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PRESS RELEASE

(Stock Symbol “CLT” – TSX)

April 2, 2009

Calgary, Alberta

CELTIC ANNOUNCES \$31.8 MILLION EQUITY FINANCING

Celtic Exploration Ltd. (“Celtic” or the “Company”) has entered into an agreement with a syndicate of underwriters co-led by GMP Securities L.P. and FirstEnergy Capital Corp., and including National Bank Financial Inc., Peters & Co. Limited, BMO Nesbitt Burns Inc., CIBC World Markets Inc., Genuity Capital Markets, RBC Dominion Securities Inc., Thomas Weisel Partners Canada Inc., Macquarie Capital Markets Canada Ltd. and Tristone Capital Inc., pursuant to which the underwriters have agreed to purchase for resale to the public, on a bought-deal basis, 2,400,000 common shares of the Company at a price of \$13.25 per common share for gross proceeds of \$31.8 million.

In addition, the underwriters have been granted an over-allotment option, which may be exercised up to 30 days after closing of the offering, to purchase up to 350,000 additional common shares at a price of \$13.25 per common share. If the over-allotment option is fully exercised, gross proceeds from the offering would increase to \$36.4 million.

The closing price of Celtic’s common shares on the Toronto Stock Exchange (“TSX”) on April 1, 2009 was \$13.86 per common share. Prior to this offering, Celtic has 41.3 million common shares issued and outstanding.

Net proceeds from the offering will initially be used to pay down outstanding bank debt, and subsequently to fund Celtic’s on-going capital expenditures and for general corporate purposes.

The offering is subject to certain conditions including required regulatory approvals. The common shares will be offered in all provinces of Canada, except Québec, by way of a short-form prospectus and in the U.S. on a private placement basis, pursuant to exemptions from registration requirements. The closing of the offering is expected to occur on or about April 23, 2009.

This news release does not constitute an offer to sell or a solicitation of any offer to buy the common shares in the United States. The common shares have not been and will not be registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of such Act.

FORWARD LOOKING STATEMENTS

The information with respect to Celtic contained herein, contains forward-looking statements, including statements concerning the anticipated closing date and the anticipated use of proceeds of the offering. These forward-looking statements are based on assumptions, including the anticipated receipt of regulatory approvals and are subject to numerous risks and uncertainties, certain of which are beyond Celtic's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency exchange rate fluctuations, imprecision of reserve estimates, environmental risks, competition from other explorers, stock market volatility and ability to access sufficient capital. As a result, Celtic's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any events anticipated by the forward-looking statements will transpire or occur. In addition, the reader is cautioned that historical results are not necessarily indicative of future performance. Celtic does not intend, and does not assume any obligation, to update or revise these forward-looking statements except as required pursuant to applicable securities laws.

For further information, please contact:

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