

News Release



For Immediate Release

EXRO TECHNOLOGIES INC. ACQUIRES ADAPTIVE GENERATORS AS

VANCOUVER, B.C. – August 29, 2018 Exro Technologies Inc. (CSE: XRO; OTCQB: EXROF) (“Exro”) announced today the acquisition of Adaptive Generators AS, (“Adaptive”) a privately-owned Norwegian company that has developed a patented technology for use in programmable, fault-tolerant generators, motors and battery systems. This technology is bi-directional for use in standalone or combined motor-generator-battery-grid applications and has the potential to enhance the performance of Exro’s existing technology by enabling power systems to operate more efficiently at variable speeds, loads, and torque.

Under the terms of the purchase agreement, Adaptive will become a wholly owned subsidiary company of Exro, with Kent Thoresen, Adaptive’s CEO, joining Exro’s management team to lead European business development and technology research from Oslo, Norway. Exro will issue Adaptive Shareholders 50,000 common shares (“Shares”) upon closing of the agreement, and a further 200,000 Shares upon commercialization of the technology by Exro. 750,000 additional Shares will be issued to Adaptive Shareholders upon realization of certain commercial milestones. Exro will further pay a two per cent royalty on net commercial sales based upon the use of any aspect of Adaptive’s synergistic and complementary technology to a maximum of \$250,000.00.

“This acquisition strengthens our intellectual property position, provides opportunity to enhance the performance of our existing technology, and gives us a European base for sales and business development,” said Exro CEO Mark Godsy. “We’re also thrilled to welcome Kent to Exro’s management team. Kent is a proven leader in developing and commercializing disruptive technologies.”

The transaction is subject to standard regulatory approval and is expected to close in September 2018.

Mr. Thoresen has also been granted 50,000 common share purchase warrants in connection with the fulfillment of certain strategic services. The warrants are exercisable at a price of \$0.40 for 36 months from the grant date.

About Exro

Exro Technologies Inc. offers the potential to accelerate the transition to clean energy by intelligently managing the efficiency and reliability of various power systems, including fuel-powered electric motors and generators, which make up about half the worldwide market for electric power.

Exro’s patented coil technology works for various energy systems, dynamically adapting input and output with the goal of achieving specific, measurable performance gains in applications ranging from electric cars, UAVs, pumps, ship drives, industrial motors, vacuums and all other applications that require smart energy conversion. Please visit our website at www.exro.com.

ON BEHALF OF THE BOARD OF DIRECTORS

Mark Godsy, Director & CEO

INVESTOR CONTACT INFORMATION

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The Canadian Securities Exchange does not accept responsibility for the adequacy or accuracy of this news release.

Forward Looking Statements

Certain statements contained in this News Release constitute forward-looking statements. When used in this document, the words "may", "would", "could", "will" and similar expressions, as they relate to the Company or its management are intended to identify forward-looking statements. Such statements reflect the Company's current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual performance or achievements to vary from those described herein. Should one or more of these factors or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. The Company does not assume any obligation to update these forward-looking statements, except as required by law.