

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: **Kontrol Energy Corp. (the “Issuer”)**

Trading Symbol: **KNR**

Number of Outstanding Listed Securities: **26,426,141 common shares and 3,455,771 shares reserved for issuance**

Date: **April 3, 2018**

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer’s obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer’s ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

#### **General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term “Issuer” includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

## **Report on Business**

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

### **Kontrol Energy continues to discuss opportunities to collaborate on Blockchain technologies with software firm and announces equity financing not proceeding**

On March 23, 2018 Kontrol Energy Corp. ("Kontrol", or the "Company") announced that, due to unfavorable market conditions, Kontrol will not be completing its proposed acquisition of the Blockchain software development firm referred to in Kontrol's news release of February 2, 2018 and its previously announced financing will not be proceeding. However, Kontrol continues to discuss opportunities to collaborate on Blockchain technologies with the Blockchain software development firm.

For more details about the financing and the proposed acquisition, please refer to Kontrol's news releases of February 2, 2018 and March 8, 2018.

### **Kontrol Energy provides Operational and Blockchain strategy update**

On March 26, 2018 the Company continues to execute on its strategic plan to grow revenues through accretive acquisitions. Kontrol anticipates completing the previously announced data analytics target acquisition (see January 3<sup>rd</sup> press release) in the next 45 days. The target acquisition will provide Kontrol with real-time energy analytics and monitoring technology as a software-as-a-service platform, which can be scaled globally. Kontrol has the funds on hand to complete this acquisition. The acquisition is subject a final purchase and sale agreement and applicable approvals.

## **Debt Facility for Acquisitions**

Kontrol is in the process of reviewing several potential debt facilities for future acquisitions, as the equity markets remain volatile. Kontrol's ability to secure debt

financing for accretive acquisitions has allowed the Company to grow revenues at above market growth rates over the past 18-months while minimizing shareholder dilution. No decision has been made on any structure at this time.

### **Equity Structure**

Kontrol has less than 30 Million shares outstanding on a fully diluted basis, Kontrol management is focused on adding growth while minimizing shareholder dilution. Management and insiders own approximately 46% of the common shares.

### **Blockchain**

Kontrol is pursuing Blockchain and Distributed Ledger Technology (DLT) solutions through internal development and is focused on the key areas of its business operations which can be accelerated through the application of DLT. These include distributed power generation, carbon reduction and trading, and the Internet of Things (IOT). “Collectively each of these addressable markets represents in excess of a 2 Trillion-dollar opportunity over the next decade,” says Paul Ghezzi, CEO of Kontrol. “With a strong customer base and growing revenues, we are well positioned to take a leadership position in this combined addressable market. With respect to Blockchain we remain focused on building applications using DLT that improves transparency, traceability and cost-effectiveness for our customers.”

### **Kontrol Energy enters into Letter of Intent to Acquire a leading provider of Emission Monitoring Solutions**

On March 28, 2018 the Company announced that it has entered into a Letter of Intent (LOI) to acquire an established and leading provider of Emission Monitoring solutions (the “Target”). The Target has been providing the Canadian and US market with high quality, value added solutions for emissions and process monitoring applications for more than 20 years. The Target has averaged revenues (unaudited) of over \$5 Million and normalized EBITDA of approximately \$900,000 over the past 3 years. The purchase price is \$3.35 Million CAD subject to working capital adjustments with a vendor take back of up to approximately \$500,000 for 12 months at an interest rate of 6%.

**“We are looking forward to completing this acquisition as it is a strong strategic fit with our existing subsidiary ORTECH Consulting Inc.,” says Paul Ghezzi, CEO of Kontrol Energy. “Expanding our emission monitoring and solutions vertical in Canada and gaining a growing footprint in the USA is part of our long-term strategy.”**

**The acquisition is subject to due diligence, applicable approvals and a definitive purchase and sale agreement. The acquisition is anticipated to be completed in 120 days or less. The financing is anticipated to be primarily from long-term debt sources.**

- 2. Provide a general overview and discussion of the activities of management.**

**The Company has the following directors and officers:**

**Paul Ghezzi – CEO and Director  
Claudio Del Vasto – CFO and Director  
Kristian Lavereau – COO and Director  
Andrew Bowerbank – Director  
Steve Smith – Director  
Geoff LaFleur - Director**

- 3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.**

**Kontrol Energy creates solutions and Internet of Things (IoT) enabled technologies designed to lower the energy consumption of buildings and optimize energy management while providing a corresponding reduction in Green House Gas (GHG) emissions.**

**Through a disciplined mergers and acquisitions strategy, combined with organic growth, Kontrol Energy Corp. intends to provide market-based energy solutions to our customers designed to reduce their overall cost of energy and their GHG emissions.**

**Kontrol’s service offerings include deep energy retrofits, implementation of distributed generation systems, energy analytics and carbon reduction.**

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

**None.**

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

**None.**

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

**None.**

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

**None.**

8. Describe the acquisition of new customers or loss of customers.

**The Issuer Company continues to carry on business in the energy efficiency sector with a new customer base that is mainly comprised of commercial energy consumers.**

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

**None.**

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

**None.**

11. Report on any labour disputes and resolutions of those disputes if applicable.

**None.**

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

**None.**

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

**Debenture balance as at March 31, 2018 is \$5,264,000. The debenture will bear interest at a rate of 8% per annum, payable monthly in arrears and will mature on October 31, 2019. As of February 9, 2018, the Debenture Offering is not raising any more capital. As the company's business grows, the Issuer may come back to market with a new debenture offering subject to requirements at that time.**

14. Provide details of any securities issued and options or warrants granted.

<b>Security</b>	<b>Number Issued</b>	<b>Details of Issuance</b>	<b>Use of Proceeds<sup>(1)</sup></b>
Common Shares	395,000	The exercising of previously issued Warrants issued on March 9, 2017, to purchase Common Shares of the Company at a price of \$0.85	\$335,750  Proceeds will be used to fund the acquisition of operating businesses, and technologies in the energy efficiency sector; and working capital

*(1) State aggregate proceeds and intended allocation of proceeds.*

15. Provide details of any loans to or by Related Persons.

**None.**

16. Provide details of any changes in directors, officers or committee members.

**None.**

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

**Cost of electricity has risen substantially across North America over the last decade. In addition, following the COP21 Paris Accord numerous states in the US and Provinces in Canada have either imposed a carbon tax policy or are in the late stages of creating such policies. Kontrol Energy Corp. intends to provide market based energy solutions to our customers designed to reduce their overall cost of energy while providing a corresponding reduction in Greenhouse Gas (GHG) emissions.**

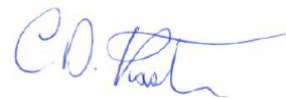
### **Certificate Of Compliance**

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated April 3, 2018.

Claudio Del Vasto  
Name of Director or Senior  
Officer



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Signature

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Chief Financial Officer  
Official Capacity

<b><i>Issuer Details</i></b> Name of Issuer  Kontrol Energy Corp.	For Month End  March 2018	Date of Report YY/MM/DD  18/04/03
Issuer Address 180 Jardin Drive, Unit#9, Vaughan, ON L4K 1X8		
City/Province/Postal Code Mississauga, Ontario	Issuer Fax No. (   )	Issuer Telephone No. (905) 766.0400
Contact Name Claudio Del Vasto	Contact Position CFO	Contact Telephone No. (905) 766.0400 x1002
Contact Email Address <a href="mailto:admin@kontrolenergy.com">admin@kontrolenergy.com</a>	Web Site Address <a href="http://www.kontrolenergy.com">www.kontrolenergy.com</a>	