

**Saha Petroleum
Agrees to Purchase Price for Heavy Oil Production**

For Immediate Release

October 8, 2008

Calgary, Alberta – ("Saha" or the "Corporation") (TSXV: SPZ) reports that it has negotiated a purchase price of \$900,000 in respect of the previously announced proposed acquisition of a privately held oil and gas company ("Privateco") with heavy oil production from interests near Lloydminster, Saskatchewan. The \$900,000 purchase price will be paid to the shareholders of Privateco by the issuance of up to 2,500,000 common shares of Saha, at a deemed price of \$0.18 per share, and \$450,000 cash.

Heavy oil sales from the Privateco oil interests have totaled 9,021 barrels for the 9 month period ended September 30, 2008.

Closing of the acquisition is expected to occur on or about October 17, 2008, subject to bank financing, the entering into a formal share purchase agreement, approval of the respective Board of Directors, and applicable regulatory approvals, including that of the TSX Venture Exchange.

About Saha Petroleum Ltd.

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

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

This press release contains certain forward-looking statements within the meaning of applicable securities law. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. The Corporation cannot assure that actual results will be consistent with these forward looking statements. They are made as of the date hereof and are subject to change and the Corporation assumes no obligation to revise or update them to reflect new circumstances, except as required by law. Prospective investors should not place undue reliance on forward looking statements. These factors include the inherent risks involved in the exploration for and development of crude oil and natural gas properties, the uncertainties involved in interpreting drilling results and other geological and geophysical data, fluctuating energy prices, the possibility of cost overruns or unanticipated costs or delays and other uncertainties associated with the oil and gas industry. Other risk factors could include risks associated with negotiating with foreign governments as well as country risk associated with conducting international activities, and other factors, many of which are beyond the control of the Corporation.