

For Immediate Release

Thursday, June 26, 2008

Calgary, Alberta

TSXV Trading Symbols: SAA.A and SAA.B

25,239,692 Class A Shares

1,026,800 Class B Shares

SOLARA EXPLORATION ENTERS INTO AGREEMENT TO PURCHASE OIL AND GAS ASSETS

CALGARY, ALBERTA – June 26, 2008. Solara Exploration Ltd. ("Solara" or the "Company") announces that it has entered into an agreement to purchase various interests in oil and natural gas properties located in Alberta. The net share of daily production from the properties is approximately 60 barrels of oil equivalent per day (BOE/d). In addition, Solara will acquire interests in 2,205 net undeveloped acres (892 net hectares) in close proximity to the producing wells on the properties. The aggregate purchase price being paid by Solara for the assets is \$2,100,000, subject to adjustments at closing. The effective date of the transaction is June 1, 2008, with closing scheduled to occur on August 1, 2008. The purchase and sale is subject to various conditions customary for similar transactions. The Company will use cash on hand and bank operating lines to complete the transaction at closing.

The Board of Directors of Solara is pleased with the acquisition, which is expected to provide additional drilling and optimization opportunities for the Company.

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.

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The TSXV has neither approved nor disapproved the contents of this news release. The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

This news release may contain certain forward-looking statements, including management's assessment of future plans and operations, and capital expenditures and the timing thereof, that involve substantial known and unknown risks and uncertainties, certain of which are beyond the Company's control. Such risks and uncertainties include,

without limitation, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, inability to retain drilling rigs and other services, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources, the impact of general economic conditions in Canada, the United States and overseas, industry conditions, changes in laws and regulations (including the adoption of new environmental laws and regulations) and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in foreign exchange or interest rates, stock market volatility and market valuations of companies with respect to announced transactions and the final valuations thereof, and obtaining required approvals of regulatory authorities. The Company's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits, including the amount of proceeds, that the Company will derive therefrom. Readers are cautioned that the foregoing list of factors is not exhaustive. All subsequent forward-looking statements, whether written or oral, attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

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.