AirIQ®

FOR IMMEDIATE RELEASE

AirIQ Announces September 30, 2016 Quarterly Results; Appoints New Chief Financial and Chief Operating Officer

Toronto, Ontario – November 16, 2016 – AirIQ Inc. ("AirIQ") (TSXV:IQ), a supplier of wireless asset management services, today announced its financial results for the three months and six months ended September 30, 2016, as well as the appointment of a new combined Chief Financial and Chief Operating Officer.

"The Company continues to deliver profitability and positive operating cash flow," said Michael Robb, President and Chief Executive Officer of AirIQ. "The slight decreases in revenue and gross profit were expected following the early transition from the 2G to 3G network. The Company is now positioned to concentrate on larger customers with higher margin potential, such as our recently announced large construction company, as well as acquiring new customers that are being affected by the 2G network shutdown in the United States at the end of this year," continued Mr. Robb.

Mr. Robb also stated, "We are taking steps to build the operational infrastructure of the Company so that we can pursue a more aggressive growth agenda. One such step includes the appointment of Douglas Ritchie in a combined role of Chief Financial and Chief Operating Officer of the Company. We are pleased to welcome Doug to the AirIQ team, and are looking forward to benefiting from his broad experience in multiple industries, including construction and equipment rental, along with manufacturing, hospitality and consumer products in medium size to large multinational corporations,.

Mr. Ritchie will be responsible for leading AirIQ's financial strategy and operations and supporting all functions of the organization. Mr. Ritchie is a dual Canadian/USA citizen with senior accounting expertise honed with Alcatel, Synovate, Bic Canada and the construction division at Marriott International headquarters and its Canadian subsidiary in Toronto.

"The Company is positioned for growth and opportunity," stated Douglas Ritchie, "and I am looking forward to working with the AirIQ team to successfully execute on our goals and strategies," continued Mr. Ritchie.

Mr. Ritchie's appointment as an Officer of the Company is effective immediately, but is subject to review and approval by the TSX Venture Exchange.

Unless otherwise noted herein, and except share and per share amounts, all references to dollar amounts from this point forward are in thousands of Canadian dollars.

Second Quarter Highlights:

- Both revenues and expenses for the three months ended September 30, 2016 remained relatively unchanged from the same quarter the previous year.
- EBITDAS of $140 for the three months ended September 30, 2016 decreased 12% from $159 compared to the same quarter the previous year; but increased by $13 or 10% over the previous quarter ended June 30, 2016.

Financial Highlights

	Three months ended 30-Sep-2016	Three months ended 30-Sep-2015
Total Revenue	$753	$757
Gross profit [(1)]	$446	$490
Gross profit % [(1)]	59%	65%
Expenses [(2)]	$306	$331
EBITDAS [(3)]	$140	$159
Other expenses [(4)]	$56	$32
Net income and comprehensive income	$84	$127
Net income per share, basic and diluted	$0.00	$0.00

(1) *Gross profits declined in the period due to the costs of transitioning customers due to the 2G Sunset.*
(2) *Excludes share-based compensation.*
(3) *EBITDAS represents earnings before interest, tax, depreciation, amortization, shared-based compensation expense and gain on business acquisition. See "Non-GAAP/IFRS Measures" below.*
(4) *Includes non-cash notional charges such as interest, depreciation and amortization, impairment of long lived assets, share-based compensation expense.*

Business Review

The Company continues to focus on its key strategy elements to build revenues and reduce costs to maintain profitability and positive cash flow and to seek opportunities to form value creating strategic partnerships.

Overview

The Company's consolidated condensed interim financial statements include the accounts of AirIQ and its subsidiaries, AirIQ U.S. Holdings, Inc., AirIQ U.S., Inc., and AirIQ, LLC. All inter-company balances and transactions have been eliminated on consolidation.

The Company's consolidated condensed interim financial statements for the three months and six months ended September 30, 2016, including notes thereto, and Management's Discussion and Analysis for the same period were filed with the Canadian securities regulatory authorities on November 16, 2016, and will be available on the Company's website (www.airiq.com) and on the System for Electronic Document Analysis and Retrieval ("SEDAR") website (www.sedar.com).

Revenues

Revenues for the three months ended September 30, 2016, remained relatively unchanged at $753 during the quarter ended September 30, 2016 from $757 for the three months ended September 30, 2015. Revenues for the six months ended September 30, 2016, increased 6% to $1,676 from $1,579 for the six months ended September 30, 2015. Approximately 57% of the total revenue for the period represents recurring revenue from the Company's airtime customers.

Revenues received from equipment sold in connection with service contracts are recorded as deferred revenue and recognized over the initial term of the service contract.

Sales of hardware units associated with service contracts recorded to deferred revenues were approximately $159 and $472, respectively, during the three months and six months ended September 30, 2016, compared to $200 and $418, respectively, during the three months and six months ended September 30, 2015. Revenues recognized from deferred revenues for the three months and six months ended September 30, 2016 were approximately $202 and $402, respectively, compared to $164 and $315, respectively, during the three months and six months ended September 30, 2015.

Included in the Company's revenues are sales of units that were sold without a fixed term service contract of approximately $53 and $302, respectively, during the three months and six months ended September 30, 2016, compared to approximately $21 and $137, respectively, during the three months and six months ended September 30, 2015.

