PRESS RELEASE

VERO ENERGY INC. ANNOUNCES 16% PRODUCTION GROWTH IN THE SECOND QUARTER OF 2009

CALGARY, Alberta – August 6, 2009 – Vero Energy Inc. ("Vero" or the "Company") (TSX-VRO) today announces its second quarter, 2009 financial results. Copies of the financial statements and management discussion and analysis in respect thereof for the quarter ended June 30, 2009 will be available, in due course, through www.sedar.com or by visiting Vero's website at www.veroenergy.ca.

Second Quarter 2009 Highlights

- ✓ Increased average daily production 16% to 7,040 boe/d in 2009 from 6,087 boe/d in the second quarter of 2008.
- ✓ Cash flow from operations was $5.8 million equating to $0.15 per share (basic and diluted).
- ✓ Closed a bought-deal equity financing of 4 million shares for gross proceeds of $15 million in May.
- ✓ Capital spending was $ 1.7 million resulting in reducing net debt to $106 million at the end of the second quarter. Net debt was therefore down 14% from $123,973 at the end of the first quarter.

Financial and operating highlights for the first quarter of 2009 with comparisons to the first quarter of 2008 are as follows:

	Three Months ended June 30,			Six months ended June 30,		
Financial ($000's except per share amounts)	**2009**	2008	**%**	**2009**	2008	**%**
Production revenue	**17,150**	42,264	(59)	**39,285**	73,432	(47)
Cash flow from operations (1)	**5,767**	26,805	(78)	**13,969**	44,647	(69)
Per basic share	**0.15**	0.84	(82)	**0.37**	1.44	(74)
Per diluted share	**0.15**	0.82	(82)	**0.37**	1.41	(74)
Net (loss) earnings	**(10,748)**	8,740	(223)	**(15,443)**	12,523	(223)
Per basic share	**(0.28)**	0.27	(203)	**(0.41)**	0.40	(203)
Per diluted share	**(0.28)**	0.26	(206)	**(0.41)**	0.39	(205)
Capital expenditures, net	**1,717**	16,411	(90)	**29,895**	36,299	(18)
Net debt (2)	**106,000**	38,428	176	**106,000**	38,428	176
Share Capital (000's)						
Basic, weighted average	**38,710**	32,475	19	**37,837**	31,036	22
Basic, end of period	**40,952**	32,884	25	**40,952**	32,884	25
Fully diluted	**43,917**	35,429	24	**43,917**	35,429	24
Daily Production						
Natural gas volumes (mcf/d)	**34,427**	27,705	24	**34,960**	27,218	28
Light oil (boe/d)	**314**	666	(53)	**370**	616	(40)
Liquids (boe/d)	**987**	804	23	**998**	777	28
Corporate (boe/d)	**7,040**	6,087	16	**7,195**	5,929	21
Average Realized Prices						
Natural gas ($/mcf)	**3.92**	11.10	(65)	**4.56**	9.83	(54)
Light Oil ($/bbl)	**59.28**	120.61	(51)	**51.30**	105.65	(51)
Liquids ($/bbl)	**40.38**	111.23	(64)	**41.31**	99.49	(58)
Corporate ($/boe)	**27.49**	76.30	(64)	**30.52**	68.05	(55)
Netbacks ($/boe)						
Operating (4)	**13.38**	51.31	(74)	**14.41**	44.27	(67)
Cash flow	**9.00**	48.38	(81)	**10.73**	41.37	(74)
Wells drilled						
Gross	-	6	-	**7**	14	(50)
Net	-	4.4	-	**6.4**	9.9	(35)

(1) Cash flow from operations is calculated as cash provided by operating activities from the statement of cash flows, adding change in non-cash working capital and asset retirement expenditures. Cash flow from operations is used to analyze the Company's operating performance and leverage. Cash flow from operations does not have a standardized measure prescribed by Canadian Generally Accepted Accounting Principles and therefore may not be comparable with the calculations of similar measures for other companies.

(2) Net debt represents current assets less current liabilities and bank debt (but excludes the potential future liability related to the mark-to-market measurement of hedges). It does not have a standardized meaning prescribed by Generally Accepted Accounting Principles and it is therefore unlikely to be comparable to similar measures presented by other companies.

(3) All barrels of oil equivalent conversions use 6 mcf to 1 barrel of oil.

(4) Operating netback equals total revenue less royalties, transportation and operating costs calculated on a per boe basis. Operating netback and cash flow from operations netback do not have a standardized measure prescribed by Canadian Generally Accepted Accounting Principles and therefore may not be comparable with the calculations of similar measures for other companies.

