

ZENN Motor Company Inc.  
Toronto, Ontario, Canada  
(TSX-V: ZNN)

## **ZENN MOTOR COMPANY ANNOUNCES CHANGES TO THE COMPOSITION OF ITS BOARD OF DIRECTORS SUBSEQUENT TO THE AGM**

**Toronto, Ontario – March 23, 2011** - ZENN Motor Company Inc. (“ZMC” or the “Company”) (TSX-V: ZNN) today announced that, as contemplated in the Company's press release dated March 10, 2011, following the annual and special meeting of shareholders of the Company held yesterday, Brian Cott, Stephen Rodgers and John R. Wallace have resigned from the Board of Directors of the Company and the Board has appointed James Kofman, Allan Gregg and Roger Hammock to fill the vacancies on the board following such resignations. The Board of Directors of the Company is now comprised of Richard McGraw (Chairman), Stewart Somers, Ian Clifford (Vice Chairman), James Kofman (Lead Director), Allan Gregg and Roger Hammock. Mr. Cott will continue to be the President and CEO of the Company.

The changes to the Board were made as a result of previously announced discussions and arrangements with certain shareholders of the Company. Further, the Company reported that it has reimbursed Ian Clifford (a director of the Company) in the amount of \$325,000 for certain professional and advisory fees incurred by him in connection with such discussions and arrangements, a portion of which was satisfied by the issuance of 45,150 common shares of the Company at a deemed price of \$1.6611 per share. Such shares are subject to a four month hold period pursuant to the policies of the TSX Venture Exchange. The arrangements regarding the reimbursement of certain of Mr. Clifford's fees and expenses were not concluded in sufficient time to permit disclosure at least 21 days in advance to implementation.

The Company also reported that, consistent with past practice and subject to regulatory approval, it has granted options to acquire an aggregate of 350,000 common shares to James Kofman, Allan Gregg and Roger Hammock under the Company's stock option plan. The options are exercisable for a period of five years from the date of grant to purchase common shares at a price of \$1.99 per share and vest as to one-third each year over the first three years.

*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.*

-30-

### **About ZENN Motor Company Inc.**

ZENN Motor Company, Toronto, Canada, is dedicated to enabling emission-free, energy-efficient transportation through unique, yet widely applicable, technology offerings. Driven by quality, ingenuity and a philosophy of social responsibility, the ZMC team is redefining what is possible in the pursuit of zero emission transportation.

ZENNergy technologies and solutions, to be powered by EEStor's electrical energy storage units (EESU) are expected to enable OEM and Tier 1 partners to deliver advanced electric transportation solutions to their customers. The Company has a Technology Agreement with EEStor that provides certain exclusive and nonexclusive rights to purchase and deploy EEStor's EESU technology, which rights are detailed in the Company's AIF.

### **Forward-looking Statements**

*Certain statements in this release, other than statements of historical fact, may include forward-looking information that involves various risks and uncertainties that face the Company; such statements may contain such*

words as “may”, “would”, “could”, “will”, “intend”, “plan”, “anticipate”, “believe”, “estimate”, “expect” and similar expressions, and may be based on management’s current assumptions and expectations related to all aspects of the automotive industry, consumer demand for zero emission transportation solutions and the global economy. Risks and uncertainties that may face the Company include, but are not restricted to: the EESstor energy storage technology may not be successfully commercialized at all, in a manner providing the features and benefits expected while under development, or on a timely basis or the Company may not be able to successfully incorporate this technology into its current or proposed products; the Company could fail in its efforts to develop viable ZENNergy technologies and solutions or do so on a timely basis; steps taken by the Company to protect its proprietary rights may not be adequate or third parties may infringe or misappropriate the Company's proprietary rights; the Company has a history of losses from operations and may not be able to obtain financing, if and when required, to fund future expenditures for general administrative activities, including sales and marketing and research and development, expansion, strategic acquisitions or investment opportunities or to respond to competitive pressures; competitors may develop products which offer greater benefits to consumers, have greater market appeal or are more competitively priced than those offered by the Company; the Company may be exposed to product liability claims which exceed insurance policy limits; the Company is dependent on the ability and experience of a relatively small number of key personnel; new products introduced by the Company may not be accepted in the market or to the extent projected; new laws and regulations may be enacted or existing ones may be applied or governmental action may be taken in a manner which could limit or curtail the production or sale of the Company's products; and the Company may be negatively affected by reduced consumer spending due to the uncertainty of economic and geopolitical conditions. These risks and uncertainties may cause actual results to differ from information contained in this release, when estimates and assumptions have been used to measure and report results. There can be no assurance that any statements of forward-looking information contained in this release will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. These and all subsequent written and oral statements containing forward-looking information are based on the estimates and opinions of management on the dates they are made and expressly qualified in their entirety by this notice. Except as required by applicable laws, the Company assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change. Readers are cautioned not to place undue reliance on any statements of forward looking information that speak only as of the date of this release. Additional information identifying risks and uncertainties relating to the Company’s business are contained under the heading “Risk Factors” in ZMC’s current Annual Information Form and its other filings with the various Canadian securities regulators which are available online at [www.sedar.com](http://www.sedar.com).

Information contained in this release relating to EESstor, Inc. or the energy storage technology being developed by EESstor has not been reviewed by EESstor and EESstor does not assume any responsibility for the accuracy or completeness of such information.

**For additional information please contact:**

Catherine Scrimgeour  
Manager, Public Affairs  
ZENN Motor Company  
Tel. 416-535-8395 ext. 201  
[cscrimgeour@ZENNcars.com](mailto:cscrimgeour@ZENNcars.com)

Larry Goldberg  
Chief Financial Officer  
ZENN Motor Company Inc.  
Tel. 416-535-8395 ext. 210  
[lgoldberg@ZENNcars.com](mailto:lgoldberg@ZENNcars.com)