

NEW MEDIA SYSTEMS INC.

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NEWS RELEASE

UPDATE ON THE PROPOSED ACQUISITION OF PE-TECH INC.

The Company is pleased to provide a general update on its proposed acquisition of PE-TECH Inc. (the "Acquisition") and the continuing TSX Venture Exchange (the "TSX") review process as it moves towards receipt of final TSX approval to the Acquisition. The Company held an Extraordinary General Meeting (the "EGM") on September 17, 2002, at which time the shareholders approved, among other matters, a reverse takeover and acquisition by the Company of all of the issued and outstanding shares of PE-TECH Inc., and related transactions including consolidation of the Company's share capital, continuation of the Company under the *Canada Business Corporations Act* and change of name. The final details on these and other related matters are set out below. Note that throughout this news release the term "Post Consolidation" refers to, and takes account of, the pending 5 to 4 consolidation of the share capital of the Company and the term "Pre Consolidation" refers to the current status of the share capital of the Company, as more fully described below under the heading "NAME CHANGE AND SHARE CONSOLIDATION". In addition, the term "Information Circular" refers to the Information Circular of the Company, dated Tuesday, September 17, 2002, relating to the shareholder meeting to approve the Acquisition and related matters

TERMS OF THE ACQUISITION

It is expected that, upon completion of the Acquisition the basic terms will see the following issuance of securities:

- The issuance of 14,140,432 Post Consolidation shares of the Company at the time of final TSX approval. The figure of 14,140,432 shares is 23,073 shares less than the figure of 14,163,505 as set out in the Information Circular due to a prior error in the minute books of PE-TECH Inc. recording the share ownership of the shareholders ;
- The issuance of a total of 2,081,983 warrants to purchase Post Consolidation shares of the Company at a price of \$1.00 per Post Consolidation share up to three (3) months from the date of final TSX approval. This exercise date of three (3) months from the date of final TSX approval differs from the original expiry dates as set out in the Information Circular [which dates were April 3, 2003 (as to 480,088 warrants) and April 17, 2003 (as to 1,135,391 warrants) to May 17, 2003 (as to 466,504 warrants)] as it was always the intention of all parties concerned that these warrant holders would have a right to exercise for a reasonable period of time after completion of the Acquisition. The Board of Directors of PE-TECH Inc. approved the extension on April 1, 2003;
- 1,310,000 Stock options to purchase Post Consolidation shares of the Company at a price of \$0.50 per Post Consolidation share with an expiry date of five (5) years from the date of final TSX approval. The options were issued pursuant to the Company's Stock Option Plan as approved at the EGM. The figure of 1,310,000 options is 37,500 greater than the figure of 1,272,500 as set out in the Information Circular due to the issuance of additional options to employees, an increase in a director's option from 30,000 to 50,000 options and the cancellation of two options previously expected to be issued to insiders. The Stock Option Plan provides for the issuance of up to a total of 3,641,162 shares;
- Additional Post Consolidation shares will be issued upon final TSX approval. See "PRIVATE PLACEMENT", below.

Also, in connection with the Acquisition, the following has taken place, or is expected to take place upon final TSX approval:

- The Company has appointed Deloitte & Touche LLP as the auditors for the Company;
- The Board of Directors of the Company, at the time of final TSX approval will be Bradley T. Aelicks, Brett C, Davidson, Roger Kazanowski and Bradley D. Paterson,;
- By a Repayment Agreement dated for reference March 7, 2003 among PE-TECH Inc., Wavefront Environmental Technologies Inc., Prism Production Technologies Inc., New Media Systems Inc., Subterranean Technologies Inc., Brett Davidson, Tim Spanos, MBD Consulting Inc., and Roger Kazanowski relating to debts of the companies totalling \$529,704, the creditors cannot demand repayment and the principal repayments are deferred for one year from the closing of the Acquisition. Further future principal repayments are limited to 20% of the net cash flow for operations and are pro-rated amongst all creditors and the Repayment Agreement provides that the Company may at any time repay the entire outstanding amount of the loans to the creditors.
- **624,225** Pre Consolidation common shares of the Company currently held in escrow will be subject to cancellation without further compensation on or prior to the time of final TSX approval.

