

**WALDRON ENERGY CORPORATION ANNOUNCES ITS FIRST HALF
2012 CAPITAL BUDGET AND CONTINUED LIQUIDS FOCUS**

February 2, 2012 – Calgary, Alberta – Waldron Energy Corporation (“Waldron” or the “Corporation”) is pleased to announce its first half 2012 capital expenditures program.

The Board of Directors has approved a prudent \$7 million six month program that will allocate capital to its high impact liquids rich Glauconite and Ellerslie development wells while continuing to aggressively expand its inventory of Belly River light oil and high impact Ellerslie liquids rich prospects with a view to the second half of 2012. The first half 2012 program is expected to modestly grow production with capital expenditures being financed entirely from Waldron’s operating cash flow which is supported by high oil and liquids pricing.

The 2012 first half capital program is focused on development opportunities whereas 2011 was primarily focused on exploration targets. The Corporation anticipates no impact on its credit facility due to lower gas prices because of the high liquids content of Waldron’s reserves and due to advancement of reserve bookings to proved developed producing status. Additionally, the Corporation has reconfirmed its credit facilities with its lenders. Waldron anticipates on completing and releasing its December 31, 2011 independent reserves report by March 30, 2012.

The Corporation’s first half 2012 capital program includes drilling a follow-up development horizontal liquids rich Glauconite well at Crystal on the Hoadley barrier bar trend and then, after further review, drilling an Ellerslie development well or a second Glauconite development well at Crystal. The two wells at Crystal both offset Waldron’s successful 1-28-44-3W5 horizontal well at Crystal (the “1-28 well”). Waldron drilled the 1-28 well in the fourth quarter of 2011 and the well produced at a restricted rate for the first 60 days averaging 250 bbls/day of liquids and light oil plus 3.2 mmcf/d of raw gas. The 1-28 well yields approximately 70% of its revenue from oil and natural gas liquids at \$2.50/GJ natural gas pricing. The Ellerslie development well continues to prove up 25 sections of land on trend as well as Waldron’s Ellerslie seismic model. Waldron plans to spud the first well in its 2012 program in February 2012.

Additionally, Waldron has licensed its first two horizontal Belly River light oil wells. The Corporation anticipates starting the Belly River drilling program in the second half of 2012 as Waldron works towards achieving a higher liquids/oil to natural gas ratio (currently 25/75). Waldron’s Belly River oil has a large resource of oil in place with an estimate of 170 million barrels of which the Corporation owns 40%. Each horizontal Belly River well has an estimated ultimate recovery of 65,000 – 75,000 bbls of oil. An expected initial production rate of 100 bbls oil per day for the first 30 days, declining thereafter, will generate an approximate 70% rate of return. The Corporation has currently identified 20 horizontal oil locations in the Belly River on Waldron’s lands and should increase with success.

The Corporation continues to review and consider asset dispositions, hedging and other measures in order to increase financial flexibility. Additionally, Waldron continues to work towards improving cash and field netbacks. As such, Waldron has reduced its general and administrative expenditures by approximately 20%, is working towards minimizing operating costs and has recently disposed of some minor assets. Capital investment could be quickly ramped up when commodity prices allow or the current economic environment improves during the 2012 year.



Waldron has grown production quarter over quarter and is currently producing approximately 3,100 boepd.

Guidance

Waldron's 2012 guidance is as follows:

Six Months 2012 Cash Flow ⁽¹⁾	\$7 million
Q1 2012 Average Production	3,000 – 3,100 boepd (25% liquids and oil)
Q2 2012 Average Production	3,100 – 3,200 boepd (27% liquids and oil)
2012 Assumptions	
Crude Oil – WTI (US\$/bbl)	\$100.00
Exchange rate (CDN\$/US\$)	\$1.02
Natural Gas – AECO (CDN\$/GJ) ⁽¹⁾	\$2.50

Notes

- (1) At \$3.00/GJ the Corporation's cash flow would increase by approximately \$2.5 million for 2012 to an estimated \$16.5 million from \$14 million.

Additional Opportunities

Waldron has an outstanding asset base and opportunities. The Corporation has established a core area with a top tier asset base of multi-zone high value prospects. Waldron's core areas are characterized by high deliverability liquids rich plays and light oil opportunities, high working interests, operatorship, infrastructure, access to production facilities and year round access. The Corporation has spent most of 2011 in the exploration phase de-risking its plays and nearby industry activity continues to de-risk our deeper prospects.

In addition, Waldron controls 75 net sections of Duvernay shale rights which should continue to increase in value as industry accelerates drilling. The Corporation also has 25 net sections of land on its Ellerslie Channel sand play and it continues to refine its geophysical models on this high impact play. Waldron has identified over 125 horizontal drilling locations on its lands targeting a mix of deep basin liquids rich and light oil opportunities in the Ellerslie, Glauconite, Falher and Belly River zones.

Investor Information

Waldron is a Calgary, Alberta based corporation engaged in the exploration, development and production of petroleum and natural gas. The Corporation's common shares are currently listed on the Toronto Stock Exchange under the trading symbol "WDN." Additional information regarding Waldron is available under the Corporation's profile at www.sedar.com or at the Corporation's website, www.waldronenergy.ca.

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Forward Looking and Cautionary Statements

This news release contains forward-looking statements relating to the Corporation's plans and other aspects of the Corporation's anticipated future operations, strategies, financial and operating results and business opportunities. These forward-looking statements may include opinions, assumptions, estimates, management's assessment of value, reserves, future plans and operations.

Forward-looking statements typically use words such as "will," "anticipate," "believe," "estimate," "expect," "intent," "may," "project," "should," "plan," "intend," and similar expressions suggesting future outcomes, and statements that actions, events or conditions "may," "would," "could," or "will" be taken or occur in the future. Specifically, this



press release contains forward-looking statements relating to plays and concepts; nature of funding the capital program; nature of the impact, if any, on credit facilities; production and reserves growth; number of wells; 2012 guidance; timing of operations; and on production dates. In addition, statements regarding reserves are deemed to be forward-looking statements, as they involve estimates and assumptions as to the expectation that the reserves can be economically exploited in the future. The forward-looking statements are based on various assumptions including expectations regarding the success of current or future drill wells; the outlook for petroleum and natural gas prices; estimated amounts and timing of capital expenditures; estimates of future production; assumptions concerning the timing of regulatory approvals; the state of the economy and the exploration and production business; results of operations; business prospects and opportunities; future exchange and interest rates; the Corporation's ability to obtain equipment in a timely manner to carry out development activities; and the ability of the Corporation to access capital and credit. While the Corporation considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

Forward-looking statements are subject to a wide range of assumptions, known and unknown risks and uncertainties, and other factors that contribute to the possibility that the predicted outcome will not occur, including, without limitation: risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation; loss of markets; volatility of commodities prices; currency fluctuations; imprecision of reserves estimates; environmental risks; competition from other producers; inability to retain drilling rigs and other services; incorrect assessment of the value of acquisitions; failure to realize the anticipated benefits of acquisitions; general economic conditions; delays resulting from or inability to obtain required regulatory approvals and to satisfy various closing conditions; and ability to access sufficient capital from internal and external sources. Readers are cautioned that the foregoing list of factors is not exhaustive.

Although Waldron believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will be realized. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements and you should not rely unduly on forward-looking statements. The forward-looking statements contained in this news release are made as of the date of this news release. Except as required by applicable law, Waldron does not undertake any obligation to publicly update or revise any forward-looking statements.

Note Regarding BOEs

The term barrel of oil equivalent ("boe") may be misleading, particularly if used in isolation. A conversion ratio for gas of 6 mcf:1 boe is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

