

PSINAPTIC INC.
TSXV: PST

FOR IMMEDIATE RELEASE

August 15, 2008

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**PSINAPTIC INC. ANNOUNCES TERMINATION OF PROPOSED ACQUISITION OF
INNOVATIVE PRODUCTS FOR LIFE INC.**

Calgary, Alberta – PsiNaptic Inc. ("PsiNaptic" or the "Corporation") announces that the Corporation and Innovative Products for Life Inc. ("IPL") have mutually agreed to terminate the previously announced acquisition of all of the issued and outstanding shares of IPL by the Corporation (the "Transaction"). In conjunction with the termination of the Transaction, the Corporation will not proceed with the previously announced brokered private placement financing of at least \$2,500,000 at a price of \$0.05 per share and the subsequent share consolidation on a 5 to 1 basis. Both the Corporation and IPL have determined that it is in the best interests of their respective shareholders to terminate the Transaction and to explore other opportunities. The trading of the common shares of the Corporation is currently on halt and will resume on or about Tuesday, August 19, 2008 on NEX.

About PsiNaptic Inc.

PsiNaptic is a technology company that develops and markets software based on open standards to address the growing need to connect small, low-power wired or wireless devices without human intervention, configuration or set up. PsiNaptic solutions operate on multiple platforms, across various networks including Bluetooth and WiFi.

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Statements in this release which describe the Corporation's intentions, expectations or predictions, or which relate to matters that are not historical facts are forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties which may cause the actual results, performances or achievements of the Corporation to be materially different from any future results, performances or achievements expressed in or implied by such forward-looking statements. The Corporation may update or revise any forward-looking statements, whether as a result of new information, future events or changing market and business conditions.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy and accuracy of this release.