NAME CHANGE, SHARE CONSOLIDATION AND CHANGE OF CORPORATE JURISDICTION

At the EGM, the shareholders of the Company approved a special resolution authorizing the Board of Directors to approve a consolidation ratio of 5 to 4 of the Common shares (Pre Consolidation) without par value of the Company. At that time they also approved a special resolution authorizing the continuance of the Company out of the Province of British Columbia and under the *Canada Business Corporations Act*, and a change of the name of the Company. The new name of the Company will be, upon final TSX approval, **Wavefront Energy and Environmental Services Inc.** and its new CUSIP number will be **94353M 10 7**.

VALUE ESCROW AGREEMENT

A total of 9,678,220 Post Consolidation shares held by insiders of the Company and its subsidiaries will be subject to the TSX Form 5D Value Escrow Agreement and will be released on the following schedule:

Release Dates	Percentage of Total Escrowed Securities to be Released	Total Number of Escrowed Securities to be Released
date of Exchange Bulletin	1/10 of escrowed securities	967,822
date 6 months following Exchange Bulletin	1/6 of remaining escrow securities	1,451,733
date 12 months following Exchange Bulletin	1/5 of remaining escrow securities	1,451,733
date 18 months following Exchange Bulletin	1/4 of remaining escrow securities	1,451,733
date 24 months following Exchange Bulletin	1/3 of remaining escrow securities	1,451,733
date 30 months following Exchange Bulletin	1/2 of remaining escrow securities	1,451,733
date 36 months following Exchange Bulletin	all of remaining escrow securities	1,451,733
TOTAL	100%	9,678,220

The figure of 9,678,220 shares is less than the figure of 10,305,935 as set out in the Information Circular due to the disposition of certain shares by insiders subsequent to the date of the Information Circular.

Given delays beyond the control of the insiders in obtaining the physical share certificates of their New Media shares, which are required to be placed in escrow in accordance with Exchange policy, all insiders of the Company have undertaken to deposit as soon as possible the share certificates representing their shares of New Media in escrow with the Company's transfer agent.

PRIVATE PLACEMENT (all Post Consolidation shares and securities)

Subject to final TSX approval, the Company has completed a non-brokered private placement for gross proceeds of **Cdn\$1,103,000**, consisting of **2,206,000** units at a price of \$0.50 per unit (the "Unit"). Each Unit will consist of one common share and one-half of one, non-transferable share purchase warrant (the "Warrant"). Each full Warrant is exercisable for one year into one common share at a price of \$1.00 per share. All common shares and warrants will be subject to applicable resale restrictions according to TSX Policy. The funds received from the private placement will be for general working capital. No finders' fee will be payable on the private placement.

Of the 2,206,000 units issued in connection with the private placement, 290,000 units or 13.15% of the private placement was subscribed by non-arms length parties to the Company and / or PE-TECH Inc.

FINAL PROPOSED ISSUED AND OUTSTANDING SHARES CAPITAL AND ESCROW/HOLD RESTRICTIONS (all Post Consolidation shares and securities)

Subject to final TSX approval, it is expected that, upon completion of the Acquisition the share capital and escrow/hold restrictions will be as follows:

Authorized Common Shares	Unlimited number of common shares
Issued Common shares	20,288,739 common shares
Options	1,310,000 stock options (\$0.50 for 5 years*)
Warrants	2,081,983 warrants (\$1.00 for 3 months*); and 1,103,000 warrants (\$1.00 for 1 year*) 3,184,983 total warrants
Fully Diluted Share Capital	24,833,722 common shares
Escrowed shares	9,678,220 shares
Common shares subject to 4 month hold*	2,206,000 common shares
Warrant Common shares subject to 4 month hold*	1,103,000 warrant common shares

*from the date of final TSX approval

Completion of the transaction, which will constitute a change of business and a reverse take-over, is subject to a number of conditions, including but not limited to, final TSX Venture Exchange acceptance. There can be no assurances that the transaction will be completed as proposed or at all.

ON BEHALF OF THE BOARD OF DIRECTORS

NEW MEDIA SYSTEMS INC.

“D. Brad Paterson” (signed)

D. Brad Paterson,
President & Director