

**SYNEX INTERNATIONAL INC.
NEWS RELEASE**

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SYNEX INTERNATIONAL INC FIRST QUARTER OF FISCAL 2015

For the three months ended September 30, 2014 (“Q1 2015”), revenue decreased to \$613,619 from \$898,845 in the corresponding period in 2013 (“Q1 2014”). The decrease in revenue was due to lower revenue from each of the operating facilities of the Energy Division and lower revenue from the Engineering Division.

The decrease in revenue of the Energy Division was due to the exceptionally dry conditions persisting in Q1 2015. Total generation in Q1 2015 for the Mears, Cypress and Barr Plants decreased to 1297 MWh as compared to 2793 MWh for Q1 2014. Generation for the first quarter was the lowest of record for the operating periods of 11 years, 6 years and 3 years for the Mears, Cypress and Barr Plants respectively. Due to the adverse weather condition, the Canadian Western Bank advanced the Company \$119,188 from the hydrology reserves of \$730,000. Subsequent to the end of Q1 2015, in October 2014, the dry conditions no longer persisted with the generation for the Mears Plant exceeding the long-term average for the month of October and the generation for the Cypress and Barr Plants being the highest for the month of October for the operating term of the plants.

The net loss attributable to shareholders of the Company for Q1 2015 increased to \$587,367 as compared to a loss of \$414,203 for Q1 2014. The increase in net loss is primarily due to lower electricity sales in Q1 2015 as compared to Q1 2014. A net loss in the first quarter is expected as the generation from hydro plants in the first quarter normally represents less than 10% of annual forecast generation. The loss per share in Q1 2015 was \$0.02 as compared to a loss per share of \$0.01 in Q1 2014.

The Engineering Division revenue for Q1 2015 was \$414,989 as compared to \$579,915 for Q1 2014. During the first quarter, the Engineering Division received a favourable court decision regarding the extended litigation involving Hawkeye Power Corporation (“HPC”). On August 28, 2014, HPC filed for an appeal of the court decision. The fixing of the date for the appeal hearing is pending submission of materials by HPC and the Engineering Division.

The capital expenditures in Q1 2015 in respect of the development of run-of-river hydro projects in British Columbia totaled \$282,412. 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 Victoria Project has an electricity purchase agreement dated August 2006 whereas the two other projects are expected to qualify for electricity purchase agreements under the BC Hydro Standing Offer Program.

At September 30, 2014, the Company had a cash balance of \$485,256 as compared to \$1,165,825 at June 30, 2014. The total loan principal outstanding to the Canadian Western Bank was \$18,031,629 at September 30, 2014 as compared to \$18,128,126 at June 30, 2014. The loan principal includes the amount of \$75,000 that was advanced in September 2014 under the Overdraft Lending Agreement for expenditures for the Newcastle Project.

During September 2014, the Company continued exploring for interest of third parties to partner 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”

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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.