

## PRESS RELEASE

### FAIRBORNE ENERGY LTD. ANNOUNCES SECURITYHOLDER APPROVAL FOR PLAN OF ARRANGEMENT

May 27, 2005  
Calgary, Alberta

Fairborne Energy Ltd. ("Fairborne") is pleased to announce that it has received securityholder approval for the previously announced reorganization which included approval of the plan of arrangement, the restricted unit and performance plan of Fairborne Energy Trust, the share option plan of Fairquest Energy Limited and the initial \$10 million private placement by Fairquest Energy Ltd. Fairborne also has received the Final Order of the Court of Queen's Bench of Alberta in respect of the plan of arrangement.

Fairborne also announces that the maximum number of exchangeable shares issuable pursuant to the Arrangement has been established at 7,000,000 exchangeable shares. Based upon elections made by shareholders, Fairborne advises that shareholders electing to receive exchangeable shares will be prorated to approximately 86% of the number of exchangeable shares requested.

In connection with the reorganization, Fairborne is very pleased to announce that Mr. Aaron Grandberg has joined the Company and will be the VP Finance and CFO of Fairborne Energy Trust. He is a Chartered Accountant with 11 years of varied oil and gas experience. Mr. Grandberg spent four years with a national chartered accounting firm in their oil and gas group and most recently was the controller of a large oil and gas trust.

It is expected that the plan of arrangement will become effective June 1, 2005.

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*Forward Looking Statements - Certain information regarding Fairborne set forth in this document, including management's assessment of the Fairborne's future plans, 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 the Fairborne's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations. 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. 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.*