



SHARON ENERGY LTD.

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

The following is for immediate release in Canada, Wednesday, December 3, 2003.

SHARON SPUDS HIGH INTEREST TEXAS WELL

Sharon Energy Ltd. today confirmed that drilling has commenced on the Hound Dog prospect in Lavaca County, Texas, targeting deep Wilcox sands. The well, in which Sharon will pay 15% of the costs, to casing point, to earn a 22.5% working interest, is planned to be drilled to 15,500 feet and should reach total depth in approximately five weeks.

In addition, the Company updated its other Wilcox activities. The first well on the Mustang Creek prospect, Lehrer #1, Sharon 8% working interest, is flowing at 1.65 million cubic feet per day, with a flowing pressure of 1600 psi.

Completion operations are continuing on the Lehrer #2 well, Sharon 9% working interest. The Upper Magnolia sand will be perforated on Friday, December 5, 2003, and flow tested prior to fracture stimulation planned later this month. Approximately 20 feet of the Lower Magnolia sand was completed last week, and produced natural gas on a short production test. This zone will be temporarily suspended and later commingled, allowing for the pending completion of the potentially more productive upper Wilcox sands in the well.

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.

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