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Kontrol Energy Corp. Announces Debenture Offering

Toronto, Ontario – August 22, 2016 – Kontrol Energy Corp. (CSE:KNR) (the "Company") announces the commencement of a non-brokered private placement (the "Offering") of up to \$5,000,000 of units at a price of \$1,000 per unit, each unit to be comprised of one 8% unsecured non-convertible debenture (each, a "Debenture") and 100 common shares (each, a "Common Share") of the Company.

The Company intends to use the majority of the net proceeds from the Offering to finance acquisitions of operating businesses and technologies in the Energy Efficiency sector as part of its overall growth strategy.

The Debentures will bear interest at a rate of 8% per annum, payable quarterly in arrears and will mature on October 31, 2019 (the "Maturity Date"). The Debentures are non-convertible and non-redeemable. The Debentures partially comprising the Units are not listed on any stock exchange or market. The Common Shares of the Corporation are listed on the CSE and trade under the symbol "**KNR**". The Debentures and Common Shares comprising the Units will be subject to a resale restriction for four months and one day from their date of issuance.

The Company may retain one or more registered securities dealers to effect sales of the Units or to find purchasers of the Units. The Corporation may pay a selling commission or finder's fee to such securities dealers or finders not exceeding 9% of the gross proceeds from the sale of the Units.

"Financing acquisitions through the Debenture offering provides Kontrol with the ability to minimize common equity dilution and accelerate our growth plans. Each acquisition we complete is anticipated to be accretive to revenue, operating cash flow and EBIT. Private company valuations remain very attractive, relative to public company valuations, and Kontrol has a number of strategic acquisitions in various stages of preliminary due diligence," says Paul Ghezzi, CEO.

Completion of the Offering is subject to the Company closing on a minimum of \$200,000 on or prior to October 31, 2016. The Offering will be made by way of private placement in Canada and may be offered in other jurisdictions where they can be issued, exempt from any prospectus, registration or other similar requirements. The Offering is subject to certain conditions including, but not limited to, the approval of the Canadian Securities Exchange.

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

About Kontrol Energy Corp.

Kontrol Energy Corp. (CSE:KNR) is a leader in energy efficiency solutions and technology. Through a disciplined mergers and acquisition 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 while providing a corresponding reduction in Green House Gas (GHG) emissions.

Through our **Energy Savings Simplified Program®** customers can gain immediate financial savings and the ability to monitor and modify energy consumption and demand in real-time through cloud based IoT solutions. To learn more about Kontrol Energy Corp., please visit the Company's website at www.kontrolenergy.com.

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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Caution Regarding Forward Looking Statements:

Certain information included in this press release, including information relating to future financial or operating performance and other statements that express the expectations of management or estimates of future performance constitute "forward-looking statements". Such forward-looking statements include, without limitation, statements regarding the Offering, possible future acquisitions and/or investments in operating businesses and/or technologies, accelerated organic growth, the provision of solutions to customers and Green House Gas emissions reductions, proposed financial savings and sustainable energy benefits and energy monitoring. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief are based on assumptions made in good faith and believed to have a reasonable basis. Such assumptions include, without limitation, that the Offering will be successful, that suitable businesses and technologies for acquisition and/or investment will be available, that such acquisitions and or investment transactions will be concluded, that sufficient capital will be available to the Company, that technology will be as effective as anticipated, that organic growth will occur, and others. 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, lack of acquisition and investment opportunities or that such opportunities may not be concluded on reasonable terms, or at all, 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. 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 the Company 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, except as required under applicable securities law.