

For Immediate Release – February 2, 2004

Fairborne Updates Status of Wild River Exploratory Well and First Quarter Drilling Program

Fairborne Energy Ltd. is pleased to announce the status of its exploratory well located at Wild River 8-14-057-23W5M. This well spudded on December 7, 2003 targeting the Nisku Formation. The well has reached total depth of 3,800 meters, has been cased and is awaiting completion and production testing. Testing is anticipated to take place over the next 30 to 60 days. Working interest partners in the well include Fairborne (50%), ELM Energy Management Ltd. (30%) and Hawker Resources Inc. (20%).

In addition, Fairborne anticipates achieving its first quarter drilling target of 40 to 50 wells. At Bassett Lake, located in northwestern Alberta, the first ten wells in this 20 well program have been drilled and cased. Facilities and pipelines are being installed concurrently with a view to placing new production on-stream by April 2004. At Clive, located in central Alberta, Fairborne has two wells on production and six wells awaiting completion. These wells are the start of a multi-well Coal Bed Methane (CBM) program on the Company's land holdings in the Clive area (26,000 acres). At Westeros, construction of the pipeline to tie-in the Fairborne Basal Quartz gas well drilled in 2003 has been completed and start-up is planned for next week. Three follow-up development wells are being licensed for drilling in the next two months.

Fairborne is also pleased to announce the completion of a trucking terminal to accept third party crude oil for custom processing at its Clive facilities. The addition of these facilities will allow Fairborne to expand its third party custom processing business at Clive. In conjunction with this, the Company has also entered into an arrangement with Sempra Energy Trading Corp., a large international marketing company, to market the Company's crude oil and manage these third party volumes.

Fairborne is a crude oil and natural gas exploration, development and production company headquartered in Calgary, Alberta, Canada. Its common shares trade on the Toronto Stock Exchange under the symbol "FEL".

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Forward Looking Statements - Certain information regarding Fairborne Energy Ltd. set forth in this document, including management's assessment of Fairborne Energy Ltd.'s future plans and operations, contains forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond Fairborne Energy Ltd.'s control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, geological and engineering risks, imprecision of reserve estimates, environmental risks, competition from other producers, the lack of availability of qualified personnel or management, stock market volatility and ability to access sufficient capital from internal and external sources. Fairborne Energy Ltd.'s actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that Fairborne Energy Ltd. will derive therefrom.