

## **ZENN Motor Company Reports Third Quarter 2012 Results**

TORONTO, ONTARIO--(Marketwire – August 28, 2012) - ZENN Motor Company Inc. (TSX VENTURE:ZNN) (the "Company") today announced its unaudited financial results for the three and nine months ended June 30, 2012, in accordance with International Financial Reporting Standards. All amounts are expressed in Canadian dollars, except as otherwise stated.

### **Financial Results**

For the three and nine months ended June 30, 2012, net losses from continuing operations were \$464,899 or \$0.01 per share and \$1,178,189, or \$0.03 per share, respectively. For the corresponding periods in the prior year, net losses from continuing operations were \$724,737 or \$0.02 per share and \$2,341,540 or \$0.06 per share, respectively before undernoted items and \$1,173,724 or \$0.03 per share and \$3,362,773 or \$0.09 per share, respectively, after unusual items.

The 50% decrease in the loss from continuing operations, in the nine months ended June 30, 2012, compared to the same period in the prior year, before undernoted items, is reflective of the cost cutting measures implemented as a result of a strategic review and refocus of the business initiated by the Board of Directors in May 2011.

At June 30, 2012 the Company had working capital of \$1,916,009 and cash, cash equivalents and short-term investments totaling \$2,175,390 compared to working capital of \$1,095,105 and cash of \$1,680,165 respectively, at September 30, 2011.

### **Company Update**

#### **EEStor**

The Company continues to work closely with EEStor and has a very regular and positive dialogue. EEStor continues its work to advance its technology and the Company is receiving regular updates as to its progress. The Company does not expect EEStor to make detailed announcements regarding its technology until milestones have been achieved and verified.

### **Additional Information**

Readers are encouraged to read the Company's unaudited consolidated financial statements for the quarter ended June 30, 2012, the corresponding Management's Discussion and Analysis and the Company's Annual Information Form dated January 27, 2012. All of these documents have been filed and are available for viewing on SEDAR at [www.sedar.com](http://www.sedar.com) and posted on the Company's website at [www.ZENNCars.com](http://www.ZENNCars.com).

### **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 automotive industry.

Technologies and solutions, powered by EESor'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. The Company's Technology Agreement with EESor provides certain exclusive rights to purchase and deploy EESor's EESU technology, which has been filed and are available for viewing on SEDAR.

### **Forward-looking Statements**

Certain statements 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 industry, consumer demand for zero emission transportation solutions and the global economy. Risks and uncertainties that may face the Company include, but are not restricted to: the EESor 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; 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, 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 current 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).

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.

**For additional information please contact:**

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