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VOODOOVOX INC. SIGNS ENGAGEMENT AGREEMENT IN CONNECTION WITH A PROPOSED PRIVATE PLACEMENT FOR UP TO \$5 MILLION

Toronto, Ontario May 21, 2013 - VoodooVox Inc. ("**VoodooVox**" or the "**Company**"), (CNSX: **VVX**) is pleased to announce that it has entered into an engagement agreement (the "**Agreement**"), under which it has engaged a Toronto based investment dealer (the "**Agent**") to act as the Company's sole agent, on a best efforts basis, in respect of a private placement offering of the Company's securities (the "**Offering**"). The Agreement contemplates that the Offering will consist of a minimum of \$3 million of units and a maximum of \$5 million of units (the "**Units**"), to be priced in the context of the market (the "**Issue Price**"). Each Unit will consist of a common share in the capital of the Company ("**Common Share**") and one or more other securities. Under the terms of the Agreement, the Agent will receive on the closing date of the Offering, a cash commission equal to 8% of the gross proceeds from the sale of the Units pursuant to the Offering and compensation warrants ("**Compensation Warrants**") representing 8% of the amount of Units sold under the Offering. Each Compensation Warrant will be exercisable into one Unit at the Issue Price for a period of 24 months from the closing date of the Offering. The Offering is expected to close on or before July 26, 2013.

The net proceeds from the Offering are expected to be used by the Company for general working capital purposes, including repayment of certain outstanding debt obligations. Closing of the Offering will be subject to the satisfaction or fulfillment of a number of customary conditions (including without limitation, the completion of satisfactory due diligence by the Agent, receipt of all necessary regulatory and third party consents by the Company and the execution of a definitive agency agreement with the Agent) as well as:

- (i) obtaining the approval of the Company's shareholders of a proposed share consolidation (the "**Consolidation**") on the basis of one new Common Share for each 50 old Common Shares at the Company's upcoming annual general and special meeting scheduled to be held on June 14, 2013 (the "**Meeting**"); and



- (ii) obtaining the approval of the holders of a minimum of 95% of the principal and accrued interest outstanding as at May 15, 2013 under convertible and non-convertible debentures (collectively, the “**Debentures**”) previously issued by the Company in being converted into Common Shares at the volume weighted average market price of such shares for the 15 trading day period immediately preceding two days before the closing date of the Offering (the “**Debt Conversion**”), excluding any debentures evidencing short term bridge loans and debentures that are convertible into services/license fees (rather than Common Shares).

Management believes that both the Consolidation and the Debt Conversion is a critical element of the Company's financing strategy in allowing it maximum flexibility to pursue various financing options, improve its working capital position and reduce the number of Common Shares outstanding. In addition to being a condition precedent to the completion of the Offering, management and the directors believe the elimination of the fixed payment obligations associated with the Debentures will alleviate certain significant financial stresses to which the Company is currently exposed. If 100% of the Debentures are converted into Common Shares pursuant to the terms of the Debt Conversion by the holders hereof (with effect as at May 13, 2013), the Company would eliminate approximately \$12.4M in debt and approximately \$3.8M of interest payments over the next 3.5 years, of which approximately \$0.8M is payable in the year ending December 31, 2013.

“Through the Offering, the Debt Conversion and the Consolidation, we intend to dramatically transform the balance sheet and capital structure of the Company,” noted George Cooney, CEO of VoodooVox. “We continue to see opportunities in Mobile Advertising and expect that improvements to our balance sheet will enhance the Company’s potential to expand in this exciting, rapidly growing market.”

Detailed information on the specific terms of both the Consolidation and the Debt Conversion is disclosed in the Company’s information circular dated May 13, 2013 in respect of the Meeting which is being mailed to shareholders and will be posted on SEDAR. Both the Consolidation and the Debt Conversion are subject to the approval of the CNSX and shareholder approval as set out in the information circular.



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.



FORWARD-LOOKING STATEMENTS

Certain statements in this news release constitute “forward-looking” statements which relates to future events and the Company’s future performance. Forward looking statements include the timing of closing the Offering, the anticipated use of proceeds, the receipt of the required approvals for the Offering, the Debt Conversion and the Consolidation, the anticipated effect of eliminating various fixed payments and interest obligations pursuant to the Debt Conversion, including an enhancement in the Company’s ability to raise future capital pursuant to future financings. Forward-looking statements are based upon the opinions, expectations and estimates of management of the Company and, in some cases, information received from or disseminated by third parties, and are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from those anticipated, expressed or implied by such forward-looking statements. In addition to other risks, the closing of the Offering could be delayed if the Company is not able to obtain necessary approvals when planned and the Offering will not be completed at all if approvals are not obtained or some other condition to the closing of the Offering is not satisfied, including the Debt Conversion and the Consolidation.

Although the forward-looking statements contained in this news release are based upon what management of the Company believes are reasonable assumptions on the date of this news release, the Company cannot assure investors that actual results will be consistent with these forward-looking statements. Forward-looking statements involve significant risks and uncertainties, they should not be read as guarantees of future performance or results, and they will not necessarily be accurate indications of whether or not such results will be achieved. Actual results could differ materially from those anticipated due to a number of factors and risks.

The forward-looking statements contained in this press release are made as of the date hereof and the Company disclaims any intention or obligation to update or publicly revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required under applicable securities laws. Furthermore, the Company does not assume responsibility for the accuracy and completeness of the forward looking statements set out in this news release. The Company’s forward looking statements are expressly qualified in their entirety by the foregoing cautionary statements.

