



PRESS RELEASE

VERAZ PETROLEUM LTD. ANNOUNCES SPUD OF LA COLPA 2X WELL

Calgary, Canada – (December 8, 2011) – Veraz Petroleum Ltd. (“**Veraz**” or the “**Company**”) (TSX-V:VRZ) is pleased to announce the commencement of the drilling of the La Colpa 2X well, situated on Block 126 in east central Peru. Veraz has a 20% working interest in this project which is operated by Petrominerales Ltd..

‘Veraz has been engaged in this project for over five years and we are very excited to commence this drilling program. I would like to acknowledge the hard work and commitment of our staff as well as the tremendous support and assistance provided by our partner, Petrominerales Ltd.’ commented Mr. Oppe Cosijn, President and Chief Executive Officer of Veraz.

In the August 2011 Operations Update, it was suggested that the La Colpa 2X well would be drilled in two stages with the shallow zones being tested before year-end 2011. Because of weather related delays there is insufficient time to accomplish this and the partners have decided to drill to a total measured depth of approximately 2900m with logging and testing to follow. Drilling and testing of the La Colpa 2X well are anticipated to be completed in the first quarter of 2012. Once this is accomplished the drilling rig will be moved to the Sheshea 1X location in anticipation of the commencement of drilling operations there.

Veraz Petroleum Ltd. is a junior South American focused oil and gas exploration company based in Calgary, Alberta.

Forward-Looking Statements. *Certain information provided in this press release constitutes forward-looking statements. The words "anticipate", "expect", "project", "estimate", "forecast", "plan" and similar expressions are intended to identify such forward-looking statements. This press release contains forward-looking statements pertaining to, without limitation, our plans relating to the drilling, logging and testing of the La Colpa 2X well, our plans for drilling the Sheshea 1X well, and the time frames during which we expect certain operational milestones to be achieved relating thereto. We have made various assumptions relating to the forward-looking statements contained herein, including in respect of our ability to obtain equipment in a timely manner to carry out development activities and the costs thereof. Although Veraz believes that the expectations reflected in these forward-looking statements, and the assumptions on which they are made, are reasonable, undue reliance should not be placed on them as Veraz can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions and are based on various assumptions, by their very nature they involve inherent risks and uncertainties that contribute to the possibility that the forward-looking statements may not be accurate, which may cause our actual performance and financial results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, among other things: the impact of weather conditions on our ability to execute our development programs; local opposition from indigenous communities; our reliance on Petrominerales Peru S.A.C. as operator; risks inherent in oil and gas operations, including geological, technical, drilling and processing problems; the impact of competition; failure to obtain requisite third party and regulatory consents and approvals; the potential for cost over-runs; the possibility that we will need additional financing to fund our budget and the possibility that such financing may not be available at all or on acceptable terms; and the other factors described in our public filings (including our Annual Information Form) available at www.sedar.com. Readers are cautioned that this list of risk factors should not be construed as exhaustive.*

The forward-looking statements contained in this press release are made as of the date hereof and Veraz undertakes no obligation to publicly update or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws. The forward-looking statements contained in this document are expressly qualified by this cautionary statement.

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