



01 Communique Provides Update on Business Developments and First Quarter Fiscal 2022 Results

TORONTO, ON – March 17, 2022. 01 Communique Laboratory Inc. (the "Company") (TSX-V: ONE; OTCQB: OONEF), one of the first-to-market, enterprise level cybersecurity providers for the quantum computing era, is pleased to report the Company's first quarter fiscal 2022 results, which ended January 31, 2022.

Andrew Cheung, CEO of 01 Communique, stated, "During the first quarter we increased our exposure internationally. As previously announced, we added a global technology partner headquartered in Paris, France which expands our exposure in Europe. We look forward to further development of our business in Europe. I am also very excited about the prospects for IronCAP™ in Asia/Pacific. These strong partnerships have essentially opened a global network of excellent opportunities. We completed the quarter with \$881,246 of cash, which along with our existing and near-term revenue opportunities, should be sufficient to allow us to continue our investment in development and commercialization of IronCAP™. When I look at the concerns expressed today around the world in respect of cybersecurity, I am encouraged about the potential market opportunity for our IronCAP™ technology. It is now primarily a matter of execution."

Highlights:

In November, 2021 the Company received a notice of allowance from the United States Patent and Trademark Office ("USPTO") for its Cryptographic System and Method. The patent has now been granted #11/271,715. This is further support for the innovative nature of the IronCAP™ technology which the Company believes is superior to anything on the market today. It is designed to protect customers against the ever-evolving illegitimate and malicious means of gaining access to their data.

The net loss for the first quarter 2022 was \$207,641 (2021 - \$112,734) an increase of \$94,907. The adjusted net loss, which excludes noncash expenses, was \$158,355 (2021 - \$89,697) an increase of \$68,658. The adjusted net loss excludes stock-based compensation and depreciation which are non-cash operating expenses.

Revenue for the first quarter 2022 was \$189,031 (2021 - \$213,262) a decrease of \$24,231. The trend of working from home continues to be popular which has contributed to growth year over year in subscriber numbers and subsequent recurring royalties from the Company's Asia-Pacific business. One-time development and maintenance fees received for DoMobile enhancements were higher in 2021 over 2022 resulting in the overall decrease year over year in revenue. DoMobile is a secure remote access solution exclusively marketed by the Company's partner in Japan. The strong security underlying DoMobile allows for marketing not only to small to medium sized businesses, but also to government agencies, financial industries, health sectors, etc. which require a highly secure remote access environment. There are now more than 3,800 corporations using DoMobile as their telework solution with the numbers continuing to grow.

Cash operating expenses for first quarter 2022 were \$327,765 (2021 - \$282,476) an increase of \$45,289. The Company expanded its product development team to complete product development initiatives aimed at increasing market share for its remote access service in Japan and near term opportunities to roll out new products built on its IronCAP™ technology.

Conference Call Reminder and Information:

01 Communique will host a live teleconference allowing for questions and answers later today at 10:00AM EST (March 17, 2022) to discuss the Company's results as well as providing an update on the business prospects for IronCAP™ and IronCAP X™.

Browser (please cut-and-paste the following link into your browser):

<https://us02web.zoom.us/j/83272630612?pwd=K1ZmRGhYKy9xaVE4UUUVRMzJYTUFyQT09>
Passcode: ironcap22

Dial-in:

Within Canada (647) 374-4685 or (647) 558-0588

Within the USA (646) 558 8656 or (669) 900 9128
Webinar ID when prompted is 832 7263 0612
Passcode: 066489703

About 01 Communique

Established in 1992, 01 Communique (TSX-V: ONE; OTCQB: OONEF) has always been at the forefront of technology. The Company's cyber security business unit focuses on post-quantum cybersecurity with the development of its IronCAP™ technology. IronCAP™'s cryptographic system is an advanced Goppa code-based post-quantum cryptographic technology that can be implemented on classical computer systems as we know them today while at the same time can also safeguard against attacks in the future post-quantum world of computing. The Company's IronCAP™ technology is protected in the U.S.A. by its patent #11,271,715. The Company's remote access business unit provides its customers with a suite of secure remote access services and products under its I'm InTouch and I'm OnCall product offerings. The remote access offerings are protected in the U.S.A. by its patents #6,928,479 / #6,938,076 / #8,234,701; in Canada by its patents #2,309,398 / #2,524,039 and in Japan by its patent #4,875,094. For more information, visit the Company's web site at www.ironcap.ca and www.01com.com.

Cautionary Note Regarding Forward-looking Statements.

