



The following is for immediate release in Canada, Wednesday, July 16, 2003.

**SHARON ANNOUNCES YEAR END FINANCIAL RESULTS &
UPDATES TEXAS EXPLORATION PROGRAM**
(Sharon reports its financial results in U.S. dollars)

Sharon Energy Ltd. today reported the financial and operating results for the year ended March 31, 2003.

During the past two years, Sharon has operated in the United States, principally in Texas, developing significant deep Wilcox gas prospects, defined by 3-D seismic. As a result of this exploration effort, the Company has incurred substantial capital outlays to define and purchase land on three such geological prospects.

As the result of the successful drilling of the first of these prospects, at Mustang Creek, Colorado County, Texas, the Company has now moved to a production and development phase on this prospect and anticipates steadily improving financial results

For the year ended March 31, 2003, the Company reported revenues of \$455,000 and earnings of \$33,000. Net capital additions totaled \$733,000.

Subsequent to the year end, the Company completed its first Wilcox well, the Lehrer #1 in Colorado County. The well, in which Sharon holds an 8.3% working interest, was completed in three of nine potential gas pay zones and is presently flowing at 4 million cubic feet per day, with a flowing tubing pressure of 4,300 psi. The operator intends to increase production rates from this well, maximizing efficient production flow.

The Company will participate in the drilling of a second well to 17,000 feet, more favorably positioned on the crest of the structure with respect to deeper Wilcox sands. The well is planned to commence as soon as the required drilling rig becomes available. The Company will participate for an 8.3% working interest in the well.

The Company also confirmed that it has completed leasing of a multi zone prospect to the west of the Mustang Creek discovery and plans to retain a minimum of 20% working interest in this new prospect, which is anticipated to be drilled in the final quarter of 2003.

Finally, the closing of our recently announced \$1.35 CDN million financing, will permit the Company to complete its 2003 exploration program from the new proceeds and increased cash flow.

.../2

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.



SHARON ENERGY LTD.

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

SUMMARY OF OPERATIONS

For the Year Ended March 31

<i>(expressed in U.S. Dollars)</i>	2003	2002
Financial		
Total revenue	\$ 455,439	\$ 428,170
Cash flow from operations	\$ 4,199	\$ 54,118
Cash flow per share	\$ 0.00	\$ 0.00
Earnings (loss) for the period	\$ 32,827	\$ (1,688,476)
Earnings (loss) per share	\$ 0.00	\$ (0.08)
Capital		
Additions	\$ 908,097	\$ 1,492,315
Dispositions	\$ 175,463	\$ 9,615
Net debt	\$ 1,125,570	\$ 813,097
Total assets	\$ 2,273,694	\$ 1,421,140
Operations		
Production		
Gas (Mcf/d)	282	268
Oil (Bbls/d)	19	19
Boe/d (6Mcf =1Bbl)	66	63
Product Prices		
Gas (\$/Mcf)	\$ 2.79	\$ 2.88
Oil (\$/Bbl)	\$ 24.17	\$ 20.50
Total shares outstanding, at period end	27,197,098	22,663,600

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 Venture: SHY

Robert W. Lamond, Chairman

Calgary, Alberta

SHARON ENERGY LTD.

Telephone: (403) 269-9889

Fax: (403) 269-9890

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.