



VERTEX CLOSES \$15,000,000 CONVERTIBLE DEBENTURE FINANCING

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SHERWOOD PARK, AB, March 7, 2022 /CNW/ - (TSXV: VTX) – Vertex Resource Group Ltd. ("**Vertex**" or the "**Corporation**"), with reference to its previous news release dated February 25, 2022, is pleased to announce that it closed the previously announced non-brokered private placement (the "**Private Placement**") of \$15,000,000 principal amount of a secured subordinated convertible debenture ("**Convertible Debenture**"). The completion of the Private Placement is a condition precedent to the proposed amalgamation with Cordy Oilfield Services Inc. (the "**Amalgamation**") that was also announced in the Corporation's prior news release dated February 24, 2022.

The Convertible Debenture has a five (5) year term (the "**Term**") and will mature on March 7, 2027. The Convertible Debenture bears interest at 8% per annum during the Term, payable monthly in arrears in cash. At any time during the Term, the holders of the Convertible Debenture may elect to convert the outstanding net principal amount, or any portion thereof, into common shares of Vertex ("**Common Shares**") at a conversion price of \$0.65 per share (the "**Conversion Price**").

The Convertible Debenture and any Common Shares issuable upon conversion thereof will be subject to a statutory hold period lasting four months and one day following the closing date of the Private Placement.

The proceeds of the Private Placement will be used to satisfy ongoing obligations post-Amalgamation (assuming the Amalgamation is completed), future acquisitions and working capital. The Convertible Debentures are subordinate to Vertex's existing secured debt facilities.

EARLY WARNING REPORT REQUIREMENTS

Pursuant to the abovementioned Private Placement of Convertible Debentures by the Corporation, on March 7, 2022: (a) IBBC GP Inc. (of 701, 421 7th Avenue SW, Calgary, AB T2P 0Z3), in its capacity as the general partner of IBBC Limited Partnership, acquired ownership and control over a Convertible Debenture in the principal amount of \$14,765,000; and (b) IBBC GP Inc., on its own behalf, acquired ownership and control over a Convertible Debenture in the principal amount of \$235,000.

IBBC GP Inc. is the general partner of IBBC Limited Partnership and thereby has the full authority to manage the business and affairs of IBBC Limited Partnership including making decisions to buy or sell securities for IBBC Limited Partnership (including decisions on whether to exercise any conversion rights with respect to the Convertible Debentures) and to exercise voting rights over the Common Shares of Vertex held by IBBC Limited Partnership. Consequently, they are joint actors of each other.

Prior to the transaction, neither party beneficially owned or controlled any securities of the

Corporation. Upon completion of the transaction, they now beneficially own, in aggregate, Convertible Debentures in the aggregate Principal Amount of \$15,000,000 (IBBC Limited Partnership: \$14,765,000; IBBC GP Inc.: \$235,000), convertible into up to 23,076,923 Common Shares (IBBC Limited Partnership: 22,715,385 Common Shares; IBBC GP Inc.: 361,538 Common Shares), representing 20.18% of the outstanding Common Shares on a post-conversion basis (IBBC Limited Partnership: 19.86%; IBBC GP Inc.: 0.32%).

The Convertible Debentures have been acquired and are being held for investment purposes. In the future, IBBC GP Inc., on its own behalf or on behalf of IBBC Limited Partnership may, depending on the market and other conditions, increase or decrease their respective ownerships of securities of the Corporation. A copy of the early warning report filed by IBBC GP Inc., on its own behalf and in its capacity as the general partner of IBBC Limited Partnership, under applicable Canadian securities laws can be obtained at www.sedar.com under the Corporation's profile or by contacting the Corporation as set out below.

ABOUT VERTEX

Headquartered in Sherwood Park, Alberta, Vertex employs a staff of approximately 800 full-time and contract personnel that provide environmental services across North America. Vertex is a leading provider of environmental solutions, a unique combination of environmental consulting and environmental field services and equipment. Vertex's integrated environmental solutions support asset development, operations, decommissioning, and restoration for customers in five North American sectors: Energy, Mining and Industrial, Utilities, Agriculture & Forestry, and Government. Established in 1962, Vertex combines 60 years of experience with an innovative, modern approach to provide versatile, expert solutions to the market.

READER ADVISORY

This news release contains forward-looking statements, within the meaning of applicable securities legislation, concerning the proposed Amalgamation, the business and affairs of Vertex and the Private Placement. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "intends" "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Such forward-looking statements include those with respect to: (i) the completion of the Amalgamation; and (ii) the proposed use of the proceeds of the Private Placement. Forward-looking statements also include any other statements that do not refer to historical facts.

By their nature, forward-looking statements are based on assumptions and subject to inherent risks and uncertainties. There is a risk that the Amalgamation and the offering of the Convertible Debentures may be delayed, cancelled, suspended, or terminated. This could cause future results to differ materially from the forward-looking statements made in this news release.

Statements of past performance should not be construed as an indication of future performance. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors, including those discussed above, could cause actual results to differ materially from the results discussed in the forward-looking statements. All of the forward-looking statements made in this press release are qualified in their entirety by these cautionary statements.

Readers are cautioned not to place undue reliance on such forward-looking statements. Forward-looking information is provided as of the date of this press release and except as required by law, neither Vertex nor Cordy Oilfield undertakes no obligation to publicly update or revise any forward-

looking statements. Forward-looking statements are provided herein for the purpose of giving information about the proposed issuance of Convertible Debentures and the use of proceeds. Readers are cautioned that such information may not be appropriate for other purposes.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

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