

Crius Energy enters partnership to expand network marketing sales channel

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Transaction expected to streamline operations while maintaining exclusive access to high-performing network marketing sales channel

TORONTO, July 19, 2016 /CNW/ - Crius Energy Trust (TSX: KWH.UN) ("the Trust") is pleased to announce that its indirect wholly-owned subsidiary, Crius Energy, LLC ("Crius" or the "Company"), has entered into an asset purchase agreement with Viridian International Management LLC, ("Viridian International"), a newly formed, private company headquartered in Dallas, Texas, to transfer certain assets held by Viridian Network, LLC ("Viridian Network"), a wholly-owned subsidiary of Crius that has managed the network marketing sales channel of the Company, to Viridian International (the "Transaction"). Following the completion of the Transaction, Crius will hold a 10% ownership interest in Viridian International and will hold exclusive rights as the electricity, natural gas and solar energy provider for Viridian International for the next five years. Crius will continue to directly own and service all existing and future electricity and natural gas customer relationships.

"We are pleased to have identified the ideal partner to take the network marketing sales channel to the next level," said Michael Fallquist, Chief Executive Officer of the Trust and Crius Energy. "The partnership with Viridian International is truly a win-win situation as we believe our new partner will best support the 22,000 plus Viridian independent contractors and position them to successfully grow their businesses which, in turn, will benefit Crius through reduced risk and increased customer growth. It also allows our team to focus efficiently on delivering best-in-class energy products and customer experience."

The asset purchase agreement includes payments to Crius Energy totaling US\$10 million over five years, which may be abated if specified sales targets are achieved, as well as US\$2 million in cash upon completion of the Transaction, and a US\$4 million promissory note due to the Company in 12 months.

Viridian International will be led by Chief Executive Officer Paul Booth, a network marketing industry veteran, and Cami Boehme, who will transition from her role as Chief Strategy Officer of the Trust to become Chief Operating Officer of Viridian International. As a result of the Transaction, Viridian International will acquire the independent contractor agreements, intellectual property and marketing assets of Viridian Network, with the goal of expanding the product offerings and geographic reach of the network marketing sales channel. As the result of its ownership interest, Crius will benefit from all of Viridian International's future domestic and international market and product expansions.

"Crius is committed to business continuity for our valued Viridian independent contractors and does not anticipate any adverse customer impact as a result of this Transaction," explained Fallquist, who founded the Viridian sales channel in 2009 and will serve on Viridian International's Board of Directors. "As with our other exclusive partnerships, Viridian International will be responsible for sales and marketing while Crius will provide energy service to all existing and future customers. In addition, Crius will be able to transition fixed costs associated with management of the network marketing sales channel into variable costs tied directly to customer growth."

The Trust will hold a conference call to discuss the new partnership at 8:30 a.m. eastern time on Tuesday, July 19, 2016.

To access the conference call by telephone, dial 647-427-7450 or 1-888-231-8191. Please connect approximately 15 minutes prior to the beginning of the call to ensure participation. A question and answer session for analysts will follow management's remarks.

A live audio webcast of the conference call will be available at www.cnw.ca. Please connect at least 15 minutes prior to the call to ensure adequate time for any software download that may be required to join the webcast. The webcast will be archived at the above web site for 90 days.

A digital rebroadcast will be available to listeners starting at 11:30 a.m. eastern time on July 19, 2016 until July 27, 2016. To access the rebroadcast, please dial 416-849-0833 or 1-855-859-2056 and enter passcode 52382031.

About Crius Energy Trust

The Trust was established to provide investors with a distribution-producing investment through its ownership interest in Crius Energy. With over 900,000 residential customer equivalents, the Company is a comprehensive energy solutions partner that provides electricity, natural gas and solar products to residential and commercial customers. The Company connects with energy customers through an innovative family-of-brands strategy and multi-channel marketing approach. This unique combination creates multiple access points to a broad suite of

energy products and services that make it easier for consumers to make informed decisions about their energy needs. The Company currently sells energy products in 19 states and the District of Columbia with plans to continue expanding its geographic reach.

The Trust intends to continue to qualify as a "mutual fund trust" under the Income Tax Act (Canada) (the "Tax Act"). The Trust will not be a "SIFT trust" (as defined in the Tax Act), provided that the Trust complies at all times with its investment restriction which preclude the Trust from holding any "non-portfolio property" (as defined in the Tax Act). Material information pertaining to the Crius may be found on SEDAR under the Trust's issuer profile at www.sedar.com or on the Trust's website at www.criusenergytrust.ca.

Cautionary Statement Regarding Forward-Looking Information

This news release contains forward-looking statements and forward-looking information (collectively, "Forward-Looking Statements") that involve substantial known and unknown risks and uncertainties, most of which are beyond the control of Crius, including, without limitation, those risks described in the annual information form of the Trust for the fiscal year ended December 31, 2015, dated March 15, 2016 (under the heading "Risk Factors"), in the MD&A of the Trust for the three month period ended March 31, 2016 and in the Final Prospectus. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "will likely result", "are expected to", "expects", "will continue", "is anticipated", "anticipates", "believes", "estimated", "intends", "plans", "forecast", "projection" and "outlook") are not historical facts and may be Forward-Looking Statements which involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in such Forward-Looking Statements. Forward-Looking Statements in this news release include, but are not limited to, the anticipated benefits of the Transaction; that Crius will be the exclusive electricity and natural gas provider of Viridian International, including for all domestic and international market expansions; the ability of Viridian International to integrate the acquired assets; the ability of the partnership to best position the independent contractors to grow the business; the Company being able to continue to directly own all existing and future customer relationships; the ability of Viridian International to expand the product offerings and geographic reach of the network; that EBITDA will not experience any material impact through fiscal year 2018; that customers of the Company will not be adversely impacted as a result of this Transaction; and the Trust's objectives and status as a "mutual fund trust" and not a "SIFT trust". These Forward-Looking Statements are based on reasonable assumptions and estimates of management of the Trust at the time such statements were made. Actual future results may differ materially as Forward-Looking Statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Trust to materially differ from any future results, performance or achievements expressed or implied by such Forward-Looking Statements. Crius cautions investors of the Trust's securities about important factors that could cause Crius' actual results to

differ materially from those projected in any Forward-Looking Statements included in this news release. No assurance can be given that the expectations set out in this news release will prove to be correct and accordingly, prospective investors should not place undue reliance on these Forward-Looking Statements. These statements speak only as of the date of this news release and Crius does not assume any obligation to update or revise them to reflect new events or circumstances, except as required by law.

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

SOURCE Crius Energy Trust

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