**PRESS RELEASE**

For Immediate Release
February 2, 2006

# VERO ENERGY INC. AGREES TO MAKE OFFER TO ACQUIRE ALBERTA PRIVATE COMPANY AND PROVIDES CORRESPONDING UPWARD REVISION TO 2006 GUIDANCE

CALGARY, Alberta – February 2, 2006 - Vero Energy Inc. (TSX – VRO, "Vero" or the "Company") announces it has entered into an agreement (the "Agreement") pursuant to which Vero will make an offer (the "Offer") to acquire 100% of the shares of a private Alberta oil and gas company, Ledge Resources Limited ("Ledge") for approximately $69 million. The purchase includes the assumption of Ledge's debt of approximately $18 million. The acquisition will be funded by the issuance of approximately 4.75 million common shares of Vero and an aggregate cash payment of $18.25 million to the shareholders of Ledge. The transaction is subject to certain conditions including the tendering of a minimum of 90% of the shares of Ledge ("Ledge Shares") to the Offer, receipt of TSX approval and other customary conditions. Holders of in excess of 90% of the outstanding Ledge Shares, including all directors and officers of Ledge, have entered into lock-up agreements with Vero whereby they have agreed to tender their Ledge Shares to the Offer.

Production from the Ledge properties is expected to average 1,050 BOED in Q1, 2006 with 150 BOED behind pipe and expected to be brought on before the end of the quarter, and an additional 300 BOED rate restricted and presently expected to be unrestricted in late 2006. The production breakdown is comprised of 55% natural gas and 45% liquids with the liquids consisting mainly of light sweet oil. Based on an NI 51-101 independent reserve evaluation prepared by AJM Petroleum Consultants effective September 30, 2005 and using their September 30, 2005 pricing, Ledge has proved plus probable reserves of 2,521 Mboe.

Vero has identified up to 40 drilling locations on the Ledge lands which include 9,385 net undeveloped acres. The properties have operating costs just under $8.00/BOE and had netbacks of over $40/BOE in the fourth quarter of 2005.

Ledge has a highly focused asset base west of the fifth meridian in central Alberta, with an average working interest of 60% and over 90% of Ledge production is operated. The area is characterised by year round access, and the main property is a light, sweet Belly River oil pool at Wilson Creek. Reserves for this pool are currently booked with 13% to 17% recovery factors for proved and proved plus probable reserves respectively. An independent water flood study has been done that currently has identified original oil in place of 5.246 MMbbls on Ledge lands and Vero believes that the ultimate recovery factors could be over 40%. There are also a number of Belly River infill locations and potential for gas from the Edmonton, Glauconite, Rock Creek and Pekisko zones at Wilson Creek. Other areas include Westerose, Garrington, Strachan, Caroline and Ricinus. Ricinus exposes the Company to Devonian exploration opportunities where an offsetting Leduc well is producing at 90 MMCFD.

The Offer has the unanimous support of the board of directors of both Vero and Ledge. GMP Securities L.P. is acting as advisor to Vero. The board of directors of Ledge has concluded that the Offer is in the best interests of its shareholders and will recommend that shareholders tender their Ledge Shares to the Offer. FirstEnergy Capital Corp. has acted as financial advisor to Ledge and has provided the board of directors of Ledge with their opinion that the consideration to be received pursuant to the Offer is fair, from a financial point of view.

Ledge has agreed to pay Vero a non-completion fee in the amount of $2,000,000 in certain circumstances if the Offer is not completed. Ledge has agreed to terminate any discussions with other parties and not to solicit or initiate discussion or negotiation with any third party with respect to alternate transactions involving Ledge.

**Proforma Overview & 2006 Updated Guidance**

Assuming the completion of the acquisition, Vero has updated its 2006 guidance as follows:

- Current combined company production would be approximately 2,300 BOED (70% natural gas) consisting of high netback quality assets.
- Combined company production is expected to average between 2,800 - 3,100 BOED (70% natural gas) and an exit rate of 3,500 – 3,800 BOED (70% natural gas) with these ranges based on the availability of services and cooperation of the weather.
- The capital budget for the year will be revised to $40 million, with the additional $6 million added being allocated to the new drilling opportunities from Ledge lands.
- At this level of spending and including the debt used to partially fund the acquisition, it is projected that the combined company will have a net debt position of approximately $27 million at the end of 2006 resulting in a net debt to cash flow ratio of approximately 0.8. The 2006 capital budget will be funded by expected cash flows plus Vero's strong opening cash position.
- The combined company will hold a large prospective land base of approximately 76,000 net undeveloped acres and would have a drilling inventory of approximately 100 wells.

On completion of the Offer and assuming 100% of the Ledge Shares are tendered, Vero would have approximately 23.8 million common shares outstanding and anticipates that consolidated net debt would be approximately $25 million.

It is expected that the Offer will be completed by way of an exempt take-over bid to be mailed to shareholders of Ledge in mid-February and will expire approximately 15 days thereafter.

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 view the Vero Energy website at www.veroenergy.ca for the latest corporate presentation which will be available on or about February 6th.

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.*

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