

Vicinity Motor Corp. Announces First Public Deployment of its Automated Transit Bus at Sleeping Bear Dunes National Lakeshore

Vicinity Autonomous Electric Transit Bus to See First Deployment with National Park Service in August 2024; New Capability Enabled by Partnership with Automated Driving Software Platform Provider ADASTEC

VANCOUVER, BC - July 30, 2024 - Vicinity Motor Corp. (NASDAQ:VEV)(TSXV:VMC) ("Vicinity" or the "Company"), a North American supplier of commercial electric vehicles, today announced the first public deployment of a Vicinity Autonomous Lightning Electric Transit Bus in partnership with automated driving software platform provider [ADASTEC](#) at Michigan's Sleeping Bear Dunes National Lakeshore, beginning service on Wednesday, August 14th, 2024.

As announced by Michigan Lieutenant Governor Garlin Gilchrist at a launch event at the Michigan State Capitol Building today, through a National Park Service Mobility Challenge Program grant, ADASTEC and Vicinity will deploy an automated, electric low-floor, accessible transit bus that will transport passengers along a 4.1-mile route on Pierce Stocking Scenic Drive at Sleeping Bear Dunes National Lakeshore. The deployment – supported by federal funding – aims to study how the next generation of automated bus technology performs in an outdoor recreational setting. The vehicle will be available for public use and is free to riders with a 7-day, annual or lifetime NPS pass during its deployment period.

The partnership brings together Vicinity's expertise in medium-duty, accessible, fully electrified low-floor transit vehicles with ADASTEC's SAE Level-4 automated driving software platform, flowride.ai. Vicinity automated transit buses are capable of responding in real-time to changing passenger demands, with capabilities such as flexible routing and dynamic scheduling. This initial deployment aims to demonstrate how automated, electric transit buses can significantly enhance traffic safety and reduce congestion in areas with high visitation rates.

Brent Phillips, President of Vicinity Motor Corp., said: "We at Vicinity Motor are absolutely thrilled to have an Autonomous Vicinity Lighting bus in federally funded service at such a prominent site, representing what we believe could be the future of public transportation in time. I would like to thank our valued automation partners at ADASTEC, whose advanced automated driving software platform makes our first SAE Level-4 automated bus deployments such as this possible. When paired with our qualification for up to \$85,000 in incentives from California's HVIP program, we are well positioned to drive adoption of electric, autonomous bus solutions."

Dr. Ali Peker, CEO of ADASTEC Corp., stated: "We are proud to partner with Vicinity Motor Corp. and the National Park Service to deploy our SAE Level-4 automated driving software, flowride.ai, at the iconic Sleeping Bear Dunes National Lakeshore. The first automated bus compliant with FMVSS regulations, this deployment aims to showcase how automated transit can enhance safety, efficiency, and environmental sustainability in public transportation."

Cemre Kavvasoglu, Product Management Director, North America at ADASTEC, added: "The deployment of the first SAE Level-4 automated bus at Sleeping Bear Dunes National Lakeshore is a significant milestone for us. This project exemplifies how innovative partnerships can bring advanced technology to public transit, enhancing both the passenger experience and operational efficiency. We are committed to driving forward the future of transportation with solutions that prioritize safety, sustainability, and accessibility."

"We look forward to working closely with the Sleeping Bear Dunes team and ADASTEC, as well as future automated bus deployment partners in the months to come, as we seek to revolutionize the future of transportation with next-generation solutions that are safer, more efficient and lower-cost," concluded Phillips.

About ADASTEC Corp.

Established in 2018, ADASTEC Corp is a leading US-based provider of Level-4 automation solutions for full-size buses and commercial vehicles. Our flagship product, the SAE Level 4 automation platform flowride.ai, sets the standard in full-size bus automation with its advanced capabilities and has achieved key regulatory approvals, distinguishing ADASTEC as an industry pioneer. With a commitment to quality and innovation, ADASTEC holds prestigious ISO certifications and is headquartered in East Lansing, Michigan, with a global presence in Turkey and The Netherlands.

ADASTEC is dedicated to transforming public transportation into a more sustainable and efficient system with a proven track record of international deployments and strong industry partnerships. Our expertise in delivering factory-fitted full-size buses and commercial vehicles automation and integration into public transport systems underscores our commitment to providing scalable, cost-effective, and safety-focused solutions to meet the evolving needs of modern cities.

For more information, please visit www.adastec.com.

About Vicinity Motor Corp.

Vicinity Motor Corp. (NASDAQ:VEV) (TSXV:VMC) ("VMC") is a North American supplier of electric vehicles for both public and commercial enterprise use. The Company leverages a dealer network and close relationships with world-class manufacturing partners to supply its flagship electric, CNG and clean-diesel Vicinity buses, as well as the VMC 1200 electric truck to the transit and industrial markets. For more information, please visit www.vicinitymotorcorp.com.

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This press release includes certain "forward-looking information" and "forward-looking statements" (collectively "forward-looking statements") within the meaning of applicable securities laws. All statements, other than statements of historical fact, included herein are forward-looking statements. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible", and similar expressions, or statements that events, conditions, or results "will", "may", "could", or "should" occur or be achieved. Forward-looking statements involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements.

Important factors that could cause actual results to differ materially from Vicinity's expectations include uncertainties relating to the economic conditions in the markets in which Vicinity operates, vehicle sales volume, anticipated future sales growth, market prices and supply for parts and materials, the success of Vicinity's operational strategies, the vehicle assembly facility in the State of Washington being capable of operating in the manner intended by management, the effect of the COVID-19 pandemic, the recoverability of the Optimal intangible asset and other macro economic factors on supply chain recovery to pre-pandemic levels, related government-imposed restrictions on operations, the success of Vicinity's strategic partnerships, the ability of the Company to extend or modify existing debt terms; and other risk and uncertainties disclosed in Vicinity's reports and documents filed with applicable securities regulatory authorities from time to time. Vicinity's forward-looking statements reflect the beliefs, opinions and projections on the date the statements are made. Vicinity assumes no obligation to update the forward-looking statements or beliefs, opinions, projections, or other factors, should they change, except as required by law.