

UPSNAP ELECTS NEW CHAIRMAN OF THE BOARD AND ANNOUNCES SECOND QUARTER 2016 FINANCIAL RESULTS

*-Mobile Advertising Revenue Reaches a New Quarterly High-
- Recurring Revenue Grows 41% Year over Year -*

Toronto, Ont. – August 24, 2016 – UpSnap Inc. (CSE: UP) ("UpSnap" or the "Company"), a leading provider of mobile advertising solutions, today announced its second quarter (Q2) financial results for the three-month period ended June 30, 2016.

"We continue to see revenue remain steady as we focus on growing our subscriber base," said Bruce Howard, CEO of UpSnap Inc.

Second Quarter Financial Highlights

- Mobile advertising revenue increased by 12% to \$1.20 million for Q2 2016, compared to \$1.07 million in Q2 2015 while total operating revenue was \$1.37 million for Q2 2016, compared to \$1.31 million in Q2 2015.
- Total recurring revenue increased by 24% to \$0.39 million in Q2 2016 totaling 29% of revenue compared to \$0.32 million of recurring revenue totaling 24% of revenue in Q2 2015. Total recurring revenue for the six month period ended June 30, 2016 increased by 41% to \$0.90 million compared to \$0.64 million for the six month period ended June 30, 2015.
- Total subscribers rose 20% year over year from 1,345 in Q2 2015 to 1,612 in Q2 2016.
- Total operating costs were \$1.63 million for Q2 2016, compared to \$1.51 million in Q2 2015. Total operating costs for the six months ended June 30, 2016, decreased to \$3.18 million compared to \$3.23 million for the six month period ended June 30, 2015.

Operational Highlights

- The Board of Directors elected Bruce C. Howard as Chairman with Michael Inskip as Independent Lead Director. The Audit, Compensation, Governance and Nominating committees were also elected.
- The Company extended its mobile advertising network to include Facebook.

This news release should be read in conjunction with UpSnap's unaudited financial statements and the accompanying notes, as at and for the period ended June 30, 2016, together with the related Management Discussion and Analysis. Those documents have been filed with certain securities regulatory authorities in Canada and are available on SEDAR (www.sedar.com) and on the UpSnap website at www.upsnap.com.

About UpSnap

UpSnap provides highly-targeted, data-driven mobile advertising to attract the ideal audience for brands big and small. Combining first-party proprietary data and real-time analytics, UpSnap goes beyond location to deliver site agnostic and results-driven campaigns that produce qualified, engaged customers. UpSnap tailors each campaign to align with unique business goals, delivering the right customers for more meaningful exposure and better business results.

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Caution Regarding Forward Looking Information

Certain information set out in this News Release constitutes forward-looking information. Forward-looking information is 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 relates to future events or our future performance and includes: (i) continued growth in the subscriber base; (ii) growth in the RTB platform; (iii) the Company's ability to succeed in the mobile advertising market by focusing on growth and profitability.

Although the forward-looking statements contained in this news release are based upon what management of the Company believes are reasonable assumptions on the date of this news release, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. Forward-looking statements involve substantial known and unknown risks, uncertainties and other factors which cause actual results to vary from those express or implied by such forward looking statements. These statements should not be read as guarantees of future performance or results, and they will not necessarily be accurate indications of whether or not such results will be achieved.

The forward-looking statements contained in this press release are made as of the date hereof and based on what management of the company believes are reasonable assumptions. The Company disclaims any intention or obligation to update or publicly revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required under applicable securities laws. Furthermore, the Company does not assume responsibility for the accuracy and completeness of the forward looking statements set out in this news release. The Company's forward looking statements are expressly qualified in their entirety by the foregoing cautionary statements.

The CSE has not reviewed, approved or disapproved the content of this press release.