



ONENERGY INC. REPORTS FIRST QUARTER 2016 RESULTS

Q1 2016 Highlights:

- **Quarterly revenues increase by 46% to \$8.1 million**
- **Gross margin increased by 166% to \$1.2 million**
- **Litigation settlement adds \$7.2 million in cash**

TORONTO, CANADA (May 17, 2016) – ONEnergy Inc. (“ONEnergy” or the “Company”) (TSXV: OEG), a fast-growing, dynamic energy management firm serving commercial, industrial, multi-residential and residential customers in Canada and the U.S. via its ONEnergy™ and Sunwave™-branded energy and energy-efficiency businesses today announced its financial results as at and for the three-month period ended March 31, 2016. All amounts are in Canadian dollars unless otherwise noted.

For the three-month period ended March 31, 2016, revenues from continuing operations increased by 46 percent to \$8.1 million versus \$5.6 million during the corresponding period in 2015. Gross margin also increased to \$1.2 million, or 14 percent as a percentage of revenues as compared to \$0.4 million and 8 percent of revenues during the same period in the previous year. As a result of the aforementioned, adjusted earnings before interest, taxes, depreciation and amortization (“Adjusted EBITDA”) was a loss of \$1.5 million compared to a loss of \$1.2 million during Q1 2015. Income from continuing operations for the three months ended March 31, 2016 was \$4.2 million compared to a loss from continuing operations of \$1.3 million for the same period in 2015. Included in income from continuing operations for 2016 is the Litigation Settlement (described below) of \$7.175 million.

In December 2015, ONEnergy designated its Home Comfort business as being held for sale and as a discontinued operation within the financial statements. During the three months ended March 31, 2016, Home Comfort posted a net income of \$0.3 million.

“Our first quarter results delivered continued revenue growth from our Gas & Power business with improved margins,” said Stephen J.J. Letwin, Chairman of ONEnergy. “Revenues from the U.S. also increased solidly, representing 83% of total revenues representing an increase of 14% compared with 73% in the same quarter in 2015. Our Energy Efficiency business development continues to be strong with significant prospects in the manufacturing and consumer products sectors.”

Cash and restricted cash as at March 31, 2016 totaled \$2.9 million.

On April 1, 2016, the Company received \$7.175 million in connection with the previously announced settlement (the "Settlement") of the Company's litigation with certain former officers, directors, consultants and legal advisors of ONEnergy, formerly Look Communications Inc.

The Settlement does not include Look's former CEO Gerald McGoey and his personal service company Jolian Investments Limited (collectively the "McGoey Defendants"). As a condition of the Settlement, the claim against the McGoey Defendants will be limited to their proportionate and several liability for up to a maximum of \$5.6 million (being the amounts they received from Look) plus the McGoey Defendants' proportionate and several share of amounts paid by Look as advances to law firms for the payment of legal fees and expenses. ONEnergy will continue to vigorously pursue this claim against the McGoey Defendants.

About ONEnergy Inc.

ONEnergy is a fast-growing, dynamic energy management firm serving commercial, industrial, multi-residential and residential clients via its ONEnergy™ and Sunwave™-branded energy and energy-efficiency businesses. ONEnergy specializes in helping customers use energy more wisely by minimizing their energy consumption and then cost-effectively managing the balance. We provide a variety of products and services including energy-efficient heating, cooling and air-conditioning equipment, standalone and solar PV-integrated energy storage systems, complete turnkey high efficiency lighting for retrofits and new construction, energy management software and monitoring, supply of conventional and "green" electricity for homes and businesses, commercial solar PV installations, energy audits and more to help our customers conserve, simplify and effectively manage their energy usage and costs.

ONEnergy serves customers in both Canada and the United States, with offices in Toronto, Vancouver, and Norwalk, CT. ONEnergy common shares are listed on the TSX Venture Exchange under the symbol "OEG".

ONEnergy's corporate website may be found at www.onenergyinc.com and you can learn more about Sunwave's offerings at www.gosunwave.com. Follow us on Twitter at @gosunwave and @onenergyinc or Facebook at www.facebook.com/gosunwave.

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