

VESTA CAPITAL CORP. ANNOUNCES \$500,000 PRIVATE PLACEMENT

For Immediate Release

TORONTO, ONTARIO-- (August 20, 2008) – Vesta Capital Corp. ("Vesta" or the "Company"), (TSX VENTURE: VES.P) a capital pool company, announced today that it has agreed to a non-brokered private placement offering (the "Offering") of up to 2,500,000 common shares of the Company (the "Common Shares") at a price of \$0.20 per Common Share for gross proceeds of up to Cdn.\$500,000. The Common Shares to be issued will carry a four-month hold period under Canadian securities laws from the date of issuance. Vesta will pay a finder's fee to PowerOne Capital Markets Limited ("PowerOne") equal to 10 percent of the gross proceeds raised in the Offering.

Of the Common Shares to be issued pursuant to the Offering, an aggregate of 2,000,000 Common Shares (the "Pinetree Shares") will be taken up by Pinetree Income Partnership ("Pinetree"), an arm's length party to the Corporation. As the Pinetree Shares will constitute approximately 32% of the issued and outstanding capital of the Corporation after the Offering is completed and Pinetree will become a control person of the Company, the Pinetree Shares will be subject to an escrow agreement (the "Escrow Agreement"). Pinetree is a wholly owned subsidiary of Pinetree Capital Ltd. which owns 50% of the issued and outstanding shares in the capital of PowerOne.

Under the Escrow Agreement, 10% of the Pinetree Shares will be released from escrow on the issuance of the TSX Venture Exchange Bulletin which is issued following closing of the Corporation's qualifying transaction (the "Initial Release") and an additional 15% will be released on the dates 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release. Additional information regarding the terms and conditions of the Escrow Agreement can be found in the Corporation's prospectus which is available for viewing under the Corporation's profile on the SEDAR website (www.sedar.com).

Closing of the Offering is conditional on TSX Venture Exchange approval and shareholder approval which the Corporation will obtain by way of written consent from shareholders owning in the aggregate 50.1% of the current issued and outstanding shares in the capital of the Corporation.

Proceeds from the Offering will be used for general working capital purposes.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available. All dollars in this release are in Canadian funds.

FOR FURTHER INFORMATION PLEASE CONTACT:

Harold Wolkin
President, Chief Financial Officer and Corporate Secretary
Phone No.: (416) 485-0980

FORWARD-LOOKING STATEMENTS

This press release includes certain "forward-looking statements". All statements regarding the ability of the Company to successfully arrange for financing are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. All statements that are not historical facts, including without limitation statements regarding future estimates, plans, objectives, assumptions or expectations of future performance, are "forward-looking statements". We caution you that such "forward looking statements" involve known and unknown risks and uncertainties that could cause actual results and future events to differ materially from those anticipated in such statements. The Company expressly disclaims any obligation to update any forward-looking statements.

THE TSX VENTURE EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.