

FOR IMMEDIATE RELEASE – October 3, 2007

GALLEON ACHIEVES 97% DRILLING SUCCESS IN THIRD QUARTER 2007

CALGARY, ALBERTA – Galleon Energy Inc. (“Galleon”) is pleased to announce a 97% success rate from the third quarter 2007 drilling program. 33 wells were drilled of which 32 (27.4 net) were cased for production including 11 light oil wells (9.4 net), 3 heavy oil wells (2.1 net) and 18 natural gas wells (15.9 net). Currently, Galleon has 4 rigs drilling. This success was realized in Galleon’s focus areas as well as in new exploration growth areas.

The Q3 2007 drilling program resulted in significant discoveries in 3 major growth areas in the Peace River arch with two wells being drilled in each of these areas. In the first area, at Eaglesham, one well tested in excess of 800 boepd gross of natural gas and condensate (65% interest). The second well tested 425 boepd gross of light oil (100% interest). In the second area, at McLeans Creek, two wells each tested in excess of 500 boepd gross of light sweet oil (average 75% interest). In the third area, at Kimiwan, two wells each tested in excess of 200 boepd gross (average 80% interest). These wells are expected to be tied-in prior to year end with production rates to be determined. Galleon has a significant land position in these areas with a large number of follow up drilling locations identified by 3D seismic interpretation.

In addition during the third quarter of 2007, a high impact well tested in excess of 8 Mmcf/d of natural gas (15% drawdown) with 200 Bbl/d of natural gas liquids (1,533 boepd gross) (71.2% interest). The well is planned to be tied-in during Q4 2007 at an initial production rate of approximately 4.5 Mmcf/d. This is a restricted rate due to temporary facility constraints.

With this drilling success Galleon expects to reach a 2007 exit production level of at least 17,000 boepd. Of this production level, Dawson Montney, Eaglesham and Puskwa are expected to contribute approximately 26%, 12% and 18% respectively.

Puskwa Beaverhill Lake light sweet oil pool

The Puskwa project has entered the development phase consisting of development drilling and implementation of enhanced oil recovery scheme/waterflood. The enhanced oil recovery is expected to increase oil recovery from 25% to 45% of oil in place. The project will be developed over the next 5 years.

Waterflood/GPP phase one update:

- A pilot waterflood was successfully implemented in June 2007 on section 32-71-26W5M and section 5-72-26W5M.

Waterflood/GPP phase two update:

- As previously announced, on September 12, 2007, Galleon received approval for the waterflood expansion and GPP status on portions of two additional developed sections at 11 and 13-72-26W5M.

Waterflood/GPP phase three update:

- Galleon is currently in the process of applying for approval on remaining portions of developed locations within the Puskwa oil pool.

Drilling update:

- Five wells targeting the Beaverhill Lake sand at Puskwa were drilled and cased (100% interest) in third quarter 2007.
- Four to five light oil locations are scheduled to be drilled in Q4 2007 in the main Puskwa pool.

Eaglesham project

- Four natural gas wells and one light oil well were drilled and cased (79.2% interest) in third quarter 2007.
- Up to 6 wells are scheduled in the next three months including 4 Wabamun light oil locations.

Dawson Montney natural gas pools

This project has expanded to an area extending 12 miles wide and 35 miles long which has been proven through drilling in excess of 70 wells.

- Drilled 15 and cased 14 (92.6% interest) natural gas wells in Q3 2007.
- 11 wells are planned in Q4 2007.
- Galleon has identified over 350 locations in the Dawson area.

In Q4 2007, Galleon plans to drill up to 28 wells including 21 low and medium risk development and 7 high impact exploration wells (6 targeting light sweet oil). If successful, these high impact wells will be catalysts to significant growth on new plays.

Galleon has access to approximately 1 million gross acres of land. Within this land base, over 550 locations have been identified with varying risk profiles. Today, this inventory gives Galleon significant potential for future growth through a 4-5 year drilling program.

Prospect Inventory Update

Prospect	Number of locations	%
Dawson Montney	350	64
Eaglesham	30	5
Kakut	20	4
Puskwa	30	5
McLeans Creek	10	2
Culp	10	2
New exploration	100	18
Total	550	100

During Q3 2007, production averaged approximately 13,700 to 13,900 boepd (42% oil and 58% gas) based on actual sales and field estimates. This represents an increase of 3-4% over Q2 2007 average daily production. One of four compressors located at the Dawson Montney gas plant failed midway during the third quarter of 2007. Average production was affected by approximately 400 boepd due to this mechanical issue. A new compressor has been ordered and is expected to be operational during October.

Galleon has approximately 63.1 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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