



## **Kontrol Energy developing utility token and Carbon Offset Trading Platform to help global corporations meet their Greenhouse Gas emission reduction targets**

**Toronto, Ontario, February 12, 2018** / Kontrol Energy Corp. (“Kontrol”, or the “Company”) (CSE: KNR, FSE: 1K8) announces that it is developing, in cooperation with the company it is proposing to acquire (see Kontrol’s news release dated February 2, 2018), a **utility token (GHGcoin)** and **Carbon Offset trading platform**. The GHGcoin is expected to be a unique solution based on distributed ledger technology (DLT) and is aimed at sequestering up to 10 Billion tonnes of CO<sub>2</sub> through the carbon offset markets.

The GHGcoin will be designed as a utility token and is intended to offer transparency, immutability and accountability for organizations to meet their net zero emission targets. The GHGcoin will have a finite issuance based on the reduction and/or sequestration of up to 10 Billion tonnes of CO<sub>2</sub> over 10 years. GHGcoins would be issued to participating organizations based on their own internal targets to become a net zero emission company. DLT smart contracts will allow organizations to grant the GHGcoin as a reward for consumer spending and engagement in support of carbon offset projects. The value of each GHGcoin will be pegged to the equivalent value of one tonne of CO<sub>2</sub>.

In highly regulated emission compliance markets various government agencies make the rules about what types of offsets are permitted and the verification standards required to be achieved. In contrast, the voluntary carbon offset markets typically follow rules prescribed by industry standard bodies. Currently, carbon offsets are mainly used by companies that are seeking to voluntarily offset the emissions generated during their business activities, to meet certain social responsibility goals. However, an increasing number of companies are seeking to accelerate their participation in carbon offsets to achieve a net zero emission status.

*“The solution to negating and reducing CO<sub>2</sub> levels is multi-faceted and complex, especially for large organizations. We believe that a significant part of the solution is scaling up the ability to participate in*

*carbon offset projects,” says Paul Ghezzi, CEO of Kontrol Energy. “While many corporations are currently participating in carbon offset projects, they are typically constrained in size and scope and burdened by high transaction costs. We seek to solve these challenges for our customers and accelerate their move to becoming a net zero emission organization.”*

In addition to the GHGcoin, Kontrol is developing its **Carbon Offset trading platform**. *“Through distributed ledger technology it is possible for carbon offset vendors to disaggregate their projects across multiple purchasers and for purchasers to participate in peer to peer transactions across multiple projects and multiple jurisdictions simultaneously. Further, transactions costs can account for up to 50% of a carbon offset purchase and we see an opportunity to eliminate these prohibitive fees with a peer to peer exchange solution,”* continues Paul Ghezzi.

Following the formalization of the Paris Climate Accord, with the participation of 193 countries, there is a growing list of global organizations that have committed to achieving net zero emission status by 2050. Some notable examples include leading organizations which have formed the BTeam ([www.bteam.org](http://www.bteam.org)) and Climate Neutral Now ([www.climateneutralnow.org](http://www.climateneutralnow.org)). To achieve their goals, these organizations will need to allocate a significant portion of their strategy to carbon offset projects. Kontrol seeks to be a leader in providing DLT solutions in the voluntary carbon offset markets. ***Both the GHGcoin and the Carbon Offset trading platform are in development for 2018.***

### **About Kontrol Energy**

**Kontrol Energy Corp.** (CSE: KNR, FSE: 1K8) is a leader in energy efficiency solutions and technology. Through a disciplined mergers and acquisition strategy, combined with organic growth, Kontrol Energy Corp. provides 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.

*Additional information about Kontrol Energy Corp. can be found on its website at [www.kontrolenergy.com](http://www.kontrolenergy.com) and by reviewing its profile on SEDAR at [www.sedar.com](http://www.sedar.com)*

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### **Caution Regarding Forward Looking Statements:**

*Certain information included in this press release, including information relating to Kontrol's proposed acquisition of another company, Kontrol's proposed development of the GHG Coin and the Carbon Offset Trading Platform and their anticipated success in sequestering carbon dioxide, the anticipated benefits of the GHG Coin, the anticipated design of smart contracts, the anticipated issuance of GHG Coins to organizations, the provision of solutions to customers to reduce overall energy costs and greenhouse gas emissions reductions, carbon reduction and monetization programs, and the acceleration of voluntary emission reductions and the achievement of net zero emissions goals, and other statements that express the expectations of management or estimates of future performance constitute "forward-looking statements". The forward-looking statements in this press release are presented for the purposes of providing information about management's current expectations and plans and such information may not be appropriate for other purposes. Where the Company expresses or implies an expectation or belief as to future events or results, such expectations or beliefs are based on assumptions made in good faith and believed to have a reasonable basis. Such assumptions include, without limitation, that the Target will be successfully integrated into the Company, that the Distributed Ledger Technology solution is not completed, that there are material changes to the carbon offset markets from a regulatory or compliance perspective, 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, that the Company will succeed in completing its proposed financing, that all conditions precedent to the acquisition of the Target will be met within the required timeframes, 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, that the Target will not be successfully integrated or will not perform as expected, that Kontrol has insufficient capital to develop the Distributed Ledger Technology solutions and, there being a 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 (including the Target's) product and service offering as expected, and government and regulatory factors impacting cryptocurrency generally and 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.*

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