



For Immediate Release

**ENHANCE ENERGY INC. AND FAIRBORNE ENERGY LTD.
ANNOUNCE JOINT VENTURE OIL RECOVERY PROJECT**

***Enhanced Oil Recovery Project to be developed in Clive, Leduc and
Nisku reservoirs***

CALGARY, AB (August 27, 2008) – Enhance Energy Inc. (“Enhance”) and Fairborne Energy Ltd. (“Fairborne”), both Calgary-based energy companies, are pleased to announce they have signed a definitive agreement to develop and implement a CO₂ enhanced oil recovery project at the Clive oil field in the Leduc and Nisku reservoirs, subject to the terms and conditions outlined in the agreement.

“We are pleased to be working with Fairborne on this significant development in Clive” said Susan Cole, President of Enhance Energy Inc. “This project will provide an anchor field for our CO₂ pipeline project in the central Alberta region and we are excited to be at the forefront of developing infrastructure that will allow us to sequester up to 14 million tonnes of CO₂ per year at full capacity.”

“It is exciting to witness the advancement of this project,” said Steven VanSickle, President and CEO of Fairborne. “This will be a great opportunity for Fairborne, Enhance, the province of Alberta and Canada to demonstrate our abilities to implement a world-scale enhanced recovery project, increasing recovery and the economic life of a mature oil field and creating jobs in the process.”

Additional pipeline and enhanced oil recovery regulatory approvals are still required prior to implementation of this project.

About Enhance Energy Inc.

Enhance Energy Inc. is a private Calgary-based company that specializes in EOR involving the permanent sequestration of CO₂. Enhance Energy uses CO₂ to recover oil that would otherwise remain in the reservoir. Enhance is the operator and 100% owner of Rowley Mannville water flood in Central Alberta. To learn more please visit www.enhanceenergy.com.

About Fairborne Energy Ltd.

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

Media Contact:

Shauna MacDonald
Brookline Public Relations for Enhance Energy Inc.

P: 403-538-5645
C: 403-585-4570
E: smacdonald@brooklinepr.com

Steven R. VanSickle
President & Chief Executive Officer
Fairborne Energy Ltd.
P: 403-290-7759
F: 403-290-7724
E: svansickle@fairborne-energy.com