

Border Petroleum Corp.

Border Petroleum Announces Execution of Amalgamation Agreement in Respect of Previously Announced Business Combination

TSX Venture: BOR

For Immediate Release

Calgary, Alberta – June 17, 2011 - Border Petroleum Corp. (“**Border**” or the “**Corporation**”) (TSX Venture: BOR) is pleased to announce that, in respect of its previously announced business combination, Border has entered into an amalgamation agreement (the "Agreement") dated June 15, 2011, among the Corporation, Canflame Energy Ltd. ("Canflame") and 1603864 Alberta Ltd., a wholly owned subsidiary of the Corporation. Pursuant to the Agreement, the parties intend to effect a business combination by way of an amalgamation (the "Amalgamation") whereby the Corporation will acquire all of the issued and outstanding shares of Canflame ("Canflame Shares") pursuant to the provisions of the *Business Corporations Act* (Alberta). Pursuant to the Agreement, shareholders and debenture holders of Canflame (the "Canflame Stakeholders") will receive 36,540,000 common shares of Border ("Border Shares"). Seventy five percent (75%) of the Border Shares issued to the Canflame Stakeholders will be subject to a voluntary hold period of four months from the date of closing of the Amalgamation.

A special meeting of the shareholders of Canflame has been scheduled for Tuesday, July 12, 2011 at 10:00 a.m. (Calgary time) at Sun Life Plaza Conference Centre, Room – Broadway A/B, Suite 210, 140 – 4 Avenue SW, Calgary, Alberta T2P 3N3, to approve the Amalgamation. The record date for the meeting is June 20, 2011 and the Information Circular for the meeting is expected to be mailed to all shareholders of Canflame on June 21, 2011. All existing officers, directors and certain shareholders of Canflame holding approximately 73% of the issued shares of Canflame have agreed to vote their shares in favour of the Amalgamation.

The completion of the Amalgamation is subject to, among other things, the approval of the TSX Venture Exchange Inc. and all other necessary regulatory approvals, the approval of the shareholders of Canflame and the satisfaction of certain other conditions precedent typical for a transaction of this nature.

Further Information

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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 shareholder, regulatory approvals and third party consents and the satisfaction of other conditions to the completion of the transactions. 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.