



SHARON ENERGY LTD.

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The following is for immediate release in Canada, Monday, December 2, 2002.

SHARON ENTERS AGREEMENT FOR UP TO \$1.5 MILLION FINANCING

Sharon Energy Ltd. is pleased to announce that it has entered into an agreement with Jennings Capital Inc. for an offering, on a best efforts basis, of up to 3,333,333 flow-through shares at an issue price of \$0.15 per flow-through share and up to 6,666,667 units at an issue price of \$0.15 per unit. Each unit is to consist of one common share and one common share purchase warrant, entitling the holder to purchase one additional share at a price of \$0.20 per share for a period of 18 months from the closing date.

The offering will be made on a private placement basis and closing is subject to normal regulatory approvals, including the approval of the TSX Venture Exchange.

Gross proceeds of up to \$500,000 for the flow-through share issue will be used to finance the Company's exploration and development activities in Alberta. The proceeds of up to \$1,000,000 for the sale of the units will be used to finance the Company's participation in its deep Wilcox gas exploration in Texas.

Sharon Energy Ltd. is a junior oil and gas company currently conducting active natural gas exploration programs in Texas, Wyoming and Alberta. Sharon is currently focused on exploring for natural gas in Alberta and deep Wilcox gas in Texas.

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for Dissemination in the United States.**

Forward looking statements – statements included in this press release that are not historical facts may be considered “forward looking statements.” All estimates and statements that describe the Company’s objectives, goals or future plans are forward looking statements. Forward looking statements involve inherent risks and uncertainties where actual results could differ materially from those currently anticipated.

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