

SOLARA ANNOUNCES FIRST QUARTER FINANCIAL AND OPERATING RESULTS

CALGARY, ALBERTA June 2, 2008 - Solara Exploration Ltd. ("Solara" or the "Company") is pleased to announce its unaudited interim financial and operating results for the three months ended March 31, 2008.

Highlights

- Generated gross oil and gas revenues of \$1,890,363, funds from operations of \$988,214 (\$0.04 per basic Class A Share) and after-tax net income of \$48,842
- Averaged oil and gas sales production of 356 BOE/D
- Purchased oil and gas assets in the Craighend area of Alberta for \$1,050,000
- Achieved reserve additions of 260,000 BOEs and an incremental reserve value of \$4.3 million to a total corporate value of \$21.9 million (PV 10%) at March 31, 2008

Solara achieved continued growth in key aspects of its financial and operating results for the first quarter of 2008. These results were primarily due to higher sales production, the acquisition of producing properties and stronger oil and natural gas selling prices during the quarter. Capital expenditures for the first quarter were \$1.59 million comprised mainly of acquisition, drilling, completion and tie-in activities. Solara's daily sales production averaged 356 BOE/D for the three month period. The Company has tie-in activities planned for existing gas wells in the second and third quarters of 2008. Management expects that these production additions will have a positive impact on financial and operating performance during the latter part of 2008. As well, Solara has plans to drill ten to twelve wells on core projects prior to year end.

As previously announced, the Company completed the acquisition of certain operated and non-operated oil and gas assets in northeastern Alberta on January 25, 2008 for \$1,050,000. As part of the transaction, Solara also acquired various interests in 16,640 net acres (6,656 net hectares) of undeveloped lands which represent potential for exploration and development drilling opportunities in the future.

To recognize the asset acquisition and other successful operating activities during the quarter, Solara had its independent engineering consultants evaluate corporate oil and gas reserves at March 31, 2008. The evaluation resulted in proved plus probable reserve additions of 260,000 BOEs for the quarter, and a corresponding valuation increase of \$4.3 million to \$21.9 million at a discount rate of 10% (December 31, 2007 - \$17.6 million).

For the three month period ended March 31, 2008, the Company had oil and gas production revenues of \$1,890,363, funds from operations of \$988,214 (\$0.04 per basic Class A Share, excluding Class B Shares) and net income, after income taxes, of \$48,842. At March 31, 2008, Solara had \$1,163,313 available from the unutilized portion of its bank operating line. Solara has filed its unaudited interim financial statements and Management's Discussion and Analysis for the

three month period ended March 31, 2008 with the Canadian securities regulatory authorities on SEDAR. This information may be accessed electronically at www.sedar.com.

About Solara Exploration

Solara Exploration is a publicly traded junior oil and gas company focused on the exploration, development and acquisition of oil and natural gas in western Canada.

For further information please contact:

Donald R. Holding, President and Chief Executive Officer

Solara Exploration Ltd.

1800, 444 - 5th Avenue S.W.

Calgary, Alberta, Canada T2P 2T8

Telephone: (403) 537-0458

Facsimile: (403) 537-0462

Email: don_solaraexploration@shaw.ca

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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.