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Valesco Industries Announces \$59 Million First Closing of Valesco Fund II, LP

DALLAS, June 1, 2016 — [Valesco Industries](#) (“Valesco”) is pleased to announce the successful first close of its second fund, Valesco Fund II, LP (“Fund II” or “VFII”), completed on May 25, 2016 at \$59 million. VFII is managed by Dallas-based Valesco, and is the successor fund to Valesco Commerce Street Capital, LP, a private equity fund created by Valesco and [Commerce Street Capital, LLC](#) (“CSC”). Fund II is seeking total equity commitments of \$150 million. By utilizing the Small Business Investment Company debenture program of U.S. Small Business Administration (“SBA”), Fund II is targeting \$250 million in aggregate investment capital.

VFII was formed for the purpose of raising capital for a private investment fund licensed under the Small Business Investment Company (“SBIC”) program of the SBA. VFII was created to provide long-term equity and subordinated debt capital to growth-oriented small and lower middle market businesses located primarily in the southern U.S.

“In keeping with our first fund, Valesco partnered with Commerce Street Capital as our placement agent to raise the private equity capital. The collaboration has been excellent, with our first close exceeding plan and happening in just four months,” said Bud Moore, a Valesco founder.

Jack Sadden, also a Valesco founder, added, “Valesco's track record of providing capital and management support to growing businesses, and Commerce Street's significant investment banking and advisory resources in the community banking arena, were instrumental in attracting both bank and non-bank investors to Fund II.”

SBIC funds are a critical source of growth capital in the U.S. Created by the Small Business Investment Act of 1958, the SBIC mission is “to improve and stimulate the national economy in general and the small-business segment in particular by establishing a program to stimulate and supplement the flow of private equity capital and long-term loan funds which small-business concerns need for the sound financing of their business operations and for their growth, expansion, and modernization.”

About Valesco Industries

Valesco is a Dallas, Texas based private equity firm that focuses on making control and non-control investments in select growth-oriented small- and lower- middle-market businesses engaged in manufacturing, distribution and business-to-business services. Valesco specializes in partnering with a company's management team to support its growth objectives. As long-term industry veterans, the principals have capitalized and built numerous successful businesses,

serving those companies in varying roles as investors, managers, advisors and directors. For more information, visit Valesco's website: www.ValescoInd.com

About Commerce Street Capital

Commerce Street Capital, LLC ("CSC") is a private investment banking firm headquartered in Dallas, Texas. Led by veterans of the banking industry, CSC specializes in investment banking services and bank development (including bank capital raises and managing bank regulatory application processes). The firm provides tailored solutions for all or part of a financial institution's business lifecycle. CSC is a member of FINRA/SIPC. For more information, visit www.CommerceStreetCapital.com

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