

**SYNEX INTERNATIONAL INC.
NEWS RELEASE**

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SYNEX INTERNATIONAL INC SECOND QUARTER OF FISCAL 2015
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For the six months ended December 31, 2014, revenue decreased to \$2,073,968 as compared to \$2,411,336 in the corresponding period in the previous year. The decrease in revenue was due to lower revenue from the Engineering Division partly offset by increased revenue from each of the operating facilities of the Energy Division.

The net loss attributable to shareholders of the Company for the six months ended December 31, 2014 decreased to \$333,134 as compared to \$389,084 in the corresponding period in fiscal 2013. The decrease in net loss is primarily due to lower net loss from the Energy Division partly offset by lower net income from the Engineering Division. A net loss in the first six months is expected as the generation from hydro plants in the six months normally represents less than 39% of annual forecast generation. For the six months ended December 31, 2014, the loss per share was \$0.01 as compared to a loss per share of \$0.01 in the corresponding period in fiscal 2013.

Total generation at the Mears and Cypress Plants for the six months ended December 31, 2014 was 8,922 MWh, which was 120% of the generation for the six months ended December 31, 2013. Total generation at the Mears and Cypress Plants was 101% of the average generation for the Plants over their average 8.5 year operating period. Total generation at the Barr Plant for the six months ended December 31, 2014 was 5,689 MWh, which was 120% of the generation for the six months ended December 31, 2013. The Barr Plant commenced operations in February 2012 and accordingly no actual long term average is available. Due to the adverse weather conditions over the July 2014 to September 2014 period, Canadian Western Bank advanced about \$235,000 from the hydrology reserves of \$730,000, of which about \$50,000 had been replenished as of December 31, 2014. Subsequent to the second quarter, in January 2015, a further amount of about \$100,000 was replenished.

The revenue from engineering services for the six months ended December 31, 2014 decreased to \$625,063 from \$1,226,596 for the six months ended December 31, 2013. The decrease in revenue is a result of significantly decreased engineering activity of the private hydroelectric power industry in British Columbia. On December 29, 2014, the Company announced that the Engineering Division was proceeding to finalize the acquisition of 36 water licence applications (the "Applications") located in the vicinity of Jervis Inlet in British Columbia. The Engineering Division entered into a Purchase and Sale Agreement dated April 9, 2010 (the "PSA") with a Receiver for Hawkeye Power Corporation but was unable to finalize the acquisition at that time due to a claim of ownership by Hawkeye Power Corporation. The parties have been in extended litigation, which is continuing, however the closing of the PSA has been approved by the courts in British Columbia. The Company borrowed \$323,000 in December 2014 from the Canadian Western Bank in order to finalize the acquisition. The Engineering Division is proceeding to market for sale some or all of the Applications.

The capital expenditures for the six months ended December 31, 2014 in respect of the development of run-of-river hydro projects in British Columbia totaled \$408,635. The Power Division was most active on the proposed 5MW McKelvie Creek Project (the "McKelvie Project"), the 4MW Newcastle Creek Project (the "Newcastle Project") and the Victoria Lake Project (the "Victoria Project"). The Power Division is currently offering to sell certain development opportunities to third parties with the Company retaining an equity interest.

At December 31, 2014, the Company had a cash balance of \$517,031 as compared to \$1,165,825 at June 30, 2014. The total loan principal outstanding to the Canadian Western Bank was \$18,177,882 at December 31, 2014 as compared to \$18,128,126 at June 30, 2014. The loan principal includes the amount of \$75,000 that was advanced under the Overdraft Credit Agreement (the "Creditline") for expenditures on the Newcastle Project as well as \$323,000 that was advanced for the purchase of the 36 water licence applications from the Receiver for Hawkeye Energy Corporation. The total advance under the Creditline at December 31, 2014 was \$75,000 of the total available loan amount of \$500,000.

During the second quarter of fiscal 2015, the Company continued contact with interested third parties regarding partnering on certain development projects of the Company.

The Company is a successful hydroelectric developer and consultant in British Columbia. The Company wholly owns or has proportionate interests in a total of 12 MW of operating facilities. In addition, the Company has applications for water licence and land tenure on over 55 potential hydroelectric sites which are in various stages of development or intended for disposition. Mostly, the water licence applications are for projects with individual capacities of less than 10 MW. BC Hydro under the current Standing Offer Program accepts applications for electricity purchase agreements for up to forty years for projects with a maximum size of 15 MW and for which BC Hydro has a stated goal of acquiring 50 GWh per year.

“signed”

Greg Sunell, President

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This press release contains forward-looking statements that involve risks and uncertainties. These statements reflect our current expectations and are subject to change. They are subject to a number of risks and uncertainties including, but not limited to, changes in economic conditions, risks associated with the construction and operation of hydroelectric facilities and changes in government policies.