



## **ENERNORTH INDUSTRIES INC.**

### **Litigation Update**

Toronto, Canada – August 2, 2006 – **EnerNorth Industries Inc.** (AMEX: ENY, Frankfurt Stock Exchange: EPW1) ([www.enernorth.com](http://www.enernorth.com)) (“EnerNorth” or the “Company”) announces that the Court of Appeal for the Province of Ontario has granted Enernorth's motion for a stay of execution of the Oakwell Claim pending the Supreme Court of Canada's decision on EnerNorth's application for leave to appeal and, should leave be granted, the appeal itself. The stay is conditional upon EnerNorth paying \$1.5 million into court on or before September 8, 2006. The Oakwell Claim is described in the financial statements and other reports of the Company and recorded at approximately Cdn. \$7.9 million.

#### About EnerNorth Industries Inc.

EnerNorth is a junior oil and gas company carrying out operations through production, development and exploration of oil and gas in the Western Sedimentary Basin, Canada.

There are approximately 4.272 million shares issued and outstanding in the capital of the Company.

For further information contact:

Sandra Hall

President

Telephone: (416) 861-1484

[www.enernorth.com](http://www.enernorth.com)

*Certain statements contained herein constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 (the “Reform Act”), which reflect the Company's current expectations regarding the future results of operations, performance and achievements of the Company. The Company has tried, wherever possible, to identify these forward-looking statements by, among other things, using words such as “anticipate,” “believe,” “estimate,” “expect” and similar expressions. These statements reflect the current beliefs of management of the Company, and are based on current available information. Accordingly, these statements are subject to known and unknown risks, uncertainties and other factors which could cause the actual results, performance or achievements of the Company to differ materially from those expressed in, or implied by, these statements. (See the Company's Annual Information Form and Annual Form 20 F for Risk Factors.) The Company is not obligated to update or revise these “forward-looking” statements to reflect new events or circumstances, unless required by securities law.*