



WAVEFRONT ANNOUNCES FIRST QUARTER 2014 FINANCIAL RESULTS

EDMONTON, Alta., January 29, 2014 Wavefront Technology Solutions Inc. (Wavefront or the Corporation, TSX-V: WEE; OTCQX: WFTSF) a leading-edge provider of fluid injection processes primarily for mature field revitalization (Enhanced Oil Recovery or “EOR”) as well as oil and gas well stimulation announces its financial results for the first quarter ending November 30, 2013.

Wavefront’s business operates in a market where there is increasing demand to bring economically beneficial solutions to exploration and production companies (or “E&P” companies) to maximize oil and gas productivity. Central to Wavefront’s broad portfolio of technologies is the fluid delivery process, Powerwave™ that encompasses the life cycle of a client’s post exploration operations.

Wavefront is uniquely positioned to capitalize on significant growth opportunities. The Corporation believes that no competitor has a similar, diverse portfolio of unique fluid injection methodologies and tools. By leveraging Powerwave across multiple oil industry applications including EOR; well stimulation; and, drilling among other applications, Wavefront is seeking to minimize technology risk and accelerate commercialization timelines.

The financial highlights for the three months ended November 30, 2013 include:

- Revenues for the three months ended November 30, 2013 were \$1,646,640, an increase of \$117,055 over the comparative period in 2012 that recognized revenues of \$1,529,585.
- Revenue attributed only to Powerwave product lines were \$1,408,624, an increase of \$289,554 or 25.9% increase over revenues in the comparative period of \$1,119,070.

- i. For the three months ended November 30, 2013, the total revenues attributed to long-term, mature field revitalization Powerwave projects totalled \$827,476. Of the \$827,476 of revenue related to long-term Powerwave projects \$506,119 related to international projects. The Corporation anticipates that as international Powerwave projects commence revenues in EOR may continue to grow, while, in the near-term, revenues in Canada and the United States may fluctuate.
 - ii. For the three months ended November 30, 2013, revenues related to well stimulation totalled \$509,234, an increase of \$149,900 or 41.7%, compared to \$359,334 in the comparative period. The Company anticipates that stimulation revenues in Canada and the United States may grow as Wavefront focuses on nearer term revenue growth.
- Expenses for the three months ended November 30, 2013 decreased by \$120,258 to \$2,464,936 from \$2,585,194 from the comparative period in 2012.
 - For the three months ended November 30, 2013, the gross profit margin¹ for Powerwave was 68.5% compared to 83.4% for the comparative period due to the heavier weighting on international projects. For the three months ended November 30, 2013, the gross profit margin for Powerwave Performance Drilling was 61.5% (2012 – n/a) as the product line is still being introduced to industry partners. Primawave’s gross profit margin was 74.9% compared to 90.6% for the comparative period, and tubing pumps and bailers was 70.4% compared to 48.9% in the comparative period.
 - The basic and diluted net loss for the quarter ended November 30, 2013 decreased by \$221,672 to \$783,391 (\$0.0094 per share), compared to \$1,005,061 (\$0.0121 per share) in 2012. This quarter represents the first quarter that the Company’s net loss per share was less than one cent, a trend that management is focused on continuing.
 - Cash used in operating activities² decreased \$365,988 from fiscal year end 2013 to \$800,846. However, funds used in operations increased by only \$97,784 to \$301,246 from the funds used in operations for prior quarter, i.e., the three months ended August 31, 2013, of \$203,462. Management believes that over time, the funds used in operations should decrease as revenue grows and as it focuses expenditures on nearer term revenues. Wavefront continues to strive toward sustainability while endeavouring to accelerate revenue growth in its core focus marketing regions.

¹ The Corporation uses both IFRS and non-generally accepted accounting principles (“GAAP”) measure under International Financial Reporting Standards (“IFRS”) to make strategic decisions and set targets and believes that these non-GAAP measures under IFRS provide useful supplemental information to investors. “Gross profit margin” is a measure used by the Corporation that does not have a standard meaning prescribed by IFRS and may not be comparable under GAAP under IFRS or to similar measures used by other companies. Gross profit is calculated by deducting cost of sales which includes direct costs, such as direct materials, direct labour, travel related expenditures, sub-contractors, shipping, duties and taxes, from gross revenue. Gross profit margin is calculated by dividing the gross profit by gross revenue.

² Cash flow used in operating activities is a measure of the total cash generated from the Corporation’s operations and is calculated by adding back amortization, share based payments and other non-cash items to net income and then adjusting for changes in working capital. Cash flow used in operating activities is a component of the IFRS consolidated statement of cash flows.

- Total assets decreased by \$828,635 to \$23,664,861 from the prior year end. Of the net decrease, \$986,045 relates to a reduction of cash resource, of which \$118,695 was used for the acquisition of additional Powerwave tools and equipment, \$66,504 relates to the acquisition of intellectual property licences and patents, and \$800,846 was used to fund operations. Non-current assets included a decrease of \$163,342 in property, plant and equipment, which is principally composed of: \$281,096 relating to depreciation and \$118,695 relating to purchases. Non-current assets also included a decrease of \$61,669 in intangible assets to \$3,885,909, which is principally composed of: \$128,430 relating to amortization and \$66,504 relating to purchases.

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 first quarter ended November 30, 2013, which were filed on SEDAR on January 29, 2014.

“Wavefront remains on track with initiatives to refocus its marketing strategy and we are pleased to see continued progress in the Corporation’s primary marketing regions, said Wavefront President and CEO Brett Davidson.”

ON BEHALF OF THE BOARD OF DIRECTORS

WAVEFRONT TECHNOLOGY SOLUTIONS INC.

“D. Brad Paterson” (signed)

D. Brad Paterson, CFO & Director

About Wavefront:

Wavefront is a technology based world leader in fluid injection technology for improved/enhanced oil recovery 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 update any “forward-looking statements”, other than as required by law.

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