

INFONAUTICS FINANCIAL NEWS RELEASE, Q1 2001

Infonautics, Inc. Reports First Quarter 2001 Results

KING of PRUSSIA, Pa., (May 3, 2001) - Infonautics, Inc. (Nasdaq: INFO), a provider of personalized information agents and Internet sites, today reported results for the three months ended March 31, 2001.

Infonautics reported a loss from operations, excluding merger related costs, of \$1.4 million, or \$0.11 per share, for the first quarter of 2001 compared to \$2.8 million, or \$0.23 per share, for the first quarter of 2000. The loss from operations including merger related costs was \$2.1 million, or \$0.16 per share.

Infonautics reported a net loss of \$1.2 million, or \$0.09 loss per share for the first quarter of 2001 compared to a net loss of \$5.3 million or \$0.44 for the prior year's first quarter. The net loss in 2001 was improved by a realized gain of \$822,000 recognized from the sale of certain shares of marketable securities, offset by merger related costs of \$696,000. The first quarter of 2000 included non-cash charges for the Company's equity interest in bigchalk.com inc. of \$2.5 million.

Total revenue for the first quarter of 2001 was \$1.8 million compared to \$3.0 million in the same quarter of the prior year. End-user subscription revenue from [Electric Library](#) was \$1.5 million during the first quarter of 2001, down from \$2.4 million during the same quarter of the prior year. Advertising and e-commerce revenue decreased to \$285,000 for the first quarter of 2001 from \$634,000 during the same quarter of the prior year.

Van Morris, President and CEO of Infonautics, commented, "With declining revenues we continue to focus on the expense line. At the same time, we are excited about the previously announced merger with Tucows Inc. and the potential to create value."

The Company announced that it had \$10.9 million in cash and marketable securities at quarter end, including approximately 26,000 shares held in eBay Inc. On February 23, 2001, the Company sold 130,500 of its shares in eBay, at the expiration of the related equity collar, for a net amount of approximately \$6,560,000.

Other Updates:

- As of March 31, 2001, the Electric Library site had nearly 75,000 individual paying subscribers.
- As of March 31, 2001, there were approximately 1.4 million registered users of the company's Sleuth sites.
- Infonautics delivered an estimated 103 million personalized emails to its registered users in the first quarter of 2001.
- On March 28, 2001, Infonautics announced it had signed a definitive merger agreement with privately held Tucows Inc., a leading provider of wholesale digital products to Internet service providers and web hosting companies worldwide.

First Quarter Conference Call

The Company will conduct a conference call and web cast on May 3, 2001 at 5 p.m. EST. Van Morris, Infonautics' President and Chief Executive Officer will host the call. Interested individuals are invited to

listen to the call on the Internet at <http://www.videonewswire.com/INFONAUTICS/050301> or by telephone at 800-235-0452 and reference ID # INFONAUTICS. It is recommended that participants call ten (10) minutes ahead of the scheduled start time to ensure proper connection.

The call will be available one hour after it concludes for replay on Thursday, May 3, 2001 through 11:59 p.m. EST, Wednesday, May 9, 2001. To access the audio replay, dial 877-856-8966. To access the replay of the webcast, go to <http://www.videonewswire.com/INFONAUTICS/050301>.

About Infonautics

Infonautics, Inc. (Nasdaq: [INFO - news](#)) is a provider of personalized information agents and Internet sites. The Infonautics Network of Web properties includes the award-winning Company Sleuth, Job Sleuth and Entertainment Sleuth sites. The Infonautics Network also includes Search and Reference Media sites consisting of Electric Library, Encyclopedia.com and NewsDirectory.com. The Electric Library site was the first reference site of its type on the Internet, and is one of the largest paid subscription sites on the Web. Infonautics was founded in 1992 and is headquartered in King of Prussia, PA.

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This news release contains, in addition to historical information, forward-looking statements that involve risks and uncertainties, including revenues, expenses, and the effects and potential value of the Company's pending merger with Tucows Inc. Forward looking statements are based on management's current expectations and are subject to a number of uncertainties and risks that could cause actual results to differ materially from those described in the forward-looking statements, including the Company's ability to consummate the merger and the market's acceptance of the combined company. More information about potential factors, which could affect the Company's financial results, is included in the Risk Factors sections of the Company's filings with the Securities and Exchange Commission. All forward-looking statements included in this document are based on information available to the Company as of the date of this document, and the Company assumes no obligation to update any such forward-looking statements.

INFONAUTICS, INC. SUMMARY FINANCIAL DATA

	Three Months Ended March 31,	
	2001	2000
Statement of Operations Data (unaudited):		
Total revenues	\$1,839,000	\$3,041,000
Operating costs and expenses	\$3,895,000	\$5,840,000

Loss from operations	\$(2,056,000)	\$(2,799,000)
Equity (loss) in affiliates	\$0	\$(2,499,000)
Other income	\$822,000	\$0
Net loss	\$(1,191,000)	\$(5,293,000)
Net loss per common share - basic and diluted	\$ (.09)	\$ (.44)
Weighted average shares outstanding - basic and diluted	12,629,300	12,034,300

March 31	December 31
2001	2000

Balance Sheet Data

Cash and cash equivalents	\$9,551,000	\$4,461,000
Marketable Securities	\$1,327,000	\$7,885,000
Working capital	\$8,196,000	\$10,192,000
Total assets	\$13,816,000	\$15,796,000
Total shareholders' equity (deficit)	\$10,344,000	\$12,452,000