

Eguana Provides California Update and Announces \$1 Million Brokered Private Placement to Fund Expanding Cobalt Free Evolve Product Line

CALGARY, Alberta, Oct. 16, 2020 -- Eguana (“**Eguana**” or the “**Company**”) (TSX.V: EGT) (OTCQB: EGTYF) is pleased to announce a record order book as of September 30th, 2020 of \$23 million, with significant demand contribution coming from US markets and California in particular. Orders are expected to ship within the next 12-18 months.

Eguana recently launched a cobalt-free, LFP product line and has received strong demand in California, with orders from the state approaching \$5 million, all of which are expected to ship within the next 8-12 months. Demand continues to accelerate, along with distributor and dealer shipments, as the Company works through its current backlog. “Market response to the cobalt free product launch has been unprecedented over the history of the company,” commented Eguana CEO Justin Holland. “The need for reliable, affordable and renewable energy will continue to grow and fully integrated residential batteries are going to play a vital role in accommodating solar PV and electric vehicle mandates in the state.”

Customer preferences are evident across all markets and our proprietary platform enables rapid product development, delivering significant value to both homeowners and dealer partners. We are augmenting our product line with the addition of our 10kW/28kWh system, a full home back up power solution in California, to be released in spring of 2021. The 10kW residential system will deliver the highest power throughput and substantial battery capacity while addressing homeowners needs with reliable power. The fully integrated system will also come with standard Eguana features, including auto recovery, expandable capacity, and remote commissioning.

Brokered Private Placement

The Company is also pleased to announce that it has entered into an engagement letter pursuant to which Eguana has appointed Fort Capital Securities Inc. (the “**Agent**”) to sell by way of private placement, limited partnership units (the “**LP Units**”) of the Company’s subsidiary, EGT Markets Limited Partnership at a price of \$1,000 per LP Unit, for gross proceeds of up to \$1,000,000 (the “**Offering**”). The proceeds of the Offering will be used to expedite the development and launch of the higher power cobalt free LFP product and general working capital purposes.

The Offering will consist of up to 1,000 LP Units. The Company has the right to exchange each of the LP Units for common shares in the capital of the Company (each a “**Common Share**” and collectively, the “**Common Shares**”), at a price of \$0.15 per Common Share, at any time prior to the close of business on March 31, 2021.

In connection with the Offering, which is expected to close on or about October 30th, the Agent will be paid a cash commission equal to 7.5% of the gross proceeds of the Offering. The Agent will also receive broker warrants (each a “**Broker Warrant**” and collectively, the “**Broker Warrants**”) equal to 7.5% of the total number of Common Shares issuable on exchange of the LP Units. Each Broker Warrant will be exercisable to purchase one Common Share at an exercise price of \$0.15 per Common Share for a period of 24 months from the date of issuance.

The LP Units will be subject to an indefinite hold period and all Common Shares issued in exchange for LP Units or on exercise of the Broker Warrants will be subject to a hold period of four months plus one day from the date of issuance, in accordance with applicable securities legislation. The Offering remains subject to approval of the TSX Venture Exchange (the “**TSXV**”).

Results of Annual General and Special Meeting

The Company is also pleased to announce the results of its annual general and special meeting held virtually on October 8, 2020 (the “**Meeting**”). At the Meeting, all matters presented by management were duly approved and authorized by the Company’s shareholders, which included: (i) the number of directors of the Company being fixed at five (5); (ii) the re-election of all of the directors of the Company, being Michael Carten, Justin Holland, Gregory Nelson, Robert Penner and George W. Powlick; (iii) the approval of the amendment to the Company’s stock option plan and (iv) the appointment of BDO Canada LLP as auditor of the Company for the ensuing year.

Evolve – Home Energy Storage Systems

Evolve LFP is a fully integrated residential energy storage system that includes the company’s proprietary power electronics system, Pylontech low-voltage battery modules, comprehensive user interface, and industry-leading energy management capabilities.

The system is rated at 5 kW AC output with a modular battery design based on a 3.5 kWh battery, which is scalable from 14 to 28 kWh in storage capacity. The NEMA 3R wall-mounted package is suitable for indoor and outdoor installations. The package is backed by a 10-year standard warranty.

The Evolve LFP supports grid-connected solar self-consumption, time of use, and backup power. It is now available in the United States and in Caribbean markets, with certification to UL1741, California’s Rule 21, and Hawaii’s Rule 14H.

About Eguana Technologies Inc.

Based in Calgary, Alberta Canada, Eguana Technologies (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 Statements

Certain information in this news release constitutes forward-looking statements and forward-looking information (collectively, the "forward-looking statements") within the meaning of Canadian securities laws, and is subject to numerous risks, uncertainties and assumptions, many of which are beyond the Company's control. This forward-looking information includes, among other things, information with respect to: the increase in demand for the Company's LFP product line in California, the exceptional market response to the LFP Evolve in California, the acceleration in demand of the Company's products and that the Company will be able to work through its current backlog, the need for reliable, affordable and renewable energy will continue to grow and fully integrated residential batteries will play a vital role in accommodating solar PV and electric vehicle mandates in California, the Company's platform enables rapid product development, which will provide value to both homeowners and dealer partners, the Company will release its 10kW/28kWh system in the spring of 2021, the aggregate amount of LP Units sold by the Agent and Broker Warrants issued to the Agent by the Company, whether the TSXV will approve the Offering and the issuance of the LP Units, Common Shares and the Broker Warrants, and that the Company will expedite its growth in global markets. The words "may", "could", "should", "would", "suspect", "outlook", "believe", "anticipate", "estimate", "expect", "intend", "plan", "target" and similar words and expressions are used to identify forward-looking information.

The results or events anticipated or predicted in such forward-looking information may differ materially from actual results or events. Material factors which could cause actual results or events to differ materially from such forward-looking information include, among others, the demand for the Company's LFP product line in California may not continue to increase, the acceleration in demand of the Company's products may not continue and that the Company may not be able to work through its current backlog, the need for reliable, affordable and renewable energy may not continue to grow and the demand for fully integrated residential batteries in California may drop, the market response to LFP Evolve in California may not continue to be positive, the Company may not release its 10kW/28kWh system in the spring of 2021, the Agent may not be able to sell the maximum LP Units under the Offering, the TSXV may not approve the Offering and the issuance of the LP Units, Broker Warrants and Common Shares, Company's ability to engage and retain qualified key personnel, employees and affiliates, to obtain capital and credit and to protect its property rights, the uncertainty surrounding the spread of COVID-19 and the impact it will have on the Company's operations and economic activity in general, and the risks and uncertainties discussed in our most recent annual and quarterly reports filed with the Canadian securities regulators and available on the Company's profile on SEDAR at www.sedar.com, which risks and uncertainties are incorporated herein by reference. Readers are cautioned not to place undue reliance on forward-looking statements. Except as required by law, the Company does not intend, and undertakes no obligation, to update any forward-looking statements to reflect, in particular, new information or future events.

The Company cautions that the foregoing list of material factors is not exhaustive. When relying on the Company's forward looking information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company has assumed a certain progression, which may not be realized. It has also assumed that the material factors referred to in the previous paragraph will not cause such forward-looking information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors.

The forward-looking statements contained in this news release represent the expectations of the Company as of the date of this news release and, accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While the Company may elect to, it does not undertake to update this information at any particular time.

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 news release.