

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: **KNR**

Number of Outstanding Listed Securities: **42,046,531 common shares and 3,952,435 common shares reserved for issuance**

Date: **April 16, 2021**

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.

Foyer Richelieu Welland to install Kontrol BioCloud to enhance safe spaces in Long Term Care

On March 19th, 2021 Kontrol Technologies Corp. ("Kontrol" or "Company") announced that Foyer Richelieu Welland, a long-term care facility In Welland, Ontario, is teaming up with Kontrol BioCloud to install and showcase Kontrol BioCloud in operation. The Kontrol BioCloud viral detection technology is designed as a real-time analyzer to detect airborne pathogens, such as COVID-19. Kontrol BioCloud is a Safe Space Technology™.

"We developed BioCloud to help us get back to normal across all sectors of the economy, including long-term care facilities and retirement homes. We are delighted to share our Safe Space Technology and provide real-time viral monitoring for Foyer Richelieu Welland," said Paul Ghezzi, CEO of Kontrol Technologies Corp.

Foyer Richelieu Welland has been following strict COVID-19 protocols and has an established track record of creating safe spaces for its residents and staff. Protocols include masking, social distancing, handwashing, and thorough sanitizing of all equipment.

Canadian Sport Institute Pacific teams up with Kontrol BioCloud to help protect Canada's Olympic and Paralympic hopefuls on the road to Tokyo

On March 23rd, 2021, the Company announced that Canadian Sport Institute Pacific (CSI Pacific) is teaming up with Kontrol BioCloud to operate its Safe Space Technology™ in the National Team Training environment. The Kontrol BioCloud viral detection technology is designed as a real-time analyzer to detect airborne pathogens, such as COVID-19. The system will be installed at Canadian Sport Institute Pacific's Whistler Athletes Centre in Whistler, BC.

"We developed BioCloud to help us get back to normal across all sectors of the economy, including athletics and sports. We are delighted to share our Safe Space Technology with Canadian Sport Institute Pacific," says Paul Ghezzi, CEO of Kontrol Technologies Corp.

CSI Pacific works closely with a large number of Olympic and Paralympic hopefuls training in British Columbia, and throughout a wide variety of sports. These athletes and coaches have been training under strict COVID-19 protocols throughout the pandemic. Protocols include small training groups, masking, social distancing, handwashing, and thorough sanitizing of all equipment.

CSI Pacific identified athletes are exempt from the Government of British Columbia's public health order, which has created opportunities for high performance athletes to train, compete and travel within the province. This is a huge opportunity for B.C. to support athletes and CSI Pacific thanks the Government of British Columbia for making this consideration. This opportunity is also how Kontrol BioCloud can provide an additional benefit to these athletes.

“CSI Pacific’s staff have been working diligently throughout COVID to help keep these athletes healthy and safe as they prepare to represent Canada at the Tokyo Olympics and Paralympics,” says Dr. Paddy McCluskey, CSI Pacific’s Chief Medical Officer. “We are excited to add the BioCloud device to our safety measures as it will give athletes confidence that they are training in a safe space.”

The trialing of the BioCloud technology will further enhance the safety of these environments and ensure that Canada’s Olympic and Paralympic hopefuls can continue focusing on their training in the lead up to Tokyo.

Athletes registered with CSI Pacific are upholding an extremely high standard of COVID safety by training in bubbles and undergoing testing to ensure safety in and around the training environment. CSI Pacific staff are upholding the same level of safety for the protection of the athletes, coaches and each other in order to minimize the disruption to training and competition for the athletes. CSI Pacific would like to thank all athletes for following the protocols so diligently.

Kontrol, both directly and through its growing global distribution network, has identified athletics, sports and sporting venues as an important vertical to establish safe spaces.

About CSI Pacific

Offering world-class Olympic and Paralympic training environments in Vancouver, Whistler and Victoria, Canadian Sport Institute Pacific is committed to Powering Performance. Inspiring Excellence. Working with national sport organizations and fuelled by our national and provincial partners such as Sport Canada, viaSport, Own the Podium, Canadian Olympic Committee, Canadian Paralympic Committee and the Coaches Association of Canada, we are driven by our mantra to Collaborate. Serve. Innovate. Perform.

