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FOR IMMEDIATE RELEASE

NOT FOR DISSEMINATION IN THE UNITED STATES

EXCELSIOR ACQUIRES GROSS OVERRIDING ROYALTY ON HANGINGSTONE ASSET

CALGARY, ALBERTA – Excelsior Energy Limited (TSX-V: ELE) (“Excelsior” or the “Company”) is pleased to announce that pursuant to the Hangingstone farm-in agreement (“the Agreement”) dated February 26, 2007, it has exercised its option to acquire and cancel the gross overriding royalty (the “GORR”) that currently encumbers the Company’s Hangingstone oil sands property located in the Athabasca oil sands region near Fort McMurray, Alberta. Pursuant to the Agreement, in consideration for the cancellation of the GORR, Excelsior will issue 1,445,056 common shares to the current GORR holder, representing 1% of Excelsior’s issued and outstanding share capital (on a non-diluted basis) subsequent to such issuance. Total outstanding shares will be 144,505,646 common shares after the acquisition. The common shares issued pursuant to the cancellation of the GORR will be subject to a four month hold period.

About Excelsior Energy

Excelsior is an early stage, oil sands company with 58 operated sections on two contiguous blocks in the Hangingstone and West Surmont areas of the Athabasca Oil Sands Region near Fort McMurray, Alberta. The Company has developed a proprietary in situ combustion technology (“Combustion Overhead Gravity Drainage” or “COGD”) which has potential for improved economies in the development and recovery of heavy oil and bitumen. An application for an experimental pilot project to field demonstrate the COGD technology was submitted in at the end of the second quarter of 2009 with a targeted start up in early 2011. Excelsior’s strategy is to capture oil and gas appraisal and development opportunities where we can leverage Management’s diverse international operating, heavy oil and field development expertise with developing technologies to produce oil and gas. Additional information about Excelsior and its business activities is available on SEDAR at www.sedar.com or the Company’s website at www.excelsior-energy.com.

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