

Call Genie Reports Record Second Quarter 2011 Financial Results

Q2 Revenues of \$2.1 Million and positive EBITDA

Toronto, Ontario – August 11, 2011. Call Genie, a leading provider of mobile local search and advertising solutions, today announced its financial results for the three and six months ended June 30, 2011.

HIGHLIGHTS

- The Company generated a record amount of quarterly revenue of \$2.1 million for the three months ending June 30, 2011.
- The second quarter of 2011 represented the first quarter for which the Company has reported positive Earnings Before Interest Depreciation and Amortization (EBITDA).
- Revenue from transaction fees represented 46% of the \$2.1 million revenues reported for the quarter. This compares to the 9% for the same quarter in 2010.
- During the quarter, the Company collected in full a material outstanding receivable from a yellow pages provider in Canada.

Second Quarter Results

- Revenues recognized of \$2.1 million (consistent with previously communicated financial guidance) compares to \$1.3 million for second quarter of 2010.
- EBITDA of positive \$0.4 million compares to negative \$2.2 million for the second quarter of 2010.
- Net loss for the quarter ended June 30, 2011 was \$0.3 million (\$0.00 per share) compared to \$3.0 million for the same period in 2010 (\$0.04 per share).

Year to Date Results

- Revenues recognized of \$3.2 million compares to \$1.9 million for first six months of 2010.
- EBITDA of negative \$0.2 million compares to negative \$4.5 million for the six months of 2010.
- Net loss for the six months ended June 30, 2011 was \$2.0 million (\$0.02 per share) compared to \$6.1 million for the same period in 2010 (\$0.07 per share).
- At June 30, 2011 the Company had a cash balance of \$1.8 million compared to \$0.4 million at December 31, 2010.
- Deferred revenues decreased to \$1.7 million at June 30, 2011 from \$3.4 million at December 31, 2010.



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OUTLOOK

The Company has commenced the development of a Software as a Service (“SaaS”) platform, which it plans to introduce in the third quarter of 2011. Under the SaaS platform, the Company expects to integrate many of its existing customer relationships in an effort to provide a comprehensive advertising network to various sources of call volume and mobile web traffic. Michael Durance, CEO of the Company, remarked, “We are excited by the prospects of the SaaS platform. This initiative is intended to provide us with greater control over the commercialization cycle and enhance our ability to respond quickly to market pressures.”

This news release should be read in conjunction with Call Genie’s condensed interim consolidated financial statements and the accompanying notes as at and for the three and six months ended June 30, 2011 and the related Management Discussion and Analysis, which have been filed with certain securities regulatory authorities in Canada and are available on SEDAR (www.sedar.com) and on the Call Genie website at www.callgenie.com

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.

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. In particular, this news release includes forward-looking information respecting the SaaS platform such as the anticipated timing of introduction of that platform.

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. With respect to the information concerning the SaaS platform, those risks, uncertainties and factors include, but are not limited to, such things as management's estimates of project requirements being incorrect, suitable internal resources being unavailable, information received from customers with respect to anticipated transaction volumes being incorrect, advertising sources to be integrated into the platform being unavailable, 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 should not be considered or interpreted as guarantees of future outcomes or results.



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Forward-looking information respecting the timing of the introduction of the SaaS platform is based upon management's estimates of project requirements, progress made to date in the development and deployment of SaaS, 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 three and six months ended June 30, 2011, which has been filed with certain securities regulatory authorities in Canada and is available through SEDAR, at www.sedar.com.

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