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NOT FOR DISSEMINATION IN THE UNITED STATES OR FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES AND DOES NOT CONSTITUTE AN OFFER OF THE SECURITIES DESCRIBED HEREIN.

**CALL GENIE EXECUTES DEFINITIVE AGREEMENT TO ACQUIRE THE ASSETS OF UPSNAP SERVICES, LLC AND ENTERS INTO A LETTER OF ENGAGEMENT FOR A \$1.2 MILLION FINANCING**

**Toronto, Ontario – October 13, 2011** - Call Genie Inc. (**TSX: GNE**) ("Call Genie" or the "Company") is pleased to announce that it has entered into a definitive Agreement to acquire the assets of UpSNAP Services, LLC ("UpSNAP") in a cash and equity transaction. Management of Call Genie expects that this acquisition will allow the Company to expand its product offering to existing and prospective customers, increase revenues, and move further into the advertising network space through additional forms of publications, advertisers, mobile advertising services and partnerships.

UpSNAP is one of the largest direct response advertising networks on mobile phones in the United States and a pioneer in the pay-per-call industry. With over 1,000 advertising customers and effective campaign management resources, UpSNAP served over one billion ads in the first half of 2011 converting consumers using mobile devices into qualified in-bound calls for advertisers through various mobile advertising networks and strategic relationships. Related solutions offered by UpSNAP include sophisticated experience-based algorithms to deliver targeted and relevant advertising to any mobile phone in the U.S., phone number provisioning and call tracking/analytics.

UpSNAP, based in Charlotte, North Carolina with five employees, generated transaction based revenues of approximately \$0.7 million USD (unaudited) for the year ended December 31, 2010.

Management of Call Genie considers UpSNAP's technologies to be complementary to Call Genie's comprehensive suite of advertising services including Call Genie's:



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- Sophisticated platform for managing and serving mobile search, voice and display advertising;
- Merchant/Agency Self-service and Ad/Campaign Management solutions;
- Multi-modal call, click, event and tag tracking, reporting, reconciliation and performance analytic services; and
- Access to a network of publishers, advertisers and partners.

Following closing, Call Genie expects to merge operations with UpSNAP in Q4, 2011, brand the combined suite of mobile advertising services *UpSNAP Mobile*, and offer the comprehensive array of services via the cloud through pre-defined APIs or on a white label basis to customers wishing to serve and manage their own search and advertising. Tony Philipp, CEO and principal owner of UpSNAP has agreed to accept the role of SVP Mobile Advertising at Call Genie, following closing.

“We are very pleased to have reached this agreement with UpSNAP,” stated Michael Durance, CEO of Call Genie. “UpSNAP’s ad network and mobile advertising solutions are very complementary and we expect to leverage our combined product suite to connect ready-to-transact consumers with merchants through the mobile eco-system. Tony Philipp and his team have done a great job building UpSNAP and we are confident in our ability to expand their platform and scale their volume.”

“We saw this as a tremendous opportunity to combine our relationships with national advertisers with Call Genie’s local-centric relationships,” noted Tony Philipp, CEO of UpSNAP. “Michael and I see multiple cross-selling opportunities as well as the ability to increase revenues and margins at UpSNAP through additional working capital investment.”

As consideration for the transaction, Call Genie has agreed to issue 3 million common shares to the owners of UpSNAP and pay \$125,000 USD in cash at closing. The acquisition agreement provides that an additional 500,000 common shares and \$125,000 USD will be payable nine months from closing based on pre-established performance criteria.

Further, Call Genie announced today that it has entered into an engagement letter with Wolverton Securities Ltd. ("Wolverton"), under which Wolverton has agreed to act as its agent on a commercially reasonable efforts basis for a financing of up to 12,000,000 units (the "Units") at a price of \$0.10 per Unit. Each Unit is to consist of



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one common share in the capital of Call Genie and one-half of one common share purchase warrant. Each whole warrant will entitle the holder thereof to acquire one common share at an exercise price of \$0.12 per share for a period of 36 months following the closing of the financing. All securities issued pursuant to the financing will be subject to a four-month hold period under applicable securities laws.

Call Genie expects to utilize the net proceeds of the financing to support the expansion of UpSNAP through ad/campaign inventory purchases and to provide general working capital for the company. Completion of the Wolverton financing is subject to the satisfaction or waiver of a number of conditions including receipt of TSX approval, approval by the board of directors of the Company and completion of Wolverton due diligence.

