

For Immediate Release
Calgary, Alberta

Monday, May 4, 2009
TSXV Trading Symbols: SAA.A and SAA.B
24,510,937 Class A Shares
986,700 Class B Shares

SOLARA EXPLORATION ANNOUNCES 2008 FINANCIAL AND OPERATING RESULTS

CALGARY, ALBERTA – May 4, 2009. Solara Exploration Ltd. (the “Company”) is pleased to announce its financial and operating results for the year ended December 31, 2008. The audited financial statements and Management’s Discussion and Analysis were filed on April 30, 2009 on SEDAR at www.sedar.com. In accordance with National Instrument 51-101, Standards for Disclosure of Oil and Gas Activities (“NI 51-101”), GLJ Petroleum Consultants independently prepared an evaluation of the Company’s petroleum, natural gas and liquids reserves as at December 31, 2008 (the “GLJ Report”). The summary of the GLJ Report is available for public viewing on SEDAR at www.sedar.com. The following discussion provides an overview of Solara’s fiscal year.

Overview

- **Generated gross oil and gas revenues of \$7,038,490 and cash flow from operations of \$2,967,086.**
- **Averaged oil and gas sales production of 303 BOE/D, inclusive of royalty production.**
- **Completed two purchase and sale transactions, acquiring 110 BOE/D during the year.**
- **Participated in the drilling of five wells resulting in two gas wells, two oil wells and one dry and abandoned well.**

Solara achieved growth in key aspects of its financial and operating results for the twelve months ended December 31, 2008 compared to the prior year. These results were primarily due to increased sales production from the acquisitions of producing properties and higher oil and natural gas selling prices during the year relative to 2007. For the 2008 year, oil and gas revenues increased by 28% to \$7,038,490 from \$5,507,544 for 2007, inclusive of royalty income. Cash flow from operations increased to \$2,967,086 compared to \$2,029,158 for 2007, representing a 46% improvement on a year to year basis. Capital expenditures for the twelve months were \$5.4 million, comprised mainly of asset acquisition costs, drilling, seismic and facility investments. Solara’s daily sales production averaged 303 BOE/D for the year inclusive of royalty production. Based on the GLJ Report at December 31, 2008, total proved plus probable oil, natural gas and liquids reserves rose by 320,000 BOE representing a 37% increase compared to the prior year. This increase resulted primarily from the two asset acquisitions completed by the Company in 2008. Solara had bank debt of \$7.5 million on an operating line of \$10 million with its lender at year end, 2008.

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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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.

Funds flow from operations is not a recognized measure under Canadian generally accepted accounting principles (GAAP). However, management believes that funds flow from operations is a useful measure of financial performance as management believes it is a commonly accepted measure in the industry which is useful for knowledgeable investors for comparison purposes. For the purposes of funds flow from operations calculations, funds flow is defined as "Funds flow from operations" before changes in non-cash operating working capital. The Company's determination of funds flow from operations may not be comparable to that reported by other companies. Operating margin is not a recognized measure under GAAP; however management believes it is a useful measure of financial performance for assessing the operations of the Company. Operating margin is defined as revenue less operating costs, both of which are GAAP measures.

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.