



Kontrol Energy Provides Acquisition and Financing Update

TORONTO, July 9, 2019 / ACCESSWIRE - Kontrol Energy Corp. ([CSE: KNR](#), [OTCQB: KNRLF](#), [FSE:1K8](#)) ("Kontrol" or "Company") a leader in the energy efficiency sector through IoT, Cloud and SaaS technology is updating the timing of its recently announced acquisition and financing.

On March 14th, 2019 the Company announced that it had entered into a Letter of Intent (the "LOI") to acquire an established and leading provider of electrical retrofit services (the "Target"). The Target has been providing the Canadian market with high quality, value added electrical efficiency services and retrofit applications for more than 15 years. The Target has averaged revenues (unaudited) of over \$6.5 Million and normalized EBITDA of approximately \$700,000 over the past 3 years. The purchase price is \$3.0 Million CAD, subject to working capital adjustments with a holdback of \$300,000 for 12 months. Additional performance payments may be made based on the Target achieving certain EBITDA targets.

The Company and the Target are finalizing the Share Purchase Agreement (SPA) and anticipate the transaction to close prior to the end of July 2019. Closing of the acquisition is subject to finalizing the SPA and the satisfaction of customary conditions, including the approval of the CSE.

On June 14th, 2019 the Company announced a private placement offering of up to 4,000 convertible debentures of the Company (the "**Debentures**"), at a price of \$1,000 per Debenture, for gross proceeds of up to \$4,000,000 (the "**Offering**"). The Company intends to use net proceeds of the Offering to complete the acquisition, expand into the US market through its Smart Factory platform with Toyota Tsusho and for general corporate purposes.

The Company anticipates completion of the Offering prior to the end of July 2019. Closing of the Offering is subject to the satisfaction of customary conditions, including the approval of the CSE.

About Kontrol Energy

Kontrol Energy Corp. (CSE: KNR) (OTCQB: KNRLF) (FSE: 1K8) is a leader in the energy efficiency sector through IoT, Cloud and SaaS technology. With 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.

Kontrol Energy was recently announced as the 7th fastest growing Startup in Canada by *Canadian Business* and *Maclean's*.



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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Forward-Looking Information

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, conversion of the Debentures, possible future trading prices of Kontrol's shares, possible future acquisitions and/or investments in operating businesses and/or technologies, accelerated organic growth, the provision of solutions to customers and greenhouse 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 the Debentures will be converted, that Kontrol's shares will trade at specified prices for specified periods of time, 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, weak demand for the Offering, Kontrol's common shares not attaining specified prices or for attaining and remaining at those prices for specified periods, 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.

The securities offered have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.