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PRESS RELEASE

(Stock Symbol "CLT" - TSX)
April 22, 2008
Calgary, Alberta

**CELTIC CLOSES \$43.1 MILLION SHORT FORM PROSPECTUS OFFERING
INCLUDING OVER-ALLOTMENT OPTION**

Celtic Exploration Ltd. ("Celtic" or the "Company") announces that it has closed its previously announced equity financing by way of a short form prospectus on a bought deal basis by completing the sale of 2,875,000 common shares (including 375,000 common shares issued pursuant to the exercise in full of an over-allotment option) at a price of \$15.00 per share, for gross proceeds of \$43.1 million. The offering was completed through a syndicate of underwriters which was co-led by FirstEnergy Capital Corp. and GMP Securities L.P. and which also included Peters & Co. Limited, Tristone Capital Inc., BMO Nesbitt Burns Inc., RBC Capital Markets, CIBC World Markets and Thomas Weisel Partners Canada Inc. After this offering, Celtic has 40.7 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.

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 any applicable exemption from the registration requirements of such Act.

FORWARD LOOKING STATEMENTS

The information with respect to Celtic contained herein, contains forward-looking statements. These forward-looking statements are based on assumptions 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.

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