



Press Release January 29, 2019

WAVEFRONT ANNOUNCES FIRST QUARTER 2019 FINANCIAL RESULTS

EDMONTON, Alta., January 29, 2019 Wavefront Technology Solutions Inc. (Wavefront or the Company, TSX-V: WEE; OTCQX: WFTSF), the industry leader in dynamic fluid flow technology for optimized oil and gas well stimulation and Improved/Enhanced Oil (“IOR/EOR”) recovery announces its financial results for the first quarter ending November 30, 2018.

The financial highlights for the reporting period are as follows:

- Total gross revenues for the first quarter 2019 totalled \$943,753, an increase of \$667,086 or 241.1% from the comparative first quarter revenues of \$276,667.
- Revenues related to Powerwave stimulations for the first quarter 2019 increased by \$676,903 or 414.0% to \$840,403 compared to \$163,500 in the comparative quarter. Powerwave stimulation revenues for the reporting quarter from the Middle East had the most dramatic impact to revenue increasing by \$629,933 or 2,672.6% to \$653,503.
- Other expenses (i.e., not including costs of goods sold) for the first quarter ended November 30, 2018 declined by \$87,779 to \$938,335 compared to \$1,026,114 for November 30, 2017.
- The basic and diluted net loss for the quarter ended November 30, 2018 was \$45,947 (or \$0.001 loss per share), a decrease of \$790,656 from the comparative quarter ended November 30, 2017 which reported a net loss of \$836,603 (or \$0.0100 loss per share).
- The EBITDA¹ of \$213 for the first quarter 2019 represents an increase of \$763,675 over that generated in the comparative quarter (i.e., an EBITDA loss¹ of \$763,462), and an increase of \$440,312 over that generated in the prior quarter (i.e., an EBITDA loss¹ of \$440,099 for three months ended August 31, 2018).
- Cash from operating activities totalled \$340,900, an increase of \$1,108,533 over the comparative quarter, and \$146,450 from the prior quarter (i.e., cash from operating activities for the three months ended August 31, 2018 of \$194,450). Cash flows from operating activities for the quarter were principally impacted by non-working capital items.

The quarter ended November 30, 2018 is the third consecutive quarter where cash from operations is positive and has grown (i.e., cash from operations for the three months ended: November 30, 2018 - 340,900, for August 31, 2018 - \$194,450, and May 31, 2018 - \$63,287). Future periods’ cash flows from operations are dependent on non-cash working capital items and the continued commercialization of Powerwave, particularly in the Middle East.

¹ EBITDA, an acronym for earnings before interest, taxes, depreciation, and amortization, is calculated by adding back all interest, tax, depreciation and amortization to net income (loss). EBITDA is an additional IFRS measure with the most comparable IFRS measure being net income (loss).



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- Total assets increased by \$104,285 to \$4,730,219 from the prior year end and principally relates to the increase of \$398,853 of cash and cash equivalents on hand, which is principally related to cash generated from operation and increases of inventory of \$40,315, and was offset by decrease in trade and other receivables of \$265,432.

Working capital was principally affected by the net increase in cash and cash equivalents (i.e., increasing \$398,853) and trade and other receivables (i.e., decreasing \$265,432) of \$133,421, which was offset by the increase in current liabilities of \$87,870 (i.e., unearned revenue increased by \$101,013, and trade accounts payable decreased by \$13,143).

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, 2018, which were filed on SEDAR on January 29, 2019.

“The Company’s recent financial results reflect the very positive strides we have made in positioning Wavefront as the global leader in dynamic fluid flow technology however we must remain determined in our pursuit of excellence, ensuring Powerwave is the technology of choice for well stimulation, initially in the Company’s marketing focus areas and then beyond,” said Wavefront President and CEO Brett Davidson.

Mr. Davidson further stated, “Much remains to be accomplished and with the introduction of new Powerwave tools to meet major client needs, expectations, and alternative applications we anticipate further Powerwave growth in the months ahead”.

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.

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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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