



Exro Announces Major Milestone with Linamar e-Axle Phase One Project Completion and Provides Operational Update

- Exro has successfully completed phase one of its integrated e-axle co-development program with strategic partner, and major tier-1 OEM supplier, Linamar Corporation
- Exro remains committed to delivering on remaining key deliverables on behalf of shareholders by year-end, including pilots to SEA Electric and Vicinity, and new strategic partner
- Commencement of series production of Exro's Coil Driver™ remains on schedule for Q3 2023 from the Company's world-class manufacturing center in Calgary, Alberta
- Exro executives will host a live 'Deep-Dive' Shareholder Webcast today at 1:00 pm ET to discuss the Company's strategy, operations, partners, and more.

CALGARY, AB, Nov. 30, 2022 /CNW/ - Exro Technologies Inc. (TSX: EXRO) (OTCQB: EXROF) (the "**Company**" or "**Exro**"), a leading clean technology company that has developed new generation power electronics that change how the world optimizes energy by expanding the capabilities of electric motors and batteries, is pleased to provide an operational update highlighted by completion of phase one of its e-axle development project with strategic partner Linamar Corporation (TSX: LNR). The project now transitions to the second and final phase which includes electric axle ("e-axle") integration, testing, and validation by Linamar.

"Phase one completion of our project with Linamar marks a major milestone for the project, and a significant corporate milestone for Exro", said Exro CEO, Sue Ozdemir. "Our employees have demonstrated the ability to deliver leading edge technology to a major tier-1 automotive OEM supplier. We look forward to the next phase of the project and to an exciting future with a great partner."

Sue added, "We have a busy several weeks ahead as we work to deliver on other commitments to shareholders by year end, including high voltage pilot deliveries and naming a new strategic partner. While there are no guarantees, we are very optimistic we will accomplish these in December."

Linamar Project – Phase One Delivered

Linamar is an advanced manufacturing company where the intersection of leading-edge technology and deep manufacturing expertise is creating solutions that power vehicles, motion, work and lives for the future. The company is a trusted tier-1 supplier to major OEMs in the automotive industry with more than 25,000 employees and 60 manufacturing locations globally.

Approximately 22 months ago, a goal was established with Linamar to co-develop a next-generation e-Axle utilizing Coil Driver™ technology. An e-axle combines an electric vehicle's motor, gears, and inverter into the drive axle of the vehicle. In a traditional powertrain set up, the motor and inverter are in separate housings on the vehicle chassis. E-axes are emerging as the future of medium and heavy-duty vehicles, giving fleets an opportunity to reduce maintenance requirements, and energy consumption, while also reducing costs and complexity. By combining Exro's new generation technology with Linamar's expertise, the partners aim to offer a cost-effective product with superior performance to the medium duty truck segment.

In the initial phase of development, Exro would supply 800V Coil Driver™ inverter samples designed for integration into an e-Axle program. Exro is pleased to report that the Company has completed phase one of the project marking a significant project, and corporate milestone. In phase two of the project, Linamar will supply and integrate the remaining critical elements of the system, including the gearbox assembly, for testing and on-road validation. Following the successful testing period, expected into Q2 2023, Exro and Linamar intend to jointly promote the technology to the market with the intention of commercializing the Coil Driver™ e-Axle into series production.

Operations Update

Q4 2022 continues to be a busy period for the company. With today's project announcement with Linamar, along with Exro's recently announced ISO 9001 quality management certification, Exro has delivered on two key commitments for shareholders before year-end. Two key additional commitments remain: 1) Delivery of high-voltage sample Coil Driver™ units to partners SEA Electric and Vicinity, and 2) Naming of a new strategic partnership. The company is working diligently, and remains optimistic, in achieving these commitments by year-end.

• **Coil Driver™ Products Update**

Series production of the Coil Driver™ from Exro's world-class automotive manufacturing facility in Calgary, Alberta remains on-schedule to commence in Q3 2023. The company has made significant progress on the facility through 2022 and its core technology that will be manufactured from this location. One area that continues to limit the pace of activity is dyno testing capacity. Commissioning on Exro's medium dyno earlier this year doubled testing capacity, however, a continued delay of large capacity dyno from a supplier has had an impact on planning and testing time. Ordered in April 2021 with an estimated delivery time of 12 months, this testing equipment is now anticipated to be delivered in Q1 2023, from Q4 2022 previously. Exro is mitigating this delay through extended in-house testing times and utilizing a third-party facility in the Detroit area.

