



Western Plains Petroleum Ltd.

Western Plains Enters into Property Swap Agreement and Operations Update

For Immediate Release

June 2, 2011

CALGARY, ALBERTA – Western Plains Petroleum Ltd. (TSXV:WPP) (“**Western Plains**” or the “**Company**”) is pleased to announce it has entered into an asset exchange agreement with Prairie West Oil & Gas Ltd. (“**Prairie West**”) pursuant to which Western Plains will exchange a 50% net interest in 320 acres of petroleum and natural gas rights located in the Maidstone area of west-central Saskatchewan (“**Western Maidstone Asset**”), for (i) a 50% interest in 40 acres of petroleum and natural gas interests also located in the Maidstone area (the “**Prairie Maidstone Asset**”), (ii) a 50% net interest in 640 acres of undeveloped petroleum and natural gas rights located in the Twining area of east central Alberta (the “**Prairie Twining Asset**”), and (iii) a cash payment of \$375,000, subject to industry standard closing adjustments, with an effective date of April 1, 2011 (the “**Transaction**”).

The Transaction Assets

Western Maidstone Asset

The Company acquired a 100% undivided interest in the Western Maidstone Asset for a purchase price of \$750,000, on March 30, 2011 and is proposing to convey 50% of its interest to Prairie West under the Transaction. As announced on April 14, 2011, the Company commenced re-activation activities on the Western Maidstone Asset which currently has four (4) producing heavy oil wells, five (5) shut-in wells, and one horizontal water injection/pressure maintenance well. Western Plains will be designated as operator of this property upon closing of the Transaction.

Prairie Maidstone Asset

The Prairie Maidstone Asset, in which Western Plains is proposing to acquire a 50% undivided interest, consists of 40 acres located on section 24-048-23-W3M. The Prairie Maidstone Asset includes one shut-in heavy oil well which the Company proposes to reactivate in the second half of 2011. Western Plains will be designated operator of the Prairie Maidstone Asset upon closing of the Transaction.

Prairie Twining Asset

Under the Transaction, Western Plains is also to acquire a 50% undivided interest in the 640 gross acre Prairie Twining Asset, located at section 17-31-23 W4M in the Twining area of

east-central Alberta. Prairie West has identified an exploration prospect on the Prairie Twining Asset targeting the Devonian Nisku carbonate. As proximal Nisku pools are typically 40-42° API crude, the addition of this conventional oil prospect provides a diversification of the Company's current portfolio of low risk, heavy oil prospects primarily located in the Lloydminster area. Subject to closing, the Company expects to participate with Prairie West in the drilling of a vertical exploration well in the fall of 2011 on the Prairie Twining Asset. Western Plains will be designated as operator of the Prairie Twining Asset on closing.

In summary, the Transaction will result in Western Plains and Prairie West each holding a 50% undivided interest in the Prairie Twining Asset, Western Maidstone Asset, and Prairie Maidstone Asset, with Western Plains to be designated as operator of all these properties. Closing is expected to occur by mid-July 2011, subject to regulatory approval. No finder's fee is payable in respect of the Transaction.

Operational Update

Blackfoot Property, Lloydminster area of Saskatchewan

Further to its press release of April 14, 2011, regarding a proposed 3 well (1.0 net well to the Company) drilling program on the Blackfoot heavy oil property in the Lloydminster, Saskatchewan area, the Company announces it has drilled and completed 2 wells (0.66 net wells to the Company). The initial well is producing heavy oil at an average rate of 30 bbls/d (10 bbls/d net to the Company), with the second well expected to be brought on production in the next 10 days. The Company and its working interest partners are not expected to drill and complete a third well under this program. The Company acquired a 33.33% working interest in this property in August 2010 and is the operator.

Standard Hill and Buzzard areas of Saskatchewan

The Company also announces, as an update to its press release of February 18, 2011, that it has drilled and completed the first well of a two well drilling program pursuant to the terms of a farmout agreement covering two LSDs on two different sections of land in the Standard Hill and Buzzard areas of Saskatchewan (the "**Lands**"). Western Plains earned 50% of the farmor's interest in the Lands through the cash payment of \$40,000, and is required to pay 100% of the costs to drill and complete or cap and abandon one test well on each of the two subject LSDs on the Lands (the "**Test Wells**") to earn the remaining 50% interest of farmor in the Lands. In respect of the second Test Well, Western Plains has submitted an application for down spacing approval, and will spud the second Test Well within 60 days of receipt of such approval, subject to rig availability. The stabilized production from the first Test Well is expected to commence no later than mid-June 2011. Under the terms of the farmout, upon earning 100% of the farmor's interest in the Lands, Western Plains will grant the farmor a gross overriding royalty of six percent (6%) on production. Drilling and completion costs are or expected to be approximately \$400,000 for each Test Well.

Maidstone Property (Western Maidstone Asset) - Lloydminster area of Saskatchewan

As announced in the Company's press release of April 14, 2011, re-activation activities commenced around and through the break-up season on the Western Maidstone Asset (50% of which is proposed to be conveyed to Prairie West upon closing of the Transaction), with four (4) wells now on production. The Company has shipped in excess of 1,400 bbls of heavy oil

from these four (4) wells since production was incrementally brought on in early May, 2011. Western Plains is continuing with reactivation activities and expects to have the remaining five (5) shut-in wells on production prior to the anticipated closing date of the Transaction.

Landrose Property - Lloydminster area of Saskatchewan

Western Plains has re-completed the standing cased well on its petroleum and natural gas interests located on its Landrose property, located east of Lloydminster, Saskatchewan (the “**Landrose Asset**”). As announced in a press release dated May 10, 2011, the Company acquired a 50% net undivided interest in the 240 acres (120 net acres) Landrose Asset in exchange for the Company’s 50% net interest in petroleum and natural gas rights on 320 acres (160 net acres) of undeveloped lands located in the Golden Lake area of west central Saskatchewan.

The re-completed well is expected to be on production within the next 10 days.

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

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 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.