



NEWS RELEASE

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VICTORY ENERGY ANNOUNCES NORTH KILLARNEY WILDCAT PROSPECT DRILLING IS UNDERWAY

NEWPORT BEACH, CA – October 18, 2011 – Victory Energy Corporation (OTCQB: [VYEY](http://www.vyey.com)), through its partnership with Aurora Energy Partners, today announced its oil focused North Killarney wildcat well in Mississippi was spud on Sunday October 16th, 2011 and drilling was last reported to have reached 500 feet.

During the next seven to ten days the Armstrong “NK” #1 test well will be drilled to target depth and then tested for hydrocarbons. The target sand is the McKittrick (Wilcox), with the Sparta being a secondary objective. The McKittrick Sand has high permeability and porosity and can contain as much as 550 barrels of oil (“BO”) per acre foot of reservoir, giving the prospect location a maximum potential reserve of 1.5 million BO at a depth of 6,400 feet.

The Adams-Wilkinson County basement is a controlled oil producing trend located in the heart of the prolific Wilcox Oil Province, which has produced almost 1 billion barrels of oil from Tertiary age sediments. The North Killarney prospect is located between the Killarney Field (956,000 BO) to the south, and the West Carthage Point Field (450,000 BO) to the north.

The Company owns a 5.25% working interest and a 3.938% net revenue interest in the North Killarney oil prospect. The prospect is located in Adams County, Mississippi.

Please note that Victory Energy intends to use its website, www.vyey.com, as a means of disclosing material non-public information and for complying with its disclosure obligations under Regulation FD. Such disclosures will be included on the Victory Energy website in the "Investor Relations" section. Accordingly, investors should monitor such portions of the Victory Energy website in addition to following press releases, SEC filings and public conference calls and webcasts.

To subscribe to our email news distribution service, please click the “E-News Sign-Up” link on our website.

About Victory Energy Corporation

Victory Energy Corporation is engaged in the exploration, acquisition, development, and exploitation of oil and gas properties. The company endeavors to utilize its broad range of oil and gas industry relationships to acquire small interests in a large volume of low- to moderate-risk oil and gas prospects. A cornerstone of this strategy is an emphasis on developing and maintaining relationships with proven, well established oil and gas exploration and development companies.

Prospect acquisitions are ideally weighted toward oil, although natural gas projects with high btu content, favorable above-market pricing and modest decline rates will also be targeted. Targeted prospects generally provide the company with a rapid return of capital while offering multiple well locations for additional drilling on an established trend. The model asset portfolio is geologically and geographically diversified. The company's current producing oil and gas assets are located in the United States.

Victory Energy is current with its SEC filings and is a full reporting company. The Company is traded under the ticker symbol [VYFY](#) on the OTCQB tier, operated by OTC Markets Group.

Victory Energy intends to provide periodic updates to the investment community as progress is made across its asset base. These updates may occur via the company web site or via the company "E-News" service. For more information about the company or to subscribe to our email news distribution service, please visit our website <http://www.vyey.com>.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

There are forward-looking statements contained in this news release. They use such words as "intend," "will," "may," "expect," "believe," "plan," or other similar terminology. These statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results to be materially different than those expressed or implied in such statements. These factors include, but are not limited to: risks associated with the implementation of the Company's strategic growth plan; legislation and government regulation including the ability to obtain satisfactory regulatory approvals; conditions beyond the Company's control such as weather, natural disasters, disease outbreaks, epidemics or pandemics impacting the Company's customer base or acts of war or terrorism; availability and cost of materials and labor; demand for natural gas; cost and availability of capital; competition; the Company's overall marketing, operational and financial performance; economic and political conditions; the continued service of the Company's executive officer; adverse developments in and increased or unforeseen legal costs related to the Company's litigation; the success of the Company's strategic partnerships and joint venture relationships; the Company's

ability to pay certain debts; adoption of new, or changes in, accounting policies and practices; adverse court rulings; results of other litigation in which the company is involved; and other factors discussed from time to time in the Company's news releases, public statements and/or filings with the Securities and Exchange Commission. Forward-looking information is provided by Victory Energy Corporation pursuant to the safe harbor established under the Private Securities Litigation Reform Act of 1995 and should be evaluated in the context of these factors. In addition, the Company disclaims any intent or obligation to update these forward-looking statements.

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