

Calgary, Alberta

TSX Venture Exchange: "WE.A & WE.B"
19,675,428 Class A Shares
935,616 Class B Shares

WAVEFORM ENERGY CLOSES PRIVATE PLACEMENT AND ENHANCES CAPITAL PROGRAM FOR 2005

CALGARY, Aug. 30 - WaveForm Energy Ltd. ("WaveForm" or the "Company") is pleased to announce it has closed the previously announced private placement bought deal financing for gross proceeds of \$10,260,000. This money will be used to fund the capital program for the remainder of 2005, which is expected to be between \$9 and \$11 million.

The underwritten private placement with Tristone Capital was fully subscribed, including the underwriter's option, and 5,400,000 Class A common shares were issued for total gross proceeds of \$10,260,000. The shares have a four month hold period.

WaveForm's enhanced capital program for the remainder of 2005 will include drilling of 4 additional Midale Evaporite wells, 2 Bakken wells, and 3 non-operated wells in other joint ventures. The capital budget also includes additional funds for land acquisitions, and for seismic in WaveForm's core area in Tableland Saskatchewan. The focus of the capital program for the remainder of 2005 will be to maximize production and generate cash flow and the Company will be focusing its efforts primarily on developmental drilling of the Midale Evaporite while continuing to refine and develop our geological model and drilling and completion techniques in the Bakken Formation. The Midale Evaporite well currently completed by WaveForm has been producing 30.9 degree API oil at a rate of 240 bbls/d from a single horizontal leg, with no associated water in the system, and without the need for well stimulation.

WaveForm has just completed drilling its third Bakken well, in which a joint venture partner is carrying 100% of the costs to receive a 100% working interest before payout, and 50% after payout. WaveForm receives a gross overriding royalty of 5% to 15% during the payout period, and will have a 32.5% working interest after payout. WaveForm operated the drilling operations, and the well is currently being production tested and completed.

The Company has commenced drilling of its second Midale Evaporite well that will be a multi-leg horizontal and is expected to be finished drilling and completion by mid September.

Management currently has the exclusive use of one rig which will be dedicated to drilling Midale Evaporite development wells until the end of the year. A second rig is becoming available to WaveForm in late September or early October which will be utilized to continue with the exploration and development of the Bakken Formation. If the currently drilled Bakken well does not meet the Company's expectations then management may elect to drill further Midale locations to be consistent with WaveForm's focus of maximizing production for the remainder of 2005. WaveForm will have continuous access to both drilling rigs for the ongoing execution of its drilling program.

The Company has also entered into a joint venture agreement in the Ceylon area of Southeast Saskatchewan which will focus on the Ordovician Red River potential in that area, and expects to participate in one well during the remainder of 2005. The Red River Formation is a deeper pool at 2700 metres, and is defined by well control and 2D and 3D seismic. Offset wells in the Red River have produced at initial production rates of 1200 bbls/d with reserves of over 400,000 bbls per well from horizontal completions. The joint venture owns three and a half sections of crown land which the Company expects will provide 10 drilling locations into the Red River. WaveForm has a 20% working interest which converts to a 16% working interest after payout on wells drilled in the first year of the joint venture. The remaining wells have a 16% working interest and the lands are subject to a 3% GORR.

Management is excited about the high impact locations which will be drilled during the remainder of 2005. WaveForm currently has 58 gross sections of land in its core area of Tableland Saskatchewan. The Midale

Evaporite, the Upper Bakken Formation, and the Lower Bakken Formation are all potential drilling targets and which have been mapped geologically across the majority of the Company's land base.

About WaveForm

WaveForm is a junior oil and gas company focused on the acquisition, exploration and development of oil and natural gas in Western Canada with a particular emphasis on exploration in the Tableland area of Southeastern Saskatchewan. The WaveForm joint venture currently has an undeveloped land base of approximately 39,000 gross acres which provides more than 100 potential drilling locations in each of the Midale Evaporite, the Upper Bakken Shale and the Lower Bakken Shale.

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