



PRESS RELEASE

VERO ENERGY INC. ANNOUNCES ITS FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2007

CALGARY, Alberta - March 10, 2008 – Vero Energy Inc. (“Vero” or the “Company”) (TSX-VRO) today announces its 2007 financial results. Copies of the audited financial statements and management discussion and analysis in respect thereof for the year ended December 31, 2007 will be available, in due course, through www.sedar.com or by visiting Vero’s website at www.veroenergy.ca.

2007 Highlights

- ✓ Increased production per share by 72% and reserves per share by 48% on a fully diluted basis.
- ✓ Increased average daily production by 92% to 4,709 boe/d.
- ✓ Exited 2007 at approximately 5,700 boe/d representing a 46% increase over the 2006 exit rate of 3,900 boe/d.
- ✓ Cash flow was 49% higher for the fourth quarter at \$11.7 million (\$0.40 per diluted share) and 71% higher at \$41.3 million (\$1.46 per diluted share) for the full year.
- ✓ Net earnings of \$3.2 million for the year resulting in \$0.11 (basic and diluted) per share.
- ✓ Annualized fourth quarter net debt to cash flow ratio was 1.3 times.
- ✓ Operating netback of \$27.27 per boe and cash flow netback of \$24.02 per boe.
- ✓ Drilled 36 wells (24.1 net) with an 87% success rate.

2008 UPDATE

- ✓ Closed a \$17.9 million flow-through share equity financing on February 28 at a price of \$9.25 per share. 1.94 million shares were issued.
- ✓ Active Q1 drilling program underway with plans to drill approximately 10-11 (7.1 – 7.7 net) wells.

Financial and operational highlights for the quarter and year ended December 31, 2007 with comparative data for 2006 are as follows:

<i>Financial</i> <i>(\$000's except per share amounts)</i>	Q4 2007	Q4 2006	% Change	YTD 2007	YTD 2006	% Change
Production revenue	23,218	14,846	56	83,407	43,948	90
Cash flow from operations	11,662	7,835	49	41,284	24,103	71
Per basic share	0.40	0.31	29	1.47	0.98	50
Per diluted share	0.40	0.31	29	1.46	0.98	49
Net earnings	2,842	688	313	3,164	1,035	206
Per basic share	0.09	0.03	200	0.11	0.04	175
Per diluted share	0.09	0.03	200	0.11	0.04	175
Capital expenditures (net)	20,412	17,966	14	71,453	75,754	(6)
Net debt	61,774	49,540	25	61,774	49,540	25
<i>Share Capital (000's)</i>						
Basic, weighted average	28,914	25,907	12	28,129	24,589	14
Basic, end of period	28,915	25,907	12	28,915	25,907	12
Fully diluted	31,349	28,228	11	31,349	28,228	11
<i>Daily Sales Volumes</i>						
Natural gas volumes (mcf/d)	24,663	15,247	62	22,710	10,891	109
Light oil (boe/d)	524	299	75	383	324	18
Liquids (boe/d)	606	460	32	541	314	72
Corporate (boe/d)	5,241	3,301	59	4,709	2,453	92
<i>Average Prices Realized</i>						
Natural gas (\$/mcf)	6.78	7.77	(13)	7.27	7.17	1
Light Oil (\$/bbl)	73.81	62.32	18	70.66	72.15	(2)
Liquids (\$/bbl)	76.49	52.63	45	67.07	60.43	11
Corporate (\$/boe)	48.16	48.89	(1)	48.53	49.08	(1)
<i>Netbacks (\$/boe)</i>						
Operating	26.77	29.27	(9)	27.27	30.04	(9)
Cash flow	24.20	25.80	(6)	24.02	26.92	(11)
<i>Wells drilled</i>						
Gross	8	8	-	36	35	3
Net	6.3	5.3	19	24.1	21.0	15

FINANCIAL REVIEW *(all dollar amounts are in 000's except per share amounts)*

2007 was another year of significant financial and operational growth for Vero. A large part of this growth was the result of our successful drilling program. Vero drilled 36 (24.1 net) wells during the year with an 87% success rate. As a result, sales volumes grew by 92% to average 4,709 boe/d compared to 2,453 boe/d in 2006. While average commodity prices in 2007 were relatively flat with 2006, the successful drilling efforts, and the resulting production gains were parlayed into a 71% increase in cash flow. Cash flow in the fourth quarter reached \$11,662 (\$0.40 per diluted share) and was \$41,284 (\$1.46 per diluted share) for the full year. As a result of the continued drilling success in the Edson area throughout 2007, Vero determined that the volumes processed through a third party plant could become restricted. To mitigate this, the Company constructed its own 20 mmcf/d gas processing plant in the area to handle its own volumes and potentially take third party gas. This project allowed Vero to take control of the processing of its own gas, and more importantly, secured Vero's ability of delivering all new gas added from its future drilling efforts.

