

Border Petroleum Corp.

Border Petroleum Announces Completion of Business Combination and Appointment of Officers

TSX Venture: BOR

For Immediate Release

Calgary, Alberta – July 14, 2011 - **Border Petroleum Corp.** ("**Border**" or the "**Corporation**") (TSX Venture: BOR) is pleased to announce that it has closed its previously announced business combination between the Corporation, Canflame Energy Ltd. ("**Canflame**") and 1603864 Alberta Ltd., a wholly owned subsidiary of the Corporation by way of an amalgamation (the "**Amalgamation**"). In conjunction with the Amalgamation, the Corporation entered into a debenture exchange agreement (the "**Debenture Exchange Agreement**") among the Corporation, Canflame and all of the holders of debentures of Canflame (the "**Canflame Debentures**").

Pursuant to the Amalgamation and Debenture Exchange Agreement, Border issued an aggregate of 36,537,826 common shares of Border ("**Border Shares**"). In this regard, 30,312,232 Border Shares were issued to acquire all of the issued and outstanding shares of Canflame and 6,225,594 Border Shares were issued in exchange for the Canflame Debentures including unpaid accrued interest.

The completion of the Amalgamation has received conditional approval of TSX Venture Exchange Inc. and is subject to final approval, which Border expects to receive after completion of the required filings.

Appointment of Officers

Border is also pleased to announce, effective immediately, the appointments of David Tian as Vice President, Exploration and John Aihoshi as Chief Financial Officer of the Corporation.

Mr. Tian is a geologist with 30 years experience in petroleum geology including 15 years in senior management positions. Prior to his appointment with Border, Mr. Tian served as President of Canflame. Mr. Tian also served as staff geologist with Bearspaw Petroleum Ltd. from 1997 to 2005 and as geologist and production manager for CNPC (China National Petroleum Corp.) Canada Ltd. from 1993 to 1997. Mr. Tian holds a Master degree of Science from Southwest Petroleum University of China.

Mr. Aihoshi is a Certified Management Accountant (CMA) with over 25 years of accounting experience. Prior to his appointment with Border, Mr. Aihoshi served as Chief Financial Officer of Canflame. Mr. Aihoshi has also served as Chief Financial Officer for a number of private and public oil and gas and oil and gas service companies since 1989. Mr. Aihoshi received his CMA designation in 1984.

Mr. Aihoshi replaces Ying Yuen who has resigned to pursue other business interests. Mr. Yuen will continue to assist Border on a consulting basis with respect to the transition. On behalf of the Corporation, the Board thanks Mr. Yuen for his efforts in managing and advancing Border during his term as Chief Financial Officer and wishes him success in his future endeavours.

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 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.