



SHARON ENERGY LTD.

#1800, 633 Sixth Avenue S.W.
Calgary, Alberta
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SHARON ENERGY LTD. ANNOUNCES RESULTS OF THE NINE MONTHS ENDED DECEMBER 31, 2007

Sharon Energy Ltd. (TSX-V: SHY)

Sharon's financial and operating results for the nine months ended December 31, 2007, were lower than the same reporting period of the prior year, due to reduced production volumes partially offset by higher gas prices. Sharon hopes to reverse this trend with the results of its exploration and development program in the coming year.

FINANCIAL

Sharon reported revenue for the nine month period ended December 31, 2007, of \$2.2 million compared with \$2.7 million in the prior year period and cash flow for the nine month period was \$911,000 compared with \$1.8 million for the same period in 2006. Sharon reported a loss for the nine month period ended December 31, 2007, of \$520,000 or \$0.01 per share versus earnings of \$158,000 or nil per share for the same period in 2006.

Capital spending for the nine month period ended December 31, 2007, totaled \$4.1 million compared with \$3.5 million for the same period in 2006. Capital spending was financed from cash flow, capital dispositions and a \$9.0 million equity financing completed in June 2007.

Sharon exited the third quarter with working capital of \$2.1 million versus net debt of \$2.6 million at the beginning of the fiscal year.

PRODUCTION

Production for the three month period ended December 31, 2007, declined to average 208 BOEd compared with 377 BOEd for the prior year. For the nine month period production declined to 224 BOEd compared with 349 BOEd for the prior year period.

United States

In the first nine months of the 2008 fiscal year Sharon's focus has been on developing prospects on its Wilcox trend in Texas.

Cheney, Colorado County, Texas – Working Interest 14%

The drilling of the Cheney #1 well was completed in July 2007 and cased. Based on the Company's log analysis, the well has encountered 40 feet of gross pay and 30 feet of potential net gas pay in the Wilcox #18 zone. Completion operations are now expected to be carried out by the end of March 2008.

Black Owl, Wharton County, Texas - Working Interest 24.4%

The Black Owl #1 well, Wharton County, Texas, came on stream November 6, 2007. The well encountered 14 feet of pay in the Yegua zone and has produced an average of 1.4 MMcfd (net 340 Mcfd) with 23 barrels (net 5.6 barrels) of condensate per day.



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N.W. Speaks, Lavaca County, Texas - Working Interest 35.8% (at casing point)

Sharon developed the N.W. Speaks project and is the operator. Sharon will pay 31.125% of the drilling costs and have a 35.844% working interest at casing point. The well was spud on January 29, 2008, with total depth expected to be 13,600 feet. The well is currently being drilled and is anticipated to be completed by mid-March 2008.

Canada

During the first nine months of the 2008 fiscal year Sharon participated in drilling or re-entering 6 wells (1.20 net) resulting in 1 oil well (0.25 net), 2 gas wells (0.40 net) and 3 dry holes (0.55 net).

BUSINESS OUTLOOK

Sharon's management anticipates a greatly improved outlook for natural gas through the balance of 2008. The fourth quarter looks to be exciting for the Company as the fracture stimulation of the Cheney #1 Wilcox gas well will be conducted and drilling at the N.W. Speaks, Robertson #1 well should be completed.

<i>(Thousands, except per share amounts)</i> <i>(U.S. Dollars, unaudited)</i>	Nine Months Ended December 31	
	2007	2006
Financial		
Total revenue	\$ 2,164	\$ 2,694
Cash flow from operations	\$ 911	\$ 1,766
per share, basic and diluted	\$ 0.01	\$ 0.03
Earnings (loss) for the period	\$ (520)	\$ 158
per share, basic and diluted	\$ (0.01)	\$ -
Property, plant and equipment		
Capital additions	\$ 4,091	\$ 3,473
Dispositions	\$ (330)	\$ (41)
Working capital (net debt)	\$ 2,082	\$ (2,577)
Total assets	\$ 20,412	\$ 13,695
Total shares outstanding, at period end	75,403	52,919
Operations		
Production		
Gas (MMcfd)	1.2	1.9
Oil (Bopd)	23	32
BOEd (6 Mcf = 1 Bbl)	224	349
Product Prices		
Gas (\$/Mcf)	\$ 6.78	\$ 5.94
Oil (\$/Bbl)	\$ 67.19	\$ 59.83

BOE Presentation – the term barrels of oil equivalent (BOE) may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. All BOE conversions in this report are derived by converting gas to oil in the ratio of six Mcf of gas to one Bbl of oil.

Financial Reporting – all numbers are reported in U.S. dollars.

Sharon is an oil and gas exploration and production company based in Calgary, Alberta. Sharon's current focus is on shallow gas developments in southern Alberta, natural gas exploration in central and southern Alberta and deep gas exploration in Texas.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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TSX-V: SHY

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