



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

Balance Sheet Strengthened with Post Year-End Financing

TORONTO, ON – January 23, 2025. 01 Communique Laboratory Inc. (the "Company") (TSX-V: ONE; OTC Pink: OONEF), one of the first-to-market, enterprise level cybersecurity providers for the quantum computing era, is pleased to report the Company's fourth quarter and fiscal 2024 results for the period ended October 31, 2024.

Andrew Cheung, CEO of the Company, commented, "Fiscal 2024 has been a transformative year for 01 Communique. We successfully completed several key development projects and recently secured a strategic financing that sets a strong foundation for 2025. Our recent virtual presentation highlighted our commitment to advancing Post Quantum Cryptography ("PQC") compliant quantum-safe technologies and expanding our product lineup targeting the end user. In 2025 we expect to see commercialization from our PQC technology, via key partnerships. With our robust roadmap and working capital, we are working to accelerate our growth and bring innovative solutions to the market."

Andrew Cheung further commented, "Recently there has been significant interest and advancement in quantum computing. While Google's "Willow" processor announcement has drawn significant attention to the power of quantum computers, heralding in the era of quantum superiority "Q-Day", we note that other large corporations, government institutions and university research departments are diligently working on their own quantum computing technologies. We believe it would be naive to not expect malevolent actors to turn this power toward cracking current encryption techniques and blockchains. As Q-Day looms, it is still vitally important to be reminded of the immediate threat of "harvest now, decrypt later", which underscores the importance of preparing for "Q-Day" in advance. We believe that 2025 is the year that corporations and governments need to start preparing for this event. Our IronCAP™ technology and products are ready to go, have been rigorously tested by industry leading corporations as well as successfully coming through two Company sponsored hackathons. We believe that IronCAP™ is up to the task of protecting your data from the power of quantum computers. We look forward to 2025."

Recent Operational Highlights:

- On December 18, 2024 the Company held a virtual conference (01com.com/Videos/2024/Video-2024-12-18-Full.mp4) presenting its PQC roadmap and technologies. During the presentation Andrew Cheung explained the Company's focus on developing end user products that are PQC-compliant, summarized as follows:
 - In speaking about the importance of the Company's US patent number 11,669,833 Mr. Cheung noted that this technology has the ability to make any existing cryptocurrency safe against the power of quantum computers (PQC-compliant). Utilizing this patent the Company completed a PQC-compliant Solana ("SOL") L1 blockchain. The product is ready to go and the Company has expectations of commercialization in 2025 together with a partner possessing the necessary marketing capabilities in the cryptocurrency industry.
 - The Company is accelerating its development of a PQC-compliant Artificial Intelligence ("AI") platform. The Company's goal is for a demonstration of the product prior to the end of fiscal 2025.

- Expanding on the Company's IronCAP X™ product to support cross-platform users of Windows, Mac, iOS, and Android. The Company believes this to be the world's first end-to-end email/file encryption and digital signing system that is PQC-compliant.
- The Company has committed to develop the world's first PQC-compliant true end-to-end mobile messaging platform without a master key or backdoor. The end result would be a completely secure product as no one will have unauthorized access.
- As announced on January 7, 2025 the Company completed a strategic financing raising \$920,000 with several strategic investors led by Antanas Guoga (Tony G). The financing consisted of 4,000,000 units ("Units") at \$0.23 per Unit. Each Unit consists of one common share in the capital of the Company (a "Common Share") and one Common Share purchase warrant (a "Warrant") with each Warrant entitling the holder to acquire one Common Share at a price of \$0.75 per Common Share at any time on or before January 7, 2028. Tony G along with the other investors voluntarily agreed to a contractual hold for twelve months which hold will expire on January 7, 2026.
- As announced on January 21, 2025 (www.01com.com/pdf/2025/Partnership-Real-Matter.pdf) the Company entered into a partnership agreement with Real Matter Technology Company ("Real Matter"), a fintech-semiconductor research company headquartered in Hong Kong. Under the terms of the agreement, Real Matter plans to integrate the Company's IronCAP™ PQC technology into its product line aiming at marketing and selling a true PQC solution to key sectors such as banks and Virtual Asset Service Providers (VASPs) through initiatives including roadshows, HK Science Park seminars, and HKMA Sandbox Proof-of-Concept demonstrations.

