

WAVEFRONT ANNOUNCES FINANCIAL RESULTS FOR FISCAL 2012

**TOTAL REVENUE INCREASES TO \$5,632,001;
A \$1,640,377 OR 41.1% INCREASE OVER THE COMPARATIVE YEAR**

EDMONTON, Alta., December 21, 2012 Wavefront Technology Solutions Inc. (Wavefront or the Corporation, TSX-V: WEE; OTCQX: WFTSF) a developer of leading-edge technology for fluid injection optimization for improved performance and profitability in the oil and gas and environmental sectors announces its financial results for the year ended August 31, 2012.

Wavefront's strategic value proposition is underpinned with 20 granted and 29 patents pending based on differentiated fluid flow technology. Marketed under the brand names, "Powerwave" and "Primawave", the injection methodologies improve distribution of liquids in the ground.

Powerwave has been proven to be an effective method of: achieving mature field revitalization, increasing well productivity following well stimulation, and improving the rate of penetration of drilling extended reach wells. Primawave has been shown to substantially improve the distribution of fluids in the subsurface to effectively treat contaminants and has been verified as an environmental remedial strategy by Environment and Industry Canada.

Wavefront's business plan for enhancing shareholder value includes:

- i) Licensing of its proprietary technologies and products, underpinned by a high margin recurring revenue model.
- ii) Leveraging of its proprietary technologies and products through strategic service company alliances, both in the energy and environmental sectors.

Over the past calendar year we have significantly broadened the applications for our technologies. As a result, we've reflected this broadening with a new marketing initiative entitled "From Bit to Last Drop". Our product portfolio now encompasses an entire life cycle of a client's post exploration operations.

From Bit to Last Drop Initiative

Performance Drilling

In Canada, the Company's initial trial of its performance drilling tools in a horizontal well resulted in an increase in Rate of Penetration ("ROP") in excess of 20% over previously drilled wells in the area. This result indicates a high potential exists for materially reducing an Operators drilling costs, without adding additional risk. Daily rental rates for the Company's performance drilling tools are being targeted from \$2,500 to \$3,500 per day.

Well Stimulation

The well stimulation market is in excess of \$1 billion annually as virtually all production and injection wells periodically require some form of stimulation to enhance production or injection¹. The Company provides the mechanism to more effectively distribute injected fluids into the reservoir matrix effectively contacting both height and length which contributes a larger region of treatment providing subsequent longer term benefits for production and injection wells. The Company has seen increased uptake of its Powerwave stimulation tools in the United States, Canada, and Latin and South America. Wavefront will continue to focus on expanding this positive trend.

¹ Bcc Research, June 29, 2011

Mature Field Revitalization

Extensively analyzing our results over extended periods of time, we have concluded that Powerwave is universally applicable to all reservoirs and it can be implemented at any point during secondary (waterflooding) and tertiary (CO₂, polymer, surfactant) recovery projects. We have learned that the sales cycle is relatively long and that we needed more flexibility in the form of Powerwave tool systems. For example, the Company has developed a new surface pulsing system designed for all well configurations and all reservoir types.

To support our conclusion, a recent independent evaluation of Powerwave results was undertaken by Gaffney-Cline and Associates, a subsidiary of Baker Hughes. The study analysed 5 fields involving 77 Powerwave-driven water injector installations and focused on publicly reported production and injection data. Overall, an increase in Estimated Ultimate Recovery (“EUR”) from 0.7% to 7.4% was identified, with an average EUR of 2.56%.