Certain statements in this news release may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this news release, such statements use such words as "may", "will", "expect", "believe", "plan", "intend", "are confident" and other similar terminology. Such statements include statements regarding the commercial success of IronCAP X™, the future of quantum computers and their impact on the Company's product offering, the functionality of the Company's products and the intended product lines for the Company's technology and the potential licensing of the Company's technology. These statements reflect current expectations regarding future events and operating performance and speak only as of the date of this news release. Forward-looking statements involve 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 statements, including, but not limited to, the factors discussed under "Risk and Uncertainties" in the Company's Management's Discussion and Analysis document filed on SEDAR. Although the forward-looking statements contained in this news release are based upon what management of the Company believes are reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this news release, and the Company assumes no obligation to update or revise them to reflect new events or circumstances.

Neither TSX Venture Exchange ("TSX-V") 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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01 Communique Laboratory Inc.
SELECTED FINANCIAL INFORMATION
Consolidated Statements of Financial Position
As at January 31, 2022 and October 31, 2021
Unaudited

	31-Jan-22	31-Oct-21
Assets		
Current assets		
Cash	\$ 861,246	\$ 994,924
Accounts receivable	172,085	205,527
Prepaid expenses and other assets	23,504	31,743
	<u>1,056,835</u>	<u>1,232,174</u>
Plant and equipment	111,977	125,584
Total assets	<u><u>\$ 1,168,812</u></u>	<u><u>\$ 1,357,758</u></u>
Liabilities and Shareholders' Deficit		
Current liabilities		
Accounts payable and accrued liabilities	\$ 165,591	\$ 182,354
Deferred revenue	5,634	6,502
Lease liability	44,299	42,532
	<u>215,524</u>	<u>231,388</u>
Non-current liabilities		
Lease liability	54,574	66,915
CEBA loan payable	40,000	40,000
Total liabilities	<u>310,098</u>	<u>338,303</u>
Shareholders' deficit		
Share capital	43,963,582	43,963,582
Contributed surplus	5,937,197	5,890,297
Warrants	93,533	93,533
Deficit	(49,135,598)	(48,927,957)
	<u>858,714</u>	<u>1,019,455</u>
Total liabilities and shareholders' deficit	<u><u>\$ 1,168,812</u></u>	<u><u>\$ 1,357,758</u></u>

01 Communique Laboratory Inc.
SELECTED FINANCIAL INFORMATION
Consolidated Statements of Operations and Comprehensive Income
For the 3 month periods ended January 31, 2022 and 2021
Unaudited

	<i>three months ended</i>	
	<i>31-Jan-22</i>	<i>31-Jan-21</i>
Revenue	\$ 189,031	\$ 213,262
Expenses:		
Selling, general and administrative	201,502	168,284
Research and development	175,549	137,229
Withholding taxes	18,389	20,784
	395,440	326,297
Loss before other income and expense	(206,409)	(113,035)
Interest income	(186)	(576)
Interest expense	1,418	275
Loss for the period and comprehensive loss	\$ (207,641)	\$ (112,734)
Loss per common share		
Basic	\$ (0.00)	\$ (0.00)
Diluted	\$ (0.00)	\$ (0.00)
Weighted average number of common shares		
Basic	94,451,221	91,793,701
Diluted	94,451,221	91,793,701

01 Communique Laboratory Inc.
SELECTED FINANCIAL INFORMATION
Consolidated Statements of Cash Flows
Unaudited
For the 3 month periods ended January 31, 2022 and 2021

	<i>three months ended</i>	
	<u>31-Jan-22</u>	<u>31-Jan-21</u>
Cash provided by (used in):		
Operating activities:		
Comprehensive loss for the period	\$ (207,641)	\$ (112,734)
Adjustments to reconcile loss for the period to net cash flows from operating activities:		
Depreciation of property and equipment	2,386	1,850
Amortization of right-of-use asset	11,219	11,061
Stock-based compensation expense	46,900	21,187
Change in non-cash working capital	24,030	57,274
	<u>(123,106)</u>	<u>(21,362)</u>
Financing activities:		
Exercise of stock options	-	1,750
Exercise of debenture warrants	-	52,000
Proceeds from loan	-	60,000
Lease payments made	(10,572)	(11,658)
	<u>(10,572)</u>	<u>102,092</u>
Investing activities:		
Purchase of property and equipment	-	(2,191)
	<u>-</u>	<u>(2,191)</u>
Increase in cash and cash equivalents	(133,678)	78,539
Cash, beginning of period	994,924	962,337
Cash, end of period	<u>\$ 861,246</u>	<u>\$ 1,040,876</u>

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