



Press Release April 29, 2021

WAVEFRONT ANNOUNCES SECOND QUARTER 2021 FINANCIAL RESULTS

EDMONTON, Alta., April 29, 2021 Wavefront Technology Solutions Inc. (Wavefront or the Company, TSX-V: WEE; OTCQB: WFTSF), an oil field service provider focused on offering the oil and gas industry proprietary, leading edge technology announces its financial results for the second quarter ending February 28, 2021.

An overview of the financial results for the reporting period includes:

- For the second quarter 2021 (i.e., three months ended February 28, 2021) recorded revenues amounted to \$373,118 a decrease of \$332,922 from the comparative quarter (i.e., three months ended February 29, 2020) revenues of \$706,040.
- Of the revenues for the second quarter ended February 28, 2021, \$347,863 (2020 - \$525,238) relates to Powerwave stimulations, with \$320,945 of those revenues being derived from the Middle East, a decrease of \$147,878 over the comparative quarter.

The decrease in Powerwave stimulations in the Middle East is related to lower numbers of Powerwave stimulations occurring because of limited oil field access, marketing abilities related to ongoing COVID-19, and the change of distributors in Saudi Arabia. Similarly, in the State of Kuwait, the volume of Powerwave stimulations performed declined from the first quarter due to limited oil field access and marketing abilities related to the ongoing COVID-19 pandemic and the related revenues did not exceed the minimum guaranteed under agreement with the Company's Kuwait Distributor.

- Whereas, general and administrative, sales and marketing, research and development, and amortization and depreciation expenses for the second quarter ended February 28, 2021, decreased by \$82,618 or 9.3% to \$804,297, compared to \$886,915 for the quarter ending February 29, 2020.
- Despite the decrease in revenues of \$332,922, the net losses for the three months ended February 28, 2021, marginally decreased by \$3,773 to \$415,839 (or \$0.005 basic and diluted loss per share) compared to the comparative quarter ended February 29, 2020, which reported a net loss of \$419,612 (or \$0.005 basic and diluted loss per share).
- Cash used in operations for the second quarter ended February 28, 2021, was \$295,616 compared to \$50,782 in the comparative quarter. Cash used in operations was impacted by working capital items, and in particular, the collection of US \$225,000 (or approximately \$285,413 Canadian if translated at the balance sheet exchange rate) in receivables that were subsequently collected.
- Revenues for the six month period ended February 28, 2021 totalled \$818,878, a decrease of \$587,847 from the comparative period revenues of \$1,406,725.
- While general and administrative, sales and marketing, research and development, and amortization and depreciation expenses for the six months ended February 28, 2021, declined by \$158,271 to \$1,638,789, compared to \$1,797,060 for the six month period ended February 29, 2020.
- As a result, the net loss for the six months ended February 28, 2021 only increased by \$98,963 to \$763,358 (or basic and diluted net loss of \$0.009 per share), compared to the net loss of \$664,395 (or basic and diluted net loss of \$0.008 per share) for the comparative period ended February 29, 2020.



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- Cash used in operations for the six months ended February 28, 2021, was \$386,471 compared to \$583,380 in the comparative period.
- Total assets decreased by \$279,177 from the prior year end to \$3,092,321, the changes of which principally relates to the decrease of \$500,169 in cash and cash equivalents, of which \$386,471 is attributed to cash used in operations, and the reduction of trade and other receivables of \$254,696, which is related to decreased revenues. In addition to cash used in operations, cash of \$64,204 was also used for the principal repayment of the lease, and \$46,613 relates to the purchase of assets for the Company's new Distributor in Saudi Arabia.

Current assets were also impacted by decreases in inventories by \$19,609 and increases in prepaid expenses \$52,578 that are a result of prepayment of insurance fees that were not financeable, and the prepayment of TSX Venture Exchange and OTCQB Venture Market annual filings fees.

Other than the aforementioned decreases in cash and cash equivalents and trade and other receivables, the principal change in total assets consists of the recognition of a new right-of-asset in the amount of \$520,675 associated with the new lease. In addition, and associated with the new lease, the Company recognized a leasehold improvement asset of \$29,660.

- As at February 28, 2021, the Company had positive working capital of \$1,302,233 (August 31, 2020 - \$2,038,835). Changes in working capital relate to the net decreases in current assets of \$721,896 (i.e., decreases in cash and cash equivalents of \$500,169, decreases in trade and other receivables of \$254,696 that is tied to decreases in revenues, and decreases in inventory of \$19,606 which were offset by increases in prepaid expenses of \$52,578). Working capital was impacted to a lesser degree as there was an increase of unearned revenue of \$13,804, and increases in current lease liabilities of \$8,767, which was offset by decreases in trade accounts payable and accrued liabilities of \$7,865. The recording of the current portion of the lease liability and lease inducement totalling \$70,815 has negatively impacted the Company's working capital.

The above financial highlights should be read in conjunction with the unaudited condensed consolidated interim financial statements and management discussion and analysis of results for Wavefront for the second quarter ended February 28, 2021, which were filed on SEDAR on April 29, 2021.

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, oil field service provider, focused on offering the oil and gas industry proprietary, leading edge technology primarily for oil and gas well stimulation and applications related to IOR/EOR recovery. Wavefront publicly trades on the TSX Venture Exchange under the symbol WEE and on the OTCQB 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.

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