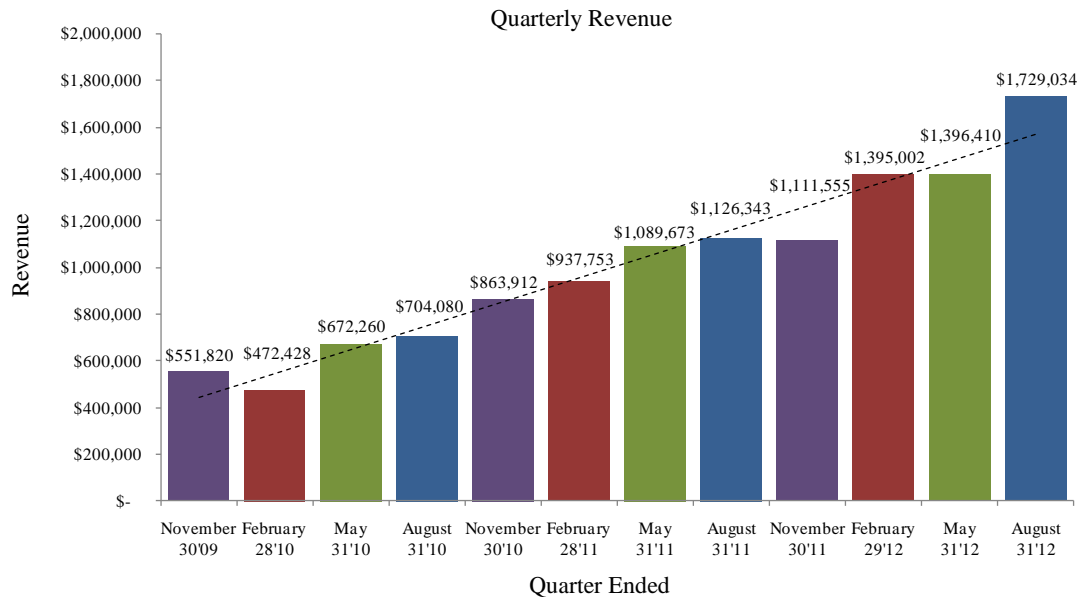
Mature Field Revitalization has been a primary focus of the Company for the past several years and we have made in-roads around the globe. Worldwide, there are approximately 250,000 wells used in IOR/EOR applications². In Wavefront’s mature field revitalization initiative recurring revenue stems from longer, fixed term agreements of a 12-month minimum duration which are subject to extension beyond this period. During the fixed term the Company collects a monthly license/rental fee from the client. Target monthly fees range from \$3,000 to \$6,000 per month per tool but in certain cases the Company has applied discounts for initial field trials or large orders. Also associated with the fixed term agreements is revenue generated through the installation of the Powerwave systems consisting of human resource time, ancillary equipment, travel, etc.

The financial highlights for fiscal 2012 include:

- Total revenues amounted to \$5,632,001, a 41.1% increase or \$1,640,377 over the comparative period that reported total revenues of \$3,991,624.
- Fourth quarter revenues (i.e., three months ended August 31, 2012) amounted to \$1,729,034, which was an increase of \$628,748 or 57.1% increase in gross revenues over gross revenue for the comparative quarter ending August 31, 2011.
- Revenues for the year ended August 31, 2012 for Powerwave and Primawave approximated \$4,266,742 or 75.8% of revenues; whereas in the comparative reporting period, Powerwave and Primawave approximated \$2,557,100 or 64.1%.
- Revenue attributed only to Powerwave product lines were \$4,022,952, an increase of \$1,727,733 or 75.3% over revenues in the comparative period of \$2,295,219. The Powerwave product line revenues can then be broken into short-term projects involving well stimulations and long-term projects related to using Wavefront’s technology to enhance secondary oil recovery in waterflood or CO₂ flooding applications.
 - i. For fiscal 2012, the total revenue of long-term Powerwave projects related to secondary and tertiary oil recovery involving either waterflooding or CO₂ flooding totalled \$2,968,134, an increase of \$764,782 or 34.7%, compared to \$2,203,352 in the comparative period.
 - ii. For fiscal 2012 Powerwave revenues related to well stimulations totalled \$1,054,818, an increase of \$962,951 or 1,048%, compared to \$91,867 in the comparative period. It is believed that Powerwave well stimulations may lead to secondary oil recovery applications as client companies become more familiar with the technologies and can obtain and validate their own data related to Powerwave.

² United States Environmental Protection Agency, Oil and Gas Related Injection Wells

The following chart sets out the gross quarter over quarter growth in gross revenue:



- The basic and diluted net for the year ended August 31, 2012 increased by \$173,517 to \$4,648,731 (\$0.056 per share), compared to \$4,475,215 (\$0.054 per share) in 2011.
- Total current assets decreased by \$8,398,192 to \$17,673,667 from the prior year end. Of the net decrease, \$4,083,231 relates to the acquisition of the Vortech patents, \$1,774,716 relates to the acquisition of additional Powerwave tools and \$2,931,269 was used to fund operations.

