



# NEWS RELEASE

FOR IMMEDIATE RELEASE

November 1, 2016

## VERSAR, INC. ANNOUNCES NEW FORBEARANCE AGREEMENT

### Offices

#### Headquarters

Springfield, VA

#### Inside the U.S.

Aiea, HI

Atlanta, GA

Boise, ID

Chandler, AZ

Charleston, SC

Columbia, MD

Denver, CO

Dulles, VA

El Paso, TX

Germantown, MD

Newport News, VA

Oceanside, CA

Richardson, TX

San Antonio, TX

South Easton, MA

#### Outside the U.S.

Baghdad, Iraq

Kabul, Afghanistan

Clark, Philippines

Milton Keynes, UK

**Springfield, VA – November 1, 2016** – Versar, Inc. (NYSE MKT: VSR) today announced that it has entered into a fifth forbearance agreement with Bank of America with a term extended through November 30, 2016. As noted in the Company's September 30 Press Release and Current Report on Form 8-K filed with the Securities and Exchange Commission, Versar has continued to operate within the obligations established by the prior forbearance agreements and continues discussions with various lenders to establish a replacement credit facility to provide adequate liquidity for the Company.

According to Versar's Chief Executive Officer Tony Otten, "We are progressing in a coordinated and structured manner with the goal of returning to growth and profitability. Versar continues to win new contract and task order awards and perform superior work for our customers. We fully expect Versar to build significantly on its recognized leadership in environmental, engineering and professional services, particularly in austere environments."

**VERSAR, INC.**, headquartered in Springfield, Virginia, is a publicly-traded global project management company providing sustainable value oriented solutions to government and commercial clients in the construction management, environmental services, and professional services market areas.

**VERSAR** operates the following websites: [www.versar.com](http://www.versar.com) and [www.versarpps.com](http://www.versarpps.com).

Find out more about **VERSAR** at



<https://twitter.com/VersarInc>



<https://www.facebook.com/VersarInc>



<http://www.linkedin.com/company/38251>

This news release contains forward-looking information. The forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be significantly impacted by certain risks and uncertainties described herein and in Versar's Annual Report on Form 10-K filed with the Securities and Exchange Commission for the fiscal year ended June 26, 2015, as updated from time to time in the Company's periodic filings. The forward-looking statements are made as of the date hereof and Versar does not undertake to update its forward-looking statements.

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