

**HD PRESS RELEASE: WesternOne Announces WindingDown Australia Operations to Focus on North American Opportunities**

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London (WesternOne Inc.)--29Jul2014 22:42 This press release is published as it was received VANCOUVER, July 29, 2014 /PRNewswire/ -?WesternOne Inc. ("WesternOne") (TSX: WEQ, WEQ.DB, WEQ.DB.C) announced today that it is winding-down its **operations** in Australia. In order to ensure an efficient **wind**-down process, the Australian **operations** have been placed into voluntary administration. WesternOne is taking this action in order to focus both its management and its capital resources on significant opportunities in North America, including ongoing capital investments in Northern Alberta's **oil** and gas sector, new major investments in the shale **oil** and gas sector in the United States, and the liquefied natural gas (LNG) and related infrastructure projects proposed for British Columbia.

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"The decision to **wind**-down these **operations** follows a thorough review of the current challenging business environment in Australia and the impact it was having on the financial results of our Australian **operations**," said Mr. Robert King, Chief Executive Officer. "The downturn in Australia's resource market started in 2012 when economic growth in **China** decelerated. We acquired the Australian business in early 2013 with the expectation that the downturn had largely bottomed out. Unfortunately, the weakness in this market has persisted and despite continual downsizing of that business we do not see the prospects for a turnaround in the performance of our Australia **operations** in the near-term. The Australian **operations** do not constitute a substantial portion of WesternOne's overall business." Britco, WesternOne's modular building platform, continues to execute major workforce accommodations projects in Western Canada, including a 2,000 bed complex in northern Manitoba for Manitoba Hydro and a 1,600 room facility for Devon **Energy** in northern Alberta. WIS, WesternOne's infrastructure services platform, continues to benefit from the robust construction and infrastructure sectors within Western Canada and is expanding its market through fleet investments and launching new branches in strategic locations. As previously announced, Peter Blake becomes Chief Executive Officer of WesternOne effective September 1, 2014. "Peter's extensive knowledge and experience will help refocus our long-term growth strategy in the construction and infrastructure sectors within Western Canada and the United States," said Mr. King. "Our pipeline of work in North America has never been stronger and we are booked well into 2015 at all of our Britco modular facilities in Canada and the United States." WesternOne's preliminary financial results for the three months ended June 30, 2014 indicate estimated consolidated revenue of approximately \$112.1 **million** and consolidated adjusted EBITDA (see "Non-IFRS Measures" below for details) of approximately \$10.5 **million**. Excluding the impact of the Australian business, estimated consolidated revenue was approximately \$98.7 **million** and consolidated adjusted EBITDA was approximately \$12.6 **million**. ?As a result of its intention to **wind**-down its **operations** in Australia, WesternOne expects to write-off from these **operations** the remaining intangible assets totaling \$6.2 **million** and deferred income tax assets and tangible capital assets of \$4.0 **million** in 2014, representing less than 2.9% of WesternOne's estimated total consolidated assets of \$353.9 **million** as of June 30, 2014. This is in addition to a goodwill and intangibles impairment charge of \$25.9 **million** that was recognized for WesternOne's Australian **operations** for the year ended December 31, 2013. The above preliminary financial results for the three months ended June 30, 2014 are based on management's estimates and have not yet been approved of by WesternOne's Audit Committee or its Board of Directors. ?WesternOne's final financial results for its second quarter, which are scheduled for release on August 7, 2014,?could differ from these preliminary financial results. Non-IFRS Measures "Adjusted EBITDA" is a not recognized measure under IFRS and does not have a standardized meaning prescribed by IFRS. "Adjusted EBITDA" refers to net income (loss) before interest, taxes, depreciation, amortization, gain/loss on financial derivatives relating to changes in the fair market value of the fixed interest rate swap, business **acquisition** costs, debenture issuance costs, gain/loss on debentures relating to changes in their fair values, share based compensation, foreign exchange gains/losses, write-down of capital assets, intangible assets and goodwill, and restructuring

costs relating to the winding-down of WesternOne's Australian **operations**. Forward-looking Information Certain statements in this press release may constitute "forward-looking" information that involves known and unknown risks, uncertainties and other factors, and it may cause actual results, performance or achievements or industry results, to be materially different from any future results, performance or achievements or industry results expressed or implied by such forward-looking information. Forward-looking information is identified by the use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will", "would", and similar terms and phrases, including references to assumptions. Such information includes, without limitation, statements with respect to: the winding-down of WesternOne's Australia **operations**, WesternOne's global strategy of deploying management and capital resources, WesternOne's business prospects in North America, WesternOne's preliminary financial results for the three months ended June 30, 2014 and the timing of releasing of such information, and the long-term strategic plan that WesternOne will implement. Actual events or results may differ materially. Forward-looking information contained in this press release is based on certain key expectations and assumptions made by WesternOne, including, without limitation: the outlook of WesternOne's business and the economy in Western Canada, the United States and Australia, the supply and demand for WesternOne's products and services and management's assessment of future plans and **operations**. Although the forward-looking information contained in this press release is based upon what the WesternOne's management believes to be reasonable assumptions, WesternOne cannot assure investors that actual results will be consistent with such information. Forward-looking information reflects current expectations of management regarding future events and operating performance as of the date of this press release. Such information involves significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking information, and a description of these factors can be found under "Risk Factors" in WesternOne's Annual Information Form dated March 28, 2014 and Management's Discussion and Analysis dated May 14, 2014, which are available on SEDAR ([www.sedar.com](http://www.sedar.com)). The forward-looking information contained herein is expressly qualified in its entirety by this cautionary statement. Forward-looking information reflects management's current beliefs and is based on information currently available to WesternOne. The forward-looking information is made as of the date of this press release and WesternOne assumes no obligation to update or revise such information to reflect new events or circumstances, except as may be required by applicable law. About WesternOne WesternOne seeks to acquire(... Press release has been abridged for publication)

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