

July 14, 2016

PRESS RELEASE

For the past several months, Entropex has struggled to meet the financial challenges caused by the dramatic decline in oil prices and a very competitive business environment. Despite our best efforts to reduce costs, the costs of operating Entropex's business remain prohibitively high and unsustainable. Because of our deteriorating financial position, Entropex's bankers decided earlier this month to call the Entropex bank loan.

Earlier today, Entropex's bankers went to court and asked the court to appoint a Receiver to take over the management and control of Entropex's business effective immediately. As a result of the bank actions, Entropex has ceased manufacturing operations effective as of 3:00 p.m. on Thursday, July 14, 2016.

Entropex management does not know if or when Entropex will resume operations. Those decisions are now in the hands of the court appointed Receiver, MNP Ltd., to make. Please contact Rob Smith, Senior Vice President, MNP Corporate Recovery and Restructuring at (519) 964-2212 for further information.

I would like to thank our staff, customers and suppliers for their loyalty and commitment to Entropex and to wish you the best of luck in your future endeavours.

Yours very truly,

Keith Bechard
President, Entropex