugal**

DualEx has a 10% working interest in the Torres Vedras and Aljubarrota Concessions (totalling 450,000 acres) in the Lusitanian Basin, onshore western Portugal. The currently proposed exploration program comprises the deepening of two existing wellbores, the recording of two 100-square-kilometer 3D seismic surveys, and the drilling of one deep well to test a subsalt Triassic sand prospect. This program will be commenced once suitable equipment can be sourced.

Targeted zones for the two re-entries are Jurassic carbonates of the Montejunto formation. The first of the two deepenings, Lapaducos-2, will be deepened from the current total depth of 808 metres to a depth of 1500 metres while the second well, Aljubarrota-4, will be deepened from 2110 metres to approximately 2700 metres.

The location for the subsalt Triassic test will be determined once the 3D survey over that portion of the block has been recorded, processed and interpreted. The second 3D survey will be recorded to follow up on a well drilled by DualEx's predecessor on a reef prospect utilizing older 2D seismic. That well missed the reef although indications from the well data suggest proximity to a reef buildup.

The proposed transaction would provide DualEx with additional capital for its expanding exploration and development program, along with cashflow to offset its Canadian G&A expenses. Not including the Leader property, as of December 31, 2006, Winslow had proved plus probable reserves of 384 million cubic feet of natural gas and 8 thousand barrels of oil.

DualEx Energy International Inc. is an oil and gas exploration company, based in Calgary, Alberta with operations in the greater Mediterranean area.

Winslow Resources Inc. is an oil and gas company based in Calgary, Alberta with properties located in Alberta and Saskatchewan.

Winslow has engaged Acumen Capital Finance Partners Limited as its financial advisor.

This communication does not constitute an offer to purchase or exchange or the solicitation of an offer to sell or exchange any securities of Winslow or an offer to sell or exchange or the solicitation of an offer to buy or exchange any securities of DualEx, nor shall there be any sale or exchange of securities in any jurisdiction (including the United States) in which such offer, solicitation or sale or exchange would be unlawful prior to the registration or qualification under the laws of such jurisdiction.

#### Forward-Looking Statements

This release may contain forward-looking statements. These statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Forward-looking statements are not guarantees of future performance. Any forward-looking statements are made as of the date hereof and DualEx and Winslow do not undertake any obligation, except as required under applicable law, to publicly update or revise such statements to reflect new information, subsequent or otherwise.

For other information about DualEx Energy International Inc., please contact Garry Hides (President & CEO) at (403) 265-8011 ext. 223.

For other information about Winslow Resources Inc., please contact John Nelson (President) at (403) 264-6166.

This press release is reproduced on DualEx's website at [www.dualexen.com](http://www.dualexen.com) and on Winslow's website at [www.winslowresources.com](http://www.winslowresources.com).

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