

# **SAHARA ENERGY LTD.**

## **Sahara Energy Ltd. Announces Issuance of Common Shares for Debt**

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**Calgary, Alberta – January 7, 2011 – Sahara Energy Ltd. (TSXV: SAH)** ("Sahara" or the "Company") today announced that it will be seeking regulatory approval for the issuance of 967,029 common shares ("**Common Shares**") in the capital of Sahara in full satisfaction of certain debts, including applicable interest, aggregating \$105,164.38 held by King World International Holdings Limited. The Common Shares to be issued as consideration for cancelling the debt will be issued at a deemed value per Common Share of \$0.10875, being the discounted market price as determined by the closing price of the Common Shares on the TSX Venture Exchange ("**TSXV**") on January 6, 2011, the day before this announcement.

Final approval of the issuance of Common Shares is subject to regulatory approval, including the approval of the TSXV.

### **FOR FURTHER INFORMATION, PLEASE CONTACT:**

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