

**National Instrument 62-103**

**Form 62-103F1**

***REQUIRED DISCLOSURE UNDER THE EARLY WARNING REQUIREMENTS***

**Item 1 - Security and Reporting Issuer**

- 1.1 **State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.**

This report relates to the common shares (the “**Common Shares**”) in the capital of:

ZTEST ELECTRONICS INC. (the “**Issuer**” or “**ZTEST**”)  
523 McNicoll Avenue  
North York, Ontario  
M2H 2C9

- 1.2 **State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.**

Not applicable. The transaction that triggered the requirement to file this report was a private transaction.

**Item 2 - Identity of the Acquiror**

- 2.1 **State the name and address of the acquiror.**

Wojciech Drzazga (“**WDrzazga**” or the “**Acquiror**”)  
12 Solway Avenue  
Brampton, ON L6Z 4E4

- 2.2 **State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.**

On July 5, 2018, the Acquiror disposed of 620,000 Common Shares of the Issuer in a private transaction (the “**Private Transaction**”). As a result, the interest of the Acquiror and his joint actor was reduced from 15.965% (as reflected in the last report filed on January 22, 2018) to 11.929% on a partially diluted basis triggering the requirement to file this report.

A copy of the press release issued by the Acquiror on July 5, 2018 is attached hereto as Schedule “A”.

- 2.3 **State the names of any joint actors.**

Joanna Drzazga (“**JDrzazga**”), wife of the Acquiror.

### Item 3 - Interest in Securities of the Reporting Issuer

- 3.1 **State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file the report and the change in the acquiror's securityholding percentage in the class of securities.**

See Item 2.2 above.

- 3.2 **State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file the report.**

JDrzazga had sold a total of 94,500 Common Shares of the Issuer in the market since the last report was filed on January 22, 2018. However, the requirement to file this report was triggered by the Private Transaction. See item 2.2 for details.

- 3.3 **If the transaction involved a securities lending arrangement, state that fact.**

Not applicable.

- 3.4 **State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.**

WDrzazga held 1,593,477 Common Shares representing 7.89% of the issued and outstanding capital of the Issuer before the Private Transaction and after the Private Transaction held 973,477 Common Shares representing 4.825% of the issued and outstanding capital. JDrzazga held directly and indirectly 1,433,045 Common Shares representing 7.104% of the issued and outstanding capital of the Issuer both before and after the Private Transaction. Collectively they held 2,406,522 Common Shares representing 11.929% of the issued and outstanding capital of the Issuer after the Private Transaction.

- 3.5 **State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which**

- (a) **the acquiror, either alone or together with any joint actors, has ownership and control,**

WDrzazga and JDrzazga (collectively the "Acquirors") beneficially own and have control over 2,406,522 Common Shares representing 11.929% of the issued and outstanding Common Shares on a partially diluted basis.

- (b) **the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and**

Not applicable

- (c) **the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

Not applicable.

- 3.6 **If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.**

Not applicable.

- 3.7 **If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.**

Not applicable.

**State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.**

Not applicable.

- 3.8 **If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.**

Not applicable.

#### **Item 4 Consideration Paid**

- 4.1 **State the value, in Canadian dollars, of any consideration paid or received per security and in total.**

Not applicable

- 4.2 **In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.**

Not applicable

- 4.3 **If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.**

Not applicable.

## **Item 5 - Purpose of the Transaction**

**State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:**

- (a) **the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;**
- (b) **a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;**
- (c) **a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;**
- (d) **a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;**
- (e) **a material change in the present capitalization or dividend policy of the reporting issuer;**
- (f) **a material change in the reporting issuer's business or corporate structure;**
- (g) **a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;**
- (h) **a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;**
- (i) **the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;**
- (j) **a solicitation of proxies from securityholders;**
- (k) **an action similar to any of those enumerated above.**

The Acquirors hold the Common Shares for investment purposes and intend to evaluate their investment and to increase or decrease their holdings in ZTEST as circumstances warrant. The Acquirors have advised that they have no present intention to either increase or decrease their holdings in ZTEST. Notwithstanding the foregoing, the Acquirors have advised that they may increase or decrease their beneficial ownership, control or direction over Common Shares of ZTEST through market transactions, private agreements, other treasury issuances or otherwise.

## **Item 6 - Agreements, Arrangements, Commitments Or Understandings With Respect to Securities of the Reporting Issuer**

**Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option**

arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

Not applicable.

**Item 7 – Change In Material Fact**

**If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer’s securities.**

See Item 2.2 above.

**Item 8 – Exemption**

**If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.**

Not applicable.

**Item 9 – Certification**

**Certificate**

We, as the Acquirors, certify to the best of our knowledge, information and belief, that the statements made in this report are true and complete in every respect.

Date: July 5, 2018.

*/s/ Joanna Drzazga*

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**JOANNA DRZAZGA**

*/s/ Wojciech Drzazga*

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**WOJCIECH DRZAZGA**

**PRESS RELEASE  
FOR IMMEDIATE RELEASE**

**TED DRZAZGA ANNOUNCES CHANGE IN OWNERSHIP INTEREST OF ZTEST  
ELECTRONICS INC.**

TORONTO July 5, 2018 – Wojciech (“**Ted**”) Drzazga announces that his ownership interest and that of his wife Joanna (“**Joanna**”) Drzazga in ZTEST Electronics Inc. (“**ZTEST**” or the “**Company**”) has collectively decreased by more than 2%. Ted and Joanna previously filed an early warning report with respect to the securities of ZTEST on January 22, 2018, at which time they collectively held 15.965% of ZTEST on a partially diluted basis. As a result of the disposition of 620,000 common shares by Ted in a private transaction and the sale of 94,500 common shares by Joanna in the market, Ted and Joanna collectively hold 11.929% of the Company.

Ted holds 973,477 common shares representing 4.825% of the issued and outstanding capital of the Company. Joanna holds directly and indirectly 1,433,045 common shares representing 7.104% of the issued and outstanding capital of the Company. Collectively they hold 2,406,522 common shares representing 11.929% of the issued and outstanding capital of the Company.

Ted and Joanna have advised that the securities are held for investment purposes and that they have no present intention to either increase or decrease their holdings in the Company. Notwithstanding the foregoing, they have advised that they may increase or decrease their beneficial ownership, control or direction over common shares of the Company through market transactions, private agreements, other treasury issuances or otherwise.

This news release is issued pursuant to National Instrument 62-103 – *The Early Warning System and related Take-Over Bid and Insider Reporting Issues* of the Canadian Securities Administrators, which also requires an early warning report to be filed with the applicable securities regulators containing additional information with respect to the foregoing matters. A copy of the early warning report in respect of the foregoing matters will be available on ZTEST’s issuer profile on SEDAR at [www.sedar.com](http://www.sedar.com).

For more information contact:

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The CSE has neither approved nor disapproved the contents of this press release. The CSE does not accept responsibility for the adequacy or accuracy of this release.