



Western Plains Petroleum Ltd.

Western Plains Petroleum Files 2010 Year -End Results

For Immediate Release

May 2, 2011

CALGARY, ALBERTA – Western Plains Petroleum Ltd. (TSXV:WPP) (“**Western Plains**” or the “**Company**”) announces the filing of its audited financial statements for the year ended December 31, 2010, together with the accompanying management’s discussion and analysis, and its annual reserves information as mandated by National Instrument 51-101 *Standards Of Disclosure For Oil & Gas Activities*, such filings available on SEDAR on the Company’s profile at www.sedar.com.

2010 Financial and Operational Highlights and Outlook

All of the Company’s production is heavy oil from properties surrounding the Alberta/Saskatchewan border town of Lloydminster. Production and revenues for this heavy oil producer all increased rapidly in Q4 10, with production averaging 135 bbls per day for the quarter. The Q4 10 average production marked a significant increase over the 37 bbls per day that was averaged in Q3 10 and reflected the Company’s Q4 10 active development program in the Landrose area of Saskatchewan.

For the year ended December 31, 2010, the Company’s production averaged 72 bbls per day compared to 108 bbls per day for the year ended December 31, 2009. The lower average production for 2010 compared to 2009 was primarily a result of the Company disposing 50% of its assets in August 2010 and the limited period of production from the wells reactivated or drilled since August 2010.

The production surge in Q4 10 resulted in an increase in the Company’s gross revenues from approximately \$222,000 in Q3 2010 to \$756,000 in Q4 10 (approximately \$1.63 million for 2010 as compared to \$1.85 million for 2009).

Though revenues and cash flows benefited from the Company’s increase in crude oil sales volumes (and netbacks) and the rise in crude oil prices during 2010, these benefits were partially offset by various factors, including the impact of a stronger Canadian dollar and, in the second half of 2010, an increase to the price differential between heavy oil and light crude oil that resulted from the nine week maintenance shut-down of a major pipeline that carries Canadian crude oil to refineries in the U.S. Midwest. As a result, Western Plains realized an average oil price of \$60.73 per bbl in Q4 10 as compared to \$61.82 per bbl in Q4 09. The differential between Hardisty heavy oil and Edmonton light oil increased to \$18.41 per bbl in Q4 10 from \$12.72 per bbl in Q4 09.

As at December 31, 2010, the Company had working capital of \$0.3 million compared to a working capital deficiency of \$0.2 million at December 31, 2009. Over the last two years Western Plains executed a strategy to eliminate its net debt position of \$2.7 million as at December 31, 2008. In 2009 and 2010 assets were sold to pay down the debt and subsequently replaced with high potential properties financed without debt. In executing this strategy, Western Plains has developed a concentrated asset base primarily in the Maidstone and Landrose areas of Saskatchewan, and the Lloydminster areas of Saskatchewan and Alberta, all in close proximity to its operational and corporate offices in Lloydminster, Alberta. Development activity on the new properties restored the Company’s heavy oil average production rates in Q4 10 (135 bbls/d) to exceed Q4 09 levels (68 bbls/d). This high potential property base, strong management and governance team, and available capital resources will allow Western Plains to execute an aggressive development program and continue the production growth into 2011.

Capital Budget and 2011 Drilling Program

The Company has approved a capital budget of \$2.7 million for 2011 that includes drilling 12 wells (5.67 net) and the continued acquisition of properties and mineral rights. The 12 wells were selected from the 25 (12.7 net) potential drilling locations identified by the Company, all on properties where it is operator. Capital costs are budgeted to be approximately \$400,000 to \$425,000 gross for each well, including drilling, completion and equipping. Although oil wells in this area can achieve production rates up to 100 bbls per day, the Company holds production to 30-50 bbls per day in order to optimize long term production and reserves. Even at the curtailed production rates the new production is being added at a cost in the range of \$13,000 to \$15,000 per flowing bbl.

In Q1 11, the Company drilled and completed one well (0.33 net) on the Blackfoot property in the Lloydminster area of Alberta, which once stabilized is expected to produce at rates comparable to nearby heavy oil wells. A second location on the Blackfoot property is licensed and is expected to be drilled after break up.

The Company expects average production rates in Q1 11 to be approximately 150 bbls per day. This is less than earlier projections due to harsh winter weather which led to well shut-downs and maintenance issues, reduced average production rates from the Landrose wells in order to maximize long term reservoir exploitation, and limited availability of drilling rigs which has delayed the drilling of new wells.

Current production is estimated to be approximately 200 bbls per day due to additional production from the new well drilled in late March 2011 and the restoration of some of the production lost in Q1 11 due to weather and down wells.