OUTLOOK

Commodity prices have warranted prudent capital spending and Vero has minimized spending in the second quarter and into the third quarter to date. Oil prices have recovered somewhat from first quarter levels, but natural gas prices continued to weaken throughout the second quarter and the resulting decline in cash flow has plagued natural gas producers. Excess natural gas supply is the message continually heard today and this comes as a result of increased capital spending from 2007 and extending into 2008. The subsequent contraction of economic activity late in 2008 throughout North America exacerbated the situation. The third quarter of 2009 so far suggests continued weak prices as storage in North America is expected to reach the highest levels recorded at the end of injection season.

Vero's production is still strong. In July we averaged approximately 7,300 boe/d. Current production curtailments are approximately 660 boe/d, which includes: 150 boe/d recently shut-in due to low commodity prices; 110 boe/d is deferred due to requiring a capital investment that is not justified at current commodity prices; and 400 boe/d is currently restricted. The Company plans to resume drilling on a slow and paced basis in the third quarter. However, if commodity prices remain low, production may be restricted on new wells by as much as 75% of the flush rates, which typically experiences 3 - 4 mmcfd per horizontal well, until prices improve. As a result of a combination of: the deferrals in starting-up wells drilled in the first quarter to April 1 to maximize the Alberta Royalty Incentive Program; the previously mentioned reductions in the second quarter; current and potential future shut in production; and the potential for curbing rates of new wells in the upcoming months; the average rate for 2009 is now projected to be approximately 7,100-7,300 boe/d. Vero will continue to manage its capital spending in light of these conditions. Vero's strategy going into the latter half of 2009 is one of flexibility. Our flexible capital plan has been a recipe for weathering the current low price storm.

As a result of low prices, North American natural gas drilling continues to experience significantly reduced levels of activity. Due to the nature of the tighter gas being exploited, declines in North America have doubled in the past twenty years and have increased fifty percent to 30 % per annum just in the past six years. At the end of July active, natural gas drilling rigs are at 40% of the levels experienced a year ago, while the second quarter had an even lower percentage of wells drilled year-over-year. Our views have been consistent through the last few quarters, and we continue to believe that reduced well counts coupled with high decline rates from new wells and increased demand from an improving economy will correct the natural gas supply imbalance by late 2009 and into the first quarter of 2010. The current oversupply will switch to undersupply and this will improve the commodity price environment. Looking back in the last ten years there were only two years that the price of natural gas averaged over $7 / mmcf and well run companies with good cost structures were able to show very good returns and growth. To add to our optimism, the current Alberta Government drilling incentives have now been extended until April 1, 2011, enhancing the core of Vero's program in West Central Alberta. We believe Vero's prospects rank amongst the most competitive natural gas resources in North America. Early indications are, as the company is preparing to drill in the latter half of the year, that there are going to be significant costs savings from the service side continuing to add to the returns for our company.

Minimal capital spending in the last five months has allowed Vero's team to spend significant time doing look-backs and evaluations. The operations group have worked on reducing operating costs and we are starting to see the benefits. They have done economics for shutting-in marginal production and have set price hurdles for shutting in higher cost production. They are currently focussing on opportunities to optimize drilling and completion operations about which we are very excited as this has the potential to improve our already industry leading low cost activities. The company has a drilling program that will be able to add production quickly in a higher natural gas price environment. Preparation is the key and Vero is poised, both financially and operationally to expand quickly when this situation reverses itself.

In summary, Vero has enjoyed a low operating and finding and developing cost structure and this is testimony to the strength and depth of its technical team. These attributes coupled with our solid strategic plan will allow Vero to withstand these difficult times and be the key drivers for its future success. Vero's production, reserves and team are all solid. We continue to focus on profitable growth while remaining flexible. This will ensure that we are positioned to take advantage of opportunities that are sure to arise in the upcoming months.

FINANCIAL REVIEW

In the face of steadily declining natural gas prices in the second quarter of 2009, Vero delivered a solid, 16% increase in production levels from the second quarter of 2008 and a 21% increase for the year to date in 2009. Vero averaged 7,040 boe/d in the second quarter of 2009 versus 6,087 in the second quarter of 2008. Cash flow from operations in the second quarter was $5.8 million or $0.15 per share compared with $26.8 million or $0.84 per share in the comparable quarter of 2008. The major reason for the decline in cash flow was the decrease in average commodity prices of 64% from 2008 levels. Leading the way was a 65% decrease in natural gas prices, which was followed closely by a 64% decrease in natural gas liquids prices and then a 51% decrease in oil prices from the same quarter in 2008. Vero curtailed its capital spending in the second quarter to a "maintenance capital" level, wherein we spent capital only on projects to either clean up leases or enhance existing production. In aggregate Vero spent $1.7 million on capital expenditures during the quarter. The capital program is consistent with prior years wherein Vero has spent more aggressively in the first quarter and then let cash flow for the second quarter reduce the net debt. Vero remains optimistic about the future of the industry and believes that natural gas prices will recover later this year and extending into 2010. Vero's net debt was $106.0 million at June 30, 2009 and the reduction from $123.4 million at the end of the first quarter was attributable to both the cash flow realized in the second quarter of $5.8 million and $13.9 million in net proceeds realized from an equity issuance, which closed in May.

