



PRESS RELEASE

CONTINUED SUCCESS WITH 13 MILLION CUBIC FEET PER DAY WILRICH TEST RATE AT MARLBORO AND OIL PRODUCTION GROWTH AT SINCLAIR

CALGARY, ALBERTA, September 12, 2011 - Fairborne Energy Ltd. ("Fairborne" or the "Company") is pleased to provide the following update.

Marlboro Area – Wilrich Development

Fairborne's Wilrich development in the Marlboro/Pine Creek area continues to add significant value to the Company's reserves, asset value and production growth.

Since drilling the first horizontal Wilrich well in western Canada in March of 2009, Fairborne has successfully drilled and completed a total of 18 wells (12 net).

The Marlboro gas plant, built to handle Fairborne's growing Wilrich volumes, commenced operations in May of 2011, is currently processing gross volumes of 49 million cubic feet per day (34 million cubic feet per day net) and plans are underway to expand the facility in 2012.

Fairborne's second half of 2011 drilling program at Marlboro includes the drilling of six (4.2 net) Wilrich horizontal wells and one (0.83 net) horizontal Bluesky well. To date in 2011, eight (4.7 net) Wilrich wells have been drilled and completed and the Company is on track to successfully execute on its 2011 program.

The results of Fairborne's two most recent horizontal Wilrich wells emphasize the significant upside that this play represents to the Company. The most recent well (68 percent working interest) which was drilled and completed for total cost of \$5.0 million, was fracture stimulated over 11 zones and had a test rate of 10 million cubic feet per day. The well drilled and completed prior to that (60 percent working interest) had a total cost of \$5.3 million, was fracture stimulated over 12 intervals, had a test rate of 13 million cubic feet per day and has been on production for 12 days at a stable production rate of 10 million cubic feet per day plus associated natural gas liquids.

Fairborne's working interest operated Marlboro volumes have grown from approximately 10 million cubic feet per day in January of 2010 to current production in excess of 34 million cubic feet per day plus liquids (on average approximately 10 barrels per million cubic feet), an increase of 240 percent net of declines. Fairborne now has seven horizontal Wilrich wells that have been on production in excess of one year and has seen both consistent initial production rates as well as overall decline rates.

Fairborne has continued to expand its land position on this prolific play and now holds 33 (21 net) sections of land in the core Marlboro area which currently contains an estimated undrilled inventory of 70 gross Wilrich locations.



The Marlboro/Pine Creek area has also seen significant industry activity targeting the Notikewin and Bluesky formations with horizontal wells. Fairborne has mapped both these plays on its existing land base and has an estimated undrilled inventory of 19 (gross) Notikewin and 20 (gross) Bluesky locations.

Sinclair, Manitoba Area

At Sinclair, Manitoba Fairborne has drilled five (4.6 net) wells in its second half program of 18 (14.5 net) wells. With the successful completion and tie in of three of these wells (two wells are awaiting completion) current production now exceeds 900 barrels of 38 API sweet oil per day.

Fairborne has built a large land base and operation at Sinclair and currently has 71 (67.6 net) sections of land. Operating costs at Sinclair are approximately \$7.00 per barrel and with the royalty incentives currently in place on crown land second quarter field netbacks were in excess of \$80 per barrel.

Fairborne has been applying a number of new technologies to increase the value of the Sinclair property. The first involves using burst port technology to increase the number of fracture stimulations in horizontal well bores to between 25 and 28. The second is the application of Jet Pump surface equipment which has been installed at two locations to evaluate performance. The first jet pump well had an initial production rate of 200 barrels per day and after 170 days is still producing at a rate of 140 barrels per day. The second well has exhibited an improving production profile with a continued increase in oil cut and currently produces 55 barrels per day of oil.

The application of these technologies has led to an improved type curve with initial production rates increasing from 60 barrels per day to 80 barrels per day, an increase of 33 percent.

The Company also believes that significant water flood potential exists at Sinclair and has initiated the second pilot project to evaluate reservoir response. The first pilot continues to yield encouraging results with the producing well immediately offsetting the injector well exhibiting an early water flood response (3 months) and a flat production profile (indicated water flood pressure support) post water flood start up.

Exploration Activity

During the second half of 2011, Fairborne plans to drill two new plays in the Voyager and Harlech areas. The first well is a vertical Cadomin test at Voyageur (total depth of 3,900 m) that management believes to be on trend with an industry well (located approximately four townships northwest of the Voyageur location) that tested at 17 million cubic feet per day with 500 barrels of condensate per day. The Company's well is targeting up to five horizons and plans are to evaluate the potential to develop each of these horizons in horizontal wells.

Fairborne will also drill the first Cardium horizontal well in the Harlech area following up on its successful vertical recompletion program that yielded encouraging flow rates of one million cubic feet per day and total associated liquids yield of 50 to 60 barrels per million cubic feet (including 30 barrels of free condensate per million cubic feet).



Fairborne remains on target to achieve its stated average production guidance of between 15,000 and 15,500 boe per day for the third quarter. With current production levels of approximately 15,000 boe per day (based on field estimates), approximately 700 boe per day awaiting tie in scheduled for late September and an active fourth quarter program the Company remains on target to achieve its fourth quarter average production guidance of 16,000 to 16,500 boe per day.

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

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Forward-Looking Statements

Certain information set forth in this press release contain forward-looking statements including management's assessment of future plans and operations, drilling plans, plans for expansion of the gas facility at Marlboro and timing thereof, expected production levels, the potential impact of new technology application at Sinclair, including water flood potential and the exploration potential at Voyager and Harlech. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond Fairborne's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, delays resulting from or the inability to obtain required regulatory approvals, inability to retain and delays in retaining drilling rigs and other services, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other industry participants, the lack of availability of qualified personnel or management, stock market volatility, incorrect assessment of the value of acquisitions, failure to realize the anticipated benefits of acquisitions and ability to access sufficient capital from internal and external sources. The foregoing list is not exhaustive. Additional information on these and other risks that could affect Fairborne's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com), or at Fairborne's website (www.fairborne-energy.com). Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The actual results, performance or achievement of Fairborne could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits that Fairborne will derive there from. Fairborne disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.



Barrels of Oil Equivalency

Natural gas volumes are converted to barrels of oil equivalent (boe) on the basis of 6,000 cubic feet (mcf) of gas for 1 barrel (bbl) of oil. The term "barrels of oil equivalent" may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf to 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.