



**ZTEST ELECTRONICS INC.
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**PRESS RELEASE
FOR IMMEDIATE RELEASE**

**ZTEST ANNOUNCES CLOSING OF DEBT SETTLEMENT AND FIRST TRANCHE OF
NON-BROKERED PRIVATE PLACEMENT OFFERING**

NORTH YORK, February 27, 2020 - ZTEST Electronics Inc. (“ZTEST” or the “Company”) (CSE - “ZTE”) is pleased to announce that it will be closing the first tranche of its non-brokered private placement (the “Offering”) announced on January 22, 2020 with the sale of 750,000 working capital units (“WC Units”) at \$0.15 per WC Unit for gross proceeds of \$112,500 on February 28, 2020. The Offering will remain open until the earlier of the sale of the remaining WC Units and March 6, 2020.. The Company also wishes to announce that it will settle an aggregate of \$153,500 of debt owed to insiders of the Company for management fees and directors fees on February 28, 2020 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”).

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 until February 28, 2021.

A finder was paid \$1575 in cash and was issued 10,500 broker warrants. Each broker warrant entitles the holder to acquire one (1) common share of ZTEST at \$0.15 until February 28, 2021.

All securities issued pursuant to the first closing of the Offering and the Debt Settlement are subject to a statutory hold period expiring on June 29, 2020.

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.

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

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requiring high quality, quick-turnaround, small and medium size production runs. ZTEST also holds a 25.29% equity interest in Conversance Inc. ("Conversance").

About Conversance Inc.

Conversance, a Waterloo Ont. based private company founded by Mr. Joseph Chen, is focused on developing and marketing proprietary artificial intelligence supported distributed ledger technologies. Mr. Chen is an electrical engineer with a strong background in radio frequency, digital signal processing, VLSI (very-large-scale integration), complex systems, chemistry and physics. Mr. Chen joined Research In Motion (now BlackBerry) in 1999, becoming a senior member of the office of the chief technology officer ("CTO"), where he was instrumental in many of BlackBerry's key telephony innovations and patents. While at BlackBerry, the office of the CTO first began looking into blockchain in 2008. Since leaving BlackBerry in 2012, Mr. Chen has focused much of his personal research on the state of the art in machine learning, cryptography and quantum computing, and their implications and applications in digitizing and automating finance, and the protection of personal information and trust in a digital world.

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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.