



Kontrol Completes Debenture Exchange and Announces Intention to Begin Process of Uplisting to Major North American Stock Exchanges

TORONTO, ON / December 16th, 2020 / Kontrol Energy Corp. (CSE:KNR) OTCQB:KNRLF) FSE:1K8) ("Kontrol" or "**Company**"), a leader in smart buildings and cities through IoT, Cloud and SaaS technology, is pleased to announce that it has completed its previously announced debenture exchange (*see press release dated June 9, 2020 and November 2, 2020*) by private placement. The 2020 Debenture holders exchanged a total of \$3,650,000 for 2022 Debentures and new proceeds of \$871,000 were raised. The remaining 2020 Debenture balance of \$2,061,000 was redeemed in cash by the Company. 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.

Paul Ghezzi, CEO of Kontrol, commented:

"With the exchange of the 2020 Debentures we have improved the balance sheet and the Company's net equity position. As we continue to execute on our business plan, we believe this is an opportune time to begin the graduation process to the senior North American exchanges for an uplisting in 2021."

Name Change

Further to the passing of a resolution of shareholders at its most recent general and special meeting of shareholders, the Company intends to proceed with a corporate name change to "Kontrol Technologies Corp.", which is anticipated to be completed prior to December 31, 2020.

Uplisting to TSX, NASDAQ

The Company's board of directors has authorized management to review the process to graduate the Company from the CSE to the TSX. If the Company is successful in uplisting to the TSX, Kontrol intends to, as soon as practical, begin the process of filing a Form F-1 Registration Statement with the Securities and Exchange Commission of the United States (the "**SEC**"), which will enable Kontrol to apply to be listed on the NASDAQ.

Completion of any uplisting is subject to meeting certain conditions, as well as the approval of the TSX. There is no assurance that the TSX will approve the listing application or that Kontrol will complete the uplisting as contemplated. There is no assurance that either the SEC or NASDAQ will approve the Company's respective applications or that Kontrol will complete the listing to the NASDAQ as proposed.

About Kontrol Energy

Kontrol Energy Corp., a Canadian public company, is a leader in smart buildings and cities through IoT, Cloud and SaaS technology. Kontrol Energy provides a combination of software, hardware, and service solutions to its customers to improve energy management, air quality and continuous emission monitoring.

Additional information about Kontrol Energy Corp. can be found on its website at www.kontrolenergy.com and by reviewing its profile on SEDAR at www.sedar.com



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Neither IIROC nor any stock exchange or other securities regulatory authority accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements

This news release 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 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 press release 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.