



SHARON ENERGY LTD.

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The following is for immediate release in Canada, Friday, July 11, 2003.

SHARON ANNOUNCES CLOSING OF \$1.35 MILLION FINANCING

Sharon Energy Ltd. has closed its previously announced best efforts offering of 5,000,000 Units at a price of \$0.27 per Unit for aggregate proceeds of \$1,350,000. First Associates Investments Inc. acted as agent for the offering.

Each Unit consists of one Common Share and one-half of one Common Share Purchase Warrant. Each whole Common Share Purchase Warrant will entitle the holder to purchase one Common Share at a price of \$0.35 per Common Share until July 10, 2004. Sharon paid the Agent a commission of 8% of the gross proceeds. In addition, the Agent was granted an option to acquire up to 750,000 Units, exercisable at a price of \$0.27 per Unit until January 10, 2005.

Of the Units issued, 335,553 Units will be subject to a hold period and may not be traded prior to November 11, 2003. The securities issuable on exercise of the Agent's option are also subject to the hold period.

Proceeds from the offering will be used to drill up to two additional wells on the company's Mustang Creek Property in Colorado County, Texas, as to approximately \$700,000 and to acquire additional leases on the Wilcox trend as to approximately \$100,000, with the balance to be added to working capital for general exploration and development purposes in Texas.

In addition, Sharon reports that the discovery well on the Mustang Creek prospect is currently producing at a restricted rate of 4 MMcf/d. The operator plans to increase the rate over the next few months to determine the optimal production rate. Sharon also reported that it has increased its interest in the next well on this prospect to an 8.3% working interest. The well will commence drilling as soon as a drilling rig becomes available.

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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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.

THE TSX VENTURE EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.