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The following is for immediate release in Canada, Wednesday, December 14, 2005

**SHARON INCREASES FINANCING TO \$6 MILLION**

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Sharon Energy Ltd. announced today that it has agreed to increase the size of its previously announced financing from \$5.0 million to \$6.0 million. Research Capital Corporation will act as agent in respect of the issue of up to 12,000,000 units, at an issue price of \$0.50 per unit, on a best efforts basis.

Each unit will consist of one common share and one-half of one private placement warrant. Each whole private placement warrant will entitle the holder to acquire one common share at an exercise price of \$0.65 per common share for a period of 18 months from closing of the offering.

Humboldt Capital Corporation has indicated that its intention to subscribe for 4 million units for an aggregate subscription price of \$2,000,000 remains unchanged. R.W. Lamond and Humboldt together own 14,925,667 common shares of the Company (38.7%). R.W. Lamond has options to purchase a further 150,000 common shares of the Company. R.W. Lamond owns approximately 67.6% of the outstanding common shares of Humboldt. Assuming the maximum number of units are issued, R.W. Lamond and Humboldt together will own 18,925,667 common shares of the Company (37.25%) and warrants and options exercisable, in aggregate, for the purchase of an additional 2,150,000 common shares. Two of the directors of Humboldt and certain officers are also directors and officers of the Company.

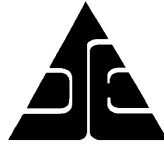
The closing of the offering is subject to receipt of all necessary regulatory approvals.

The agent will receive a commission of 7% on the units sold, other than units sold to Humboldt, and broker's warrants to purchase 7% of units sold, other than units sold to Humboldt, exercisable for a period of up to 18 months from closing of the offering.

The proceeds from this offering will be added to working capital and will be used to fund the Company's exploration and development program in the United States.

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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.*



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This news release shall not constitute an offer to sell or the solicitation of any offer to buy the securities in any jurisdiction. The securities offered will not be and have not been registered under the United States Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirement.

*Sharon Energy Ltd. is a junior oil and gas company currently conducting active natural gas exploration programs in Texas and Alberta.*

## FOR FURTHER INFORMATION, PLEASE CONTACT:

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