



Second Wave Petroleum Ltd.

News Release

For Immediate Release
Calgary, Alberta

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Second Wave Petroleum Announces an Upward Revision to the Company's Capex Budget, Operational Update and Staff Additions

CALGARY, ALBERTA – June 24, 2008. Second Wave Petroleum Ltd. ("Second Wave" or the "Company") is pleased to announce an upward revision to its 2008 capital budget, an operational update and recent staff additions.

Second Wave's Board of Directors has approved an increase to the Company's 2008 capital budget from \$9.8 million to \$17 million. The Company expects to drill 13 gross (11.3 net) wells during the year focusing primarily on oil prospects in the Company's core areas of Tableland, Provost and Judy Creek. Exit production is forecast to be 1,200 boe/d with full year average production estimated at 860 boe/d. Current production is approximately 925 boe/d with an additional 110 boe/d behind pipe, which is forecast to be on line in the second half of 2008. With 12 out of 13 of its budgeted 2008 drills targeting oil prospects, the Company has forecast its production oil weighting to increase from the current 60% to an exit weighting of 70%.

The increase in the capital budget is expected to be financed through existing credit facilities and cash flow. Currently, the Company's net debt is approximately \$11.3 million with \$14.2 million of availability left on its aggregate credit facilities of \$25.5 million. Cash flow for the remainder of 2008 is forecast using an oil price of \$105 per bbl (WTI), a gas price of \$10.00 per mcf (AECO) and operating costs of \$20.00 per boe. G&A for the year is estimated at \$2.1 million, including incremental costs associated with the Milagro acquisition.

Second Wave has identified several capital projects to reduce its operating costs on its recently acquired properties of Provost and Judy Creek. Approximately \$1 million of capital has been allocated to these properties to improve operating efficiencies in 2008. These expenditures are scheduled to occur in the second half of 2008 and, as such, they are not expected to materially affect the Company's 2008 operating costs until late in the year.

During the second quarter of 2008, Second Wave drilled 3 gross (3 net) wells of which 2 (2 net) were successfully cased and completed. The Company also recompleted 6 gross (5.6 net) wells of which 5 gross (5 net) recompletions were successful. Production from the five recompletions and one of the 2008 new drills were tied-in during June with the remaining tie-in to occur in the third quarter.

The combination of the Company's activities and the recent corporate acquisition of Milagro Energy Inc. ("Milagro") has increased the Company's second quarter exit production rate to 925 boe/d. Average daily production for the second quarter is expected to be 660 boe/d as a result of the June tie-ins and the addition of the Milagro production base of approximately 320 boe/d, contributing since the closing date of May 5, 2008 (56 days) of the Milagro transaction.

Second Wave has added several new staff members as part of the final stage of its restructuring efforts and rounding out an experienced proven management team. The Company has recently hired five additional professionals and one administrative manager to facilitate the expansion of its 2008 capital budget and help position the Company for additional potential acquisition opportunities in 2008. Second Wave's management and directors are pleased to welcome the following personnel to the Company's team and look forward to a successful 2008:

Randy Bergmann, Vice President, Land, 16 years of experience
Doug Hibbs, Manager, Geology, 25 years of experience
Kelly Novakowski, Controller, 13 years of experience
Devery Neumann, Senior Exploitation Engineer, 7 years of experience
Travis Bodnar, Operations Engineer, 6 years of experience
Patricia Mitchell, Manager of Contracts, 16 years of experience

About Second Wave Petroleum

Second Wave Petroleum is a publicly traded, newly recapitalized junior oil and gas company focused on exploration and development of oil and natural gas in Alberta and southern Saskatchewan. Second Wave remains focused on organic growth through the drill bit on its existing acreage while continuing a process of adding accretive acquisitions in 2008.

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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.