



Exro Announces Cell Driver™ Pilot Strategic Agreement and Purchase Order

- Strategic agreement with premier North American partner for commercial businesses with repeatable footprints
- Agreement includes binding purchase order for 10 Cell Driver™ pilot units for deployment in key energy markets with focus on California and New England
- Binding purchase order follows directly after Cell Driver™ awarded ETL certification to UL standard 9540 in June
- Partnership presents the first of many opportunities for future customer growth and further solidifies Cell Driver's value proposition and commitment to advancing sustainable energy

CALGARY, AB, Aug. 12, 2024 /CNW/ - Exro Technologies Inc. (TSX: EXRO) (OTCQB: EXROF) (the "**Company**" or "**Exro**"), a leading clean-technology company that provides proprietary propulsion system technology for e-mobility and proprietary battery control technology for stationary energy storage, today announced a strategic agreement (the "Agreement") between the Company's new division Cellex Energy Inc. ("**Cellex**") and a premier North American "Energy as a Service" (EaaS) partner (the "EaaS Partner") for commercial businesses with repeatable footprints. The Agreement includes a binding purchase order for 10 of Exro's Cell Driver™ pilot units, with plans to deploy the units in strategic US regions including California and New England.

This Agreement is significant for both parties. Cellex's new EaaS Partner is in the market of providing comprehensive energy management solutions to a portfolio of commercial customer clients across the USA: leveraging unique tools, innovative vendor relationships, and expert skills, to support clients in reducing energy use, increasing sustainability, and driving businesses toward net-zero emissions. The EaaS Partner will own and operate the Cell Driver™ energy storage systems, with installers already identified and currently being trained on the technology. These units will be deployed in key energy markets, with a focus on customers in California and New England. Host sites have been qualified and equipment is being specified for these locations, ensuring a seamless integration process.

"This Agreement represents an exciting launch for Cellex, coming directly after achieving ETL certification to UL standard 9540," said Cellex's General Manager, John Meekison. "We are eager to see our Cell Driver™ units in action and the resulting benefits for both our clients and shareholder value. This partnership presents the first of many opportunities for future customer growth and further solidifies our commitment to advancing sustainable energy solutions."

In addition to the key geographical coverage, these projects will showcase Cell Driver™ operating in several modes such as stand-alone backup power, solar-assisted backup power, plus grid-tied features including demand charge management, solar self-consumption, and net-zero export. The systems will participate in various local demand response programs, functioning as part of a virtual power plant (VPP). It is planned for several sites to feature multiple Cell Driver™ energy storage systems (units stacked together), highlighting the scalability and effectiveness of the technology.

As part of this Agreement, 10 Cell Driver™ units are being purchased for deployment during a 12-month pilot phase. Units will be slotted for manufacturing as project sites are selected and timelines are confirmed. Payment terms include six invoicing milestones starting from the time of site selection up to two years from delivery. Exro will maintain a security interest against the Cell Driver™ units sold until all payments are fulfilled. Following the pilot phase, the Parties will evaluate together plans for future Cell Driver™ rollouts.

About Cell Driver™

The 90kW / 192kWh Cell Driver™ is Cellex Energy's first product offering for the Commercial and Industrial ("C&I") energy storage market. While still in the early stages, the global C&I market size was valued at US\$221.8 Billion in 2023 and is expected to reach US\$435.7 Billion by the end of 2030 with a CAGR of 9% during the Forecast Period of 2024-2030 (Source: Verified Market reports - August 2024). In the US, Wood McKenzie is forecasting that 2.6GW of energy storage capacity will be installed over 2024 to 2028 (Source: Wood McKenzie, US Energy Storage Monitor, June 2024). Typical end users in this space consist of restaurants, telecommunication equipment facilities, machine shops, EV charging stations, etc. where both managing the economics of energy use plus minimizing power disruptions are critical to business operations.

Cell Driver's unique patented technology allows for a new paradigm of battery management right down to the cell level. Individual cells can be managed, turned off or on and isolated from other cells. This in turn enables enhanced safety, visibility into and management of battery health, plus increased "up time" during maintenance and repair cycles. Combined with Cellex's state of the art energy management system ("EMS"), Cell Driver is perfectly suited for managing a user's complete energy needs both from grid delivered power, solar, wind, hydrogen or any combination of the above energy sources.

The Cell Driver Pilot program is a key step in validating the technology's utility and value proposition for end users as Cellex ramps it's marketing and sales programs.

ABOUT EXRO TECHNOLOGIES INC.

Exro Technologies Inc., now expanded through the strategic acquisition of SEA Electric, is a leading clean technology company that

has developed new generation power control electronics. Its innovative suite of solutions, including Coil Driver™, Cell Driver™, and SEA-Drive®, expand the capabilities of electric motors and batteries and offer OEMs a comprehensive e-propulsion solution with unmatched performance and efficiency. Exro recently formed Cellex Energy Inc., a wholly owned subsidiary of Exro with the goal of launching Exro's energy storage product lines. Together, Exro and Cellex are reshaping global energy consumption, accelerating 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

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 using 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, which 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, 2023, and financial statements and related MD&A for the financial year ended December 31, 2023, filed with the securities regulatory authorities in certain provinces of Canada and available at www.sedarplus.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.

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

View original content to download multimedia:

<https://www.prnewswire.com/news-releases/exro-announces-cell-driver-pilot-strategic-agreement-and-purchase-order-302219612.html>

SOURCE Exro Technologies Inc.

View original content to download multimedia: <http://www.newswire.ca/en/releases/archive/August2024/12/c7688.html>

%SEDAR: 00035788E

For further information: Contact Information: Product inquiries: Livio Filice, SVP Sales - Energy Storage, lfilice@exro.com or +1.905.929.7522; Investor inquiries: Jeff O'Dowd, Director of Investor Relations, jodowd@exro.com; Media inquiries: media@exro.com

CO: Exro Technologies Inc.

CNW 07:30e 12-AUG-24