



# Western Plains Petroleum Ltd.

## Western Plains Petroleum Closes Unit Offering and Acquires Undeveloped Property

**For Immediate Release**

**December 14, 2010**

CALGARY, ALBERTA – Western Plains Petroleum Ltd. (TSXV:WPP) (“**Western Plains**” or the “**Company**”) announces, as an update to its previously disclosed private placement offering of units (“**Units**”), that it has closed the final tranche of the offering by issuing 1,010,000 Units at a price of \$0.18 per Unit for gross proceeds of \$181,800. Each Unit consists of one (1) common share and one-half of one (1/2) common share purchase warrant (“**Warrant**”), each whole Warrant exercisable into one (1) common share at an exercise price of \$0.25 per share expiring December 13, 2011. Including the December 2, 2010, closing of an initial tranche of 720,000 Units at a price of \$0.18 per Unit for gross proceeds of \$130,500, the Company issued a total of 1,730,000 Units (1,730,000 common shares and 865,000 Warrants) for gross proceeds of \$312,300 under the offering of Units.

A finder’s fee in the amount of \$14,112 was paid to Canaccord Genuity Corporation (“**Canaccord**”), representing 8% of the gross proceeds raised on the sale of 980,000 Units under the final tranche of 1,010,000 Units. In addition, finder warrants (the “**Finder’s Warrants**”) exercisable into 78,400 common shares of the Company, representing 8% of the 980,000 Units sold under the final tranche of 1,010,000 Units, were issued to Canaccord. Each Finder’s Warrant is exercisable into one (1) common share at an exercise price of \$0.25 per share expiring December 13, 2011. No finder’s fees were paid by the Company in respect of the initial tranche of 720,000 Units issued under the offering of Units.

All securities issued under the private placement are subject to a four month hold period from the date of issuance expiring April 14, 2011, in accordance with applicable securities laws. The offering of Units is subject to receipt of final approval from the TSX Venture Exchange.

### *Crown Land Sale*

Western Plains also announces it was successful at the December 6, 2010, Saskatchewan Crown land sale acquiring a 100% interest in the petroleum and natural gas rights on a 160 acre parcel of undeveloped lands in the Lloydminster heavy oil area. The acquisition increases the Company’s land base in the Lloydminster area and adds potential drilling opportunities for Western Plains in 2011. Western Plains holds an undivided 50% working interest in the lands as the acquisition was made on a 50/50 basis with an industry partner.

### *Warrant Exercises*

The Company also reports that an aggregate of 3,352,940 common shares have been issued on the exercise of 3,352,940 warrants (the “**2009 Warrants**”) previously issued under a private placement offering of

3,352,940 units at a price of \$0.085 per unit that closed in late 2009. Each 2009 Warrant was exercised at a price of \$0.15 per share resulting in gross cash proceeds to Western Plains of \$502,941.

### **Western Plains Petroleum Ltd.**

Western Plains is a Lloydminster, Alberta, based junior heavy oil producer with interests located in the Lloydminster area in both Saskatchewan and Alberta. The common shares of the Company trade on the TSX Venture Exchange under the symbol WPP.

For more information, please contact:

**David Forrest**

President and Chief Executive Officer  
Western Plains Petroleum Ltd.  
#202, 5004 – 18 Street  
Lloydminster, AB T9V 1V4

Telephone: (780) 205-4468  
Fax : (780) 808-8038  
E-mail: [brahmadf@gmail.com](mailto:brahmadf@gmail.com)  
[www.westernplainspetroleum.com](http://www.westernplainspetroleum.com)

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### **Reader Advisory**

This news release includes management's assessment of future plans and operations, capital raising activities, wells to be drilled, timing of drilling of wells, re-activation activities, production estimates and planned capital expenditures, which may constitute forward-looking statements under applicable securities laws and necessarily involve risks including, without limitation, risks associated with oil and gas development, production, competition from other producers, inability to retain drilling rigs and other services, delays resulting from or inability to obtain required regulatory approvals, and the inability to fund required capital expenditures. Actual future results may differ materially from those assumed or described in such forward-looking statements as a result of the impact of issues, risks and uncertainties whether described herein or not, which Western Plains may not be able to control. The reader is therefore cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements contained in this news release are made as of the date hereof and Western Plains undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement. This news release shall not constitute an offer to sell or the solicitation of any offer to buy securities in any jurisdiction.