



North America's most advanced provider of ultra-secure mobile workforce, user authentication and data intelligence solutions.

Investor Call
August 16 2018

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The Market Knows Us As...

Three business “units” to drive value:

- **VAR business:** Sale of rugged devices and services
- **Security software:** MobiKEY and related application software offerings, i.e. MobiENCRYPT and DerivID
- Leveraging our MobiNET service delivery platform
- **Industrial Internet of Things entry:** ActionPLAN Powered by MobiNET

A fourth value driver is based on our strong intellectual property and patent portfolio.

- AirWatch patent infringement litigation

A strong presence in the government and defense sectors predicated on the fact that Route1 is a cybersecurity company.

Trust

Primary Asset:

- Long established *TRUST of the US Federal Government and DOD.*
 - Provides credibility in the cybersecurity space
 - Strong barrier to entry for competitors
 - Can be leveraged across other sectors

Secondary Assets:

- Partnership with HTM Sensors provides industry know-how and strong penetration into the manufacturing sector.
- Group Mobile's longstanding relationships across a number of key sectors: manufacturing, public safety, healthcare.
- MobiNET – rapid integration and delivery of high assurance products and services.

What We Do For Our Customers

We empower organizations with the data-centric solutions and insights necessary to streamline operations, minimize costs and gain competitive advantages while maintaining the highest level of cyber security.

A common thread underscores **“the end goal”**:

- Process optimization
- Operational efficiency
- Mission accomplishment
- Regulatory compliance

What Differentiates Us?

Security, Security, Security.

We are experts in cybersecurity:

- Security is core to all our product and service offerings
- We are the leader in identity and authentication
- Accredited by the US Government
- Public key infrastructure (PKI) in place

“Security” the backbone of everything we do.

Products and services that address specific business or mission objectives and have a **strong security posture** are generally **perceived as superior.**

The Business Premise – Our White Space

Operational efficiencies and a competitive advantage, whether in a manufacturing plant or in theater, are gained through **real-time secure delivery of actionable intelligence** to decision makers.

THE END-TO-END SOLUTION ENCOMPASSES:

Authentication and Secure Access Anytime, Anywhere

MobiNET, MobiKEY, DerivID

Data Acquisition

Rugged barcode scanners, RFID tagging, wireless and mobility enablement services, DCDs (ActionPLAN)

Information Assurance: Data in Transit and Data at Rest

MobiNET, CryptoPath (ActionPLAN), MobiENCRYPT

Analytics

MobiNET, ActionPLAN

Data Visualization

Rugged computers and tablets, DPCs (ActionPLAN), MobiKEY

**It's all about
the data**



Out New Street Name: GroupMobile

Is

North America's most advanced provider of ultra-secure mobile workforce, user authentication, and **data intelligence** solutions.

Does

Gives organizations the durable tools and real time industrial-grade **intelligence** they need to create efficiencies while maintaining military-grade **data security**.

Means

Your organization has the tools and the fact-based insights it needs to create efficiencies, including streamlining operations and cutting costs, while keeping your data secure

Our New Street Name: GroupMobile



MobiKEY Technology

MobiKEY is a complete desktop, secure remote access technology that integrates multi-factor authentication and identity management in a mobile computing environment.

