

Border Petroleum Corp.

Border Petroleum Announces Financial Results

TSX Venture: BOR

For Immediate Release

Calgary, Alberta – February 28, 2012 – **Border Petroleum Corp.** (“**Border**” or the “**Corporation**”) is pleased to report its financial results for the third quarter ended December 31, 2011. The unaudited financial statements and Management’s Discussion & Analysis (“MD&A”) have been filed on SEDAR (www.sedar.com).

During its third quarter, the Corporation continued execution of its business plan to build its reserves and production base through the oil focused development of its interests in the Red Earth and Leduc areas of Alberta.

HIGHLIGHTS

- On November 30, 2011, the Corporation closed a bought deal financing (the “Offering”) with a syndicate of Underwriters for the issuance of 81,000,000 common shares of the Corporation at a price of \$0.21 per common share and 24,000,000 flow-through shares of the Corporation at a price of \$0.25 per flow-through share for aggregate gross proceeds of \$23,010,000. The Underwriters were paid a cash commission and were granted broker warrants entitling the Underwriters to purchase 2,100,000 common shares of the Corporation equaling 2% of the number of common shares and flow-through shares sold under the Offering at an exercise price of \$0.21 per share for a period of 12 months from the closing of the Offering.
- On November 30, 2011, Indian Oil & Gas Canada (“IOGC”), with the approval of the Loon River Cree Nation (the “Nation”), issued an IOGC permit (the “Permit”) covering 29 sections (18,560 acres) of the Nation’s Lands in the Red Earth area of northeastern Alberta, including rights in the Slave Point formation.
- On December 14, 2011, the Underwriters exercised the full Over-Allotment Option that they were granted pursuant to the Offering, and purchased an additional 12,150,000 common shares of the Corporation at a price of \$0.21 per common share for additional gross proceeds of up to \$2,551,500. The Underwriters received a cash commission, as well as broker warrants entitling the Underwriters to purchase 243,000 common shares at an exercise price of \$0.21 per share for a period of 12 months from the closing of the Over-Allotment Option.

SUBSEQUENT EVENTS

On February 23, 2012, the Corporation commenced drilling operations on its initial Slave Point horizontal well in the Red Earth area of northwestern Alberta under a permit covering 18,560 acres of the Nation's Lands.

FINANCIAL SUMMARY

Certain selected financial and operational information for the quarter ended December 31, 2011 is set out below and should be read in conjunction with the Corporation's unaudited December 31, 2011 and audited March 31, 2011 financial statements and related MD&A. The following table provides a summary of key financial results.

Financial	THREE MONTHS ENDED		NINE MONTHS ENDED	
	DECEMBER 31		DECEMBER 31	
	2011	2010	2011	2010
Petroleum and natural gas revenues	1,501,452	\$ 180,247	\$ 2,617,043	\$ 581,559
Funds flow from operations	(208,845)	(104,489)	(1,007,471)	(378,563)
per share- basic and diluted	(0.00)	(0.00)	(0.01)	(0.02)
Net (loss)	(859,410)	(125,453)	(2,077,892)	(584,326)
per share- basic and diluted	(0.01)	(0.01)	(0.02)	(0.02)
Capital expenditures	4,639,592	1,157,740	25,715,353	2,671,543
Weighted average shares outstanding				
basic and diluted	105,911,056	19,554,032	105,911,056	19,554,032
Operating				
Production				
Oil and liquids (bbls/d)	131	26	81	29
Natural gas (mcf/d)	1,435	27	792	34
Oil equivalent (boe/d)	371	31	213	35
Sales price per unit				
Oil and liquids (\$/bbl)	87.74	70.75	83.51	68.01
Natural gas (\$/mcf)	3.34	4.08	3.51	4.16
Oil equivalent (\$/boe)	44.04	63.87	44.75	60.93

OUTLOOK

On November 30, 2011, Border achieved two major objectives in its continuing efforts to grow the Corporation. Firstly, the Corporation closed a \$25.5 million bought deal financing through a syndicate of Underwriters led by Canaccord Genuity Corp. and including Macquarie Capital Markets Canada Ltd., National Bank Financial Inc., Dundee Securities Ltd., Haywood Securities Inc. and Fraser Mackenzie Limited. Secondly, the Corporation secured the Permit.

These achievements allowed Border to commence the next phase of its development at Red Earth with operations commencing on Border's first Slave Point horizontal well on February 23, 2012. Border also anticipates commencing the drilling of a second well in March 2012, which has now been licensed. Subject to weather and the availability of services, the Corporation plans to have both wells completed and on test in March 2012. For the balance of the year, Border plans to drill and fracture stimulate additional Slave Point horizontal wells at Red Earth.

Further Information:

For further information, please contact Kelly Kimbley, Director at (403) 538-8450.

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Forward-Looking Statements

The forward-looking statements contained in this document are based on certain key expectations and assumptions made by Border, including with respect to, expectations and assumptions concerning timing of

receipt of required regulatory approvals. Although Border believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Border 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. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the failure to obtain necessary regulatory approvals, risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), commodity price and exchange rate fluctuations and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures.

The forward-looking statements contained in this document are made as of the date hereof and Border undertakes no obligation 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.

BOE

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