

FOR IMMEDIATE RELEASE – March 28, 2007

GALLEON PROVIDES UPDATE ON FIRST QUARTER 2007 OPERATIONS

CALGARY, ALBERTA – Galleon Energy Inc. (“Galleon”) is pleased to announce strong drilling results in Q1 2007.

Q1 2007 drilling update

In first quarter 2007, 30 wells were drilled and 26 (23.8 net) cased for an 87% success rate. Nine light oil (8.7 net) and 17 natural gas (15.1 net) wells were cased for production.

Puskwa Beaverhill Lake light sweet oil pool

- Five (100% interest) wells were drilled and cased for light sweet oil production in Q1 2007.
- Two wells, located at 5-13-72-26W5M and 12-13-72-26W5M, flow tested up to 1,100 Boe/d and 525 Boe/d respectively and are expected to be tied in for production this summer at restricted rates to be determined by the EUB.
- Two wells located at 3-14-72-26W5M and 16-24-72-26W5M have been cased and completed and are in the process of being evaluated.
- One well located at 2-5-73-25W5M has been cased for production awaiting completion and testing operations. This well encountered 9 feet of hydrocarbon bearing Beaverhill Lake sand. Based on geological interpretation, this well is depositionally high and an offset well is planned in 2007. A secondary uphole zone with 50 feet of hydrocarbon pay was also encountered. Testing is expected to commence in late Q2 2007 subject to ground conditions.
- Up to 15 wells are planned in 2007.
- On March 23, 2007, Galleon was granted good production practice (“GPP”) status by the EUB on section 32-71-26W5M and section 5-72-26W5M and will proceed with a pilot waterflood. Production restrictions on these sections have been immediately removed and Galleon will gradually increase production from these wells over the spring and summer in an effort to continue proper reservoir management.
- Galleon plans to immediately pursue GPP and waterflood expansion on its remaining developed sections.

Eaglesham project

- Drilled 6 (5.1 net) and cased 5 (3.7 net) wells in Q1 2007.
- Two (1.5 net) wells were drilled for a new multizone gas play. One well is currently producing at an initial rate of 1.9 Mmscfd net. The second well flow tested at 2.5 Mmscfd (1.3 Mmscfd net) and is expected to be tied in during Q3 2007.
- One well (65% interest) was completed and tested 350 Boe/d (58% oil, 42% gas).

- Up to 10 wells are planned in 2007 targeting multi-zone oil and gas from the Dunvegan to Wabamun formations.
- The gas plant has been expanded to 20 Mmscfd.

Dawson Montney natural gas pools

- Drilled 9 (100% interest) and cased 8 (7.7 net) natural gas wells in Q1 2007. In aggregate, net production is estimated to be 4 Mmscfd. These wells are scheduled to be tied in during second and third quarter 2007.
- The natural gas plant capacity was expanded to 30 Mmscfd with the 6 inch sales line expected to be operational within the next two weeks.
- Galleon has identified over 300 locations in the Dawson area.
- Up to 60 wells are planned for 2007.

Galleon is a technically oriented high growth oil and gas company with focused operations in the Peace River area of Alberta. Galleon has access to over 1 million gross acres of land.

Galleon has approximately 57.9 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".

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

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ADVISORY: Certain information regarding Galleon Energy Inc. in this news release including management's assessment of future plans and operations, number, type and timing of wells to be drilled, tie in of wells and commencement of production from new wells, the plan and development of certain prospects, timing and completion of facilities, production estimates, productive capacity of the wells and timing of increased production for wells, expected capital expenditures, 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, surface conditions may delay projects and/or operations, wells not performing as expected, 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.