

Saha Petroleum
\$500,000 Flow-Through Private Placement

For Immediate Release

December 1, 2008

Calgary, Alberta – ("Saha" or the "Company") (TSXV: SPZ) is pleased to announce a proposed non-brokered offering of up to 2,777,777 common shares to be issued on a "flow-through" basis in accordance with the *Income Tax Act* (Canada) at a price of at a price of \$0.18 per common share for maximum gross proceeds of approximately \$500,000. The net proceeds from the offering will be applied to Saha's exploration and development activities primarily in the Lloydminster area of Saskatchewan.

It is expected that the offering will be entirely subscribed by insiders of the Company, and may result in the creation of a new "control person" under the policies of the TSX Venture Exchange. In the event Mr. David Forrest, President, CEO and a director of the Company, subscribes for the entire offering, together with the common shares of the Company currently held through Brahma Resources Ltd. (a company owned and controlled by Mr. Forrest), Mr. Forrest will hold, directly and indirectly, 5,763,578 common shares or approximately 27% of the issued and outstanding common shares of the Company.

The common shares will be issued pursuant to prospectus exemptions available under applicable securities legislation. Closing of the offering is expected to occur prior to December 31, 2008, and is subject to the receipt of all requisite regulatory and stock exchange approvals. The common shares issued pursuant to the offering will be subject to a four-month hold period from the date of the closing of the private placement.

About Saha Petroleum Ltd.

Saha is a junior oil & gas company with medium and heavy oil production from exploration and production assets located in the provinces of Alberta and Saskatchewan.

For further information, please contact: David Forrest, President and Chief Executive Officer, at Tel: +1 (780) 205-4468; Fax: +1 (780) 808-8038; e-mail: dforrest@hmsinet.com.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy and accuracy of this release.

Forward-looking Information

This press release includes forward-looking statements and assumptions respecting Saha's strategies, future operations, expected financial results, financial sources, commodity prices, costs of production and quantum of oil and natural gas reserves and discusses certain issues, risks and uncertainties that can be expected to impact on any of such matters. By their nature, forward-looking statements are subject to numerous risks and uncertainties that can significantly affect future results. Actual future results may differ materially from those assumed or described in such forward-looking statements as a result of the impact of issues, risks and uncertainties whether described herein or not, which Saha may not be able to control. The reader is therefore cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements contained in this news release are made as of the date hereof and Saha undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.