

NEWS RELEASE, May 26, 2008

**CYGAM ENERGY INC. PROVIDES ADDITIONAL UPDATE ON DRILLING OPERATIONS IN TUNISIA.**

**CYGAM ENERGY INC. (TSX Venture Exchange: CYG)**

**Calgary, Alberta, May 26, 2008.** Cygam Energy Inc. (“Cygam” or the “Corporation”) is pleased to provide an additional update on the TT2 exploration well operated by Storm Ventures International Inc. (“SVI”) of Calgary, on the Remada Sud Permit in Southern Tunisia.

Highlights:

- Potentially significant light oil and gas shows were encountered in the main objective (Ordovician Bir Ben Tartar) while coring. Good yellow fluorescence was observed in the cores.
- Presence of hydrocarbons was confirmed by one drill stem test which recovered light oil, gas and no water. The test was run approximately 50 meters below the top of the Bir Ben Tartar and log analysis indicates that the potential hydrocarbon column could extend up to approximately another 25 metres below the tested interval.
- Petrophysical analysis indicates that a secondary objective (Ordovician Jaffara formation) may also be hydrocarbon bearing.
- Potentially significant gas shows were also encountered while drilling through the Silurian Tanezzuft shale and sandstone sequence above the Bir Ben Tartar main objective.

The main target, the Ordovician Bir Ben Tartar formation, consisting of a massive sequence of sandstones with minor shale streaks, had potentially significant gas and oil shows while coring. Upon reaching total depth at 1,500 metres and after log evaluation, several zones of interest were identified in both the primary and secondary objectives and selected for testing.

Several open-hole drill stem tests were planned but, due to unpredictable mechanical failures, only one test was successfully completed which recovered oil and gas in the down-hole sampler, with no water. During testing operations, well-bore conditions deteriorated and the operator and its partners agreed to suspend testing and set casing to TD.

The operator is currently waiting for the arrival of stimulation equipment from outside Tunisia in order to artificially fracture and production test several zones of interest. It is expected that Schlumberger stimulation equipment should arrive on location by early July. In the meantime, the two cores (approximately 60 meters in total) cut in the Bir Ben Tartar formation have been shipped to Aberdeen, Scotland, for routine and special analyses. A detailed testing and stimulation program is also being prepared.

The Sud Remada permit is located in the Ghadames Basin and is approximately 1.2 million acres in size. Cygam’s working interest in the well and in the entire permit is 14%. SVI is the operator and has a 71% working interest; Madalena Ventures Inc. is also a partner with a 15% interest in the well.

Cygam is a Calgary based exploration company with producing oil and gas properties in Canada and extensive international exploration concessions. The main focus of the Corporation is the acquisition,

exploration and development of international oil and gas permits, primarily in Italy, Tunisia and the Mediterranean region. Cygam currently holds various interests in five exploratory concessions in Italy and four exploratory concessions in Tunisia encompassing approximately 4 million gross acres (approximately 2.8 million net acres). Visit the Cygam website at [www.cygamenergyinc.com](http://www.cygamenergyinc.com) for more information about Cygam.

*This News Release includes certain "forward-looking statements". All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding interpretation of seismic and well data, future plans and objectives of Cygam Energy Inc., are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated or expected in such statements. Cygam does not undertake any obligations to update forward-looking statements except as required by applicable securities laws. In particular, various factors can cause delays or prevent the Corporation from carrying out its testing and completion programs as scheduled, including but not limited to unavailability of equipment, funding and manpower or delays in the equipment reaching the Sud Remada permit. There is no certainty that the Sud Remada testing and fracture stimulation programs will be carried out as scheduled or that they will be successful in establishing commerciality. Important factors that could cause actual results to differ materially from Cygam's expectations are risks detailed herein and from time to time in the continuous disclosure filings made by Cygam with securities regulators on the System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com).*

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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release