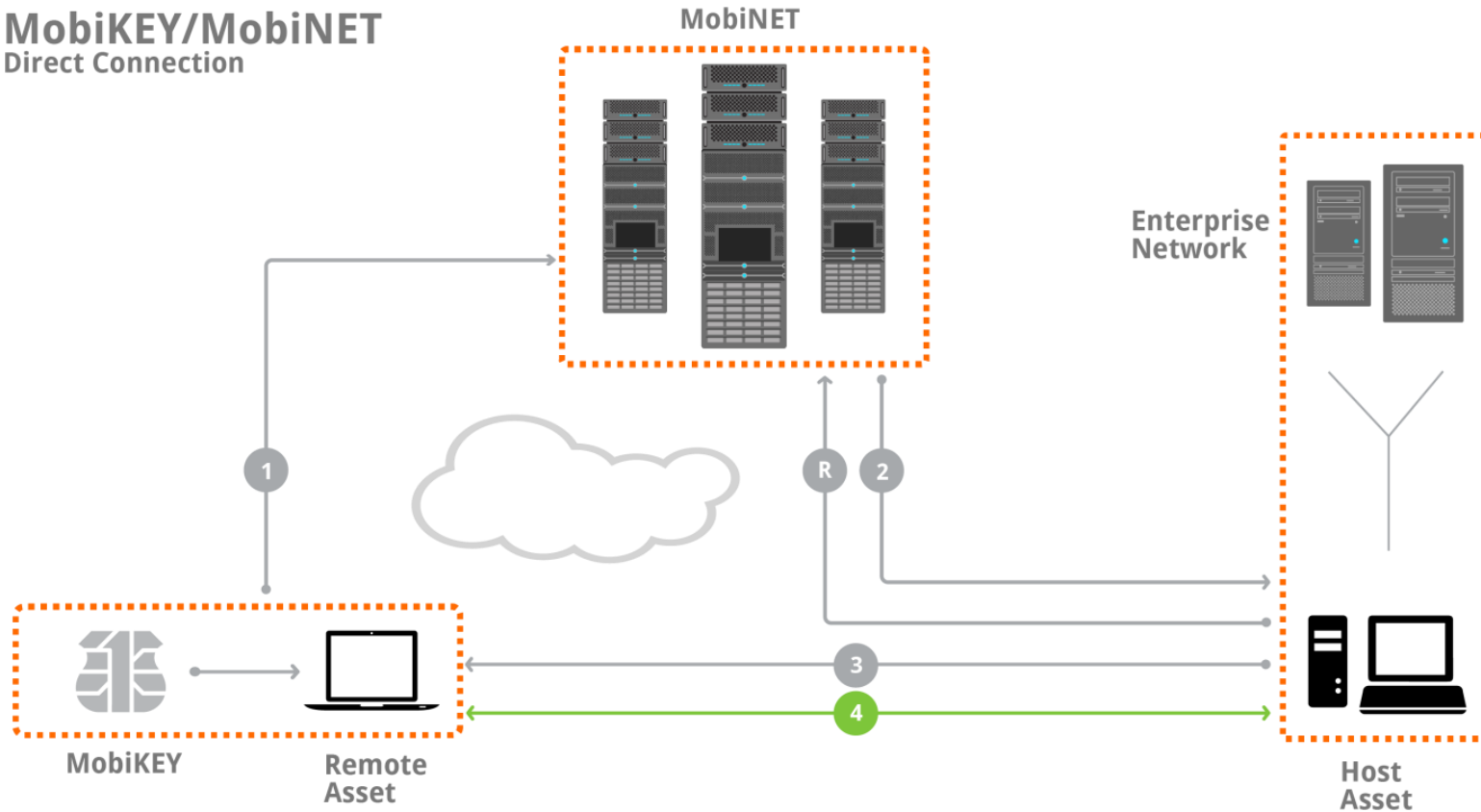


Technology Differentiators:

- PIV card-based multi-factor authentication in compliance with HSPD-12 mandate.
- Your data stays within your network's perimeter. No DAR. No risk of data leakage.
- Not a browser-based technology. Not vulnerable to Man-in-the-Browser attack vectors.
- Not a VPN. No open inbound ports. Mitigates risk of penetration attacks.
- No external nodes on your network. Mitigates risk of malware introduction.
- **Built with security as its first priority.**

Solution Architecture - MobiNET

MobiKEY/MobiNET Direct Connection



- R The MobiNET Agent software (on Host Asset) registers with the MobiNET platform.
- 1 MobiKEY authenticates with the MobiNET platform, a list of Hosts is presented by the MobiNET platform, and a request for a connection with one of the Hosts is made.
- 2 The MobiNET Agent software is notified of the request.
- 3 Mutually authenticated TLS session request.
- 4 Secure computing session established.



ActionPLAN, Powered by MobiNET



Identifies the priority faults (issues) that the cell/line/plant needs to address

ActionPLAN is a secure technology that:

- Delivers real-time industrial data analytics on data collected from Programmable Logic Controllers (PLCs) and other automation devices (including IoT)
- Provides quantitative-based actionable information to drive industrial process efficiency and maximizing productivity while minimizing unplanned downtime and cost
- Has been architected to ensure security, ease of deployment and scalability

Sales Environment

Political + Economics

- The economy remains strong in the US
- NAFTA concerns are having a big impact on the Canadian automotive business
- Tariffs are worrying certain industries, and how it will affect their business – freezing spending

Social + Technological

- Companies are increasingly open to Technology as a Service to improve cash flow
- Companies are aware and looking for Internet of Things solutions and how that fits their business
- Employees expect to be mobile with connected data
- Security is seen as vitamin, not a medicine
- Companies know there are lost efficiencies for not keeping up

We are positioned well with data and devices to drive efficiency!



