

VoodooVox Reports Fiscal 2012 and Q4 2012 Financial Results

Toronto, Ontario – May 1, 2013. VoodooVox Inc. (“VoodooVox” or the “Company”), (CNSX: **VVX**), a leading provider of mobile advertising solutions, today announced its financial results for the year ended December 31, 2012 and the three months ended December 31, 2012.

Annual Results

- Revenues recognized for the year ended December 31, 2012 of \$4.0 million compared to \$6.2 million for 2011. Revenues from the Company’s mobile advertising and analytics products were \$2.6 million compared to \$1.2 million in 2011. Revenues from legacy voice and data search products totaled \$1.4 million compared to \$5.0 million in 2011.
- Operating loss of \$7.2 million compared to an operating loss of \$1.8 million for 2011.
- Net loss for the year ended December 31, 2012 of \$11.2 million (\$0.06 per share) compared to \$13.2 million for 2011 (\$0.10 per share). The net loss for 2012 included a reduction in the carrying value of the Company’s goodwill and intangible assets of \$2.2 million. The net loss for 2011 included non-cash charges of \$8.6 million in connection with a debt conversion incentive program offered to debenture holders.
- At December 31, 2012, the Company had a cash balance of \$0.1 million compared to \$0.4 million at December 31, 2011.

Fourth Quarter Results

- Revenues recognized for the quarter ended December 31, 2012 of \$0.8 million compared to \$1.0 million in Q4 of 2011.
- Operating loss of \$2.0 million compared to \$1.1 million in Q4 of 2011.
- Net loss for the quarter ended December 31, 2012 was \$4.5 million (\$0.03 per share) compared to \$10.5 million for the same period in 2011 (\$0.11 per share). Q4 2011 expenses included the \$8.6 million non-cash charge associated with the debt conversion incentive program mentioned above.

HIGHLIGHTS

- In 2011, VoodooVox identified commercialization opportunities to transform its legacy voice and data search solutions into a mobile advertising and analytics managed service. In order to achieve this transformation, the Company undertook a strategy of consolidating certain early providers of mobile advertising solutions by acquiring the assets and business operations of UpSnap Services LLC (“UpSnap”) in October 2011 and the assets and business operations of VoodooVox, Inc. (“Old VoodooVox”) in January 2012.



- The Company invested significant capital and effort in order to effect this business transformation. The acquisitions of UpSnap and Old VoodooVox resulted in redundancies in the Company's consolidated structure including redundant offices, employees and network and data center costs. During 2012 a major cost reduction program was initiated and costs were reduced across all aspects of the Company's operations, as highlighted below:
 - Reduced headcount from 52 in Q1 2012 to 21 in Q1 2013
 - Eliminated four offices and four data centers
 - Eliminated six network platforms
 - Combined four separate network monitoring systems
- Management now considers the transformation to be complete, with fixed costs significantly reduced and variable costs tied to revenue growth.

OUTLOOK

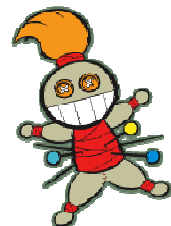
In January 2012, VoodooVox initiated a rebranding of the Company as "VoodooVox - Smarter Mobile Advertising". The amount of revenue generated from the Smarter Mobile Advertising platform will depend, to a significant degree, on the Company's ability to source relevant traffic and ads that prompt consumers to act in a manner that generates a measurable sales lead to a merchant. Mobile Advertising arrangements with customers are determined based on the number and type of leads generated. In addition, the Company's analytics solutions (acquired from Old VoodooVox) generate revenues based on the number of monthly subscribers licensed to use this solution. Due to the nature of performance based revenues, variability of potential results, and the uncertainty of consumer adoption, the Company is not providing any financial guidance at this time with respect to future periods.

George Cooney, CEO of the Company, noted, "2012 was a transformational year for VoodooVox with a major restructuring of both operations and product capability. The Company has invested significant capital and human resources to bring together a next generation solution. Our mobile advertising and analytics platform allows us to focus on the growth market segments of the mobile advertising eco-system."

This news release should be read in conjunction with VoodooVox's annual consolidated financial statements and the accompanying notes as at and for the year ended December 31, 2012 together with the related Management Discussion and Analysis. Those documents have been filed with certain securities regulatory authorities in Canada and are available on SEDAR (www.sedar.com) and on the VoodooVox website at www.voodoovox.com

About VoodooVox Inc.

VoodooVox uses consumer analytics to provide smarter mobile advertising services via the cloud to publishers, advertisers and operators. VoodooVox, which represents the combined assets and knowledge base of three companies, namely Call Genie Inc., UpSnap Services, LLC



and VoodooVox, now processes billions of advertising transactions for a marquee list of global clients and partners. Currently, VoodooVox solutions are deployed in 11 countries around the world. www.voodoovox.com.

For More Information

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The CNSX has neither approved nor disapproved the contents of this news release.

