

**SYNEX INTERNATIONAL INC.  
NEWS RELEASE**

**TSX : SXI**

**February 6, 2018**

<b>SYNEX INTERNATIONAL INC. SECOND QUARTER OF FISCAL 2018</b>
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For the six months ended December 31, 2017, revenue decreased to \$1,300,441 from \$1,771,417 in the corresponding period in fiscal 2017. Revenue from electricity generation for the six months ended December 31, 2017, decreased to \$1,017,750 from \$1,506,431 in the corresponding period in fiscal 2017. The decrease in electricity generation was due to adverse runoff conditions. There were no significant equipment outages during the six months ended December 31, 2017. Electricity generation for the six months ended December 31, 2017 was the lowest on the long-term record for the combined hydro plants whereas generation was the highest on long-term record for the combined hydro plants for the corresponding period in fiscal 2017

The Engineering Division revenue for the six months ended December 31, 2017 was \$231,508 as compared to \$213,803 for the six months ended December 31, 2016.

The net loss attributable to shareholders of the Company for the six months ended December 31, 2017 increased to \$1,057,721 from \$289,106 for the six months ended December 31, 2016. For the six months ended December 31, 2017, the loss per share was \$0.03 as compared a loss per share of \$0.01 in the corresponding period in fiscal 2017. The increase in net loss for the six months ended December 31, 2017 is primarily due to lower electricity sales and higher expenses associated with the proxy contest initiated by a dissident shareholder. The dissident shareholder proposed that shareholders vote for his slate of directors. At the Annual General Meeting held on November 3, 2017, the management slate of directors was elected by the shareholders. The management slate of directors is comprised of five returning directors, Cliff Grandison, Tanya DeAngelis, Lee Rennison, Greg Sunell and Mark Stephens and a new director, David Plunkett.

The capital expenditures in respect of the development of run-of-river hydro projects in British Columbia for the six months ended December 31, 2017 was \$111,345. The Power Division was most active on the proposed 4.3MW Newcastle Creek Project and 5MW McKelvie Creek Project .

At December 31, 2017, the Company had a cash balance of \$724,282. The total loan principal outstanding to the Canadian Western Bank was \$15,643,389 at December 31, 2017.

The Company holds an 11% interest in Robson Valley Power Corporation ("RVPC") which owns the 3.3MW Ptarmigan Creek Hydro Plant. BC Hydro and RVPC are currently negotiating for a renewed electricity purchase agreement, which negotiations have been continuing for an extended period of time. Accordingly, RVPC has been soliciting alternative electricity buyers, including "crypto-currency", to locate on its property and purchase electricity directly from RVPC.

The Company is a successful hydroelectric developer and consultant in British Columbia. The Company wholly owns or has proportionate interests in a net total of 12 MW of operating facilities and 9 MW of construction ready facilities, awaiting electricity purchase agreements from BC Hydro. In addition, the Company has applications for water licences and land tenure on 24 potential hydroelectric sites totaling over 150 MW of installed capacity.

*“signed”*

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Greg Sunell, President

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### ***Forward Looking Statements***

*This press release contains forward-looking statements that involve risks and uncertainties. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to change and to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. These statements include but are not limited to, changes in economic conditions, risks associated with the construction and operation of hydroelectric facilities and changes in government policy and such other factors beyond the control of the Company and include statements regarding the advancement of the McKelvie and Newcastle projects. The Company assumes no obligation to update or revise forward-looking information to reflect changes in assumptions, changes in circumstances or any other events affecting such forward-looking information, except as required by applicable law.*