Our team of sport science, sport medicine, coaching & life services experts provide leading-edge programs and services to athletes and coaches to ensure they have every advantage to win medals for Canada.

www.csipacific.ca

Kontrol Technologies Announces Intended Normal Course Issuer Bid

On March 24th, 2021, the Company announced that it intends to implement a normal course issuer bid ("NCIB") through the facilities of the Canadian Securities Exchange (CSE) or alternative trading systems.

Pursuant to the NCIB, Kontrol may purchase, from time to time, over a period of 12 months starting March 25, 2021 and ending March 25, 2022, up to 2,061,236 common shares (approx. 5% of its common shares issued and outstanding as of March 24, 2021). As of March 24, 2021, there were 41,224,731 common shares of Kontrol issued and outstanding. On any given day, during the NCIB, Kontrol may only purchase up to 69,500 common shares, which is equivalent to 25% of the Average Daily Trading Volume of 278,000 calculated based on the trading volumes on the CSE over the past 12 months and may purchase once per calendar week, in a block trade, a greater number of Common Shares.

Purchases under the NCIB may commence as of March 25, 2021 and will end on the earlier of: (i) March 25, 2022; or (ii) the date on which the Company has purchased the maximum number of common shares to be acquired under the NCIB. All purchases made by the Company will be through PI Financial Corporation acting on behalf of the Company. The purchases will be made in accordance with the rules of the CSE, through the facilities of the CSE or through alternative trading systems. The actual number of common shares which will be purchased, and the timing of such purchases, will be determined by the Company, and the price which the Company will pay for the common shares will be the market price at the time of the purchase. The common shares purchased under the NCIB will be cancelled.

The Company's Board of Directors believes that the market price of the Company's common shares may from time to time not reflect the underlying value of the Company, specifically its growth opportunities, and that the proposed purchasing of its common shares is in the best interests of the Company and represents an appropriate use of corporate funds. It is expected that any purchases made by the Company could also enhance value and liquidity for its shareholders.

Of note, this NCIB is further to a previous NCIB that the Company had implemented while trading under the CSE. Under the previous NCIB, which started on July 8, 2019 and ended on July 8, 2020, 1,464,156 common shares were approved for purchase, of which 30,500 common shares were purchased. The weighted average price paid per common share purchased was \$0.58 CDN.

Kontrol provides BioCloud Manufacturing Capacity Update

On March 31st, 2021, the Company provided an update on its manufacturing capacity as it relates to various milestones for the Ontario Together Fund.

As a follow up to the press release dated February 4th, 2021, CEM Specialties Inc. ("CEMSI"), a wholly owned subsidiary of Kontrol Technologies, received up to \$2 Million in funding from the Ontario Together Fund to accelerate commercial production of the BioCloud units. To date \$1.2 Million has been received from the Ontario Together Fund. In order to receive the final balance of \$800,000 certain conditions are required to be met, which includes the increase of manufacturing capacity to 20,000 units per month.

The Company will deliver a final package to the Ontario Together Fund in the next week, confirming that it has met the conditions precedent for the final \$800,000 in funding, including the required manufacturing capacity. Manufacturing capacity is the ability to manufacture a certain number of units per month and is not a sales forecast. The final \$800,000 funding balance is issued at the discretion of the Ontario Together Fund following the Company's submission.

"As we initiated commercial production, we have made continuous improvements to the manufacturing of BioCloud," says Paul Ghezzi, CEO of Kontrol. "Some of these improvements relate to a reduction in sizing of internal systems, reduction of electronic boards and overall streamlining of installation. This is part of the normal process of moving from individual prototypes to commercial production. We have done so in a short period of time with great effort from the entire team."

“We have made great progress with BioCloud manufacturing,” says Jeff Stewart, CEO of OES Inc. “Through our internal capacity and the addition of manufacturing capacity with our Ontario based strategic manufacturing partners we are pleased to be able to deliver up to 20,000 units per month in manufacturing capacity.”

Global Supply Chain

Currently the global supply chain for the majority of components used in the manufacturing of BioCloud appears to be stabilizing. However, lead times on electronic components and semi-conductors, which are subject to competition from the automotive and mobile industry, have been a challenge. The Company reviews the global supply chain with its manufacturing partner [OES Inc.](#) on a routine basis. The Company has no control over potential delays and lead times in the global supply chain.

