



## TORC OIL & GAS LTD. AND VERO ENERGY INC. ANNOUNCE CLOSING OF COMBINATION TO CREATE A NEW LIGHT OIL RESOURCE COMPANY

CALGARY, ALBERTA – November 19, 2012.

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TORC Oil & Gas Ltd. (“TORC”) and Vero Energy Inc. (“Vero”) (TSX:VRO) are pleased to announce that they have closed the plan of arrangement (the “Arrangement”) whereby Vero and TORC have been combined to create a new light oil resource company called TORC Oil & Gas Ltd. (“New TORC”). The combination has resulted in a well positioned light oil producer with a large inventory of Cardium light oil development assets complemented by significant exposure to the emerging Monarch light oil resource play in the southern Alberta Bakken petroleum system.

It is expected that the common shares of New TORC will commence trading in substitution of the common shares of Vero on the TSX under the trading symbol “TOG” within two to three business days following the date hereof. Common shares of Vero will continue to represent common shares of New TORC on a one for one basis without any action on the part of the holder.

The TORC management team is led by Brett Herman as President & Chief Executive Officer, Jason Zabinsky as VP Finance and Chief Financial Officer, Eric Strachan as VP Exploration, Jeremy Wallis as VP Land, Mike Wihak as VP Operations and Filippo Angelini as VP and Controller.

The TORC board of directors is comprised of John Brussa, Raymond Chan (Chairman), Bruce Chernoff, Brett Herman, Dave Johnson, Dale Shwed, and Hank Swartout. James Pasioka will act as corporate secretary.

### Guidance:

The implementation of the integration plan surrounding the combination is largely complete and New TORC remains on track to achieve its previously announced 2012 exit guidance of 3,900 BOE/d (75% light oil and NGLs) with a strong balance sheet of \$40 million of net positive working capital.

The Board of Directors of New TORC has approved a capital budget of \$125 million for 2013. Capital expenditures will be primarily focused on Cardium development combined with continued delineation of the Monarch asset to move this emerging resource play towards the production growth phase.

Based on the approved capital budget, management anticipates production to average 4,250 BOE/d (more than 75% light oil and NGLs) with an exit rate of over 4,900 BOE/d (more than 75% light oil and NGLs).

### Key Attributes of Pro Forma New TORC:

As a result of the successful execution of management’s strategy and the strategic combination with Vero, New TORC is well positioned to continue to grow its reserves, production and cash flow per share and has the following key attributes:

High Netback Production

2012E Exit: >3,900 BOE/d (75% light oil and NGLs)

2013 Average: >4,250 BOE/d (>75% light oil and NGLs)

2013 Exit: >4,900 BOE/d (>75% light oil and NGLs)

Reserves (Dec 31, 2011) <sup>(1)</sup>	5.1 MMBOE (68% light oil & NGLs) Total Proved 10.0 MMBOE (65% light oil & NGLs) Total Proved plus Probable
Cardium Light Oil Development Inventory	>90 total net sections >75 net unbooked sections >300 net unbooked locations
Emerging Light Oil Resource Exposure	>350 total net sections >150 net sections at Monarch
Cash Position	\$40 million at year end; undrawn bank line of \$100 million
Pro Forma Shares Outstanding	193 million (basic) 219 million (fully-diluted)
Tax Pools <sup>(2)</sup>	>\$440 million

Notes:

- (1) Company gross reserves being New TORC's working interest share before deduction of royalties and without including any royalty interests of New TORC. Based on the respective independent reserve reports of Vero and TORC, each prepared by Sproule Associates Limited and each effective as of December 31, 2011 and prepared in accordance with NI 51-101 and the COGE Handbook.
- (2) As at September 30, 2012.

**Further Information:**

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**Note Regarding Forward Looking Statements:**

*Forward looking statements in this news release include forward capital spending, production, and cash position estimates. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties including, without limitation, the risks associated with the oil and gas industry in general such as operational risks in development, exploration, production, marketing and transportation; loss of markets; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of estimates and projections relating to reserves, production, cost and expenses; health, safety and environmental risks; commodity price and exchange rate fluctuations; marketing and transportation; loss of markets; environmental risks; competition; inability to retain drilling rigs and other services; capital expenditure costs, including drilling, completion and facilities costs; unexpected decline rates in wells; delays in projects and/or operations resulting from surface conditions; wells not performing as expected; incorrect assessment of the value of*

*acquisitions including the Transaction; failure to realize the anticipated benefits of acquisitions including the Transaction; ability to access sufficient capital from internal and external sources; delays resulting from or failure to obtain required regulatory and other approvals; and changes in legislation, including but not limited to tax laws, royalties and environmental regulations.*

*The completion and timing of the Arrangement is based on a number of assumptions, including, that all conditions to completion of the Arrangement are satisfied by TORC, Vero and other third parties.*

*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. Although Vero and TORC believe that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because Vero and TORC can give no assurance that such expectations will prove to be correct*

*Readers are cautioned that the foregoing list of factors and assumptions is not exhaustive. Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and Vero and TORC 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.*