

For Immediate Release
Calgary, Alberta

Wednesday, December 23, 2009
TSXV Trading Symbols: SAA.A and SAA.B
40,210,937 Class A Shares
986,700 Class B Shares

SOLARA EXPLORATION COMPLETES PRIVATE PLACEMENT

CALGARY, ALBERTA - December 23, 2009. Solara Exploration Ltd. ("Solara" or the "Company") is pleased to announce that it has completed a private placement (the "Private Placement") of 5,500,000 Class A Shares of the Company issued on a "flow-through" basis (the "Flow-Through Shares"). The Company also advises that the Private Placement was oversubscribed and as a result, the Company exercised its overallotment option for 500,000 additional Flow-Through Shares and the Company received aggregate proceeds of \$550,000 in the Private Placement. Each Flow-Through Share was priced at \$0.10. The Company paid Finder's Fees to an arm's length broker of \$24,000 cash and 240,000 broker warrants (the "Warrants"). Each Warrant is exercisable for one Class A Share of the Company at a price of \$0.10 per share until December 22, 2010. The Flow-Through Shares were sold to fund the Company's exploration, development and seismic activities. All securities issued pursuant to the Private Placement are subject to a four month hold pursuant to applicable securities legislation.

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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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.