Kontrol Energy Completes Acquisition of Efficiency Engineering Inc.

TORONTO, Aug. 8, 2017 /CNW/ - Kontrol Energy Corp. (**CSE:KNR**) (the "Company") announces that it has completed the acquisition of Efficiency Engineering Inc. ("EE Inc."). EE Inc. has been operating for more than 20 years and provides engineering services to industrial, municipal and commercial building owners across Canada. EE Inc. provides its customers with detailed energy efficiency analysis, energy audits, management of facility system solutions, electrical and mechanical design and energy conservation studies.

Based on its unaudited financial statements for the fiscal years 2015, 2016 and 2017, EE Inc. generated average annual revenues of approximately $2.0 million and approximately $450,000 of average annual Net Earnings before tax (EBT).

"We are excited about the closing of this acquisition and we look forward to expanding EE Inc's unique services and solutions across Canada, and adding further growth to our revenue and earnings. This acquisition provides a strategic fit to enhance our capacity to deliver turn-key energy efficiency solutions for our customers while providing a corresponding reduction in Greenhouse Gas Emissions (GHG)," says Paul Ghezzi, CEO of the Company. "We continue to execute on our business plan to deliver value to our shareholders and investors in a rapidly growing sector of the North American economy."

The aggregate purchase price for Efficiency Engineering Inc. is $2,230,000, of which the Company has paid $630,000 in cash on closing and $900,000 by way of issuing 1,210,816 million common shares of the Company at a deemed price of $0.7433 per share. An additional $700,000 of the purchase price is subject to a 15 month holdback to accommodate post-closing purchase price adjustment and indemnity obligations of the vendors. Of the aggregate purchase price, $535,000 is comprised of net working capital. The existing skilled operational leadership team will remain in place.

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. 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 and by reviewing its profile on SEDAR at www.sedar.com

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

Caution Regarding Forward Looking Statements:

Certain information in this press release constitutes forward-looking information, including statements relating to expanding EE Inc.'s service offering across Canada, future payments of holdback amounts, anticipated revenue and earnings growth; the enhancement of capacity to provide solutions to customers to reduce overall energy costs and greenhouse gas emissions reductions, growth strategy, delivery of value to shareholders and investors and the growth of the sector of the economy, and other statements that express the expectations of management or estimates of future performance constitute *"forward-looking statements". The forward-looking statements are presented for the purpose 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 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 EE Inc. will be successfully integrated into the Company and that its revenues will be consistent with the Company's expectations, 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, unavailability of sufficient capital and financing 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 EE Inc.'s) product and service offering as expected, and government and regulatory factors impacting the energy conservation industry, and that growth of the industry will not occur as expected, or at all. 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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