NEWS RELEASE March 24, 2011

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# GALLIC ENERGY LTD. ANNOUNCES INCREASE TO BOUGHT DEAL FINANCING

**CALGARY, ALBERTA** – Gallic Energy Ltd. (the "Corporation") (TSXV: GLC) is pleased to announce that, in connection with its previously announced offering (the "Offering"), the Corporation and the syndicate of underwriters co-led by Macquarie Capital Markets Canada Ltd. and Canaccord Genuity Corp., and including Raymond James Ltd., Paradigm Capital Inc. and Fraser Mackenzie Limited (collectively, the "Underwriters") have agreed to increase the size of the Offering to 57,500,000 units (the "Units") at a price of $0.40 per Unit for total gross proceeds of $23,000,000. Each Unit will consist of one common share ("Common Share") and one half common share purchase warrant ("Warrant") of the Corporation. Each whole Warrant will entitle the holder to acquire one Common Share at a price of $0.60 for a period of 24 months from the closing date of the Offering.

The Offering will be made in the Provinces of British Columbia, Alberta and Ontario by way of private placement. The Offering is scheduled to close on or about April 13, 2011.

Net proceeds of the Offering will be used to fund the Corporation's 2011 exploration and development programs and for general corporate purposes.

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*This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any state in the United States in which such offer, solicitation or sale would be unlawful. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. This press release may contain statements within the meaning of safe harbour provisions as defined under United States Securities Laws and Regulations. The above statements are based on the current expectations and beliefs of the Corporation's management and are subject to a number of risks and uncertainties that may cause the actual results to differ materially from those described above.*

***Forward Looking Information***

*This news release contains certain "forward-looking information" within the meaning of such statements under applicable securities law including statements relating to the Offering.*

*Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Forward-looking information is based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include, but are not limited to, the ability of the Corporation and the Underwriters to complete the Offering as currently contemplated or at all. Actual timelines associated may vary from those anticipated in this news release and such variations may be material. Industry related risks could include, but are not limited to, operational risks in exploration, development and production, delays or changes in plans, risks associated to the uncertainty of reserve estimates, health and safety risks and the uncertainty of estimates and projections of production, costs and expenses. The Corporation undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change, unless required by law. The reader is cautioned not to place undue reliance on this forward-looking information.*