



## **GALE FORCE PETROLEUM RELEASES KENTUCKY SHALE GAS PROPERTY ACQUISITION TERMS AND DUE DILIGENCE UPDATE**

**Montreal, June 13, 2008 – Gale Force Petroleum Inc.** (TSX-V: GFP, the “Corporation”) has announced the terms by which it will acquire a 50% ownership in the Kentucky Shale Gas Property, inclusive of 22,000 acres of oil and gas leases, 9 gas wells and 5 miles gathering lines, including compressors, all located in Eastern Kentucky, from NAFG, LLC, a private U.S. company. The purchase price will be \$2.5 million of which Gale Force Petroleum will pay \$1.25 million. Gale Force Petroleum’s two joint venture partners, Wind Hydrogen Limited (ASX: WHN, “WHL”) and Derby Resources LLC (“Derby”) will share the remaining 50% ownership.

The Corporation has now completed its operational, geological and technical due diligence of the Kentucky Shale Gas Property on behalf of the joint venture and is satisfied with its findings. Legal due diligence on the Kentucky Shale Gas Property is ongoing, and is expected to culminate prior to closing the acquisition before the end of June 2008.

Gale Force Petroleum will be the “Operator” of the Kentucky Shale Gas Property, and is assembling a team of industry experts in unconventional gas exploration and development, with specialized knowledge of Devonian shale gas recovery as well as experience in Eastern Kentucky. The operating team will be provided with performance incentives.

The Kentucky Shale Gas Property is located in Eastern Kentucky in the Appalachian Basin, and there is analogous commercial production within a 20 mile radius of the Property. The primary target of development is the Devonian shale gas, however, there is potential oil and gas production from other zones that are productive in the area, which will be evaluated during the Phase 1 Program. The Devonian shale gas formation is located at approximately 1000 feet deep, and is consistently 250 feet in thickness across the Property. Due to the shallow depth of the formation and low services costs in the area, a typical well drilled, stimulated and completed is approximately \$150,000.

According to petroleum engineer David Kahn PhD, P.Eng. who is working with the Corporation, there is a Discovered Resource between 1.0 trillion cubic feet (TCF) and 1.9 TCF of original gas in place (GIP) in the Devonian shale gas formation on the 22,000 acre Property. “Discovered Resources” are those quantities of oil and gas estimated on a given date to be remaining in, plus those quantities already produced from, known accumulations. Discovered resources are divided into economic and uneconomic categories, with the estimated future recoverable portion classified as reserves and contingent resources, respectively.

According to Mr. Kahn, based on the analysis of typical analogous wells and assuming 20-acre spacing, recovery rates may vary between 20% and 33% of GIP, yielding a Contingent Resource of 200bcf and 380bcf. “Contingent Resources” are those quantities of oil and gas estimated on a given date to be potentially recoverable from known accumulations but are not currently economic. This Contingent Resource estimate is contingent on gas prices remaining above \$5 per mcf and on the ability of the Operator to effectively access and stimulate the formation, creating sufficient permeability to extract the resource from the unconventional shale formation. Horizontal drilling and newer stimulation techniques may be used by the Corporation to achieve economic production, improve flow rates and accelerate recovery. The Contingent Resource estimate is also confirmed by data on average wells in Eastern Kentucky, which according to the Kentucky Geological Survey average cumulative production of 0.3 bcf per well over 20 years on 22 acre spacing.

The Phase 1 Program for development of the Kentucky Shale Gas Property is expected to require a capital investment of approximately \$1.5 million and will focus on two main objectives: commencing production from the nine wells in place, and drilling, coring and putting in production additional wells so as to obtain

greater cash-flows and improved geological knowledge of the Property. The Phase 1 Program will commence immediately upon closing the acquisition of the Property and is scheduled to finish before the end of 2008.

To fund its 50% share of the purchase of the Kentucky Shale Gas Property and for the Phase 1 development of the Property, the Corporation will require approximately \$2.5 million. As previously announced, the Corporation has retained Becher McMahon to help raise gross proceeds of up to \$5 million through the issuance of Units to help pay for the Kentucky Shale Gas Property. The remaining net proceeds raised will be used for the further exploration and development of properties in Canada and to reimburse the Corporation's debt.

In the aforementioned financing, each Unit will be issued at a price of \$0.50 and will consist of one common share of the Corporation and one half-warrant. Each warrant will entitle its holder to purchase one common share of the corporation for \$0.70 for a period of two years following the closing of the financing. The common shares and warrants will be subject to a four-month hold period. The financing is subject to TSX Venture Exchange and other customary regulatory approvals.

In separate news, the Corporation announced that to avoid litigation it has settled under favourable terms a lawsuit brought against it by Martial Rolland. The settlement includes a mutual release and disbursements of \$35,000 by the Corporation to Mr. Rolland to settle a claim of \$315,000.

**ABOUT GALE FORCE PETROLEUM INC. – [www.GaleForcePetroleum.com](http://www.GaleForcePetroleum.com)**

Gale Force Petroleum is a public oil and gas corporation focused on acquiring and developing oil and gas properties in North America, building shareholder value through growth.

**ABOUT BECHER MCMAHON CAPITAL MARKETS INC. – [www.BMCapitalMarkets.com](http://www.BMCapitalMarkets.com)**

Becher McMahon Capital Markets is an independent Limited Market Dealer (LMD), with a wealth of experience in corporate finance, mergers and acquisitions, deal generation, asset management and corporate management.

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**Forward looking statements:**

*Statements included herein, including those that express management's expectations or estimates of our future performance, constitute "forward-looking statements" within the meaning of applicable securities laws. Forward-looking statements – especially but not limited to any geological or reservoir information not supported by a NI 51-101 report – are based on assumptions and estimates that are subject to various risks and uncertainties including but not limited to geological risk, engineering risks, market risk and the risks disclosed under the heading "Business Risks" in the Corporation's periodic filings with Canadian securities regulators, including most recently in its Management Discussion and Analysis for the exercise ended June 30, 2007 available on SEDAR. Such information contained herein represents management's best judgment as of the date hereof based on information currently available. The Company does not assume the obligation to update any forward-looking statements.*

"The TSX Venture Exchange has not reviewed this release and therefore does not accept responsibility for its adequacy or accuracy."