



FOR IMMEDIATE RELEASE

TSX.V: FYI

NO PRODUCIBLE HYDROCARBONS FOUND IN MATAGORDA BAY 127-1 WELL

Vancouver, British Columbia, October 12, 2011 – Galena Capital Corp. (TSXV: FYI) (the “Company” or “Galena”), a Vancouver-based company listed on the TSX Venture Exchange, wishes to provide the following operational update.

Matagorda Bay:

Management has been advised by the Operator (South Bay Resources) that they will likely be plugging and abandoning the Matagorda Bay 127-1 well in Calhoun Country, Texas, USA.

Galena participated as to a 15% interest in the recompletion of the 127-1 well, targeting the Bol Mex sand in the Lower Frio, which showed multiple apparent pay zones in logs and core at a depth of approximately 8,700 feet. Following perforation of the well bore and the installation of a gravel pack at the targeted zone depth, the formation began producing fluids under high pressure at a rate of approximately 500-600 bpd, though hydrocarbons were not present in the produced fluids. The lack of hydrocarbons will likely lead to the abandonment of the well.

“Although we are disappointed with these results we continue to move forward with our resource related initiatives and will have a corporate update out before the end of the month.” Arni Johannson CEO stated

ON BEHALF OF THE BOARD OF DIRECTORS

GALENA CAPITAL CORP.

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