



Route1 Announces New MobiKEY Contract Award

Toronto, Canada, August 25, 2020 - [Route1 Inc.](#) (OTCQB: ROIUF and TSXV: ROI) (the “Company” or “Route1”), an advanced North American provider of data-centric business empowerment solutions, today reported that it had been awarded a purchase order to provide a one-year license with three one-year renewal options to an agency of the U.S. Department of Defense for 4,000 MobiKEY subscriptions.

The new client for Route1 has the ability to increase their user base in increments of 1,000 subscriptions. The annual software license for the 4,000 users is valued at approximately US \$1.5 million.

As a result of this order, using today’s subscriber base and assuming flat subscription growth, on a pro forma basis Route1 expects as of today’s date to generate for the balance of 2020 monthly MobiKEY subscription-based revenue of approximately CAD \$740,000. This is in contrast to Route1’s MobiKEY application software monthly subscription revenue of approximately CAD \$405,000 in February 2020.

“We are very pleased to again expand our MobiKEY footprint within the DoD. Today’s announcement reflects the unique security and user functionality capabilities of MobiKEY and the ease of deployment for large groups to support their team’s “working from anywhere” requirements,” said Tony Busseri, Route1’s CEO. “The more than 80% rise in recurring subscription-based revenue over the last half year from our MobiKEY application software has been positively influenced by the impact of the pandemic on government organizations. It also needs to be noted that today’s announced new client’s sales process started before February 2020 and is not directly tied to our new client’s need to support working from home – the purchase is a result of the functionality and security features of the Route1 MobiKEY technology. As stated previously, we expect additional MobiKEY user and revenue growth in the coming months.”

Q2 2020 Financial Results

Route1 will hold a conference call and web cast to provide a business update on Wednesday, August 26, 2020 at 9:00 am eastern.

Participants should dial Toll-Free: 1-877-407-0782 or Toll/International: 1-201-689-8567 at least 10 minutes prior to the conference. For those unable to attend the call, a replay will be available on August 26, 2020 after 4 pm eastern at Toll-Free 1-877-481-4010 or Toll/International 1-919-882-2331, pass code #36892 until 10 am on September 9, 2020.

The webcast will be presented live at <https://www.webcaster4.com/Webcast/Page/2167/36892>.

AirWatch Litigation



On August 24, 2020, the United States District Court for the District of Delaware issued an order granting AirWatch’s motion for attorneys’ fees in part and denying it in part, ordering a payment to AirWatch in the amount of US \$1,666,672.78. Route1 expects to appeal the decision to the United States Court of Appeals for the Federal Circuit. The federal rules provide an automatic stay of execution of the judgment for 30 days. Upon commencing the appeal, Route1 anticipates securing a stay of execution during the appeal by posting an adequate supersedeas bond.

Route1’s appeal from the previous grant of summary judgment to AirWatch remains pending and a decision is expected shortly, and if that appeal is successful, it is likely to result in the vacating of this fee award.

Stock Options

Route1 has revised the compensation of an employee, and as a result the employee has returned 400,000 stock options to the Company for cancellation. The returned stock options had an exercise price of \$0.50 per common share.

About Route1 Inc.

Route1 Inc. is an advanced North American technology company that empowers their clients with data-centric solutions necessary to drive greater profitability, improve operational efficiency and gain sustainable competitive advantages, while always emphasizing a strong cybersecurity and information assurance posture. Route1 delivers exceptional client outcomes through real-time secure delivery of actionable intelligence to decision makers, whether it be in a manufacturing plant, in-theater or in a university parking lot. 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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