Zinc8 Energy Solutions Announces Cooperation Agreement with the New York Power Authority (NYPA) To Deploy Zinc-Air Battery System in New York State

New York Power Authority Innovation Challenge Winner Zinc8 Energy Solutions to Receive a Project Contribution of US$2.55 Million from NYPA to Deploy First Use of Zinc-Air Energy Storage System in New York State

VANCOUVER, BRITISH COLUMBIA / January 17th, 2020 / MGX Renewables Inc, DBA **Zinc8 Energy Solutions** ("**Zinc8**" or the "**Company**") (CSE:MGXR) (FSE:0E9) is pleased to provide this corporate update.

Zinc8 Energy Solutions is excited to announce a Cooperation agreement with NYPA (The New York Power Authority) for the installation of a 100kW/1MWh Zinc-Air Battery Energy Storage System in New York State. (https://www.nypa.gov/news/press-releases/2020/20200117-zinc)

The New York Power Authority, the largest state public power organization in the USA will collaborate with **Zinc8 Energy Solutions**, a developer and manufacturer of long-duration, low-cost zinc-air energy storage solutions in a joint development project to help advance New York State Governor Andrew Cuomo's Green New Deal by achieving the aggressive energy storage goal of 3GW by 2030 and by supporting a nation-leading commitment of 100% electricity from emission-free sources by 2040.

Gil C. Quiniones, NYPA president and CEO, said, "NYPA is pleased to be working with Zinc8 on an innovative technology that can help achieve the state's targets for energy storage. This partnership will showcase a low-cost, long duration solution that addresses the unpredictability of renewable energy resources such as wind and solar and offers environmental and efficiency benefits."

Under the Cooperative Agreement between NYPA and Zinc8, NYPA will contribute a total of USD $2.55 million to the project over a 3-year period. The 100kW/1MWh behind-the-meter energy storage system will be installed at a Demonstration Site in New York State (NYS) for an existing Commercial and Industrial (C&I) customer of NYPA.

Zinc8 Energy Solutions President and CEO Ron MacDonald said "This collaboration with the New York Power Authority is a milestone in Zinc8 Energy Solutions' path to full commercialization and underscores the growing demand for low-cost reliable long-duration energy storage. This unique opportunity with NYPA not only helps Zinc8 contribute to the rapid advancement of clean energy in New York State, but also opens the door for Zinc8 to deploy its technology into the broader utility market."

Zinc8 Energy Solutions developed a patented zinc-air energy storage system that efficiently stores energy in the form of zinc particles and contains none of the traditional high cost battery commodities such as lithium, vanadium or cobalt. The technology allows for low-cost mass storage of energy and can be deployed into a wide range of scalable energy storage applications.

The project, selected as a winner through the NYPA Innovation Challenge, will have the ability to provide back-up power, help to level grid demand and move the state further toward a carbon-free electric grid supported by renewable energy resources. In addition, NYPA selected Zinc8 Energy Solutions' Zinc-Air Battery technology to help demonstrate energy storage and demand management that can help build longer duration flexibility (8 hours plus) into the grid and optimize the role these resources play.

NYPA and Zinc8 are currently considering several potential sites in NYS for the demonstration of the Zinc-air Energy Storage System to help benefit New York State's efforts to achieve carbon neutrality and advance the State's move to a clean energy future. Zinc8 and NYPA see this initial collaboration and installation as a reference site for future potential installations that will further demonstrate Zinc8's technology through NYPA's wide variety of customer base in Microgrid, Commercial &Industrial and Utility markets.

About NYPA

NYPA is the largest state public power organization in the United States, operating 16 generating facilities and more than 1,400 circuit-miles of transmission lines. More than 70 percent of the electricity NYPA produces is clean renewable hydropower. NYPA uses no tax money or state credit. It finances its operations through the sale of bonds and revenues earned in large part through sales of electricity. For more information visit www.nypa.gov and follow them on Twitter @NYPAenergy, Facebook, Instagram, Tumblr and LinkedIn.

