

FOR IMMEDIATE RELEASE – JUNE 7, 2005

GALLEON ANNOUNCES OPERATIONS UPDATE

CALGARY, ALBERTA – Galleon Energy Inc. (“Galleon”) announces that it has drilled a deep oil well which is, on early test, flowing in excess of 1,500 barrels/day of light sweet 40 degree API crude oil. The well is expected to be placed on production within two weeks at an estimated 500 barrels/day. The well is located in Galleon’s area of the Peace River Arch, Alberta.

Galleon owns 100% of this well and has an 85% interest in a 20,000 barrel/day facility of which 5,000 barrels/day are currently being processed. Galleon plans to drill an additional 8 to 13 deep oil tests in 2005 and 2006.

Galleon has 31,746,793 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 technically oriented high growth junior oil and gas company with focused operations in the Peace River area of Alberta. Galleon commenced operations in October 2003 and has had significant success in acquiring undeveloped acreage, drilling and purchasing production.

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

Steve Sugianto, President and Chief Executive Officer, (403) 261-9287,
steves@galleonenergy.com

Glenn R. Carley, Executive Chairman, (403) 261-9277, glenncc@galleonenergy.com

Shivon Crabtree, Vice President and Chief Financial Officer, (403) 261-9276

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. Disclosure provided herein in respect of boes may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf: 1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.