



VERO ENERGY INC. REPORTS 64% INCREASE IN RESERVES FOR 2007

CALGARY, ALBERTA, Feb 27, 2008 - Vero Energy Inc. ("Vero", "the Company") (TSX: VRO) is pleased to announce the results of its independent reserve evaluation together with its contingent resource report effective December 31, 2007 (the "Sproule Report") as evaluated by Sproule Associates Limited in accordance with the disclosure requirements provided by Standards of Disclosure for Oil and Gas Activities ("NI 51-101").

Highlights

- Proved plus probable reserves increased 64% to 13,352 MBOE almost exclusively through the drill bit resulting in:
 - ✓ A 48% increase in reserves per fully diluted share
 - ✓ Proved plus probable finding and development costs of \$10.16/boe excluding future capital and \$11.28/boe including future capital
 - ✓ A recycle ratio of 2.4
 - ✓ Replacement of production of 4.0 times
- Proved reserves increased 59% to 9,585 MBOE resulting in:
 - ✓ A 43% increase in reserves per fully diluted share
 - ✓ Proved finding and development costs of \$13.27/boe excluding future capital and \$15.58/boe including future capital
 - ✓ A recycle ratio of 1.8
- The net present value of Vero's estimated future net revenue based on forecast prices and costs and discounted at 10% before tax is \$242.7 million, a 61% increase over December 31, 2006 which was accomplished despite a 12.5% decrease in the forecast AECO natural gas price used for the first two years of the evaluation
- Proved developed producing reserves represent 77% of total proved reserves and total proved reserves represent 72% of the total proved plus probable reserves
- Proved and probable reserve life index (RLI) of 7.8 years based on Vero's 2007 production
- Company interest proved plus probable reserves are comprised of 78% natural gas, 11% natural gas liquids and 11% light oil
- Land and holdings of 75,704 net undeveloped acres at December 31, 2007

Oil and Gas Reserves and Net Present Values

The following table provides summary information presented in the Sproule Report effective December 31, 2007. Detailed reserve information will be presented in the Company's fourth quarter and year-end financial results press release and in the Statement of Reserves Data and Other Oil and Gas Information section of the Company's Annual Information form scheduled to be filed on SEDAR prior to March 31, 2008.

Company Interest Oil and Gas Reserves Based on Forecast Price and Costs

	Light/medium oil (Mbbbl)	Natural gas liquids (Mbbbl)	Natural gas (MMcf)	Barrels of oil equivalent (Mboe)
Proved				
Producing	912	803	34,181	7,412
Non-producing	0	71	2,454	480
Undeveloped	137	219	8,024	1,693
Total Proved	1,049	1,093	44,659	9,585
Probable	397	429	17,654	3,768
Total Proved & Probable	1,446	1,521	62,313	13,352

Present Values of Future Net Revenue Based on Forecast Prices and Costs

	0% (MM\$)	5% (MM\$)	10% (MM\$)
Proved			
Producing	239.9	193.0	164.1
Non-producing	13.5	10.6	8.8
Undeveloped	39.7	26.3	18.4
Total proved	293.1	229.9	191.3
Probable	117.5	73.4	51.4
Total proved and probable	410.6	303.3	242.7

Notes:

- (1) In the case of *BOEs*, using *BOEs* derived by converting *gas* to *oil* in the ratio of six thousand cubic feet of *gas* to one barrel of *oil* (6 *Mcf*:1 *bbl*)
- (2) Total values may not add due to rounding
- (3) Net present values are before tax
- (4) It should not be assumed that the undiscounted and discounted future net revenues estimated by the Sproule Report represent the fair market value of the reserves
- (5) Company Interest consists of working interest and royalty interest before deduction of royalties payable
- (6) Forecast pricing used is based on an average price model of four engineering firms (AJM, Sproule, McDaniel, GLJ)

FINDING, DEVELOPMENT AND ACQUISITION COSTS (“FD&A”)

Vero’s FD&A costs for 2007, 2006 and the three year average are presented in the tables below. The costs used in the FD&A calculation are the capital costs related to: land acquisition and retention; drilling; completions; tangible well site; tie-ins; and facilities, plus the change in estimated future development costs as per the independent reserve report. These costs exclude any dispositions of properties. Due to the timing of capital costs and the subjectivity in the estimation of future costs, the aggregate of the exploration and development costs incurred in the most recent financial year and the change during that year in estimated future development costs generally will not reflect total finding and development costs related to reserve additions for that year. The reserves used in this calculation are company interest reserve additions plus or minus revisions. The 2007 costs are unaudited as the financial results are in the process of being finalized.

