

Issued:

Telephone Navigata-Westel's Parent Company Investel Capital Corp Files Application for Default Judgement in its Patent Infringement Suit Against Snap Inc. (formerly SnapChat, Inc.) in the Federal Court of Canada for failure to file a Statement of Defense within the Prescribed Time.

US Securities and Exchange Commission informed of material event disclosure obligation under US Securities Exchange Act of 1934 Rule 10b-5

Vancouver, B.C., Canada, October 12, 2016 - Vancouver-based Telephone Navigata-Westel's parent company Investel Capital Corporation ("Investel"), the developer of iFramed(TM), an Internet social media user/advertiser relationship-based global marketing system and social network gateway, today announced that it has filed a motion for default judgement in its patent infringement lawsuit against Snap Inc. (formerly known as SnapChat Inc.) in the Federal Court of Canada as Snap Inc. failed to provide a defense within the timeframe prescribed by law. Investel is seeking relief as set forth in its Statement of Claim, which includes an injunction to cease using the technology in Canada as well as monetary damages for previous infringement through Snap's use of "GeoFilters" in Canada.

Since February 2012, Snap Inc. has completed 8 series of fund raisings for a total value of US\$2.6B under SEC Federal exemption under rule 506(b) and widely published reports have stated that an Initial Public Offering is imminent. Furthermore as per public disclosures by company management, from now to the end of 2017 Snap Inc. is expected to generate some US\$1.4B in revenue which they claim that a large portion will have derived from the use of their "GeoFilters". Public information further notes that based on its current business model and revenue stream, Snap Inc. could have a market valuation of approximately US\$25B at the time of its Initial Public Offering.

Based on a priority date of January 3, 2014, Investel holds within multiple jurisdictions (under US Patent Application Nos. 15/200,631 and 15/240,515 and Canadian Patent No. 2,887,596, among others), the technology - USER CONTENT SHARING SYSTEM AND METHOD WITH AUTOMATED EXTERNAL CONTENT INTEGRATION - which Investel claims is the underlying technology behind Snap Inc.'s "GeoFilters".

Investel has also notified the U.S. Securities and Exchange Commission of the existence of its patent and all priority claims. Under U.S. Securities Act Rule 10b-5, any security issuer is required disclose any material facts related to the security including any registration under Federal exemption rule 506(b). Investel believes that the existence of the patent and priority claims in the US and internationally should be disclosed to investors as material information for any security issued by Snap Inc.

"Investel will continue to move strongly to enforce our rights in Canada, the US and internationally with respect to this important technology which we developed and duly sought patent protection through US, Canadian and other foreign patent filings." said Lawry Trevor-Deutsch, Managing Partner. "Investel intends to move forward with its business plan through its licensee, iFramed Canada Ltd. and launch

iFramed, a gateway and platform for posting on social media, which uses the technology and which technology is key to the monetization of iFramed." added Mr. Trevor-Deutsch.

Complete Statement of Claim - Investel Capital Corp vs. Snapchat, Inc – is available for download at: www.investel.com/legal/snapchatinc.pdf

Patent - USER CONTENT SHARING SYSTEM AND METHOD WITH AUTOMATED EXTERNAL CONTENT INTEGRATION detail is available at: www.google.com/patents/WO2015100496A1?cl=en

About Investel Capital Corporation

Investel Capital Corporation is an investment company specializing in the acquisition of telecommunications companies and development of new technologies. With offices in Vancouver and Toronto, Canada, it focuses on investing in the development of new technologies with their own R&D resource group and currently has a portfolio of patents files worldwide. It also invests in distressed or underachieving telecom companies that have recurring revenue but low profitability in order to gather efficiencies by folding them into their telecom portfolio. Investel's companies have access to its comprehensive network resources and infrastructures such as administration, engineering, customer support, network operations, amongst other things. In this way, redundant expenses such as operational and network costs are eliminated, thereby reducing overall costs and increasing revenue.

About iFramed Canada Ltd.

iFramed Canada Ltd. is the exclusive North American licensee of iFramed, a complete system for the creation of advertising campaigns on social media through posting of branded content by users.

About iFramed

iFramed is an Internet social media user/advertiser relationship based global marketing system with a user app that works with most popular social media sites. With the iFramed social media posting gateway, users are able to post photo or video content to their favorite social media which contains the branding options offered to them based on their demographic profile including geo-positioning. They are then paid for posting this branded content by the advertiser or sponsor through iFramed. iFramed believes this "paid to post" approach is much more effective than any current system including banner ads or where advertisers are charged on a "per click" basis as users are rewarded for their content and develop a respectful relationship with advertisers. Sponsored content is posted in real time and without annoying pop ups or ads that need to be viewed or closed. The amount a user is paid for posting is based on their specific demographic, their popularity with other users and how advertisers have set up their iFramed campaign. This can range from a few cents to over one hundred dollars per post.

iFramed provides advertisers with an efficient and effective tool to promote their brand, product and message. It also provides its users with a personal digital copyright watermark on all pictures and videos in a form of a frame/filter style with the sponsor logos and/or messages.

##End##

Source:

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Notes to editors: Photos available