

EnerDynamic Hybrid Technologies Receives Next Order from Puerto Rico

- **Joint Venture receives Sales License**
- **Second Order for 100 systems received**

Toronto, Ontario--(Newsfile Corp. - May 7, 2018) -

EnerDynamic Hybrid Technologies Corp. (TSXV: EHT) ("**EHT**" or the "**Company**") is pleased to announce that, further to its news release of February 13, 2018, it has received its second order from its Puerto Rico based joint venture partnership known as CAT 5 Solar and Microgrids, LLC. ("**CAT5**"). Additionally, CAT5 has received the license required to sell its products in the Puerto Rico market, the delay of which had prevented the collection of sales deposits.

The required license was issued by the Puerto Rico Energy Commission, authorizing CAT5 to sell all the various solar and battery systems in its portfolio. Over the last month, CAT5 has compiled a large order book awaiting this final approval. The second order placed with EHT is for 100 solar systems. Initially expected to be an order for 67 new 3Kw systems, the license delay backed up the order book to now represent 50 new 4Kw systems and 50 new 6Kw systems. Each system retails for up to \$30,000 USD, depending on site specific variables. CAT5 is seeing an increase in demand for the larger systems as customers seek total grid independence in addition to the anticipated bridging of periods of grid failure with the smaller systems. EHT will now start shipping the first order and will start producing the second order for shipment.

EHT has applied for exempt status on its ENERTEC ultra-light solar panel from the 30% solar panel tariff imposed by the United States government across all non-US product suppliers. EHT has come through the objection phase without objection, a clear signal that the Company's ultra-light solar panel has no direct competition within the US marketplace. Management expects, based on process experience, to be granted "No Tariff" status in the near term. A designated "No Tariff" product would enhance the profitability of every ENERTEC panel sold into the United States markets including Puerto Rico. Notwithstanding this, EHT has opted to start shipping product into the Puerto Rico market, paying the applicable duty, as the current profit margins support the strategy. Once the "No Tariff" status is granted the duties that have been paid can be refunded.

The US Government has confirmed it will support the Puerto Rico Government with up to \$18 Billion US in relief to rebuild housing and the electrical grid. CAT5 has assessed its products, the consumer demand for these products and the ability of customers to make the purchases. The result is that CAT5 has assessed sales potential as up to \$50 million US during the calendar 2019 year, which represents an average of approximately 140 systems per month. A continued shift towards the larger systems would reduce the average systems per month necessary to obtain these levels. This assessment is supported by both the market need and the initial CAT5 order book for EHT's ENERTEC solar systems. The Company will update the market on the progress towards these targets later in the current year.

Consistent with EHT policy, a deposit prior to manufacturing is required with the balance due on delivery to Puerto Rico.

John Gamble, EHT's CEO, commented that "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 assessed market and revenue potential outlined above is the real target that we are looking to achieve. We believe we have the products and capacity to reach it".

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 \$18 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 delivers proprietary, turn-key energy solutions which are intelligent, bankable and sustainable. 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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The statements herein that are not historical facts are forward-looking statements. Forward-looking information involves risk, uncertainties and other factors including those related to sales, that could cause actual events, results, performance, prospects, and opportunities to differ materially from those expressed or implied by such forward-looking information. Although EHT believes that the assumptions used in preparing the forward-looking information, including those related to sales, in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. EHT disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by applicable securities laws.

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