

# WEI-CNSX

**June 7, 2009-----NEWS RELEASE- WEST ISLE ENERGY INC.**

CALGARY, ALBERTA – West Isle Energy Inc. (“West Isle”) (CNSX: WEI) is pleased to report its operating and financial results for the first quarter ended March 31, 2009. The MD&A as well as the Financial Statements (unaudited) for the three month period ended March 31 2009 are available in their entirety at [www.SEDAR.com](http://www.SEDAR.com).

## **Q1 HIGHLIGHTS**

- ❖ Drop in revenues from \$214,066 to \$128,200 attributed to price collapse of Oil (60.2%) and Gas (34.9%) in the first quarter of 2009.
- ❖ Continued to negotiate with another industry company to re-complete the Edmonton Sand zone in the Pembina 05-19-048-08W5.
- ❖ Cancelled 370,000 stock options granted on February 10, 2008, with the consent of the stock option holders, due to the Corporation’s Stock Option Plan was not approved by the shareholders and the proper regulatory application for approval was not completed.
- ❖ The Corporation had a working capital of \$186,932 for the first quarter ended March 31, 2009 compared to a working capital of \$229,592 for the year ended December 31, 2008.
- ❖ Large G&A increase for the quarter due to higher compliance costs, plus costs associated with the TSXV review.
- ❖ Subsequent to quarter end, West Isle announced that its common shares will commence trading on the Canadian National Stock Exchange (“CNSX”) on the CNSX at the open of trading on April 20, 2009, under the symbol “WEI”.
- ❖ West Isle has scheduled its Annual General Meeting for 11:00Am, the 29<sup>th</sup> of June 2009 at the Petroleum Club in Calgary

***boe presentation – For the purposes of calculating unit costs, natural gas is converted to a barrel of oil equivalent (boe) using six thousand cubic feet equal to one boe unless otherwise stated. A boe is a very approximate comparative measure that, in some cases, could be misleading, particularly if used in isolation.***

## SELECTED ANNUAL INFORMATION

	<b>First Quarter ended March 31</b>	
	<u>2009</u>	<u>2008</u>
<b>FINANCIAL</b>		
<b>Revenue (net of royalties)</b>	\$ 128,200	\$ 214,066
<b>Funds (deficiency) from operations</b>	\$ (51,444)	\$ 85,348
Per share (basic)	\$ (0.01)	\$ 0.02
Per share (diluted)	\$ 0.01	\$ 0.02
<b>Net (loss) income</b>	\$ (106,867)	\$ 13,832
Per share (basic)	\$ (0.03)	\$ 0.00
Per share (diluted)	\$ (0.03)	\$ 0.00
<b>Total Assets</b>	\$ 1,572,770	\$ 1,998,011
<b>OPERATING</b>		
<b>Production</b>		
Oil & NGLs (bbls per day)	7.8	9.5
Natural gas (mcf per day)	161.5	154.7
Barrels of oil equivalent (boe per day)	34.7	35.4
<b>Average selling prices</b>		
Oil and NGLs (\$ per bbl)	\$ 36.74	\$ 92.34
Natural gas (\$ per mcf)	\$ 5.23	\$ 8.03
Barrels of oil equivalent (\$ per boe)	\$ 32.58	\$ 59.31
<b>SHARES OUTSTANDING</b>		
End of year		
Basic	4,124,529	4,124,529
Diluted	4,124,529	4,124,529
Weighted average - end of year		
Basic	4,124,529	4,124,529
Diluted	4,124,529	4,124,529

## **GENERAL AND ADMINISTRATIVE EXPENSES**

General and administrative expenses for the first quarter ended March 31, 2009 were \$147,125 from \$84,454 for the first quarter ended March 31, 2008 or an increase of \$62,671. The increase was mainly due to higher compliance expenses, partially related to compliance and disclosure review by the TSX Venture Exchange, which continued into the first quarter, ended March 31, 2009 along with general increases for goods and services provided to the Corporation.

