

SAHARA ENERGY LTD.

News Release

For Immediate Release

**Sahara Energy Ltd. - TSX Venture Exchange: SAH
- U.S. Quotation: SAHRF**

Calgary, Alberta

May 2, 2007

**SAHARA ENERGY ANNOUNCES ITS FINANCIAL AND OPERATING RESULTS
FOR IMMEDIATE RELEASE**

CALGARY, ALBERTA – May 2, 2007. Sahara Energy Ltd. ("Sahara" or the "Company") announces its financial and operating results for the year and quarter ended December 31, 2006. As at December 31, 2006, the Company reported a cash balance of \$2,100,405 and a working capital deficiency of \$1,298,912. The Company had net revenues of \$692,746 for the year ended December 31, 2006 and \$311,345 for the three months ended December 31, 2006.

The Company had a net loss of \$1,604,635 for the year ended December 31, 2006 and a net loss of \$702,084 for the three months ended December 31, 2006. After adjusting the net loss for non-cash items of depletion, depreciation, accretion and stock based compensation Sahara had a net loss of \$271,241 for the year ended December 31, 2006 and net income of \$631 for the three months ended December 31, 2006.

Sahara raised a total \$9,370,145 through various financings during 2006. Sahara incurred capital expenditures for the year totaling \$11,652,911 with expenditures of \$4,949,157 for the three month period ended December 31, 2006. During the year the Company spent \$2,041,893 on land, \$8,535,022 on exploration and development drilling and \$1,075,996 on well equipment and facilities. For the three month period ended December 31, 2006 the Company spent \$505,267 on land, \$3,844,273 on exploration and development drilling and \$599,617 on well equipment and facilities.

The Company has filed its MD&A and year end financials on SEDAR.

For further information please contact:

Peter J. Boswell

President

Sahara Energy Ltd.

800, 510 – 5th Street S.W.

Calgary, Alberta T2P 3S2

Telephone: (403) 232-1359

Email: pete@saharaenergy.ca

Quentin C. Enns

VP-Exploration

Sahara Energy Ltd.

800, 510 – 5th Street S.W.

Calgary, Alberta T2P 3S2

Telephone: (403) 232-1359

Email: quentin@saharaenergy.ca

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