

**SAHARA ENERGY LTD.**  
(TSX Venture Exchange: SAH)

**Closing of Private Placement**

**Calgary, Alberta** (December 13, 2010) – Sahara Energy Ltd. (the “**Corporation**”) announces that, further to its press release dated December 6, 2010, it closed the final tranche of its private placement (subject to regulatory approval) initially announced on June 8, 2010 (the “**Private Placement**”).

**Private Placement**

The Corporation announces that in connection with closing of the final tranche of the Private Placement, it has issued 10,000,000 common shares (on a post-consolidation basis) of the Corporation (the “**Common Shares**”) at a price of \$0.05 per share, for gross proceeds to the Corporation of \$500,000. For acting as financial advisors to the Corporation, Salman Partners Inc. was paid a cash fee of \$50,000 and was issued warrants entitling the holder to acquire 110,000 Common Shares of the Corporation at an exercise price of \$0.05 per share until December 10, 2011.

The Common Shares issued pursuant to the Private Placement are subject to a four month hold period ending April 11, 2011.

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

**FOR FURTHER INFORMATION, PLEASE CONTACT:**

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