



## **HTM Sensors and Route1 Announce First Live Trial for Spotlight, Powered by MobiNET**

**Toronto, July 27, 2017** - HTM Sensors Inc. (HTM Sensors) and Route1 Inc. (Route1) (OTCQB: ROIUF and TSXV: ROI) are pleased to announce that they have entered into a live trial for Spotlight, *Powered by MobiNET* with a tier 1 automotive parts manufacturer which has one of its plants located in North York, Ontario, Canada. Spotlight, *Powered by MobiNET* is a secure technology that delivers real-time industrial data analytics on data collected from Programmable Logic Controllers (PLCs) and other automation devices (including IIoT). The technology provides quantitatively-based actionable information to drive industrial process efficiency and maximize productivity while minimizing unplanned downtime and cost, and has been architected to ensure security, ease of deployment and scalability.

On July 25, 2017, HTM Sensors installed a fully configured and hardened Data Collection Device (DCD) in the tier 1 automotive parts manufacturing facility for one of its high volume production lines. This plant is part of an international manufacturing group supplying parts and assemblies to the automotive industry. HTM Sensors has been working with this facility for several months providing the plant personnel with data analytics assisting them with downtime reduction programs by collecting and analyzing the data in a discrete manner. The installation of the DCD allows HTM Sensors to provide the data analytics to the plant personnel on a continuous basis. The results from processing the data collected as well as specific recommendations to reduce downtime or mitigate productivity issues are displayed at the plant in real time, where plant personnel can view the results on a dashboard and respond in the appropriate timeframes.

HTM Sensors has interest in an additional ten (10) trials at other manufacturing facilities in and around the Greater Toronto Area. HTM believes that Spotlight, *Powered by MobiNET*, is applicable to manufacturing and processing industries worldwide. HTM Sensors currently sells sensors to companies in the manufacturing and processing sectors with an aggregate of approximately 5,000 customers.

HTM and Route1 expect the first sale of Spotlight to occur during the current calendar quarter. It is expected that a standard plant will generate approximately CAD\$20,000 to \$30,000 per line per year, with the number of production lines per plant ranging from 2 to 10 for which Spotlight could be applicable.

Spotlight is a unique offering to the manufacturing and processing industries. It provides continuous analysis of the stream of data collected from the plant floor as well as specific recommendations to minimize downtime, increase productivity and schedule maintenance at the appropriate times in the manufacturing cycle. In addition, the data to be analyzed is transmitted securely to the MobiNET platform with no vulnerability to external interference.

*HTM Sensors Core Competency*



HTM Sensors has a core competency in industrial factory automation applications for the application, selection, installation and protection of automation devices. The company specializes in helping their customers reduce unplanned downtime with better sensors, and with service programs that help their customers identify where to apply them.

*Where in your plant is the one sensor that is being changed the most often?*

HTM Sensors asks this question of its clients so that it can then tell them about how a typical sensor is made of stainless steel or chrome plated brass, but there is now a new and improved one made of titanium that will last longer. The problem is no one ever knows where their worst sensor application is; they just know that they have too much unplanned downtime based on missed production goals or higher than expected labor costs.

*Gemba or the Real Place*

Currently, HTM Sensors provides recommendations for products for sensor applications based on industry best practices, and also from data collected by various means, including operator anecdotal feedback and from one of a variety of manual data collection processes such as industrial vending machines that ask users to report locations and reasons for taking new parts.

Using traditional methods, users will report common issues and work with sales reps to apply a better product, tooling changes, or protection devices to prevent the sensors from being abused so often. In reality, operators are there to operate machines and typically do not interact with sales reps, so information does not flow easily or reliably from the operator on the plant floor. Further, operators cannot be counted on to provide accurate information, often recounting the most recent issues, not the most important issues as indicated by data analytics that count problems by the volume of instances and also the aggregate amount of lost production time over a longer period of evaluation.

In a typical plant with hundreds of work cells, and hundreds of operators, all giving their own version of where issues are coming from, a blend of problems are created throughout the plant such that no one really knows where to look for the most pressing issue to apply a solution to increase production.

*The Spotlight, Powered by MobiNET Difference*

Spotlight, *Powered by MobiNET* shows plant personnel where to look. With Spotlight, anecdotal information is removed, and data analytics are applied to show exactly which one of the thousands of inputs in the plant requires intervention for a newly applied solution to the input application. The volume of data that is not captured is overwhelming and managers have a need for information that is actionable so they can apply their labor resources to the most important locations.



Since whiteboards are wiped away daily, the data captured by simple manual methods are not stored, sorted or analyzed for best practice improvements over longer periods. Until HTM and Route1 stepped into this arena, it was very difficult to be able to capture these data, move the data securely to a robust database, and deliver the data back to the customer in the form of actionable lists of spots that require intervention. Spotlight, *Powered by MobiNET* addresses all of these challenges and issues.

*Competitive Environment*

Competitors are providing overview information, quite often locally processed, that is light on actionable information from analytics. Most of the competitive offerings are advertised as monitoring the heartbeat of the machines, so they know if the machine is on or off based on power or a single start up input. They display this heartbeat on screens, and then look for times when the machine is stopped and count that as downtime versus uptime for a production metric that can be compared to over time. The granular level of the data that Spotlight collects, as well as the delivery of actionable information, sets Spotlight apart from anything else, and the security of the data provided by Route1 allows the data analytics to be performed without fear of intrusions.

