



Western Plains Petroleum Ltd.

Western Plains Files Financial Results for the 2nd Quarter 2011

For Immediate Release

August 29, 2011 - Calgary, Alberta - Western Plains Petroleum Ltd. (TSXV:WPP) (“**Western Plains**” or the “**Company**”) is pleased to announce that it has filed its Unaudited Interim Financial Statements and Management’s Discussion and Analysis for the second quarter ended June 30, 2011 on SEDAR. The documents can be accessed through SEDAR’s website at www.sedar.com, or on the Company’s website at www.westernplainspetroleum.com.

Selected Quarterly Financial & Operating Highlights

The following table provides a summary of key unaudited financial and operating results for the three and six month periods ended June 30, 2011 and 2010:

Financial & Operating Highlights (Cdn\$ except shares, per share and per bbl amounts)	Three Months Ended June 30, 2011	Three Months Ended June 30, 2010	Six Months Ended June 30, 2011	Six Months Ended June 30, 2010
Average daily sales volume (bbls/d)	120	49	121	58
Petroleum revenue	786,793	262,292	1,434,519	656,223
Loss from operations	(134,835)	(305,779)	(185,522)	(317,295)
Comprehensive loss	(200,828)	(341,379)	(199,871)	(282,095)
Revenue per bbl	71.79	58.31	65.33	61.97
Operating netback per bbl ⁽¹⁾	18.05	18.56	20.71	19.93
Total assets	8,814,354	4,439,350	8,814,354	4,439,350
Basic shares outstanding	55,101,153	42,137,274	55,101,153	42,137,274

Note: ⁽¹⁾ Operating netback represents revenue per bbl. less royalty expense per bbl. Less production and transportation expense per bbl.

Development Activities

Since July 2010, the Company’s strategy has gradually shifted from acquiring and reactivating shut-in or standing heavy oil wells to drilling new wells in its core operating area surrounding Lloydminster, Alberta. Since July 2010, the Company has drilled 13 wells (7.08 net to the Company). The Company still acquires and reactivates shut-in wells from time to time.

The Company continued with this shift in the 2nd Quarter of 2011 by participating in the drilling of 4 new wells (3.0 net to the Company) on its existing property interests and through farm-out arrangements on properties located in and around the Lloydminster area in Alberta and Saskatchewan. For the first six months of 2011, the Company has participated in the drilling of 7 new wells (4.0 net to the Company). One (.33 net) of the new wells was on production in Q2 2011 with the other six (3.67 net) commencing production in Q3 2011 with all of them expected to be on production by early September 2011. In Q2 2011, the Company also reactivated 5 wells (5.0 net to the Company) on interests in the Maidstone area of Saskatchewan, acquired by the Company at the end of Q1 2011, all of which wells are currently producing.

Average daily sales volumes were consistent between Q1 11 and Q2 11, averaging approximately 122 bbls per day and 120 bbls per day (net to the Company), respectively. Revenue for Q1 11 was \$648,000 compared to \$787,000 for Q2 11 with the increase driven by higher oil prices. Q2 10 averaged 49 bbls per day and revenue of \$262,000. The large increase in revenue for Q2 11 over Q2 10 was a function of higher volume (Q2 11 – 120 bbls per day; Q1 10 – 49 bbls per day) and higher realized revenue per bbl (Q2 11 - \$71.79 per bbl; Q1 10 - \$58.31 per bbl).

Capital Resources

In October 2010 the Company finalized a credit facility agreement with a Canadian chartered bank, consisting of two facilities:

- a revolving operating facility with a limit of \$800,000 and an interest rate of bank prime plus 1.5%, and
- a development facility with a limit of \$300,000 and an interest rate of bank prime plus 2.0%.

The Company has drawn on the revolving facility intermittently throughout 2011 but no amount was drawn at June 30, 2011. Subsequent to June 30, 2011 the bank commenced its scheduled annual review of the facilities and the Company has requested an increase in the revolving facility in light of increase production and cash flows. The Company has also requested that the bank waive a breach of the working capital ratio covenant at June 30, 2011. The working capital ratio, based on the bank's calculation formula, was 0.68:1. The agreement with the bank requires that the Company maintain a working capital ratio of at least 1:1. The Company will advise further once the bank completes its review.

Outlook

Western Plains estimates current production to be 300 bbls per day as all 7 (4.0 net to the Company) wells drilled in 2011 and the 5 reactivated wells (5.0 net to the Company) in the Maidstone area are currently on production.

Western Plains has identified other potential drilling locations for the balance of 2011 and 2012, with several locations in the process of being licensed. Capital costs are budgeted to be approximately \$400,000 to \$425,000 gross for each well, including drilling, completion and equipping. The Company does not expect to commence further drilling activities until Q4 2011. The Company will continue to expand its land holdings in its core areas close to Lloydminster, Alberta.

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. For more information, please contact:

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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, 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.

All such forward-looking statements involve known and unknown risks and uncertainties, certain of which are beyond the control of the Company. Such risks and uncertainties include, without limitation: risks associated with oil and natural gas exploration, development, exploitation, production, transportation and marketing; general economic conditions in North America and globally; changes in the demand for the Company's products; volatility in market prices for oil and gas, and in particular heavy oil; unanticipated fluctuations or declines in production; the effects of adverse weather conditions; changes in foreign currency exchange and interest rates; changes in tax or environmental laws, royalty rates or other regulatory matters affecting the Company and its operations; inaccurate estimation of the Company's oil and natural gas reserves; ability to attract and retain qualified personnel; increased debt levels or debt service requirements; limited, unfavorable or lack of access to capital markets; and the impact of competitors. The forward-looking statements contained in this news release are made as of the date hereof and the Company does not intend, and does not assume any obligation, to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by applicable securities laws.

Western Plains cautions that the foregoing list of risks and uncertainties 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 risks and uncertainties 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.