



Octus Provides Guidance For 2010 Operations

Davis, California (January 13, 2010) – Octus, Inc. (OTCBB: OCTI.OB), a leading smart energy efficiency company, today provided guidance for its 2010 business strategy and market forecast. A presentation concerning the company's expected business and strategy for 2010 is posted at Octus's web site: <http://octusenergy.com/investors/index.html>.

"Going into 2010, we believe that Octus has strong momentum with the ever-expanding market opportunity for smart energy solutions, in concert with our recently-announced reserve equity financing facility with AGS Capital," said Octus CEO Chris Soderquist.

2010 Financial Guidance

On December 16, 2009, Octus announced it secured four smart energy projects in collaboration with Quantum Energy Solutions, Inc. Octus and Quantum have developed a pipeline of more than \$20 million in potential projects. In addition Octus anticipates its Smart Energy Products business will initiate sales in the first quarter of 2010 with the Smart Energy Platform ("Octus SEP"), a proprietary smart energy efficiency networking platform providing commercial building managers with critical information needed to significantly reduce overall energy use and costs, and Wickool, a proprietary Octus product that has successfully completed product design testing with two of the largest retailers and currently is in manufacturing.

Business Units

- Smart Energy PRODUCTS: Integrated, intelligent controls, sensors, energy management appliances. Estimated gross margins: 60-75%; Availability: Today.
- Smart Energy PROJECTS: Energy-efficient lighting, HVAC, energy management and renewable energy projects; utility company programs. Estimated gross margins: 30-40%; Availability: Today.
- Smart Energy SERVICES: Software-enabled energy management services; networked energy intelligence and analytics. Anticipated approximate gross margins: 90%; Expected availability: Q1/Q2 2010.

Smart Energy Industry Drivers

- Government stimulus: \$37 billion for smart energy
- Save money: \$50 billion annual opportunity (lighting and HVAC energy savings)
- Electricity prices: Increased escalation equals increasing demand
- Rebates and incentives: Utility companies assist in distribution of Smart Energy Products and the execution of projects
- Smart grid development/investment: \$100B+ from U.S. government and utilities

Growth Strategy

1. Strengthen platform: Acquire energy service and smart energy product companies, diversify products, deliver software-enabled services
2. Expand distribution: Increase market development, representative agencies, integration partners, OEMs, and third-party utility company program administrators.
3. Engage key partners and catalysts: Utilities, project financing, national HVAC and electrical contractors.
4. Monetize energy intelligence/multiple recurring revenue streams.

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About Octus

Octus, Inc. (OTCBB: OCTI.OB) is a leading smart energy company providing innovative solutions that significantly improve energy management and reduce electricity costs. Our purpose is to make buildings smart and reduce energy consumption by 50% or more. We accomplish this through the Octus Smart Energy Platform (OctusSEP), a portfolio of smart devices, sensors, network appliances and software-enabled energy management services, and the implementation of smart energy projects, targeting a \$50 billion U.S. market. Commercialization of OctusSEP is propelled through affiliations with leading energy institutions, including the California Lighting Technology Center and the Western Cooling Efficiency Center.

Forward Looking Statements

This press release contains forward-looking statements, including, without limitation, statements as to financial projections and management's beliefs, expectations, goals and opinions. The company does not undertake to update or revise these statements, which are based on a number of assumptions concerning future conditions that may ultimately prove to be inaccurate. Future events and their effects on the company may not be those anticipated, and actual results may differ materially from the results anticipated in these forward-looking statements. The risks, uncertainties and factors that could cause or contribute to such material differences are discussed in the company's annual report on Form 10-K for the year ended December 31, 2008, and in company's quarterly report on Form 10-Q for the quarter ended September 30, 2009, filed by the company with the Securities and Exchange Commission, as updated or supplemented from time to time in subsequent filings. These risks and uncertainties include, without limitation: adverse capital and credit market conditions that may significantly affect the company's ability to meet liquidity needs, access to capital and cost of capital; a continuation of difficult conditions in the global capital markets and the general economy that may materially adversely affect the company's business and results of operations; the risk from acquiring new businesses, which could result in the impairment of goodwill and/or intangible assets recognized at the time of acquisition; competitive factors; volatility of financial markets; and, inability to attract and retain key management personnel. In addition, this press release contains a number of forward-looking statements concerning anticipated revenues for 2010. The company has only recently become engaged in the smart energy business and does not have a history of operations on which future results can be based. Accordingly, statements concerning anticipated future results are subject to a greater deal of uncertainty than if the company had a longer operating history. Results for 2010 could be adversely affected by many factors which would cause actual results to differ from the results anticipated in this press release, including without limitation: the failure to generate contracts and sales from the current pipeline of potential projects; the inability to obtain needed financing in order to support the company's operations; unexpected difficulties in manufacturing the Wickool product or delays in commercial introduction of the Wickool product; less than expected consumer demand for the company's products and services; less than expected gross margins; fewer than expected federal and state funding and support for the smart energy and energy efficiency markets; and other factors.

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