



01 Communique Provides Update on Business Developments and First Quarter Fiscal 2023 Results

TORONTO, ON – March 21, 2023. 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 2023 results, which ended January 31, 2023.

Andrew Cheung, CEO of the Company, commented, "Every organization is concerned about security and protecting their data and systems from hackers. These security concerns are even more intensified with the advent of Quantum computing as current encryption standards will not be up to the task of defending against attacks by bad actors using Quantum Computers. As I look ahead, I feel confident that IronCAP™, a combination of NIST-approved post-quantum algorithms as well as our patent-protected Goppa code-based algorithm can accomplish the task of providing protection against bad actors using Quantum Computers."

Andrew Cheung continued, "We have made a significant financial investment to develop our leading-edge post-quantum cryptographic technologies. Unlike our competitors, we have created not just the quantum-safe cryptographic engine but also products with recurring revenue and Proof-of-Concepts for our partners such as the patent-pending quantum-safe blockchain, quantum-safe email, and others. With the major part of our development efforts on post-quantum cryptography completed, our product development will be focused on integrating applications and feature enhancements for our partners. As such, we expect research and development expenses to be less than the current level. Moving forward, with our recurring revenue in combination with reducing operating expenses, we are confident that our cash flow along with our existing cash will be sufficient to see us through and allow us to take advantage of the post-quantum cryptography market potential that is in front of us."

Operational Highlights:

- In late January completed the integration of IronCAP™ into one of the Company's partners' military-grade Hardware Security Modules ("HSM") providing military grade protection for users' data and critical applications. This partnership was designed to develop and joint-market quantum-safe cybersecurity solutions for global businesses, organizations and governments to ensure cyber resilience in the post quantum environment. Now the Company's partner can add IronCAP™ FM ("Functional Module") making PQC functionality seamless while conforming to the latest standards set by NIST. Joint-marketing activities have commenced.
- Development work continued throughout the quarter on a business edition of IronCAP X™, which is expected to be the world's first commercial-ready quantum-safe email security product. It is anticipated to be ready for commercial use in fiscal 2023.
- Global partners have been signed to capitalize on the quantum-readiness transformation market embraced by enterprises of all sizes internationally.

Financial Highlights:

- Revenue for first quarter was \$106,803 (2022 - \$189,031) an \$82,228 decrease. One time development fees were received for enhancements to DoMobile in Japan during the first quarter 2022. These enhancements contributed to an increase in subscriber revenue for 2023, year over year, from the Company's remote access business which is marketed on a subscription fee basis with recurring royalties.

- The loss for the first quarter was \$247,508 (2022 - \$207,641). The adjusted loss, which excludes stock-based compensation and depreciation which are non-cash expenses, for the first quarter was \$185,895 (2022 - \$158,355). The Company completed the first quarter with \$583,720 of cash and a GIC.
- Cash operating expenses which exclude stock-based compensation and depreciation were \$285,295 (2022 - \$327,765) a reduction of \$42,470. Product development expenses were curtailed towards the end of the quarter as a number of R&D projects were completed which included enhancements to DoMobile, integration of IronCAP™ into the Company's partners' HSM, and the integration of IronCAP™ into existing public blockchains.

Conference Call Reminder and Information:

01 Communique will host a live teleconference allowing for questions and answers later today at 10:00AM EST (March 21, 2023) 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=UUdOcVNLOVpiZE56NVNNZHUrIdFmUT09>
Passcode: ironcap23

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: 286832739

About 01 Communique

01 Communique (TSX-V: ONE; OTCQB: OONEF) is one of the first-to-market, enterprise level cybersecurity providers for the quantum computing era. Its IronCAP™ technology, protected in the U.S.A. by its patent #11,271,715, is a cryptographic system incorporating advanced 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 post-quantum world of computing. 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.

