



SHARON ENERGY LTD.

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The following is for release in Canada at 11:00 a.m., Thursday, January 3, 2002.

SHARON ENERGY LTD. CLOSES \$412,000 PRIVATE PLACEMENT OF FLOW-THROUGH COMMON SHARES

Symbol: SHY - CDNX

Calgary, January 3, 2002 - Sharon Energy Ltd. announced today that it has closed the previously announced private placement of 2,750,000 "flow-through" common shares at a price of \$0.15 per share, for total gross proceeds of \$412,500.

The net proceeds of the Private Placement, after deduction of the expenses of the offering, will be utilized by the Corporation to finance the exploration and development of the Corporation's oil and gas properties located in Canada.

Sharon's major shareholder, Humboldt Capital Corporation, subscribed for 2,000,000 shares. Humboldt now owns 9,761,500, or 42.9%, of Sharon's issued and outstanding shares. Humboldt is controlled by Robert W. Lamond, who owns 75,000 shares directly and who controls the 749,833 shares owned by Lamond Investments Ltd. Subsequent to the completion of the Private Placement, Mr. Lamond has ownership of, or control and direction over, 10,586,333, or 46.5%, of the issued and outstanding shares.

All of the shares issued by Sharon pursuant to the private placement are subject to a 12 month hold period and are subject to restrictions on their resale prior to December 31, 2002.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the shares in any jurisdiction. The shares have not been and will not be registered under the United States Securities Act of 1933, as amended, and as a result, the shares may not be offered or sold in the United States, or to a U.S. person, absent registration or an applicable exemption therefrom.

Sharon Energy Ltd., is a junior oil and gas company currently conducting active natural gas exploration programs in Texas, Wyoming and Alberta.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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