

FOR IMMEDIATE RELEASE – September 6, 2007

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GALLEON ANNOUNCES \$60 MILLION FINANCING

CALGARY, ALBERTA – Galleon Energy Inc. (“Galleon”) announces that it has entered into a financing agreement with an underwriting syndicate led by GMP Securities L.P., and including Cormark Securities Inc., FirstEnergy Capital Corp., Scotia Capital Inc., TD Securities Inc., HSBS Securities (Canada) Inc., and Maison Placements Canada Inc. to issue on a “bought deal basis” 1,869,200 Class A shares (“Class A Shares”) at \$16.05 each and to act as agents on a firm commitment basis for the sale to the public of 1,463,400 Class A Shares on a flow through basis (“Flow Through Shares”) at \$20.50 each for aggregate gross proceeds of \$60,000,360. The Class A Shares and Flow Through Shares will be offered in certain provinces of Canada pursuant to a short form prospectus.

The issues are subject to normal regulatory approvals including approval of the Toronto Stock Exchange and closing is expected on or about September 28, 2007.

Proceeds from the issuances will be used to fund a portion of Galleon’s on-going capital investment program. The 2007 capital program is expected to reach the \$210 million level due to recent exploration success. The majority of the production additions from the \$40 million expansion of the program are anticipated to be realized in 2008.

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, 2007.

Galleon is a technically oriented high growth 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 approximately 59.8 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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The Class A Shares issued have not been registered under the United States Securities Act of 1933, as amended, 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: This press release contains forward-looking statements. More particularly, this press release contains statements concerning the anticipated closing date of the offering, the anticipated use of the net proceeds of the offering and the estimated timing of production additions. Although Galleon believes that the expectations reflected in these forward-looking statements are reasonable, undue reliance should not be placed on them because Galleon can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. The closing of the offering could be delayed if Galleon is not able to obtain the necessary regulatory and stock exchange approvals on the timelines it has planned. The offering will not be completed at all if these approvals are not obtained or some other condition to the closing is not satisfied. Accordingly, there is a risk that the offering will not be completed within the anticipated time or at all. The intended use of the net proceeds of the offering by Galleon might change if the board of directors of Galleon determines that it would be in the best interests of Galleon to deploy the proceeds for some other purpose, such as an acquisition. Anticipated timing of production additions to be affected by risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, 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, 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 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).

The forward-looking statements contained in this press release are made as of the date hereof and Galleon undertakes no obligations to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.