



# Western Plains Petroleum Ltd.

## **Western Plains Enters Formal Agreement to Acquire Lloydminster Heavy Oil Interests for \$1.5 million**

**JUNE 16, 2010 - CALGARY, ALBERTA** – Western Plains Petroleum Ltd. (TSXV:WPP) (“**Western Plains**” or the “**Company**”) announced in an update to its previously announced \$1.5 million acquisition of a 100% working interest in heavy oil assets located in the Lloydminster area of Saskatchewan (the “**Assets**”), it has entered into a formal purchase and sale agreement with Corlac Resources Ltd. (“**Corlac**”) and Brahma Resources Ltd. (“**Brahma**”), which hold and operate the Assets as a joint venture. The acquisition is expected to close on or about June 18, 2010, with an effective date of May 1, 2010.

The Company will pay the \$1.5 million purchase price through the issuance of 10,000,000 common shares (“**Common Shares**”) at a price of \$0.15 per share. These Common Shares are intended to be issued and allocated as to 5,000,000 Common Shares each to Corlac and Brahma, subject to joint venture and industry standard closing adjustments. These Common Shares will be issued pursuant to exemptions from the prospectus and registration requirements and will be subject to a four-month hold period, all in accordance with applicable securities legislation and the policies of the TSX Venture Exchange (“**Exchange**”).

Closing of the Asset acquisition is subject to the approval of a majority of the “disinterested” shareholders of Western Plains in accordance with the policies of the Exchange, such approval to be sought at the Company’s annual general and special meeting of shareholders scheduled for June 18, 2010. The votes of Mr. David Forrest, President and CEO of the Company, who is also the President and CEO of Brahma, which holds 35.6% of the outstanding Common Shares of the Company, will not be included in the calculation of shareholder approval.

This transaction is considered a "related party transaction" pursuant to Multilateral Instrument 61-101 (“**MI 61-101**”), but is exempt from requirements of MI 61-101 as the size of the transaction, insofar as it relates to interested parties, is less than 25% of the market capitalization of the Company pursuant to sections 5.5 (a) and 5.7 (a) of MI 61-101.

Sayer Energy Advisors of Calgary, Alberta, is acting as financial advisor to the Board of Directors of Western Plains with respect to this transaction.

### **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 Western Plains trade on the TSX Venture Exchange under the symbol WPP.

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***Neither the TSX Venture Exchange nor its Regulation Services Provider (as the term is defined in the Policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.***

### **Reader Advisory**

Certain information in this Press Release is forward-looking within the meaning of certain securities laws, and is subject to important risks, uncertainties and assumptions. This forward-looking information includes, among other things, information with respect to Western Plains' beliefs, plans, expectations, anticipations, estimates and intentions, including the completion of Western Plains' acquisition of certain petroleum and natural gas interests, the success of future drilling and development activities, the performance of existing wells, the performance of new wells, general economic conditions, availability of required equipment and services and prevailing commodity prices. The words "may", "could", "should", "would", "suspect", "outlook", "believe", "anticipate", "estimate", "expect", "intend", "plan", "target" and similar words and expressions are used to identify forward-looking information. The forward-looking information in this Press Release describes Western Plains' expectations as of the date of this Press Release.

Material factors which could cause actual results or events to differ materially from such forward-looking information include, among others, risks arising from general economic conditions and adverse industry events, risks arising from operations generally, changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), commodity price and exchange rate fluctuations; reliance on contractual rights such as licenses and leases in the conduct of its business, reliance on third parties, reliance on key personnel, possible failure of the business model or business plan or the inability to implement the business model or business plan as planned, competition, environmental matters, and insurance or lack thereof.

Western Plains cautions that the foregoing list of material factors is not exhaustive, is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors. When relying on Western Plains forward-looking information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Western Plains has assumed a certain progression, which may not be realized. It has also assumed that the material factors referred to in the previous paragraph will not cause such forward-looking information to differ materially from actual results or events.

The forward-looking statements contained in this press release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

The common shares proposed to be issued have not been registered under the U.S. Securities Act of 1933 as amended or any state securities laws, and may not be offered or sold in the United States absent registration or an exemption from the registration requirements. This Press Release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.