



NEWS RELEASE

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FOR IMMEDIATE RELEASE

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VICTORY ENERGY UPDATES STATUS OF JONES COUNTY PROJECT

NEWPORT BEACH, CA – August 8, 2011 – Victory Energy Corporation (OTCQB: [VYFY](#)), through its partnership with Aurora Energy Partners, is pleased to announce a successful completion at its Nassau #1 well and an additional discovery at its Haterius #1 well.

The Nassau #1 is currently flowing both oil and gas. Sustained flow tests to evaluate bottom-hole pressure and to develop optimal flow rates are underway. The well is currently exceeding initial flow estimates. A full oil and gas reserve evaluation has yet to be completed, however very preliminary data indicates recoverable oil reserves in excess of 100,000 barrels for this well are possible. Natural gas reserves have not yet been estimated. The Nassau #1 well is producing from a Pennsylvanian age formation. Several supplementary pay zones were identified during drill-stem testing and provide the company additional opportunities for new wells within the held acreage. The company, through its partnership with Aurora Energy Partners, holds a working interest of 1.5% in the Nassau #1 well.

The Haterius #1 well was spud on July 28th with a focus on the Palo Pinto formation. During drilling, gas units and bright white fluorescents were encountered in the targeted formation. The well is now drilling ahead to target depth and is anticipated to enter the completion phase shortly thereafter. The company, through its partnership with Aurora Energy Partners, holds a working interest of 1.5% in the Haterius #1 well.

Project Background

Victory Energy's working interest in the Jones County oil and gas trend is part of a large multi-well, multi-year drilling program with C.O. Energy. The operator envisions drilling one to three wells per month until the targeted area is fully developed. The prospective development area covers Jones County, Texas and is supported by 82 square miles (52,480 acres) of 3-D seismic data.

Victory Energy maintains a thirty (30) day first right of refusal to participate in each development well.

Please note that Victory Energy intends to use its website, www.vvey.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.

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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 [VVEY](#) on the OTCQB tier, operated by OTC Markets Group.

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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