The acquisition of UpSNAP and the financing are expected to close this month. The completion of the UpSNAP acquisition is subject to satisfaction or waiver of a number of conditions in favour of Call Genie including receipt of TSX approval, approval by the board of directors of the Company and completion of the financing.

### About Call Genie Inc.

Call Genie is a leading global solutions provider in mobile local search and mobile digital interactive advertising. Call Genie enables traditional industries to move to new business models that support the connection of mobile consumers and local merchants. Solutions provided include search and advertising serving technology and services that utilize advanced wireless networks as well as the mobile internet to enable a "mobile ecosystem" that encompasses advertisers, service providers (e.g., internet yellow pages, carriers, network broadcasters) and mobile users. Currently, Call Genie solutions are deployed in 12 countries around the world. [www.callgenie.com](http://www.callgenie.com).

### For More Information

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*Certain statements included in this News Release are not historical facts, but rather are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "hope", "plan", "continue", "estimate", "expect", "may", "will", "intend", "could", "might", "should", "scheduled", "believe" and similar expressions. The forward-looking information set out in this news release includes statements concerning the Company's acquisition of UpSNAP Services, LLC such as: 1) the expectation that this acquisition will allow the Company to expand its product offering to existing and prospective customers, increase revenues, and move further into the*



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advertising network space through additional forms of publications, advertisers, mobile advertising services, and partnerships; 2) the expectation that the Company will merge operations with UpSNAP in Q4, 2011, brand the combined suite of mobile advertising services UpSNAP Mobile, and offer the comprehensive array of services via the cloud through pre-defined APIs or on a white label basis to customers wishing to serve and manage their own search and advertising; and 3) the expectation that the Company expects to leverage the combined product suite to connect ready-to-transact consumers with merchants through the mobile eco-system.

Forward-looking statements are based upon the opinions, expectations and estimates of management and, in some cases, information received from or disseminated by third parties, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or outcomes to differ materially from those anticipated or implied by such forward-looking statements. Generally, these factors include such things as the Company's current stage of development, the lack of a corporate track record with respect to the generation of revenues from performance-based arrangements with customers, the Company's reliance on third parties and third party technology, the existence of competition, the availability of external financing, the inherent risks associated with research and development activities and commercialization of emerging technologies (such as lack of market acceptance), timing of execution of various elements of the Company's business plan, the availability of human resources, the emergence of competing business models, and new laws (domestic or foreign). In respect of: 1) the expectation that this acquisition will allow the Company to expand its product offering to existing and prospective customers, increase revenues, and move further into the advertising network space through additional forms of publications, advertisers, mobile advertising services, and partnerships; 2) the expectation that the Company will merge operations with UpSNAP in Q4, 2011, brand the combined suite of mobile advertising services UpSNAP Mobile, and offer the comprehensive array of services via the cloud through pre-defined APIs or on a white label basis to customers wishing to serve and manage their own search and advertising; 3) the expectation that the Company expects to leverage the combined product suite to connect ready-to-transact consumers with merchants through the mobile eco-system; those risks, uncertainties and factors include, but are not limited to, such things as lack of acceptance by customers, management's estimates of project requirements being incorrect, unavailability of suitable internal resources, risks associated with the integration of the two company's technologies, a lack of advertising sources for integration into the platform, and management's understanding of the competitive and regulatory environment being incorrect. Accordingly, readers should not place undue reliance upon the forward-looking information contained herein and the forward-looking statements contained in this News Release.

The forward-looking information summarized above is based upon various assumptions and factors, including management's estimates of project opportunities, progress made to date in the deployment of Company and UpSNAP technologies, estimations of additional time required to complete the implementation and the availability of resources to complete the activities.

Call Genie Inc. does not assume responsibility for the accuracy and completeness of the forward-looking statements set out in this News Release and, subject to applicable securities laws, does not undertake any obligation to publicly revise such forward-looking statements to reflect subsequent events or circumstances. Call Genie Inc.'s forward-looking statements are expressly qualified in their entirety by this cautionary statement. Additional information relating to various risk factors to which Call Genie is exposed in the conduct of its business (and which may affect the expectations or outcomes reflected in the forward-looking statements contained in this News Release) are described in the Company's interim MD&A for the quarter ended June 30, 2011, which has been filed with certain securities regulatory authorities in Canada and is available through SEDAR, at [www.sedar.com](http://www.sedar.com).

**The TSX Exchange has neither approved nor disapproved the contents of this news release.**