



SHARON ENERGY LTD.

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

The following is for immediate release in Canada, Monday, December 8, 2003.

SHARON ANNOUNCES \$500,000 FLOW-THROUGH SHARE FINANCING

Sharon Energy Ltd. announces that it has entered into an agreement with Griffiths McBurney & Partners for the private placement, on a bought deal basis, of 1,250,000 Common Shares of the Company on a flow-through basis at an issue price of \$0.40 per share for aggregate consideration of \$500,000. Closing is subject to receipt of all necessary regulatory approvals and is expected to be on or about December 17, 2003.

Sharon has agreed to incur and renounce to the subscribers, qualified Canadian exploration expenditures in an amount equal to the issue price, effective December 31, 2003.

Proceeds from the offering will be used to fund the Company's capital expenditures in Canada for 2004.

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.

This press release does not constitute an offer to sell or the solicitation of an offer to buy the common shares in any jurisdiction. Such securities have not been registered under the United States Securities Act of 1933 and may not be offered or sold in the United States, or to a U.S. person absent registration, or an applicable exemption there from.

**NOT FOR DISSEMINATION TO THE UNITED STATES NEWSWIRE SERVICES OR FOR
DISSEMINATION IN THE UNITED STATES**

FOR FURTHER INFORMATION, PLEASE CONTACT:

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

Houston, Texas

SHARON ENERGY LTD.

Telephone: (713) 789-5395

Fax: (713) 789-8454

TSXV: 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.**