

October 18, 2018

# Vegalab Inc., Acquires Substantial Farm Acreage, Railway Cross Dock and Warehouse in Merced, California

MERCED, CA, Oct. 18, 2018 (GLOBE NEWSWIRE) -- via NEWMEDIAWIRE -- [Vegalab, Inc.](#) ("the Company"), ([OTCQB: VEGL](#)) today announced that on September 12, 2018, the Company, took possession of The Tuttle Creek Dock Property in Merced, California. At that time, the transaction was irrevocably closed.

The Tuttle Cross Dock property consists of approximately 27.33 acres of land, a 18,750 square foot transit warehouse in Merced, California, and it sits on the main BNSF railway line. Vegalab will continue to use the transit warehouse, and introduce shipping services to its existing service portfolio. The Company will leverage the strategic location of the property, which is surrounded by large agricultural enterprises, which could also benefit from Vegalab's line of all-natural products.

The purchase price of Two Million Five Hundred Thousand and 00/100 Dollars (\$2,500,000.00), was paid \$500,000 by the issuance of One Hundred Fifty-Seven Thousand Seven Hundred Twenty-Nine (157,729) restricted shares of the Company's Common Stock (the "Shares") valued at Three Dollars and Seventeen Cents (\$3.17) per share, and the balance of Two Million Dollars (\$2,000,000) by the execution of two One Million Dollar (\$1,000,000) promissory notes with monthly payments of interest only at eight percent (8%) per annum, and a balloon payment on the fifth (5th) anniversary of closing.

David Selakovic, CEO of Vegalab Inc., stated, "We recognized the Tuttle Creek Dock property as an opportunity to rapidly expand our footprint in the San Joaquin Valley, which produces the majority of the United States' agricultural production that comes from California. The Cross Dock generates revenue based on the number of railroad cars. We believe we can increase the volume of cars doing business at Tuttle Creek over time." He concluded, "The Tuttle Creek Dock has tremendous potential and is currently generating revenue. With this strategic property, we can use our increased presence and contact with growers needing shipping services to further promote the Vegalab brand and increase our customer base for our agrochemical products, right in the middle of California's most productive agricultural properties."

## **About Vegalab, Inc.**

Vegalab, Inc. is the exclusive distributor in North and South America of a line of all-natural, biologically derived pesticides, fertilizers, and specialty agricultural products. Vegalab's pesticides are highly effective against targeted organisms, non-toxic to beneficial organisms, and safe for the environment. Vegalab's products support a healthy soil biome and are cost competitive with synthetic chemicals that do just the opposite. The Company

operates in two segments of the food industry. The Agronomy Business involves the manufacture and distribution of all-natural crop protection, crop health, and soil enhancement products: and The Packing Business is the operation of a citrus packing facility.

### **Safe Harbor for Forward-looking Statements**

This news release may contain forward-looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. While these statements are made to convey to the public the Company's progress, business opportunities, and growth prospects, they are based on management's current beliefs and assumptions as to future events. However, since the Company's operations and business prospects are always subject to risk and uncertainties, the forward-looking events and circumstances discussed in this news release might not occur, and actual results could differ materially from those described, anticipated, or implied. For a more complete discussion of such risks and uncertainties, please refer to the Company's filings with the Securities and Exchange Commission.

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Source: Vegalab Inc.