

Border Petroleum Corp.

Border Announces Drilling of First Long-leg Horizontal Well at Red Earth and Filing of Quarterly Financials

TSX Venture: BOR

For Immediate Release

Calgary, Alberta – November 29, 2012 - Border Petroleum Corp. ("Border" or the "Corporation") is pleased to announce the successful drilling of its first long-leg Slave Point horizontal well located at 10-15-85-10W5M (the "10-15 Well") on the Loon River Cree Nation under federal permit (the "Loon Block") in the Red Earth area of northern Alberta and the commencement of completion operations.

The 10-15 Well was drilled to a total depth of 3,250 meters, including a 1,630 meter horizontal leg. The logs indicate 952 meters of horizontal wellbore with 3%-9% porosity and 454 meters with over 9% porosity including 256 meters that exhibited significant dolomitization with 20-33% porosity. Further, the logs indicated the presence of hydrocarbons in the Slave Point formation confirming what was seen in rock samples and recorded by the gas detector during drilling. The horizontal leg of the well was extended by approximately 250 meters to test the extent of the higher porosity formation encountered at the toe of the well; drilling operations were ultimately completed when all the drill pipe had been utilized.

Given its porosity characteristics, Border will complete the well in three stages. First, Border is scheduled to commence multi-stage fracturing approximately 850 meters of horizontal wellbore at the toe of the well within the next 7 days. Border will then complete the middle section of the well without fracture stimulation where the porosity indicated on logs is up to 33 percent. Finally, Border will complete the heel of the well again utilizing multi-stage fracture stimulation. It is anticipated that the well will be completed within the next 3 weeks and equipped and on production test before year-end. The Corporation has secured approximately 17 square kilometers of 3D seismic coverage over the area around the 10-15 Well and is preparing to license a follow-up horizontal location offsetting the 10-15 Well to target this high porosity zone of the Slave Point. The 10-15 Well was drilled and cased for a total estimated cost of \$2.3 million which exceeded the pre-drill estimate of \$1.7 million due to the extended horizontal section and down-hole tool issues experienced while drilling the well.

Kelly Kimbley, President and Chief Executive Officer of Border, commented "The Corporation is encouraged by the higher than expected non-reefal porosity encountered by the 10-15 Well. We look forward to updating shareholders with production results as they become available."

Border also announces an update on its two short-leg Slave Point horizontal wells drilled at Red Earth earlier this year. Longer-term testing conducted on the two wells indicated that production was being impeded due to wax buildup common to Slave Point wells in the Red Earth area. Consequently, Border completed a wax clean-out on one of the wells utilizing de-waxing solvent. The well was put back on production earlier this month and, based on field reports to November 28, 2012 covering the first 12 days back on production, the well produced at an average rate of approximately 48 bopd with virtually all load fluid now recovered. Based on the initial results of the program, a similar clean-out operation will be conducted on the Corporation's other short horizontal well.

Border also conducted workovers and pump changes at its minor properties in the second quarter and continued to shut-in currently uneconomic natural gas production of approximately 100 boepd. This has resulted, based on field reports, in Border currently producing approximately 200 boepd, 50 percent of which is light oil production.

FILING OF FINANCIALS

Border today announced financial results for its second quarter ended September 30, 2012. The unaudited condensed consolidated interim financial statements and management's discussion & analysis ("MD&A") have been filed on SEDAR and can be viewed at www.sedar.com.

HIGHLIGHTS

The following are the highlights of Border's operations for the quarter ended September 30, 2012:

- On September 28, 2012, Border completed a short form prospectus offering with a syndicate of underwriters led by Dundee Securities Ltd. and including Macquarie Capital Markets Canada Ltd., Canaccord Genuity Corp., National Bank Financial Inc. and Fraser Mackenzie Limited (collectively, the "Underwriters"). The Offering consisted of the issuance of 48,335,000 Common Shares at a price of \$0.15 per Common Share, 4,550,000 CDE Flow-Through Shares at a price of \$0.165 per CDE Flow-Through Share and 55,556,000 CEE Flow-Through Shares at a price of \$0.18 per CEE Flow-Through Share for aggregate gross proceeds of \$18,001,080. The net proceeds of the Offering were to be primarily used for the Corporation's exploration and development program and for general corporate purposes.
- As a subsequent event, in November 2012 Border completed drilling its first long-leg Slave Point horizontal well and commenced completion operations.
- Secured 17 square kilometers of 3D seismic on the Loon Block focused in the immediate area of the 10-15 Well.

FINANCIAL OVERVIEW

Certain selected financial and operational information for the quarter ended September 30, 2012 is set out below and should be read in conjunction with the Corporation's unaudited consolidated financial statements and related MD&A. The following table provides a summary of key financial results for the three months ended September 30, 2012 and 2011:

	THREE MONTHS ENDED	
	SEPTEMBER 30	
	2012	2011
Financial		
<i>Petroleum and natural gas revenues</i>	\$ 615,410	\$ 873,376
<i>Funds flow from operations</i>	\$ (490,660)	\$ (409,646)
<i>per share - basic and diluted</i>	\$ (0.00)	\$ (0.00)
<i>Net loss</i>	\$ (1,095,480)	\$ (772,233)
<i>per share - basic and diluted</i>	\$ (0.00)	\$ (0.01)
<i>Capital expenditures</i>	\$ 349,918	\$ 15,906,347
<i>Weighted average shares outstanding</i>		
<i>basic and diluted</i>	226,895,366	102,305,944
Operational		
<i>Production</i>		
<i>Oil and liquids (bbls/d)</i>	76	85
<i>Natural gas (mcf/d)</i>	616	905
<i>Oil equivalent (boe/d)</i>	179	236

Sales price per unit

Oil and liquids (\$/bbl)	69.29	71.65
Natural gas (\$/mcf)	2.33	4.14
Oil equivalent (\$/boe)	37.47	40.23
Reserves (Proved plus probable)		
Oil and liquids (mmbbls)	1,803	3,782
Natural gas (mmcf)	2,391	4,737
Oil equivalent (mboe)	2,202	4,571

OUTLOOK

Border has entered into the second phase of development of the Slave Point play on the 18,720 acre Loon Block. The Corporation's first phase was to drill short, lower risk horizontal wells in the highest structural part of the Loon Block utilizing vertical well control and two-dimensional seismic. These wells were drilled and completed in the spring of 2012. This second phase involves stepping out and drilling to the west and south of the initial short-leg wells where the Slave Point formation is thicker utilizing long-leg wells (greater than 1000 meters) to further delineate the Loon Block. Drilling locations were selected utilizing vertical well control and two-dimensional seismic. Border planned to drill two long-leg wells and then acquire three-dimensional seismic data to identify the next prospective area of development. However, given the positive initial results presented by the first long-leg well, management has decided to delay drilling of the next well until it has completed an extended production test from the 10-15 Well and reviewed the recently acquired 3D seismic data over the area in proximity to the 10-15 Well with a view to licensing an offset well as soon as possible. Future drilling will balance continued step out drilling with development within the high porosity rock in proximity to the 10-15 Well. Border will provide additional information regarding the 10-15 Well and offsetting drilling as it becomes available.

Border is well funded to complete its ongoing capital program with a current positive working capital balance of approximately \$16 million and an unutilized bank line of \$3.5 million.

Further Information

For further information, please contact:

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements

The forward-looking statements contained in this document are based on certain key expectations and assumptions made by Border. 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. A description of assumptions used to develop such forward-looking information and a description of risk factors that may cause actual results to differ materially from forward-looking information can be found in Border's disclosure documents on the SEDAR website at www.sedar.com.

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

BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf:1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.