



ONEnergy Enters into Agreement to Sell its U.S. Gas & Power business

TORONTO, October 4, 2018 - ONEnergy Inc. ("ONEnergy" or the "Company") (TSXV: OEG) is pleased to announce that it has entered into a definitive agreement with C Wave Power & Gas Inc. ("C Wave"), 100 Cambridge Street, 14th Floor, Boston MA 02114, under which C Wave will acquire ONEnergy's U.S. Gas & Power business (the "Transaction") for cash consideration of U.S. \$9.7 million, subject to customary post-closing adjustments. To satisfy any claims that may arise under the definitive agreement, U.S. \$0.3 million of the cash consideration will be paid into escrow for an 18 month period following the close of the Transaction. The proceeds from the Transaction will be used to repay the Company's credit facility, transaction costs and other liabilities of approximately U.S.\$8.9 million.

C Wave will acquire all the outstanding common shares of Sunwave USA Holdings Inc., which together with its subsidiaries, forms ONEnergy's U.S. Gas & Power business. The U.S. Gas & Power business comprises the Company's U.S. energy retailer business with electricity customers in Connecticut, Pennsylvania, Massachusetts and Ohio.

As required under the policies of the TSX Venture Exchange (the "Exchange"), the Transaction will be subject to the approval of the Company's shareholders and the Exchange. ONEnergy is completing a management information circular for a special meeting of shareholders ("Shareholders' Meeting") to consider the Transaction, which will include additional details regarding the Transaction and the use of proceeds from the Transaction. The Shareholders' Meeting is expected to be held in November 2018.

The Transaction is also subject to the receipt of required regulatory approvals and consents, including approval by the United States Federal Energy Regulatory Commission, and the satisfaction of the other closing conditions described in the definitive agreement.

Stifel, Nicolaus & Company, Incorporated ("Stifel") acted as financial advisor to ONEnergy.

Trading in the common shares of ONEnergy remains halted until the completion of the previously announced transaction with the Suske Parties.

About ONEnergy

ONEnergy is an energy management firm serving commercial, industrial, multi-residential and residential clients via its ONEnergy™ and Sunwave™-branded energy and energy-efficiency businesses. ONEnergy specializes in helping customers use energy more wisely by minimizing their energy consumption and then cost-effectively managing the balance. ONEnergy serves customers in both Canada and the United States, with offices in Toronto and Stamford, CT. ONEnergy's corporate website may be found at www.onenergyinc.com and you can learn more about Sunwave's offerings at www.gosunwave.com

ONEnergy common shares are listed on the TSX Venture Exchange under the symbol "OEG". Material information pertaining to ONEnergy may be found on SEDAR under the Company's issuer profile at www.sedar.com.

For information, please contact:

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Completion of the Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable, disinterested shareholder approval. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved the contents of this news release. Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Notice on forward-looking statements

This news release includes certain "forward-looking statements" under applicable Canadian securities legislation that are not historical facts. The words "expect", "believe", "anticipate", "will" and similar expressions identify forward-looking statements. Forward-looking statements involve risks, uncertainties, and other factors that could cause actual results, performance, prospects, and opportunities to differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements in this news release include, but are not limited to, statements regarding the Transaction, the business and operations of the Company and their anticipated divestiture and C Wave. Forward-looking statements are necessarily based on a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic and social uncertainties; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; delay or failure to receive board, shareholder or regulatory approvals for the Transaction; ONEnergy or C Wave management's ability to manage and to operate their respective businesses, and the equity markets generally; those additional risks set out in the Company's public documents filed on SEDAR at www.sedar.com; and other matters discussed in this news release. Although the Company believes that the assumptions and factors used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Except where required by law, the Company disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

The securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "1933 Act"), or under any state securities laws, and may not be offered or sold, directly or indirectly, or delivered within the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S under the 1933 Act) absent registration or an applicable exemption from the registration requirements. This news release does not constitute an offer to sell or a solicitation to buy such securities in the United States.

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