



PRESS RELEASE

(Stock Symbol "CLT" – TSX Venture)

November 07, 2002

Calgary, Alberta

CELTIC MAILS OFFER TO PURCHASE TO DORCHESTER SHAREHOLDERS

Celtic Exploration Ltd. (CLT-TSX-V) ("Celtic") and Dorchester Energy (DEI-TSX-V) ("Dorchester") today announced that Celtic has mailed an Offer to Purchase for all of the outstanding shares of Dorchester. The Offer to Purchase, which was previously announced on October 21, 2002, is open for acceptance until 4:00 p.m. (Calgary time) December 12, 2002, unless withdrawn or extended. Included with the Offer to Purchase is Dorchester's Directors' Circular, in which Dorchester's Board of Directors unanimously recommends that shareholders accept the Offer to Purchase and tender their common shares to the Offer.

Celtic's Offer to Purchase and Dorchester's Directors' Circular will be available for viewing in their entirety on the System for Electronic Document and Analysis and Retrieval (SEDAR) at www.sedar.com under Dorchester.

For further information please contact:

DORCHESTER ENERGY INC.

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CELTIC EXPLORATION LTD.

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