

August 29, 2014  
ZENN Motor Company Inc.  
Toronto, Ontario, Canada  
(TSXV: ZNN)

## **ZENN MOTOR COMPANY REPORTS 2014 THIRD QUARTER RESULTS**

**Toronto, Ontario – August 29, 2014** – ZENN Motor Company Inc. (TSXV: ZNN; the “Company”), today announced its unaudited financial results for the three and nine months ended June 30, 2014. All amounts are expressed in Canadian dollars. Any specific reference to “ZENN” herein means ZENN Motor Company alone and any reference to “EEStor” a 71.3% subsidiary of ZENN, means EEStor, Inc. alone.

### **Financial Results**

In the three and nine months ended June 30, 2014, the Company’s net losses from continuing operations were \$724,405 and \$1,865,458, respectively, or \$0.02 and \$0.05, respectively, per share. For the corresponding three and nine periods in the prior year, net losses from continuing operations for ZENN were \$438,141 and \$1,283,399, respectively, or \$0.01 and \$0.03, respectively, per share.

The losses related specifically to EEStor in the current quarter and year-to-date were \$457,288 and \$775,405, respectively. The year-to-date results reflect the inclusion of EEStor operations from January 27, 2014, the date of acquisition of control.

At June 30, 2014, the Company had working capital of \$179,409 and cash, including cash, cash equivalents and short-term investments, totaling \$500,075, compared to working capital of ZENN of \$461,292 and cash of \$715,869, respectively, as at September 30, 2013.

### **Company Update**

The Company has accepted the protocol for the proposed comparative performance testing of its EEStor prototype high voltage capacitor layers compared to certain commercial high voltage aluminum electrolytic capacitors. Selection of the available commercial models will take into consideration values, ratings and target applications. All test equipment and software used for these tests will be independently identified, designed and, or built by Intertek Group plc (“Intertek”) to maintain the independent nature of the testing.

Ian Clifford, Founder and CEO of ZENN and CEO of EEStor stated “the Company continues to pursue its previously announced private placement of up to \$1.5 million which will allow the Company to continue its focus on the development of layers that are competitive with existing high voltage commercial aluminum electrolytic capacitors. We believe the commitment to provide independently validated results of the Company’s technology by Intertek should be rewarded through licensing and partnership opportunities with existing capacitor manufacturers requiring high voltage solid state solutions.”

### **About ZENN Motor Company Inc.**

The Company’s mission is to be the provider of leading edge energy storage solutions and related technologies. The Company’s current business strategy is to focus on licensing and partnership opportunities across a broad spectrum of industries and applications if, as and when its technology achievements have been independently validated.

ZENN holds an approximate 71.3% equity and voting interest in EEStor, as well as certain rights to technology under development by EEStor. The acquisition of the controlling interest in EEStor has aligned

the businesses of both companies and provides ZENN with the opportunity to benefit from all potential EEStor revenue including various capacitor solutions utilizing the knowledge and technology associated with EEStor's energy storage development.

EEStor'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 EEStor's energy storage technology and readers are directed to the "Risk Factors" disclosed in ZENN's most recent Annual Information Form filed on SEDAR.

### **Forward-looking Statements**

Certain statements and documents referred to in this release, other than statements of historical fact, may include forward-looking information that involves various risks and uncertainties that face the Company; such statements may contain such words as "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions, and may be based on management's current assumptions and expectations related to all aspects of the automotive and energy storage industries, consumer demand for the Company's products and the global economy. Risks and uncertainties that may face the Company include, but are not restricted to: the EEStor energy storage technology may not be successfully commercialized at all, in a manner providing the features and benefits expected while under development, or on a timely basis or the Company may not be able to successfully incorporate this technology into its current or proposed products or the products of others; steps taken by the Company to protect its proprietary rights may not be adequate or third parties may infringe or misappropriate the Company's proprietary rights; the Company has a history of losses from operations and may not be able to obtain financing, if and when required or on acceptable terms due to market conditions or other factors, to fund future expenditures for general administrative activities, including sales and marketing and research and development, expansion, strategic acquisitions or investment opportunities or to respond to competitive pressures; competitors may develop products which offer greater benefits to consumers, have greater market appeal or are more competitively priced than those offered by the Company; the Company may be exposed to product liability claims which exceed insurance policy limits; the Company is dependent on the ability and experience of a relatively small number of key personnel; new products introduced by the Company may not be accepted in the market or to the extent projected; new laws and regulations may be enacted or existing ones may be applied or governmental action may be taken in a manner which could limit or curtail the production or sale of the Company's products; and the Company may be negatively affected by reduced consumer spending due to the uncertainty of economic and geopolitical conditions. These risks and uncertainties may cause actual results to differ from information contained in this release, when estimates and assumptions have been used to measure and report results. There can be no assurance that any statements of forward-looking information contained in this release will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements.

These and all subsequent written and oral statements containing forward-looking information are based on the estimates and opinions of management on the dates they are made and expressly qualified in their entirety by this notice. Except as required by applicable laws, the Company assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change. Readers are cautioned not to place undue reliance on any statements of forward looking information that speak only as of the date of this release. Additional information identifying risks and uncertainties relating to the

Company's business are contained under the heading "Risk Factors" in the Company's most recently filed Annual Information Form and its other filings with the various Canadian securities regulators which are available online at [www.sedar.com](http://www.sedar.com).

**For additional information please contact:**

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