FORM 7

MONTHLY PROGRESS REPORT

Name of CNSX Issuer: **UpSnap, Inc. (the "Issuer", the "Company" or "UpSnap")**

Trading Symbol: **UP**

Number of Outstanding Listed Securities: **266,045,941**

Date: **February 9, 2018, for the period ending December 31, 2017**

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

UpSnap provides highly-targeted mobile advertising 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 mobile advertising campaign to align with unique business goals, delivering the right customers for more meaningful exposure and better business results.

UpSnap offers its mobile advertising services to national brands on a campaign basis. UpSnap offers its mobile advertising services to small businesses on a subscription basis. Small business advertisers pay a monthly fee in return for a fixed number of mobile display ads. The adds typically target a local area and are associated with a strong call to action such as "tap to call", "tap for directions", "tap for appointment", "tap for coupon", or "tap for website". UpSnap generally sells these subscriptions through a reseller network.

In addition to its mobile advertising services, UpSnap provides software and services that allow customers such as telephone carriers to run their own mobile advertising exchanges and software and services that allow customers to perform voice and data searches on proprietary business directories.

UpSnap's products and services are available internationally in 8 countries in North America, Europe and other parts of the world. The principal countries in which UpSnap operates, directly and indirectly, are the United States, Canada and Denmark.

2. Provide a general overview and discussion of the activities of management.

Management's focus remains on profitably increasing mobile advertising revenue. Mobile advertising revenue generally comes from two sources: local subscription based campaigns and large or national campaigns.

UpSnap's subscription based product provides small businesses with locally targeted mobile ads that are associated with a strong call to action in return for a monthly fee. UpSnap sells these local ads primarily through a reseller network. In recent months

UpSnap's management focus has been on adding new resellers and working with existing resellers to accelerate subscriber growth. There were no significant developments during the month.

Increasing revenue from national campaigns requires establishing long-term relationships with advertisers or their agencies. UpSnap markets to the advertisers and agencies directly through a dedicated sales force. In recent months management has worked at increasing the size and quality of the sales force. There were no significant developments during the month.

In order to earn mobile advertising revenue, UpSnap must source mobile publishers who have places to insert advertisements. UpSnap establishes long-term relationships with publishers as well as with mobile advertising exchanges and mobile RTB networks through a dedicated business development team. There were no significant developments during the month.

In recent months, management has focused on cutting costs and increasing margins in an effort to achieve positive operating income. Having achieved its goal, the company has begun changing focus to growing revenue while continuing to stay profitable by selecting advertising contracts, resellers and partners that provide high quality, recurring revenue.

3. **Describe and provide details of any new products or services developed or offered.**

   Nothing material to report.

4. **Describe and provide details of any products or services that were discontinued.**

   Nothing material to report.

5. **Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.**

   Nothing material to report.

6. **Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.**

   Nothing material to report.

7. **Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.**

Nothing material to report.

8. Describe the acquisition of new customers or loss of customers.

UpSnap continues to see demand for its subscription mobile advertising service. At the end of the month, UpSnap had over 800 active monthly subscribers and 15 active resellers across the United States and Canada.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

Nothing to report.

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

Nothing material to report.

11. Report on any labour disputes and resolutions of those disputes if applicable.

Nothing to report.

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

Nothing to report.

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

Nothing to report.

14. Provide details of any securities issued and options or warrants granted.

Nothing to report.

15. Provide details of any loans to or by Related Persons.

Nothing to report.

16. Provide details of any changes in directors, officers or committee members.

Nothing to report.

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

UpSnap is positioned at the intersection of two fast growing trends in the technology industry, being the widespread adoption of smartphones and mobile apps and the rapid growth of mobile advertising.

Based on the benefits of mobile advertising as compared to traditional offline advertising and PC-based advertising, UpSnap believes that advertisers will continue to shift their advertising budgets to mobile. The proliferation of smartphones, mobile

apps downloads and general reliance on mobile connectivity provides a high growth market for mobile advertising. In April 2017, PWC released its survey of Interactive Advertising Bureau members for 2016. The report estimates U.S. mobile revenues climbed to $36.6 billion, up 77% from the prior year. Mobile now represents 51% of the revenues generated by the entire internet advertising marketplace. Management believes that the Company is well positioned to capitalize on opportunities in these markets and views the Company's established presence in such markets as a competitive advantage.

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Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.

2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.

3. The undersigned hereby certifies to CNSX that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).

4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: February 9, 2017

Alex Pekurar
Name of Director or Senior Officer

/s/ "Alex Pekurar"
Signature

CFO
Official Capacity

Issuer Details Name of Issuer **UpSnap, Inc.**	For Month End **January 2018**	Date of Report **2018/02/09**
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City/Province/Postal Code **Toronto, Ontario M1H 3E3**	Issuer Fax No. **(281) 465-5428**	Issuer Telephone No. **(844) 487-7627**
Contact Name **Alex Pekurar**	Contact Position **CFO**	Contact Telephone No. **(416) 996-7466**
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