



ONENERGY INC. REPORTS STRONG SECOND QUARTER 2015 RESULTS

Q2 2015 Financial Highlights:

- **Revenues increase by 250% quarter on quarter to \$6.0 million**
- **Gross Margin increases to \$1.7 million or 28% of revenues**
- **Adjusted EBITDA improves by 90% to a loss of \$0.2 million**
- **Balance sheet remains strong with \$8.2 million of cash and equivalents**

TORONTO, CANADA (August 17, 2015) – ONEnergy Inc. ("ONEnergy" or the "Corporation") (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 Sunwave™-branded energy and energy-efficiency businesses announced today its second quarter results for the three and six-month periods ended June 30, 2015. All amounts are in Canadian dollars unless otherwise noted.

For the three-month period ended June 30, 2015, revenues increased by 250% to \$6.0 million versus \$1.7 million during the corresponding period in 2014. Gross margin also increased to \$1.7 million, or 28% as a percentage of revenues as compared to \$0.6 million and 35% during the same period in the previous year. The lower gross margin percentage during the second quarter of 2015 is mainly attributable to seasonality and growth in lower-margin energy commodity sales in the U.S. The Corporation anticipates gross margin percentage to return to previous levels as the business mix continues to shift in favor of higher margin products and services. As a result of the aforementioned, adjusted EBITDA loss and net loss showed significant improvement and approached near break-even levels at \$0.2 million and \$0.9 million, respectively, compared to adjusted EBITDA loss and net loss of \$1.9 million and \$2.6 million during the second quarter of 2014.

For the six-month period ended June 30, 2015, revenues increased by 250% to \$12.3 million compared to \$2.8 million during the same period in 2014. Gross margin amounted to \$2.6 million versus \$0.6 million during the corresponding quarter in 2014. Adjusted EBITDA loss and net loss for the six-month period amounted to \$1.1 million and \$2.5 million, respectively, demonstrating a significant reduction in losses when compared to losses of \$3.7 million and \$4.0 million during the same period in 2014. The significant and continued improvement to the Corporation's financial performance is due to increased sales and improved cost efficiencies, both of which are expected to continue.

"I am pleased with our continued strong financial performance during the second quarter with all of our key metrics pointing in the right direction. We remain focused on building a high growth, solid, and diversified energy services company." said Mark Lewis, Chief Executive Officer of ONEnergy. "In particular our U.S. operations continue to see vigorous net new customer growth. We are successfully delivering this growth by delivering excellent value for our customers through lower cost and more effective marketing channels.

Cash and restricted cash as at June 30, 2015 totaled \$8.2 million.

Operating highlights

Since the beginning of 2015, ONEnergy continues to execute on the delivery of several key initiatives including:

- *Gas & Power* – Gas & Power continues to experience strong growth in the U.S., and in Connecticut in particular. U.S. customers contributed 84% of Gas & Power's second quarter 2015 revenues compared to 39% in Q2 2014. In addition to strong customer growth, Gas & Power has continued to incur materially lower customer acquisition costs in 2015 through effective use of web-based sales channels. Expanding our U.S. customer base both in existing states and utility service areas as well as in new markets will continue to be a focus.
- *Home Comfort* – Home Comfort aggressively expanded into the Ontario new home construction channel in Q2 2015, securing contracts to supply high-efficiency hot water tanks to multiple new home developments in the greater Toronto area.
- *Energy Efficiency* – Energy Efficiency continued to build backlog during the quarter and completed multiple projects in the commercial/industrial market during Q2. The acquisition of PVL Projects in April 2015 immediately added new customers and backlog, and a national footprint has significantly expanded opportunities for Energy Efficiency to serve customers across Canada. Overall Energy Efficiency saw continued backlog growth during the second quarter of 2015, and this trend has continued into the third quarter.

Other matters

The board of directors and management team of ONEnergy continue to vigorously pursue claims against certain of the Corporation's former directors and officers in connection with the payment of approximately \$15.7-million of "restructuring awards," paid to the directors and officers from the net proceeds of approximately \$64-million realized by the Corporation on the sale of its spectrum license in 2009. Settlement discussions with the defendants continue. Should settlement discussions fail to achieve a resolution acceptable to the board of directors of ONEnergy (and there is no assurance that such an acceptable resolution will be achieved) the Corporation will continue to pursue the matter at the scheduled 6-week trial beginning November 9, 2015.

Following the overwhelming approval by shareholders of the special resolutions presented at the Annual and Special meeting of shareholders held on May 19, 2015, the Corporation has now successfully implemented all resolutions. The Capital Reorganization Resolution and the Consolidation Resolution were completed on May 28, 2015 and the Continuance Resolution was completed on August 4, 2015. A copy of the Corporation's Management Information Circular dated April 15, 2015, containing these resolutions can be found under the Corporation's SEDAR profile at www.sedar.com.

About ONEnergy Inc.

ONEnergy is a fast-growing, dynamic energy management firm serving commercial, industrial, multi-residential and residential clients via its Sunwave™-branded energy and energy-efficiency businesses. Sunwave 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, solar PV-integrated energy storage systems, complete turnkey LED lighting retrofits (including financing), supply of conventional and "green" electricity for homes and businesses, commercial solar PV installations, home protection plans, building envelope upgrades, energy audits and more to help our customers conserve, simplify and effectively manage their energy costs.

Sunwave serves customers in both Canada and the United States, with offices in Toronto, Vancouver, Ottawa, 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 or Facebook at www.facebook.com/gosunwave.

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