

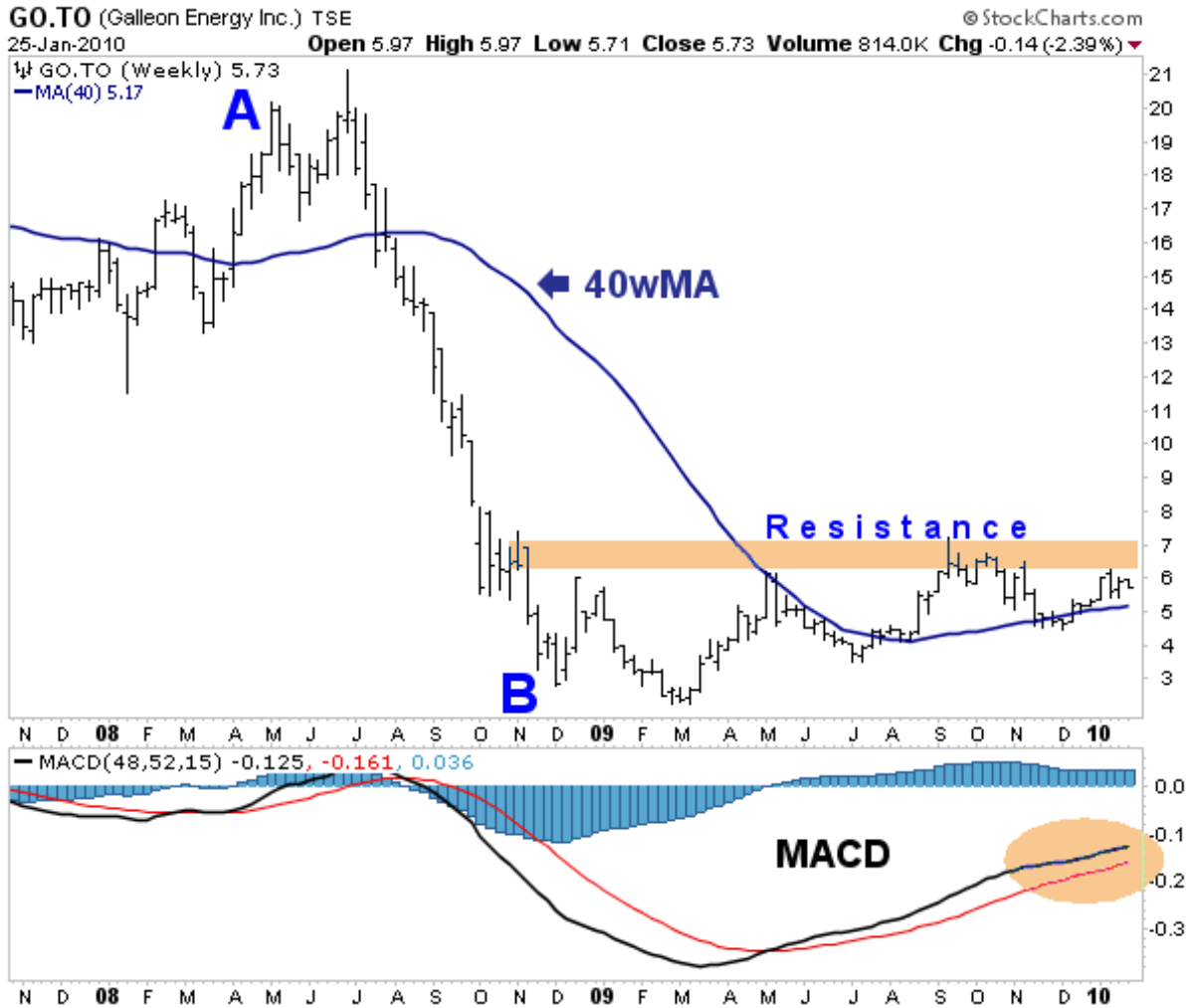


Galleon Energy (GO: \$5.73)

January 25, 2009

Target: \$9.00

Reversal Level: \$5.25



Galleon Energy is building a lengthy base.

From the high of \$19.93 in May 2008, Galleon had a sharp decline to \$2.86 in December of the same year (A-B). Since then the stock has been building a lengthy base with the upper resistance at \$6.25-7.00 (see shaded area). A decisive rise above \$7.00 would be extremely bullish and signal a more sustained rally toward significantly higher targets.

Technical indicators including the rising 40-week moving average, the VSI and the MACD (see lower panel) confirm its bullish status. Only a decline below \$5.25 would reverse the current long-term up-side potential.

A decisive rise above \$7.00 would confirm a technical target of \$9.00 (a 57% appreciation potential from current levels). A lengthy base supports significantly higher targets.