



Eguana Announces \$3 Million First Tranche Closing of Oversubscribed Private Placement

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CALGARY, ALBERTA - (June 21, 2019) - Eguana Technologies Inc. ("**Eguana**" or the "**Company**") (TSXV: EGT) (OTCQB:EGTYF) is pleased to announce that it has closed the first tranche of its previously announced private placement offering (the "**Offering**") led by Bayfront Capital Partners Ltd. ("**Bayfront**" or the "**Lead Agent**") and including Mackie Research Capital Corporation (together with Bayfront, the "**Agents**"), pursuant to which the Company issued 3,012 unsecured convertible debentures (each, a "**Debenture**" and collectively, the "**Debentures**") of Eguana at a price of \$1,000 per Debenture and 10,039,988 warrants of the Company (each, a "**Warrant**") for aggregate gross proceeds of \$3.012 Million. The net proceeds of the Offering will be used for general working capital and corporate expenditures of the Company.

"These proceeds will allow us to immediately increase our battery module procurement, which is critical to meet customer expectations through the September quarter," stated Eguana CEO, Justin Holland. "We are anticipating increasing shipments into Europe, Australia, and the United States, which are our three primary target markets."

The Debentures mature and are repayable on June 21, 2022 (the "**Maturity Date**") and carry a coupon of 10% per annum payable in cash and compound and payable semi-annually or on such earlier date on which the Debentures are converted. At any time prior to the Maturity Date, the Debentures are convertible into common shares of the Company (each, a "**Common Share**" and collectively, the "**Common Shares**") at a price of \$0.15 per share. Following the date that is four months and one day from the date of issuance, upon 30 days' notice, the Company shall be able to require the holders to convert their Debentures into Common Shares in the event the daily volume weighted average trading price of the Common Shares is greater than \$0.30 for 20 consecutive trading days.

Each Warrant is exercisable at \$0.20 to acquire one Common Share for a period of 36 months from the date of issuance.

In connection with the Offering, the Agents were granted the option ("**Agents' Option**") to sell up to an additional \$2 Million of Debentures. The Agents partially exercised the Agents' Option to sell an additional 12 Debentures. The balance of the Agents' Option may be exercised in connection with a second tranche closing.

As consideration for their services, the Agents received (i) a cash commission equal to 7% of the gross proceeds raised pursuant to the Offering and (ii) 466.67 broker warrants (each, a "**Broker Warrant**") for each \$1,000 principal amount of Debentures sold pursuant to the Offering. Each Broker Warrant entitles the holder thereof to acquire one unit of the Company (each, a "**Unit**") at a price of \$0.15 per Unit for a period of three years from the closing date. Each Unit shall consist of one Common Share and one-half of one Warrant. Each whole



Warrant shall enable the holder thereof to acquire an additional Common Share at a price of \$0.20 per share for a period of three (3) years following the closing date of the Offering.

Management and Directors of the Company subscribed for an aggregate of 157 Debentures. Such participation is considered a related party transaction within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The related party transaction is exempt from minority approval, information circular and formal valuation requirements pursuant to the exemptions contained in Sections 5.7(a) and 5.5(a) of MI 61-101, as neither the fair market value of the gross securities issued under the Offering nor the consideration paid by the insiders exceeds 25% of the Company’s market capitalization.

All securities issued pursuant to the Offering will be subject to a statutory hold period lasting four months and one day following the date of issuance. The Offering is subject to final approval of the TSX Venture Exchange.

About Eguana Technologies Inc.

Based in Calgary, Alberta Canada, Eguana Technologies Inc. (EGT: TSX.V) (OTCQB: EGTYF) designs and manufactures high performance residential and commercial energy storage systems. Eguana has two decades of experience delivering grid edge power electronics for fuel cell, photovoltaic and battery applications, and delivers proven, durable, high quality solutions from its high capacity manufacturing facilities in Europe and North America.

With thousands of its proprietary energy storage inverters deployed in the European and North American markets, Eguana is one of the leading suppliers of power controls for solar self-consumption, grid services and demand charge applications at the grid edge. To learn more, visit www.eguanatech.com or follow us on Twitter [@EguanaTech](https://twitter.com/EguanaTech)

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Forward Looking Information

The reader is advised that some of the information herein may constitute forward-looking statements and forward-looking information (together, “forward-looking statements”) within the meaning assigned by National Instrument 51-102 – Continuous Disclosure Obligations and other relevant securities legislation. In particular, we include, among other things: statements pertaining to the use of proceeds, the closing of additional tranches of the Debenture Financing, the ability of the Company to comply with terms of the Debentures, including but not limited to the interest payments and payments of the principal and the Company’s ability to obtain necessary approvals from the TSX Venture Exchange.

Forward-looking statements are not a guarantee of future performance and involves a number of risks and uncertainties. Many factors could cause the Company’s actual results, performance or achievements, or future events or developments, to differ materially from those expressed or implied by the forward-looking information. Readers are



cautioned not to place undue reliance on forward-looking information, which speaks only as of the date hereof. Readers are also directed to the "Risk Factors" section of the Company's most recent audited financial statements which may be found on its website or at sedar.com. The Company does not undertake any obligation to release publicly any revisions to forward-looking statements contained herein to reflect events or circumstances that occur after the date hereof or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.