

GALLIC ENERGY LTD. ANNOUNCES
FRANCE WELL RE-ENTRY PROGRAM PROGRESS
AND
MORATORIUM HAS NO IMPACT ON EXPLORATION PLANS

CALGARY, ALBERTA, May17, 2011 – Gallic Energy Ltd. (“Gallic”) (TSXV: GLC) would like to announce that the Déclaration d’Ouverture de Travaux (“DOT”) or permit for re-entering the Ger 1 well in the Ger permit of France was submitted to the regional technical authority in Bordeaux on May 12, 2011.

Mr. William H. Smith, CEO of Gallic, said “We are pleased that our operations team’s hardwork has resulted in this important step. DOTs for re-entry of other wells on the Ger permit are expected to follow in the next few weeks. Gallic is on track to re-enter the first of at least three wells on the Ger permit in the 3rd quarter of this year.”

The government of France is banning hydraulic fracturing of unconventional reservoirs until a 2 – 3 year study has been completed on the environmental impact of this type of operation. Gallic has met with federal officials in Paris and with regional officials in Bordeaux, both of whom have confirmed that conventional drilling and completion operations can continue. Gallic’s planned 2011 activities of re-entering and testing by-passed potential gas zones can be performed as planned because Gallic’s conventional reservoirs do not require hydraulic fracturing in order to produce. The nearby Lacq and Meillon fields have produced 8.6 TCF and 2.0 TCF, respectively, of gas from conventional reservoirs and both fields are still producing.

Gallic’s professional team, after thorough technical evaluation, estimates that the resource potential of the multiple zones to be tested in the first three wells of the 2011 capital program on the Ger permit are considerably higher than previously reported. Gallic expects to have a revised third party engineering evaluation report later this year.

Interpretation of seismic and well data on the Ledoux permit in France is progressing towards having a third party engineering evaluation report on resource potential completed by year end. Gallic is in discussions with other oil and gas companies to farm out part of its 100% working interest in the 600,000 acre exploration permit in the Canning Basin of Australia.

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