Alternative Energy Partners (AEGY) Announces Dividend for Shareholders and Agreement to Spin-Off Commercial HVAC Business

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http://www.aenergypartners.com/ () -

Alternative Energy Partners (http://www.aegypartners.com/) , Inc. (OTCBB: AEGY), a provider of comprehensive alternative energy solutions, announces that it has signed a definitive agreement with OCTuS, Inc. (OTCBB: OCTI) to transfer its ownership interest in Elan Energy Corp. and Sunarias Corporation (http://www.sunarias.com/) to OCTuS in exchange for common shares of OCTuS. The move will effectively spin off AEGY's commercial HVAC business, allowing the company to focus closely on fuel cell and other high-demand technologies while offering AEGY shareholders of record on February 25, 2011 a dividend of OCTuS common stock, the result of which will be that AEGY shareholders will own common shares in both AEGY and in OCTuS. AEGY previously acquired Elan Energy Corp. and its operating subsidiary, R.L.P. Mechanical Contractors, Inc., in a transaction with a stated value of $5 million, and acquired Sunarias in a transaction with a stated value of $2 million.

The transaction announced today is part of AEGY's corporate refocusing, previously announced on December 22, 2010 (http://finance.yahoo.com/news/Alternative-Energy-Partners-iw-83511473.html?x0&.v1) . Fuel cells have emerged as a preferred technology to position large consumers of energy for independence from utilities and grid power. AEGY has decided to emphasize its strength in the delivery of fuel cell and other technologies in the immediate future, while causing a dividend to its shareholders.

As part of the rearrangement of the company and this increased focus on fuel cell capabilities (http://en.wikipedia.org/wiki/Fuel_cell) , AEGY will also acquire all outstanding shares of Renewable Energy and Water, Inc. (http://www.renergyandwater.com/) ("REW"), a developer and systems integrator of renewable energy projects and water reclamation solutions including fuel cell technology. REW, which is currently owned by Healthcare of Today (http://www.healthcareoftoday.com/) , provides its customers with a dynamic and customized combination of technologies and processes including water treatment technologies, anaerobic digestion of waste to create energy and biogas, and fuel cell power plants. REW is currently undergoing the survey process and is under a letter of intent with a major drainage district in the Central Valley of California to develop a water remediation project there.

AEGY's President and CEO Jason Davis says, "We continue to feel that Elan Energy will be highly successful, but it does not fit into our immediate strategy for AEGY. We plan to focus AEGY on developing alternative energy and energy efficiency

projects such as fuel cells, water reclamation and solar PV, which is a growing market for us. Our HVAC holdings will now be concentrated within our Xnergy subsidiary, through both organic growth and future acquisitions. We intend to brand Xnergy across the nation as our platform company for energy services, HVAC, engineering, and construction."

The spinoff will allow Elan to continue its growth unhampered while enabling AEGY's shareholders to hold interests in two energy ventures, rather than just one.

The shares of OCTuS received by Alternative Energy Partners ("AEGY") will be distributed pro-rata to AEGY's shareholders of record on February 25, 2011. As part of the transaction, which is expected to close by March 15, 2011, the OCTuS shares to be issued in the acquisition will initially be convertible preferred stock issued to an agent. The shares will then be distributed to the AEGY shareholders as soon as the articles of incorporation of OCTuS have been amended to increase the authorized common stock and OCTuS has completed and filed an effective registration statement for the shares to be distributed to the AEGY shareholders.

The result of the transactions will be four operating subsidiaries within AEGY: Shovon (http://www.shovon.com/) , LLC (www.shovon.com (http://www.shovon.com)); Xnergy (http://www.xnergy.com/) , Inc. (www.xnergy.com (http://www.xnergy.com)); REW (www.renergyandwater.com (http://www.renergyandwater.com)); and SkyNet Energy Systems, Inc. Once the transactions are closed, AEGY intends to proceed with the filing of its own registration statement on Form S-1, as previously announced (http://finance.yahoo.com/news/Alternative-Energy-Partners-iw-3530180335.html?x0&.v1) .

About Alternative Energy Partners, Inc.

Alternative Energy Partners ("AEGY") is focused on sourcing, marketing and distributing renewable alternative energy solutions. AEGY's Xnergy is an award-winning engineering, construction, and alternative energy market leader based in Southern California (xnergy.com (http://www.xnergy.com/)). AEGY is the sole member of Shovon, LLC (shovon.com (http://www.shovon.com)), a provider of remote control energy management systems, and is also poised to enter the European alternative energy market through its Skynet Energy Systems, Inc. AEGY's goal is to offer a full portfolio of high-performance energy solutions for homes and businesses of all sizes. Alternative Energy Partners is publically traded on the NASDAQ OTC (OTCBB: AEGY). For more information about AEGY, please visit aenergypartners.com (http://www.aenergypartners.com/) .

FORWARD LOOKING STATEMENT

This announcement is not an offer to sell any Alternative Energy Partners ("AEGY") securities. Offers for any given security are made only through applicable offering circulars and related documents filed with the SEC pursuant to the Securities Act of 1933 or the Securities Exchange Act of 1934. Certain statements contained herein and subsequent oral statements made by and on behalf of AEGY may contain "forward looking statements" within the meaning of the Private Securities Litigation

Reform Act of 1995. Such forward looking statements are identified by words such as "intends", "anticipates", "believes", "expects", and "hopes" and includes, without limitation, statements regarding AEGY's plan of business operations, product research and development activities, anticipated revenues and expenses and potential contractual arrangements and obligations. Forward-looking statements speak only as of the date of the document/oral statement in which it was made. In making any such statements, the person making them believes that his expectations are based on reasonable assumptions; however, any such statement may be influenced by factors that could cause actual outcomes and results to be materially different from those projected or anticipated. These forward-looking statements are subject to numerous risks and uncertainties. There are various important factors that could cause actual results to differ materially from those in any such forward-looking statements and are mostly out of the company's control. Among these are: general economic conditions, receipt of additional working capital, and acceptability of the company's products in the marketplace as well as other factors set forth in the company's SEC filings. AEGY disclaims any intent or obligation to publicly update these forward-looking statements, whether as a result of new information, future events or otherwise.

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