

GALLEON ANNOUNCES THIRD QUARTER 2003 FINANCIAL RESULTS AND SECOND PRODUCING PROPERTY PURCHASE

CALGARY, ALBERTA – Galleon Energy Inc. (“Galleon”) announces that the company has agreed to purchase, subject to regulatory approval, one Saskatchewan and two Alberta oil and gas properties from High Point Resources Inc. (“High Point”), a public company. The properties are located at Progress in the Peace River Arch area, Monitor in east central Alberta and LLOYDMINSTER in northwestern Saskatchewan. Mr. Glenn R. Carley, Chairman and CEO of Galleon is also the Chairman of High Point. Ms. Shivon Crabtree, Vice President of Finance and CFO of Galleon holds the same position with High Point. Additionally, Mr. John Brussa, Mr. Fred Coles and Mr. Carley are directors of both Galleon and High Point. The purchase and sale was approved by independent directors of both Galleon and High Point.

The three properties are being purchased effective December 1, 2003 for \$2.55 million in cash. The acquisition parameters are as follows:

- a) Reserves
 - 266,000 barrels of oil equivalent (“boe”) of oil and gas (established) based on internal engineering
 - \$9.59 per established boe
- b) Production
 - 200 boe per day (80% oil)
- c) Other Attributes
 - Progress provides a producing base close to the recently announced Dawson and Calais farm-ins in the Peace River Arch area
 - all properties operated with average 75% working interest
 - water flood optimization
 - one drilling location, two recompletions and workovers

No finder fees were payable on the transaction.

Upon closing of the property purchase, Galleon will have daily production of 380 boe (90% oil) and 863,000 boes of established reserves, two oil batteries and one natural gas compressor station.

Additionally, Galleon has a significant drilling inventory of 30 to 35 locations and has access to a large undeveloped land base of over 250,000 gross acres.

FINANCIAL RESULTS

On September 30, 2003 Galleon closed its initial public financing of flow-through shares raising gross proceeds of \$10,250,000. Galleon had no production in the third quarter 2003 and revenue was limited to rental income and interest in the amount of \$31,181. Net general and administrative costs were \$112,842 for a negative cash flow of \$81,661 in the quarter. Total capital expenditures in the quarter were \$81,597.

GALLEON ENERGY INC.

Balance Sheet (unaudited)

As at September 30, 2003

	<u>\$</u>
<u>Assets</u>	
Current	
Cash	10,028,825
Accounts receivable, prepaids and deposits	<u>185,252</u>
	10,214,077
Property and equipment	<u>257,630</u>
Total Assets	<u>10,471,707</u>
<u>Liabilities</u>	
Accounts payable and accrued liabilities	212,991
<u>Shareholders' Equity</u>	
Share capital	10,404,779
Deficit	<u>(146,063)</u>
	10,258,716
Total Liabilities and Shareholders' Equity	<u>10,471,707</u>

There are currently 8,300,001 Class A common shares and 922,500 Class B common shares outstanding.

Galleon is an emerging oil and gas company focused on the acquisition, exploration, exploitation and development of oil and natural gas in western Canada. Galleon's business plan is to grow reserves and production to increase shareholder value through a focused exploration program, strategic acquisitions and controlled exploitation.

Galleon trades on the TSX Venture Exchange under the symbols "GO.A" and "GO.B".

FOR FURTHER INFORMATION SEE www.galleonenergy.com OR CONTACT:

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ADVISORY: Certain information regarding Galleon Energy Inc. including management's assessment of future plans and operations, may constitute forward-looking statements under applicable securities laws and necessarily involve risks associated with oil and gas exploration, production, marketing and transportation such as loss of market, volatility of prices, currency fluctuations, imprecision of reserve estimates, environment risks, competition from other producers and ability to access sufficient capital from internal and external sources. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements.

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