Financial Highlights:

- Revenue for the fourth quarter was \$82,155 (2023 - \$133,709) a decrease of \$51,554. Revenue is derived from licenses associated with ongoing recurring subscription fees from the Company's legacy remote access service. Going forward revenue growth is expected to come from the Company's PQC-compliant quantum-safe technologies.
- Cash operating expenses which exclude stock-based compensation and depreciation for the fourth quarter were \$119,335 (2023 - \$173,395) a reduction of \$54,060.
- SG&A expenses, net of stock-based compensation for the fourth quarter were \$147,360 (2023 - \$199,459) a decrease of \$52,099. Going forward in 2025, with the expected completion of several PQC-compliant products with more to come, the Company plans to increase its sales and marketing activities.
- Product development expenses for the fourth quarter were (\$7,368) (2023 - \$51,357) a decrease of \$58,725. Product development expenses were curtailed towards the end of fiscal 2023 as a number of projects and milestones were completed which included enhancements to the Company's remote access product, integration of IronCAP™ into the Company's partners' HSM, and the integration of IronCAP™ into existing public blockchains. This allowed the Company to reduce expenses throughout the year. With respect to the fourth quarter of 2024 the Company's Investment Tax Credit for fiscal 2024 was greater than development expenses for the fourth quarter resulting in the negative number. Going forward in 2025 the Company plans to increase its level of product development to support its product roadmap.
- Net loss for the fourth quarter was \$97,698 (2023 - \$167,660). The adjusted loss excluding stock-based compensation and depreciation, which are non-cash expenses, was \$63,306 (2023 - \$125,457) a reduction of \$62,151.
- Exited fiscal 2024 with \$137,126 of cash. Combined with the \$920,000 from the recent financing that closed after year end the Company now has \$1,060,000 available to fund its organic growth strategy.

Conference Call Reminder and Information:

01 Communique will host a live teleconference allowing for questions and answers later today at 10:00AM EST (January 23, 2025) 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=rberpQ7lrxZtxlTlhRQNTyFxY7a3e.1>

Passcode: ironcap25

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: 046927852

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 expansion of the Company's product lineup, the timing of commercialization of the Company's PQC technologies, the timing of the development of the Company's PQC-compliant Artificial Intelligence ("AI") platform, the timing and ability to develop the world's first PQC-compliant true end-to-end mobile messaging platform without a master key or backdoor, 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 October 31, 2024 and October 31, 2023

| | 31-Oct-24 | 31-Oct-23 |
|---|--------------|--------------|
| Assets | | |
| Current assets | | |
| Cash | \$ 139,126 | \$ 272,540 |
| Guaranteed investment certificate | - | 80,000 |
| Accounts receivable | 62,902 | 87,966 |
| Prepaid expenses and other assets | 6,037 | 6,060 |
| | 208,065 | 446,566 |
| Plant and equipment | 32,418 | 37,375 |
| Total assets | \$ 240,483 | \$ 483,941 |
| Liabilities and Shareholders' Deficit | | |
| Current liabilities | | |
| Accounts payable | \$ 104,122 | \$ 145,989 |
| Deferred revenue | 3,869 | 4,009 |
| Lease liability | 21,071 | 19,878 |
| Canadian emergency business account loan | - | 40,000 |
| | 129,062 | 209,876 |
| Shareholders' deficit | | |
| Share capital | 44,282,090 | 44,282,090 |
| Contributed surplus | 6,460,194 | 6,287,173 |
| Warrants | - | 16,875 |
| Deficit | (50,630,863) | (50,312,073) |
| | 111,421 | 274,065 |
| Total liabilities and shareholders' deficit | \$ 240,483 | \$ 483,941 |

