

51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Zinc8 Energy Solutions Inc. (the “**Company**”)
#1 - 8765 Ash Street
Vancouver, BC V6P 6T3

Item 2 Date of Material Change

December 16, 2020

Item 3 News Release

The news release was disseminated on January 14, 2021 through ACCESSWIRE.

Item 4 Summary of Material Change

The Company announced the election of Mr. Charn Deol and Mr. Sean Charland to the Board of Directors for Zinc8 Energy Solutions Inc. at the Company’s Annual General and Special Meeting of Shareholders held on December 16, 2020. Michael Reimann did not stand for re-election to the Board of Directors of the Company. Zinc8 Energy Solutions Inc. would like to thank Mr. Reimann for his many contributions to the Company.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

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See attached new release with respect to the matter described above.

5.2 Disclosure for Restructuring Transactions

N/A

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

N/A

Item 7 Omitted Information

None

Item 8 Executive Officer

Contact: Ron MacDonald, Chief Executive Officer
Telephone: 604.366.5918

Item 9 Date of Report

January 15, 2021



Zinc8 Energy Solutions Welcomes New Board Members and Announces Exercise of Warrants for Gross Proceeds of over \$3 Million

Vancouver, British Columbia, Canada – January 14, 2021 Zinc8 Energy Solutions Inc. (“Zinc8” or the “Company”) (TSXV: ZAIR) is pleased to announce the election of Mr. Charn Deol and Mr. Sean Charland to the Board of Directors for Zinc8 Energy Solutions Inc. at the Company’s Annual General and Special Meeting of Shareholders held on December 16, 2020. At the Meeting, shareholders voted overwhelmingly to approve a stock option plan as well as a RSU plan for the Company. The shareholders also approved the Company’s recommended slate of directors for the Board including two existing directors Ron Macdonald and Dave Hodge. Michael Reimann did not stand for re-election to the Board of Directors of the Company. Zinc8 Energy Solutions would like to thank Mr. Reimann for his many contributions to the Company.

“We’ve added some bench strength to the Board of Directors as the Company continues with the development of its long duration energy storage solution”, commented Ron MacDonald, President and CEO of Zinc8 Energy Solutions Inc. “Both Charn and Sean are great additions and their experience in the public markets will be a valuable resource for the Company.”

The Company also announces that over the last twelve months, the Company has had a significant number of outstanding warrants exercised resulting in over \$3 million in gross proceeds. The warrants were created through prior private placements. “The warrant exercises strengthen our cash position and show a vote of confidence for the Company’s future prospects,” added Mr. MacDonald. “We look forward to advancing our objectives and continued success in 2021.”

As a result of the exercised warrants, the Company’s total shares outstanding are now approximately 108 million.

About Zinc8 Energy Solutions Inc.

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 learn more about Zinc8’s technology, please visit: www.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

Notice Regarding Forward Looking Statements

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 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 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, copies of which are available on the Company'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.

For more information please contact:

Incite Capital Markets

Kristian Schneck / Eric Negraeff

Zinc8 Energy Solutions Inc.

Ron MacDonald

Ph: 604.493.2004

Email: investors@zinc8energy.com