2018 Plan

A. EBITDA generation from acquisition

B. Company integration – name, branding, positioning, organization

- Leveraging our new channel partners and clients to introduce our software applications
- Expand channel partnerships

C. Organic growth from MobiKEY and ActionPLAN *Powered by MobiNET*

- Government vertical for MobiKEY
- Advanced automation and automotive for ActionPLAN *Powered by MobiNET*

D. IP realization

E. Next software application

F. Further expansion

- Expand productive sales force
- Invest in next software applications
- Acquisition opportunities

Recent Company News

June 18, 2018: An affiliate of Bench Walk Advisors LLC made a US \$1,000,000 non-recourse investment directly into Route1's lawsuit against AirWatch LLC. Key terms of Bench Walk's investment are as follows.

July 5, 2018: MobiKEY technology now works with Samsung DeX.

July 12, 2018: Route1 through its wholly owned subsidiary Group Mobile Int'l, LLC received a purchase order valued at approximately US \$5.9 million pre-tax from an integrated energy company engaged primarily in electric power production and retail distribution operations in the southern United States to provide the client with ruggedized devices.

July 12, 2018: Thursby Software Systems, Inc. announced the integration of the Thursby PKard Reader with Route1's MobiKEY software application.

Recent Company News

July 26, 2018: Update on the litigation with AirWatch LLC. On July 25, 2018 the Honorable Richard G. Andrews issued a Memorandum Opinion, his decision, on the claim construction hearing that was held in Wilmington, Delaware on July 2, 2018 (the “Markman Hearing”).

July 31, 2018: New Trade Name. GroupMobile, *“Its All About the Data”*

July 31, 2018: Route1 through its wholly owned subsidiary Group Mobile Int’l, LLC received a purchase order valued at approximately US \$1.9 million pre-tax from a City in the US Pacific Northwest to provide the client with ruggedized devices.

August 7, 2018: Update on the litigation with AirWatch LLC. AirWatch request of PTAB for their IPR motion rehearing was denied.

Quarterly Operating Performance

In 000s of CAD Dollars	Q2 A 2018	Q1 A 2018	Q4 A 2017	Q3 A 2017	Q2 A 2017	Q1 A 2017
Revenue	5,577	1,684	1,420	1,338	1,371	1,941
Subscription Revenue and Services	1,633	1,264	1,263	1,177	1,347	1,911
Devices, Appliances and Other	3,944	420	157	161	24	30
Gross Margin	1,957	1,100	1,089	976	1,073	1,606
Expenses	1,891	1,136	1,164	1,132	1,151	1,289
Operating Income	65	(36)	(75)	(155)	(78)	317
EBITDA	272	46	24	(46)	16	406
Net Income (Loss)	209	(150)	(245)	(338)	(235)	208

Subscription Revenue & Services

In 000s of CAD Dollars	Q2 A 2018	Q1 A 2018	Q4 A 2017	Q3 A 2017	Q2 A 2017	Q1 A 2017
Application Software	1,181	1,260	1,263	1,177	1,347	1,759
Appliance Licensing or Yearly Maintenance	-	-	-	-	-	152
Technology as a Service	266	-	-	-	-	-
Other Services	186	4	-	-	-	-
Total	1,633	1,264	1,263	1,177	1,347	1,911

Acquisition Equation

	Revised	Reported Mar 31-18
Assets acquired in USD		
Cash and cash equivalents	\$246,268	\$246,268
Trade and other receivables	1,230,511	1,232,682
Inventory	590,323	590,323
Prepaid expenses	3,037	3,037
Current Assets	2,070,139	2,072,310
Furniture and fixtures (net)	46,885	46,885
TaaS assets (net)	859,878	859,878
Total assets	\$2,976,902	\$2,979,073
Liabilities assumed in USD		
Trade and other payables	\$1,672,839	\$1,724,238
Employee liabilities	79,539	79,539
Sales tax payable	51,194	51,194
Contract liability	271,241	85,450
Total liabilities	\$2,074,813	\$1,940,421
Fair value of net assets acquired in USD	\$902,089	\$1,038,652
Fair value of net assets acquired in CAD	\$1,164,417	\$1,340,692
Less: Consideration issued in CAD	1,034,000	1,034,000
Gain on acquisition in CAD	\$130,417	\$306,692
Less: Acquisition costs in CAD	126,750	200,000
Net purchase gain on acquisition in CAD	\$3,667	\$106,692

- Changes reflected in Q1 results, not Q2
 - Elimination of accounts payable - \$51,399
 - Increase in contract liability – (\$180,316)
 - Over-accrual of acquisition expenses - \$73,250
 - Miscellaneous net – (\$3,304)

