



SHARON ENERGY LTD.

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The following is for immediate release in Canada, Monday, February 28, 2005.

**SHARON ANNOUNCES FINANCIAL & OPERATING RESULTS
FOR NINE MONTHS ENDED DECEMBER 31, 2004 AND
UPDATES EXPLORATION ACTIVITY**

(Sharon Energy Ltd. reports its financial results in U.S. dollars)

Sharon Energy Ltd. reports that an increase in production volumes and commodity prices resulted in an increase in the Company's revenue to \$682,000, for the nine months ended December 31, 2004, from \$477,000 for the same period in 2003.

Cash flow from operations for the nine months totaled \$215,000 compared with cash flow of \$137,000 for the same period in 2003. The Company reported a loss of \$682,000 for the period compared with earnings of \$228,000 in 2003. The earnings in 2003 resulted primarily from future income tax recovery of \$457,000 recognized during 2003.

Sharon reports that pipelining operations are currently underway on its Allen Ranch prospect in Texas. The well will be completed in the next 30 days upon completion of the production facilities. In addition, the Company has a 10% interest in a significant oil discovery in central Alberta, which will be placed on-stream next week. As part of the continuing development of this area, Sharon will participate for a 5% working interest in a second well planned to commence drilling in March 2005.

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.



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SUMMARY OF OPERATIONS

<i>(expressed in U.S. Dollars)</i>	Nine Months Ended	
	December 31	
	2004	2003
Financial		
Total revenue (net of royalties)	\$ 681,608	\$ 476,993
Cash flow	\$ 215,098	\$ 136,805
Cash flow per share	\$ 0.01	\$ 0.00
Earnings (loss) for the period	\$ (681,816)	\$ 227,625
Earnings (loss) per share	\$ (0.02)	\$ 0.01
Capital		
Additions	\$ 1,465,977	\$ 1,971,449
Dispositions	\$ 150,000	\$ 82,262
Net debt	\$ 2,932,806	\$ 1,852,772
Total assets	\$ 4,292,571	\$ 4,198,780
Operations		
Production		
Gas (Mcf)	455	348
Oil (Bopd)	19	14
BOEd (6mcf =1bbl)	94	72
Product Prices		
Gas (\$/Mcf)	\$ 4.46	\$ 4.31
Oil (\$/Bbl)	\$ 36.59	\$ 27.38
Total shares outstanding, at period end	37,555,598	33,452,098

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