

## **VECTA ENERGY CORPORATION ANNOUNCES SECOND QUARTER RESULTS**

Calgary, August 31, 2010 Vecta Energy Corporation (“Vecta”) (VER – TSXV) announced today that cash flow for the first six months of 2010 was a negative amount of \$144,477 compared to a negative amount of \$193,544 for the first half of 2009. Production for the 6 months averaged 71 barrels of oil equivalent per day compared with 112 boe/d in the first quarter a year ago. The lower production is due to the sale of the Company’s Warwick shallow gas production effective June 1, 2010 as well as natural production decline. The average price of the Company’s natural gas production was \$4.61 per thousand cubic feet, compared to \$4.41 in the second quarter a year ago. Operating costs were \$1.96 per thousand cubic feet equivalent, down from \$2.05 a year earlier. Administrative costs dropped by 33% due to cost cutting measures introduced by the Company in May of 2009.

Effective June 1, 2010 the Company sold its interests in the Warwick shallow gas area of central Alberta. The Company had approximately 360 mcf per day of natural gas production in that area and received proceeds of \$650,000 from the sale. The continuing depression in the price of natural gas and significant volume decline experienced from the Warwick wells resulted in a substantial revenue reduction over the past year. Accordingly, the Company chose to sell these assets in order to fund existing operations and to pursue completion of a merger and/or acquisition project that presently are under review. The sale was closed on August 4, 2010.

The Company retains all of its various working interests in some 16,000 acres of lands in the foothills of Alberta and North East BC, and in the approximately 20 barrels per day of oil equivalent production from the Brewster area. The successful Brewster 1-26 well in which the Company has a 3% working interest is expected to be on stream in October and the farmee that drilled that well has an option to drill another well in the coming months (at no cost to Vecta) on an adjoining section.

With the price of natural gas remaining under pressure, the Company plans no capital spending for the remainder of the year. Vecta continues to review new plays where it can farm out some of its interests in the attractive Brewster region of west central Alberta; earn interests with its proprietary technology; as well as looking at merger and acquisition opportunities, particularly in conjunction with Vecta Oil & Gas Ltd. in the United States. Commodity prices, especially natural gas, are of concern as lower gas prices are being seen as a detriment to access to new capital. While there is no assurance that Vecta will be successful in any merger or acquisition activity, management is optimistic about the future assuming one or more of these efforts bear fruit.

*BOE's may be misleading, particularly if used in isolation. A BOE conversion ratio of 6MCF:1Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.*

FORWARD-LOOKING STATEMENTS

*This disclosure contains certain forward-looking estimates that involve substantial known and unknown risks and uncertainties, certain of which are beyond Vecta's control, including: the impact of general economic conditions in the areas in which the Company operates, industry conditions, changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in commodity prices, foreign exchange or interest rates, stock market volatility and obtaining required approvals of regulatory authorities. In addition, there are risks and uncertainties associated with oil and gas operations; therefore, Vecta's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking estimates and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking estimates will transpire or occur, or if any of them do so, what benefits, including the amounts of proceeds, that may accrue to Vecta.*

**FOR FURTHER INFORMATION PLEASE CONTACT THE COMPANY:**

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To receive company news releases via e-mail, please advise [admin@vectaenergy.com](mailto:admin@vectaenergy.com) and specify "Vecta Press Releases" in the subject line.

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