

UPSNAP ANNOUNCES 2015 FIRST QUARTER FINANCIAL RESULTS

- The Company Continues to See Growth in Both Revenues per Client and Recurring Revenue -

Toronto, Ont. – May 20, 2015 – UpSnap Inc. (CSE: UP) ("UpSnap" or the "Company"), a leading provider of mobile advertising solutions, today announced its first quarter (Q1) financial results for the three month period ended March 31, 2015.

“We are delighted to report another quarter of strong revenue growth, while managing our operating expenses,” said Bruce Howard, CEO of UpSnap. “Our focus continues to be on growing our top line mobile advertising revenue aggressively while expanding our existing and high retention subscriber base that provides the Company with predictable recurring revenues. Also, we continue to work on advancing our technology to offer our clients superior value and excellent results. We strongly believe that we have tapped into an underserved market by catering to small and medium size businesses. As a result, our focus for 2015 is to continue expanding into this market, while continuing to leverage our growing reseller networks.”

First Quarter Financial Highlights

- Total operating revenue grew by 33.1% to \$1.39 million for Q1 2015, compared to \$1.04 million for Q1 2014.
- Mobile advertising revenue grew by 66.5% to \$1.18 million for Q1 2015, compared to \$0.71 million in Q1 2014.
- As a percentage of total revenue, recurring revenue was 23.1% in Q1 2015 compared to nil in Q1 2014 and 18.3% in Q4 2014.
- Total operating cost was reduced by 12.7% to \$1.72 million for Q1 2015, compared to \$1.96 million in Q1 2014.
- Loss from operations was reduced by 64.5% to \$0.33 million for Q1 2015, compared to \$0.92 million in Q1 2014.
- Net loss and comprehensive loss was reduced by 46.6% to \$0.36 million for Q1 2015, compared to \$0.67 million in Q1 2014.
- Basic and diluted loss per share of \$0.00 in Q1 2015, compared to loss per share of \$0.01 in Q1 2014.

Operational Highlights

- The Company continues to exhibit strong quality of service as evidenced by over 70% retention rate and growth in overall number of subscribers.
- The Company has been managing its labour and sales cost by leveraging its reseller networks' sales force to further grow its number of subscribers.

This news release should be read in conjunction with UpSnap's unaudited interim financial statements and the accompanying notes as at and for the quarter ended March 31, 2015, 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 UpSnap website at www.upsnap.com.

About UpSnap

UpSnap provides highly-targeted, data-driven mobile advertising to attract the ideal audience for brands big and small. Combining first-party proprietary data and real-time analytics, UpSnap goes beyond location to deliver site agnostic and results-driven campaigns that produce qualified, engaged customers. UpSnap tailors each campaign to align with unique business goals, delivering the right customers for more meaningful exposure and better business results.

For further information, please contact:

Alex Pekurar, CPA, CA
Chief Financial Officer
UpSnap Inc.
416-619-3903
apekurar@upsnap.com

Babak Pedram
Investor Relations
Virtus Advisory Group Inc.
416-644-5081
bpedram@virtusadvisory.com

Caution Regarding Forward Looking Information

Certain information set out in this News Release constitutes forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "hope", "plan", "continue", "estimate", "expect", "may", "will", "intend", "could", "might", "should", "scheduled", "believe" and similar expressions. The forward-looking information set out in this News Release relates to future events or our future performance and includes: (i) the growth of the Company's mobile advertising revenue; (ii) the effect of improving the Company's technology; (iii) the Company's ability to succeed in the mobile advertising market by focusing on the underserved small and medium sized business market.

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 substantial known and unknown risks, uncertainties and other factors which cause actual results to vary from those express or implied by such forward looking statements. These statements 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.

The forward-looking statements contained in this press release are made as of the date hereof and based on what management of the company believes are reasonable assumptions. 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.

The CSE has not reviewed, approved or disapproved the content of this press release.