

Zinc8 Energy Solutions Announces Fiscal Year 2022 Financials

VANCOUVER, BC, April 28, 2023 /CNW/ - Zinc8 Energy Solutions Inc. ("**Zinc8**" or the "**Company**") (CSE: ZAIR)(OTC PINK: ZAIRF)(FSE: 0E9) today announced its audited financial statements for the fiscal year ended December 31, 2022 and its fiscal 2022 MD&A were filed on SEDAR. For detailed information on these results, please see Zinc8 Energy Solutions Inc. Fiscal Year 2022 Financial Statements and Management Discussion and Analysis as filed on SEDAR on April 28, 2022.

Fiscal Year 2022 Highlights Include:

- On September 1, 2022, the Company announced that the company's inaugural commercial production facility will be based in the United States. Based upon comprehensive analysis done by the company, the announced Inflation Reduction Act ("IRA")'s manufacturing production credits contained within Section 45X provide distinct and direct benefits to Zinc8 and its production plans in the United States ("US").
- On July 8, 2022, Zinc8 announced the support from the U.S. Senate Majority Leader Charles E. Schumer (D-NY) for Zinc8 to establish a manufacturing facility in Ulster, New York's former TechCity Site location.
- On April 19, 2022, the Company announced that they had been named a "Best-in-Class" solution in the Energy Storage Category for the Real Estate Board of New York's ("REBNY") 2022 PropTech Challenge.
- On January 18, 2022, it was announced the Company and partner Digital Energy Corp signed a host site agreement with Fresh Meadows Community Apartments in Queens, NY, to install a 100kW/1.5MWh ZESS for the purpose of demonstrating its long duration energy storage capability that included financial support by The New York State Energy Research and Development Authority ("NYSERDA"). The ZESS will support and enhance the economics of a Combined Heat and Power ("CHP") plant which is currently under construction along with an existing solar system at the Fresh Meadows Apartments, a site that is owned by Cammeby Realty Corp.

Subsequent to December 31, 2022 Highlights Include:

- On March 15, 2023, Zinc8 announced the approval from the Ulster County Industrial Development Agency ("UCIDA") of the issuance of tax-exempt revenue bonds for up to US\$10 million to undertake the buildout and completion of Zinc8's first commercial manufacturing facility within Ulster County, New York. The Ulster County tax-exempt municipal bonds are subject to various terms and conditions, including limitations on the use of funds and repayment terms and entry into a lease for a manufacturing facility which has not yet been completed. The terms of the placement of the bonds have not yet been determined, and the Company expects placement fees to be paid to the placement agent KeyBanc Capital Markets Inc. in connection with the placement of the bonds.
- On January 26, 2023, the Company announced the approval by the Empire State Development ("ESD") of up to US\$9 million in performance-based Excelsior Jobs Program ("EJP") tax credits to incentivize the Company to locate and establish its first US-based production facility in New York State. The performance-based tax credits are available immediately for a period of up to 5 years, in whole or part, depending on the level of investment and jobs created by the Company.

"This is an exciting time for Zinc8," said Ron MacDonald, President and CEO of Zinc8 Energy Solutions. "We're working closely with the New York government, strategic partners and potential

customers to help improve the overall economic and environmental picture. This is a powerful combination where business and the environment win and we're proud to be part of the solution."

"Last year, we saw the Inflation Reduction Act signed into law in the United States. The significant tax incentives available to encourage the production of clean energy equipment by industry players such as Zinc8 are substantial. We have had the support of local and state agencies from the state of New York for several years. Furthermore, the IRA clearly demonstrates the political will of the federal government to support emerging industry, employment and to help decarbonize the economy on a national scale."

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>



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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 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 Company will establish a manufacturing facility in the United States and that the IRA and support of high profile politicians in the United States will be beneficial to Zinc8 and its establishing a facility in the United States. 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 we are not able to raise funds as expected; 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; that we are not able to establish a manufacturing facility in Ulster County or elsewhere in New York; that we are not able to derive any benefits from the EJP tax credits or UICDA bonds; that we are not able to create jobs in New York; that the benefits of the IRA are not as expected; that the Company is not able to commercialize its products as expected or at all; 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; that Zinc8 may not have continued support from local, state and federal government; 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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