



Solegear Announces Acquisition of Ex-Tech Plastics' Bioplastics Division

U.S. Asset Acquisition Estimated to Represent Annualized Bioplastic Packaging Revenues of Over US\$2 Million

March 17, 2016— (Vancouver, BC) Solegear Bioplastic Technologies Inc. (the “Company” or “Solegear”) (TSX-V:SGB) is pleased to announce that it has entered into a definitive agreement with Ex-Tech Plastics, Inc. (“Ex-Tech”), a leading Illinois-based manufacturer of extruded plastic sheets, to acquire 100% of Ex-Tech’s bioplastics division for \$1.33 million in common shares of the Company at a deemed price of \$0.20 per share (the “Asset Purchase”). In addition, the Company and Ex-Tech have agreed that the Company will be Ex-Tech’s exclusive supplier of bio-based materials and additives and that Ex-Tech will be the Company’s exclusive plastics extrusion service provider in North America. Furthermore, Ex-Tech has agreed to provide certain management support services to the Company.

“We’re delighted to have the opportunity to welcome Ex-Tech’s bioplastic division to the Solegear family,” said Paul Antoniadis, CEO of Solegear. “Further to the strategic partnership formed with Ex-Tech in 2015, we believe the amalgamation of Solegear and Ex-Tech’s bioplastic expertise, people and commercial efforts under the Solegear brand will further accelerate the commercialization of thermoformed bioplastic packaging in food and non-food applications.” Mr. Antoniadis further stated, “This transaction marks a significant milestone in Solegear’s strategy to grow its business through targeted acquisitions, joint ventures and organic sales.”

The Asset Purchase is expected to provide Solegear with annualized revenues estimated at US\$2 million. As consideration, Ex-Tech will receive 6,650,000 common shares in the Company (the “Shares”), subject to a 24-month hold period. Solegear will also provide Ex-Tech with a variable management fee for operational, marketing, production and back office services, which will be directly tied to Solegear’s business volumes. Completion of the Asset Purchase remains subject to TSX Venture Exchange approval. It is expected to be accretive during the current fiscal year.



“In completing a strategic review it became clear there was greater value to be achieved by combining our bioplastic business with Solegear,” said William Riesbeck, President of Ex-Tech Plastics. “I believe this transaction will put more resources behind our bioplastics business to unlock more revenue potential by combining our knowledge and expertise. Laura Pichon, Ex-Tech’s V.P. of Development and Strategic Partnerships, will facilitate Ex-Tech taking these next steps with Solegear. We are excited to be embarking on this venture.”

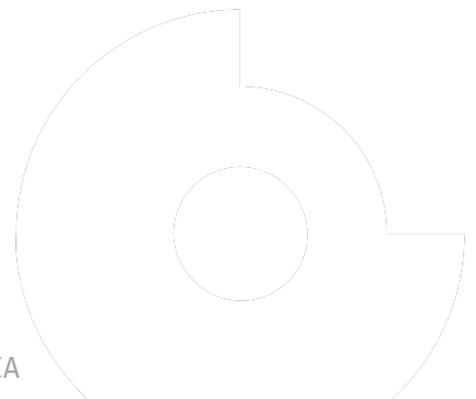
The Ex-Tech team will continue to market and sell bioplastics through the Solegear brand, making the transition seamless for Ex-Tech’s existing bioplastic customers and suppliers. Both firms continue to operate as strategic partners for new bioplastics development, processing and commercialization.

About Solegear Bioplastic Technologies Inc.

Solegear Bioplastic Technologies Inc. (TSX-V:SGB) is an innovator in the field of next generation bioplastics made from annually renewable plant-based sources. Committed to the principles of Green Chemistry, Solegear is driven by its mission to create healthier, safer and stronger communities by fundamentally changing the way plastics are made.

Solegear's proprietary bioplastic formulations, Polysole® and Traverse®, are designed to meet today’s social and corporate requirements to lower carbon emissions, reduce waste and remove toxicity typically associated with traditional petroleum-based plastics. Together with its partners, Solegear custom engineers, produces and distributes its high-performance bioplastics as resin, sheets and finished goods with some of the highest percentages of renewable, plant-based materials currently available in the industry.

For more information: www.solegear.ca





About Ex-Tech Plastics, Inc.

Ex-Tech Plastics, Inc. was founded in Richmond, Illinois in 1983 as an innovator in recycled plastic sheets. Building on that foundation, Ex-Tech was one of the first extruders to successfully produce and market sheets made from sustainable materials. Ex-Tech delivers a diverse array of sheet solutions in PET, bioplastics, olefins and vinyl to domestic and international customers. www.extechplastics.com

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Cautionary Statement Regarding Forward-Looking Information

Information in this news release that is not current or historical factual information may constitute forward-looking information within the meaning of securities laws. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Implicit in this information, particularly in respect of the estimated revenues to be derived from the Asset Purchase, are assumptions regarding expected performance of the purchased assets in the future. Specifically, we have assumed that the Asset Purchase will be completed and that the revenues that Solegear will be able to earn from the assets purchased from Ex-Tech will be equal to or greater than Ex-Tech's historical revenues from its bioplastics division. These assumptions, although considered reasonable by the Company at the time of preparation, may prove to be incorrect. Readers are cautioned that actual future operating results and economic performance of the Company are subject to a number of risks and uncertainties, including the risk that the Asset Purchase will not be completed, that current customers of Ex-Tech's bioplastics division may cease to be customers of Solegear, and that such customers may materially decrease their requirements for bioplastics materials. As such, Solegear's actual revenues relating to the transaction described in this news release could differ materially from what is currently expected as set out above. The estimate of revenues provided above may constitute a "financial outlook" under applicable securities laws. The purpose of the financial outlook is to provide readers with an estimate of the volume of business that Solegear currently expects the Asset Purchase to generate over the 12 months following the closing of the transaction disclosed in this press release. Solegear's management cautions readers that this information may not be appropriate for other purposes.



When relying on the Company's forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. The Company has assumed that the material factors referred to above will not cause such forward-looking statements and information to differ materially from actual results or events. However, there can be no assurance that such assumptions will reflect the actual outcome of such items or factors.

Other than as required under securities laws, we do not undertake to update this information at any particular time.

Forward-looking information contained in this news release is based on our current estimates, expectations and projections, which we believe are reasonable as of the current date. The reader should not place undue importance on forward-looking information and should not rely upon this information as of any other date. All forward-looking information contained in this news release is expressly qualified in its entirety by this cautionary statement.

