

Border Petroleum Corp.

Border Petroleum Announces Business Combination and Completion of Asset Purchase

TSX Venture: BOR

For Immediate Release

Calgary, Alberta – April 14, 2011 - Border Petroleum Corp. (“Border” or the “Company”) (TSX Venture: BOR) is pleased to announce it has entered into an agreement dated April 8, 2011 with a private, Alberta based oil and natural gas exploration and production company (“PrivateCo”), to complete a business combination pursuant to which Border will acquire all of the issued and outstanding shares of PrivateCo (the “Transaction”). The Transaction is arm's length and subject to the policies of the TSX Venture Exchange Inc. (“TSXV”).

Summary of the Transaction

Pursuant to the Transaction, Border will acquire approximately 20,794 net acres (32.5 sections) of land primarily in central Alberta and the greater Red Earth area of north central Alberta in consideration for the issuance of approximately 36.54 million common shares of Border (“Border Shares”).

The Transaction has the following characteristics:

Current Production:	Approximately 220 Boepd (25% light oil and NGL's)
Proved plus Probable Reserves (i):	3.2 MMBOE (75% light oil and NGL's)
Proved RLI:	14.7 years
Undeveloped Land:	20,794 net acres

(i) As evaluated effective December 31, 2010 by DeGolyer and MacNaughton Canada Limited.

Mr. Kelly Kimbley, Border’s President and CEO, stated, “The Transaction will add a new core area for Border with multi-zone light oil potential and year round access allowing Border to carry on development activities during periods when access to its Red Earth core area is limited. The Transaction also adds 220 boepd of production and significant proven light oil reserves to Border’s current asset base. Finally, the undeveloped land component of the transaction gives Border the opportunity to do significant additional development drilling aimed at transitioning the substantial quantity of PrivateCo’s probable reserves into proven reserves.”

Details of the Transaction

The Transaction is subject to certain conditions, including the completion of due diligence. The Transaction is anticipated to be structured such that PrivateCo will amalgamate with a newly incorporated, wholly owned subsidiary of Border. Pursuant to the Transaction: (i) the holders of debentures of PrivateCo (“PrivateCo Debentures”) will receive a maximum of 6,225,800 Border Common Shares; and (ii) the holders of common shares of PrivateCo (“PrivateCo Shares”) will receive four (4) Border Shares for each PrivateCo Share with a deemed price of \$0.30 per share, resulting in the issuance of a total of approximately 36.54 million Border Shares to the holders of PrivateCo Debentures and PrivateCo Shares combined. All other existing options, warrants or securities convertible into PrivateCo Shares shall be cancelled. In conjunction with the Transaction, Border will also assume PrivateCo's existing net debt with a Canadian bank of approximately \$1.6 million. Seventy five percent (75%) of the Border Shares issued to the shareholders of PrivateCo will be subject to a voluntary hold period of four months from the date of closing of the Transaction.

All existing officers, directors, as well as certain shareholders of PrivateCo, who hold in aggregate not less than 70% of the outstanding PrivateCo Shares, have entered into support agreements with Border to vote their PrivateCo Shares in favour of the Transaction.

Upon completion of the Transaction, the holders of PrivateCo Debentures and PrivateCo Shares will hold approximately 34% of the issued and outstanding Border Shares.

In the event that the Transaction is not completed, PrivateCo has agreed to pay Border a break fee.

The Transaction is subject to all necessary regulatory approvals (including the TSXV) and security holder approval of PrivateCo. In connection with the Transaction, the Company will complete all necessary filings, including, if required, preparing a “business acquisition report” (“BAR”), in accordance with National Instrument 51-102 – *Continuous Disclosure Obligations*, which BAR may include a copy of the financial statements of PrivateCo, as summarized below.

Farmout and Purchase and Sale Agreement

Border is also pleased to announce that it has entered into a purchase and sale agreement (the “PSA”) dated April 11, 2011 with a private company (the “Vendor”) to acquire certain interests and assets under a farmout agreement between PrivateCo and the Vendor (the “Farmout”) pertaining to PrivateCo’s land. Under the PSA, Border acquired: (i) a test well drilled under the Farmout; (ii) 1.25 net sections of land; (iii) the option to drill subsequent wells on PrivateCo’s lands earning on a well by well basis; and (iv) a right of first refusal to acquire all other PrivateCo lands. Pursuant to the PSA, Border paid consideration of \$2,572,265, consisting of (i) \$1,000,000 cash; and (ii) the issuance of a promissory note of Border in the amount of \$1,572,265 which bears an interest rate of 7% compounded annually for a period of two (2) years from the date of issuance and is convertible into Border Shares at a price of \$0.30 per share for a period of two (2) years from the date of issuance of the promissory note.

Reserves Summary

The following is a summary of the oil and natural gas reserves associated with the Transaction and PSA according to independent reserve reports (the “Reports”) prepared by DeGolyer and MacNaughton Canada Limited (“DeGolyer”) dated March 16, 2011 and March 22, 2011, with both effective as at December 31, 2010. The reserve estimations set forth in the Reports and summarized below were prepared in accordance with the Canadian Oil and Gas Evaluation Handbook and National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*.