The increase in accounting and legal was due to the compliance and disclosure review by the TSX Venture Exchange and the increase in audit, regulatory reporting and compliance is due to more stringent rules and regulations that public companies must now follow. The increase in personnel compensation and consultants is due to the increase in labour costs and the use of consultants by the Corporation.

## **STOCK BASED COMPENSATION**

The Corporation is proposing that the shareholders approve the 2009 Stock Option Plan (the "plan") at the Annual and Special Meeting of shareholders set for June 29, 2009 under which officers, directors, and key personnel are eligible to receive stock options. The aggregate number of shares to be issued upon exercise of all options granted under the plan may not exceed 10% of the issued and outstanding common shares. Options granted under the plan are for a term determined by the board of directors, vest at the discretion of the Board of Directors but all options have an expiry of no later than five years the date of grant. The exercise price of each option is fixed by the Board of Directors, but shall not be less than the price permitted by any stock exchange on which the Corporation's common shares may be listed which is generally the trading price of the Corporation's stock on or about the grant date of the options.

During the first quarter period ended, the Corporation's Board of Directors by resolution and with the written consent of the stock option holders cancelled the 370,000 stock options granted on February 10, 2008, because the Corporation's Stock Option Plan was not approved by the shareholders and the proper regulatory application for approval was not completed.

## **MARKETABLE SECURITIES**

Marketable securities classified as available for sale consisted of 115,330 Solana Resources Limited shares at a cost of \$196,061. Pursuant to a business combination on November 14, 2008, these shares were exchanged on the basis of 0.9527918 for one common share of Gran Tierra Exchangeco, Inc. The Corporation received 109,885 shares of Gran Tierra Exchangeco Inc. The market value of the marketable securities was \$361,522 as at March 31, 2009 (December 31, 2008 - \$350,533). During the first quarter ended March 31, 2009 the Corporation recognized an unrealized gain of \$10,989, which is reflected in comprehensive income.

## **SUBSEQUENT EVENTS**

On April 16, 2009, the Corporation received approval for a voluntary delisting of its common shares from the TSX Venture Exchange and the common shares would be delisted effective the close of business Thursday April, 16, 2009. The common shares commenced trading on the Canadian National Stock Exchange ("CNSX") at the open of trading on April 20, 2009.

## **FORWARD-LOOKING STATEMENTS**

*The information herein contains forward-looking statements and assumptions. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and other similar expressions. Such statements and assumptions also include those relating to guidance, results of operations and financial condition, capital spending, financing sources, commodity prices, cost of production and the magnitude of oil and gas reserves. By their nature, forward-looking statements are subject to numerous known and unknown risks and uncertainties that could significantly affect anticipated results in the future and, accordingly, actual results may differ materially from those predicted. West Isle Energy Inc. is exposed to numerous operation, technical, financial and regulatory risks and uncertainties, many of which are beyond its control and may significantly affect anticipated future results.*

*Operations may be unsuccessful or delayed as a result of competition for services, supplies and equipment, mechanical and technical difficulties, ability to attract and retain employees on a cost-effective basis, commodity and marketing risk and seasonality. West Isle Energy Inc. is subject to significant drill risks and uncertainties including the ability to find oil and natural gas reserves on an economic basis and the potential for technical problems that could lead to well blowouts and environmental damage. West Isle Energy Inc. is also exposed to risks relating to the inability to obtain timely regulatory approvals, surface access, access to third party gathering and processing facilities, transportation and other third party related operation risks. Furthermore, there are numerous uncertainties in estimating West Isle Energy Inc.’s reserve base due to the complexities in estimated future production, costs and timing of expenses and future capital. The financial risks West Isle Energy Inc. is exposed to include, but not limited to, access to debt or equity markets and fluctuations in commodity prices, interest rates and the Canadian/US dollar exchange rate. West Isle Energy Inc. is subject to regulatory legislation, the compliance with which may require significant expenditures and non-compliance with which may result in fines, penalties or production restrictions.*

*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. West Isle Energy Inc. does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities law*

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The (“CNSX”) Canadian National Stock Exchange has neither approved nor disapproved the contents of this press release. The CNSX has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.