Spotlight, *Powered by MobiNET*, includes the following principal components:

<b>Industrial hardened Data Collection Device (DCD)</b>	Resides in the <i>customer’s plant and is programmed to communicate, using industry standard OPC/UA</i> , with PLCs and other controlling devices. It is internally firewalled from the plant’s network; therefore, the only data to which Spotlight has access are the data collected by the DCD. The DCD is a high security industrial device that is designed for deployment on the plant floor while remaining isolated from extraneous interactions. The plant does not need to open any inbound firewall ports – all data is encrypted and transmitted using Route1’s CryptoPath high assurance communication service. DCDs are issued unique X.509 (PKI) credentials to ensure reliable mutual authentication of all end-points.
<b>Route1 CryptoPath</b>	Provides secure communication with MobiNET platform.
<b>MobiNET</b>	The MobiNET platform combines the strength of a PKI technology with the trust and flexibility of multi-factor authentication, meeting the stringent security mandates and policies established by governments, defense organizations and commercial enterprises. For Spotlight, the centralized infrastructure: <ul style="list-style-type: none"> <li>• is configured to securely transport process data from the industrial hardened DCD, transform and aggregate the data into an enterprise-grade database;</li> <li>• has automated industrial data analytic capabilities;</li> <li>• provides customer dashboard functionality, identifying in real-time the top</li> </ul>



	<p>productivity issues and recommendations;</p> <ul style="list-style-type: none"><li>• includes a content management system, alert and notification capabilities;</li><li>• leverages the full credential life cycle management capabilities of MobiNET; and</li><li>• is supported by Route1’s 24/7/365 help desk.</li></ul>
<b>Plant Floor Display</b>	Located at the customer plant to display the dashboard.
<b>Secure Web-based Interface</b>	Customers access this interface to view their dashboard and standardized reports from any browser-based hardware platform.

**About HTM Sensors Inc.**

HTM Sensors Inc. serves owners and operators of industrial machines with world class sensors and first class downtime reduction programs to apply to them. As a pioneer in the field of downtime reduction strategies including the application, selection, installation, and protection of sensing devices, HTM Sensors is a leader in industrial vending machines to track plant usage, and vendor managed inventory solutions to help manufacturers produce more at a lower cost. With offices in Burlington, Ontario and Niagara Falls, New York, HTM Sensors serves over 8,000 manufacturers with sensors and service programs through a distribution network of qualified stocking distribution partners. With one of the widest ranges of proximity sensors in the world, HTM Sensors serves customers in the automotive stamping and welding industry, as well as companies in the assembly, CNC machining, food, packaging, pharmaceutical, farming, aerospace, transportation, mobile, and heavy equipment industries. With *Spotlight, Powered by MobiNET*, HTM Sensors is looking to improve manufacturing in North America and beyond with innovative data analytics to show manufacturers exactly where to look to eliminate production problems and allow them to produce more. For more information, visit: [www.htmsensors.com](http://www.htmsensors.com)

**About Route1 Inc.**

Route1 Inc. is a world-leader in secure data protection technologies and user authentication for government and enterprise. Route1 solutions enable the workforce to be more productive and more flexible without compromising system access, data-at-rest, or data-in-use. The Company’s suite of patented enterprise security solutions combines best-in-class authentication, data security and secure communications with streamlined administration tools, running on a proven, trusted infrastructure. From mobile access to business continuity to best-in-class full system encryption, Route1 offers the most effective, affordable methods to secure the digital fortress, while meeting or exceeding the highest standards for government and industry. Route1 has Full Authority to Operate from the U.S. Department of Defense, the U.S. Department of the Navy, the U.S. Department of the Interior, and other government agencies. The Company is also trusted by enterprise security



teams in the banking, healthcare, legal and education sectors, among others. With offices in Washington, D.C., Boca Raton, FL and Toronto, Canada, Route1 serves public and private sector clients around the world. Route1 is listed on the OTCQB in the United States under the symbol ROIUF and in Canada on the TSX Venture Exchange under the symbol ROI. For more information, visit: [www.route1.com](http://www.route1.com).

**For More Information Contact:**

Bob Hooper  
President, HTM Sensors Inc.  
+1 905 467-5455  
[bob@htmsensors.com](mailto:bob@htmsensors.com)

Brian Brunetti  
President, Route1 Inc.  
+1 416 814-2626  
[brian.brunetti@route1.com](mailto:brian.brunetti@route1.com)

This news release, required by applicable Canadian laws, does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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.

This news release contains statements that are not current or historical factual statements that may constitute forward-looking statements. These statements are based on certain factors and assumptions, including, expected financial performance, business prospects, technological developments, and development activities and like matters. While Route1 Inc. 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 risk factors described in reporting documents filed by the Company. Actual results could differ materially from those projected as a result of these risks and should not be relied upon as a prediction of future events. The Company undertakes no obligation to update any forward-looking statement 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 news release are from Company sources.



© 2017 Route1 Inc. All rights reserved. No part of this document may be reproduced, transmitted or otherwise used in whole or in part or by any means without prior written consent of Route1 Inc. See <https://www.route1.com/terms-of-use> for notice of Route1's intellectual property.

###