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Telkonet Wins Defense Energy Technology Challenge Award

EcoSmart Products Chosen as a Top Defense-Targeted Clean Energy Solution

MILWAUKEE, Nov. 4, 2013 /PRNewswire/ -- Telkonet, Inc. (OTCQB: TKOI), whose business divisions include EcoSmart™, an intelligent energy management system and EthoStream®, one of the largest high-speed Internet access providers in the world, is pleased to announce being selected as one of the winners in the joint 2013 Defense Energy Technology Challenge program as part of the annual Defense Energy Summit in Austin, Texas, November 11-13, 2013.

(Logo: <https://photos.prnewswire.com/prnh/20111011/NY83909LOGO>)

The 4th annual Defense Energy Challenge (DETC) matches top energy and infrastructure solutions with military and procurement opportunities. DETC is run in collaboration with the U.S. Army, Navy, Air Force and Army National Guard installation and operational programs worldwide.

Telkonet's EcoSwitch™ and EcoGuard™ products were chosen out of 400 applicants. Both products are part of the EcoSmart Intelligent Energy Management System that reduces energy consumption in unoccupied spaces, such as military barracks, dorms and training rooms. The EcoSwitch light switch and EcoGuard energy management outlet and meter communicate with the EcoSmart system to determine when a room is unoccupied and stops the flow of electricity to lights and plug load devices to conserve electricity that would otherwise be wasted on an empty space. EcoSwitch and EcoGuard report detailed statistics back to the cloud-based EcoCentral™ Command Center to accurately monitor energy usage details and real-time savings information. In addition, the EcoSwitch and EcoGuard have built-in true power meters to monitor cost, voltage, amperage, kWh, and other metrics that provide data for detailed energy use analysis.

Jason Tienor, Telkonet's president and CEO commented, "Energy security and independence are two goals at the heart of the U.S. Military's investment in clean energy technologies to increase the safety of its troops, lower energy costs, and reduce its reliance on foreign energy supplies. I am very pleased that our EcoSmart technology products have been chosen to help accelerate the development and deployment of new energy and infrastructure solutions for the Installation and Operational missions of the U.S. Military. I look forward to showcasing our technology to the attendees and military-industry-finance review panel at the Summit."

The EcoSmart Intelligent Energy Management System offers a wealth of powerful features to maximize energy savings, operational efficiency, and guest satisfaction. Intelligent thermostats, occupancy sensors, door and window contacts, outlets and light switches form

a wireless mesh network to communicate information between rooms, floors, and buildings.

ABOUT TELKONET

Telkonet, Inc. (OTCQB: TKOI) is a U.S.-based manufacturer of EcoSmart, an intelligent energy management system and EthoStream, one of the largest high-speed Internet access providers in the world. Telkonet offers green technology hardware, software and services to worldwide markets. For more information, visit www.telkonet.com. For news updates as they happen, follow [@Telkonet](https://twitter.com/Telkonet) on Twitter.

To receive updates on all of Telkonet's developments, sign up for our email alerts [HERE](#).

ABOUT ETHOSTREAM

EthoStream is one of the largest public High-Speed Internet Access (HSIA) providers in the world providing services to more than 6 million users per month. EthoStream's line of public-access gateway servers provide real-time monitoring and management of user-access networks with 24/7 support. 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. www.ethostream.com

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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