

For Immediate Release  
Calgary, Alberta

Thursday, May 11, 2006  
TSXV: "SAH"

**12,116,000 Common Shares Issued and Outstanding**

## **SAHARA ENERGY ANNOUNCES FLOW-THROUGH FINANCING**

CALGARY, ALBERTA, Thursday, May 11, 2006 – Sahara Energy Ltd. ("Sahara" or the "Company") is pleased to announce that it is finalizing a non-brokered Private Placement of Flow-Through Common Shares of the Company for gross proceeds of \$2,000,000 with Hesperian Capital Management Ltd., the manager of the Norrep Group of Funds ("Hesperian"). In the Financing, Sahara will issue 500,000 Flow-Through Common Shares at a price of \$1.3333 per share to Norrep Performance 2004 Flow-Through Limited Partnership and 1,000,000 Flow-Through Common Shares to Norrep Performance 2006 Flow-Through Limited Partnership also at a price of \$1.3333 per share. The funds will be applied to CDE expenses of the Company. The shares to be purchased by Hesperian, together with shares previously purchased by Hesperian in Sahara aggregates 3,000,000 shares, which represents 24.76% of the outstanding voting shares of the Company. The proceeds of the Financing will be utilized for further exploration of the Company's oil and gas properties. Closing is anticipated to occur on Monday, May 15, 2006.

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

Hesperian Capital Management Ltd. is a Calgary-based investment manager that manages the Norrep Group of Funds. They have approximately \$760 million in combined assets.

For further information please contact:

**Peter Boswell**

President and CEO of Sahara Energy Ltd.  
1440, 700 – 4<sup>th</sup> Avenue S.W.  
Calgary, Alberta T2P 3J4  
Telephone: (403) 232-1359  
Fax: (403) 232-1307 or by email at  
[pete@saharaenergy.ca](mailto:pete@saharaenergy.ca)

***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.