

For Immediate Release
Calgary, Alberta

Tuesday, August 4, 2009
TSXV Trading Symbols: SAA.A and SAA.B
34,710,937 Class A Shares
986,700 Class B Shares

SOLARA EXPLORATION COMPLETES PRIVATE PLACEMENT AND ENTERS INTO FARMOUT WITH LIMITED PARTNERSHIP

CALGARY, ALBERTA - August 4, 2009. Solara Exploration Ltd. ("Solara" or the "Company") is pleased to advise that it has completed its previously announced non-brokered private placement (the "Private Placement") of 5 million Units. The Company also advises that the Private Placement was oversubscribed and as a result, the Company exercised its overallotment option for 100,000 additional Units and the Company received aggregate proceeds of \$510,000 in the Private Placement. Each Unit was priced at \$0.10 and comprised of two (2) Flow-Through Class A Shares (the "Flow-Through Shares") priced at \$0.05 per share and one (1) Purchase Warrant to acquire one (1) Flow-Through Class A Share of the Company (the "Warrants"). Each full Warrant will be exercisable for one Flow-Through Class A Share of the Company at a price of \$0.10 per share until March 31, 2010. The Units were sold to enable the Company to perform exploratory and development drilling and seismic surveys on its lands. All securities issued pursuant to the Private Placement are subject to a four month hold pursuant to applicable securities legislation.

The Company also advises that it has entered into a Farmout, Option and Conveyance Agreement (the "Farmout Agreement") dated June 30, 2009 with the Marwayne Production Limited Partnership ("LP") which provides for the farmout by Solara of certain interests in an oil project located in eastern Alberta on standard industry terms and conditions. The General Partner of the LP, in cooperation with the Company, will undertake the drilling of three wells on the farmout lands on behalf of the LP. In addition, the LP has also agreed to purchase and equalize the LP with the Company in producing properties situated on the farmout lands so that the interests of the LP will be uniform with the interests of the Company in the farmout lands after completion of the three well drilling program. Pursuant to the Farmout Agreement, the LP will spend up to \$1,300,000 on the project. The parties anticipate that drilling of the first well will be commenced within the next week.

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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