

Upco International Inc. (CSE: UPKO) (OTC: UCCPF) (Frankfurt: U06)

Vancouver, BC, Canada

NEWS RELEASE

Upco International Inc. Announces Strategic Partnership with Sorgente Tesorino

Vancouver, BC, July 8, 2019, Upco International Inc. (CSE: UPKO) (OTCQB: UCCPF) (Frankfurt: U06) (“Upco”) is pleased to announce the full launch of its strategic partnership with Italy-based Sorgente Tesorino, a major bottler and distributor of mineral water.

Upco International and MLC s.r.l. (“MLC”), owner of Sorgente Tesorino mineral water brand, are pleased to announce the full launch of its co-branding and joint promotions agreement, as pre-announced last year in the May 29, 2018 [announcement](#). Under the terms of the agreement, Sorgente Tesorino will promote UpcoPay by including consumer offers in each (multi)pack of mineral water distributed in Italy and China.

Sorgente Tesorino will include a QR code on each bottle’s label that consumers can scan to download the UpcoPay app. Within the app will be available a specific section where multiple offers can be found.

MLC, owner of Sorgente Tesorino mineral water brand, signed in April 2019 a production and distribution contract with the Chinese government group, COFCO (China National Cereals, Oils and Foodstuffs Corporation) COFCO is a world-leading agri-products importer. COFCO does revenues of US\$70 billion annually, has assets of US\$83 billion and has more than 124,000 employees. Please visit <http://www.cofco.com/en/> for additional information.

The 15 years contract between MLC and COFCO outlines an initial supply phase of minimum of 2.3 million bottles per month, with the request to expand rapidly towards 10 million bottles per month.

With the co-branding agreement in place, Upco plans to target millions of potential new users per month by inviting them to download the UpcoPay app. Upco and MLC will award consumers with e-commerce promotions, cash back programs and complimentary international telecommunications services.

The Chinese market will receive the first co-branded bottles the first week of October 2019.

Mr. Gerben Borsje, Director and Board Member of Upco Systems Srl, commented: “communication on the packaging of the high-quality Tesorino water bottles along with online communication creates curiosity in the Chinese market. We anticipate an increase in mobile payments volume within our app. Additional the curiosity should lead to the use of our high-value telecom services. We look forward to intensifying our relationship with MCL by expanding this co-branding strategy.”

Mr. Vittorio Noti, CEO of MLC s.r.l., stated: “We are excited to collaborate with Upco on this co-branding and joint promotions agreement. We believe that through this relationship, the UpcoPay app will be reaching the eyes of many Chinese people and will create value for both companies.”

About COFCO

COFCO Group was founded in 1949 and is considered one of the largest state-owned enterprises of those under the direct supervision of China's State Council. Between 1952 and 1987, it was the sole

agricultural products importer and exporter operating under direct control of the central government. Besides the foodstuff business, COFCO has developed itself into a diversified conglomerate, involving planting, cultivation, food processing, finance, warehouse, transportation, port facilities, hotels and real estate. It is one of the top 500 enterprises chosen by US's Fortune Magazine. COFCO has four companies listed in Hong Kong, namely, China Foods (SEHK: 506), China Agri-Industries Holdings (SEHK: 606), Mengniu Dairy (SEHK: 2319), and COFCO Packaging Holdings (SEHK: 906) and three companies listed in mainland China, namely, COFCO Tunhe (SSE: 600737), COFCO Property (SZSE: 000031), and BBKA (SZSE: 000930). COFCO boasts a wide range of branded products and service portfolios, such as Fortune edible oil, Great Wall wine, Mengniu dairy, Lohas fruit and vegetable juice, Le Conte chocolate, Tunhe tomato products, Joycome meat products, Joy City shopping mall, Yalong Bay resorts, Gloria hotels, Snow-Lotus cashmere, Zhongcha tea products, COFCO-Aviva Life Insurance, COFCO Trust, etc.

About MLC S.r.l.

Concessionaire of Sorgente Tesorino brand, based in Florence, Italy, is a major bottler and distributor of Tuscan mineral waters, valued for their medicinal and therapeutic properties.

About Upco International Inc.

Upco International Inc. is a cloud-based mobile service company which provides high-quality voice termination to a market driven by the growing activity in online communications and commerce. Upco is a licensed Global Telecom Carrier within the international VoIP (voice over IP) wholesale business. Upco has designed a software application for Apple iOS and Android, similar to SKYPE and WhatsApp. With the forthcoming addition of the Upco e-Wallet using Blockchain Payment Services, users will be able to: send invoices, approve payments, transfer international funds, convert international currencies, and track transfers and payments. The application will also allow vendors to securely share account information with their clients.

Please visit upcointernational.com or upcomobile.com for further information.

ON BEHALF OF THE BOARD OF DIRECTORS

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Forward-Looking Statements

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Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or

intended. There can be no assurance that statements containing forward-looking information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on statements containing forward-looking information. Readers should review the risk factors set out in the Company's Filing Statement as filed on SEDAR.