



April 30, 2007

Dear fellow shareholders:

Over the past year Portrush investigated a number of very interesting oil and gas and gas storage prospects and continued to develop its oil and gas development properties. The Company is debt free and cash flow positive.

The Mission River field in Texas has nine wells on production and total production from the field for the year amounted to approximately 720,000 MCF of gas and 24,000 barrels of oil.

The next Mission River well will be the fourth deep test drilled in the deep drilling program. This program builds on the successful initial program that resulted in 9 successful wells. McAlester, the operator, has defined the prospect by a combination of subsurface well control and an innovative technology known as electro-magnetic imaging. Additional deep drilling is planned to fully develop and recover the reserves and a decision will be taken after this next well regarding the size of the program.

The Company maintained its interest the Lenox project in Macomb County, SE Michigan where the Company has a 22.5% working interest in two producing wells, the Martin 1-21 and the Richards 1-20.

In association with Hadley Resources Limited, the Company has located an excellent 6.2 BCF Pinnacle Reef Prospect in the heart of Gas Storage Country, Moore Township, Lambton County, South-western Ontario. The prospect is favourably located on trend and mid point between two pinnacle reef gas storage pools, Kimball Colville and Waubuno. The Company expects the project to be ready for drilling in the early summer.

Production revenue for fiscal 2006 was \$777,455, an increase of 30% from the previous year as the Company's production continues to grow from year to year.

The book value of the Company's oil and gas assets at year end was \$1,347,654

I want to thank my fellow board members for their support throughout the year. I also want to thank all those who worked in various capacities during the year and who have continued to demonstrate the drive and dedication necessary for the success we have achieved and will continue to achieve.

The company will continue to look at suitable development acquisitions. An interest in a 31,000 acre project close to Mission River has been offered to the Company. In order for the company to grow its asset base we will continue to look at suitable development acquisitions and financing opportunities.

ON BEHALF OF THE BOARD,

"Martin Cotter"

Martin Cotter
President