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GALLEON CLOSES \$45 MILLION FINANCING

CALGARY, ALBERTA – Galleon Energy Inc. (“Galleon”) announces that it has closed the previously announced private placement for gross proceeds of \$45 million. In total, 4,225,355 Class A shares were issued at \$10.65 each.

The underwriting syndicate was led by GMP Securities Ltd. (“GMP”), and included Sprott Securities Inc., CIBC World Markets Inc., and FirstEnergy Capital Corp. The shares issued are subject to a hold period under applicable securities laws expiring June 11, 2005.

Galleon has expanded the first quarter 2005 capital program in the core areas of Dawson and Calais, Alberta. The Company expects to drill 20-23 wells in the first quarter with a capital budget of approximately \$22 to \$24 million. The 2D and 3D seismic programs for exploration projects in Calais and Dawson will also be expanded.

After giving effect to the offering, Galleon has 26,271,126 Class A shares and 922,500 Class B shares issued and outstanding which trade on the TSXV under the symbols “GO.A” and “GO.B”.

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 to increase shareholder value through a focused exploration program, strategic acquisitions and controlled exploitation.

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 Class A Shares issued have not been registered under the United States Securities Act of 1933 and may not be offered or sold in the United States, or to a U.S. person, absent registration, or an applicable exemption therefrom.

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

