

For Immediate Release
Calgary, Alberta

Sahara Energy Ltd.-TSX Venture Exchange: SAH
U.S. Quotation: SAHRF

January 25, 2008

**SAHARA ENERGY - ANNOUNCES ADDITIONAL AGREEMENTS WITH TRADE
CREDITORS
FOR IMMEDIATE RELEASE**

CALGARY, ALBERTA, Sahara Energy Ltd. ("Sahara" or the "Company") is pleased to announce that it will be filing an additional shares for debt application with the TSX Venture Exchange to satisfy the amounts outstanding to certain trade creditors (the "Creditors"). These shares are being issued pursuant to agreements reached between Sahara and the Creditors. The shares issued pursuant to these agreements will be based on a price of \$0.20 per share. In total, an aggregate of 475,000 shares of Sahara are proposed to be issued to the Creditors pursuant to this application. When issued, the shares will be subject to a four month hold period from the date of their issuance. Closing of the aforementioned transaction is subject to the satisfactory receipt of all necessary regulatory approvals.

Sahara is a junior oil and gas company focused on the exploration and development of oil and gas in western Canada.

For further information, please contact:

Peter J. Boswell

President

Sahara Energy Ltd.

800, 510 – 5th Street S.W.

Calgary, Alberta T2P 3S2

Telephone: (403) 232-1359

Email: pete@saharaenergy.ca

Quentin Enns

Vice-President, Exploration

Sahara Energy Ltd.

800, 510 – 5th Street S.W.

Calgary, Alberta T2P 3S2

Telephone: (403) 232-1359

Email: quentin@saharaenergy.ca

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Statements in this press release may contain forward-looking statements including expectations with respect to future events and the actions of third parties. These statements are based on current expectations that involve a number of risks and uncertainties, which could cause actual results to differ materially from those anticipated. These risks include, but are not limited to: the underlying risks of the oil and gas industry (i.e. operational risks in development, exploration and production; potential delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserves estimates; the uncertainty of estimates and projections relating to production, costs and expenses, adequate available financing and health, safety and environmental factors), commodity price and exchange rate fluctuation and uncertainties.

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