

**SYNEX INTERNATIONAL INC.  
NEWS RELEASE**

**TSX : SXI**

**May 9, 2017**

<p><b>SYNEX INTERNATIONAL INC. THIRD QUARTER OF FISCAL 2017</b></p>
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For the nine months ended March 31, 2017, revenue decreased to \$2,894,039 from \$3,129,182 in the corresponding period in fiscal 2016. The decrease in revenue of \$235,143 in the comparable nine month periods was due to adverse weather in Fiscal 2017 resulting in lower electricity sales. Weather conditions during December 2016 to February 2017 were both drier and cooler than average. However, as a result of the cooler temperatures, the snow accumulation in the drainage basins as of March 31, 2017 far exceeded the snow accumulation at March 31, 2016, which should result in higher electricity sales revenues in April 2017 to June 2017 as compared to the corresponding period in fiscal 2016.

The net loss attributable to shareholders of the Company for the nine months ended March 31, 2017 was \$230,205 as compared to net income attributable to shareholders of \$36,994 in the corresponding period in fiscal 2016. The increase in net loss for the nine months ended March 31, 2017 as compared to the nine months ended March 31, 2016 closely compares to the decrease in electricity sales from the generating plants. For the nine months ended March 31, 2017, the net loss per share was \$0.01 as compared to net income per share of \$0.00 in the corresponding period in fiscal 2016.

Cash flow from operating activities for the nine months ended March 31, 2017 was \$144,348 as compared to \$613,135 for the nine months ended March 31, 2016.

The capital expenditures in respect of the development of run-of-river hydro projects in British Columbia for the nine months ended March 31, 2017 totaled \$250,009. The Power Division was most active on the proposed 4.3MW Newcastle Creek Project and 5MW McKelvie Creek Project. Both projects are awaiting draft electricity purchase agreements from BC Hydro. In addition, the BC Hydro interconnection studies for the Newcastle Creek Project are being advanced.

The Company is proposing a private placement in the near term to raise a significant portion of the necessary capital for the two projects. On April 24, 2017, the Company announced the registration as an Eligible Business Corporation under the Small Business Venture Capital Act of British Columbia (the "Act"). Accordingly, eligible persons or companies may apply for a tax credit upon the purchase of treasury shares issued under a private placement, subject to the conditions set out in the Act.

On April 26, 2017, the British Columbia Court of Appeal dismissed the second phase of the claim by Hawkeye Power Corporation ("HPC") against the Company's Engineering Division. The first phase of claim by HPC in respect of ownership of thirty-six water licence applications located in southwestern British Columbia had been dismissed more than one year previously.

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. 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. 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. 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.*