

FOR IMMEDIATE RELEASE – September 13, 2007

GALLEON PROVIDES UPDATE ON PUSKWA OPERATIONS

CALGARY, ALBERTA – Galleon Energy Inc. (“Galleon”) is pleased to announce the receipt of Alberta Energy Utilities Board (“EUB”) approval granting Enhanced Oil Recovery (waterflood) approval and good production practice (“GPP”) status on a portion of sections 11 and 13-72-26W5M. Production restrictions on these sections have been immediately removed and production from these wells will be gradually increased over the next few months in an effort to continue proper reservoir management.

Galleon plans to make application to expand this approved waterflood scheme on the recently developed portions of sections 11 and 13 and obtain GPP status thereon.

This is the second approval for waterflood and GPP status at Puskwa. On March 23, 2007, Galleon was granted its first waterflood approval by the EUB on portions of section 32-71-26W5M and section 5-72-26W5M. Water injection was initiated in June 2007 and performance to date has been positive.

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”.

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ADVISORY: Certain information regarding Galleon Energy Inc. in this news release including management's assessment of future plans and operations, and timing of increases in production, waterflood and applications for GPP status in certain sections, 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.