Gross Profit
Overall, gross profit decreased by $44 or 9% to $446 for the three months ended September 30, 2016 compared to $490 for the three months ended September 30, 2015, and by $63 or 7% to $872 for the six months ended September 30, 2016 compared to $935 for the six months ended September 30, 2015.

Equipment gross profits increased by approximately $16 and $46, respectively, to $69 and $139, respectively, during the three months and six months ended September 30, 2016 from $53 and $93, respectively, for the three months and six months ended September 30, 2015.

Service contract gross profits decreased by approximately 14% and 13%, respectively, to $377 and $733, respectively, for the three months and six months ended September 30, 2016 from $437 and $843, respectively for the three months and six months ended September 30, 2015.

Expenses and Other Items
Sales and marketing, research and development and general and administrative expenses totalled $322 and $631, respectively, for the three months and six months ended September 30, 2016 compared to $351 and $689, respectively, for the three months and six months ended September 30, 2015.

Overall these expenses were decreased by $29 and $58, respectively, for the three months and six months ended September 30, 2016, when compared to the three months and six months ended September 30, 2015.

Expense reductions for the three months ended September 30, 2016 when compared to the three months ended September 30, 2015 were achieved in the following areas; (a) wage and related expense of approximately $6, (b) facility costs were reduced by $3, (c) consulting fees were decreased by $3, (d) public reporting expenses were reduced by $12, and (e) other cost reductions of approximately $13 related primarily to general costs. These savings were offset as follows; (a) computer operating costs were increased by $2, (d) legal costs were increased by $1, (c) other costs were increased by $5, related primarily to stock based compensation costs.

Expense reductions for the six months ended September 30, 2016 when compared to the six months ended September 30, 2015 were achieved in the following areas; (a) wage and related expense of approximately $31, (b) facility costs were reduced by $16, (c) consulting fees were decreased by $7, (d) legal costs were reduced by $2, and (e) other cost reductions of approximately $25 related primarily to public reporting and general costs. These savings were offset as follows; (a) computer operating costs were increased by $14, (b) stock based compensation costs were increased by $9.

Net income
The Company generated net income for the three months and six months ended September 30, 2016 of $84 and $156, respectively, or $0.00 and $0.01, respectively, per share as compared to net income of $127 and $201, respectively, or $0.01 and $0.01, respectively, per share for the three months and six months ended September 30, 2015, a reduction of $43 and $45, respectively.

The decrease in net income for the three months ended September 30, 2016 when compared to the three months ended September 30, 2015 can be attributed to expense reductions of approximately $29. These improvements were offset by a) an increase in foreign exchange of approximately $9, b) decreased gross profits of $44, and c) an increase in amortization of approximately $19.

The decrease in net income for the six months ended September 30, 2016 when compared to the six months ended September 30, 2015 can be attributed to expense reductions of approximately $58. These improvements were offset by a) an increase in foreign exchange of approximately $3, b) decreased gross profits of $63, and c) an increase in amortization of approximately $36e), and (d) an increase in interest expense of approximately $1.

Financial Statements & MDA
The Company's consolidated condensed interim financial statements for the three months and six months ended September 30, 2016, including notes thereto, and Management's Discussion and Analysis for the same period are being filed with the Canadian securities regulatory authorities on today's date, and will be available on the Company's website (www.airiq.com) and on the System for Electronic Document Analysis and Retrieval ("SEDAR") website (www.sedar.com). The Company's financial statements include the accounts of AirIQ and its subsidiaries, AirIQ U.S. Holdings, Inc., AirIQ U.S., Inc., and AirIQ, LLC. All inter-company balances and transactions have been eliminated on consolidation.

About AirIQ
AirIQ currently trades on the TSX Venture Exchange under the symbol IQ. AirIQ is an intuitive web-based platform that provides fleet operators and vehicle owners with a suite of asset management solutions to reduce cost, improve efficiency and monitor, manage and protect their assets. Services are available online or via a mobile app, and include: instant vehicle locating, boundary notification, automated inventory reports, maintenance reminders, security alerts and vehicle disabling and unauthorized movement alerts. AirIQ's office is located in Pickering, Ontario, Canada. For additional information on AirIQ or its products and services, please visit the Company's website at www.airiq.com.

Forward-looking Statements
This news release contains forward-looking information based on management's best estimates and the current operating environment. These forward-looking statements are related to, but not limited to, AirIQ's operations, anticipated financial performance, business prospects and strategies. Forward-looking information typically contains statements with words such as "hope", "goal", "anticipate", "believe", "expect", "plan" or similar words suggesting future outcomes. These statements are based upon certain material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking statements, including AirIQ's perception of historical trends, current conditions and expected future developments as well as other factors management believes are appropriate in the circumstances. Such forward-looking statements are as of the date which such statement is made and are subject to a number of known and unknown risks, uncertainties and other factors, which could cause actual results or events to differ materially from future results expressed, anticipated or implied by such forward-looking statements. Such factors include, but are not limited to, changes in market and competition, technological and competitive developments and potential downturns in economic conditions generally. Therefore, actual outcomes may differ materially from those expressed in such forward-looking statements. Forward-looking statements are provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that such information may not be appropriate for other purposes. Other than as may be required by law, AirIQ disclaims any intention or obligation to update or revise any such forward-looking statements, whether as a result of such information, future events or otherwise.

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