

For Immediate Release
Calgary, Alberta

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

May 17, 2007

**SAHARA ENERGY ANNOUNCES CANCELLATION OF PREVIOUSLY GRANTED STOCK
OPTIONS
FOR IMMEDIATE RELEASE**

CALGARY, ALBERTA – May 17, 2007. Sahara Energy Ltd. ("Sahara" or the "Company") announces that it has cancelled an aggregate of 375,000 stock options (the "Options") with an exercise price of \$0.40, which Options were previously granted to a former director and officer of the Company pursuant to the Company's stock option plan.

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

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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.

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