The above financial highlights should be read in conjunction with the audited consolidated financial statements and management discussion and analysis of results for Wavefront for the year ended August 31, 2012, which were filed on SEDAR on December 20, 2012.

The following key highlights and initiatives occurred in 2012 fiscal year:

- Completed installation of Powerwave systems with Petroleum Development Oman in Oman.
- Completed installation of Powerwave systems with Pluspetrol in Argentina.
- Received confirmation of a 28-well expansion with the Company' Eastern Alberta client. Installation of the tools will continue into the new calendar year.
- Entered into a contract with Pan American Energy ("PAE") to implement Powerwave in their production block: Las Flores Norte, in their Cerro Dragon field, in Argentina. PAE is owned by BP Company (60%), and Bidas Corporation (40%).
- Entered into an approximate \$1.25 million contract with Petrobras Brazil to implement Powerwave in the Petrobras operated on-shore oil field known as TBC near Aracaju, Brazil. Installations were slated to commence in the fall of 2012 however these have now been delayed to the new calendar year.

- With Weatherford, under contract from Pemex, successfully completed Powerwave stimulations at the Pemex operated Chicontepec field in Mexico. The initial stimulation success has led to further uptake of the Powerwave stimulation in Mexico.
- Completed the purchase of intangible assets from Vortech adding complementary pulsating technology and associated intellectual property patents.
- Commenced trading on the OTC market's tier, OTCQX International.
- The Company completed development of a Powerwave modular rotary pulsing system known as the "Man-of-War" that is driven by a rotary topside drive. The modular component allows for incremental 1-metre sections to be added permitting an increasing length of perforated interval to be stimulated. A key advantage of the Man-of-War includes the capacity to stimulate the entire perforated interval simultaneously thereby reducing the time of the stimulation.
- The Company developed a new "Staged Pulse System" ("SPS") to be integrated into conventional drill strings and/or coiled tubing to overcome operational constraints encountered in extended reach programs. The SPS creates a "variable" pressure pulse that eliminates static friction in horizontal wellbores and concurrently removes cuttings proximal to the bit which enables higher Rate of Penetration and effective wellbore cleaning.

"We are very pleased to see the growth in revenues in fiscal 2012 and maintaining a strong balance sheet," said Wavefront President and CEO Brett Davidson. "The Company continues to be a developer of leading edge fluid flow technology and we're very excited about the worldwide growth opportunities related to our initiative, "From Bit to Last Drop" which focuses on performance drilling; well stimulation; and, mature field revitalization."

ON BEHALF OF THE BOARD OF DIRECTORS

WAVEFRONT TECHNOLOGY SOLUTIONS INC.

"D. Brad Paterson" (signed)

D. Brad Paterson, CFO & Director

About Wavefront:

"From Bit to Last Drop" Wavefront endeavors to be recognized as a global leader of fluid injection technologies that maximize reservoir recovery, drilling efficiency, and groundwater restoration. Wavefront publicly trades on the TSX Venture Exchange under the symbol WEE and on the OTCQX under the symbol WFTSF. The Company's website is www.onthewavefront.com.

For further information please contact:

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Cautionary Disclaimer – Forward Looking Statement

Certain statements contained herein regarding Wavefront and its operations constitute "forward-looking statements" within the meaning of Canadian securities laws and the United States Private Securities Litigation Reform Act of 1995. All statements that are not historical facts, including without limitation statements regarding future estimates, plans, objectives, assumptions or expectations or future performance, are "forward-looking statements". In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "believe", "continue" or the negative of these terms or other comparable terminology. We caution that such "forward-looking statements" involve known and unknown risks and uncertainties that could cause actual results and future events to differ materially from those anticipated in such statements. Such factors include fluctuations in the acceptance rates of Wavefront's Powerwave and Primawave Processes, demand for products and services, fluctuations in the market for oil and gas related products and services, the ability of Wavefront to attract and maintain key personnel, technology changes, global political and economic conditions, and other factors that were described in further detail in Wavefront's continuous disclosure filings, available on SEDAR at www.sedar.com. Wavefront expressly disclaims any obligation to up-date any "forward-looking statements", other than as required by law.