

ZENN Motor Company Inc.
Toronto, Ontario, Canada
(TSXV: ZNN)

ZENN MOTOR COMPANY ANNOUNCES PRIVATE PLACEMENT

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Toronto, Ontario – October 31, 2013 – ZENN Motor Company Inc. (TSXV: ZNN; “ZENN” or the “Company”) announced today plans to raise a minimum of Cdn\$3.0 million and a maximum of Cdn\$5.0 million in a non-brokered private placement. ZENN is proposing to offer a minimum of 3,000,000 and a maximum of 5,000,000 units at a price of \$1.00 per unit, with each unit consisting of one common share and one common share purchase warrant. Each share purchase warrant will entitle the holder to acquire one common share at a price of \$1.50 for a period of 18 months from the closing date of the offering.

Industrial Alliance Securities Inc. will act as a finder for qualified institutional investors. ZENN proposes to pay a finder’s fee to Industrial Alliance Securities Inc. and other registered dealers that introduce subscribers for units that are accepted, equal to 6.0% of the subscription price, payable in cash, plus 6.0% finder’s warrants having the same terms as the warrants issued to subscribers under the offering. The private placement is subject to all necessary regulatory approvals, including the approval of the TSX Venture Exchange. All securities issued pursuant to the private placement will be subject to a 4-month hold period.

ZENN proposes to use the net proceeds from the offering to satisfy the US\$2.0 million cash portion of the purchase price for the previously announced proposed purchase of Series A Preferred Stock of EESStor, Inc. and associated rights, with the balance for working capital and general corporate purposes.

About ZENN Motor Company Inc.

The Company's goal is to be the provider of leading edge power storage solutions and related technologies to the transportation industry. Technologies and solutions, powered by EESStor's electrical energy storage units (EESU) have the potential to enable OEM and Tier 1 partners to deliver advanced electric transportation solutions to their customers.

Information contained in this release relating to EESStor, Inc. or the energy storage technology being developed by EESStor has not been reviewed by EESStor and EESStor does not assume any responsibility for the accuracy or completeness of such information.

Unless otherwise indicated, public disclosures by EESStor of developments in the commercialization of its energy storage technology have not been independently verified by ZENN. EESStor’s energy storage technology is still under development and a number of further development milestones must be achieved before commercial viability can be established. There are significant risks associated with the development of new technologies such as EESStor’s energy storage technology and readers are directed to the “Risk Factors” disclosed in ZENN’s most recent Annual Information Form filed on SEDAR.

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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.