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*For Immediate Release*

**Calgary, Alberta**

**February 21, 2011**

**SUROCO ENERGY INC. ANNOUNCES GRANT OF STOCK OPTIONS AND PAYMENT OF  
COMPENSATION TO DIRECTORS**

Suroco Energy Inc. (TSX Venture Exchange: SRN) (the “**Corporation**”) announces the grant of options to acquire a total of 1,345,000 common shares (the “**Common Shares**”) of the Corporation at an exercise price of \$0.92 per Common Share, such options to vest immediately and expire five years from the date of grant. Of the options to acquire 1,345,000 Common Shares, options to acquire 450,000 Common Shares were granted to the non-executive directors of the Corporation, options to acquire 125,000 Common Shares were granted to a director and officer of Suroco Energy S.L.U., a subsidiary of the Corporation and options to acquire 770,000 Common Shares were granted to employees of the Corporation.

The Corporation also announces that upon the recommendation of the Compensation Committee, the Board of Directors of the Corporation has approved the payment of compensation to independent directors of the Corporation, whereby each of the independent directors is to be paid a fee of \$18,000.00 per annum for their services as directors of the Corporation, such fees to be paid in cash and on a quarterly basis. The Chairman of the Reserves Committee of the Corporation is to be paid an additional fee of \$2,500.00 per annum for their services as Chairman, such fee to be paid in cash and on a quarterly basis. The Chairman of the Audit Committee of the Corporation is to be paid an additional of \$5,000.00 per annum for their services as Chairman, such fee to be paid in cash and on a quarterly basis. This compensation is in addition to the grants of options from time to time under the provisions of the Corporation’s Stock Option Plan.

As has always been the policy of the Corporation, directors of the Corporation will continue to be entitled to receive reimbursement for reasonable travelling and other expenses properly incurred while attending meetings of the Board of Directors of the Corporation or any committee thereof or in the performance of their duties as directors of the Corporation.

The Corporation is a Calgary-based junior oil and gas company, which explores for, develops, produces and sells crude oil, natural gas liquids and natural gas in Colombia and Western Canada. The Corporation’s common shares trade on the TSX Venture Exchange under the symbol SRN.

**Forward-Looking Statements**

This press release contains forward-looking statements relating to the payment of compensation to the directors of the Corporation and other statements. Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other

forward-looking statements will not occur, which may cause actual performance and 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 assumptions, risks and uncertainties include, among other things: the state of the economy in general and capital markets in particular and the assumptions, risks and uncertainties related to operational and future oil and gas exploration activities of the Corporation.

The forward-looking statements contained in this press release are made as of the date of this press release. Except as required by law, the Corporation disclaims any intention and assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Additionally, the Corporation undertakes no obligation to comment on the expectations of, or statements made by, third parties in respect of the matters discussed above.

For further information please contact Alastair Hill, President and Chief Executive Officer of the Corporation or Travis Doupe, VP Finance and Chief Financial Officer of the Corporation, or visit our website at [www.suroco.com](http://www.suroco.com):

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