

ZTEST ELECTRONICS INC.
523 McNICOLL AVENUE
NORTH YORK, ONTARIO
M2H 2C9

PRESS RELEASE
FOR IMMEDIATE RELEASE

ZTEST ANNOUNCES EQUIPMENT FINANCING BY INSIDERS

NORTH YORK, December 23, 2013 - ZTEST Electronics Inc. (“**ZTEST**” or the “**Corporation**”) (TSXVE - “**ZTE**”) wishes to announce that it has agreed in principal to the terms of a loan (the “**Loan Agreement**”) with two (2) non-arm’s length lenders (the “**Lenders**”) and its wholly owned subsidiary Permotech Electronics Corporation (“**Permotech**”) pursuant to which the Lenders will advance \$200,000 (the “**Equipment Term Loan**”) to Permotech for the purchase of a Siemens SIPLACE POE S27 pick and place unit with accessories. The Equipment Term Loan will have a term expiring on October 31, 2017, will be unsecured, will be repayable as to interest only at the floating rate of TD Canada Trust prime plus 6% (the “**Interest Rate**”) until October 31, 2014 and thereafter in blended monthly payments of principal and interest (at the Interest Rate) amortized over three (3) years with the last payment due on October 31, 2017. The Equipment Term Loan will be fully open and repayable at any time after October 31, 2014 without penalty or bonus. As partial consideration for advancing the Equipment Term Loan, ZTEST has agreed to grant to the Lenders 400,000 bonus warrants (the “**Bonus Warrants**”). The Bonus Warrants entitle the Lenders to acquire one (1) common share of ZTEST at a price of \$0.10 per share until October 31, 2017. The transaction is subject to regulatory approval. The securities will be legended and restricted from trading until at least May 10, 2014. This transaction is scheduled to close on January 10, 2014.

One of the lenders is a corporation controlled by Joanna Drzazga, the wife of ZTEST’s CEO Ted Drzazga. The other is the CFO of ZTEST, Mike Kindy. The grant of Bonus Warrants to insiders is exempt from the valuation and minority shareholder approval requirements of Multilateral Instrument 61-101 (“**MI 61-101**”) by virtue of the exemptions contained in sections 5.5(a) and 5.7(1) (a) of MI 61-101 in that the fair market value of the consideration for the securities of the Company to be issued to the insiders does not exceed 25% of its market capitalization.

About ZTEST Electronics Inc.

ZTEST Electronics Inc., thru its wholly owned subsidiary Permotech Electronics Corp. (“Permotech”), offers Electronic Manufacturing Services (EMS) to a wide range of customers. Permotech’s offering includes Materials Management, Printed Circuit Board (PCB) Assembly, Testing and Design services. Permotech operates from a 20,000 square foot, ISO 9001:2008 certified facility in North York, Ontario, Canada. The Company serves customers in the Medical, Power, Computer, Telecommunication, Wireless, Industrial and Consumer Electronics markets requiring high quality, quick-turn, small and medium size production runs.

For more information contact:

Ted Drzazga, CEO
(416) 297-5155
email: info@ztest.com

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Note Regarding Forward-Looking Statements: This press release contains forward-looking statements that involve risks and uncertainties, which may cause actual results to differ materially from the statements made. When used in this document, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions are intended to identify forward-looking statements. Such statements reflect our current views with respect to future events and are subject to such risks and uncertainties. Many factors could cause our actual results to differ materially from the statements made, including those factors discussed in filings made by us with the Canadian securities regulatory authorities. Should one or more of these risks and uncertainties, such as changes in demand for and prices for the products of the Company or the materials required to produce those products, labour relations problems, currency and interest rate fluctuations, increased competition and general economic and market factors, occur or should assumptions underlying the forward looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, or expected. We do not intend and do not assume any obligation to update these forward-looking statements, except as required by law. The reader is cautioned not to put undue reliance on such forward-looking statements.