According to the Reports, the forecast price schedule is as follows, assuming escalate oil, gas and product prices at 2% per year thereafter:

Year	Oilfield Costs Inflation %	Exchange \$US/\$CDN	Edm. Light Oil \$/BBL	Alberta Plantgate SPOT GAS
2010	1.6	0.971	77.63	3.98
2011	0.0	0.980	89.30	3.98
2012	2.0	0.980	92.13	4.69
2013	2.0	0.980	95.04	5.38
2014	2.0	0.980	98.02	6.02
2015	2.0	0.980	101.08	6.31
2016	2.0	0.980	103.11	6.44
2017	2.0	0.980	105.17	6.58
2018	2.0	0.980	107.27	6.72
2019	2.0	0.980	109.42	6.87
2020	2.0	0.980	111.60	7.01
2021	2.0	0.980	113.84	7.16
2022	2.0	0.980	116.11	7.31
2023+	Escalate oil, gas and product prices at 2.0% per year thereafter			

Product sale prices will reflect these reference prices with further adjustments for quality and transportation to point of sale.

There is no assurance that the cost assumptions contained in the Reports will be attained and variances could be material. Other assumptions and qualifications relating to costs and other matters are included in the Reports. The recovery and reserves estimates on PrivateCo's properties described herein are estimates only. The actual reserves on PrivateCo's properties may be greater or less than those calculated. The estimates in these tables use forecast prices and costs by DeGolyer as at December 31, 2010. Net present values of future net revenue do not represent fair market value.

TOTAL – FORECAST PRICE CASE						
Remaining Reserves as of December 31, 2010						
Reserve Category	Light Crude Oil		Natural Gas		NGL	
	Gross	Net	Gross	Net	Gross	Net
	Mbbl	Mbbl	MMcf	MMcf	Mbbl	Mbbl
Proved Developed						
Producing	42	39	1,280	1,173	22	21
Non-Producing	54	49	462	438	9	8
Proved Undeveloped	630	510	768	765	5	4
Total Proved	725	598	2,510	2,377	36	33
Probable	1,629	1,320	2,385	2,329	18	17
Total Proved + Probable	2,355	1,918	4,894	4,705	54	50

Based on the Forecast Price Case, estimated future net revenue and net present value of future net revenue before income tax attributable to PrivateCo's net interests in the proved developed producing, total proved developed, total proved and proved-plus-probable reserves are summarized as follows, expressed in thousands of Canadian dollars (M\$):

TOTAL – FORECAST PRICE CASE					
Future Net Revenue Before Income Tax as of December 31, 2010					
Reserve Category	Undiscounted		Discounted		
		at 5%	at 10%	At 15%	at 20%
	M\$	M\$	M\$	M\$	M\$
Proved Developed					
Producing	4,516	3,959	3,500	3,120	2,803
Non-Producing	3,267	2,938	2,653	2,402	2,180
Proved Undeveloped	17,219	13,087	9,988	7,616	5,766
Total Proved	25,002	19,984	16,141	13,138	10,749
Probable	64,468	49,138	38,146	30,038	23,909
Total Proved + Probable	89,470	69,122	54,287	43,176	34,658

Selected Financial Information

Based on the unaudited management prepared financial statements of PrivateCo for the nine months ended December 31, 2009, PrivateCo had net revenue of \$2,060,213, total expenses of \$3,853,117 and incurred a net loss of (\$1,792,861). In addition, for the year ended March 31, 2010, PrivateCo had total assets of \$13,497,145, current liabilities of \$4,018,937, deficit of (\$4,012,331) and shareholders' equity of \$8,810,648.

Based on the unaudited management prepared financial statements of PrivateCo for the nine months ended December 31, 2010, PrivateCo had net revenue of \$2,266,369, total expenses of \$4,473,801 and incurred a net loss

of (\$2,207,432). In addition, as at December 31, 2010, PrivateCo had total assets of \$11,020,391, current liabilities of \$3,712,039, deficit of (\$6,219,738) and shareholders' equity of \$6,603,241.

Financial Advisor

Canaccord Genuity Corp. has acted as financial advisor to Border with respect to the Transaction and the PSA.

Option Grant

The Company also announces that it is granting stock options to certain directors, officers, employees and consultants to purchase an aggregate of 2,400,000 Border Shares exercisable at \$0.305 per share for a period of five years.

Meaning of Boe

When used in this press release, boe means a barrel of oil equivalent on the basis of 1 boe to 6 thousand cubic feet of natural gas. Boepd means a barrel of oil equivalent per day.

Boe's may be misleading, particularly if used in isolation. A boe conversion ratio of 1 boe for 6 thousand cubic feet of natural gas is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Further Information

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Warning

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.

Forward-Looking Statements

This press release contains forward-looking statements. More particularly, this press release contains statements concerning the anticipated dates for the closing of the disclosed transactions and the anticipated accretive impact of the transactions on Border, the potential exploration and development opportunities existing with respect to Border and the acquired assets, the potential results of wells drilled and Border's anticipated capital position.

The forward-looking statements contained in this document are based on certain key expectations and assumptions made by Border, including: (i) with respect to the anticipated closing dates of the transactions, expectations and assumptions concerning timing of receipt of required shareholder, regulatory approvals and third party consents and the satisfaction of other conditions to the completion of the transactions and (ii) with respect to the remaining forward-looking statements, expectations and assumptions concerning the success of future drilling and development activities, the performance of existing wells, the performance of new wells, the successful application of technology and prevailing commodity prices. 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 or satisfy the conditions to closing the transactions, 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.