

NEWS RELEASE
For Immediate Release
March 18, 2010
Calgary, Alberta
38,036,302 shares outstanding

SAHARA ENERGY LTD. (TSX Venture Exchange: SAH)

Sahara Energy Ltd. Announces Letter of Intent to Sell Its Alberta and Saskatchewan Properties

Calgary, Alberta (March 18, 2010) Sahara Energy Ltd. (the “**Company**” or “**Sahara**”) is pleased to announce it has entered into an arm’s length letter of intent agreement with Gallic Energy Ltd. (TSXV: GLC) (“**Gallic**”) to negotiate the sale by Sahara of Sahara’s Alberta and Saskatchewan properties (the “**Sale**”) for consideration of approximately 13,500,000 class A common shares of Gallic and the assumption by Gallic of \$500,000 of Sahara’s secured debt. Gallic has made a refundable deposit of \$50,000 under the terms of the letter of intent, to be applied against the sale price at closing. The letter of intent also contemplates the appointment of one additional director to the board of directors of Gallic in conjunction with the Sale, who will be a nominee of Sahara.

Gallic has 38,939,154 class A shares outstanding.

The Sale is subject to the completion of due diligence and negotiation of a formal agreement, as well as customary closing conditions and the receipt of all applicable regulatory and TSX Venture Exchange approval, as well as applicable Sahara disinterested shareholder approval in accordance with TSX Venture Exchange requirements.

The properties currently produce approximately 60 boe/d of low risk heavy oil in the greater Lloydminster area.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements. Any statements that are contained in this press release that are not statements of historical fact may be considered forward-looking statements. Forward-looking statements are often identified by terms such as “may”, “should”, “anticipate”, “expects” and similar expressions. Forward-looking statements in this press release include, but are not limited to, statements with respect to the negotiation of a formal agreement for the sale, the terms of such formal agreement and the closing or completion of the sale.

The forward-looking statements contained in this press release are based on certain expectations and assumptions made by Sahara with respect to the anticipated completion of the sale, expectations and assumptions concerning the timing and receipt of all applicable shareholder and regulatory approvals and third party consents and the satisfaction of other conditions to the completion of the transaction.

Although Sahara believes that the expectations and assumptions reflected in these forward-looking statements are reasonable, undue reliance should not be placed on them because Sahara can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These risks include, but are not limited to: risks associated with the oil and gas industry in general (e.g. operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses and health, safety and environmental risks), acquisitions, commodity price and exchange rate fluctuations and uncertainties resulting from competition from other producers and ability to access sufficient capital from internal and external sources. There is also risk that the closing of the sale could be delayed if Sahara is not able to obtain the necessary regulatory, stock exchange and applicable shareholder approvals on the timelines it has planned. The sale will not be completed at all if these approvals are not obtained or any other conditions to closing are not satisfied. Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect Sahara's operations and/or financial results are included in Sahara's reports on file with Canadian securities regulatory authorities.

The forward-looking statements contained in this press release are made as of the date hereof and Sahara undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

MEANING OF BOE

When used in this press release, boe means barrel of oil equivalent on the basis of 1 boe to 6,000 cubic feet of natural gas. Boe's may be misleading, particularly if used in isolation. A boe conversion ratio of 1 boe for 6,000 cubic feet of natural gas is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Boepd means barrel of oil per day.

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.