

WaveForm Energy Ltd. News Release

Calgary, Alberta
May 31, 2006

TSX Venture Exchange: "WE.A & WE.B"
32,018,631 Class A Shares
935,616 Class B Shares

WaveForm Energy Announces First Quarter Results

CALGARY, ALBERTA - WaveForm Energy Ltd. is pleased to announce its financial and operating results for the first quarter of 2006.

2006 HIGHLIGHTS

- The addition of Bob Goods as President, CEO and a Director. Mr. Goods has 30 years of experience as a senior officer and has been the president of several junior oil and gas companies. His experience as COO, and as Vice-President of Husky Energy has given him extensive knowledge of the oil and gas prospects in the Western Canada Basin and will help the Company take advantage of growth opportunities on its strong land position in western Canada.
- The acquisition of 325 boe/d in the Ferrier and Rowley areas of Alberta. The acquisition has long reserve life production, with a reserve life index of 8.7 years, and provides low risk infill and step-out drilling opportunities with strong economic potential.
- The sale of 38 bbls/d of production and about 20,000 net acres of land in the Antler area for \$7.1 million to focus on the remaining undeveloped lands of the Company.
- Proved plus probable reserves discounted at 10% of \$27.9 million. The majority of the wells in the independent reserve report had production histories of less than 3 months and has been risked significantly under the National Instrument 51-101 standards. These values are as at April 1, 2006 and include the limited partnership assets acquired in Ferrier and Rowley and exclude the Antler assets sold.
- Production of 600 boe/d with high netback production and working capital to fund the Company's ongoing capital program.
- Announced 2006 exit production rate of 950 boe/d based on additional capital expenditures of \$5.9 million.

The 2006 year to date represents a significant period for the Company in terms of its strategic direction. Looking forward, the Company has drilling inventory of varied risk, depth and production potential. The acquisition of the Ferrier and Rowley properties in April, 2006 added further drilling inventory which adds low risk infill and step-out drilling locations, existing stable production and multi-zone potential for potential upside on the lands. The acquisition of natural gas producing fields in Ferrier and Rowley also provides for a natural hedge with light oil, and premium priced natural gas. This stable production base will provide the Company the capital to fund the ongoing capital program and develop its land base.

CORPORATE SUMMARY

WaveForm is a junior oil and gas company, publicly traded since January, 2005. The Company is focused on the acquisition, exploration and development of oil and natural gas production in western Canada with continuing exploration and development activities in the Tableland area of southeast Saskatchewan. WaveForm currently has an undeveloped land base in that area of approximately 54,000 gross acres (33,000 net) which provides potential drilling locations in each of the Midale Evaporite Zone in the Ratcliffe Beds, the Upper Bakken Shale, and in the Lower Bakken Shale. The

Company is in the process of assimilating data generated by a 54 square mile seismic program across the core of its land base in order to help refine and optimize the drilling location selection for the Midale Evaporite and Bakken formations. Management is optimistic about the possibility of having economically viable deeper zones on its land base. There are six deeper zones, and several shallow zones, which are generating production very close to WaveForm's land base. Effective April 1, 2006, the Company acquired producing properties in the Ferrier and Rowley areas of Alberta which provide 325 boe/d of production and low risk step out and infill drilling opportunities going forward.

With the current production base and existing working capital, the Company plans to continue to develop the Midale Evaporite Formation in southeast Saskatchewan and exploit newly acquired opportunities in Ferrier and Rowley. The Company will evaluate other opportunities in deeper zones in each of the areas for further drilling opportunities. The Company's proprietary imaging technology will be utilized to enhance development methods. The existing production base as of April 1, 2006 of 600 boe/d provides high netback cash flow to fund the ongoing capital program and take advantage of the Company's large land holdings and diverse drilling inventory.