OPERATIONS REVIEW

<u>Edson, Alberta</u>

Edson continues to be Vero's largest producing property with production of 5,168 boe/d (83% natural gas) in the second quarter of 2009 which represents 73% of total corporate production. In total, approximately 750 boe/d was lost in the quarter due to external influences. These issues, which were outside the control of the Company, caused volumes to be lower than expected in the quarter. As a result an average of 540 boe/d for the quarter was lost due to three non-operated gas facility turnarounds, the longest of which lasted three weeks. An additional 30 boe/d of uneconomic production was shut-in, another 180 boe/d which was shut-in while being re-routed to another facility.

In the second quarter, Vero commenced the production from four wells drilled in the first quarter to take advantage of the Alberta 5% crown royalty rate for new wells commencing production on or after April 1, 2009.

Vero's primary geological targets in Edson are in the Mannville and Rock Creek zones, which range in depth from 2,000 to 2,600 meters and are characterized by gas with a high liquid content, capable of generating liquid volumes of up to 40 bbls/mmcf. Recent and near term future drilling plans are focused on defining the emerging resource potential of the Mannville zones. Vero continues to technically evaluate and optimize its horizontal drilling and completion techniques including drilling lengths, number of fracs and frac sizes. Plans for the second half of the year will be focused on drilling in the Edson area with 7 (6.0 net) wells including 6 (5.0 net) horizontal wells.

Vero's acreage in the area consists of 68,000 gross (38,040 net) developed acres and 67,200 (50,984 net) undeveloped acres. A majority of the acreage in Edson has potential for at least two wells per section and the Company has an ongoing program of making applications to the regulator for down spacing approvals thereby increasing well inventory. Notwithstanding our acreage in Edson is a significant part of Vero's total acreage, we continue to stress that the reserve potential in this area is an even more important part of the area development plan.

With Vero's relatively low costs at Edson, in both capital and operating, it has the flexibility to respond quickly and efficiently to prevailing commodity prices. Coupling facility and operational control to a high quality inventory, characterized by short on-stream cycle time, will allow Vero the opportunity to create significant value as commodity prices recover. The Company is also in a position to prudently take advantage of the Alberta drilling and royalty incentive programs announced in March of this year.

Whitecourt

Whitecourt is Vero's second largest producing area primarily as a result of the three acquisitions completed in 2008. Production averaged 779 boe/d (85% natural gas) in the second quarter. During the quarter approximately 50 boe/d of uneconomic production was shut-in.

The Whitecourt area has a number of tight gas drilling and down-spacing opportunities which are similar to the types of targets that have been successfully exploited with horizontal drilling and multi-fracs in the Edson area. The Company has a number of these opportunities that can be executed upon as commodity prices improve. Our focus during the remainder of the year will be on operating efficiencies and continuing to augment our portfolio with drilling and enhancement projects.

Vero currently controls 41,918 (22,442 net) developed acres and 57,760 (43,705 net) undeveloped acres in this area.

Corbett

Corbett contributed approximately 6% to Vero's daily production average in the second quarter while averaging 426 boe/d (70 % natural gas). Although no wells have been drilled in the Corbett area since January 2008, with the royalty incentives announced in March of this year we are re-evaluating the economics of drilling here and as such are prepared and currently have three wells licensed for drilling.

Vero currently controls 8,958 (4,549 net) developed acres and 19,520 (17,385 net) undeveloped acres in this area.

Other Areas

Total production for non-core areas in the third quarter was 667 boe/d (74 % natural gas). The largest of our non-core areas is Wilson Creek. Vero has 65,128 (29,227 net) developed acres and 79,486 (57,967 net) undeveloped acres in the Other Areas, non-core category.

FINANCIAL STATEMENTS

Below is selected financial statement information for the three and six month periods ended June 30, 2009 and 2008. For full disclosure of Vero's financial statements with their accompanying notes and the Management's Discussion and Analysis, please visit our website or SEDAR.

VERO ENERGY INC.

Consolidated Balance Sheets
(in thousands of dollars)

	June 30, 2009 ***(unaudited)***	December 31, 2008 *(audited)*
ASSETS		
CURRENT		
Accounts receivable	**17,479**	29,218
Prepaid expenses and deposits	**6,498**	5,294
Loans receivable	**2,856**	350
	26,833	34,862
Property and equipment	**302,736**	297,697
Goodwill	**19,913**	19,913
	349,482	352,472
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	**28,864**	63,354
Risk management	**5,344**	-
Bank debt	**103,969**	75,419
	138,177	138,773
Asset retirement obligations	**5,815**	5,570
Future taxes	**17,382**	17,416
	161,374	161,759
SHAREHOLDERS' EQUITY		
Share capital	**169,394**	160,103
Contributed surplus	**8,317**	4,759
Retained Earnings	**10,397**	25,851
	188,108	190,713
	349,482	352,472

VERO ENERGY INC.

