



Second Wave Petroleum Inc.

News Release

For Immediate Release
Calgary, Alberta

TSX Venture Exchange: SCS
60,287,940 Common Shares

Second Wave Petroleum Agrees to Dispose of South Tableland and Coronation Assets and to Farm-Out Exploration Acreage

CALGARY, Dec. 21 - Second Wave Petroleum Inc. ("Second Wave" or the "Company") is pleased to announce that it has agreed to dispose of its South Tableland and Coronation assets and to farm-out certain non core exploration acreage at North Tableland and Milo to TriOil Resources Ltd. ("TriOil"). The disposition and farm-outs will allow the Company to focus on its core areas and accelerate its drilling program on its emerging Judy Creek Pekisko oil play.

Disposition:

The disposition assets consist of approximately 130 boe/d of production in Coronation (Alberta) and South Tableland (Saskatchewan) and associated gathering systems, batteries and compression facilities. Total consideration to be received by Second Wave is \$7.55 million consisting of not less than \$5.0 million in cash and the balance in common shares of TriOil at a deemed value of \$1.00 per share. The disposition will have an effective date of December 31, 2009, with closing expected to occur in January 2010.

Closing of the disposition is subject to certain conditions, including settlement of definitive documentation between the Company and TriOil and conditions precedent relating to the re-capitalization transaction described below.

TriOil has announced that it has entered into a re-capitalization agreement with One Exploration Inc. ("OneEx") pursuant to which, among other things, TriOil shares (including any shares issued to Second Wave on the disposition) will be exchanged for shares of the recapitalized OneEx. Assuming completion of that transaction and cash proceeds to the Company of \$5.0 million on the disposition, the 2.55 million TriOil shares issuable to Second Wave in payment of the balance of the purchase price will be exchanged for approximately 15.0 million common shares of the recapitalized OneEx. Second Wave understands that the re-capitalization transaction between TriOil and OneEx is subject to approval by the OneEx shareholders and by the TSX Venture Exchange.

Second Wave intends to review, on a continuous basis, its holding of any such shares, taking into account such factors as their market price and liquidity, subsequent developments affecting TriOil/OneEx or its business and general market and economic conditions, and may at any time decide to divest all or part of the investment.

It is anticipated that closing of the disposition will occur immediately prior to completion of the share exchange transaction between TriOil and OneEx.

Farm-outs:

Second Wave has also agreed to principal terms on two strategic exploration farm-outs with TriOil, as farmee, of a portion of the Company's undeveloped exploration lands in its non core fields at North Tableland (Saskatchewan) and Milo (Alberta), on a rolling option basis.

The farm-outs will proceed only if the disposition transaction is completed and are also subject to settlement of definitive documentation between the Company and TriOil.

Second Wave will retain operatorship and a meaningful working interest in both of these light oil focused exploration properties and will use the infusion of third party capital to expedite the timely exploration and development of both undeveloped land blocks.

The Company currently owns undeveloped lands of 11,756 acres in North Tableland and 16,320 acres in Milo.

Outlook:

These transactions further consolidate Second Wave's assets while facilitating an expanded first quarter capital program in its Judy Creek core area. Second Wave will maintain operatorship and a meaningful working interest in its light oil exploration plays in North Tableland and Milo with limited near term capital exposure. In South Tableland, the Company will retain exposure to the developing Sanish light oil play through share ownership in TriOil/OneEx.

After giving effect to the disposition of approximately 130 boe/d of production effective December 31, 2009, the Company re-iterates its anticipated exit production rate of 1,170 to 1,270 boe/d net (55% oil). Proceeds from the disposition will be directed to its Pekisko oil resource play in Judy Creek. The Company is preparing a two rig drilling program in Judy Creek starting January 2010 and intends to drill up to 10.0 gross (10.0 net) horizontal oil wells and 2.0 gross (2.0 net) vertical oil wells prior to spring break-up.

The Company will provide additional guidance on its 2010 capital program early in the first quarter after the disposition has closed.

To view the Company's current Corporate Presentation, please visit the Second Wave website at www.secondwavepetroleum.com.

READER ADVISORIES

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

The disposition and farm-out transactions described in this news release may not be completed if definitive documentation cannot be settled between the parties or if any other condition to closing is not satisfied.

Barrels of Oil Equivalent (BOEs). The term BOE refers to barrel of oil equivalent. BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of six mcf (six thousand cubic feet) to one bbl (one barrel) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Forward-Looking Statements. This news release contains forward-looking statements as to the Company's internal projections, expectations and beliefs relating to future events or circumstances. Forward-looking statements are typically (but not necessarily) identified by words such as "anticipate", "believe", "plan", "estimate", "expect", "plan", "intend", "potential", "may", "will", "should" or similar words suggesting future outcomes. Although the Company believes that these forward-looking statements are reasonable, undue reliance should not be placed on them as they are subject to known and unknown risks and uncertainties, many of which are beyond the Company's control. Forward-looking statements are not guarantees of future outcomes. There can be no assurance that the plans,

intentions or expectations contained in the forward-looking statements or upon which they are based will in fact occur or be realized, and actual results may differ from those expressed or implied in the forward-looking statements. The difference may be material.

Second Wave is subject to the inherent risks associated with the exploration, development, exploitation and production of oil and gas. More particularly, material risk factors that could cause actual results to differ materially from those expressed or implied in the forward-looking statements contained in this news release include: adverse changes in commodity prices, interest rates or currency exchange rates; accessibility of capital when required and on acceptable terms; lower than expected production of crude oil and natural gas; production delays; lower than expected reserve volumes on the Company's properties; increased operating costs; ability to attract and retain qualified personnel or to secure drilling rigs and other services on acceptable terms; competition for labour, equipment and materials necessary to advance the Company's projects; unforeseen engineering, environmental or geological problems; ability to obtain all required regulatory approvals on a timely basis and on satisfactory terms; and changes in laws and governmental regulations (including with respect to taxes and royalties). This list is not exhaustive. Readers should also review the risk factors described in other documents filed by the Company from time to time with securities regulatory authorities in Canada, including its most recent annual information form, copies of which are available electronically at www.sedar.com and at www.secondwavepetroleum.com.

Specific forward-looking statements contained in this news release include statements regarding: the expected timing for closing the transactions described herein; expected exit production rate; the anticipated use of the proceeds of disposition; and 2010 drilling plans and the number of wells that may be drilled before spring break-up. In making such forward-looking statements, Second Wave has made various assumptions regarding, among other things: the accuracy of geological and geophysical data and interpretations of that data; future oil and natural gas prices; future capital requirements; future exchange rates; the accessibility and cost of capital (including credit); the Company's ability to economically produce oil and gas from its properties and the timing and cost to do so; and its ability to obtain qualified staff, equipment and supplies in a timely and cost-efficient manner.

The forward-looking statements included herein are made as of the date of this news release and Second Wave undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by securities laws.

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