



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

**PRESS RELEASE
FOR IMMEDIATE RELEASE**

ZTEST ANNOUNCES DEBT SETTLEMENT

NORTH YORK, November 2, 2023 - ZTEST Electronics Inc. (“**ZTEST**” or the “**Company**”) (CSE - “**ZTE**”) is pleased to announce that it has entered into agreements to settle an aggregate of \$357,490 of debt owed to two officers and one director of the Company, and one other creditor for management fees and directors fees in consideration for the issuance of 4,468,625 common shares of the Company at a price of \$0.08 per share (the “**Debt Settlement**”).

The insider debt settlements aggregating \$316,500 and 3,956,250 common shares 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. In accordance with the provisions of MI 61-101 the Debt Settlement will not close until at least 21 days after the filing of a material change report with respect to the Debt Settlement.

All securities issued pursuant to the Debt Settlement will be subject to a statutory four month and one day hold period.

Early Warning Disclosure Regarding Steve Smith

Steve Smith, President, CEO and a director of the Company, will acquire 2,875,000 common shares pursuant to a debt settlement.

Immediately prior to the completion of the Debt Settlement, Steve Smith beneficially owns, directly or indirectly, or exercises control or direction over, 1,075,000 common shares, and 200,000 stock options to acquire common shares exercisable at \$0.10 per common share until September 30, 2027 (the “**Stock Options**”), representing approximately 4.03% of the issued and outstanding Common Shares on a non-diluted basis and 4.74% on a partially diluted basis.

Immediately following the closing of the Debt Settlement, Steve Smith will beneficially own, directly or indirectly, or exercise control or direction over, 3,950,000 Common Shares, and the Stock Options, representing approximately 12.67% of the issued and outstanding Common Shares on a non-diluted basis and 13.23% on a partially diluted basis.



Steve Smith has advised that the common shares will be acquired for investment purposes and that he has no present intention to either increase or decrease his holdings in the Company. Notwithstanding the foregoing, he has advised that he may increase or decrease his beneficial ownership, control or direction over common shares of the Company through market transactions, private agreements, exercise of warrants, 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 this early warning report in respect of this transaction will be available on ZTEST's issuer profile on SEDAR at www.sedar.com.

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 and Testing services. Permatest operates from a 20,000 square foot, ISO 9001:2015 certified facility in North York, Ontario, Canada. Permatest is a contract manufacturer of complex circuit boards, serving customers in the Medical, Power, Computer, Telecommunications, Wireless, Industrial, Trucking, Wearables and Consumer Electronics markets. It specializes in servicing customers who are looking for high yield and require high quality and rapid-turnaround on low and mid-volume production of high complexity products.

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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.