

ZTEST ELECTRONICS INC.
NOTICE-AND-ACCESS NOTIFICATION TO SHAREHOLDERS
ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON DECEMBER 10, 2013

You are receiving this notification as ZTEST Electronics Inc. (“ZTEST” or the “Corporation”) has decided to use the notice-and-access model (“Notice-and-Access”) provided for under recent amendments to National Instrument 54-101 for the delivery of meeting materials to its shareholders for its Annual General and Special Meeting of shareholders to be held on Tuesday, December 10, 2013 (the “Meeting”).

Under Notice-and-Access, instead of receiving paper copies of the Corporation’s Management Information Circular (“Circular”), Annual Financial Statements for the years ended June 30, 2013 and 2012 and June 30, 2012 and 2011 and the Management’s Discussion and Analysis for the years ended June 30, 2013 and June 30, 2012 (collectively, the “Meeting Materials”), shareholders are receiving this notice with information on how they may access those Meeting Materials electronically. However, together with this notice, shareholders continue to receive a proxy (in the case of registered shareholders) or voting instruction form (in the case of non-registered shareholders), enabling them to vote at the Meeting. Registered Shareholders may vote their shares in person at the Meeting. **Non-registered shareholders may not vote their shares in person at the Meeting unless they have delivered a voting instruction form in accordance with the requirements of such form by the required date and they name themselves in the “appointee” space provided on the voting instruction form to vote their shares in person at the Meeting.**

ZTEST has adopted this alternative means of delivery to be more environmentally friendly and in order to reduce its printing and mailing costs. This notice serves as notice of meeting under section 96(1) of the *Business Corporations Act* (Ontario).

Meeting Date and Location

WHEN: Tuesday, December 10, 2013
1:00 p.m. (Eastern Daylight Time)

WHERE: 523 McNicoll Avenue
North York, Ontario M2H 2C9

Shareholders will be asked to consider and vote on the following matters:

- (1) Presentation of Financial Statements: to receive and consider the audited annual consolidated financial statements of the Corporation for the years ended June 30, 2013 and 2012 and June 30, 2012 and 2011 and the reports of the auditors thereon. See the section entitled “*Presentation of Financial Statements*”;
- (2) Election of the Board of Directors: to elect directors of the Corporation as nominated by Management;
- (3) Appointment of Auditors: to appoint MNP LLP, Chartered Accountants, as auditors of the Corporation for the ensuing year and to authorize the directors to fix their remuneration;
- (4) Increase to Number of Shares reserved under the Stock Option Plan: to increase the number of shares reserved under the Corporation’s Stock Option Plan by 1,512,231 shares;
- (5) Amendment to the Stock Option Plan: to amend the Corporation’s Stock Option Plan, to among other things, extend the term of options that expire during a blackout period;
- (6) Confirmation of new general By-Law Number 1-B: to confirm the new general By-Law Number 1-B of the Corporation. ***Particulars of the new general By-Law Number 1-B are set out in Schedule “A” annexed hereto***; and
- (7) Other Matters: to transact such other business as may properly come before the Meeting or any adjournment thereof.

For detailed information with respect to each of the above matters, please refer to the subsection bearing the corresponding title under “*Particulars of Matters to be Acted Upon*” in the Circular.

ZTEST URGES SHAREHOLDERS TO REVIEW THE MEETING MATERIALS BEFORE VOTING.

Websites where Meeting Materials are posted

The Meeting Materials (and the Request for Financial Statements, which is included in the proxy and voting instruction form) can be viewed online under ZTEST's profile at www.sedar.com or on the Corporation's website at www.ztest.com.

How to obtain paper copies of the Meeting Materials

Shareholders can request that paper copies of the Meeting Materials be sent to them by postal delivery at **no cost to them** up to one (1) year from the date the Circular was filed on SEDAR.

Shareholders may make their request **without charge** by calling Equity Financial Trust Company toll free number at 1-866-393-4891 in North America or 416-361- 0152 (outside North America).

Requests for paper copies of the Meeting Materials must be received at least five (5) business days in advance of the proxy deposit date and time set out below, being 1:00 p.m. on, Friday, November 29, 2013, in order to receive the Meeting Materials in advance of the proxy deposit date and Meeting.

Voting Process

Registered Shareholders may vote in person at the Meeting or by proxy as follows:

Please follow the instructions accompanying the proxy you received with respect to returning it by **Friday, December 6, 2013** at 1:00 p.m. (Eastern Time). Voting methods are a) by internet at www.voteproxyonline.com and using your 12 digit control number; b) by Facsimile to 1(416) 595-9593; or c) by mail to Equity Financial Trust Company ("**Equity**") at 200 University Avenue, Suite 300, Toronto, Ontario, M5H 4H1.

