

FOR IMMEDIATE RELEASE – April 7, 2004

GALLEON ANNOUNCES Q1 DRILLING RESULTS AND INCREASES 2004 GUIDANCE

CALGARY, ALBERTA – In the first quarter of 2004, Galleon Energy Inc. (“Galleon”) drilled 13 gross wells (13 net – 100% capital interest). Nine of these wells were exploration, including three wells at Calais, Alberta, four wells at Dawson, Alberta and two wells in other areas. A total of nine gross (7.6 net) wells have been cased for natural gas production. Galleon spent approximately \$10 million on land acquisitions, seismic, drilling and completion activities in the first quarter of 2004. Additionally, \$2.3 million was spent to acquire an interest in a gas plant at Calais.

Current production is over 1,400 barrels of oil equivalent per day (6:1) (“boepd”) with 72% natural gas. Galleon plans to drill 18 to 24 wells in the next nine months.

Galleon’s upward revised production guidance for 2004 is an average of 1,475 boepd and an exit volume of 2,500 boepd. Galleon expects to average 1,400 boepd for the second quarter, 1,600 boepd for the third quarter and 2,100 boepd for the fourth quarter.

Details of the drilling results and plans for the balance of the year are as follows:

Calais, North West Alberta

- Drilled three wells resulting in two natural gas wells with an average 60% working interest;
- Both of these wells are significant discoveries and completion information is being held confidential;
- The two wells will be brought on stream in the next six months;
- Galleon increased its land access by 49 sections (31,360 gross acres) through 4 farm-in agreements and acquisitions;
- Galleon’s current total land access in this area is 221 sections (141,440 gross acres); and
- 10 to 14 wells are planned in the next nine months.

Dawson, North West Alberta

- Drilled four wells resulting in three natural gas wells with an average 79% working interest;
- Five natural gas pools were discovered;
- The first two gas pools have tested at rates of 250 and 1,000 thousand cubic feet per day;
- Galleon increased its land access by 18 sections (11,520 gross acres) through 4 farm-in agreements and acquisitions;
- Galleon’s total current land access in this area is 163 sections (104,320 gross acres); and
- 8 to 10 wells are planned in the next nine months.

Wymark, South West Saskatchewan

- Four successful development wells (100% working interest) were drilled and have been brought on stream at a stabilized rate of 400 thousand cubic feet per day (67 boepd).

Galleon is a junior 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 on a per share basis 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.

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