

Vega Biofuels Signs Exclusive Agreement for the Production of Bio-Coal

Agreement Increases Profit Margin and Reduces Capital Requirements

NORCROSS, GA, FEBRUARY 19, 2015 -- VEGA BIOFUELS, INC. (Pink Sheets: VGPR) announced today that it has entered into an Exclusive Manufacturing Agreement to have its Bio-Coal produced.

Vega Biofuels has entered into an Agreement with Colorado based, Vencor International, Inc. to manufacture the Company's Bio-Coal energy product on an exclusive basis. The two companies have been working together recently to meet the requirements of Vega's international clients. Recent testing of Vencor's torrefied wood product exceeded these requirements and Vencor is now manufacturing torrefied Bio-Coal for Vega.

Manufactured from timber waste using torrefaction technology, Bio-Coal has a high energy density of up to 13,000 BTUs/Lb and is considered a renewable energy fuel that meets the Renewable Portfolio Standards and Renewable Energy Credits (RECs) in the United States.

Vega and Agri-Tech Producers, LLC entered into a Joint Venture Agreement to build and operate a manufacturing plant in Allendale, SC to produce the Company's Bio-Coal. The Agreement required Vega to make a capital investment in the Joint Venture in the amount of two million dollars. Vega would have owned forty percent of the Allendale facility.

The ten year Agreement announced today moves the Company in a different direction and allows Vega to immediately begin filling the orders it has in hand to produce revenue. Vencor has recently increased its manufacturing capacity and can now meet the production demand from Vega.

"We have mixed emotions today," stated Michael K. Molen, Chairman/CEO of Vega Biofuels, Inc. "We are extremely excited to expand our relationship with Vencor. This decision was an easy one for us. The Allendale JV required us to commit two million dollars to the venture for 40% of the profit. The deal with Vencor will provide more bottom line profit than we would have received from the JV without laying out two million dollars. We can now use a fraction of that capital to build the Company in a way that will maximize our ability to secure orders around the world instead of dealing with the day to day manufacturing of the product. We have notified ATP of our intentions and for the foreseeable future, all Bio-Coal will be sold by Vega and produced by Vencor International. All product produced by Vencor will be shipped directly to our clients under the private label of Vega Biofuels. We did everything we could to raise the necessary capital for the Allendale JV, but fell short of our goal. The deal with Vencor allows us to start filling the orders that we have in hand and generating revenue much sooner. We have a large, long-term Agreement to ship Bio-Coal to a European client and

look forward to getting started with production. The deal with Vencor will have a tremendous impact on our bottom line profits without such a large capital outlay. I will be at Vencor's manufacturing facility next week and will take some pictures of the production of Bio-Coal and post on our website. I want to thank our shareholders for their patience while we worked through these issues. Things should move much faster for the Company now."

Certain statements in this release constitute forward-looking statements or statements which may be deemed or construed to be forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The words "forecast," "project," "intend," "expect" "should," "would," and similar expressions and all statements, which are not historical facts, are intended to identify forward-looking statements. These forward-looking statements involve and are subject to known and unknown risks, uncertainties and other factors which could cause the Company's actual results, performance (finance or operating) or achievements to differ from future results, performance (financing and operating) or achievements expressed or implied by such forward-looking statements.

DATASOURCE: Vega Biofuels, Inc.

CONTACT: Vega Biofuels, Inc.: 800-481-0186
info@vegabiofuels.com

vegabiofuels.com

@vegabiofuels