“I am proud of our team which has worked tirelessly to design and develop a technology with the primary goal of assisting in the reduction of transmittance of the SARS-CoV-2 virus and its variants through earlier detection,” says Gary Saunders, President of Kontrol BioCloud. “In addition to vaccines, technologies which can provide early alerting systems are important to help us create safer spaces and get back to normal across the global economy.”

BioCloud Reagent and Antibodies

The BioCloud unit operates to detect SARS-CoV-2, and other viruses, bacteria and fungi from the air through the use of continuous air sampling and a biological response process. The primary component which makes up the BioCloud proprietary reagent is a specifically formulated combination of antibodies. The antibodies, which are purchased from third party manufacturers, are combined, and tested by independent labs for the reaction to and detection of the SARS-CoV-2 virus.

The Company’s patented antibody cooling chamber utilizes a Peltier element technology to ensure accurate and controlled temperatures are maintained for the entire life cycle of the antibodies. In addition, the Company deploys refrigerated packaging to ensure a specific temperature range is maintained during transportation and shipping of its reagent and antibodies.

The Company continues to review various antibodies from third party manufacturers with the goal to reduce the costs of BioCloud consumables and create a large supply pool to choose from as part of its overall supply chain management.

About Kontrol BioCloud™

BioCloud is a real-time analyzer designed to detect airborne viruses. It has been designed to operate as a safe space technology by sampling the air quality over time. With a proprietary detection chamber that can be replaced as needed, viruses are detected, and an alert system is created in the Cloud or over local intranet. BioCloud has been designed for spaces where individuals gather including classrooms, offices, retirement homes, hospitals, mass transportation and others. Additional information about Kontrol BioCloud can be found on its website at www.kontrolbiocloud.com

BioCloud® is not a medical device and the Company is not making any express or implied claims that its product has the ability to eliminate, cure or contain the COVID-19 (or SARS-2 Coronavirus).

Forward-Looking Statements

This report contains “forward-looking information” within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature may constitute forward-looking information. In some cases, forward-looking information can be identified by words or phrases such as “may”, “will”, “expect”, “likely”, “should”, “would”, “plan”, “anticipate”, “intend”, “potential”, “proposed”, “estimate”, “believe” or the negative of these terms, or other similar words, expressions and grammatical variations thereof, or statements that certain events or conditions “may” or “will” happen, or by discussions of strategy.

Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is based on assumptions made in good faith and believed to have a reasonable basis. Such assumptions include, without limitation, that sufficient capital will be available to the Company and that technology will be as effective as anticipated.

However, forward-looking statements are subject to risks, uncertainties, and other factors, which could cause actual results to differ materially from future results expressed, projected, or implied by such forward-looking statements. Such risks include, but are not limited to, that sufficient capital and financing cannot be obtained on reasonable terms, or at all, that technologies will not prove as effective as expected, that customers and potential customers will not be as accepting of the Company's product and service offering as expected, and government and regulatory factors impacting the energy conservation industry. In particular, successful development and commercialization of the Kontrol BioCloud™ Analyzer (BioCloud™) are subject to the risk that the Kontrol BioCloud™ Analyzer may not prove to be successful in detecting the virus that causes COVID-19 effectively or at all, uncertainty of timing or availability of any regulatory approvals and Kontrol's lack of track record in developing products for medical applications. Accordingly, undue reliance should not be placed on forward-looking statements and the forward-looking statements contained in this report are expressly qualified in their entirety by this cautionary statement. The forward-looking statements contained herein are made as at the date hereof and are based on the beliefs, estimates, expectations, and opinions of management on such date. Kontrol does not undertake any obligation to update publicly or revise any such forward-looking statements or any forward-looking statements contained in any other documents whether as a result of new information, future events or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required under applicable securities law. Readers are cautioned to consider these and other factors, uncertainties, and potential events carefully and not to put undue reliance on forward-looking information.

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
Andrew Bowerbank – Director
Ernest William Belyea – Director
Joanna Osawe – Director
Zhengquan Chen – Director
Kristian Lavereau – COO

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.

About Kontrol BioCloud

BioCloud™ is a real-time analyzer designed to detect airborne viruses. It has been designed to operate as a safe space technology by sampling the air quality over time. With a proprietary detection chamber that can be replaced as needed, viruses are detected, and an alert system is created in the Cloud or over local intranet. BioCloud™ has been designed for spaces where individuals gather including classrooms, retirement homes, hospitals, mass transportation and others.

