



## ONENERGY INC. ANNOUNCES FILING OF CREDITOR PROPOSAL

**TORONTO, CANADA May 30, 2023** – ONEnergy Inc. (“ONEnergy” or the “Company”) (NEX:OEG.H), announces today that it has filed a Division I proposal (the “Proposal”) pursuant to the *Bankruptcy and Insolvency Act (Canada)* (the “BIA”). B. Riley Farber Inc. has been appointed as proposal trustee (the “Proposal Trustee”), with the intent of settling the Company’s outstanding creditor liabilities.

After careful consideration of the Company’s cash position and all available alternatives, and through consultation with its legal and financial advisors, the Board of Directors of the Company (the “Board”) determined that it is in the best interests of the Company to file a Proposal under the BIA.

The Company’s Proposal to its unsecured creditors, if approved, would settle the Company’s unsecured outstanding liabilities in exchange for the issuance of common shares of the Company, valued at no more than 100% of the Company’s current market capitalization. An approval of the Proposal requires a majority of the unsecured creditors with proven claims to vote in favour, of which must also represent at least two-thirds of the value of the proven claims voting. This will result in unsecured creditors owning up to eighty-four percent (84%) of the Company, depending on the conversion ratio of liabilities to common shares. The proposed share issuance is subject to approval by the TSX Venture Exchange.

If the Proposal is not approved, the result would be a deemed bankruptcy. A bankruptcy would require a forced liquidation of the Company’s assets.

The Proposal provides a better recovery for affected creditors, and the successful approval and implementation of the Proposal will enable the Company to survive without filing for bankruptcy. It is the intention of management and the Board to pursue opportunities to complete a transaction, which may include completing a Reverse Takeover, or other potential business acquisitions. There can be no guarantees or assurances that a transaction will take place.

A virtual meeting of the Company’s unsecured creditors is scheduled to take place on Thursday, June 22, 2023 at 11:00 a.m. (EDT). If the Proposal receives the requisite support at the creditors’ meeting, the Company will file an application to the Ontario Superior Court of Justice (the “Court”) to seek Court approval of the Proposal.

### **The Secured Grid Promissory Note**

The Company has secured a commitment from Stephen J.J. Letwin, a director, shareholder and creditor of the Company for a secured grid promissory note (the “Note”), subject to certain conditions, including obtaining approval from the Court under the BIA.

The Note has borrowing limit of \$450,000 permits repayments and additional drawdowns, will have a maturity date of December 31, 2023 and carry an interest rate of 10% per annum. The Note will be secured by a first-ranking security over all assets of ONEnergy.

Funds advanced under the Note will be used to fund, the Proposal Trustee fees, legal fees of the Proposal proceedings, the Company’s working capital requirements during Proposal proceedings and after the Company’s exit from the Proposal proceedings.

## **Board Update**

As of the time of this release, the Board is currently composed of three members. There have not been any resignations on the Board in connection with the filing of the Proposal; however, there are no assurances that the Board, as currently in place, will remain as such pending the outcome of the foregoing.

## **About ONEnergy Inc.**

ONEnergy common shares are listed on the NEX Board of the TSX Venture Exchange under the symbol "OEG.H". Material information pertaining to ONEnergy may be found on SEDAR under the Company's issuer profile at [www.sedar.com](http://www.sedar.com). ONEnergy's corporate website may be found at [www.onenergyinc.com](http://www.onenergyinc.com).

## **For information, please contact:**

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## **CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION**

*This release includes forward-looking information and forward-looking statements within the meaning of Canadian securities laws regarding ONEnergy and its business, including, without limitation, statements regarding ONEnergy's ability to receive Creditor approval and complete the implementation of the Proposal, obtain the approval of the TSX Venture Exchange, or complete a transaction, as well as statements relating to the Board composition. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "is expected", "expects", "scheduled", "intends", "contemplates", "anticipates", "believes", "proposes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Such statements are based on the current expectations of the management of ONEnergy and are based on assumptions and subject to risks and uncertainties. Although the management of ONEnergy believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect. The forward-looking events and circumstances discussed in this release may not occur by certain specified dates or at all and could differ materially as a result of the risk factors identified in ONEnergy's most recently filed management's discussion and analysis and in other publicly filed documents under ONEnergy's profile on SEDAR at [www.sedar.com](http://www.sedar.com), as well as other unknown risks. Although ONEnergy has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Accordingly, readers should not place undue reliance on any forward-looking statements or information. No forward-looking statement can be guaranteed. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and ONEnergy does not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.*

*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.*