About Zinc8 Energy Solutions

Zinc8 Energy Solutions has assembled an experienced team to execute the development and commercialization of a dependable low-cost zinc-air battery. Zinc-air batteries can be ideal for mass storage systems and offer both environmental and safety benefits. *Zinc8 Energy Solutions* strives to meet the growing need for secure and reliable power.

To watch a short video outlining *Zinc8 Energy Solutions'* technology, please visit:
https://zinc8energy.com

More about The Zinc8 Energy Storage System (ESS)

The *Zinc8* ESS is a modular Energy Storage System designed to deliver power in the range 20kW - 50MW with capacity of 8 hours of storage duration or higher. With the advantage of rechargeable zinc-air flow battery technology, the system can be configured to support a wide range of long-duration applications for microgrids and utilities. Since the energy storage capacity of the system is determined only by the size of the zinc storage tank, a very cost-effective and scalable solution now exists as an alternative to the fixed power/energy ratio of the lithium ion battery.

Technology

The *Zinc8* ESS is based upon unique patented zinc-air battery technology. Energy is stored in the form of zinc particles, similar in size to grains of sand. When the system is delivering power, the zinc particles are combined with oxygen drawn from the surrounding air. When the system is recharging, zinc particles are regenerated, and oxygen is returned to the surrounding air.

Applications

The flexibility of the *Zinc8* ESS enables it to service a wide range of applications. Typical examples include:

- Smoothing energy derived from renewable sources such as wind and solar
- Commercial/Industrial backup replacing diesel generators

- Industrial and grid scale, on-demand power for peak shaving and standby reserves
- Grid-scale services such as alleviating grid congestion, deferring transmission/distribution upgrades, energy trading and arbitrage, and increasing renewable energy penetration.

Architecture

The *Zinc8* ESS is designed according to a modular architecture that enables a wide variety of system configurations to be created from a small number of common subsystems. Each subsystem implements a single element of the technology:

- The Zinc Regeneration Subsystem (ZRS) provides the recharging function
- The Fuel Storage Subsystem (FSS) provides the energy storage function
- The Power Generation Subsystem (PGS) provides the discharging function

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Forward-Looking Information

This news release contains certain statements or disclosures relating to Zinc8 Energy Solutions that are based on the expectations of its management as well as assumptions made by and information currently available to Zinc8 Energy Solutions which may constitute forward-looking statements or information ("forward-looking statements") under applicable securities laws. All such statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that Zinc8 Storage anticipates or expects may, or will occur in the future (in whole or in part) should be considered forward-looking statements. In some cases, forward-looking statements can be identified by the use of the word "will", "could", "expect", "may" and other similar expressions.

Forward looking statements in this press release include that we can execute the development and commercialization of a dependable low cost zinc-air battery; that our mass storage system offers both environmental and efficiency benefits; that we will execute on our agreement with NYPA and that we can help meet the needs for secure and reliable power; that our technology is scalable for energy storage solutions; that this agreement opens the door for Zinc8 to deploy its technology into the broader utility market; and that we can reach full commercialization. The forward-looking statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Such forward-

looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements including, without limitation: that NYPA or we do not perform our obligation or our cooperation agreement is changed or terminated for any reason; that the cooperation agreement with NYPA does not yield the benefits of demonstrating our batteries' benefits; even if successful, the NYPA agreement may not lead to other utilities deploying our technology because of cost, complexity or other reasons; that our technology fails to work as expected or at all; that our technology proves to be too expensive to implement broadly; that customers do not adapt our products for being too complex, costly, or not fitting with their current products or plans; general economic, market and business conditions; increased costs and expenses; inability to retain qualified employees; our patents may not provide protection as expected and we may infringe on the patents of others; and certain other risks detailed from time to time in Zinc8 Energy Solution's public disclosure documents, copies of which are available on MGX Renewables Inc's SEDAR profile at www.sedar.com. Readers are cautioned that the foregoing list of factors is not exhaustive and are cautioned not to place undue reliance on these forward-looking statements.

The forward-looking statements contained in this news release are made as of the date hereof and the Company undertakes no obligations to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Neither the CSE nor any Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.