Vero spent \$71,453 on its capital program during the year including: \$3,543 on Crown land acquisitions; \$2,478 in acquiring a partners' 50% interest in the Corbett area; \$1,338 on 3-D seismic data in its newly expanded area of Corbett; \$44,245 in drilling and completing 24.1 net wells; and \$3,384 for the construction of the new gas plant in Edson. All of this activity culminated in net debt of \$61,774 at the end of the year. Using fourth quarter cash flow the annualized net debt to cash flow ratio was 1.3. This was a 19% improvement over the 1.6 ratio from the fourth quarter of 2006.

2008 OUTLOOK

Vero continues to have a solid financial and operational base going forward into 2008. Initial guidance for 2008 is to spend \$50,000 and to increase average production in excess of 30% over the 2007 average production rate. The first quarter has already been very busy as we have had two drilling rigs working. Current plans are to drill 10-11 (7.1-7.7 net) wells in the quarter. In these times of rising finding and development costs, Vero seeks to continue its ascent against its peers. As with last year, the capital program is weighted heavily to the first quarter wherein we plan to spend between \$22,000 and \$25,000. During the second quarter the company will reduce its field activities in an effort to control costs during spring break up. This period of time will be used to make preparations for the resumption of field activity in the third quarter. In total the company plans to drill approximately 30-32 (22-23.5 net) wells during the year. However, these plans may change as the flexibility in our financial resources has been further enhanced with the closing of a flow-through share equity financing in February. To give certainty to an element of its cash flow, Vero recently entered into a series of hedges for the balance of 2008. Three costless collars were entered into as follows: 1) 5,000 gigajoules per day covering the period from April 1 through October 31, 2008. The floor is \$6.50 per gigajoule and the ceiling is \$8.25 per gigajoule; 2) 5,000 gigajoules per day covering the period from April 1 through October 31, 2008. The floor is \$7.00 per gigajoule and the ceiling is \$8.80 per gigajoule and 3) 10,000 gigajoules per day covering the period from November 1 through December 31, 2008. The floor is \$7.75 per gigajoule and the ceiling is \$9.50 per gigajoule. In addition, Vero entered into a fixed price swap at \$7.50/gj for 5,000 gj/day and covering the period from April 1 to October 31.

Vero will continue to prudently manage its cash flows to ensure maximum financial flexibility and thereby take advantage of future opportunities. The Company currently estimates that it has more than sufficient resources from its expected cash flows to meet its 2008 capital program. The additional resources provided by the equity financing in February and the currently unutilized bank line will allow us to re-visit the capital program and potentially accelerate our drilling plans throughout the year.

Maintaining and expanding Vero's drillable inventory continues to take centre stage. Current net undeveloped land stands at approximately 76,000 acres. Vero continues to pursue favorable farm-ins and also make strategic acquisitions of undeveloped lands at Crown land sales. In addition, we continually evaluate corporate and asset acquisition opportunities with the aim of adding to existing core areas or opening up new ones, which contain significant upside potential.

FINANCIAL STATEMENTS

Below is selected financial statement information for the year ended December 31, 2007 with comparative data for December 31, 2006. For full disclosure of financials statements with notes and the Management, Discussion and Analysis, please visit our website or SEDAR.

VERO ENERGY INC.

Balance Sheet

As at December 31,

(in thousands of dollars)

	<u>2007</u>	<u>2006</u>
ASSETS		
CURRENT		
Accounts receivable	16,767	15,308
Prepaid expenses and deposits	3,523	1,089
	<u>20,290</u>	<u>16,397</u>
Property and equipment	171,727	135,427
Goodwill	15,034	15,034
	<u>207,051</u>	<u>166,858</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	36,051	30,286
Bank debt	46,013	35,651
	<u>82,064</u>	<u>65,937</u>
Asset retirement obligations	2,641	1,785
Future income taxes	10,812	10,567
	<u>95,517</u>	<u>78,289</u>
SHAREHOLDERS' EQUITY		
Share capital	103,077	84,710
Contributed surplus	3,593	2,159
Retained Earnings	4,864	1,700
	<u>111,534</u>	<u>88,569</u>
	<u>207,051</u>	<u>166,858</u>

VERO ENERGY INC.

