

EnerDynamic Hybrid Technologies Receives Initial Puerto Rico ENERTEC Order

- **Joint Venture in Puerto Rico Complete**
- **Initial Order Received**

Toronto, Ontario--(Newsfile Corp. - February 13, 2018) - EnerDynamic Hybrid Technologies Corp. (TSXV: EHT) ("**EHT**") is pleased to announce that it has, further to the announcement on January 15, 2018, with Brieke Family Assets Ltd ("**BFA**"). This joint venture ("**JV**") will both facilitate the manufacturing of the EHT ENERTEC panels and solar systems in Puerto Rico as well as execute sales and distribution in Puerto Rico and the US Virgin Islands. The JV will operate as CAT 5 Solar and Microgrids, LLC. ("**CAT5**").

CAT5 has been working on sales over the last few weeks and has now placed the first order with EHT for 67 solar systems. Each system retails for up to \$16,000 USD, depending on site specific variables, and will generate on average 33Kw per day in Puerto Rico. EHT has agreed to provide CAT5 with a minimum of 67 systems per month through June 2018. Thereafter, EHT will supply laminates (12 per 3kw system) and the balance of system components to CAT5 commencing at 800 laminates per month, in addition to the 67 systems for the month of June. Monthly delivery will steadily increase to 4,000 laminates and balance of system components in December 2018. CAT5 targets to reach sales of approximately 1,700 Kw (roughly 560 of these systems) for the period April to December 2018.

Consistent with EHT policy, a deposit is required prior to commencing fulfilment which CAT5 has provided. Agreed terms will see CAT5 provide EHT with a 50% deposit on every order with the balance due on delivery to Puerto Rico. EHT and BFA, through their CAT5 joint venture, intend to open a manufacturing facility on the island (believed to be the first) on July 1, 2018 and in the interim, the JV sales orders will be fulfilled completely from EHT's facilities in Welland, Ontario.

Mr. Malcolm Wright, Director of BFA, stated that, "The EHT ENERTEC panels and systems are exactly what the island needs. They are light, add significant insulation to the roof structure thus saving on energy costs and can withstand category 5 storm winds and debris (unlike glass panels). These advantages are being realized in the market interest and immediate initial demand for these systems. BFA's other companies deliver innovative, energy efficient concrete block homes that are designed to withstand winds of over 200 MPH and are "net zero" with the addition of the EHT products. These buildings will ensure the people of Puerto Rico have access to structures that will withstand future storms like Maria. We genuinely believe that we have the right mix of unique products to rebuild the island homes and to retrofit existing structures at very competitive pricing."

Mr. John Gamble, EHT's CEO, commented that, "We are very pleased to have cemented the relationship with BFA as it creates the footprint in Puerto Rico that EHT has sought. EHT's lightweight ENERTEC solar products, employed in a microgrid strategy, will generate more reliable power for homes and businesses without the need for massive investment in power grid infrastructure." Mr. Gamble went on to state, "The recent equipment explosion and fire reported within the existing power grid, impacting the already badly damaged Puerto Rico electrical system, further demonstrates the critical needs of the Puerto Rican people."

This JV represents the third such arrangement for EHT, adding to similar agreements targeting the West African market via Ghana as well as the southern United States market (including California) via Arizona. EHT's local JV strategy that is being implemented on a global basis, is designed to create local jobs in manufacturing and installation in the target counties where reliable and/or inexpensive power is not available. Each market has different needs and these arrangements reflect that through the specific selection of the various ENERTEC products that are best suited for that market.

Hurricane Maria destroyed Puerto Rico's antiquated and bankrupt electrical system, leaving millions in the dark and utility crews scrambling to help. As announced in numerous US press releases, FEMA and the US Federal Government have agreed to fund the reconstruction of these islands with funding expected to run into tens of billions of dollars. Ramon Luis Nieves, a Puerto Rican politician has stated, "We need to focus on not only getting the grid back up, but improving it so it can tolerate more renewable energy." Puerto Rico Governor Ricardo Rosselló stated, "I am 100 percent backing renewables." Gov. Rosselló told the Senate Energy and Natural Resources Committee, "This is an opportunity to make microgrids in Puerto Rico so they can be sustained in different areas." He is requesting roughly \$17 billion in federal funds to revive the island's energy sector, which now uses renewables for less than 3 percent of electricity generation.

About EnerDynamic Hybrid Technologies

EHT's expertise includes the development of its ENERTEC module structures with full integration of smart energy solutions. Using a proprietary skin and foam core that is stronger than traditional wood or steel structural insulated panels, EHT provides exceptional thermal energy efficiency in modular homes, cold storage facilities, residential/commercial out buildings and emergency/temporary shelters. EHT works with its partners worldwide to erect the buildings on-site utilizing EHT staff and local crews. In addition to traditional support to established electrical networks, ENERTEC buildings excel where no electrical grid exists.

About ENERTEC

The EHT advanced ENERTEC Modular Wall and Roof System uses a proprietary skin and foam core that is stronger and more energy efficient than traditional wood or steel structures providing the highest ratings for energy efficiency. EHT works with its

partners worldwide to erect the buildings on-site utilizing EHT staff and local crews. After installation, each structure can be furnished and finished to meet the customer's requirements including siding, tile, kitchens and bathrooms or segregated commercial rooms. The finished wall product can be shipped on pallets and delivered via rail, truck or water in standard formats.

At the core of the ENERTEC product line is the **ENERTEC Embedded Solar Roof Module**. Solar cells are embedded in a proprietary fire proof skin resulting in substantial cost savings by eliminating heavy glass panels and aluminum racking required for traditional solar panels. Two barriers to greater adoption of solar energy are weight limitations of the roof on which solar panels could be deployed and onerous shipping and labour costs. A lighter product at a better price point will open a larger market for solar due to the faster return of capital investment especially for rural and remote users looking to go off-grid. Furthermore, the entire EHT embedded solar roof becomes a massive solar panel capable of producing significantly more energy than the home requires, allowing the structure to then become an important source of power for the local micro grid or large battery storage systems.

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