PRESS RELEASE

VERO INCREASES YEAR END 2010 RESERVES BY 28% TO 32.9 MMBOE

CALGARY, Alberta – March 3, 2011 – Vero Energy Inc. ("Vero" or the "Company") (TSX-VRO) today announces results of its independent reserves evaluation effective December 31, 2010 as prepared by Sproule Associates Limited in accordance with the requirements prescribed by National Instrument 51-101, Standards of Disclosure for Oil and Gas Activities.

2010 HIGHLIGHTS

- ✓ Increase in proved plus probable reserves of 28% to 32,941 mboe, including a 210% increase in light oil reserves to 4,292 mbbl, resulting from success in the Cardium.
- ✓ Increases in proved reserves of 11% to 20,052 mboe, including a 174% increase in light oil reserves to 2,444 mbbl.
- ✓ Increase in proportion of light oil and natural gas liquids reserves from 20% in 2009 to 27% at year end 2010.
- ✓ Reserves replacement of 332% proved plus probable and 163% total proved.
- ✓ The Company's reserve life index is approximately 10.6 years on a proved plus probable basis.
- ✓ Increase in proved plus probable reserves per share of 15%, resulting in a compound annual growth rate in proved plus probable reserves per share of 30% since inception.
- ✓ Finding, development and acquisition costs on a proved plus probable basis were $ 12.47 per boe and $ 21.82 per boe including future development capital.
- ✓ The company added more than 21,000 net acres of land in 2010 at crown landsales, promoted farmins, and acquisitions, increasing the capture and extension of the Company's organically generated prospects.
- ✓ Drilled 31(24.5 net) wells with a 100% success rate with 30(24.2 net) horizontal wells. 61% of the wells targeted light oil.

The year 2010 was a transition year for Vero as the Company made a concerted effort to increase the proportion of light oil and natural gas liquids in its production and reserves. By concentrating on the Cardium light oil resource play both under company lands and expanding the land base via landsale, land acquisitions and farmin; the company increased its Cardium proved plus probable resources to over 5,500 mboe (67 % light oil, 72 % oil and NGLs). As a result, the Company successfully increased the light oil and liquids ratio of its reserve base from 20% to 27%, adding over 3,700 mbbl of oil and liquids to its year-end balance versus 2009. During this transition, Vero developed and evolved its plans for the Cardium to ensure that development costs, especially with respect to drilling and well completion costs, are significantly improved going forward. As well, certain solution gas gathering costs were incurred in 2010, assets that are part of the infrastructure for future drilling. The Company has maintained its ongoing focus on reducing lifting costs, contributing to field netbacks in excess of $50 / boe on its Cardium production in November and December 2010. It is anticipated that Cardium netbacks will improve through 2011 with strengthening crude oil prices and continued optimization. Importantly, certain 2010 capital expenditures on infrastructure, including batteries and pipelines, related to the Cardium will be used for future development, thereby reducing per barrel future development costs.

The 2010 capital program put considerably less emphasis on natural gas than in years past in light of the low prevailing natural gas prices. Despite low natural gas prices, Vero continued moderate development of its liquids rich gas portfolio. Wells targeting the Wilrich and Bluesky discovered new accumulations and extended existing pool boundaries. Looking forward into 2011, activities that began in late 2010 and continuing into early 2011 have been extending Notikewin trends, testing the Viking and will target the Wilrich. Gas and gas liquids reserves have increased by 17% and 22% respectively on a proved plus probable basis.

First quarter 2011 activities are comprised of drilling both undeveloped reserves; as recognized by Vero’s independent reserves evaluator in the 2010 reserve report; as well as new extensions. Thus Vero remains on its mission to expand the resource base, balanced with the focus on cash flow by maintaining low lifting costs and improving the gas-to-liquids mix.

Despite low forecast natural gas prices and the shift in emphasis in the 2010 capital program, total downwards revisions due to performance and economic factors amounted to less than 4% of the proved and 1% of the proved plus probable 2009 opening balances respectively.

Vero previously announced its acquisition of shale gas lands in the Cordova Embayment. While there has been modest preparatory work to license the first wells, the Company has no imminent commitments to fulfill and retain tenure on these lands. Development of this tremendous resource potential will be paced according to natural gas price signals and leverage gained from competitor developments in the region.