With these mitigation efforts Exro can keep all projects predominantly on-time. Exro's low voltage 100V Coil Driver™ is the most mature of the Exro products. Exro continues to progress partnerships and validations of our NDA partners in Europe, Zero Motorcycles, as well as Potencia and evTS. Final product validation testing and additional samples for low voltage drives are on-track for December delivery. Given multiple motor types across these projects, dyno times include multiple motor testing to fine tune software algorithms. All low voltage projects remain on track for start of production in Q3 2023.

On Exro's high voltage (400V and 800V) drives, all projects also remain on track for start of production in Q3 2023. The Company continues to work towards sample pilot deliveries to SEA Electric and Vicinity in December following testing at the third-party facility. While Exro had planned to have more high-voltage pilots delivered beyond those committed by year end, with the delayed dyno and a focus on the Linamar project and final low voltage drive testing over the last several weeks, additional samples are now scheduled for Q1 and Q2 2023.

• **Strategic Partner Update**

Exro is bringing to market its new generation power electronics technology for e-mobility via a partner model, leveraging customers across diverse industry segments to integrate its Coil Driver™ technology. The Company's partnerships include commercial development partners such as SEA Electric, Vicinity, and evTS (delivery vans, e-buses, and smaller last mile delivery vehicles, respectively) where Coil Driver™ products can be validated in these partner platforms and serve to open up other customers across each market segment. Strategic partners such as Linamar are focused on potential high-volume production making use of Exro technology for long term serial production. Motor partners are also very strategic in nature as they provide a conduit by pulling Exro into their network to amplify the potential customer base. These partners work collaboratively with Exro to develop an optimized motor to integrate with the Coil Driver™ and provide a packaged motor and inverter system solution that can deliver be delivered to specific applications or market segments.

Following delivery of the e-Axle prototype to Linamar, Exro has the resource capacity to onboard another strategic development partner. The company is in negotiations with several such major potential partners and remains optimistic of a partnership announcement by year-end.

Shareholder Webcast today at 1:00 p.m. ET

On Wednesday, November 30th at 11:00 a.m. MDT (1:00 p.m. ET), join the discussion with Sue Ozdemir and Exro executive for a live 'Deep-Dive' update into Exro's strategy, products, partners, and more. See the link below to register for the event.

<https://www.exro.com/investors/events>

About Exro Technologies Inc.

Exro Technologies Inc. is a leading clean technology company that has developed new generation power control electronics that change how the world optimizes energy by expanding the capabilities of electric motors and batteries. The company's innovative technologies serve to bridge the performance-cost gap in e-mobility (Coil Driver™) and stationary energy storage (Cell Driver™), and act to accelerate adoption towards a circular electrified economy by delivering more with less – minimum energy for maximum results.

For more information visit our website at www.exro.com.

To view our Corporate Presentation visit us at www.exro.com/investors

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CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

This news release contains forward-looking statements and forward-looking information (together, "forward-looking statements") within the meaning of applicable securities laws. All statements, other than statements of historical facts, are forward-looking statements. Generally, forward-looking statements can be identified by the use of terminology such as "plans", "expects", "estimates", "intends", "anticipates", "believes" or variations of such words, or statements that certain actions, events or results "may", "could", "would", "might", "will be taken", "occur" or "be achieved". Forward looking statements involve risks, uncertainties and other factors disclosed under the heading "Risk Factors" and elsewhere in the Company's filings with Canadian securities regulators, that could cause actual results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking statements. Although the Company believes that the assumptions and factors used in preparing these forward-looking statements are reasonable based upon the information currently available to management as of the date hereof, actual results and developments may differ materially from those contemplated by these statements. Readers are therefore cautioned not to place undue reliance on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed times frames or at all. Except where required by applicable law, the Company disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

This information is qualified in its entirety by cautionary statements and risk factor disclosure contained in filings made by the Company with the Canadian securities regulators, including the Company's annual information form for the financial year ended December 31, 2021, and financial statements and related MD&A for the financial year ended December 31, 2021, filed with the securities regulatory authorities in certain provinces of Canada and available at www.sedar.com. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. The Company does not intend, and does not assume any obligation, to update this forward-looking information except as otherwise required by applicable law.

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