01 Communique Laboratory Inc.
SELECTED FINANCIAL INFORMATION
Consolidated Statements of Operations and Comprehensive Income
For the 3 and 12 month periods ended October 31, 2024 and 2023

| | <i>three months ended</i> | | <i>for the years ended</i> | |
|--|---------------------------|---------------------|----------------------------|---------------------|
| | <u>31-Oct-24</u> | <u>31-Oct-23</u> | <u>31-Oct-24</u> | <u>31-Oct-23</u> |
| Revenue | \$ 82,155 | \$ 133,709 | \$ 412,948 | \$ 474,491 |
| Expenses: | | | | |
| Selling, general and administrative | 179,688 | 239,100 | 574,440 | 769,507 |
| Research and development | (7,368) | 51,357 | 123,729 | 391,347 |
| Withholding taxes | 7,935 | 13,031 | 36,370 | 45,896 |
| | <u>180,255</u> | <u>303,488</u> | <u>734,539</u> | <u>1,206,750</u> |
| Loss before other income and expense | (98,100) | (169,779) | (321,591) | (732,259) |
| Foreign exchange gain (loss) | 912 | (2,041) | 912 | (2,041) |
| Interest income | - | 5,076 | 4,027 | 15,343 |
| Interest expense | (510) | (916) | (2,138) | (3,155) |
| Loss for the period and comprehensive loss | <u>\$ (97,698)</u> | <u>\$ (167,660)</u> | <u>\$ (318,790)</u> | <u>\$ (722,112)</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 | 96,364,554 | 96,364,554 | 96,296,746 |
| Diluted | 96,364,554 | 96,364,554 | 96,364,554 | 96,296,746 |

01 Communique Laboratory Inc.
SELECTED FINANCIAL INFORMATION
Consolidated Statements of Cash Flows
For the 3 and 12 month periods ended October 31, 2024 and 2023

| | <i>three months ended</i> | | <i>for the years ended</i> | |
|---|---------------------------|-------------------|----------------------------|-------------------|
| | <u>31-Oct-24</u> | <u>31-Oct-23</u> | <u>31-Oct-24</u> | <u>31-Oct-23</u> |
| Cash provided by (used in): | | | | |
| Operating activities: | | | | |
| Loss and comprehensive loss for the period | \$ (97,698) | \$ (167,660) | \$ (318,790) | \$ (722,112) |
| Adjustments to reconcile loss for the period to net cash flows from operating activities: | | | | |
| Depreciation of property and equipment | 2,064 | 2,562 | 8,794 | 9,848 |
| Amortization of right-of-use asset | 11,593 | 11,218 | 45,998 | 44,876 |
| Stock-based compensation expense | 32,328 | 39,641 | 156,146 | 203,823 |
| Change in non-cash working capital | 77,409 | 107,270 | (16,920) | 158,102 |
| | <u>25,696</u> | <u>(5,469)</u> | <u>(124,772)</u> | <u>(303,963)</u> |
| Financing activities: | | | | |
| Payment of loan | - | - | (40,000) | - |
| Proceeds from private placement | - | - | - | 67,500 |
| Lease payments made | (12,286) | (12,351) | (48,099) | (46,988) |
| | <u>(12,286)</u> | <u>(12,351)</u> | <u>(88,099)</u> | <u>20,512</u> |
| Investing activities: | | | | |
| Proceeds from investment certificate | - | - | 80,000 | 70,000 |
| Purchase of property and equipment | - | - | (543) | (1,188) |
| | <u>-</u> | <u>-</u> | <u>79,457</u> | <u>68,812</u> |
| Decrease in cash | 13,410 | (17,820) | (133,414) | (214,639) |
| Cash, beginning of period | 125,716 | 290,360 | 272,540 | 487,179 |
| Cash, end of period | <u>\$ 139,126</u> | <u>\$ 272,540</u> | <u>\$ 139,126</u> | <u>\$ 272,540</u> |

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