



Vertex Resource Group Ltd. Acquires Three Star Trucking

Acquisition Substantially Grows Vertex's Fluid Hauling Capacity, Expanding Vertex's Service Offering in the United States

SHERWOOD PARK, AB, July 13, 2018 /CNW/ - (TSXV : VTX) - Vertex Resource Group Ltd. ("**Vertex**" or the "Company") is pleased to announce that it has acquired Three Star Trucking Ltd. (Three Star), an environmental service company providing fluid hauling service, pressure truck services, hot oilers and combo vac services throughout western Canada on July 12th, 2018 (the "Acquisition"). The acquisition of Three Star will add over 270 pieces of equipment to Vertex's fleet, making the company's fleet one of the largest in operations serving Saskatchewan, the Montney, and the Duvernay resource plays of Alberta and British Columbia.

Established in 1962, Three Star has been a leader in the industry resulting in the successful growth to date and is currently licensed to haul condensate, NGL, butane and propane between Canada and the United States, holding federal transportation licenses in five states. The Acquisition will allow Vertex to continue to develop its customer base and service offerings within the Company's current operating locations while further expanding into new service offerings and geographical markets including further expansion into the United States. The Acquisition includes numerous high-pressure fluid hauling trailers that will enable Vertex to begin offering propane, butane and NGL fluid hauling services.

"Through acquiring Three Star we are adding an experienced management team and operators to Vertex in addition to strengthening our service lines in Saskatchewan and the United States. Three Star's proven customer base, experienced management team and safety program allows us to confidently expand this service line. With the completion of this Acquisition, Vertex will be the leading provider of fluid hauling services in western Canada and will have the capacity and experience to continue serving these clients while growing Three Star's United States operations" said Terry Stephenson, CEO and President of Vertex.

The Acquisition was completed for a purchase price of \$8.9 million consisting of 2.6 million common shares being issued at \$1.00 per common share, \$4.4 million in cash, and \$1.9 million in non-interest bearing promissory notes payable over 2 years and assumption of \$10.2 million in long term debt offset by positive working capital of \$6.3 million. Vertex will use its approved \$20 million senior secured accordion credit facility to fund the Acquisition. Three Star's EBITDA over the last twelve months was \$5 million.

ABOUT VERTEX

Established in 1976, Vertex has grown to become a leading provider of environmental services. Headquartered in Sherwood Park, Alberta, Vertex employs a staff of approximately 750 employees that provide services to help clients achieve their development goals. From initial site selection, consultation and regulatory approval, through construction, operation and maintenance, to conclusion and environmental cleanup, Vertex provides a wide array of services to customers operating in industries such as upstream and midstream oil and gas, utilities, telecommunication, forestry, agriculture and government.

Vertex principally operates in western Canada and has operations in select United States locations.

FORWARD-LOOKING INFORMATION

Certain statements contained in this news release, such as the Company's beliefs and expectations related to the Acquisition and anticipated revenue associated with the Acquisition, constitute "forward-looking information" as such term is used in applicable Canadian securities laws. Forward-looking information is based on plans, expectations and estimates of management at the date the information is provided and is subject to certain factors and assumptions, including, that the Company will be able to comply with its obligations under its credit facilities, the Company's ability to integrate Three Star's business and operations with the Company's business and operations and future demand for, and pricing of, the Company's services. Forward-looking information is subject to a variety of risks and uncertainties and other factors that could cause plans, estimates and actual results to vary materially from those projected in such forward-looking information. Factors that could cause the forward-looking information in this news release to change or to be inaccurate include, but are not limited to, the risk that any of the assumptions referred to prove not to be valid or reliable, that occurrences such as those referred to above are realized and result in delays, or cessation in planned work, that the Company's financial condition and development plans change, fluctuations in market conditions, as well as the other risks and uncertainties applicable to the provision of environmental and industrial services and to the Company as set forth in the Company's Annual Information Form filed under the Company's SEDAR profile at www.sedar.com. The Company undertakes no obligation to update these forward-looking statements, other than as required by applicable law.

Any "financial outlook" or "future oriented financial information", as such terms are used in applicable Canadian securities laws, in this press release, including the annual revenue expected to be associated with the Acquisition, has been approved by management of Vertex. Such financial outlook or future oriented financial information is provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other circumstances.

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For further information: Terry Stephenson, CEO, or Michael Zvonkovic, CFO at Phone: 780-464-3295

CO: Vertex Resource Group Ltd.

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