



## NEWS RELEASE

### **RS ANNOUNCES INCREASE IN SHARE OWNERSHIP BY WERKLUND AND REVISED DISTRIBUTION AGREEMENT FOR SCANDINAVIAN MARKET WITH MELBYE**

CALGARY, ALBERTA and TILBURY, ONTARIO, CANADA – (January 29, 2019) – RS Technologies Inc. ("**RS**" or the "**Company**") is pleased to provide the following update.

Over the past approximately five and a half years, RS has benefitted from the guidance of its principal shareholders, Werklund Capital Corporation and Werklund Ventures Ltd. of Calgary, Canada ("**Werklund**") and Melbye Skandinavia AS of Oslo, Norway ("**Melbye**"). Throughout this time, each of Werklund and Melbye have had representatives appointed to the Company's board of directors. On January 1, 2019, Werklund Capital Corporation, one of the Werklund companies, purchased all the shares of Melbye, resulting in an acquisition of control of RS (the "**Share Purchase**"). The Share Purchase resulted in Werklund companies holding all the outstanding voting shares of the Company.

Melbye has been the market representative of RS in Scandinavia since 2009, including Norway and Sweden most notably, and RS is pleased to announce that Melbye will continue to act as a distributor for RS's composite poles in the region, pursuant to the terms of a revised distribution agreement executed in conjunction with the Share Purchase. "As a strategic partner who saw promise in RS's innovative product over ten years ago, Melbye originally invested to help secure the future supply of RS poles," stated Christian Aasheim, CEO of Melbye. "With this objective now having been achieved, Melbye is pleased to return to our original role as a major distributor of RS products and utility grid solutions in our markets. We have enjoyed being part of the RS family for many years, and we look back upon our role in enabling RS to grow into the company it is today with pride. We wish everyone at RS all the best of luck for the future."

"We are excited about our further investment in RS and confident that our high hopes for the future of the business are well placed," said David Werklund, Chairman of RS. "It's fair to say that RS, Melbye and Werklund look forward to advancing the adoption of RS's high-performance composite utility poles and structures into the world's electrical grids."

"We are pleased with the vote of confidence by the Werklund companies as they assume the position of RS's principal shareholder," stated Howard Elliott, President and CEO of RS. "At the same time, we are glad that the long-term relationship between RS and Melbye will remain intact even though Melbye has decided that this is an appropriate time for them to exit their financial investment in the Company—we look forward to continuing to work with them."

#### **About Werklund**

Based in Calgary, Alberta, Werklund Ventures Ltd. and Werklund Capital Corporation are part of the Werklund Family Office, a private family-owned investment company holding both private and public investments. More information is available at [www.werklund.com](http://www.werklund.com).

#### **About Melbye**

Melbye Skandinavia is a marketing and sales organisation with subsidiaries in all of the Scandinavian countries. The head office is situated in Oslo, Norway, and the group has a total of 10 direct sales offices in Norway and Sweden. Annual turnover is around MEURO 54. As it was in the beginning, the company remains privately owned by the same Norwegian Melbye family. More information is available at [www.melbye.com](http://www.melbye.com).

### **About RS**

RS Technologies Inc. (RS) designs and manufactures the world's highest performing composite utility poles that are safer, more reliable and longer lasting than wood, steel and concrete poles. RS poles are used in transmission (up to 345kV), distribution and communication applications, are environmentally friendly and often deliver the lowest total installed and lifecycle cost solution of any pole on the market. With installations dating back to 2003, RS has over 400 customers in 25 countries and is ISO 9001:2015 registered. More information on RS and its poles is available at [RSpoles.com](http://RSpoles.com).

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*A line of RS FRP composite utility poles installed in the U.S. Virgin Islands as part of a FEMA hazard mitigation project. These structures are designed to withstand 200mph (320km/h) wind speeds so as to increase system resiliency and harden the electrical grid from the damaging effects of future hurricanes.*