

KROES ENERGY INC.
NEWS RELEASE – FEBRUARY 8, 2008

Calgary, Alberta – (February 8, 2008) – Kroes Energy Inc. (“Kroes”) (TSX Venture: KRS) and Vecta Energy Corporation (“Vecta”), a private Alberta corporation, are pleased to announce that they have entered into an agreement dated January 28, 2008, whereby Kroes and Vecta will merge, as equals, all of their businesses and operations. The merger will be accomplished by Kroes making a take-over bid for all of the issued and outstanding shares of Vecta. It is expected that the transaction will be a “Fundamental Acquisition” pursuant to TSX Venture Exchange (“the Exchange”) Policy 5.3. Vecta is in the process of completing a formal independent geological report, as well as filing relevant Personal Information Forms for new Insiders of Kroes. In the meantime it is anticipated that the Exchange will halt trading in Kroes’ shares. A further news release will be issued upon acceptance of the geological report by the Exchange and filing of the PIFs. In addition, Vecta is in the process of preparing audited financial statements which will be released in due course.

As per the Kroes and Vecta agreement, each holder of a Vecta common share will be offered 2.456633 common shares of Kroes and 0.54220918 of one Class 1 Kroes Performance Warrant. In exchange for cancellation of a debenture granted by Vecta, the holder of the debenture will be offered 6,612,500 common shares of Kroes and 5,312,500 Class 2 Kroes Performance Warrants. The Class 1 Performance Warrants and the Class 2 Performance Warrants will be converted into 5,312,500 common shares of Kroes 40 days following closing of the transaction, with the allocation of these additional common shares to be determined by Kroes’ share price performance over the 40 day period.

If the take-over bid is successful, Kroes will issue 36,000,000 common shares to the shareholders of Vecta and to the holder of the Vecta debenture. The take-over bid by Kroes and the completion of the merger are subject to the conclusion of a definitive agreement between the parties, finalization of due diligence and regulatory approval.

This transaction is the result of arm’s length negotiations between the parties. Prior to these negotiations there existed no relationship between the two parties. There is no finder’s fee to be paid.

Kroes is a junior oil & gas company with non-operated production of approximately 100 barrels of oil equivalent (“BOE”) per day from its shallow gas interests in central Alberta. Vecta is a private oil & gas exploration company that began operations in Alberta in 2005 with financial and technical support from Vecta Oil & Gas Ltd. (“Vecta Oil”) of Dallas Texas, a company that developed sophisticated seismic technology that enhances the ability to evaluate prospective exploratory lands. This advanced technology has been applied in the evaluation of the lands acquired by Vecta in Western Canada and Vecta Oil will continue to provide high-end geological and geophysical expertise to the combined company.

Vecta has acquired approximately 5,000 net acres of prospective lands in the Brewster and Gilby regions of west central Alberta; has participated in one well; and has received a license to use the “Shear Wave” seismic technology in the Western Canadian Sedimentary Basin.

In the Brewster area, Vecta has assembled interests in 16 gross sections of land with an average working interest of 14 percent, or 2,600 net acres. Vecta has signed an AFE to

participate in late February 2008 in a direct offset to a Belly River well that was drilled by a leading North American oil and gas producer.

In this same region Vecta has assembled an additional 5 gross sections of land with an average working interest of 38 per cent, or 1,200 net acres. In 2007 Vecta participated in drilling one well to the Elkton formation at 12-15-42-13-W5. Vecta holds a 47.5% working interest in the well and expects that its share of completion costs for the 12-15 well will be approximately \$500,000.

In the Gilby area Vecta has assembled 4 gross sections of land with an average working interest of 45 per cent, or 1,150 net acres.

The merger agreement calls for the new Board to be made up of four Directors nominated by Kroes and four Directors nominated by Vecta. Officer positions also will be equally filled with two from each Company: Fred Callaway and Stewart Gossen from Kroes and Thomas Coffman and Charles Selby from Vecta. Fred Callaway, CA has been a Director, President and CEO of Kroes from its inception in 1996 and for the prior 33 years was a senior executive with large public companies in the Canadian and international petroleum industry. Mr. Callaway will continue with the company as Director and Executive Chairman. Thomas Coffman holds a B.B.A. in accounting and is currently Chairman and CEO of Vecta. Mr. Coffman has more than 35 years of experience with independent oil and gas producers in Texas, including growing a company from start-up to production of over 10,000 BOE/D. He will be President and CEO of Kroes upon successful completion of the transaction. Stewart Gossen, B.A., MBA is currently a Director, Vice President and Secretary of Kroes and will continue as a Director, Vice President and Chief Financial Officer. Mr Gossen has 35 years experience in the Canadian and international oil and gas industry and prior to joining Kroes in 2004 was a Vice President with Enbridge Inc. Charles Selby, B.Sc.(Hons), P.Eng, LL.B., presently holds the position of Director and Chief Financial Officer of Vecta in addition to acting as Vice-President and Corporate Secretary of Pengrowth Energy Trust. Mr. Selby worked as a petroleum engineer in the energy sector prior to practicing law, and has extensive experience in securities, oil and gas and international financial transactions. Mr. Selby will be Vice President and Corporate Secretary of Kroes post-transaction. Further senior management appointments will be announced at a later date.

In the event the take-over bid is successful, current Insiders of Kroes will hold approximately 14.6% of Kroes's shares. Vecta Holdings, ULC, currently a Vecta shareholder, will obtain up to a maximum of 19.9% of Kroes' shares. The next largest new shareholders of Kroes resulting from the completion of the transaction will be 2 institutional investors that will each hold approximately 3.9% of Kroes' shares.

Following completion of this transaction Kroes will continue as a junior oil and gas company listed on the TSX Venture Exchange.

FOR FURTHER INFORMATION ON BEHALF OF KROES
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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.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.