COMPANY GROSS WORKING INTEREST OIL AND GAS RESERVES AND NET PRESENT VALUES

The following table provides summary information presented in the Sproule Associates Limited independent reserves assessment and evaluation effective December 31, 2010. Sproule has evaluated 100% of Vero's crude oil, NGL and natural gas reserves. Detailed reserve information will be presented in the Company's upcoming Statement of Reserves Data and Other Oil and Gas Information section of the Company's Annual Information Form scheduled to be filed on SEDAR on or before March 31, 2011.

Company Gross and Net Oil and Gas Reserves
Based on Forecast Price and Costs

	Light/medium oil		**Natural gas liquids**		**Natural gas**		**Barrels of oil equivalent**	
	Gross Mbbl	**Net Mbbl**	**Gross Mbbl**	**Net Mbbl**	**Gross MMcf**	**Net MMcf**	**Gross Mboe**	**Net Mboe**
Proved								
Producing	1,250	1,081	1,696	1,084	55,500	48,735	12,196	10,287
Non-producing	42	34	52	32	1,323	1,186	314	263
Undeveloped	1,152	981	1,131	880	31,551	29,411	7,542	6,763
Total Proved	2,444	2,096	2,879	1,996	88,373	79,331	20,052	17,313
Probable	1,849	1,475	1,822	1,263	55,312	50,033	12,890	11,076
Total Proved & Probable	4,292	3,571	4,701	3,258	143,685	129,365	32,941	28,390

Notes:

(1) In the case of *BOEs*, using *BOEs* derived by converting *gas* to *oil equivalent* 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) Company Gross reserves consists of Vero's working interest (operated and non-operated) share before deduction of royalties payable and without including royalties receivable by the Company
(4) Net reserves means Vero's working interest (operated and non-operated) share after the deduction of royalty obligations, plus Vero's royalty interest reserves
(5) Forecast pricing used is based on an average of the published price forecasts of four engineering firms effective December 31, 2010 (AJM, Sproule, McDaniel and GLJ)

Net Present Values of Future Net Revenue (Before Tax)
Based on Forecast Prices and Costs

	0% (MM$)	5% (MM$)	8% (MM$)	10% (MM$)
Proved				
Producing	342,589	252,564	220,092	203,393
Non-producing	10,511	7,453	6,343	5,775
Undeveloped	182,853	108,970	82,639	69,356
Total proved	535,953	368,987	309,074	278,523
Probable	437,156	237,050	180,651	154,601
Total proved and probable	973,109	606,036	489,725	433,125

Notes:

(1) Total values may not add due to rounding
(2) Forecast pricing used is based on an average of the published price forecasts of four engineering firms effective December 31, 2010 (AJM, Sproule, McDaniel and GLJ)
(3) Cash flows include the effects of the current Alberta Royalty Framework. The estimated future net reserves are stated before deducting future estimated site restoration costs and are reduced for future abandonment costs and estimated capital for future development associated with the reserves
(4) It should not be assumed that the net present values of future net revenues estimated by Sproule represent fair market value of the reserves. There is no assurance that the forecast price and cost assumptions will be attained and variances could be material

FINDING, DEVELOPMENT AND ACQUISITION COSTS ("FD&A")

Vero's F&D and FD&A costs for 2010, 2009 and the three year average are presented in the tables below. The costs used in the F&D and 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, inclusive of the effects of the Alberta Drilling Royalty Credit program. Acquisition costs are net of any proceeds from 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 gross reserve additions, including revisions. The 2010 costs are unaudited as the financial results are in the process of being finalized; and, are subject to change upon completion of the audited financial statements.

