

# VELO ENERGY INC.

## **Velo Energy Inc. Announces Management and Strategic Changes**

**August 7, 2009, Vancouver, B.C.:** Velo Energy Inc. (“Velo” or the “Company”) (VLO: TSXV) is pleased to announce that it has embarked on significant changes to the Company’s management team, its strategy and region of focus. Effective August 7, 2009, Mr. Arthur Millholland has been appointed President and Chief Executive Officer. Mr. Millholland previously served as the President and CEO of Oilexco Inc. (“Oilexco”). A number of former Oilexco senior management will also join the Company, and will initially concentrate their efforts on oil and gas exploration and production in the UK North Sea. The Company’s strategy will include focusing on lower risk undeveloped discoveries that can be brought into production in a relatively short time frame.

Mr. Millholland said, “The core team of people who played such a significant role in successfully finding and developing oil in the UK North Sea in recent years are very excited about the opportunity to work together once again. Our philosophy of active, low risk development and shortened time frames to production, combined with financial risk management reflecting today’s economic environment, will serve the Company well. “

The Company has granted 6,000,000 incentive stock options to purchase common shares at a price of \$0.20 per share to the new senior management team. The stock options are for a five year term and are subject to regulatory approval.

Mr. Donald Gee has resigned as President and CEO. The Board of Directors wishes to thank Mr. Donald Gee for his dedication and service while at the Company.

On behalf of the Board of Directors

“Arthur Millholland”  
President and CEO

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