DRILLING RESULTS

| Q1 2006 | Wells Drilled | Producing Oil Wells | Shut-in | Abandoned |
|----------------|---------------|---------------------|--------------|-------------|
| Tableland area | 3 (2 net) | 2 (1.3 net) | 1 (0.65 net) | 0 |
| Antler area | 9 (4.5 net) | 6 (3.0 net) | 2 (1 net) | 1 (0.5 net) |

During the first quarter of 2006, the Company drilled a total of 12 (6.5 net) wells and currently has 8 (4.3 net) producing oil wells for a 67% success rate. In the Antler area, the Company had 4 wells on production by March 31, 2006 and the remaining two producing wells were awaiting equipment subsequent to spring break-up.

SUMMARY OF FINANCIAL RESULTS

| | March 31, 2006 | March 31, 2005 |
|-------------------------------------|----------------|----------------|
| Revenues, net of royalties | \$ 1,138,547 | \$ 42,565 |
| Cash flow from operations | \$ 602,070 | \$ (251,159) |
| Cash flow from operations per share | \$ 0.02 | (0.01) |
| Net loss | \$ (520,957) | \$ (159,630) |
| Net loss per share | \$ (0.02) | \$ (0.01) |
| Total assets | \$26,203,686 | \$14,214,554 |

PETROLEUM SALES AND PRODUCTION

| | March 31, 2006 | March 31, 2005 |
|---|----------------|----------------|
| Daily average petroleum production (bbls/d) | 238 | n/a |
| Average price received | \$ 56.91 | n/a |
| Revenue, net of royalties | \$ 1,138,547 | \$ 42,565 |

The first quarter production for 2006 averaged 238 bbls/d net which was comprised of an average of 224 bbls/d net from Tableland (Midale Evaporite Formation) and 14 bbls/d net from Antler (Torquay

Formation). The production rate for the Tableland area was lowered due to the majority of the wells being shut-in for a period of 3 to 4 weeks for production and pressure testing during February and early March. The Antler area had producing wells on-stream from early in the first quarter, and with continued drilling throughout the quarter had an exit production rate of 38 bbls/d net to WaveForm. Effective April 1, 2006, the Company sold its interests in the Antler area for \$7.1 million, and acquired 325 boe/d in the Ferrier and Rowley areas of Alberta through the acquisition of a limited partnership for \$18.5 million, increasing the production base to approximately 600 boe/d. The 600 boe/d is comprised of light oil, and natural gas with high netback production to fund the ongoing capital program.

The financial statements and MD&A can be viewed in their entirety at www.sedar.com.

The Company is also pleased to announce that its Annual and Special Meeting will be held on Wednesday, June 14, 2006 at 10:00 am (Calgary time) at the offices of Burstall Winger LLP located at 3100, 324 - 8th Avenue SW, Calgary, Alberta.

About WaveForm Energy

WaveForm is a junior oil and gas company focused on the acquisition, exploration and development of oil and natural gas in western Canada.

ADVISORY

Statements in this press release may contain forward-looking statements including expectations with respect to future events and the actions of third parties. These statements are based on current expectations that involve a number of risks and uncertainties, which could cause actual results to differ materially from those anticipated. These risks include, but are not limited to: the underlying risks of the oil and gas industry (i.e. operational risks in development, exploration and production; potential delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserves estimates; the uncertainty of estimates and projections relating to production, costs and expenses, adequate available financing and health, safety and environmental factors), commodity price and exchange rate fluctuation and uncertainties.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

CONTACT INFORMATION:

WaveForm Energy Ltd.
Robert F. Goods
CEO and President
(403) 451-0165
Email: bob@waveformenergy.com

or

WaveForm Energy Ltd.
Daniel R. Hay
CFO and Vice President Finance
(403) 451-0165
Email: danny@WaveFormenergy.com

or

WaveForm Energy Ltd.
1700, 520 - 5th Avenue SW
Calgary, AB, T2P 3R7
(403) 451-0165
Website: www.WaveFormenergy.com