	2007	2006	3 Year Average
<i>Proved Finding & Development Costs</i>			
Capital expenditures (excluding acquisitions, unaudited, 000’s)	68,932	57,026	133,753
Change in future capital (000’s)	11,990	(1,623)	16,836
Total capital for F&D (unaudited 000’s)	80,922	55,403	150,589
Reserve additions, excluding acquisitions (mboe)	5,194	3,157	9,461
Proved F&D costs – including future capital (\$/boe)	15.58	17.55	15.92
Proved F&D costs – excluding future capital (\$/boe)	13.27	18.06	14.14
<i>Recycle ratio</i>			
Including future capital	1.8	1.7	1.8
Excluding future capital	2.1	1.7	2.0

	2007	2006	3 Year Average
<i>Proved plus Probable Finding & Development Costs</i>			
Capital expenditures (excluding acquisitions, unaudited, 000’s)	68,932	57,026	133,753
Change in future capital (000’s)	7,604	12,339	27,299
Total capital for F&D (unaudited 000’s)	76,536	69,365	161,052
Reserve additions, excluding acquisitions (mboe)	6,783	3,964	12,248
Proved F&D costs – including future capital (\$/boe)	11.28	17.50	13.15
Proved F&D costs – excluding future capital (\$/boe)	10.16	14.39	10.92
<i>Recycle ratio</i>			
Including future capital	2.4	1.7	2.2
Excluding future capital	2.7	2.1	2.6

<i>Proved Finding, Development & Acquisition Costs</i>	2007	2006	3 Year Average
Capital expenditures (including acquisitions, unaudited, 000's)	71,410	124,596	230,999
Change in future capital (000's)	11,990	(1,623)	16,836
Total capital for F&D (unaudited 000's)	83,400	122,973	247,835
Reserve additions, including acquisitions (mboe)	5,267	4,420	12,171
Proved F&D costs – including future capital (\$/boe)	15.84	27.82	20.36
Proved F&D costs – excluding future capital (\$/boe)	13.56	28.19	18.98

<i>Proved plus Probable Finding, Development & Acquisition Costs</i>	2007	2006	3 Year Average
Capital expenditures (including acquisitions, unaudited, 000's)	71,410	124,596	230,999
Change in future capital (000's)	7,604	12,338	27,299
Total capital for F&D (unaudited 000's)	79,014	136,934	258,298
Reserve additions, including acquisitions (mboe)	6,951	5,442	15,910
Proved F&D costs – including future capital (\$/boe)	11.37	25.16	16.23
Proved F&D costs – excluding future capital (\$/boe)	10.27	22.90	14.52

Mannville Coalbed Methane – Contingent Resources

Sproule Associates Limited, an independent engineering firm, was retained to provide an estimate of the Mannville coalbed methane (“CBM”) resources in accordance with the disclosure requirements provided by Standards of Disclosure for Oil and Gas Activities (“NI 51-101”) on Vero’s undeveloped lands (5,100 net acres) in Corbett Creek, Alberta, as of December 31, 2007. Due to the technical and economic uncertainty of these resources, they were classified as contingent resources. The following table shows the estimates of contingent resources under each category:

Mannville Coalbed Methane – Contingent Resources	Low	Best	High
Company Gross Technically Recoverable Sales Gas (Bcf)	7.6	15.0	29.0

It is Vero’s opinion that, at the time when Vero determines that conditions warrant investment into this resource, they have the potential to be moved into a fully evaluated reserve category upon demonstration of economic returns.

Notes:

- (1) Contingent resources are defined in the Canadian Oil and Gas Evaluation Handbook as those quantities of oil and gas estimated on a given date to be potentially recoverable from known accumulations, but are not currently economic.
- (2) The contingencies that result in the classification of the Mannville CBM as a contingent resource include, but are not limited to: permeability to gas, gas saturation and/or content, an appropriate and successful field development plan, corporate commitment, and economic factors.
- (3) There is no certainty that it will be commercially viable to produce any portion of the reported contingent resource.
- (4) When evaluating resources according to the Canadian Oil and Gas Evaluation Handbook guidelines, the following definitions are applied:
 - Low Estimate: This is considered to be a conservative estimate of the quantity that will actually be recovered from the accumulation. If probabilistic methods are used, this term reflects a P90 confidence level;
 - Best Estimate: This is considered to be the best estimate of the quantity that will actually be recovered from the accumulation. If probabilistic methods are used, this term is a measure of central tendency of the uncertainty distribution (most likely/mode, P50/median, or arithmetic average/mean);
 - High Estimate: This is considered to be an optimistic estimate of the quantity that will actually be recovered from the accumulation. If probabilistic methods are used, this term reflects a P10 confidence level.
- (5) Sproule has estimated net coal pay on a section-by-section basis where logs were available for the Company-interest lands and estimated the original gas-in-place volumetrically. Where no logs were available for a Company-interest sections, wells surrounding the section were used to estimate the net coal pay. Low, best, and high estimates were made using a minimum seam thickness of 3 feet in consideration of a horizontal drilling limit as follows:
 - Low Estimate: Only the primary (thickest) coal seam was used and a recovery factor of 40%;
 - Best Estimate: The primary and secondary (greater than 3 feet in thickness) seams were used and a recovery factor of 55%;
 - High Estimate: The primary, secondary, and tertiary (greater than 3 feet in thickness) coal seams were used and a recovery factor of 65%.
- (6) The in-situ gas content for each section was estimated from a non-confidential desorption data map constructed by Sproule. The in-situ gas content on Company-interest lands was estimated at 325 scf per ton. A clean coal density of 1,800 tons per acre-foot was used in this study throughout the Company-interest lands.
- (7) Company gross consists of working interest excluding royalty interest and before deduction of royalties payable.

Cautionary Statement

Forward Looking Statements: Certain information regarding the Company in this news release including management's assessment of reserve and production estimates, reserves additions and estimates of future net revenue 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 there from. 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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