

Zinc8 Energy Solutions Announces \$3,000,000 Private Placement

VANCOUVER, BC / January 21, 2020 / MGX Renewables Inc, DBA Zinc8 Energy Solutions ("Zinc8" or the "Company") (CSE:MGXR) (FSE:0E9) is pleased to announce that it has arranged a non-brokered private placement (the "Private Placement") for total gross proceeds of up to \$3,000,000. The Private Placement will consist of up to 27,272,727 units at price of \$0.11 per unit (each a "Unit"). The private placement announced September 13, 2019 will not proceed.

Each Unit shall consist of one (1) common share and one transferable share purchase warrant (each a "Warrant"). The Warrants are exercisable for a period of two (2) years at a price of \$0.155 in the first year from the date of issuance and at a price of \$0.40 for the balance of the term.

The Company may pay finder's fees in conjunction with the Private Placement as permitted by applicable securities laws and the rules of the CSE. All securities issued in respect of the Private Placement will be subject to a hold period of four (4) months and a day from closing of the Private Placement in accordance with securities laws.

The proceeds of the Private Placement will be used for general working capital. The Private Placement is subject to the Company's filing requirements with the Canadian Securities Exchange.

About Zinc8 Energy Solutions

Zinc8 Energy Solutions has assembled an experienced team to execute the development and commercialization of a dependable low-cost zinc-air battery. Zinc-air batteries can be ideal for mass storage systems and offer both environmental and safety benefits. *Zinc8 Energy Solutions* strives to meet the growing need for secure and reliable power.

To watch a short video outlining Zinc8 Energy Solutions' technology, please visit: <https://zinc8energy.com>

More about The Zinc8 Energy Storage System (ESS)

The *Zinc8* ESS is a modular Energy Storage System designed to deliver power in the range 20kW - 50MW with capacity of 8 hours of storage duration or higher. With the advantage of rechargeable zinc-air flow battery technology, the system can be configured to support a wide range of long-duration applications for microgrids and utilities. Since the energy storage capacity of the system is determined only by the size of the zinc storage tank, a very cost-effective and scalable solution now exists as an alternative to the fixed power/energy ratio of the lithium-ion battery.

Technology

The *Zinc8* ESS is based upon unique patented zinc-air battery technology. Energy is stored in the form of zinc particles, similar in size to grains of sand. When the system is delivering power, the zinc particles are combined with oxygen drawn from the surrounding air. When the system is recharging, zinc particles are regenerated, and oxygen is returned to the surrounding air.

Applications

The flexibility of the *Zinc8* ESS enables it to service a wide range of applications. Typical examples include:

- Smoothing energy derived from renewable sources such as wind and solar
- Commercial/Industrial backup replacing diesel generators
- Industrial and grid scale, on-demand power for peak shaving and standby reserves

- Grid-scale services such as alleviating grid congestion, deferring transmission/distribution upgrades, energy trading and arbitrage, and increasing renewable energy penetration.

Architecture

The Zinc8 ESS is designed according to a modular architecture that enables a wide variety of system configurations to be created from a small number of common subsystems. Each subsystem implements a single element of the technology:

- The Zinc Regeneration Subsystem (ZRS) provides the recharging function
- The Fuel Storage Subsystem (FSS) provides the energy storage function
- The Power Generation Subsystem (PGS) provides the discharging function

To watch a short video outlining Zinc8's technology, please visit: <https://zinc8energy.com>

Contact Information

Patrick Butler

Corporate Development

Telephone: 1.604.558.1406 Ext.5

patrick@zinc8energy.com

Web: investors@zinc8energy.com

Forward-Looking Information

This news release contains certain statements or disclosures relating to Zinc8 Energy Solutions that are based on the expectations of its management as well as assumptions made by and information currently available to Zinc8 Energy Solutions which may constitute forward-looking statements or information ("forward-looking statements") under applicable securities laws. All such statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that Zinc8 Storage anticipates or expects may, or will occur in the future (in whole or in part) should be considered forward-looking statements. In some cases, forward-looking statements can be identified by the use of the word "will", "could", "expect", "may" and other similar expressions.

Forward looking statements in this press release include that we can execute the development and commercialization of a dependable low cost zinc-air battery; that our mass storage system offers both environmental and efficiency benefits; that we will execute on our agreement with NYPA and that we can help meet the needs for secure and reliable power; that our technology is scalable for energy storage solutions; that this agreement opens the door for Zinc8 to deploy its technology into the broader utility market; and that we can reach full commercialization. The forward-looking statements included in this news release are not guarantees of future performance and should not be unduly relied upon. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements including, without limitation: that NYPA or we do not perform our obligation or our cooperation agreement is changed or terminated for any reason; that the cooperation agreement with NYPA does not yield the benefits of demonstrating our batteries' benefits; even if successful, the NYPA agreement may not lead to other utilities deploying our technology because of cost, complexity or other reasons; that our technology fails to work as expected or at all; that our technology proves to be too expensive to implement broadly; that customers do not adapt our products for being too complex, costly, or not fitting with their current products or plans; general economic, market and business conditions; increased costs and expenses; inability to retain qualified employees; our patents may not provide protection as expected and we may infringe on the patents of others; and certain other risks detailed from time to time in Zinc8 Energy Solution's public disclosure documents, copies of which are available on MGX Renewables Inc's SEDAR profile at www.sedar.com. Readers are cautioned

that the foregoing list of factors is not exhaustive and are cautioned not to place undue reliance on these forward-looking statements.

The forward-looking statements contained in this news release are made as of the date hereof and the Company undertakes no obligations to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

Neither the CSE nor any Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.