



ONENERGY INC. REPORTS FY 2022 RESULTS and PROVIDES CORPORATE UPDATE

TORONTO, CANADA (April 28, 2023) – ONEnergy Inc. (“ONEnergy” or the “Company”) (NEX: OEG.H), today announced that it has filed its financial results for the year ended December 31, 2022.

Financial results

For the three-month period ended December 31, 2022, net loss and comprehensive loss was \$1.5 million compared to net loss and comprehensive loss of \$0.4 million during the same period in 2021. During the three-month period ended December 31, 2022 the Company recognized a provision of \$1.0 million (US\$0.8 million) for the Default Motion filed by CWave, as the terms are defined below.

Net loss and comprehensive loss for the twelve-month period ended December 31, 2022 amounted to \$1.5 million compared to net loss and comprehensive loss of \$1.5 million during the same period in 2021. During 2022, the Company recognized a net gain of \$0.1 million arising from: (i) a gain of \$1.1 million on the derecognition of net liabilities as a result of the bankruptcy of its wholly owned subsidiary, Sunwave Gas & Power Inc. (“Sunwave Canada”) on February 23, 2022, offset by (ii) the recognition of a provision of \$1.0 million (US\$0.8 million) for the Default Motion filed by CWave, as the terms are defined below.

For further information on the financial results of the Company, please review the Company’s audited consolidated financial statements, and management’s discussion and analysis of financial condition and results of operations for the years ended December 31, 2022 and 2021, available under the Company’s profile on www.sedar.com.

CWave litigation update

In May 2019, in connection with the sale of its U.S. subsidiaries to C Wave Power & Gas Inc. (“CWave”), Sunwave Canada issued a promissory note payable to CWave (“CWave Note”) pursuant to a Transition Services Agreement between Sunwave Canada and CWave. In February 2022, Sunwave Canada was assigned into bankruptcy in Canada, with the bankruptcy subsequently recognized in the U.S., under chapter 15 of title 11 of the U.S. Code, on August 26, 2022.

On March 2, 2022, CWave filed a Motion for Summary Judgment in Lieu of Complaint (the “Motion”) with the Supreme Court of the State of New York (the “NY Court”) against ONEnergy and Sunwave Canada (collectively the “Defendants”). The Motion sought a summary judgment against the Defendants for US\$746,742, being the principal and interest outstanding as of December 31, 2021, on the CWave Note, plus additional interest and reasonable costs until the judgment is paid. On November 29, 2022, the NY Court denied the Motion but permitted CWave to file a complaint (the “Verified Complaint”).

On December 28, 2022, CWave filed a Verified Complaint against the Defendants, seeking US\$750,000 plus interest and costs. Without sufficient resources for legal counsel, the Defendants did not respond to the Complaint by the response date of February 17, 2023 and, consequently on March 13, 2023, CWave filed with the NY Court a Motion for Default Judgement (“Default Motion”) against the Defendants seeking US\$769,237, plus interest and reasonable costs until the judgment is paid. The Defendants did not answer the Default Motion by the due date of April 11, 2023. On April 18, 2023, the NY Court heard the Default Motion however the Default Motion is pending before the NY Court.

Since the Company did not respond to the Verified Complaint and Default Motion, the Company determined it is more likely than not that the Default Motion may be granted, and therefore, as of December 31, 2022, the Company recognized a provision of \$1.0 million (US\$0.8 million), being the amount of the Default Motion.

Non-convertible debt financing

Between November 29, 2022 and April 28, 2023, Stephen J.J. Letwin, a shareholder and Chairman of the Board of Directors, ("Mr. Letwin") provided advances to the Company aggregating to \$363,000. These advances are not convertible into securities of the Company, are unsecured, bear an annual interest rate at 10%, and are due on demand.

About OEnergy Inc.

ONEnergy common shares are listed on the NEX board of the TSX Venture Exchange under the symbol "OEG.H". Material information about OEnergy can be found on SEDAR under the Company's issuer profile at www.sedar.com. OEnergy's corporate website may be found at www.onenergyinc.com.

For additional information please contact:

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release contains certain "forward-looking information" and "forward-looking statements" (collectively "forward-looking statements") within the meaning of applicable securities legislation. All statements, other than statements of historical fact, included herein, without limitation, statements relating to the future operating or financial performance of the Company or the outcome of the CWave litigation, are forward-looking statements. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, undue reliance should not be placed on them as actual results may differ materially from the forward-looking statements and there can be no assurance that such expectations will prove to be correct. The forward-looking statements contained in this news release are made as of the date hereof, and the Company undertakes no obligation to update publicly or revise any forward looking statements or information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.