Kontrol Energy enters into Letter of Intent to Acquire a leading provider of Emission Monitoring Solutions

written by Raj Shah | March 28, 2018

March 28, 2018 (Source) – **Kontrol Energy Corp. (CSE:KNR, FSE:1K8)** (the "**Company**") announces that it has entered into a Letter of Intent (LOI) to acquire an established and leading provider of Emission Monitoring solutions (the "Target"). The Target has been providing the Canadian and US market with high quality, value added solutions for emissions and process monitoring applications for more than 20 years. The Target has averaged revenues (unaudited) of over $5 Million and normalized EBITDA of approximately $900,000 over the past 3 years. The purchase price is $3.35 Million CAD subject to working capital adjustments with a vendor take back of up to approximately $500,000 for 12 months at an interest rate of 6%.

"We are looking forward to completing this acquisition as it is a strong strategic fit with our existing subsidiary ORTECH Consulting Inc.," says Paul Ghezzi, CEO of Kontrol Energy. "Expanding our emission monitoring and solutions vertical in Canada and gaining a growing footprint in the USA is part of our long-term strategy."

The acquisition is subject to due diligence, applicable approvals and a definitive purchase and sale agreement. The acquisition is anticipated to be completed in 120 days or less.

The financing is anticipated to be primarily from long-term debt sources.

About Kontrol Energy Corp.

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 Green House 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 included in this press release, including information relating to the integration of the Target into Kontrol's existing businesses and technology across Kontrol's operating platform, Kontrol's anticipated growth in scale and revenue, including anticipated proforma 2018 revenue and EBITDA run rate, and statements related to the expansion of emission monitoring and solutions across Canada and the USA, the provision of solutions to customers to reduce overall energy costs and greenhouse gas emissions reductions, carbon reduction and monetization programs, 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 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 Target will be successfully integrated into the Company and that its revenues and growth projections will be consistent and meet with the Company's expectations, that the revenue and EBITDA run rate of the Target and the Company's subsidiaries will be consistent with and meet the Company's expectations, that performance milestones will be achieved, 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 the revenue and EBITDA run rate of the target and the company's subsidiaries will be less than expected, performance milestones will not be achieved, 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 and emission monitoring solutions 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. 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.