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Calgary, Alberta, September 15, 2009

FAIRBORNE ENERGY LTD. ANNOUNCES \$50 MILLION BOUGHT DEAL FINANCING

Fairborne Energy Ltd. ("Fairborne" or the "Company") (FEL – TSX) is pleased to announce that it has entered into an agreement with a syndicate of underwriters co-led by Cormark Securities Inc. and RBC Capital Markets and including First Energy Capital Corp., CIBC World Markets Inc. and National Bank Financial Inc. to issue, on a bought deal basis, 7,060,000 common shares ("Common Shares") at a price of \$4.25 per Common Share and 3,780,000 common shares on a flow-through basis ("Flow-Through Common Shares") at a price of \$5.30 per Flow-Through Common Share for aggregate gross proceeds of approximately \$50 million.

Fairborne has also granted the underwriters an option (the "Over-Allotment Option") to purchase up to an additional 1,059,000 Common Shares to cover over-allotment, if any, for additional gross proceeds of approximately \$4.5 million. The Over-Allotment Option is exercisable in whole or in part for a period of 30 days following closing of the Offering.

Proceeds of the offering will be initially used to reduce debt and fund a portion of the Company's ongoing capital program with the Flow-Through Common Share proceeds used to incur eligible Canadian exploration expenditures that will be renounced to subscribers effective on or before December 31, 2009. The Common Shares and the Flow-Through Common Shares will be offered in certain provinces of Canada by way of a short form prospectus.

Closing is expected to occur on or about October 7, 2009 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the Toronto Stock Exchange.

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The securities offered have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

ADVISORY: This press release contains forward looking statements. More particularly, this press release contains statements concerning the anticipated closing date of the offering and the anticipated use of the net proceeds of the offering. Although Fairborne believes that the expectations reflected in these forward looking statements are reasonable, undue reliance should not be placed on them because Fairborne can give no assurance that they will prove to be correct. Since forward looking statements address future events and conditions, by their very nature

they involve inherent risks and uncertainties. The closing of the offering could be delayed if Fairborne is not able to obtain the necessary regulatory and stock exchange approvals on the timelines it has planned. The offering will not be completed at all if these approvals are not obtained or some other condition to the closing is not satisfied. Accordingly, there is a risk that the offering will not be completed within the anticipated time or at all. The intended use of the net proceeds of the offering by Fairborne might change if the board of directors of Fairborne determines that it would be in the best interests of Fairborne to deploy the proceeds for some other purpose, such as an acquisition.

The forward looking statements contained in this press release are made as of the date hereof and Fairborne undertakes no obligations to update publicly or revise any forward looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.