Consolidated Statement of Operations, Comprehensive (Loss) Income and Retained Earnings
For the three and six month periods ended June 30,
(in thousands of dollars, except per share data)(unaudited)

	Three months ended June 30		Six months ended June 30	
	2009	2008	**2009**	2008
REVENUE				
Production revenue	**17,612**	43,440	**39,747**	74,608
Realized loss on risk management activities	**(462)**	(1,176)	**(462)**	(1,176)
	17,150	42,264	**39,285**	73,432
Royalties	**(2,177)**	(9,774)	**(7,434)**	(18,266)
Unrealized loss on risk management activities	**(5,344)**	(4,240)	**(5,344)**	(7,708)
Interest and other	**21**	-	**42**	-
	9,650	28,250	**26,549**	47,458
EXPENSES				
Operating	**5,583**	3,398	**11,404**	6,092
Transportation	**818**	669	**1,682**	1,295
General and administrative	**1,749**	1,072	**2,945**	1,964
Stock based compensation	**2,219**	314	**3,558**	500
Interest and bank charges	**1,077**	546	**1,893**	1,168
Depletion, depreciation and accretion	**12,491**	9,799	**25,101**	18,552
	23,937	15,798	**46,583**	29,571
(LOSS) INCOME BEFORE INCOME TAXES	**(14,287)**	12,452	**(20,034)**	17,887
INCOME TAXES				
Future tax (recovery) expense	**(3,539)**	3,712	**(4,591)**	5,364
	(3,539)	3,712	**(4,591)**	5,364
NET (LOSS) EARNINGS AND COMPREHENSIVE (LOSS) INCOME	**(10,748)**	8,740	**(15,443)**	12,523
RETAINED EARNINGS, BEGINNING OF PERIOD	**21,145**	8,647	**25,851**	4,864
Repurchase of shares	**-**	-	**(11)**	-
RETAINED EARNINGS, END OF PERIOD	**10,397**	17,387	**10,397**	17,387
NET (LOSS) EARNINGS PER SHARE (Note 10)				
Basic	**(0.28)**	0.27	**(0.41)**	0.40
Diluted	**(0.28)**	0.26	**(0.41)**	0.39

VERO ENERGY INC.

Consolidated Statement of Cash Flows
For the three and six month periods ended June 30,
(in thousands of dollars, except per share data)(unaudited)

	Three months ended June 30		Six months ended June 30	
	2009	2008	**2009**	2008
CASH FLOWS RELATED TO THE FOLLOWING ACTIVITIES:				
OPERATING				
Net (loss) earnings	**(10,748)**	8,740	**(15,443)**	12,523
Adjustments for:				
Unrealized loss on risk management activities	**5,344**	4,240	**5,344**	7,708
Stock-based compensation	**2,219**	314	**3,558**	500
Depletion, depreciation and accretion	**12,491**	9,799	**25,101**	18,552
Future income taxes	**(3,539)**	3,712	**(4,591)**	5,364
	5,767	26,805	**13,969**	44,647
Changes in non-cash working capital	**2,677**	(3,655)	**(11,373)**	(6,120)
	8,444	23,150	**2,596**	38,527
FINANCING				
Increase (decrease) in bank debt	**1,521**	(3,529)	**28,550**	(13,464)
Proceeds from issuance of common shares, net of share issue costs	**13,923**	(3)	**13,923**	16,758
(Increase) decrease in related party loans	**1,167**	-	**(2,506)**	-
Stock option exercises	**-**	945	**-**	945
Repurchase of shares	**-**	-	**(86)**	-
	16,611	(2,587)	**39,881**	4,239
INVESTING				
Corporate acquisitions	**-**	(2,606)	**-**	(2,606)
Additions to petroleum and natural gas properties	**(1,715)**	(13,792)	**(30,033)**	(33,675)
Proceeds on sale of petroleum properties	**-**	-	**145**	-
Additions to administrative assets	**(2)**	(13)	**(7)**	(18)
Changes in non-cash working capital	**(23,338)**	(4,152)	**(12,582)**	(6,467)
	(25,055)	(20,563)	**(42,477)**	(42,766)
NET DECREASE IN CASH AND CASH EQUIVALENTS	**-**	-	**-**	-
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	**-**	-	**-**	-
CASH AND CASH EQUIVALENTS, END OF PERIOD	**-**	-	**-**	-

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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 and details of anticipated 2009 operations.

The Toronto Stock Exchange has neither approved or disapproved of the information contained herein.

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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