



Press Release January 29, 2018

WAVEFRONT ANNOUNCES FIRST QUARTER 2018 FINANCIAL RESULTS UPDATE ON POWERWAVE BUSINESS DEVELOPMENT ACTIVITIES

EDMONTON, Alta., January 29, 2018 Wavefront Technology Solutions Inc. (Wavefront or the Company, TSX-V: WEE; OTCQX: WFTSF) a global leader in the advancement of fluid injection technology for oil and gas well stimulation and Improved/Enhanced oil (“IOR/EOR”) recovery announces its financial results for the first quarter ending November 30, 2017.

The financial highlights for the reporting period are as follows:

- Total revenues for the first quarter ended November 30, 2017 amounted to \$276,667, a decrease of \$357,850 over the comparative quarter.

The decrease in revenues over the comparative period is predominately related to the unexpected decline in Powerwave stimulation activity in the United States, which decreased by \$209,900 over the comparative period. The Company believes the decreased activity in the United States to be an abnormal instance as certain clientele’s calendar 2017 budgets were exhausted. For the remainder of fiscal 2018 the Company anticipates increased activities in its West Texas operations which will be reflective in revenue in subsequent quarters.

Internationally, Powerwave stimulation project revenues totalled \$119,777 in revenues (November 30, 2016 - \$150,492). Wavefront sees the trajectory of international Powerwave stimulation revenues increasing as Powerwave is more widely adopted and activity in Middle East region grows.

- In keeping with recent North American oil patch spending, Wavefront continues to focus on balancing expenditures while perusing the advancement of Powerwave commercialization. For the reporting period the Company reduced expenses by \$419,537 (or 27.4%) over the comparative period.
- The basic and diluted net loss for the quarter ended November 30, 2017 decreased by \$31,250 to \$836,603 (\$0.010 per share), compared to \$867,853 (\$0.010 per share) for the comparative quarter ended November 30, 2016.
- Total current assets decreased by \$578,796 to \$3,194,785 from the prior year end. Of the net decrease, \$766,673 relates to a reduction of cash resources, of which \$1,748 was used for the acquisition of additional Powerwave tools, equipment and leasehold improvements, and \$728,482 was used to fund operations.

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 first quarter ended November 30, 2017, which were filed on SEDAR on January 29, 2018.

The Company would also like to provide an update on Powerwave business development activities.



Press Release January 29, 2018

Subsequent to first quarter ended November 2017, Wavefront and Gulf Drilling and Maintenance Co. (“GDMC”) entered into an exclusive distribution agreement which provides GDMC sole operational rights to Powerwave in Kuwait for a guaranteed minimum aggregate yearly fee of US \$1 million (i.e., additional technology fees or royalties for the use or resale of Powerwave equipment and services apply in excess of the guaranteed minimum of US \$1 million threshold). The agreement is valid for three (3) years, subject to renegotiation thereafter.

Subsequent to the first quarter ended November 2017 Wavefront announced a seven well Powerwave Odyssey Custom Stimulation (“POCS”) campaign in the Kingdom of Saudi Arabia. The original seven well POCS campaign, having an approximate value of US \$250,000 has now been expanded to twelve wells. The Company and its local distribution partner, National Petroleum Services (“NPS”) also have two additional POCS slated for completion in a second production asset. It was envisioned that the original, seven well campaign would be completed by the end of February 2018 however with Powerwave Odyssey tool revisions that campaign is nearing completion ahead of schedule. It is anticipated that the execution of the additional seven wells will commence the first week of February.

The Company continues to work with NPS on a roll-out of Powerwave in Algeria, Iraq, and India. While the Powerwave wellbore cleaning tool has been approved for use in Algeria, Wavefront and NPS are in the early stages of arranging pilot projects with operators in Iraq and India. The Company anticipates initial pilot-scale POCS programs to commence in these locals in the third fiscal quarter.

Wavefront has recently commenced Phase II implementation of a Powerwave-driven waterflood in Oman. This IOR/EOR project had originally been delayed due to the poor commodity prices of the past couple of years. Based on Phase I results, Wavefront and its local marketing partner, Marjan Petroleum are very confident that Powerwave will bring the intended positive production outcomes and as such, the national petroleum company will deem Powerwave to be a “commercial product”. It is anticipated that this designation will then lead to a longer-term contract where Powerwave can be accessed on a call-out basis without a long sales cycle.

Although in North America the Company has seen heightened interest associated with higher commodity prices spending commitments by oil and gas companies appears decidedly mixed. The Company does anticipate that within its West Texas operations existing clients will increase their activities and new clients will be added. Barring any unforeseen or large decline in oil prices, the Company foresees an upward trend in revenue generation for Powerwave well stimulation in North America, albeit not necessarily, immediately, at historical levels.

Subsequent to the first quarter ended the Company and its local distribution partner, Gesca, commenced the first of a five well POCS campaign with a major international oil and gas producer in Colombia. It is envisioned that a successful POCS campaign will lead to weekly stimulation work with a client that has approximately 3,000 wells.

“The last calendar quarter of 2017 was a volatile and challenging period for oil field services providers as producers curtailed spending. This reality weighed heavily on the Company’s first quarter 2018 financial results,” said Wavefront President and CEO Brett Davidson. “We anticipate North American, and in particular, United States activity levels to largely improve over the longer term if oil prices remain stabilized at current pricing levels and producers opt for larger capital and operational budgets.”



Press Release January 29, 2018

Mr. Davidson further stated, "Wavefront has made meaningful and substantial progress in the Middle East market that is generating great optimism for the Company's future growth prospects. With a strong commitment to bolster market presence in the United States, Management is confident that future balance sheets will show the positive results of our combined efforts."

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 up-date any "forward-looking statements", other than as required by law.

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