



# Exro Announces Closing of Bought Deal Financing Including Full Exercise of Over-Allotment Option

CALGARY, AB, May 23, 2023 /CNW/ - Exro Technologies Inc. (TSX: EXRO) (OTCQB: EXROF) (the "Company" or "Exro"), is pleased to announce that it has completed its previously announced bought deal financing, including the exercise in full of the Underwriters' (as defined below) over-allotment option, for a total of 15,525,000 common shares (the "Common Shares") sold at a price of C\$2.25 per Common Share for aggregate gross proceeds to the Company of C\$34,931,250 (the "Offering").

"We are very pleased to have successfully closed this financing in what we know is a challenging market backdrop for investors", said Exro CEO Sue Ozdemir. "We appreciate the ongoing support of our largest shareholders and welcome a host of new institutional investors to Exro. We look forward to continuing our mission to build a valuable company on behalf of all shareholders by investing the proceeds of this Offering to progress our world-class manufacturing facility in Calgary (on-track to begin series production next quarter) and our next-generation technologies to meet the growing demand for our advanced power controls for electric vehicles as well as stationary energy storage systems".

The Offering was co-led by Canaccord Genuity Corp., Stifel Nicolaus Canada Inc., and Eight Capital on their behalf and on behalf of a syndicate of underwriters that includes ATB Capital Markets Inc. and National Bank Financial Inc. (collectively, the "Underwriters"). In consideration for the services provided by the Underwriters in connection with the Offering, on closing the Company paid to the Underwriters a cash commission equal to 6% of the gross proceeds raised under the Offering.

The Offering was completed by way of a prospectus supplement dated May 17, 2023, and filed in all provinces of Canada, other than Quebec, under the Company's base shelf prospectus dated May 8, 2023. The Common Shares were also sold in the United States on a private placement basis pursuant to an exemption from the registration requirements of the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and other jurisdictions outside of Canada.

The Company intends to use the net proceeds from the Offering to meet the capital expenditure and working capital obligations associated with the definitive commercialization agreement ("DCA") with Linamar Corporation (TSX: LNR) and for general working capital purposes as set out in the prospectus supplement.

The securities offered in the Offering have not been, and will not be, registered under the U.S. Securities Act or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This news release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation, or sale would be unlawful.

## 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](http://www.exro.com).

To view our Corporate Presentation visit us at [www.exro.com/investors](http://www.exro.com/investors)

Visit us on social media @exrotech.

## 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" in the Company's 2022 Annual Information Form (available at [www.sedar.com](http://www.sedar.com)) and elsewhere in 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. Specific risks associated with the DCA include, but are not limited to: order volumes under the DCA do not materialize as planned; the Company experiencing a significant delay in sourcing the required capital equipment to support the DCA; and the Company experiencing difficulties in the setting-up and commissioning of capital equipment resulting in its inability to deliver products. 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 time 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, 2022, and financial statements and related MD&A for the financial year ended December 31, 2022, filed with the securities regulatory authorities in certain provinces of Canada and available at [www.sedar.com](http://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 that 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.*

*Neither the Toronto Stock Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this press release.*

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