

SAHARA ENERGY LTD.

Sahara Energy Ltd. Announces Addition to Board of Directors, Appointment of Chief Financial Officer and President, and Appointment of Peter Boswell, Chief Executive Officer, as Chairman of the Board of Directors

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January 4, 2011, Sahara Energy Ltd. (TSX VENTURE: SAH) ("Sahara" or the "Company") is pleased to announce the appointment of Mr. Martin Feng as President of the Company and Mr. Qiping Men, C.G.A. as Chief Financial Officer ("CFO"), effective December 8, 2010.

Mr. Feng has extensive management experience with oil and gas companies and 25 years of oil and gas industry experience in a wide range of positions, including geologist, drilling and completions engineer, production manager, and field project manager. Mr. Feng obtained his Bachelor's Degree of Petroleum Geology in 1986 from the Northeast Petroleum University in China and his MBA in 1993 from the Harbin University of Technology in China.

Mr. Men is a well rounded managerial accountant with over 20 years experience in a wide range of industries and public accounting firms and nine years experience as an engineering manager in a manufacturing company. He obtained his Bachelor's Degree in Mechanical Engineering in 1986 from the Harbin University of Science and Technology in China and his MBA in 2000 from Dalian University of Science and Technology in China. Mr. Men obtained his Canadian CGA designation in 2007. Mr. Men has a solid accounting experience in public accounting firms and has provided accounting services to private and public oil and gas companies and other businesses.

Mr. Feng and Mr. Men, both Calgary residents, are well-experienced in their respective fields to assist Mr. Peter Boswell, Sahara's Chief Executive Officer and recently appointed Chairman of the Board of Directors of Sahara, to assist Sahara in pursuing its business plan.

Mr. Men replaces Mr. Doug James. Sahara would like to thank Mr. James for his work in successfully steering the Company through its recent creditor proposal. The appointment of Mr. Feng and Mr. Men remains subject to the approval of the TSX Venture Exchange ("TSXV").

In addition, Sahara is pleased to announce the appointment of Mr. Gary Chang to the Board of Directors of Sahara. Mr. Chang holds an MBA from the University of Southern California, is a CFA charter holder and a member of the CFA Institute. Mr. Chang has over 10 years of international experience in both the financial and petroleum industries. Mr. Chang has worked with several securities firms and investment companies in both North America and China including Prudential Securities Inc. and Guotai Junan Securities Co., Ltd. In 2005 Mr. Chang was hired by Great United Petroleum Holding Co., Ltd. ("GUPC"), a Beijing company, to act as Vice President in charge of overseas investment and mergers and acquisitions. Since 2009 Mr. Chang has served as GUPC's chief representative in Canada and President and Managing Director of Great United Resources Capital Inc. Mr. Chang serves as a director of Anterra Energy Inc., a TSXV-listed oil and gas company.

Forward Looking Information and Statements

Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of Sahara, including, but not limited to the impact of general economic conditions, industry conditions, volatility of commodity prices, risks associated with oil and gas activities, currency fluctuations, dependence upon regulatory approvals, the availability of future financing and exploration risk. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. Sahara does not undertake any obligation to publicly update or revise any forward-looking statements contained herein, except as required by applicable laws.

Neither 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.

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