



NEWS RELEASE

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ENHANCE ENERGY RESPONDS TO GOVERNMENT ANNOUNCEMENT ON CCS FUND

Calgary – June 30, 2009 – Executives at Enhance Energy Inc. say they are honoured by the Government of Alberta's decision today to pursue a letter of intent with the company in regards to its Carbon Capture and Storage (CCS) Fund.

"We feel pleased that the Province sees the value and importance of the work Enhance is doing and look forward to the upcoming discussions with government leaders," says company president and CEO Susan Cole.

The provincial CCS Fund was developed to encourage construction of Alberta's first large-scale CCS projects, and Cole applauds officials for having the vision to create the fund, calling it a demonstration of true leadership. "The government's initiative is going to put Alberta on the world map, and position this province as the international leader in clean energy development and environmental sustainability."

Enhance Energy's carbon dioxide pipeline will transport and distribute CO₂ for enhanced oil recovery projects in Alberta. The initial project will be occurring at the Clive field under a joint venture with Fairborne Energy Ltd. which will act as the operator.

Enhance Energy and Fairborne Energy will not be commenting further on the CCS Fund until the discussions with government are completed. Provincial officials have set a July 31st target date to have final agreements in place.

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About Enhance Energy Inc.

Enhance Energy Inc. is creating the world's largest carbon capture and storage system in Alberta. The private, Alberta-based company specializes in polymer flooding and in enhanced oil recovery involving the permanent, secure storage of CO₂ in mature oil and gas reservoirs. Enhance will construct and operate the province's first large scale carbon distribution pipeline, with operations expected to commence in mid-2012.