

For Immediate Release
Calgary, Alberta

Friday, December 22, 2006
TSXV Trading Symbol: SAA.A
SAA.B
20,108,781 Class A Shares
1,044,000 Class B Shares

SOLARA COMPLETES \$2.25 MILLION PRIVATE PLACEMENT

CALGARY, ALBERTA – December 22, 2006. Solara Exploration Ltd. (“Solara” or the “Company”) is pleased to announce that it has completed a \$2.25 million non-brokered private placement of 2,250,000 flow-through Class A Shares. The Shares are subject to a four month hold period expiring on April 21, 2007. The Company plans to use the proceeds of the financing for exploration, development drilling and geophysical operations on its oil and gas projects in Alberta.

Solara Exploration Ltd. is an emerging junior oil and gas company focused on the exploration, development and acquisition of oil and natural gas assets in western Canada.

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ADVISORY

Certain information regarding the Company including management's assessment of future plans and operations, may constitute forward-looking statements under applicable securities laws and necessarily involve risks associated with oil and gas exploration, production, marketing and transportation such as loss of market, volatility of prices, currency fluctuations, imprecision of reserve estimates, environment risks, competition from other producers and ability to assess sufficient capital from internal and external source. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.