Statement of Operations, Comprehensive Income and Retained Earnings

(in thousands of dollars, except per share data)

	2007	2006
REVENUE		
Production revenue	82,063	43,948
Realized gain on risk management activities	1,344	-
	83,407	43,948
Royalties	(23,003)	(10,749)
Interest and other	-	94
	60,404	33,293
EXPENSES		
Operating	11,189	5,564
Transportation	2,348	734
General and administrative	3,132	1,750
Stock-based compensation	1,449	2,056
Interest and bank charges	2,451	1,434
Depletion, depreciation and accretion	36,052	22,125
	56,621	33,663
INCOME (LOSS) BEFORE INCOME TAXES	3,783	(370)
INCOME TAXES (RECOVERY)		
Current	-	(292)
Future	619	(1,113)
	619	(1,405)
NET EARNINGS AND COMPREHENSIVE INCOME	3,164	1,035
RETAINED EARNINGS, BEGINNING OF PERIOD	1,700	665
RETAINED EARNINGS, END OF PERIOD	4,864	1,700
NET EARNINGS PER SHARE AND COMPREHENSIVE INCOME PER SHARE		
Basic	0.11	0.04
Diluted	0.11	0.04

VERO ENERGY INC.

Statement of Cash Flows

(in thousands of dollars)

	2007	2006
CASH FLOWS RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING		
Net earnings	3,164	1,035
Adjustments for:		
Depletion, depreciation and accretion	36,052	22,125
Stock-based compensation	1,449	2,056
Future income taxes	619	(1,113)
	41,284	24,103
Asset retirement costs incurred	(43)	-
Changes in non-cash working capital	(7,140)	(7,883)
	34,101	16,220
FINANCING		
Increase in bank debt	10,362	17,131
Proceeds from private placement, net of share issue costs	17,935	12,061
Proceeds from exercise of stock options	43	-
	28,340	29,192
INVESTING		
Corporate acquisition	-	(18,887)
Additions to petroleum and natural gas properties	(68,932)	(57,026)
Purchase of petroleum and natural gas assets	(2,478)	-
Disposals of petroleum and natural gas properties	-	300
Additions to administrative assets	(43)	(141)
Changes in non-cash working capital	9,012	17,819
	(62,441)	(57,935)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	-	(12,523)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	-	12,523
CASH AND CASH EQUIVALENTS, END OF PERIOD	-	-

Vero Energy Inc. is a Calgary based oil and natural gas exploration and development company. Vero's common shares trade on The Toronto Stock Exchange under the symbol "VRO". Please see the latest corporate presentation, which is located on the Vero Energy Inc. website at www.veroenergy.ca.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy the securities in any jurisdiction. The common shares of Vero will not be and have not been registered under the *United States Securities Act of 1933*, as amended, and may not be offered or sold in the United States, or to a U.S. person, absent registration or applicable exemption therefrom.

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READER ADVISORY

Forward Looking Statements: Certain information regarding the Company in this news release including management's assessment of future plans and operations, production estimates, drilling inventory and wells to be drilled, timing of drilling and tie-in of wells, productive capacity of new wells, capital expenditures and the timing thereof, may constitute forward-looking statements under applicable securities laws and necessarily involve risks including, without limitation, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, inability to retain drilling rigs and other services, the timing and length of plant turnarounds and the impact of such turnarounds and the timing thereof, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources. As a consequence, the Company's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly no assurance can be given that any events anticipated by the forward-looking statements will transpire or occur, or, if any of them do so, what benefits the Company will derive therefrom. Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could effect the Company's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com), and the Company's website (www.veroenergy.ca). Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

BOE Disclosure: Disclosure provided herein in respect of barrels of oil equivalent (boe) may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf: 1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Mboe means thousands of barrels of oil equivalent.

Non-GAAP terms: this press release contains the terms "cash flow from operations" and "netbacks" which are not terms recognized under Generally Accepted Accounting Policies ("GAAP"). The Company uses these measures to help evaluate its performance as well as to evaluate acquisitions. The Company considers cash flow from operations a key measure as it demonstrates the Company's ability to generate funds necessary to repay debt and to fund future growth through capital investment. Funds generated from operations should not be considered as an alternative to, or more meaningful than, cash flow from operating activities as determined in accordance with Canadian GAAP as an indicator of Vero's performance. Vero's determination of cash flow from operations may not be comparable to that reported by other companies. The reconciliation between net income and cash flow from operations can be found in the statement of cash flows in the financial statements. Vero also presents funds generated from operations per share whereby per share amounts are calculated using weighted average shares (basic and diluted) outstanding consistent with the calculation of net earnings per share, which per share amounts are calculated under GAAP. The Company considers netbacks as a key measure as it demonstrates its profitability relative to current commodity prices. Operating netbacks are calculated by taking total revenues and subtracting royalties, operating expenses and

transportations costs on a per boe basis. Cash flow netbacks are calculated by taking the operating netback and subtracting interest costs, and general and administrative costs on a per boe basis.

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