



Corporate Update and Presentation

Vela Oil Corp. has published a new corporate presentation which can be viewed on our website (www.veloil.com). The low oil price has harmed many production companies in Saskatchewan who are over leveraged on land assets and are forced to focus on their key assets while letting non-core land of merit go to government auction or negotiating farm-in deals. This excess of undervalued assets presents a unique opportunity for Vela Oil to build a land position cheaply and put a business model in action that can be profitable at current oil prices. Additionally, because of the current market conditions, the cost of exploration and development can be reduced significantly. Vela Oil's technical team is currently evaluating land assets for our initial acquisition in Saskatchewan.

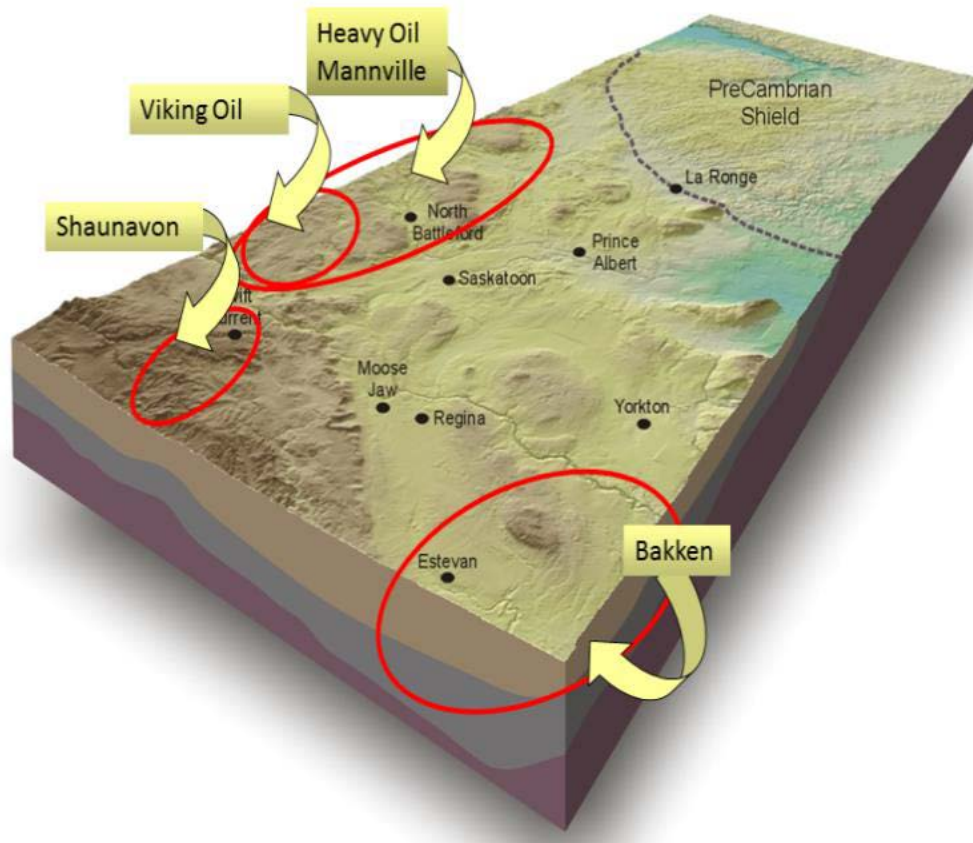
About Vela Oil and Gas Corp.

Vela Oil is a private Saskatchewan based exploration and development company. Our focus is on strategically acquiring and developing undervalued land within low-risk, low cost domains such as the Viking fairway and other light oil formations within Saskatchewan. Vela's management team is experienced in the full spectrum of exploration, development and production, including the ability to de-risk assets. Our technical team has successfully drilled over 800 oil and gas wells in our target jurisdictions, including managing complete operations from procurement to completion and tie-in. Our goal is to quickly become an organic growth company through oil production with both cash flow and accumulation of strategic land position assets.

About Saskatchewan

Saskatchewan is a stable and supportive jurisdiction with ample infrastructure for economic oil and gas development and production. In 2014, the combined value of oil and gas production was approximately \$16 billion making it one of Saskatchewan's leading industries. The province offers attractive advantages such as a favorable tax regime including a price and production sensitive competitive royalty regime with an exemption on the first 100,000 barrels of production per well from crown acquired lands, and drilling incentives for new horizontal oil wells.

Saskatchewan ranks as the sixth largest oil producing jurisdiction in North America and accounts for approximately 15% of Canadian crude oil production. Abundant reserves (1.3 billion barrel recoverable reserve with 53.9 billion barrels of oil-in-place) produced an average of 513,300 barrels of crude oil per day from just under 31,000 wells in 2014. The province also saw 3,645 new wells drilled in 2014 with 77% of them being horizontal wells. Four major formations (namely the Mannville, Viking, Shaunavon, and Bakken) produce the majority of Saskatchewan oil with underdeveloped conventional carbonate light oil formations.



Locations of major oil formations in Saskatchewan.

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