Exro Files Preliminary Short Form Prospectus in Connection with Unit Offering Led by Gravitas Securities

written by Raj Shah | June 24, 2020

June 23, 2020 (Source) – Exro Technologies Inc. (CSE:XRO) (the "**Company**" or "**Exro**") is pleased to announce that it has filed a preliminary short form prospectus (the "**Prospectus**") with respect to an offering (the "**Offering**") of units ("**Units**") at a price of $0.70 per Unit for gross proceeds of up to Cdn $5,000,000. Each Unit will consist of one common share of the Company (a "**Unit Share**") and one-half of a common share purchase warrant (each whole common share purchase warrant, a "**Warrant**"). Each Warrant will entitle the holder to purchase one common share of the Company (a "**Warrant Share**") at a price of $0.90 per Warrant Share for a period of 24 months following the closing of the Offering. The Warrants will be subject to an acceleration right (the "**Warrant Acceleration Right**") if on any 20 consecutive trading days, beginning on the date that is four months and one day following the closing date, the daily volume weighted average trading price of the Company's common shares on a recognized stock exchange is greater than $1.50 per common share. If the Company exercises its Warrant Acceleration Right, the new expiry date of the Warrants will be the 30th day following the notice of such exercise.

The Offering is being conducted on a commercially reasonable efforts basis by Gravitas Securities Inc. (the "**Agent**") in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario (the "**Offering Jurisdictions**").

The Company has granted to the Agent an option to increase the size of the Offering by up to 15%, exercisable in whole or in part at any time for a period of 30 days after and including the closing date of the Offering.

The net proceeds from the Offering will be used for further research and development of the Company's intelligent battery management system, micro, light and commercial electric vehicle programs, marketing, capital investments and general working capital requirements.

The Company has applied to list the Unit Shares and the Warrant Shares on the Canadian Securities Exchange (the "**CSE**"). There is no established trading market for the Warrants and the Company does not expect a market to develop. A copy of the Prospectus is available under the Company's profile at www.sedar.com or by request to Gravitas Securities Inc. at vancouvergsiib@gravitassecurities.com. The Offering is subject to certain customary conditions including, but not limited to, the receipt of all necessary approvals, including the approval of the CSE and the issuance of a receipt for the Company's final prospectus by each of the securities commissions of the Offering Jurisdictions.

Exro also announces that it has completed a non-brokered private placement financing and raised $115,000 through the issuance of 287,500 common shares in the capital of the Company ("**Shares**") at a price of $0.40 per Share.

The Shares will be subject to a hold period expiring October 24, 2020, pursuant to relevant prospectus or registration exemptions in accordance with applicable laws.

The net proceeds raised from the sale of this private placement will be used for working capital and general and administrative expenses.

The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

About Exro Technologies Inc.

Exro is a clean technology company that has developed patented coil driver technology which is used for electric motors to create greater speed, power and distance, while reducing weight and space. The Company's coil driver technology expands the capabilities and efficiency of electric motors by enabling two separate torque profiles within an electric motor; one profile for low speed and high torque and another profile for high speed and low torque. The coil driver technology ultimately translates into increased system efficiency and optimization for electric motors while consuming less energy and reducing costs. Exro has spent time and resources validating the coil driver technology with world-class partners and is now fully focused on commercializing its unique product as world governments push clean technology.

ON BEHALF OF THE BOARD OF DIRECTORS

Sue Ozdemir, Chief Executive Officer

Forward-Looking Statements

Certain statements contained in this News Release constitute forward-looking statements. When used in this document, the words "believe", "may", "would", "could", "will" and similar

expressions, as they relate to the Company or its management are intended to identify forward-looking statements. More particularly and without limitation, this news release contains forward-looking statements and information concerning the closing of the Offering, regulatory approvals, use of proceeds and the Company's intention to commercialize its product in the near term. Such statements reflect the Company's current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual performance or achievements to vary from those described herein, including those risk factors described in the Prospectus and in the documents incorporated by reference therein. Should one or more of these factors or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. The Company does not assume any obligation to update these forward-looking statements, except as required by law.

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