



Route1 Announces Agreement for Issuance of Shares for Compensation to Executive Management Team Members

Toronto, Canada, October 17, 2022 - [Route1 Inc.](#) (TSXV: ROI) (the “Company” or “Route1”), an advanced North American provider of turn-key engineering and professional services, today announced that it has, subject to the receipt of all required approvals, including the TSX Venture Exchange (“TSXV”) agreed to issue common shares to Peter Chodos, Executive Vice President and CFO, Jerry Iwanski, Executive Vice President and COO, and Alex Shpurov, Senior Vice President and CTO (the “Team”) in lieu of cash compensation.

The compensation to the Team is per their respective employment agreement, or consulting agreement, for the period August 1, 2022 to October 15, 2022. In aggregate, the Company has agreed to issue 623,368 common shares at a deemed price of CAD \$0.085 (the “Shares”) in lieu of paying CAD \$36,454 and US \$12,041 in cash compensation to the Team. The USD to CAD exchange rate at market close on October 17, 2022 was 1.3730. The issuance of the Shares is subject to the receipt of all required approvals, including the approval of the TSXV. All securities issued pursuant to the issuance of the Shares are subject to a statutory four month hold period.

The issuance of the Shares constitutes a "related party transaction" as this term is defined in Multilateral Instrument 61-101: Protection of Minority Securityholders in Special Transactions ("MI 61-101"). The Company intends to rely on the exemption from the valuation requirement of MI 61-101 contained in section 5.5(a) of MI 61-101 as neither the fair market value of the Shares nor the debt exceeds 25% of the Company's market capitalization.

Tony Busseri, the Company’s President and CEO commented, “Today’s announcement, similar to the Company’s announcement on September 19, 2022 where Route1’s independent directors and I stepped up to further invest in our Company and take certain of our compensation in Route1 common shares, drives home the point that our leadership team has a strong, shared belief in the Company’s current business model and the opportunity deriving from its sales pivot towards turn-key engineering services for clients using video capture technology to deliver real-time, secure actionable intelligence.”

Independent Directors will be Reduced to from Five to Three

The Company’s annual general and special meeting of shareholders (the “Meeting”) is to be held on November 30, 2022. The Company intends to mail its management information circular later this month. One of the matters to be voted on at the Meeting is the election of the Company’s directors. The Company intends to put forward three independent directors, Michael F. Doolan, Michael D. Harris and John Marino, for election.

Each of David A. Fraser and Edward M. Reeder Jr. has elected not to seek another term as a director.



Tony Busseri, commented, “Major General Fraser, retired Canadian Forces, and Major General Reeder, retired U.S. Army, assisted our Company as it grew its MobiKEY business within the U.S. Department of Defense, pursued cybersecurity based business opportunities in Canada, and mostly recently adjusted its growth course to reflect new market realities. We are thankful for their service as business and community leaders.”

About Route1 Inc.

Route1 Inc. is an advanced North American engineering and professional services company using data capture technologies. We bring security and operations together with real-time actionable intelligence to enhance safety and security, drive greater profitability and improve operational efficiencies. With a deep-rooted background in software development, network operations, and cybersecurity, Route1 brings a unique and valuable approach to the turn-key engineering and professional services arena. Route1’s services follow a complete life-cycle model, ensuring the evolution of your technology to meet your desired outcomes. Route1 is listed in Canada on the TSX Venture Exchange under the symbol ROI. For more information, visit: www.route1.com.

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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value of support contracts for the LPR business, price and liquidity of the common shares, competition for skilled personnel, expected financial performance and subscription-based revenue, business prospects, technological developments, development activities and like matters. While Route1 considers these factors and assumptions to be reasonable, based on information currently available, they may prove to be incorrect. These statements involve risks and uncertainties, including but not limited to the market demand for the Company's products and services and risk factors described in reporting documents filed by the Company. Actual results could differ materially from those projected as a result of these and other risks and should not be relied upon as a prediction of future events. The Company undertakes no obligation to update any forward-looking statement or future oriented financial information to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, except as required by law. Estimates used in this presentation are from Company sources. Past or forecasted performance is not a guarantee of future performance and readers should not rely on historical results or forward-looking statements or future oriented financial information as an assurance of future results.