



PRESS RELEASE
(Stock Symbol "CLT" – TSX)

September 18, 2003
Calgary, Alberta

CELTIC CLOSES \$15.6 MILLION EQUITY FINANCING

Celtic Exploration Ltd. ("Celtic") has closed its previously announced private placement of 2.5 million common shares at a price of \$6.25 per share for gross proceeds of \$15,625,000 on a bought deal basis. The shares are subject to a four month hold period which expires on January 19, 2004. FirstEnergy Capital Corp. acted as lead underwriter of a syndicate of underwriters which also included First Associates Investments Inc., Orion Securities Inc., BMO Nesbitt Burns Inc. and Peters & Co. Limited.

Proceeds from the private placement will be used to finance Celtic's on-going development and exploration capital expenditures.

Celtic is a rapidly growing oil and gas exploration and development company listed on the Toronto Stock Exchange under the symbol "CLT" and after this issuance has approximately 25.4 million shares issued and outstanding.

For further information, please contact:

CELTIC EXPLORATION LTD., Suite 500, 505 - 3rd Street SW, Calgary, Alberta, Canada T2P 3E6

David J. Wilson, President and Chief Executive Officer (403) 201-5340, or
Sadiq H. Lalani, Vice President, Finance and Chief Financial Officer (403) 215-5310

Website: www.celticex.com