

For Immediate Release
Calgary, Alberta

Friday, December 16, 2005
TSXV: new trading symbol "SAH"
10,516,000 Common Shares Issued and Outstanding

SAHARA ENERGY ANNOUNCES COMMENCEMENT OF TRADING AND DRILLING PROGRAM

CALGARY, ALBERTA – December 16, 2005. Sahara Energy Ltd. ("Sahara" or the "Company") is pleased to announce that it has received final approval to commence trading from the TSX Venture Exchange ("TSXV"). The common shares of the Company commenced trading on the TSXV under the symbol SAH on the opening of trading on Friday, December 16, 2005.

The Company also announces that it has participated in the drilling and casing of six potential oil/gas wells located in western Saskatchewan as part of the Company's previously announced drilling program. The drilling program was initially comprised of 14 wells and has now been increased to 20 wells in Saskatchewan and central Alberta. The Company is currently drilling its seventh well in this program and anticipates that four additional wells will be drilled in December, 2005 with the balance to be drilled before mid February, 2006. The Company's working interests in 11 wells is 33.33% before payout and 20% after payout, in five company operated wells 100%, in two wells 50%, in one well 25% before payout and 12.5% after payout and in one well 15%. Sixteen of the wells in the drilling program are oil/gas tests with the balance of the wells targeting natural gas.

Sahara Energy is a newly formed junior oil and gas company focused on the acquisition, exploration, exploitation and development of oil and natural gas in western Canada.

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ADVISORY: Certain information regarding Sahara Energy Ltd. including management's assessment of future plans and operations, may constitute forward-looking statements under applicable securities laws and necessarily involve risks associated with oil and gas exploration, production, marketing and transportation such as loss of market, volatility of prices, currency fluctuations, imprecision of reserve estimates, environment risks, competition from other producers and ability to assess sufficient capital from internal and external source. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.