

Canalta Hotels Chooses Telkonet's EthoStream as Exclusive High-Speed Internet Access Provider

EthoStream Solidifies International HSIA Presence

MILWAUKEE, March 5, 2012 /PRNewswire/ -- Telkonet, Inc. (OTC BB: TKOI), operator of EthoStream, the leading provider of hospitality high-speed/lnternet/access solutions, announced today that Canalta Hotels of Alberta, Canada, has chosen the EthoStream Hospitality Network as their exclusive high-speed Internet access solution.

In partnership with a local reseller, Electro Tel, EthoStream will provide hardware, including EthoStream Gateway Servers, as well as 24/7/365 support to 34 properties owned and operated by Canalta throughout western Canada. Telkonet has provided equipment and support to each of the hotels for several years, but this agreement formalizes the relationship and demonstrates Canalta values the convenience, quality and performance of the end-to-end solution the company provides. EthoStream offers hardware, software and in-house technical support to enable remote maintenance of the network infrastructure as well as provide technical assistance to guests.

Brooke Christianson, Vice President of Hotel Operations for Canalta, said, "The EthoStream solution provides both the technology and the responsive in-house customer support necessary for us to offer a seamless Internet experience to hotel guests. When we need onsite assistance, Electro Tel is always there for us."

The EthoStream Hospitality Network reaches across all of Canada to include Canalta properties in Alberta and Saskatchewan. Through its reseller program, EthoStream services the needs of customers in all areas of North America, Central America and the Caribbean. EthoStream resellers enjoy the benefits of an industry-leading HSIA platform and are able to concentrate their efforts on meeting the needs of their customers. Most resellers perform onsite installation and maintenance while offering EthoStream's HSIA Gateway, Remote Management Console reporting engine, brand-standard portal solutions and 24/7/365 customer support.

ABOUT CANALTA HOTELS

Canalta Hotels is a family owned and operated company with 34 hotels in Alberta and Saskatchewan. Canalta has the development rights for Super 8 Motels in Alberta, Saskatchewan, and both northern and southern British Columbia, and actively develops Ramada franchises in western Canada.

ABOUT ELECTRO TEL

Electro Tel is a full-service communications and security provider based in Alberta, Canada with coverage province-wide also including parts of British Columbia and Saskatchewan. The company sells, installs and services HSIA networks as well as TELUS wireline telecommunications and data services, telephone systems and security systems, in addition to other communications equipment. For more information, visit www.electro-tel.com.

ABOUT ETHOSTREAM

EthoStream, the high-speed Internet access division of Telkonet, operates the largest hospitality HSIA network in the country, supporting over 4.2 million users monthly. With a wide range of product and service offerings and one of the most comprehensive management platforms available for HSIA networks, EthoStream offers solutions for any public access location. Visit www.ethostream.com for more information.

ABOUT TELKONET

Telkonet, a leading United States-based energy management technology provider, offers hardware, software and services to commercial customers worldwide. The EcoSmart suite of products, along with the EcoCentral management platform, can reduce energy consumption, HVAC runtime and utility costs in most building environments. Telkonet's energy management products have the power to minimize carbon footprints and help eliminate the need for the construction of new power plants. For more information, visit www.telkonet.com.

For news updates as they happen, follow <u>@Telkonet</u> and <u>@EthoStreamNews</u> on Twitter.

Statements included in this release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve a number of risks and uncertainties such as competitive factors, technological development, market demand and the Company's ability to obtain new contracts and accurately estimate net revenue due to variability in size, scope and duration of projects, and internal issues in the sponsoring client. Further information on potential factors that could affect the Company's financial results, can be found in the Company's Registration Statement and in its Reports on Forms 8-K filed with the Securities and Exchange Commission (SEC).

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