



Court Grant's AirWatch's Motion for Summary Judgement of Non-Infringement

Provides a Business Update including the launch of ScreenSTOP powered by MobiNET

Toronto, August 8, 2019 - [Route1 Inc.](#) (OTCQB: ROIUF and TSXV: ROI) (the "Company" or "Route1"), an advanced North American provider of industrial-grade data intelligence, user authentication and ultra-secure mobile workforce solutions, today provided an update on its litigation with AirWatch LLC ("AirWatch").

In addition, the Company provided a business update that gives shareholders a holistic perspective on the Company's revenue mix, as evidenced by Route1's interim, unaudited July 2019 operating results and with a full month of operational activity after the PCS Mobile acquisition.

Lastly, the Company announced the launch of a new technology solution called ScreenSTOP powered by MobiNET. ScreenSTOP is an intelligent technology that increases safety and operational efficiency on the factory or warehouse floor by instantaneously masking vehicle displays when speed parameters are met.

AirWatch Litigation

On August 7, 2019 after the stock market closed, Route1 was provided with an order that was issued by the Honorable Kent A. Jordan, in relation to Route1's action against AirWatch in federal court in Delaware alleging that AirWatch is infringing Route1's U.S. Patent No 7,814,216. The order granted AirWatch's motion for summary judgement of non-infringement (the "Order"). Route1 is considering the impact of the Order and its' next steps, and will provide shareholders with timely information and the Company's plan of action, once it is determined.

Business Update

In our pursuit to empower our enterprise and government clients with data-centric solutions and insights necessary to generate improved business or mission outcomes, on June 28, 2019 Route1 acquired PCS Mobile. [PCS Mobile](#) is a computer reseller with expertise in mobile data applications, including wireless products for in-vehicle use. Based in Denver, Colorado, the company sells rugged devices and applications including but not limited to Panasonic Toughbook mobile computers, Xplore and Getac rugged tablets, [Genetec](#) license plate recognition (LPR) solutions, and accessories from Gamber-Johnson and Havis.

The addition of Genetec's LPR solutions including AutoVu enhances Route1's data security and data analytics portfolio of application software owned or resold with application enhancements. Genetec is a provider of IP video surveillance, access control and license plate recognition solutions unified in a single



platform. The company is known for providing license plate reading technology to law enforcement and parking lot managers / operators.

Route1 acquired PCS Mobile to bring its business model to the western US - geographic expansion, add to the size and quality of the GroupMobile sales team, and leverage PCS Mobile's current and future placement of rugged mobile devices and license plate recognition technology - creating significant opportunities to sell data security and analytics software applications and capabilities to PCS Mobile customers.

In July 2019, Route1 had revenue of approximately CAD \$3.9 million and gross profit of CAD \$1.1 million. Significant drivers of revenue by account are as follows:

- A police department in the state of Texas purchased 200 replacement port replicating vehicle docking stations.
 - Solution outcome: The client has seven-year-old mobile assets and vehicle docking stations which are failing. The original order made seven plus years ago, was made through PCS Mobile for 1,800 units.
 - Revenue: US \$0.23 million
- A flooring manufacturer in the state of Georgia purchased scanners, printer and rugged tablets.
 - Solution outcome: Addressed the client's growth and hardware refreshment requirements.
 - Revenue: US \$0.19 million
- A local government in the state of Colorado purchased rugged devices with docking stations.
 - Solution outcome: The client has five-year-old mobile assets and vehicle docking stations and required a hardware update.
 - Revenue: US \$0.17 million
- An Arizona based university purchased three mobile LPR systems and integration with a parking lot manager / operator technology.
 - Solution outcome: Automate parking enforcement, increase compliance of parking rules, optimize parking facilities for use by students, staff and visitors.
 - Revenue: US \$0.14 million.
- A California based college purchased three mobile LPR systems and integration with a parking lot manager / operator technology.
 - Solution outcome: The solution was to integrate the college's mobile LPR with their enforcement business partner, pay by plate and permit programs.
 - Revenue: US \$0.13 million.
- A US department of Defense client continued its use of MobiKEY.
 - Solution outcome: Addressed the client's secure remote access.
 - Revenue: US \$0.12 million
- A state of Washington based university purchased three mobile LPR systems and integration with a parking lot manager / operator technology.



- Solution outcome: Automate parking enforcement, increase compliance of parking rules, optimize parking facilities for use by students, staff and visitors.
- Revenue: US \$0.12 million.

Moving forward, Route1 expects monthly revenue to fluctuate depending on the mix and seasonality of the Company's revenue.

ScreenSTOP powered by MobiNET

It is generally acknowledged that operators of vehicles such as forklifts become distracted by onboard computer or tablet displays which increase the risk of critical injuries and liabilities and reduce operational efficiency. In addition to vehicles, operators of other types of industrial equipment, such as skyjack equipment and cranes, are exposed to similar risks.

Conventional solutions to in-motion operator distractions rely upon Global Positioning Satellite ("GPS") signals or accelerometers to detect motion of an apparatus. However, both of these motion detection techniques have drawbacks including taking far too long to respond to vehicle movement, false vibration activations and weak signal detection by GPS receivers that are placed indoors. ScreenSTOP eliminates these deficiencies. With these types of delays in screen blocking activation, a forklift could travel many feet/meters before the display is rendered inactive, possibly contributing to injuries resulting in increased insurance premiums due to potential operator distraction.

Route1's patent-pending ScreenSTOP powered by MobiNET's intelligent in-motion detection technology solution allows for sub-one-second screen masking for vehicles in motion, eliminating the hazards associated with in-vehicle computer displays installed on forklifts and other apparatuses both in forward or reverse movement. Route1 MobiNET is a universal identity management and service delivery platform that confirms the identities of individual users and their entitlement to access specific applications, data or resources.

"Our newest technology meets a growing need in plants and warehouses across Canada and the US where vehicle operator and facility personnel safety can be at risk. Further, ScreenSTOP allows enterprises to better understand how their forklifts are being operated allowing for improvements in the use of the equipment to deliver enhanced profitability", said Route1 CEO Tony Busseri.

[About Route1 Inc.](#)

Route1, operating under the trade names **GroupMobile and PCS Mobile**, is an advanced provider of industrial-grade data intelligence, user authentication, and ultra-secure mobile workforce solutions. The Company helps all manner of organizations, from government and military to the private sector, to make intelligent use of devices and data for immediate process improvements while maintaining the highest level of cyber security. Route1 is listed on the OTCQB in the United States under the symbol



ROIUF and in Canada on the TSX Venture Exchange under the symbol ROI. For more information, visit: www.route1.com.

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