



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

**PRESS RELEASE
FOR IMMEDIATE RELEASE**

**ZTEST ANNOUNCES NON-BROKERED PRIVATE PLACEMENT OFFERING AND
DEBT SETTLEMENT**

NORTH YORK, January 22, 2020 - ZTEST Electronics Inc. (“**ZTEST**” or the “**Company**”) (CSE - “**ZTE**”) is pleased to announce that it is proceeding with a non-brokered private placement (the “**Offering**”) for the sale of up to 2,000,000 working capital units (“**WC Units**”) at \$0.15 per WC Unit for proceeds of up to \$300,000. The Company also wishes to announce that it has entered into agreements to settle an aggregate of \$153,500 of debt owed to insiders of the Company for management fees and directors fees in consideration for the issuance of 1,023,000 common shares of the Company at a price of \$0.15 per share (the “**Debt Settlement**”).

The insider debt settlements are 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 insiders does not exceed 25% of its market capitalization.

Each WC Unit consists of one (1) common share and one (1) common share purchase warrant (a “**Warrant**”). Each Warrant entitles the holder to acquire an additional common share of the Company at \$0.25 for one (1) year from the closing of the Offering.

Eligible Finders may receive up to 7% of the value of proceeds of the sale of WC Units in cash and up to 7% of the number of WC Units sold in the form of broker warrants. Each broker warrant issued in respect of the sale of WC Units entitles the holder to acquire one (1) common share of ZTEST at \$0.15 for a period of one (1) year from the Closing of the Offering.

All securities issued pursuant to the Offering and the Debt Settlement are subject to a statutory four month hold period.

Insiders of the Company may subscribe for up to 25% of the Offering. The insider private placements are 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 which may be issued to the insiders does not exceed 25% of its market capitalization.



The Company also wishes to announce that Mr. Brendan Purdy has resigned as a director of the Company effective January 17, 2020. Steve Smith, CEO of ZTEST stated “the Board of Directors would like to thank Mr. Purdy for his service to the Company as a director and wish him the best in his future endeavours.”

About ZTEST Electronics Inc.

ZTEST Electronics Inc., through 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 9001:2015 certified facility in North York, Ontario, Canada. The company serves customers in the Medical, Power, Computer, Telecommunications, Wireless, Industrial and Consumer Electronics markets requiring high quality, quick-turnaround, small and medium size production runs. ZTEST also holds a 25.29% equity interest in Conversance Inc. (“Conversance”).

For more information contact:

Steve Smith, CEO
(604) 837-3751
email: stevesmith15@shaw.ca

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.