

December 23, 2013  
ZENN Motor Company Inc.  
Toronto, Ontario, Canada  
(TSXV: ZNN)

## **ZENN SIGNS AGREEMENT TO ACQUIRE CONTROLLING STAKE IN EESTOR**

**Toronto, Ontario – December 23, 2013** –ZENN Motor Company Inc. (TSXV: ZNN; “ZENN” or the “Company”) announced today that it has entered into an investment agreement (the “Investment Agreement”) with EESTor, Inc. (“EESTor”) and certain directors, officers and significant shareholders of EESTor (the “EESTor Principals”) providing for the acquisition of a controlling stake in EESTor by ZENN and the reorganization of the board and management of EESTor. Under the Investment Agreement, in consideration for staged cash payments aggregating US\$1.0 million, ZENN will be issued such number of Series A Preferred Shares of EESTor (in addition to the 502,344 Series A Preferred Shares ZENN is in the process of completing the acquisition of) such that, following the issuance of such shares ZENN will hold 51% of the outstanding equity and voting shares of EESTor on an as-converted and fully-diluted basis. ZENN has advanced EESTor US\$50,000 of the purchase price on the signing of the Investment Agreement which will be converted to EESTor shares if closing occurs.

The Investment Agreement provides for the reconstitution of the EESTor board to six members, two of whom will be nominated by the EESTor Principals provided that they and their immediate family members continue to hold at least 15% of the EESTor voting shares, and four of whom will be nominated by ZENN, provided that two must be independent of ZENN and EESTor. The current CEO and CFO of EESTor have also agreed to step down from these positions and the new board will initiate a search for the appointment of qualified persons to serve in these capacities. Richard Weir, a co-founder of EESTor will continue to serve as Honorary Chairman, Founder and Chief Science Officer of EESTor. In consideration for their facilitating the proposed transactions and changes in the board and management of EESTor, the EESTor Principals will be issued an aggregate of 600,000 common shares of ZENN. Richard Weir commented, "I am excited about the change as it will allow me to focus 100% of my time working to develop the EESTor technology."

Additionally, under the Investment Agreement the EESTor Principals and their immediate family members have the right to require ZENN, for a 60 day period following closing, to exchange up to 360,000 EESTor common shares for common shares of ZENN on the basis of 15 ZENN common shares for each EESTor share so exchanged. ZENN has been notified by the EESTor Principals that following closing they intend to immediately exchange the full 360,000 shares of EESTor into 5,400,000 shares of ZENN. Assuming completion of the US\$1.0 million investment by ZENN and the exchange of the full 360,000 EESTor common shares for common shares of ZENN, ZENN would own approximately 67% of the equity and voting shares of EESTor on an as-converted basis. Under the Investment Agreement ZENN has the right to acquire all EESTor shares held by the EESTor Principals and their immediate family members at an agreed upon value or fair value as determined by an independent valuator if agreement cannot be reached. Further, the parties have agreed to explore options for merging the companies.

James Kofman, Chairman of ZENN said, “The transaction fully aligns the interests of ZENN and EESTor.” Ian Clifford, Founder of ZENN added, "It is a turning point for the two companies, we have finally created a structure for real partnership and collaboration".

The Investment Agreement is subject to a number of conditions including, completion of due diligence to the satisfaction of ZENN, all regulatory approvals, including the approval of the TSX Venture Exchange, completion of the previously announced purchase of 502,344 EEStor Series A Preferred Shares and approval of the ZENN board.

ZENN also announced that it is in the process of completing its previously announced purchase of 502,344 Series A Preferred Shares of EEStor and associated rights. The only outstanding item to the closing is the confirmation of receipt of electronic fund transfers which the Company expects to receive today.

**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 EEStor'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 EEStor, Inc. or the energy storage technology being developed by EEStor has not been reviewed by ZENN and ZENN does not assume any responsibility for the accuracy or completeness of such information.

Unless otherwise indicated, public disclosures by EEStor of developments in the commercialization of its energy storage technology have not been independently verified by ZENN. 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

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