



## **ONENERGY INC. REPORTS THIRD QUARTER 2014 RESULTS**

### *QUARTER ON QUARTER REVENUE INCREASE OF 49%*

**TORONTO, CANADA (November 18, 2014)** – ONEnergy Inc. ("ONEnergy" or the "Corporation") (TSXV: OEG and OEG.A), a fast-growing, dynamic energy management firm serving commercial, industrial, multi-residential and residential clients via its Sunwave™-branded energy and energy-efficiency businesses, has released its interim operating and financial results for the third quarter of fiscal 2014 ended September 30, 2014 ("Q3 2014"). All amounts are in Canadian dollars unless otherwise noted.

#### **Financial Highlights**

ONEnergy generated revenue of \$2.57 million in Q3 2014, an increase of \$0.85 million or 49% over Q2 2014. The increase in revenue is a result of the Corporation's continued expansion in select northeast U.S. electricity markets, with significant sales growth in Connecticut and Pennsylvania during Q3 2014 as well as the addition of Home Comfort in the second quarter of this year. Home Comfort contributed \$0.86 million in revenue for Q3 2014. The Corporation expects continued growth from both of these areas as well as from the Massachusetts electricity market in the near term. Sunwave entered the Massachusetts electricity market in October 2014.

Operating expenses, including selling costs were \$3.36 million. Included in this total are continuing litigation-related costs (see "Other Matters" below). The Corporation's net loss in Q2 2014 was \$2.29 million or \$0.01 per share.

Cash, cash equivalents and restricted cash as at September 30, 2014 totaled \$11.32 million.

#### **Operating Highlights**

2014 year-to-date ONEnergy has achieved several key milestones including:

- During the second quarter the Corporation launched a commercial energy efficiency business, which today is a provider of high efficiency LED lighting retrofits and upgrades to commercial customers in Canada. This business was launched in partnership with AVACOS Clean Energy ("AVACOS"), a Toronto, Ontario-based provider of i) energy efficient lighting retrofits, ii) solar energy development, design and installation, and iii) energy saving products and services for building envelopes. The Corporation announced on November 18, 2014 that ONEnergy has acquired all of the assets of 2289274 Ontario Limited, which operates as AVACOS for total consideration of \$1.73 million;
- The Corporation has successfully secured four electricity retailer licenses in the U.S. to date in 2014. Today ONEnergy, via its Sunwave Gas & Power business offers consumers and businesses competitive electricity supply in Connecticut, Pennsylvania and Massachusetts, and is licensed in Ohio;

- ONEnergy has a pending electricity supplier license application in New York, and;
- In April 2014, ONEnergy completed the acquisition of The Home Comfort Group Inc., a well-established leader in the residential HVAC rentals, sales and installation business. Home Comfort provides heating and air conditioning equipment, tankless and conventional hot water systems and other in-home and commercial appliances, products and services in Canada, providing ONEnergy with long-lived, stable annuity-type cash flows and "sticky" customer relationships. In September 2014, The Home Comfort Group Inc. changed its name to Sunwave Home Comfort Inc., with all its business activities rebranded under Sunwave™.

"We continue to see our business grow rapidly" said Mark Lewis, Chief Executive Officer of ONEnergy. "We added a significant number of new customers in all parts of our business during the quarter, and this has continued with our entry into the Massachusetts electricity market in October. The commercial energy efficiency business has seen strong interest, receiving firm orders during Q3 2014, and the newly-rebranded Sunwave Home Comfort business has expanded its product line by offering home protection plans to complement its HVAC portfolio. Finally the addition of new, experienced leadership for the Home Comfort and Energy Efficiency businesses in the past few weeks underlines the attractiveness of the opportunities being pursued by ONEnergy."

### **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.

As part of ongoing efforts to resolve this litigation, all parties involved in this litigation participated in a mediation process on July 30 and 31, 2014, which was led by the Honorable George Adams Q.C. as mediator. The mediation did not result in a settlement offer acceptable to the Corporation. Discussions remain ongoing with counsel to the various participants, however, should an acceptable settlement not be reached, the Corporation expects that the matter will be brought to trial in early 2015. A pre-trial hearing took place on October 1, 2014. The court set a schedule for the parties to complete preparation for trial by the end of December 2014 and it is anticipated that the parties will return to the court in January 2015 to set the trial date.

In November 2014 the Corporation granted an option (the "Option") to purchase up to 1,000,000 subordinate voting shares of ONEnergy to an employee. The Option vests over a five year period, is exercisable at a price of \$0.055 per share, and expires in November 2024. The grant of Option represent a component of the employee's compensation and is governed by the provisions of the Corporation's Stock Option Plan. In addition, certain non-executive directors elected to receive their quarterly directorship fees in deferred share units ("DSUs") and were awarded 260,000 DSUs. The DSUs vest immediately and expire in October 2024. Settlement of the DSUs occurs on the director's separation date and is settled in (i) cash; (ii) subordinate voting shares in the Corporation or (iii) a combination of cash and subordinate voting

shares in the Corporation. The DSUs are governed by the provisions of the Corporation's Deferred Share Unit Plan.

For further information on ONEnergy's financial results, please review the Corporation's unaudited interim condensed consolidated financial statements and management's discussion and analysis of financial condition and results of operations for the third quarter of fiscal 2014, which are available in the SEDAR database ([www.sedar.com](http://www.sedar.com)) or on the Corporation's website at [www.onenergyinc.com](http://www.onenergyinc.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 sales and rental of energy-efficient furnaces, boilers and air conditioners, 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, Ottawa, Calgary and Norwalk, CT.

ONEnergy shares are listed on the TSX Venture Exchange under the symbols "OEG" for Multiple Voting Shares and "OEG.A" for Subordinate Voting Shares. ONEnergy's website may be found at [www.onenergyinc.com](http://www.onenergyinc.com).

Mark Lewis  
Chief Executive Officer  
ONEnergy Inc.  
+1 (416) 444-4848

Ray de Ocampo  
Chief Financial Officer  
ONEnergy Inc.  
+1 (416) 444-4848

Ali Mahdavi  
Capital Markets & Investor Relations  
Spinnaker Capital Markets Inc.  
+1 (416) 962-3300

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