



News Release
For Immediate Release

Tornado Global Hydrovacs Announces Agency Framework for Mainland China

CALGARY, October 16, 2019 – Tornado Global Hydrovacs Ltd. (“Tornado” or the “Company”) (TGH: TSX-V) is pleased to announce that its wholly-owned subsidiary Tornado Hydrovacs Asia Pacific Holdings Limited (“Tornado Asia”) has entered into an agency framework agreement with Shanghai World Trade Resources Group Co. Ltd. (“ShanghaiCo.”) to procure, export and import certain components used in the manufacture and assembly of its proprietary hydrovac trucks on behalf of Tornado Asia in and from mainland China (the “Agency Framework”).

Tornado Asia will pay a service fee to ShanghaiCo. equal to 5% of the value of the components purchased by Shanghai Co. on its behalf under the Agency Framework plus all expenses incurred by ShanghaiCo. for the purchase, export or import of such components. The Agency Framework also contemplates that ShanghaiCo. may fund expenses on behalf of Tornado Asia in connection with its services in consideration for a 12% annual interest charge.

The Agency Framework is considered a related party transaction under MI 61-101 – Protection of Minority Security Holders in Special Transactions (“MI 61-101”) because Chuyu Wu serves on the board of directors of each of ShanghaiCo., Tornado Asia and the Company. However, the Agency Framework is exempt from the formal valuation and minority approval requirements of MI 61-101 on the basis that the transactions contemplated under the arrangement are for the purchase and sale of inventory in the ordinary course of Tornado’s business. The Agency Framework has been authorized and approved by the Company’s board of directors with Chuyu Wu having declared his interest and did not participate in vote approving the same.

The Company also announces that Tornado Asia has advanced \$116,606 U.S. dollar to Shanghai Co. for the purchase of components pursuant to the Agency Framework.

About Tornado Global Hydrovacs Ltd.

The Company designs and manufactures hydrovac trucks in Canada and sells hydrovac trucks for excavation service providers to the oil and gas industry and the municipal markets in Canada and the USA. Hydrovac trucks use high pressure water to pulverize soil and turn it into mud, and then vacuum up the resulting mud into its tank. Tornado currently operates in North America. The Company intends to expand its hydrovac business into China and has established a wholly owned operation in China.

For more information about Tornado Global Hydrovacs Ltd., visit www.tornadotrucks.com or contact:

Bill Rollins
Chief Executive Officer
Phone: (403) 204-6333
Email: brollins@tghl.ca

Al Robertson
Chief Financial Officer
Phone: (403) 204 -6324
Email: arobertson@tghl.ca

Advisory

The Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

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