

Border Petroleum Corp.

Border Petroleum Announces Canflame Shareholder Approval of Previously announced Business Combination

TSX Venture: BOR

For Immediate Release

Calgary, Alberta – July 12, 2011 - Border Petroleum Corp. (“**Border**” or the “**Corporation**”) (TSX Venture: BOR) is pleased to announce that at a special meeting of the shareholders of Canflame Energy Ltd. (“Canflame”) held today, the shareholders approved the previously announced business combination among the Corporation, Canflame and 1603864 Alberta Ltd., a wholly owned subsidiary of the Corporation, pursuant to which the Corporation will acquire all of the issued and outstanding shares of Canflame (“Canflame Shares”) by way of an amalgamation (the “Amalgamation”).

In conjunction with the Amalgamation, the Corporation also announces it has now entered into a debenture exchange agreement (the “Debenture Exchange Agreement”) among the Corporation, Canflame and all of the holders of outstanding debentures of Canflame (the “Canflame Debentures”), pursuant to which the Canflame Debentures, plus unpaid accrued interest, will be exchanged for Border Shares.

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.

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.