



## RS Technologies Inc. Obtains CCAA Protection

Calgary, Alberta, March 14, 2013: RS Technologies Inc. ("**RS**" or the "**Company**") announces that, after careful consideration of all available alternatives, the Board of Directors of RS determined that it was in the best interests of all of its stakeholders to seek creditor protection under the *Companies' Creditors Arrangement Act* (Canada), ("**CCAA**"), and has obtained such protection pursuant to an Order from the Alberta Court of Queen's Bench (the "**Court**"). While under CCAA protection, RS continues with its day-to-day operations.

Recently, RS has been hampered by market and financial challenges, details of which will soon be available on the website of the Court-appointed Monitor, FTI Consulting Canada Inc. (the "**Monitor**"), at <http://cfcanada.fticonsulting.com/RS>. CCAA protection stays creditors and others from enforcing rights against RS and affords RS the opportunity to restructure its financial affairs. The Court has granted CCAA protection for an initial period of 30 days, expiring April 12, 2013, to be extended thereafter as the Court deems appropriate. RS will issue a further press release on or before April 12, 2013 which will provide an update.

While under CCAA protection, the Company continues in the normal course, under the supervision of the Monitor. The Monitor will also be responsible for reviewing RS's ongoing operations, liaising with creditors and other stakeholders and reporting to the Court.

The Court has authorized the Monitor to enter into interim financing (the "**Interim Financing**") up to a maximum amount of \$750,000, to be provided by Werklund Capital Corporation and Melbye Skandinavia AS, the first secured creditors of RS (collectively, the "**Interim Lender**"), in order to support its operations during the CCAA proceedings. The Interim Financing allows RS to continue its business in the normal course, maintain key relationships with its suppliers and continue to provide service to its customers.

The Monitor has been authorized by the Court to develop a sale and investor solicitation procedure ("**SISP**"), which may or may not include a stalking horse bid. The Company anticipates that the Monitor will immediately consult with RS, the Interim Lender and other affected stakeholders to negotiate the SISP and will return to Court in the next 30 days to seek approval of such SISP. The SISP will provide a procedure by which the Monitor, with the assistance of RS, will solicit third party interest from persons or entities with respect to a sale of some or all of its assets or an equity investment with a restructuring of RS's outstanding indebtedness.

RS's ultimate goal in relation to the SISP is the completion of a transaction (the "**Transaction**") which restructures its affairs in such a way so as to maximize its value to all of its stakeholders. Any such Transaction would need to be approved by the Court upon completion of the SISP.

Although CCAA protection enables RS to continue with its day-to-day operations until its CCAA status changes, the implications for the RS shareholders are less clear. At the end of the restructuring process, the value of what is left for shareholders will depend upon the terms of the Transaction approved by the Court.

Managing the financial difficulties of RS has absorbed considerable staff resources in recent months. At the current time, management and the Board of Directors are actively focusing on assisting the Monitor in obtaining Court approval of the SISP, implementing that procedure, and completing a Transaction. Every effort will be made to ensure that all stakeholders in RS are kept informed of developments affecting RS as they occur.

*Certain information regarding RS in this news release including management's assessment of future plans and operations and the timing thereof, may constitute forward-looking statements under applicable securities laws and necessarily involve risks including, without limitation, risks associated with loss of markets, currency fluctuations, competition from other systems providers, the ability to access sufficient capital from internal and external sources and the uncertainty involved in Court proceedings and the implementation of a Plan of Arrangement under the CCAA. As a consequence, RS's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurance can be given that any events anticipated by the forward-looking statements will transpire or occur, or, if any of them do so, what benefits RS will derive therefrom. Readers are cautioned that the foregoing list of factors is not exhaustive. Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and RS does*

*not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.*

**About RS**

RS is an ISO 9001:2008 certified company that designs, engineers and manufactures composite utility poles. The poles are used in transmission, distribution and communication applications and offer a lighter, more durable and longer-lasting solution over wood, steel and concrete alternatives. In many instances, the environmentally friendly poles deliver the lowest total installed and lifecycle cost solution of any pole on the market. With installations dating back to 2003, RS has over 280 customers globally.

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