



SHARON ENERGY LTD.

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The following is for immediate release in Canada, Friday, September 30, 2005.

## **SHARON ENTERS INTO FARM-IN AGREEMENT WITH DIAZ RESOURCES LTD. FOR CANADIAN PROPERTIES**

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Sharon Energy Ltd. reports that it has entered into a farm-in agreement with Diaz Resources Ltd. (“Diaz”) to participate in the drilling of wells in the Retlaw area of Alberta and the Parkman area of Saskatchewan. Expenditures incurred will be used to satisfy the balance of Sharon’s obligation to renounce expenditures pursuant to flow-through shares purchased on December 31, 2004.

Sharon will pay 53% of the cost to drill the Retlaw 11-28-12-19 W4M well to casing point to earn a 40% working interest, reverting to a 20% working interest after three times payout.

Sharon will pay 33% of the drilling and completion costs of the Parkman 8-9-8-33 W1M horizontal well to earn a 25% working interest in the well.

R.W. Lamond and Humboldt Capital Corporation (“Humboldt”) together own 14,925,667 common shares of Sharon, or 38.8% of the outstanding shares and 22,500,803 common shares of Diaz, or 37.6% of the outstanding shares. R.W. Lamond owns 67% of Humboldt’s outstanding shares. R.W. Lamond, C.A. Teare, H.C. Ferguson, III and C.M. Stockdale are directors of Sharon. R.W. Lamond, C.A. Teare and C.M. Stockdale are directors of Diaz and H.C. Ferguson, III is a director of a subsidiary of Diaz. D.K. Clark is a director of Diaz and an officer of Sharon. C.A. Teare is an officer of both Diaz and Sharon. The transaction was approved by the independent members of the Board of Directors of each of Sharon and Diaz.

There is no finder’s fee paid for this arrangement.

*Sharon Energy Ltd. is a junior oil and gas company currently conducting active natural gas exploration programs in Texas and Alberta. Sharon is currently focused on exploring for natural gas in Alberta and deep Wilcox gas in Texas.*

FOR FURTHER INFORMATION, PLEASE CONTACT:

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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  
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