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PRESS RELEASE

For Immediate Release
June 12, 2008

**FAIRBORNE ENERGY LTD. AND GRAND BANKS ENERGY CORPORATION
ANNOUNCE SUCCESSFUL COMPLETION OF TAKEOVER BID FOR
GRAND BANKS ENERGY CORPORATION**

CALGARY, ALBERTA – Fairborne Energy Ltd. ("**Fairborne**") and Grand Banks Energy Corporation ("**Grand Banks**") are pleased to jointly announce that approximately 32,672,027 million common shares ("**Grand Banks Shares**") of Grand Banks, representing approximately 93% of the issued and outstanding Grand Banks Shares, have been tendered pursuant to Fairborne's offer to purchase (the "**Offer**") all of the issued and outstanding Grand Banks Shares. Fairborne has directed the depositary, Computershare Investor Services Inc. (the "**Depositary**"), to take up and pay for the Grand Banks Shares deposited under the Offer and not withdrawn as at 4:30 p.m. (Calgary time) on June 12, 2008.

Under the Offer, holders of Grand Banks Shares are entitled to receive \$2.90 in cash for each Grand Banks Share tendered to the Offer.

As the Offer was accepted by holders of greater than 90% of the outstanding Grand Banks Shares, Fairborne will take steps to acquire the remainder of the Grand Banks Shares pursuant to the compulsory acquisition provisions contained in the *Business Corporations Act* (Alberta).

Fairborne and Grand Banks also announce that the board of directors and management team of Grand Banks has been reconstituted and is now comprised of nominees of Fairborne.

Fairborne Energy Ltd. is a Calgary-based oil and natural gas exploration and development company. Fairborne's common shares trade on the Toronto Stock Exchange under the symbol FEL.

The Grand Banks Shares trade on the TSX Venture Exchange under the symbol "GBE". The Grand Banks Shares have been halted from trading on the TSX Venture Exchange and will remain halted pending Grand Banks' application to delist the Grand Banks Shares from such exchange.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy the securities in any jurisdiction.

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The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.