

For immediate release
December 9, 2003

FAIRBORNE ENERGY LTD. COMPLETES EQUITY FINANCING

Calgary, Alberta – Fairborne Energy Ltd. ("Fairborne") (TSX: FEL) announces that it has closed its previously announced private placement of 1,500,000 flow-through common shares at \$6.75 per share through an underwriting syndicate led by Peters & Co. Limited and including FirstEnergy Capital Corp. and Sprott Securities Inc. for total gross proceeds of \$10,125,000.

After giving effect to the offering, Fairborne has 32,213,917 common shares issued and outstanding.

Fairborne has identified numerous opportunities to expand its 2004 capital budget and will use the proceeds from this issue for that purpose. Fairborne's 2004 capital budget is set at \$50 million including participation in the drilling of 75 operated wells.

Fairborne is a publicly traded company with its head office in Calgary and is engaged in the business of acquiring crude oil and natural gas properties and exploring for, developing and producing crude oil and natural gas in Western Canada.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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This news release may contain forward-looking information. Actual future results may differ materially from those contemplated. The risks, uncertainties and other factors that could influence actual results are described in documents filed with regulatory authorities.