

**SYNEX INTERNATIONAL INC.
NEWS RELEASE**

TSX : SXI

May 10, 2017

SYNEX INTERNATIONAL INC. PROPOSED PRIVATE PLACEMENT AND SUSPENSION OF DIVIDEND

Synex International Inc. (the “Company”) announces that the Company is proceeding with a proposed non-brokered private placement of up to 800,000 common shares in the capital of the Company (each a “Share”) at a price of \$0.45 per Share for gross proceeds of up to \$360,000 (the “Private Placement”). Closing is expected to occur on or before July 17, 2017. The anticipated net proceeds from the sale of Shares is expected to be approximately \$340,000 (which is gross proceeds of \$360,000 less estimated legal, regulatory and associated Share issue costs of approximately \$20,000). The net proceeds from the proposed private placement are intended to be used for project expenses and working capital. The Shares issued pursuant to the Private Placement will be subject to a hold period expiring four months and a day following closing of the Private Placement. The Company has received an equity authorization under the Small Business Venture Capital Act of the Province of British Columbia as previously announced in a News Release dated April 24, 2017. Persons or companies subscribing to the Private Placement will be eligible to apply for a British Columbia tax credit in the amount of 30% of the subscription. The tax credit is repayable to the Province of British Columbia in the event the subscriber sells, transfers or disposes of the shares within 5 years of the date of purchase. The program includes a number of other qualifying conditions such as that the tax credits are limited and are available on a first come first serve basis.

The Company is advancing to construction of the 4.3MW Newcastle Creek Hydro Project (“Newcastle”) and the 5MW McKelvie Creek Hydro Project (“McKelvie”), both located on Vancouver Island, British Columbia. McKelvie and Newcastle which are estimated to be completed in about the next 24 months, are expected to provide an estimated additional \$3.2 million of annual revenue and \$700,000 of cash flow to the Company, after debt servicing and operations.

The Company intends to meet the financing requirements of the McKelvie and Newcastle projects through new share issuances, existing bank lending proposals and the immediate suspension of the Company’s annual cash dividend first declared in May 2012. The Company will not pay an annual cash dividend in 2017. The Company intends to reinstate the payment of an annual dividend after the completion of the McKelvie and Newcastle projects. Upon completion of these projects, the Company anticipates a stronger and growing dividend, as one of the primary objectives in delivering long term shareholder growth and returns.

The Company is an experienced 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”

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 generally can be identified by the use of forward-looking words such as “may”, “should”, “will”, “could”, “intend”, “estimate”, “plan”, “anticipate”, “expect”,

“believe” or “continue”, or the negative thereof or similar variations. Forward-looking statements in this news release include statements regarding completion of the Private Placement, the estimated costs of the Private Placement, the use of proceeds of the Private Placement, the completion and estimated timeline for completion of the McKelvie and Newcastle projects, the estimated additional revenue and cash flow arising from the McKelvie and Newcastle projects, the methods for financing these projects, and the Company’s plans for reinstatement of an annual dividend in the future. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding the Private Placement, the completion of the projects and the suspension and reinstatement of an annual dividend, including, but not limited to, the risk that the Private Placement may not be completed as expected or at all, changes in economic conditions, risks associated with the construction and operation of hydroelectric facilities, changes in government policies and such other factors beyond the control of the Company. 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.