



Press Release: #18-01

January 24, 2018

## **KHOT ANNOUNCES OBTAINING LOANS OF USD\$366,679.12**

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**Tortola, British Virgin Islands - Khot Infrastructure Holdings, Ltd. ("Khot" or the "Company") (CSE: KOT)** KHOT Infrastructure Holdings, Ltd. (CSE:KOT) ("Khot" or the "Company") announces that it has entered into loan agreements (the "Loan Agreements") with certain directors and officers of the Company, both current and proposed, and various other parties, to provide an aggregate of USD\$366,679.12 in loans (the "Loans") to the Company. Each Loan is repayable twelve months from the effective date of each Loan Agreement (the "Maturity Date") without any deduction or withholding. The Company may make early repayment of the Loans at any time prior to the Maturity Date without any prepayment penalty. The Loans accrue interest at a rate of 8% per annum, with the accrued interest to be paid at the time of the repayment of the Loans. The first Loan Agreements were entered into during the fiscal period ended June 30, 2017, when the Company accepted US\$81,785 in Loan funding, of which, USD\$74,350 were Loans from Mr. James Passin, a director. From June 30, 2017 and up to September 30, 2017, a total of US\$284,894.12 in Loans was received.

Of the total amount of Loans received as at September 30, 2017, USD\$120,282.57 was provided by Mr. James Passin, who beneficially owns, directly or indirectly, or exercises control or direction over, 32,169,605 common shares ("Common Shares") of Khot, representing approximately 49.26% of the issued and outstanding Common Shares. Mr. Passin, a director of the Company, is a "related party" of the Company within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). As such, Mr. Passin's Loan constitutes a "related party transaction" within the meaning of MI 61-101. The Company is relying on an exemption from the minority approval requirement that applies to related party transactions, which exemption is available to the Company as: (i) the Loan comprises a loan or credit facility obtained on reasonable commercial terms that are not less advantageous to the Company than if the loan or credit facility were obtained from a person dealing at arm's length with the Company; (ii) the Loan is not convertible into equity or voting securities of the Company or a subsidiary of the Company; and (iii) the Loan is not repayable as to principal or interest in equity or voting securities of the Company or a subsidiary of the Company.

The Loan Agreements have been reviewed and approved by the board of directors who have determined that it is in the best interest of the Company to gain access to the funds pursuant to the Loans.

The purpose of the new Loan funding is for the Company to have resources to be able to fund the expenses related to obtaining the Revocation Order, calling a shareholders meeting, undergoing the change of business, and requalifying for listing on the Canadian Securities Exchange, all of which management believes is for the benefit of all shareholders.

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*This press release was prepared by management of Khot, which takes full responsibility for its contents. The Canadian Securities Exchange has in no way passed upon the merits of the proposed transaction and*

*has neither approved or disapproved the contents of this press release.*

#### Disclaimer for Forward-Looking Information

Statements containing forward-looking information express, as at the date of this news release, the Company's plans, estimates, forecasts, projections, expectations, or beliefs as to future events or results and are believed to be reasonable based on information currently available to the Company. Forward-looking statements and information are based on assumptions that financing and personnel will be available when required and on reasonable terms, and all necessary regulatory approvals and shareholder approval will be obtained, none of which are assured and are subject to a number of other risks and uncertainties.

There can be no assurance that forward-looking statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. Readers should not place undue reliance on forward-looking information.