



PRESS RELEASE

(Stock Symbol "CLT" – TSX Venture)

May 8, 2003

Calgary, Alberta

CELTIC CLOSES \$17.8 MILLION EQUITY FINANCING

Celtic Exploration Ltd. ("Celtic") has closed its previously announced private placement of 4.5 million common shares at a price of \$3.95 per share for gross proceeds of \$17,775,000 on a bought deal basis. The shares are subject to a four month hold period which expires on September 9, 2003. FirstEnergy Capital Corp. acted as lead underwriter of a syndicate of underwriters which also included Peters & Co. Limited, TD Securities Inc., Yorkton Securities Inc., BMO Nesbitt Burns Inc., J.F. Mackie & Company and Tristone Capital Inc.

Proceeds from the private placement will be used to finance Celtic's on-going development and exploration activities and potentially, acquisitions of oil and gas assets.

Celtic is a rapidly growing oil and gas exploration and development company listed on the TSX Venture Exchange under the symbol "CLT" and after this issuance has approximately 22.9 million shares outstanding.

For further information, please contact:

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