

FOR IMMEDIATE RELEASE – November 16, 2006

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### **GALLEON CLOSES \$40 MILLION FINANCING**

**CALGARY, ALBERTA** – Galleon Energy Inc. (“Galleon”) announces that it has closed the previously announced financing of 1,025,700 Class A shares (“Class A Shares”) at \$19.50 each and 800,000 Class A Shares issued on a “flow-through” basis (the “Flow-Through Shares”) at \$25.00 each for aggregate gross proceeds of approximately \$40 million.

The underwriting syndicate was led by GMP Securities L.P., and included Sprott Securities Inc., Scotia Capital Inc., TD Securities Inc., FirstEnergy Capital Corp., and Maison Placements Canada Inc.

Proceeds from the issuances will be used to fund Galleon's ongoing exploration and development activity and for general working capital purposes. The proceeds from the issuance of the Flow-Through Shares will be used to incur eligible Canadian exploration expenses which will be renounced in favour of subscribers of the Flow-Through Shares effective on or before December 31, 2006.

After giving effect to the equity issuance, Galleon has approximately 57.7 million 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”.

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. Land access currently exceeds 1 million gross acres.

FOR FURTHER INFORMATION SEE [www.galleonenergy.com](http://www.galleonenergy.com) OR CONTACT:

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*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.*

*ADVISORY: Certain information regarding Galleon Energy Inc. in this news release including management's assessment of future plans and operations, and capital expenditures and the 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, 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 exhaustive. Additional information on these and other factors that could affect 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](http://www.sedar.com)), at Galleon's website ([www.galleonenergy.com](http://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.*