



FOR IMMEDIATE RELEASE

AirIQ Announces March 31, 2017 Year End Results Reporting Positive Results for the Third Year in a Row

Toronto, Ontario – July 12, 2017 – AirIQ Inc. (“AirIQ”) (TSXV:IQ), a supplier of wireless asset management services, today announced its financial results for the year ended March 31, 2017, reporting operating profit and positive cash flow for the third year in a row.

“We are pleased to report that the Company has generated operating profit and positive cash flow for the third year in a row; all while continuing to improve and add efficiencies to offer leading-edge technology solutions for our customers,” said Michael Robb, President and Chief Executive Officer of AirIQ. “The Company was able to hold annual revenue relatively steady over the prior year, despite the fact that we undertook a program to proactively transition our install base from 2G to 3G technology. This resulted in considerable churn, but our growth in new units was able to offset it. Now that the churn associated with that transition is behind us, we look forward to stronger revenue and unit growth. We have added resources to our sales and technical teams, and engaged Paul Hart as our Chief Financial Officer, bringing valuable knowledge and experience to drive the Company’s growth. As we look to 2018, we remain focused on maintaining a strong balance sheet, controlling costs and increasing sales with the goal of delivering value to our shareholders,” continued Mr. Robb.

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

Highlights of the quarter and the year are as follows:

Fourth Quarter Highlights:

- Revenue for the quarter was \$805, down 6% compared to \$855 for the same period in the prior year
- Gross profit improved to \$455 or 57% of revenue compared to \$432 or 51% during the same period in the prior year
- Operating and other expenses of \$366 increased by \$7 or 2% compared to \$359 during the same period in the prior year
- EBITDAS of \$145 for the three months ended March 31, 2017 improved \$23 or 19% from \$122 compared to the same quarter the previous year

Annual Highlights

- Revenue of \$3,253 decreased slightly by \$63 or 2% compared to \$3,316 the previous year
- Recurring service revenue represented \$1,960 or 60% of total revenue in 2017 compared to \$2,139 or 65% of revenue in the prior year
- Gross profit of \$1,786 or 55% gross margin compared to 56% in the prior year
- Operating expenses were extremely well controlled at \$1,254, down \$73 or 6% from \$1,327 in the prior year
- EBITDAS improved to \$574 or 3% compared to \$560 the prior year
- Net income of \$355 decreased by \$44 or 11% over the prior year
- Cash-flow from operating activities remained strong at \$398 (March 31, 2016: \$469) with an \$102 improvement in cash-flow compared to 2016 (March 31, 2017: \$24; March 31, 2016: (\$78))

Financial Highlights

	Three months ended	Three months ended	Twelve months ended	Twelve months ended
	31-Mar-2017	31-Mar-2016	31-Mar-2017	31-Mar-2016
Total Revenue	\$805	\$855	\$3,253	\$3,316
Gross profit ⁽¹⁾	\$455	\$432	\$1,786	\$1,851
Gross profit % ⁽¹⁾	57%	51%	54.9%	55.8%
Expenses ⁽²⁾	\$310	\$310	\$1,212	\$1,291
EBITDAS ⁽³⁾	\$145	\$122	\$574	\$560
Other expenses ⁽⁴⁾	\$56	\$49	\$219	\$161
Net income and comprehensive income	\$89	\$73	\$355	\$399
Net income per share, basic and diluted	\$0.00	\$0.00	\$0.01	\$0.01

(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 and shared-based compensation expense. The Company has included information concerning EBITDAS because it believes that it may be used by certain investors as one measure of the Company's financial performance. EBITDAS is not a measure of financial performance under IFRS and is not necessarily comparable to similarly titled measures used by other companies. EBITDAS should not be construed as an alternative to net income or to cash flows from operating activities (as determined in accordance with IFRS) or as a measure of liquidity.

(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 is focusing its efforts and resources on revenue growth and profitability by continuing to offer leading-edge technology solutions for existing and new customers. Following the shutdown of a wireless carrier 2G network in previous years and subsequent to the end of the year, we have been adding resources to our sales and technical teams. In addition, we added a new experienced Chief Financial Officer to help drive and support the business growth.

Overview

The Company's audited consolidated 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 audited consolidated financial statements as at and for the years ended March 31, 2017 and 2016, including notes thereto, and Management's Discussion and Analysis for the same period were filed with the Canadian securities regulatory authorities on July 12, 2017, 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).

Financial Statements & MDA

The Company's consolidated financial statements for the years ended March 31, 2017 and 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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