

VirtualArmour Reports Q3 Financial Results

Sees 39% Period Over Period Revenue Growth

VANCOUVER, British Columbia, Nov. 29, 2017 -- Premier Managed Services Provider, VirtualArmour International Inc. (the "Company") (CSE:VAI) (3V3:F) (OTCQB:VTLR), today announced its financial results for the three and nine-month period ended September 30, 2017.

Christopher Blisard, Co-Founder and Chairman of VirtualArmour said;

"These are positive results for VirtualArmour which has increased its period over period (Q3'16 to Q3'17) revenues from Managed and Professional Services by 24% across industry sectors. The sustained growth in revenue continues to be driven by increased scope and contract values with several existing clients as well as the addition of several new clients which have engaged as a result of accelerated lead generation and referral programs.

Headlines on damaging security breaches are occurring daily and with this, an increasing number of organizations are sourcing trusted specialists like VirtualArmour, which are capable of securing their business networks and sensitive data. These directives are now coming directly from the Boardroom and driving significant growth for Managed Security Services.

Due to the growing threat of targeted breaches across all industries and business sizes, the outlook for the remaining quarter of 2017 remains positive as increasing budgets are allocated to cyber protection and preparing for 2018"

Financial Highlights

- During the nine months ended September 30, 2017, the Company recorded revenues of \$8,627,601 (2016 - \$6,849,871), a 26.0% period over period increase.
- Hardware and software sales and product support services revenues during the nine months ended September 30, 2017 were \$6,755,861 (2016 - \$5,298,861), a 27.5% period over period increase.
- Managed and professional services revenues during the nine months ended September 30, 2017 were \$1,871,740 (2016 - \$1,551,010), a 20.7% period over period increase.
- Gross profit as a percentage of revenue was 20.1% during the nine months ended September 30, 2017, as compared to 17.0% during the six months ended June 30, 2017. This increase in gross profit margin was driven by a higher volume of managed and professional services contracts being implemented.

The table below details certain non-cash and other transactions that for the purposes of this discussion have been adjusted out of the reported loss to produce an adjusted loss that forms a better basis for comparing the period over period operating results of the Company.

	2017 \$	2016 \$
Loss for the period as reported	(1,243,069)	(1,762,245)
Add (deduct):		
Gain on debt settlement, net of legal fees	-	(167,375)
Change in fair value of warrant derivative liabilities	(27,173)	1,351,613
G&A expense – share-based payments	84,042	132,354
Adjusted loss for the period ⁽¹⁾	(1,186,200)	(445,653)

⁽¹⁾Adjusted loss for the period is not a term recognized under IFRS. Non-IFRS measures do not have standardized meaning. Accordingly, non-IFRS measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Operational Highlights:

- During the 3rd quarter, the Company:
 - Gained clearance from the Financial Industry Regulatory Authority (FINRA) for trading on the OTCQB® Venture Market under the ticker symbol "VTLR".
 - Announced the launch of a new, upgraded version of its CloudCastr Client portal. This proprietary portal delivers rich, real-time information about the environment and services managed by VirtualArmour.
 - Initiated a Personal Identity Protection Analysis for the executive leadership of its entire client base as part of its Managed Security Service.

- Maintained 100% retention of its current client base and onboarded three new clients.
- Integrated two new technology partners to enhance the current portfolio of manageable services.

About VirtualArmour

VirtualArmour is a global cybersecurity and Managed Services provider that delivers customized solutions to help businesses build, monitor, maintain and secure their networks.

The Company maintains 24/7 client monitoring and service management with specialist teams located in its US and UK-based security operation centers ("SOC"). Through partnerships with best-in-class technology providers, VirtualArmour delivers only leading hardware and software solutions for customers that are both sophisticated and scalable, and backed by industry-leading customer service and experience. VirtualArmour's proprietary CloudCastr client portal and prevention platform provides clients with unparalleled access to real-time reporting on threat levels, breach prevention and overall network security.

VirtualArmour services a wide range of clients - which include those listed on the Fortune 500 - within several industry sectors, in over 30 countries, across five continents. Further information about the Company is available under its profile on the SEDAR website, www.sedar.com, on the CSE website, www.thecse.com, and on its website www.virtualarmour.com

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Forward-Looking Information:

This press release may include forward-looking information within the meaning of Canadian securities legislation. The forward-looking information is based on certain key expectations and assumptions made by the management of VirtualArmour. Although VirtualArmour believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information as VirtualArmour cannot provide any assurance that it will prove to be correct. These forward-looking statements are made as of the date of this press release and VirtualArmour disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.