

FOR IMMEDIATE RELEASE – March 9, 2006

GALLEON ANNOUNCES MAJOR SWEET LIGHT OIL POOL DISCOVERY

CALGARY, ALBERTA – Galleon Energy Inc. (“Galleon”) announces a major light sweet oil discovery in the Pus kwa, Alberta area of Peace River Arch. The discovery was made as part of a strategy to explore for high impact, big reserve base projects.

Galleon previously announced that the first Pus kwa well (100% interest), located at 13-11-72-26W5M, flow tested at 2.7 mmcsfd of sweet natural gas and 75 boepd of natural gas liquids (525 boepd) from the Granite Wash zone. A second zone, the Beaverhill Lake, had not been tested at the time of the announcement.

Light Sweet Oil Discovery

The second well (100% interest), located at 16-32-71-26W5M, was drilled 3 miles from the 13-11 well with rig release on March 1, 2006. This well was drilled to a total depth of 10,354 feet and encountered 33 feet of oil pay with 14% weighted average porosity based on log analysis. The well flow tested at a rate of 2,559 boepd (90% oil and 10% gas) on a 10.32 mm choke. Reservoir drawdown was 10% during the test. The quality of the light sweet oil is 38° API.

Three other zones in the second well, including the Granite Wash, are expected to be gas bearing (based on log analysis) but have not been tested.

Development plan

Galleon has a 100% working interest in 31 sections of land in this area. Using 3D seismic data and geological mapping, Galleon has identified 28 locations in this area measuring 6 miles by 4 miles. A minimum of 10-12 wells will be drilled in 2006 to delineate the pool size. Two rigs have been contracted to drill continuously on this project.

The cost to drill and complete each well is approximately \$1.5 million. Full development of the area, based on 26 to 30 wells, is expected to cost \$59 - \$65 million which includes facility costs of \$20 million.

Initial production of between 500 and 1,000 boepd is expected to be on stream by July 1, 2006. By year end 2006, production from the area is expected to reach 2,000 to 4,000 boepd. Full development of the program is expected to deliver 4,000 to 8,000 boepd in 2007. Average production rates are based on estimated drilling success rates of between 33% and 66% which is less than the drilling success rate to date.

Facilities

Light sweet oil production from the Beaverhill Lake zone will commence in May 2006 on a restricted rate until the oil battery is fully operational. A crude oil battery is scheduled to be constructed by December 31, 2006 with capacity of 10,000 barrels of oil per day.

Natural gas and NGL production from the Granite Wash zone is expected to be on stream subject to construction of a gas plant. The gas plant with initial capacity of 10 mmcsf/d is scheduled to be built in June 2006.

Galleon will report 2005 corporate reserve and financial results on March 17, 2006.

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.

Galleon has 34,223,210 Class A shares and 922,500 Class B shares issued and outstanding which trade on the TSX under the symbols "GO.A" and "GO.B".

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ADVISORY: Certain information regarding Galleon Energy Inc. in this new release including management's assessment of future plans and operations, number of locations in drilling inventory and wells to be drilled, timing of drilling and tie-in of wells, productive capacity of the new well and productive capacity from different wells, drilling, completion and facilities costs, timing of drilling, completion and construction of facilities, expected production rates, drilling success rates, dates of commencement of production and capital expenditures and timing thereof, may constitute forward-looking statements under applicable securities laws and necessarily involve risks including, without limitation, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, inability to retain drilling rigs and other services, capital expenditure costs, including drilling, completion and facilities costs, unexpected decline rates in wells, wells not performing as expected, incorrect assessment of the value of acquisitions, failure to realize the anticipated benefits of acquisitions, delays resulting from or inability to obtain required regulatory approvals 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. Readers are cautioned that the foregoing list of factors is not exhausted. Additional information on these and other factors that could effect Galleon's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com), at Galleon's website (www.galleonenergy.com). Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and Galleon does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

Disclosure provided herein in respect of barrels of oil equivalent (boe) 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.