

SOLARA ANNOUNCES SECOND QUARTER FINANCIAL AND OPERATING RESULTS

CALGARY, ALBERTA September 2, 2008 - Solara Exploration Ltd. ("Solara" or the "Company") is pleased to announce its unaudited interim financial and operating results for the six months ended June 30, 2008.

Highlights

- Generated gross oil and gas revenues of \$4,182,183, funds from operations of \$2,256,578 (\$0.09 per basic Class A Share) and after-tax net income of \$142,742.
- Averaged oil and gas sales production of 331 BOE/d.
- Entered into a purchase and sale transaction to acquire 60 BOE/d.
- Participated in the drilling of three wells resulting in two gas wells and one dry and abandoned well.

Solara achieved continued growth in key aspects of its financial and operating results for the first six months 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 period compared to the comparable period in 2007. Capital expenditures for the six month period were \$2.06 million, comprised mainly of acquisition, drilling, completion and tie-in activities. Solara's daily sales production averaged 331 BOE/d for the six month period. The Company has tie-in activities planned for new gas wells in the third and fourth 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.

On June 18, 2008, Solara entered into a purchase and sale agreement to purchase certain producing and non-producing oil and gas assets, and undeveloped lands situated in Alberta for \$2.1 million. The net share of daily oil and gas production from the properties is approximately 60 BOE/d. In addition, Solara will acquire interests in net 2.205 acres (net 8932 hectares) of undeveloped land. The transaction is expected to close before the end of September.

For the six month period ended June 30, 2008, the Company had oil and gas production revenues of \$4,182,183, funds from operations of \$2,256,578 (\$0.09 per basic Class A Share, excluding Class B Shares) and net income, after income taxes, of \$142,742. In July, 2008, the Company's lender increased its operating line to \$10,000,000. Solara has filed its unaudited interim financial statements and Management's Discussion and Analysis for the six month period ended June 30, 2008 with the Canadian securities regulatory authorities on SEDAR. This information may be accessed electronically at www.sedar.com.

About Solara Exploration

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