



FOR IMMEDIATE RELEASE

AirIQ Announces June 30, 2017 Quarterly Results 16% Increase in Recurring Revenue Over Same Quarter Last Year

Toronto, Ontario – August 29, 2017 – AirIQ Inc. (“AirIQ”) (TSXV:IQ), a supplier of wireless asset management services, today announced its financial results for the three months ended June 30, 2017.

“During the quarter, the Company sold a significant number of plans which included hardware and services bundled into contracts for certain periods of time. Based on our accounting policies, the revenues associated with those plans will be recognized over those periods. As a result, \$627 thousand was added to the deferred revenue pools which will be included in future quarter revenues,” said Michael Robb, President and Chief Executive Officer of AirIQ. “We continue to develop new and exciting technology that will benefit our customers by improving their analytical capabilities and operating efficiencies,” concluded 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 are as follows:

- Recurring revenue increased by \$76 or 16% compared to the same quarter in the prior year
- Deferred revenue increased by a net amount of \$358 for the three months ended June 30, 2017 compared to the three months ended March 31, 2017
- Revenue decreased by \$111 or 12% from \$923 to \$812 during the period, driven primarily by lower hardware revenue which could be recognized during the quarter. Sales of hardware units were only marginally lower, but the contract mix this quarter skewed toward bundled deals (and consequential revenue deferral).
- Gross profit for the period increased by \$79 or 19% compared to the prior year period, with gross margin improved from 46% to 62% for the same periods
- EBITDAS, at \$125 for the period ended June 30, 2017, was relatively unchanged from \$127 in the prior year period
- Operating cash-flow, improved significantly, up \$65 or 48% from \$165 in the prior year period to \$230 in the current year period
- Working capital improved from \$179 in the prior year period to \$312 in the current year period
- Cash balance increased by \$137 due to the increase in bundled deals that require up-front payment during the period ended June 30, 2017.

Financial Highlights

	Three months ended 30-Jun-2017	Three months ended 30-Jun-2016
Recurring revenue	\$544	\$468
Hardware and other revenue	\$268	\$455
Total Revenue	\$812	\$923
Gross profit	\$505	\$426
Gross profit %	62%	46%
Expenses ⁽¹⁾	\$380	\$299
EBITDAS ⁽²⁾	\$125	\$127
Other expenses ⁽³⁾	\$57	\$55
Total net income	\$68	\$72
Income per share, basic and diluted	\$0.00	\$0.00

(1) Excludes share-based compensation.

(2) EBITDAS represents earnings before interest, tax, depreciation, amortization, shared-based compensation expense and gain on business acquisition. See “Non-IFRS Measures” below.

(3) Includes non-cash notional charges such as interest, depreciation and amortization, impairment of long lived assets, share-based compensation expense.

Financial Statements & MDA

The Company's consolidated condensed interim financial statements for the three months ended June 30, 2017 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 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.

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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For more information please contact:

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