Zinc8 Energy Solutions Inc. Announces Its First Private Sector Deployment Agreement with Digital Energy Corp to Install a Zinc-Air Energy Storage System in New York City

VANCOUVER, BC / March 11, 2020 / MGX Renewables Inc, DBA Zinc8 Energy Solutions ("Zinc8" or the "Company")(CNSX:MGXR), is pleased to provide this corporate update.

- First private sector deployment agreement signed with Digital Energy Corporation to install a 100kW/1.5MWh Zinc-Air Energy Storage System in Brooklyn, NY
- C$2.5 million project development being financially supported by the New York State Energy Research and Development Authority (NYSERDA)

Zinc8 Energy Solutions is pleased to announce a Deployment Agreement with Digital Energy Corp, a New York based private sector developer of Combined Heat and Power (CHP) plants, solar systems and microgrids. This agreement is financially supported by The New York State Energy Research and Development Authority, known as NYSERDA, for the installation of a 100kW/1.5MWh Zinc-Air Energy Storage System in Brooklyn, New York.

Established in 1975, NYSERDA is a New York State public-benefit corporation that promotes energy efficiency and the use of renewable energy sources. Collectively, NYSERDA's efforts aim to reduce greenhouse gas emissions, accelerate economic growth, and reduce customer energy bills.

The Zinc8 Energy Storage System will support and enhance the economics of a CHP system currently operating at Brooklyn, New York. NYSERDA is financially supporting this project deployment of CAD $2.5 Million, with a CAD $600,000 contribution as the result of a call for proposals. In addition, NYSERDA has chosen Digital Energy Corp, and Zinc8 as the Energy Storage System manufacturer to demonstrate the economics and reliability of Zinc8's patented zinc-air battery technology for low-cost long-duration storage in a behind-the-meter application.

"This deployment marks a major milestone in Zinc8 Energy Solutions' path to full commercialization and underscores the growing demand for low-cost reliable long-duration energy storage," stated Ron MacDonald, President and CEO of Zinc8 Energy Solutions.

Despite advances in storage technology, and ever-increasing numbers of deployments, several technological optimization opportunities still exist including hardware cost reductions, enhanced system performance (efficiency, life cycle and thermal stability), and integration field testing with the grid and other applications. Improving and optimizing these areas will accelerate the growth of energy storage deployment. This project is focused on advancing, developing and field testing the Zinc8 storage technology that will address cost, performance and integration challenges in New York State.

"Digital Energy and Integrated Energy Concepts are excited about working with Zinc8 Energy on the development and deployment of the Zinc8 Energy Storage system. The Zinc8 system addresses several critical needs of on-site electric energy storage: Price point economics, system robustness under real-world

use, and safety. We see the Zinc8 system as very promising for integration into our existing and developing customer base of over 100 on-site power plants, solar systems, and microgrids," said William Cristofaro, President and CEO of Digital Energy Corp.

"We are very pleased to be working with the well-respected US interconnect company Digital Energy Corp. who believes, as we do, that this new technology will open up a huge global opportunity for behind-the-meter, microgrid and utility-scale long-duration energy storage," stated Mr. MacDonald, President and CEO of Zinc8 Energy Solutions.

This is the second major installation announcement within 7 weeks for Zinc8 Energy Solutions. On January 17th, 2020 The New York Power Authority (NYPA) selected Zinc8 Energy Solutions as a winner of the Innovation Challenge, which will see the installation of a 100kW/1.5MWh Zinc-Air Energy Storage System in New York State.

Within weeks of announcing our collaboration with NYPA (the largest public power organization in the Unites States), we are announcing a second project with Digital Energy Corp (a private sector developer) who has a pipeline of over 100 potential projects. This underscores our belief at Zinc8 Energy Solutions that our technology could be transformative in significantly improving the economics of long-duration energy storage.

Under the Deployment Agreement with Digital Energy, not only will Zinc8 and Digital work together on the Brooklyn project, but Digital and Zinc8 will try to refer other projects to each other for joint proposals. As compensation for referring the Brooklyn project, Zinc8 will grant to Digital options and will make certain payments to Digital in Zinc8 shares on achieving milestones for the Brooklyn project.

About NYSERDA

NYSERDA, a public benefit corporation, offers objective information and analysis, innovative programs, technical expertise, and funding to help New Yorkers increase energy efficiency, save money, use renewable energy, and reduce reliance on fossil fuels. NYSERDA professionals work to protect the environment and create clean-energy jobs. NYSERDA has been developing partnerships to advance innovative energy solutions in New York State since 1975. To learn more about NYSERDA's programs and funding opportunities, visit nyserda.ny.gov or follow us on Twitter, Facebook, YouTube, or Instagram.

About Digital Energy Corp

Digital Energy is a premier consulting firm specializing in the energy industry with a focus on cogeneration plant operations and financial performance. In addtion, Digital personnel have experience with the NYISO, REV PSC proceedings, and Utility rate case proceedings, Digital is an authorized aggregator in the Con Edison's BQDM Demand Response Program and has experience with other utility demand response programs. Digital assist its clients in operating their cogeneration plant, analyzing utility bills, procuring energy supply, and assisting standby rate customers in receiving the Standby Reliability Credit.

Digital specializes in maximizing financial performance from your energy infrastructure assets and analyzing upgrades to energy infrastructure quite often utilizing NYSERDA/Utility programs.

For more information on Digital Energy Corp, visit www.digitalenergyny.com

About Zinc8 Energy Solutions

Zinc8 has assembled an experienced team to execute the development and commercialization of a dependable low-cost zinc-air battery. This mass storage system offers both environmental and efficiency benefits. Zinc8 strives to meet the growing need for secure and reliable power.

To watch a short video outlining Zinc8's 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

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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.

Forward looking statements in this press release include that we will install a 100kW/1.5MWh Zinc-Air Energy Storage System in Brooklyn, NY; that this deployment marks a major milestone in Zinc8 Energy Solutions' path to full commercialization; that our technology will open up a huge global opportunity for behind-the-meter, microgrid and utility-scale long-duration energy storage; that through NYPA we will build a 100kW/1.5MWh Zinc-Air Energy Storage System in New York State; that our technology could be transformative in improving the economics of long term battery storage; 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; and that we can help meet the needs for secure and reliable power. Zinc8 Energy Solutions believes the material factors, expectations and assumptions reflected in the forward-looking statements are reasonable at this time, but no assurance can be given that these factors, expectations and assumptions will prove to be correct. The forward-looking statements included in this news release are not guarantees of future performance. 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 the Nycerda or NYPA projects do not go forward; 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; our competitors may offer better or cheaper solutions for battery storage; 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 i, 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.