

ENERDYNAMIC HYBRID TECHNOLOGIES CORP.

**Material Change Report
Form 51-102F3**

- Item 1 Name and Address of Company
- Enerdynamic Hybrid Technologies Corp. (the “**Issuer**”)
1110 Hansler Road, Welland, Ontario, L3C 7M5
- Item 2 Date of Material Change
- August 9, 2016
- Item 3 News Release
- A press release announcing the material change referred to in this report was issued on August 12, 2016 and disseminated through Canada Newswire.
- Item 4 Summary of Material Change
- On August 9, 2016, the Issuer entered into a purchase agreement to sell its wholly-owned subsidiary’s interest in Reliant First Nation Limited Partnership for approximately \$7,061,400, subject to certain purchase price adjustments.
- Item 5 Full Description of Material Change
- 5.1 Full Description of Material Change
- Refer to the press release of the Issuer dated August 12, 2016, which is incorporated by reference.
- 5.2 Disclosure for Restructuring Transactions
- Not applicable.
- Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102
- Not applicable.
- Item 7 Omitted Information
- Not applicable.
- Item 8 Executive Officer
- John Gamble
Chief Executive Officer
289-488-1699
- Item 9 Date of Report
- August 12, 2016

**PRESS RELEASE****For immediate release****EHT COMPLETES SALE OF 40MW DC**

- **Sale will pay down debt and interest on debentures over next 15 months**

Toronto, August 12, 2016. Enerdynamic Hybrid Technologies Corp. (“**EHT**” or the “**Company**”) (TSX-V: EHT) is pleased to announce that on August 9, 2016, its wholly-owned subsidiary, Enerdynamic Hybrid Technologies Inc. (“**EHTI**”), has entered into a purchase agreement (the “**Purchase Agreement**”) with an arm’s length third party purchaser (the “**Purchaser**”), pursuant to which, among other things, EHTI has agreed to sell to the Purchaser, and the Purchaser has agreed to acquire from EHTI, its ownership interest (the “**Acquisition**”) in Reliant First Nation Limited Partnership (“**RFNLP**”), which owns (i) certain FIT version 3.0.1 contracts and FIT version 3.1 contracts with a total estimated installed nameplate capacity of 40.506 MW DC (33.755 MW AC of contract capacity) to be located on the school roofs of the Peel District School Board (the “**Peel Projects**”) and (ii) certain FIT version 3.0.1 contracts with a total estimated installed nameplate capacity of 5.672 MW DC (4.727 MW AC of contract capacity) to be located on the school roofs of the Greater Essex County School Board (the “**Essex Projects**”). The Essex Projects have been acquired by a different third party and do not form part of the Acquisition. EHTI will receive cash consideration on a per watt basis of constructed Peel Projects.

John Gamble, President and CEO of EHT, said “we’ve always felt that this was an attractive asset, but it is capital intensive and now does not fit with the new opportunities that we have in front of us. This transaction will release the funds that we have invested in this asset and, at the same time, remove a significant capital requirement going forward.”

In accordance with the Purchase Agreement, EHTI will receive approximately \$7,061,400 from the Purchaser, subject to adjustments to the purchase price based on the commercial terms of the transaction. In Addition, the Purchaser will pay EHTI for certain of the development fees and other costs paid by EHTI to RFNLP in connection with the development of the Peel Projects.

About EnerDynamic Hybrid Technologies

EHT delivers proprietary, turn-key energy solutions which are intelligent, bankable and sustainable. Most energy products and solutions can be implemented immediately wherever they are needed. EHT stands above its competitors by combining a full suite of solar PV, wind and battery storage solutions, which can deliver energy 24 hours per day in both small-scale and large-scale format. In addition to traditional support to established electrical networks, EHT excels where no electrical grid exists. Through its recent acquisitions and new product developments, the organization now supplies advanced material solutions for various industries in combination with energy saving and energy generation solutions. EHT’s core expertise lies in the development of innovative composite material systems with a full integration of smart energy solutions, which are processed through the use of EHT’s proprietary production technologies into attractive applications- primarily modular homes, cold storage facilities, schools, hotels and residential and commercial buildings.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

The statements herein that are not historical facts are forward-looking statements. Forward-looking information involves risk, uncertainties and other factors that could cause actual events, results, performance, prospects, and opportunities to differ materially from those expressed or implied by such forward-looking information, including risks related to the completion of the Acquisition, the delivery of all approvals from applicable regulatory bodies, the development and build of the Peel Projects and all costs incurred in connection therewith. Forward-looking information in this news release includes statements regarding, among other things, the completion of the Acquisition. Although EHT believes that the assumptions used in preparing



the forward-looking information in this news release are reasonable, including that all necessary regulatory approvals will be obtained in a timely manner, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. EHT disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by applicable securities laws.

FOR FURTHER INFORMATION. PLEASE CONTACT:

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