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Telkonet, Inc.'s Industry-Leading EthoStream HSIA Delivers Wireless Performance Upgrade to Red Lion Hotels

Company to Provide 19 Corporate-Owned Hotels with its "Total Solution" High-Speed Internet Access

MILWAUKEE, April 22, 2013 /PRNewswire/ -- Telkonet Inc. (OTC BB: TKOI), parent company of [EthoStream](#), one of the nation's largest hospitality high-speed Internet access (HSIA) network providers, announced that Red Lion Hotels has contracted EthoStream for end-to-end upgrades of wireless networks at 19 corporate-owned sites, bringing the hotels to the newest wireless standards. The hotelier will invest over half of a million dollars on new networks in the second quarter.

"Our guests demand a top-notch Internet experience while staying at our hotels. We commit ourselves to delivering all of the comforts of home, and in this case, that includes a great wireless Internet connection for getting work done or viewing videos and social media," said Gordy Dhatt, Vice President of Information Technology for Red Lion Hotels.

EthoStream initially installed Telkonet iWire PLC networks and 802.11g wireless networks at all corporate-owned locations beginning in June 2008 and has been supporting the properties ever since. Red Lion recognizes the importance an aggressive technology refresh cycle can have when providing superior service to guests, and will move forward with Ruckus 802.11n wireless networks at the hotels.

The new networks have been designed to include 500 new access points featuring Ruckus Smart Wi-Fi technology. Each hotel network will be managed through a Ruckus ZoneDirector controller that will manage settings, coordinate channels, optimize wireless power output and ensure seamless roaming throughout the hotel. EthoStream is one of a limited number of Ruckus Top Dog partners in the Hospitality industry.

"Red Lion has been a fantastic partner for EthoStream. We're thrilled to have the opportunity to provide them with an ultra-fast, ultra-reliable wireless network. I know their guests will appreciate the attention Red Lion has given to this key amenity," said Matt Koch, COO of Telkonet.

EthoStream's "Total Solution" offers a complete package of services required for quality wired and wireless high-speed Internet access. Dedicated employees conduct site surveys, install equipment and provide service after installation with on-site and remote support. EthoStream employs a knowledgeable, well-trained staff of support technicians, so users can rely on an in-house team to provide rapid, friendly assistance 24/7.

ABOUT RED LION HOTELS CORPORATION

Red Lion Hotels Corporation is a hospitality and leisure Company primarily engaged in the ownership, operation and franchising of midscale hotels under its Red Lion® brand. As of December 31, 2012, the RLH hotel network was comprised of 48 hotels located in nine states and one Canadian province, with 9,015 rooms and 484,693 square feet of meeting space. The Company also owns and operates an entertainment and event ticket distribution business. For more information, please visit the Company's website at www.redlion.com.

ABOUT ETHOSTREAM

EthoStream, the high-speed Internet access division of Telkonet, operates the largest hospitality HSIA network in the country, supporting over 5.2 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, which includes EcoInsight and EcoWave intelligent thermostats, the EcoView occupancy sensor and the EcoGuard energy management outlet, can be deployed in most building environments to cut utility costs and enable remote monitoring and control using the EcoCentral management platform. Telkonet's energy management products have the power to reduce energy consumption, minimize carbon footprints and help eliminate the need for the construction of new power plants. For more information, visit www.telkonet.com.

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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).

MEDIA CONTACTS:

Telkonet Investor Relations
414.721.7988
ir@telkonet.com

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