

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

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VANCOUVER, BC, Dec. 19, 2022 /CNW/ - Zinc8 Energy Solutions Inc. ("Zinc8" or the "Company") (CSE: ZAIR) (OTC: ZAIRF) (FSE: 0E9) is pleased to announce the offering of up to 15,000,000 units (each, a "Unit") at a price of \$0.20 per Unit as a non-brokered private placement (the "Private Placement") to raise gross proceeds of up to \$3,000,000. The proceeds of the Private Placement will be used for working capital expenditures including operating expenses, research and development, pursuing advancement of the Company's business plan, salaries and wages, investor relations and marketing fees, and professional fees.

Each Unit is comprised of one common share in the capital of the Company (each, a "Share") and one non-transferable share purchase warrant (each, a "Warrant"). The Warrants are exercisable for a period of two (2) years at a price of \$0.30 in the first year from the date of issuance and at a price of \$0.40 for the balance of the term. Finder's fees will be paid in connection with the Private Placement and certain insiders of the Company intend to participate in the Private Placement. The proposed participation by insiders in the Private Placement is a "related party transaction" within the meaning of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The issuances to the insiders are exempt from the valuation requirement of MI 61-101 by virtue of the exemption contained in section 5.5(b) as the Company's shares are not listed on a specified market and from the minority shareholder approval requirements of MI 61-101 by virtue of the exemption contained in section 5.7(a) of MI 61-101 in that the fair market value of the consideration of the securities issued to the related parties did not exceed 25% of the Company's market capitalization. All securities issued pursuant to 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. Closing of the Private Placement remains subject to several conditions including receipt of subscriptions and regulatory approval, if required.

The securities offered have not been, and will not be, registered under the United States Securities Act of 1933, as amended, or any state securities laws, and may not be offered, sold or delivered, directly or indirectly, in the United States, its possessions and other areas subject to its jurisdiction or to, or for the account or for the benefit of a U.S. person, unless an exemption from registration is available. This news release is for information purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any securities of the Company in any jurisdiction.

Zinc8 Energy Solutions focuses on developing and commercializing its low-cost, long duration ZESS for utilities, microgrid, and Commercial & Industrial markets. By using the patented ZESS as a standalone or an enabling technology, it allows opportunities for peak demand reduction, time-of-use arbitrage, and participation in both the value stacking programs and the distributed long-duration energy storage space, all in conjunction with the opportunity for a significant reduction in carbon footprint. The long duration (8-100+ hours) ZESS has no fire and explosion risk, has no capacity fade over extensive lifetime, and offers complete charge operational flexibility.

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: <https://zinc8energy.com>.



Zinc8 Energy Storage System (ESS) (CNW Group/Zinc8 Energy Solutions Inc.)

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

All 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 the proceeds of the Private Placement will be used as described herein, that the Company will close the Private Placement, 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 can help meet the needs for secure and reliable power, that the support of Senator Schumer will weigh heavily on Zinc8's decisions relating to location of its first manufacturing facility, and that federal funding will be available in the United States for U.S. based battery research, development and production. 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 Company may not complete the Private Placement; that the Company may not use the proceeds of the Private Placement as described herein, that we are not able to raise additional funds as expected on terms that are favourable to the Company or at all; 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; the completion of our planned private placement or are unable to raise all of the funds we are seeking to raise; that Senator Schumer may not continue to support Zinc8; that Zinc8 may not open a manufacturing facility; that federal funding in the United States may not be available to Zinc8 on favourable terms or at all; 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.

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