

**Calgary, Alberta****June 1, 2007****SAHARA ENERGY RELEASES FIRST QUARTER RESULTS  
FOR IMMEDIATE RELEASE**

**CALGARY, ALBERTA**, May 31, 2007 – Sahara Energy Ltd. ("Sahara" or the "Company") is pleased to announce its financial and operating results for the quarter ended March 31, 2007.

Gross revenue for the period totaled \$536,991, compared to \$78,076 for the same period last year; an increase of \$461,915.

As at March 31, 2007, the Company reported a bank overdraft of \$222,713 and a working capital deficiency of \$3,370,190. Included in the working capital deficiency are \$730,000 convertible debentures that are convertible at \$0.57. Management is of the opinion that these debentures will be converted leaving a working capital deficiency of \$2,640,190. The Company has secured a credit line facility in the amount of \$1.5 million increasing to \$1.8 million in Sept 2007.

The company had a net loss of \$681,587 for the three months ended March 31, 2007. Adjusting the net loss for non-cash items of depletion, depreciation, accretion and stock based compensation the company had a net loss of \$87,332. for the three months ended March 31, 2007.

For the three month period ended March 31, 2007 the company had capital expenditures of \$2,130,147 of which \$1,515,676 was spent on drilling and completions, \$483,868 on well equipment and facilities, and \$130,603 on land and other costs.

Sahara's oil sales volumes during the first quarter averaged 140 boepd, up from 103 bopd in the fourth quarter of 2006. During the first quarter operational difficulties, delayed tie-ins and an early spring break-up caused several production delays.

During the first quarter of 2007, Sahara was involved in drilling 6 prospects, resulting in 1 light oil well, 1 gas well, 2 standing wells and 2 dry and abandoned wells. Management decided to delay it's drilling program due to excessively high drilling and service industry costs.

Sahara is currently producing 285 boepd which consists of 200 bpd of heavy oil, 55 bpd light oil and 200 mcf/d gas. During the quarter production peaked at 320 boepd, but the average sales production was 140 bopd. The reduced volume was due to an early spring break-up. Extended road bans during March prevented trucking of tanked oil and movement of equipment to perform well work-overs, completions and pipeline installations. Several wells were completed and brought on production during the quarter, but at reduced rates. Production optimization did not occur until road bans were removed and production could be trucked out. Sahara currently has behind pipe production capability of 165 boepd consisting of 65 bpd oil and 600 mcf/d gas (100 boepd) for total production capability of 450 boepd.

During the next three months, Sahara will operate the drilling of 8 heavy oil test wells. In Alberta, 2 test wells will be drilled at Hayter (50% interest), 2 test wells at Blackfoot (50% interest), 2 test wells at Lloydminster (50% interest) and 2 wells (50% interest) at Soda Lake, Saskatchewan. In the next 6 months Sahara may also participate in the drilling of up to 10 non-operated wells (30% interest) in the

Buzzard/Lashburn area of western Saskatchewan. Sahara will also drill one Ellerslie gas prospect at Wood River, Alberta (12% interest).

### **Additional Information**

Sahara's unaudited consolidated financial statements and related managements' discussion and analysis for the three months ended March 31, 2007 have been filed on SEDAR at [www.sedar.com](http://www.sedar.com). For additional information on the Company, please go to the Company's profile on SEDAR.

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

BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

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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.**