



**FOR IMMEDIATE RELEASE – ZCL COMPOSITES INC. Announces Expansion of Subscription Receipts Private Placement**

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**Edmonton, Alberta – January 22, 2007** – ZCL Composites Inc. (TSX:ZCL) ("ZCL" or the "Company") is pleased to announce, further to its earlier press release on January 22, 2007 that it has increased its "bought deal" financing by 500,000 subscription receipts. A total of 4.0 million subscription receipts will be issued on a private placement basis at \$10.00 per subscription receipt, for total gross proceeds of \$40.0 million. Closing, subject to regulatory approval, is still expected to occur on or about February 13, 2007.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the subscription receipts in any jurisdiction in which such offer, solicitation or sale would be unlawful. The subscription receipts have not been and will not be registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of such Act.

ZCL has filed a material change report with the securities regulatory authorities concurrently with the issuance of this news release, which material change report contains further details respecting the Xerxes acquisition and the subscription receipt private placement and is available at [www.sedar.com](http://www.sedar.com).

ZCL Composites Inc. trades on the Toronto Stock Exchange under the symbol "ZCL" and is Canada's largest manufacturer of fiberglass underground storage tanks.

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