



For Immediate Release

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**NORTH WEST UPGRADING ENTERS CO₂ SUPPLY AGREEMENT WITH
ENHANCE ENERGY**

***Made-in-Alberta Solution will Effectively Manage Greenhouse Gas
Emissions***

CALGARY, AB, September 27, 2007 – North West Upgrading Inc. (North West), a Calgary-based, privately-owned company building an independent, heavy oil Upgrader in Alberta's Industrial Heartland, today announced an agreement with Enhance Energy Inc., a Calgary-based company specializing in CO₂ enhanced oil recovery, to supply Enhance with CO₂ for its EOR projects and for geologic sequestration.

"We are pleased to announce our arrangement with Enhance Energy," said Robert Pearce, President of North West Upgrading. "As the first Upgrader in Alberta to sign a CO₂ supply agreement for enhanced oil recovery, we believe North West is the industry leader in effectively managing greenhouse gas emissions from our operations. Our overall approach incorporates the best available technology in minimizing effects on the environment, and we are pleased to be able to show leadership by mitigating our CO₂ emissions with a made-in-Alberta solution."

Once the remaining agreements, regulatory approvals, and the financing are in place, North West's CO₂ will be used by Enhance Energy in an enhanced oil recovery project at Fairborne Energy Trust's Clive oil fields in central Alberta. Enhance expects to be the first company to implement a large scale CO₂ enhanced oil recovery project in Alberta using Upgrader CO₂.

"The arrangement with North West Upgrading is important because it is the first time CO₂ from an Upgrader will be sequestered, and the volumes are quite significant," said Susan Cole, President, Enhance Energy. "We are proud to be part of a group of proactive Alberta companies like North West who are taking action to sequester large quantities of CO₂."

Both provincial and federal governments recognize the importance of geologic sequestration (also known as Carbon Capture and Storage) as an important means to significantly reduce green house gas emissions. North West and Enhance believe this project supports the government's plans to recognize value through emissions' credits and offsets, which is an



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important component of the business arrangement for both companies. As a point of reference, sequestering North West's CO₂ will be the equivalent of taking approximately 250,000 cars off the road.

North West received regulatory approval from the Alberta Energy and Utilities Board (EUB) for the North West Upgrader Project September 6, 2007.

About North West Upgrading

North West Upgrading Inc. is a Calgary-based, privately-owned company committed to building an independent, heavy oil upgrader in Alberta's Industrial Heartland. The Upgrader will significantly increase the economic value of Alberta's bitumen and heavy oil production by producing light, low sulphur products such as Ultra Low Sulphur Diesel and diluent. The Upgrader will have a total processing capacity of 231,000 barrels per day of blended feedstock over three phases. North West plans for start up of the first phase in 2011. All three phases are expected to be operating by 2015. www.northwestupgrading.com.

About Enhance Energy Inc.

Enhance Energy Inc. is a Calgary-based company that specializes in environmentally friendly secondary and tertiary oil and gas recovery projects. Enhance is developing a number of CO₂ projects in Southern Alberta for both enhanced recovery and sequestration. Enhance Energy works with the owners of existing reservoirs as a technical partner and capital provider to recover greater quantities of oil from existing reservoirs that are reaching the end of their economic life under primary recovery. To learn more please visit www.enhanceenergy.com

About Fairborne Energy Trust

Fairborne Energy Trust is a Calgary-based oil and gas trust engaged in the business of developing, acquiring and producing crude oil and natural gas in Western Canada. Fairborne follows a strategy of balancing risk and reward by focusing on opportunities by geographic area and prospect type. The Trust's mandate is to generate stable, monthly distributions while maintaining a solid production base. To learn more please visit: www.fairbornetrust.com.