Property Acquisitions in 2011

In 2011, Western Plains has continued to expand its land holdings through farm-ins and acquisitions of properties in close proximity to its core areas and Western Plains' corporate and operations centre in Lloydminster, Alberta:

- Two LSDs (100% WI) acquired on 2 different sections in the Standard Hill and Buzzard areas of Saskatchewan pursuant to an arms-length farm-in agreement. One of the locations has been licensed and will be drilled immediately after break up.
- 320 acres (100% WI) acquired, from an arm's length party, immediately adjacent to the Company's existing property in the Maidstone area of west-central Saskatchewan. The acquired property included 10 heavy oil wells, of which 1 well was producing at an average rate of 15 bbls per day. Western Plains intends to re-activate the 9 shut-in wells and complete a workover on the producing well to optimize production.

The Company is able to finance its 2011 development program from its working capital, cash flows, the well-financed and motivated working interest partners and remaining credit facilities with a Canadian chartered bank.

Financial and Operational Summary

The following table provides a comparative summary of selected operational and financial highlights of the Company for the three months and the years ended December 31, 2010 and 2009.

Operating results for the three months and years ended December 31, 2010 and 2009				
\$000's except for Production and per share	Q4 2010	Q4 2009	YEAR 2010	YEAR 2009
Production - total barrels	12,446	6,294	26,444	39,271
Production - bbls/ day	135	68	72	108
Heavy oil revenue	756	389	1,634	1,847
Royalties	(146)	(49)	(280)	(365)
Production & transportation	(296)	(161)	(742)	(677)
Operating net back	313	179	612	805
General and administrative	(219)	(51)	(606)	(464)
Interest & financing	-	-	-	(92)
Corporate net back	94	129	6	249
Depletion & accretion	(350)	(116)	(666)	(1,029)
Other (expenses) revenue	(123)	-	(267)	508
Income (loss) for the period	(379)	12	(927)	(272)
Basic and diluted income (loss) per share	(0.008)	(0.000)	(0.023)	(0.038)

Per bbl analysis	Per bbl	Per bbl	Per bbl	Per bbl
Heavy oil revenue	60.73	61.82	61.80	47.04
Royalties	(11.76)	(7.75)	(10.58)	(9.31)
Production and transportation	(23.79)	(25.53)	(28.07)	(17.25)
Operating net back	25.18	28.55	23.15	20.48

(\$000)

Funds invested in petroleum properties	(1,427)	(198)	(3,006)	(1,035)
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BALANCE SHEET \$000's
As at December 31, 2010 and 2009

	2010	2009
Net working capital (deficiency)	265	(208)
Total assets	7,070	2,453
Total liabilities	2,095	674
Shareholders equity	4,975	1,779
SHARES 000's		
Basic outstanding	55,101	30,260

The Company does not record future income tax assets due to the uncertainty of the Company's ability to utilize the available income tax pools against its future income.

2010 Summary of Reserves

The Company's reserves were evaluated in a report as at December 31, 2010 (the "AJM Report") by the independent engineering firm of AJM Petroleum Consultants Ltd. ("AJM") in accordance with the rules provided by National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* ("NI 51-101"). The following tables provide summary information presented in the AJM Report effective December 31, 2010 and based on their December 31, 2010 price forecast. The December 31, 2010 AJM Report was prepared by AJM utilizing the methodology and definitions as set out under NI 51-101.

All evaluations of future revenue are after the deduction of future income tax expenses, unless otherwise noted in the tables, royalties, development costs, production costs and well abandonment costs but before consideration of indirect costs such as administrative, overhead and other miscellaneous expenses. **The estimated future net revenue contained in the following tables does not necessarily represent the fair market value of the Company's reserves. There is no assurance that the forecast price and cost assumptions contained in the AJM Report will be attained and variances could be material. The recovery and reserves estimates on the Company's properties described herein are estimates only. The actual reserves on the Company's properties may be greater or less than those calculated. The totals in the following tables may not add due to rounding.**

The summary tables below should be read in conjunction with the NI 51-101 F1, F2 and F3 forms of Western Plains that are available on the SEDAR profile of Western Plains at www.sedar.com.