BioCloud® is not a medical device and the Company is not making any express or implied claims that its product has the ability to eliminate, cure or contain the COVID-19 (or SARS-2 Coronavirus).

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.

Capital Advisory Agreement

The Company entered into an agreement with Digital Offering, LLC, a U.S. Broker Dealer, to act as its financial and capital markets advisor to assist the Company with exploring the U.S. Capital Markets, increase investor awareness and potentially listing its shares on a higher U.S. exchange.

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 Company seeks to provide customers with solutions and services to enhance building intelligence and building automation in the areas of Energy Management, Emission Compliance and Air Quality.

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.

Kontrol's success depends in part on its ability to create unique intellectual property that improves the Company's ability to create and deliver customer value in the principal markets where it does business. The Company relies on the use of intellectual property rights, including patents, copyrights, and trade secrets in Canada and the United States.

The Company retains a portfolio of three software patents in the areas of HVAC energy efficiency, smart learning algorithms, real time energy management and rich data analytics.

The Company has also submitted applications for four additional patents. The Company has applied for a portfolio of 4 trademarks in the usage of trademark "Safe Space Technology".

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.

7% Unsecured Debenture balance as at the date of this report is \$921,750. This balance represents 75% of aggregate proceeds raised as per private placement terms and conditions. The debenture will bear interest at a rate of 7% per annum, payable monthly in arrears and will mature on April 25, 2021.

2024 8% Unsecured Convertible Debenture balance as at the date of this report is \$50,000. The debenture will bear interest at a rate of 8% per annum, payable semi-annually and will mature on August 31, 2024. (Refer to Item 14 Details of securities issued).

2023 8% Unsecured Convertible Debenture balance as at the date of this report is \$525,000. The debenture will bear interest at a rate of 8% per annum, payable semi-annually and will mature on June 30, 2023. (Refer to Item 14 Details of securities issued).

2022 8% Unsecured Debenture balance as at the date of this report is \$4,561,000. Each unit is comprised of one \$1,000 8% unsecured debenture (and non-convertible) of the Company maturing on October 31, 2022 and 10 common shares. The Company intends to make an additional bonus payment of 1% interest payable annually, in cash or in Common Shares, at the sole discretion of such holders.

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

Security	Number Issued	Details of Issuance	Use of Proceeds⁽¹⁾
Common Shares (March 2021) Exercised Stock Options	30,000	Exercised Stock Options by employees/directors/officers/consultants of the Issuer as part of the Issuer's eligible Stock Option Plan, exercised at a price of \$0.80 per share.	\$24,000 to be used for general corporate purposes
Common Shares (March 2021) Exercised Warrants	200,000	Exercised Consulting Warrants in connection to Capital Market Advisory and private placement services. Exercised at a price between \$0.60 per share	\$120,000 to be used for general corporate purposes
Common Shares (March 2021) Exercised Warrants	49,542	Exercised Unitholder and Broker/Finders Warrants in connection to Private Placements. Exercised at a price between \$0.60 -\$0.80 per share	\$31,300.20 to be used for general corporate purposes
Common Shares (March 2021) Conversion of 2023 Convertible Debentures	448,000	\$224,000 of 2023 8% Convertible Debentures were converted at a price of \$0.50 per share.	Not applicable
Common Shares (March 2021) Conversion of 2024 Convertible Debentures	275,000	\$220,000 of 2024 8% Convertible Debentures were converted at a price of \$0.80 per share.	Not applicable

Common Shares (March 2021)	136,193	Common shares issued to consultants/employees in regard to Holdback payment settlement - Share Purchase Agreement	Not applicable
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(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.

Refer to Forward Looking Statements mentioned above.

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 16, 2021**

Claudio Del Vasto
Name of Director or Senior
Officer

Signature

Chief Financial Officer
Official Capacity

Issuer Details Name of Issuer Kontrol Technologies Corp.	For Month End March 2021	Date of Report YY/MM/DD 2021/04/15
Issuer Address 180 Jardin Drive, Unit#9, Vaughan, ON L4K 1X8		
City/Province/Postal Code Vaughan, Ontario	Issuer Fax No. ()	Issuer Telephone No. (905) 766.0400
Contact Name Claudio Del Vasto	Contact Position CFO	Contact Telephone No. (905) 766.0400
Contact Email Address admin@kontrolenergy.com	Web Site Address www.kontrolcorp.com	