

For Immediate Release
Calgary, Alberta

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TSXV Trading Symbol: SAA.A
SAA.B
19,989,781 Class A Shares
1,044,000 Class B Shares

SOLARA ANNOUNCES RECENT DRILLING SUCCESS

CALGARY - Solara Exploration Ltd. ("Solara" or the "Company") is pleased to announce the results of its fourth quarter 2006 drilling program. The Company participated in the drilling of 28 gross wells (16 net) in Alberta since September, 2006 resulting in six gross (4.35 net) oil wells, seven gross (3.9 net) gas wells and three gross (0.5 net) dry and abandoned wells. A further 12 gross (7.25 net) wells are cased and currently being evaluated for production. Solara operated the drilling of 14 of these wells during the period.

In respect to the recently drilled oil wells, the Company is currently producing two of the wells at a net rate of 70 bbls/d and four wells tested oil at estimated combined daily rates in excess of 100 bbls/d net to Solara's interests. Three of these wells are currently being placed on production. Further evaluation is being undertaken on the remaining oil well prior to installation of artificial lift equipment. The seven gas wells tested at rates ranging from 63 mcf/d to 1,700 mcf/d over various periods of time for a combined daily rate of 4,720 mcf/d gross or 1,800 mcf/d (300 BOE/d) net to the Company's interests. The three most significant wells were drilled in west central Alberta and tested at gross gas rates of 1,600 mcf/d, 1,700 mcf/d and 1,000 mcf/d, respectively. Solara has a 35% interest in the first two of these wells and 40% interest in latter well. All three of these wells produced nominal amounts of natural gas liquids and oil in association with the gas. Tie-in options are currently being evaluated and implemented for all of the gas wells. Upon tie-in, stabilized production rates may vary from test rates depending on good oilfield production practice and available capacity in gathering systems and gas plants. The remaining 12 cased wells are currently in some stage of completion and additional test data will be reported once available.

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.

BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

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

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