



01 Communique Provides Update on Business Developments and Third Quarter Fiscal 2024 Results

TORONTO, ON – September 19, 2024. 01 Communique Laboratory Inc. (the "Company") (TSX-V: ONE; OTC Pink: OONEF), one of the first-to-market, enterprise level cybersecurity providers for the post-quantum computing era, is pleased to report the Company's third quarter fiscal 2024 results, which ended July 31, 2024.

Andrew Cheung, CEO of the Company, commented, "On August 13, 2024, the National Institute of Science and Technology ("NIST") announced 3 official Post-Quantum Cryptography ("PQC") standards - the FIPS-203, FIPS-204, and FIPS-205. These 3 standards were anticipated by our cryptographers and, accordingly, they were incorporated into our existing IronCAP PQC cryptographic engine, which was launched in 2021. As a result, our customers have enjoyed 3 years of being ahead of these best practices in the PQC market. We understand that NIST expects to announce additional standards in the near future in light of the ever-increasing attention towards quantum-safety in many technological fields, including AI and cryptocurrencies."

Andrew Cheung continued, "I am very happy to report that our business roadmap has been proceeding as planned. Most notably, we continued to march towards the break-even line, essentially reaching the goal on an adjusted non-cash basis. We have now set the stage to becoming profitable if and when revenue starts building from our partners and customers."

Financial Highlights:

- The loss for the quarter was \$40,173 (2023 - \$119,652). The adjusted loss excluding stock-based compensation and depreciation, which are non-cash expenses, was almost breakeven at \$5,891 (2023 - \$73,998) a reduction of \$68,107. The Company completed the quarter with \$125,716 of cash. Ongoing cash operating expenses have been significantly reduced. The goal is to continue to keep them in line with the level of ongoing recurring revenue.
- Cash operating expenses which exclude stock-based compensation and depreciation for the quarter were \$119,335 (2023 - \$173,395) a reduction of \$54,060.
- Product development expenses were \$34,538 (2023 - \$73,995) a decrease of \$39,457. A number of development projects were completed throughout fiscal 2023 allowing the Company to reduce development expenses. The Company makes use of third-party independent contractors for the majority of its product development allowing flexibility with respect to the level of product development expenses required.
- SG&A expenses, net of stock-based compensation was \$86,860 (2023 - \$101,754) a decrease of \$14,894.
- Revenue for the quarter was \$126,103 (2023 - \$106,197) an increase of \$19,906. The majority of the revenue is derived from licenses associated with ongoing recurring subscription fees.

Conference Call Reminder and Information:

01 Communique will host a live teleconference allowing for questions and answers later today at 10:00AM EST (September 19, 2024) 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=cEdhZGhRU3BQMjBGOWRIY1dtcjA4dz09>

Passcode: ironcap24

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: 046969719

About 01 Communique

Established in 1992, 01 Communique (TSX-V: ONE; OTC Pink: 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™ product line. IronCAP™'s technologies are patent-protected in the U.S.A. by its patents #11,271,715 and #11,669,833. 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
UNAUDITED
Consolidated Statements of Financial Position
As at July 31, 2024 and October 31, 2023

	31-Jul-24	31-Oct-23
Assets		
Current assets		
Cash	\$ 125,716	\$ 272,540
Guaranteed investment certificate	-	80,000
Accounts receivable	101,026	87,966
Prepaid expenses and other assets	7,651	6,060
	234,393	446,566
 Plant and equipment	 46,074	 37,375
Total assets	\$ 280,467	\$ 483,941
 Liabilities and Shareholders' Deficit		
Current liabilities		
Accounts payable	\$ 65,830	\$ 145,989
Deferred revenue	4,490	4,009
Lease liability	33,356	19,878
Canadian emergency business account loan	-	40,000
	103,676	209,876
 Shareholders' deficit		
Share capital	44,282,090	44,282,090
Contributed surplus	6,490,991	6,287,173
Warrants	16,875	16,875
Deficit	(50,533,165)	(50,312,073)
	176,791	274,065
 Total liabilities and shareholders' deficit	\$ 280,467	\$ 483,941

01 Communique Laboratory Inc.
SELECTED FINANCIAL INFORMATION
UNAUDITED
Consolidated Statements of Operations and Comprehensive Income
For the 3 and 9 month periods ended July 31, 2024 and 2023

	<i>three months ended</i>		<i>nine months ended</i>	
	<u>31-Jul-24</u>	<u>31-Jul-23</u>	<u>31-Jul-24</u>	<u>31-Jul-23</u>
Revenue	\$ 126,103	\$ 106,197	\$ 330,793	\$ 340,782
Expenses:				
Selling, general and administrative	119,080	145,054	394,752	530,407
Research and development	34,538	73,995	131,097	339,990
Withholding taxes	12,303	10,220	28,436	32,865
	<u>165,920</u>	<u>229,269</u>	<u>554,284</u>	<u>903,262</u>
Loss before interest	(39,817)	(123,072)	(223,491)	(562,480)
Interest income	367	3,925	4,027	10,267
Interest expense	(723)	(505)	(1,628)	(2,239)
Loss for the period and comprehensive loss	<u>\$ (40,173)</u>	<u>\$ (119,652)</u>	<u>\$ (221,092)</u>	<u>\$ (554,452)</u>
Loss per common share				
Basic	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.01)
Diluted	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.01)
Weighted average number of common shares				
Basic	96,364,554	96,101,646	96,364,554	96,101,646
Diluted	96,364,554	96,101,646	96,364,554	96,101,646

01 Communique Laboratory Inc.
SELECTED FINANCIAL INFORMATION
UNAUDITED
Consolidated Statements of Cash Flows
For the 3 and 9 month periods ended July 31, 2024 and 2023

	<i>three months ended</i>		<i>nine months ended</i>	
	<u>31-Jul-24</u>	<u>31-Jul-23</u>	<u>31-Jul-24</u>	<u>31-Jul-23</u>
Cash provided by (used in):				
Operating activities:				
Loss and comprehensive loss for the period	\$ (40,173)	\$ (119,652)	\$ (221,092)	\$ (554,452)
Adjustments to reconcile loss for the period to net cash flows from operating activities:				
Depreciation of property and equipment	2,062	2,354	6,730	7,286
Amortization of right-of-use asset	11,593	11,220	34,405	33,658
Stock-based compensation expense	32,220	43,300	123,818	164,182
Change in non-cash working capital	<u>(44,277)</u>	<u>8,911</u>	<u>(94,329)</u>	<u>50,832</u>
	(38,575)	(53,867)	(150,468)	(298,494)
Financing activities:				
Payment of loan	-	-	(40,000)	-
Lease payments made	<u>(11,539)</u>	<u>(11,113)</u>	<u>(35,813)</u>	<u>(34,637)</u>
	(11,539)	(11,113)	(75,813)	32,863
Investing activities:				
Proceeds from guaranteed investment certificate	-	40,000	80,000	70,000
Purchase of property and equipment	<u>-</u>	<u>(848)</u>	<u>(543)</u>	<u>(1,188)</u>
	-	39,152	79,457	68,812
Decrease in cash	(50,114)	(25,828)	(146,824)	(196,819)
Cash, beginning of period	175,830	316,188	272,540	487,179
Cash, end of period	<u>\$ 125,716</u>	<u>\$ 290,360</u>	<u>\$ 125,716</u>	<u>\$ 290,360</u>

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