

## **Veltex Corporation Completes Acquisition of West Virginia Commercial Property and Complex**

CHICAGO, June 22, 2020 /PRNewswire/ -- Veltex Corporation -- OTC Markets symbol (VLXC) -- Veltex Corporation ("the Company") announced today the corporation has acquired a large commercial property complex, and its contents, in Fayette County, West Virginia. The property, located in Mount Hope, sits on more than four acres of land. Moreover, the property has a one-story commercial building of approximately 25,000 square feet, which is currently nearly completed as a chemical dependency rehabilitation center. Once completed, this complex will be one of the largest chemical dependency rehabilitation centers in West Virginia.

Terms of the transaction remain confidential; however, the Company did report the property is totally unencumbered and is wholly owned by Veltex Corporation. The Company values the transaction at \$5,800,000. The cost basis of the transaction will be following generally accepted accounting principles ("GAAP"). In addition, the Company also reported that it is currently exploring and progressing on other properties in the West Virginia, Ohio, and Kentucky tri-state areas. Moreover, the Company is involved in active investigations of Chicago, Illinois and surrounding suburbs with the intention of identifying and acquiring other potential rehabilitation properties.

The Company has also retained the prestigious state and federal lobbyist firm, Apex Consulting LLC, of Charleston, West Virginia, in order to achieve its 2020/21 objectives. The Company currently utilizes the lobbying firm to represent its interests in West Virginia. Mr. Thomas Bailey will head the lobby team. Mr. Bailey worked in government relations for Spilman, Thomas and Battle, PLLC and is a state and federal lobbyist. Mr. Bailey is also a veteran of the armed forces with more than 20 years of service and is a Major in the Army Reserves. He also serves on the Board of Directors of the West Virginia Symphony Orchestra and has degrees from Marshall University and the Naval Postgraduate School.

"We are incredibly excited about the direction the company is moving," said Andreas Mauritzson, President and CEO. "We believe we are uniquely positioned to assist in helping solve the chemical dependence problem currently facing West Virginia. These and our other efforts to date provide tremendous value to our shareholders and have become part of a broader plan to move Veltex into the rehabilitation, health, and wellness industries nationally in uniquely advanced and exciting ways." Mr. Mauritzson continued by saying "Our first property will allow us to begin to capitalize on the deep professional knowledge of world-renowned addiction specialist and board member Dr. Harry L. Haroutunian, M.D. and his cutting-edge approach to addiction treatment."

"We are very excited for the purchase of this facility," states R. Preston Roberts, Chairman of the Board of Veltex. "The Company is proud to have this ideal property and complex situated directly in the center of the opioid crises between the state capitol of Charleston and the city of Beckley, West Virginia." Mr. Roberts also indicated "This is a high-quality space in a prime location, perfectly designed for a chemical dependency rehabilitation complex. This purchase and acquisition is consistent with the Company's strategy to develop and quickly become the leading health care provider for chemical dependency in this region. Our management group did an excellent and outstanding job executing the team's ongoing business plan."

Furthermore, the Company is closely following the multi-billion-dollar National Prescription Opiate Litigation. *MDL 2804*, in the United States District Court for the Northern District of Ohio. In that mass tort litigation, the Plaintiffs allege that the manufacturers of prescription opioids grossly misrepresented the risks of long-term use of those drugs for persons with chronic pain, and distributors failed to properly monitor suspicious orders of those prescription drugs--all of which contributed to the current opioid epidemic. Moreover, with the costs of the crisis estimated at tens of billions of dollars and with more than 200,000 overdose deaths since the late 1990s, the stakes are immense — even for people who have never heard of this case. What happens with this litigation will largely determine how much money cities and counties nationwide will have to fight the devastating effects of opioid abuse and when they'll get it. Each day, more than 115 Americans tragically lose their lives to opioid overdoses and thousands more struggle with opioid dependency. The growing epidemic crosses virtually all demographics, and with more than half a million related deaths recorded in the U.S. between 2000 and 2015, the crisis has officially been declared a public health emergency.

The Company also has more than \$180,000,000 in legal judgements and accumulated interest on its books in favor of Veltex Corporation and against numerous corporations and individuals. Moreover, the Company currently has property liens in effect in California and continues to pursue additional assets under these judgments in favor of Veltex Corporation. Veltex files tax returns in the states California, Illinois, and Utah, in part, to protect these valuable potential tax assets.

As material developments warrant, Veltex Corporation will update shareholders on the immediate future of the company including operational developments, property acquisitions, legal and tax matters. The Company looks forward to creating strategic partnerships and alliances and acquiring real property that will highlight our comparative and competitive advantages in the chemical dependency, rehabilitation, and holding company industry in general.

Veltex Corporation, incorporated in Utah September 17, 1987, is a public holding corporation, which maintains its corporate headquarters in Chicago, Illinois. The company's common shares trade OTC Markets under the symbol VLXC.

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### **Safe Harbor Statement**

### **Forward Looking Statement**

Safe Harbor Statement Certain of the above statements contained in this press release are forward-looking statements that involve a number of risks and uncertainties. Such forward-looking statements are within the meaning of that term in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Readers are cautioned

that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those indicated in the forward-looking statements as a result of various factors. This press release includes forward-looking statements intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally can be identified by phrases such as Veltex or its management "believes," "expects," "anticipates," "foresees," "seeks," "forecasts," "estimates" or other words or phrases of similar import. Similarly, statements herein that describe Veltex's business strategy, outlook, objectives, plans, intentions or goals also are forward-looking statements. All such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those in forward-looking statements. Any statements made in this press release which are not historical facts contain certain forward-looking statements; as such term is defined in the Private Security Litigation Reform Act of 1995, concerning potential developments affecting the business, prospects, financial condition and other aspects of the company to which this release pertains. The actual results of the specific items described in this release, and the company's operations generally, may differ materially from what is projected in such forward-looking statements. Although such statements are based upon the best judgments of management of the company, Veltex, as of the date of this release, significant deviations in magnitude, timing and other factors may result from business risks and uncertainties including, without limitation, the company's dependence on third parties, general market and economic conditions, technical factors, the availability of outside capital, receipt of revenues and other factors, many of which are beyond the control of the company. The company disclaims any obligation to update information contained in any forward-looking statement. This press release shall not be deemed a general solicitation.