

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

ZTEST AGREES TO INCREASE EQUITY OWNERSHIP IN CONVERSANCE INC.

NORTH YORK, October 29, 2021 - ZTEST Electronics Inc. (“**ZTEST**” or the “**Company**”) (CSE - “**ZTE**”) is pleased to announce that it has entered into a new agreement to acquire a further 25,000 Class A Common Shares of Conversance Inc., (“**Conversance**”) representing a 2.1% interest, and has been granted an extension of time during which the Company may exercise its option to acquire a further 75,000 Class A Common Shares of Conversance. Conversance is a Waterloo Ont. based private company in which ZTEST currently owns a 25.29 % equity interest.

The Company will acquire the 25,000 Class A Common Shares from Joseph Chen, the founder and controlling shareholder of Conversance, in consideration for the issuance of 1,250,000 Convertible First Preferred Shares Series 2 (the “**Preferred Shares**”). The Preferred Shares are automatically convertible into 1,250,000 common shares of ZTEST if on or before June 30, 2022, an arm’s length investor or a group of arm’s length investors acting together, at one time or in installments, purchases from the treasury of Conversance an aggregate of at least 130,139 Class A Common Shares (including, without limitation, by way of conversion of convertible debentures into Class A Common Shares), being 10% of the issued and outstanding capital of Conversance after giving effect to the purchase of the Class A Common Shares, at a price of at least \$10.00 per Class A Common Share (the “**Triggering Event**”). If the Triggering Event has not occurred by June 30, 2022, subject to further agreement of the parties, the agreement will be terminated and the Preferred Shares will be redeemed for \$1.00. The transaction was negotiated at arm’s length and was not based upon a current appraisal or valuation of Conversance. The conversion of the Preferred Shares into Common Shares of the Company is conditional upon a third-party investment in Conversance and will only occur if the Triggering Event occurs on or before June 30, 2022.

The Company was also granted an extension of time during which it may exercise its option from Conversance to acquire 75,000 Class A Common Shares of Conversance on or before June 30, 2023 for the payment of \$1 million. The transactions are subject to the Company making the required filings with the CSE.

The preferred shares issued pursuant to the agreement announced in the Press Release dated September 11, 2020 have been redeemed as the triggering event as defined therein did not occur by June 30, 2021.

About ZTEST Electronics Inc.

ZTEST Electronics Inc., through its wholly owned subsidiary Permatest Electronics Corp. (“Permatest”), offers Electronic Manufacturing Services (EMS) to a wide range of customers. Permatest’s offering includes Materials Management, Printed Circuit Board (PCB) Assembly, Testing and Design services. Permatest 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.

About Conversance Inc.

Conversance, a private company based in Waterloo, Ont., founded by Mr. 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, where he was instrumental in many of BlackBerry's key telephony innovations and patents. Mr. Chen’s interest in blockchains began in 2009.

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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.

FORWARD LOOKING STATEMENTS: *This press release contains forward-looking statements, which relate to future events or future performance and reflect management’s current expectations and assumptions. Such forward-looking statements reflect management’s current beliefs and are based on assumptions made by and information currently available to the Company. Investors are cautioned that these forward-looking statements are neither promises nor guarantees and are subject to risks and uncertainties that may cause future results to differ materially from those expected. These forward-looking statements are made as of the date hereof and, except as required under applicable securities legislation, the Company does not assume any obligation to update or revise them to reflect new events or circumstances. All of the forward-looking statements made in this press release are qualified by these cautionary statements and by those made in our filings with SEDAR in Canada (available at www.sedar.com).*