Summary Of Oil And Gas Reserves Based On Forecast Prices And Costs As At December 31, 2010

Reserves Category	Company Reserves							
	Light and Medium Oil		Heavy Oil		Natural Gas		Natural Gas Liquids	
	Gross MSTB	Net MSTB	Gross MSTB	Net MSTB	Gross MMscf	Net MMscf	Gross Mbbl	Net Mbbl
PROVED								
Developed Producing	0	0	126.8	107.9	0	0	0	0
Developed Non-Producing	1.8	1.6	16.9	15.6	0	0	0	0
Undeveloped	0	0	90.7	80.5	0	0	0	0
TOTAL PROVED	1.8	1.6	234.3	204.0	0	0	0	0
TOTAL PROBABLE	0	0	235.3	196.3	0	0	0	0
TOTAL PROVED + PROBABLE	1.8	1.6	469.6	400.3	0	0	0	0

Summary Of Net Present Values Based On Forecast Prices And Costs As At December 31, 2010

Reserves Category	Net Present Values of Future Net Revenue									
	Before Income Tax					After Income Tax				
	Discounted at									
	0%/yr	5%/yr.	10%/yr.	15%/yr.	20%/yr.	0%/yr	5%/yr.	10%/yr.	15%/yr.	20%/yr.
\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	\$M	
PROVED										
Developed Producing	3,906.0	3,687.7	3,486.1	3,303.2	3,138.7	3,888.1	3,671.9	3,472.0	3,290.6	3,127.4
Developed Non-Producing	589.1	550.3	516.7	487.3	461.4	439.8	414.8	393.1	374.0	357.1
Undeveloped	1,946.1	1,575.9	1,283.2	1,048.1	856.5	1,482.3	1,160.7	909.0	708.7	547.0
TOTAL PROVED	6,441.3	5,814.0	5,286.0	4,838.6	4,456.6	5,810.3	5,247.5	4,774.1	4,373.3	4,031.6
TOTAL PROBABLE	10,955.7	8,678.5	7,066.6	5,891.0	5,010.0	8,397.0	6,609.0	5,352.6	4,442.7	3,765.3
TOTAL PROVED + PROBABLE	17,397.0	14,492.5	12,352.6	10,729.6	9,466.7	14,207.2	11,856.5	10,126.7	8,816.0	7,796.9

**Total Future Net Revenue
(Undiscounted)
Based On Forecast Prices And Costs as at December 31, 2010**

	Revenue (\$M)	Royalties (\$M)	Operating Costs (\$M)	Development Costs (\$M)	Abandonment and Reclamation Costs (\$M)	Future Net Revenue Before Income Taxes (\$M)	Income Taxes (\$M)	Future Net Revenue After Income Taxes (\$M)
Total Proved	16,477.2	2,086.4	4,919.3	1,800.0	1,230.3	6,441.3	631.0	5,810.3
Total Proved Plus Probable	35,225.0	5,095.2	9,618.6	1,800.0	1,314.3	17,397.0	3,189.7	14,207.2

Summary of Pricing Assumptions as of December 31, 2010 - Forecast Prices

Date	WTI \$US/STB	Edmonton City Gate \$CDN/STB	Heavy \$CDN/STB	\$CDN/\$US Exchange Rate
HISTORICAL PRICES				
2007	72.38	77.09	39.75	0.921
2008	99.58	102.83	73.17	0.951
2009	61.78	66.21	54.49	0.874
2010	79.35	77.77	60.46	0.966
FUTURE FORECAST				
2011	85.00	82.80	64.80	1.000
2012	89.25	88.80	68.80	0.980
2013	91.55	94.05	71.95	0.950
2014	95.50	98.15	73.85	0.950
2015	102.85	105.80	79.20	0.950
2016	110.40	113.70	85.70	0.950
2017	112.60	116.05	88.05	0.950
2018	114.85	118.35	90.35	0.950
2019	117.15	120.75	92.75	0.950
2020	119.50	123.15	95.15	0.950
Thereafter	2%	2%	2%	0.950

About 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.

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Reader Advisory

This news release contains certain forward-looking information and forward-looking statements (collectively, "forward-looking statements") under the meaning of applicable securities laws, including Canadian Securities Administrators' National Instrument 51-102 - *Continuous Disclosure Obligations*. The use of the words "intended", "outlook", "expected", "potential", "will" and "planned" identify these forward-looking statements. In particular, but without limiting the foregoing, this news release contains forward-looking statements regarding anticipated capital expenditures, production forecasts, completion of acquisitions, and expected timing of the drilling and completion of new wells.

The forward-looking statements contained in this news release reflect several material factors and expectations and assumptions of Western Plains including, without limitation, assumptions relating to the ability of Western Plains will continue to fund or conduct its operations in a manner consistent with past operations, the ability of any working interest partners to participate in drilling operations and the general continuance of current or, where applicable, assumed operational and industry conditions. Western Plains believes the material factors, expectations and assumptions reflected in the forward-looking statements are reasonable at this time but no assurance can be given that these factors, expectations and assumptions will prove to be correct.

By their nature, forward-looking statements are subject to numerous risks and uncertainties that can significantly affect future results. 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 the Company 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 the Company 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.