INVESTOR CONTACT:

Brian Stringer
Chief Financial Officer
01 Communique
(905) 795-2888 x204
Brian.stringer@01com.com

01 Communique Laboratory Inc.
SELECTED FINANCIAL INFORMATION
Consolidated Statements of Financial Position
Unaudited
As at January 31, 2023 and October 31, 2022

	31-Jan-23	31-Oct-22
Assets		
Current assets		
Cash and cash equivalents	\$ 463,720	\$ 487,179
Guaranteed investment certificate	120,000	150,000
Accounts receivable	132,116	316,270
Prepaid expenses and other assets	54,086	64,131
	<u>769,922</u>	<u>1,017,580</u>
Plant and equipment	77,170	90,911
Investment in Talent Summit	1,500	1,500
	<u>77,170</u>	<u>90,911</u>
Total assets	<u><u>\$ 848,592</u></u>	<u><u>\$ 1,109,991</u></u>
Liabilities and Shareholders' Deficit		
Current liabilities		
Accounts payable	\$ 144,303	\$ 272,784
Deferred revenue	5,092	5,487
Lease liability	46,883	46,349
Loan payable	40,000	40,000
	<u>236,278</u>	<u>364,620</u>
Non-current liabilities		
Lease liability	8,377	20,517
Total liabilities	<u>244,655</u>	<u>385,137</u>
Shareholders' deficit		
Share capital	44,282,090	44,214,590
Contributed surplus	6,142,441	6,083,350
Warrants	16,875	16,875
Deficit	(49,837,469)	(49,589,961)
	<u>603,937</u>	<u>724,854</u>
Total liabilities and shareholders' deficit	<u><u>\$ 848,592</u></u>	<u><u>\$ 1,109,991</u></u>

01 Communique Laboratory Inc.
SELECTED FINANCIAL INFORMATION
Consolidated Statements of Operations and Comprehensive Income
Unaudited
For the 3 month periods ended January 31, 2023 and 2022

	<i>three months ended</i>	
	<u>31-Jan-23</u>	<u>31-Jan-22</u>
Revenue	\$ 106,803	\$ 189,031
Expenses:		
Selling, general and administrative	199,225	201,502
Research and development	147,683	175,549
Withholding taxes	10,250	18,389
	<u>357,158</u>	<u>395,440</u>
Loss before other income and expense	(250,355)	(206,409)
Interest income	3,644	186
Interest expense	(797)	(1,418)
Loss for the period and comprehensive loss	<u>\$ (247,508)</u>	<u>\$ (207,641)</u>
Loss per common share		
Basic	\$ (0.00)	\$ (0.00)
Diluted	\$ (0.00)	\$ (0.00)
Weighted average number of common shares		
Basic	96,101,646	94,451,221
Diluted	96,101,646	94,451,221

01 Communique Laboratory Inc.
SELECTED FINANCIAL INFORMATION
Consolidated Statements of Cash Flows
Unaudited
For the 3 month periods ended January 31, 2023 and 2022

	<i>three months ended</i>	
	<u>31-Jan-23</u>	<u>31-Jan-22</u>
Cash provided by (used in):		
Operating activities:		
Loss and comprehensive loss for the period	\$ (247,508)	\$ (207,641)
Adjustments to reconcile loss for the period to net cash flows from operating activities:		
Depreciation of property and equipment	2,522	2,386
Amortization of right-of-use asset	11,219	11,219
Stock-based compensation expense	59,091	46,900
Change in non-cash working capital	65,323	24,030
	<u>(109,353)</u>	<u>(123,106)</u>
Financing activities:		
Proceeds from private placement	67,500	-
Lease payments made	(11,606)	(10,572)
	<u>55,894</u>	<u>(10,572)</u>
Investing activities:		
Proceeds from guaranteed investment certificate	30,000	-
Decrease in cash	(23,459)	(133,678)
Cash, beginning of period	487,179	994,924
Cash, end of period	<u>\$ 463,720</u>	<u>\$ 861,246</u>
	#	