Balance Sheet

In 000s of CAD Dollars	Jun 30 2018 A	Mar 31 2018 A	Dec 31 2017 A	Sep 30 2017 A	Jun 30 2017 A	Mar 31 2017 A	Dec 31 2016 A
Cash	1,084	600	1,037	1,408	2,080	704	1,946
Total current assets	4,988	6,292	2,035	2,856	2,924	1,890	2,910
Total current liabilities	4,863	6,292	1,829	2,534	2,396	1,113	2,500
Contract liability (incl. in current liabilities)	2,641	2,644	1,495	2,280	2,084	777	2,155
Net working capital	125	0	206	322	528	777	410
Fixed and intangible assets	1,626	1,612	168	483	547	481	537
Total assets	7,356	8,646	3,171	4,081	4,213	3,114	4,190
Bank debt	0	0	0	0	0	0	0
Total liabilities	5,034	6,390	1,935	2,649	2,494	1,210	2,590
Shareholders' Equity	2,322	2,256	1,236	1,432	1,720	1,904	1,600

AirWatch Litigation – To Date

Route1 filed a complaint against AirWatch LLC (“AirWatch”) in Delaware court on March 27, 2017.

The complaint was served on AirWatch on June 1, 2017.

The civil action number is 1:17-cv-00331-RGA and was assigned to the Honorable Richard G. Andrews.

March 27, 2017

June 1, 2017

August 28, 2017

September 15, 2017

September 22, 2017

September 27, 2017

September 27, 2017

October 6, 2017

October 17, 2017

October 24, 2017

November 10, 2017

December 11, 2017

December 22, 2017

January 9, 2018

January 16, 2018

January 23, 2018

February 16, 2018

March 19, 2018

March 20, 2018

Route1 complaint filed

Route1 complaint served

Scheduling Order was issued

Initial Disclosures were made

AirWatch filed an Inter Partes Review (“IPR”) petition with the US Patent and Trademark Office (“USPTO”)

AirWatch and Route1 disclosures made re Default Standard of Discovery

Route1 identified the accused products and produced a file history for the its patent(s)

AirWatch petition for an IPR certified as received by the USPTO

AirWatch filed a Motion to Stay pending the IPR

AirWatch’s Motion to Stay filed on October 17, 2017 was denied

AirWatch produced technical documentation related to the accused products

Route1 produced its initial infringement contentions relating to the accused products to asserted claims

Route1 filed its response to AirWatch’s IPR petition

AirWatch produced its initial invalidity contentions

Parties exchanged proposed claim constructions

Joint claim construction chart filed

Route1 served opening Claim Construction Brief

AirWatch served answering Claim Construction Brief

Patent Trial and Appeal Board (“PTAB”) denies institution of an IPR on the Route1 patent

AirWatch Litigation – Continued

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April 16, 2018

May 16, 2018

May 23, 2018

June 29, 2018

July 2, 2018

30 days after the Court’s Markman Order

60 days after the Court’s Markman Order

September 14, 2018

December 14, 2018

January 7, 2019

February 7, 2019

February 21, 2019

March 21, 2019

April 18, 2019

April 18, 2019

August 27, 2019

August 30, 2019

September 9-13, 2019

Route1 serves reply brief to AirWatch’s answering Claim Construction Brief

AirWatch serves sur-Reply Brief

Joint Claim Construction Brief filed

Deadline for all motions to join other parties and amend or supplement pleadings

Claim Construction Hearing (the “Markman Hearing”)

Deadline for final infringement contentions

Deadline for final invalidity contentions

Document production substantially complete

Deadline for completion of fact discovery

Opening expert reports due: Route1 infringement and damages; AirWatch invalidity

Expert reports rebutting opening expert reports due

Reply expert reports in support of opening expert reports due

Deadline for expert depositions

Deadline for objections to expert testimony

Deadline for case dispositive motions-motion for summary judgment

Joint proposed final pretrial order-process for how the case will be tried

Pretrial conference

Jury trial

The Plan Going Forward

We empower organizations with the data-centric solutions and insights necessary to streamline operations, minimize costs and gain competitive advantages while maintaining the highest level of cyber security.

- We will expand our thought-leadership position.
- We will focus on growing our product and service offerings.
- **We will continue to emphasize Cybersecurity and Information Assurance to retain market differentiation.**
- We will look for acquisition targets that strengthen our core and fill technology gaps.
- We will emphasize end-to-end solutions in the sectors that we have penetration, from data acquisition to operational efficiency.



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