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Second Wave Petroleum Ltd.

News Release

For Immediate Release  
Calgary, AB

Monday, October 29, 2007  
TSX Venture Exchange: "SCS.A & SCS.B"  
127,744,131 Class A Shares  
935,616 Class B Shares

## **Second Wave Petroleum Announces Acquisition of Oil and Gas Assets and New Credit Facility**

**CALGARY, ALBERTA** – October 29, 2007. Second Wave Petroleum Ltd. ("Second Wave" or the "Company") is pleased to announce that it has closed the acquisition of certain oil and natural gas assets in the East Central area of Alberta and Southeast Saskatchewan for approximately \$8.9 million subject to certain adjustments. The acquisition increases Second Wave's current production to approximately 535 boe/d, with another 65 boe/d temporarily shut in pending access to gas processing facilities. The Company also has another 65 boe/d behind pipe from the Company's recently completed successful Rowley exploration well.

Pursuant to an Assignment Agreement, Brookfield Bridge Lending Fund Inc., who currently owns approximately 23% of the Class A Shares of Second Wave and have two representatives on the Board, has assigned to Second Wave the right to purchase these assets from a third party. The proceeds paid by Second Wave include sufficient funds to satisfy any outstanding liens or encumbrances that may be outstanding on the properties.

The acquisition is characterized by the following key attributes:

- Reserves in place of approximately 830 Mboe gross proved plus probable, as determined by an independent engineering reserves report dated March 31, 2007.
- The assets consist of approximately 325 boe/d of low decline mature production and are comprised of 80% oil (21% to 34% API) and 20% natural gas.
- Acquisition metrics of \$10.72 per boe proved plus probable and \$27,400 per flowing barrel.
- Significant growth through several low risk development drilling locations and workover opportunities.
- Facility optimization opportunities to expand productive capacity at a reasonable capital cost to the Company.

DeGolyer & McNaughton Canada Limited ("DeGolyer") has evaluated the properties to be acquired by Second Wave in a Reserve Report dated as of March 31, 2007 (the "Report"). DeGolyer has assigned 830 Mboe of gross total proved plus probable reserves with an indicated aggregate value of \$9,525,000 discounted at 10% (before income tax) using the DeGolyer March 31, 2007 Forecast Price Case. The estimated Forecast Price Case company gross and net proved, probable and possible reserves, as of March 31, 2007, of the properties evaluated in the Report are summarized below,

expressed in thousands of barrels (Mbbbl) for oil and natural gas liquids and millions of cubic feet (MMcf) for natural gas.

<u>Reserve Category</u>	<b><u>COMPANY SHARE – FORECAST PRICE CASE</u></b>							
	<b><u>Remaining Reserves as of March 31, 2007</u></b>							
	<u>Light Crude Oil</u>		<u>Heavy Crude Oil</u>		<u>Natural Gas</u>		<u>NGL</u>	
	<u>Gross</u>	<u>Net</u>	<u>Gross</u>	<u>Net</u>	<u>Gross</u>	<u>Net</u>	<u>Gross</u>	<u>Net</u>
	Mbbbl	Mbbbl	Mbbbl	Mbbbl	MMcf	MMcf	Mbbbl	Mbbbl
Proved Developed								
Producing	-	-	240	217	184	150	3	2
Non-Producing	-	-	61	55	114	101	-	-
Proved Undeveloped	-	-	-	-	-	-	-	-
Total Proved	-	-	300	272	297	252	3	2
Probable	-	-	432	364	231	182	7	5
Total Proved + Probable	-	-	732	635	528	433	10	7
Possible	-	-	310	235	143	108	8	6
Total	-	-	1,042	870	671	541	18	13

Based on the Forecast Price Case described in the Report, estimated future cash flow and present worth of future cash flow before income tax attributable to the net interests in the proved developed producing, total proved developed, total proved, proved-plus-probable and proved-plus-probable-plus-possible reserves are summarized as follows, expressed in thousands of Canadian dollars.

<u>Reserve Category</u>	<b><u>COMPANY SHARES – FORECAST PRICE CASE</u></b>				
	<b><u>Future Cash Flow Before Income Tax as of March 31, 2007</u></b>				
	<u>Undis-</u>	<u>at 5%</u>	<u>Discounted</u>	<u>at 15%</u>	<u>at 20%</u>
	<u>counted</u>	<u>M\$</u>	<u>M\$</u>	<u>M\$</u>	<u>M\$</u>
	M\$	M\$	M\$	M\$	M\$
Proved Developed					
Producing	3,825	3,606	3,410	3,236	3,079
Non-Producing	1,311	1,215	1,128	1,048	975
Proved Undeveloped	-	-	-	-	-
Total Proved	5,136	4,821	4,538	4,284	4,054
Probable	7,110	5,942	4,987	4,200	3,552
Total Proved + Probable	12,246	10,763	9,525	8,484	7,606
Possible	3,243	2,528	1,937	1,451	1,049
Total	15,489	13,291	11,462	9,935	8,655

Reserve estimates as disclosed in the Report have been prepared by DeGolyer in accordance with standards contained in the Canadian Oil and Gas Evaluation (COGE) Handbook and reserves definitions used in the preparation of these estimates are as set out by the Canadian Securities Administrations in National Instrument 51-101 with reference to the COGE Handbook. The reader is cautioned that estimated reserves values disclosed herein do not represent fair market value.

The acquisition is accretive to Second Wave on a reserves, production and cash flow per share basis and transforms Second Wave's production base into a larger, more diversified base to provide cash flow for future growth.

Second Wave is also pleased to announce that it has established a \$7.0 million credit facility with a Canadian chartered bank with the closing of the acquisition. The Credit Facility comprises an operating loan facility of \$6 million and a non-revolving reducing term loan facility of \$1 million. The proceeds from the credit facility have been used to close the acquisition and will help fund the Company's ongoing exploration activities.

### **About Second Wave Petroleum**

Second Wave is a newly recapitalized junior oil and gas company focused on exploration and development of oil and natural gas in Alberta, Saskatchewan and British Columbia.

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### **READER ADVISORY**

*The TSXV has neither approved nor disapproved the contents of this news release and does not accept responsibility for the adequacy or accuracy of this release.*

*This news release may contain forward-looking statements including management's assessment of future plans and operations, and capital expenditures and the timing thereof, that involve substantial known and unknown risks and uncertainties, certain of which are beyond the Company's control. Such risks and uncertainties include, without limitation, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, inability to retain drilling rigs and other services, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources, the impact of general economic conditions in Canada, the United States and overseas, industry conditions, changes in laws and regulations (including the adoption of new environmental laws and regulations) and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in foreign exchange or interest rates, stock market volatility and market valuations of companies with respect to announced transactions and the final valuations thereof, and obtaining required approvals of regulatory authorities. The Company's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits, including the amount of proceeds, that the Company will derive therefrom. Readers are cautioned that the foregoing list of factors is not exhaustive. All subsequent forward-looking statements, whether written or oral, attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. Furthermore, the forward-looking statements contained in this news release are*

***made as at the date of this news release and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.***

***The term BOE or BOEs may be misleading, particularly if used in isolation. A BOE (barrel of oil equivalent) conversion rate of 6 Mcf per one (1) BOE is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.***