



**PRESS RELEASE**

(Stock Symbol “CLT” – TSX)

March 31, 2010

Calgary, Alberta

**CELTIC COMPLETES PROPERTY DISPOSITION AT SWAN HILLS**

Celtic Exploration Ltd. (“Celtic” or the “Company”) has closed its previously announced disposition of oil and gas assets located in the Swan Hills area of Alberta, for proceeds of \$53.25 million, prior to adjustments.

Key Attributes and Disposition Metrics

Celtic’s oil and gas reserves were evaluated by Sproule Associates Limited (“Sproule”) effective December 31, 2009. The disposition was effective February 1, 2010. Reserves information contained in this press release is based on the Sproule report effective December 31, 2009 and has not been adjusted to reflect the effective date, a summary of which is shown in the table below:

	Proved Developed Producing	Total Proved	Proved plus Probable
Reserves (MBOE) (92% oil)	879	1,078	2,001
Reserve life index (years)	2.7	5.0	8.7
Forecast 2010 Production (BOE/d)	462	592	633
<b>Disposition Metrics</b>			
Proceeds for reserves (\$/BOE)	\$60.58	\$49.40	\$26.61
Proceeds for production (\$/BOE/d)	\$115,260	\$89,949	\$84,123

In addition, the disposition included 52,090 net acres of land of which approximately 80% are classified as undeveloped by Celtic.

Banking Arrangements

Celtic has a term credit agreement on a syndicated basis with five financial institutions including National Bank of Canada, as the lead lender. The amount available under this credit facility is \$215.0 million with a maturity date of June 29, 2010. As a result of the property disposition mentioned above, Celtic has agreed not to exceed borrowings of \$200.0 million until the banks complete their annual review prior to June 29, 2010. Subsequent to completing the property disposition, Celtic’s bank debt outstanding at March 31, 2010 is estimated to be \$122.0 million.

Employee Announcement

David C. Morgenstern has announced his retirement and will resign as Vice President, Exploration of Celtic effective March 31, 2010. After over 30 years in the oil and gas industry, Mr. Morgenstern is looking forward to spending time with his family. He joined Celtic in December 2004 and with his strong work ethic,

mentored Celtic's geologists and provided leadership to the Exploration group. The Board and management of Celtic would like to thank Mr. Morgenstern for his significant contributions made to the Company, and wish him well in his retirement.

Celtic is pleased to announce that Mr. Pat Miles will be assuming the majority of responsibilities that were previously held by Mr. Morgenstern. Mr. Miles joined Celtic in November 2009 as a full-time consultant. He is a Geologist with over 20 years experience in the energy sector involving all aspects of exploration and production. Formerly, he was Vice President, Exploration for NuVista Energy Ltd., where he was responsible for the direction and implementation of NuVista's exploration and development efforts and also actively involved in the corporate and property acquisition process. Prior to joining NuVista, he held increasingly senior roles at Bonavista Petroleum in some of their most active areas. Prior to that, Mr. Miles held various technical positions at Renaissance Energy and Pinnacle Oil and Gas. Mr. Miles holds a Bachelor of Science degree in Geology from the University of Saskatchewan and is a member of the Canadian Society of Petroleum Geologists.

#### Annual General Meeting

Celtic's Annual and Special Meeting of Shareholders is scheduled for Thursday, April 22, 2010 at 3:00 PM, to be held in the Grand Lecture Room at The Metropolitan Centre, 333 Fourth Avenue SW, Calgary, Alberta.

#### Advisory Regarding 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.

#### Measurements

All dollar amounts are referenced in Canadian dollars, except when noted otherwise. Where amounts are expressed on a barrel of oil equivalent ("BOE") basis, natural gas volumes have been converted to oil equivalence at six thousand cubic feet per barrel and sulphur volumes have been converted to oil equivalence at 0.6 long tons per barrel. The term BOE may be misleading, particularly if used in isolation. A BOE conversion ratio of six thousand cubic feet per barrel is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. References to oil in this discussion include crude oil and natural gas liquids ("NGLs"). NGLs include condensate, propane, butane and ethane. References to gas in this discussion include natural gas and sulphur. Sulphur volumes have been converted to natural gas equivalence at one long ton per 10 thousand cubic feet.

For further information, please contact:

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