Non-registered shareholders may vote by completing and submitting their voting instruction form as follows:

If you received your voting instruction form from Equity, please follow the instructions accompanying the voting instruction form you received with respect to returning it by **Friday, December 6, 2013** at 1:00 p.m. (Eastern Time). Voting methods are a) by internet at www.voteproxyonline.com and using your 12 digit control number; b) by Facsimile to 1(416) 595-9593; or c) by mail to Equity at 200 University Avenue, Suite 300, Toronto, Ontario, M5H 4H1.

If you received your voting instruction form from anyone else, the deadline to submit a duly completed and executed voting instruction form or instructions by telephone or over the internet is generally at least one (1) business day in advance of the proxy deposit date noted on your voting instruction form. **Please carefully read the voting instruction form to ensure that you do not miss the appropriate deadline.**

DATED at Toronto, Ontario this 28th day of October, 2013.

BY ORDER OF THE BOARD

"Wojciech Drzazga"

Chief Executive Officer

SCHEDULE "A"

CONFIRMATION OF NEW GENERAL BY-LAW NUMBER 1-B

The shareholders of the Corporation will be asked to consider, and, if thought appropriate, approve, a resolution (the "**By-Law Resolution**") confirming the new general By-Law Number 1-B for the Corporation (the "**2013 By-Law**") adopted by the Board of Directors on October 25, 2013. The 2013 By-Law is effective as of October 25, 2013 and revokes the previous general By-Law #1A of the Corporation (the "**Old By-Law**"). As the Corporation's Old By-Law was approved and enacted in May 1996, the Corporation is of the opinion that it is appropriate to approve the 2013 By-Law which reflects current rules and practice. A copy of the 2013 By-Law is attached as **Schedule "D"** to the Circular and was filed on the Corporation's SEDAR profile at www.sedar.com on November 8, 2013.

The 2013 By-Law includes a provision requiring advance notice (the "**Advance Notice Provisions**") to the Corporation in circumstances where nominations of persons for election to the Board are made by the shareholders of the Corporation other than pursuant to: (a) a requisition of a meeting made pursuant to the provisions of the *Business Corporations Act* (Ontario) (the "**OBCA**"), or (b) a shareholder proposal made pursuant to the provisions of the OBCA. Among other things, the Advance Notice Provisions fix a deadline by which holders of record or beneficial owners of Common Shares of the Corporation must submit director nominations to the Corporation prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Corporation. In the case of an annual meeting of shareholders, notice to the Corporation must be provided not less than 30 days nor more than 65 days prior to the date of the annual meeting. In the case of a special meeting of shareholders (which is not also an annual meeting), notice to the Corporation must be provided no later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made.

The Board of Directors of the Corporation believes that the Advance Notice Provisions are consistent with shareholder rights and democracy and of benefit to shareholders for the following reasons:

- They do not prevent shareholders from making director nominations.
- They will provide the Corporation with adequate prior notice of director nominations.
- They will ensure the Corporation has sufficient information about nominees. This way, the Corporation will be in a better position to evaluate a proposed nominee's qualifications and suitability to serve as a director of the Corporation.
- They ensure an orderly nomination and meeting process and that shareholders are informed in advance of a proxy contest and have the relevant information, in a timely way, to knowledgeably vote on contested director elections.
- They prevent the possibility of a small group of shareholders taking advantage of a poorly attended meeting to nominate their slate of directors from the floor of a meeting and thus impose their slate on what could be a majority of shareholders who are unaware that this could happen (because without a provision in a corporation's articles or by-laws, there is no requirement to give prior notice of nominations from the floor).

The following is the text of the By-Law Resolution which requires approval of a majority of the votes cast at the Meeting to be effective:

"BE IT RESOLVED THAT:

1. By-Law Number 1-B, being a general by-law of the Corporation, in the form attached to the Circular as **Schedule "D"** be and is hereby confirmed as the new general by-law of the Corporation; and
2. any one or more directors or officers be and are hereby authorized to take all necessary steps and proceedings, and to execute and deliver and file any and all applications, declarations, documents and other instruments and do all such other acts and things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to the provisions of this resolution."

According to the OBCA, the 2013 By-Law will cease to be effective at the Meeting unless confirmed by a resolution passed by a simple majority of the votes cast by shareholders at the Meeting.