



SHARON ENERGY LTD.

#1800, 633 Sixth Avenue S.W.
Calgary, Alberta
T2P 2Y5 Canada

The following is for immediate release in Canada, Monday, January 6, 2003.

SHARON CLOSES \$400,000 FLOW-THROUGH SHARE ISSUE

Sharon Energy Ltd. is pleased to announce that it has closed the flow-through share portion of its previously announced financing plans.

On December 31, 2002, Sharon issued 2,666,831 common shares on a flow-through basis at \$0.15 per share for a total consideration of \$400,025. The proceeds will be used to finance the Company's Canadian exploration and development program in 2003. Jennings Capital Inc. assisted in the distribution and received a fee equal to 10% of the gross proceeds of the offering (other than proceeds received from insiders) and options to purchase 83,342 common shares at a price of \$0.15 per share, exercisable until June 30, 2004. The shares have been legended to prohibit their trading until after April 30, 2003.

Insiders of Sharon purchased 37% of the shares issued as follows: Humboldt Capital Corporation purchased 666,667 common shares; and Lamond Investments Ltd. purchased 333,333 common shares pursuant to the offering. Both companies are controlled by R.W. Lamond, an officer and director, as well as a control person of Sharon. Mr. Lamond now owns or controls 11.6 million common shares, or 46% of Sharon's outstanding common shares.

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.

FOR FURTHER INFORMATION, PLEASE CONTACT:

H.C. (Kip) Ferguson, III, President

Houston, Texas

SHARON ENERGY LTD.

Telephone: (713) 789-5395

Fax: (713) 789-8454

TSX: SHY

Robert W. Lamond, Chairman

Calgary, Alberta

SHARON ENERGY LTD.

Telephone: (403) 269-9889

Fax: (403) 269-9890

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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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