Proved Finding, Development & Acquisition Costs	**2010**	**2009**	**3 Year Average**
Capital expenditures (including acquisitions; net of dispositions)	128,723	37,522	341,009
Change in future capital	62,449	(19,642)	85,902
Total capital for F&D	191,172	17,880	426,911
Reserve additions, including acquisitions (mboe)	5,081	2,898	18,420
Proved F&D costs – including future capital ($/boe)	37.63	6.17	23.18
Proved F&D costs – excluding future capital ($/boe)	25.34	12.95	18.51
Recycle ratio			
Including future capital	0.6	2.6	0.9
Excluding future capital	0.9	1.2	1.2

Proved plus Probable Finding, Development & Acquisition Costs	**2010**	**2009**	**3 Year Average**
Capital expenditures (including acquisitions; net of dispositions)	128,723	37,522	341,009
Change in future capital	96,467	(17,831)	131,528
Total capital for F&D	225,190	19,691	472,537
Reserve additions, including acquisitions (mboe)	10,319	2,823	27,544
Proved plus Probable F&D costs – including future capital ($/boe)	21.82	6.98	17.16
Proved plus Probable F&D costs – excluding future capital ($/boe)	12.47	13.29	12.38
Recycle ratio			
Including future capital	1.0	2.3	1.3
Excluding future capital	1.7	1.2	1.8

Proved Finding & Development Costs	**2010**	**2009**	**3 Year Average**
Capital expenditures (excluding acquisitions)	123,445	53,507	283,260
Change in future capital	63,782	(18,167)	88,710
Total capital for F&D	187,227	35,340	371,970
Reserve additions, excluding acquisitions (mboe)	4,917	3,801	15,546
Proved F&D costs – including future capital ($/boe)	38.08	9.30	23.93
Proved F&D costs – excluding future capital ($/boe)	25.11	14.08	18.22
Recycle ratio			
Including future capital	0.6	1.7	1.0
Excluding future capital	0.9	1.1	1.3

Proved plus Probable Finding & Development Costs	**2010**	**2009**	**3 Year Average**
Capital expenditures (excluding acquisitions)	123,445	53,507	283,260
Change in future capital	98,505	(16,080)	135,315
Total capital for F&D	221,948	37,427	418,575
Reserve additions, excluding acquisitions (mboe)	10,130	4,082	24,123
Proved plus Probable F&D costs – including future capital ($/boe)	21.91	9.17	17.35
Proved plus Probable F&D costs – excluding future capital ($/boe)	12.19	13.11	11.74
Recycle ratio			
Including future capital	1.0	1.7	1.4
Excluding future capital	1.8	1.2	2.0

Note:

(1) Future Development and Changes to Future Development Capital include the net effects of the Alberta Royalty Drilling Credits Program, for the Proved cases forecast credits amount to approximately $ 1.6 MM, for the Proved plus Probable cases forecast credits amount to approximately $ 1.7 MM

(2) Vero calculates finding, development and acquisition ("**FD&A**") costs which incorporate both the costs and associated reserve additions related to acquisitions net of any dispositions during the year. Since acquisitions and divestitures have a significant impact on Vero's annual reserve replacement costs, the Company believes that FD&A costs provide a meaningful portrayal of Vero's cost structure.

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 will be available on or about March 10, 2011 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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Forward Looking Statements: *Certain information regarding the Company in this news release including management's assessment of future plans and operations, the recognition of significant additional reserves, reserve estimates and estimated value of reserves, drilling inventory and wells to be drilled, timing of drilling and tie-in of wells, current drilling incentives, productive capacity of new wells, cash flow expectations, capital expenditures and the timing thereof, future oil and natural gas prices, future liquidity and financial capacity, future results from operations and operating metrics, forecast reductions in operating and development costs, anticipated improvements in Cardium netbacks, and prospectivity of our Cardium inventory 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, incorrect assessment of land values, 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. Forward looking statements or information are based on a number of factors and assumptions which have been used to develop such statements and information but which may prove to be incorrect. 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. In addition to other factors and assumptions which may be identified in this document and other documents filed by the Company, assumptions have been made regarding, among other things: the impact of increasing competition; the general stability of the economic and political environment in which the Company operates; the ability of the Company to obtain qualified staff, equipment and services in a timely and cost efficient manner; drilling results; the ability of the operator of the projects which the Company has an interest in to operate the field in a safe, efficient and effective manner; the Company's ability to obtain financing on acceptable terms; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development or exploration; the timing and costs of pipeline, storage and facility construction and expansion; the ability of the Company to secure adequate product transportation; future oil and natural gas prices; currency, exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which the Company operates; and the Company's ability to successfully market its oil and natural gas products.*

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.