

UPSNAP ANNOUNCES FIRST QUARTER 2016 FINANCIAL RESULTS

-Total Subscriber Base Rises 64% Year over Year -

Toronto, Ont. – May 30, 2016 – 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, 2016.

“While total revenue remained relatively steady compared to Q1 of last year, we are pleased with the growth in our subscription revenue as well as the 64% growth in total subscribers,” said Bruce Howard, CEO of UpSnap Inc. “We are confident in the groundwork we have laid in order to move forward by continuing to capture market share and grow our organization. Our strategy remains focused on continuing to grow our revenue base and reach profitability.”

First Quarter Financial Highlights

- Total operating revenue was \$1.25 million for Q1 2016, compared to \$1.39 million in Q1 2015.
- Total subscriber revenue of \$0.51 million in Q1 2016 totaling 41% of revenue compared to \$0.32 million of subscriber revenue totaling 23% of revenue in Q1 2015
- Mobile advertising revenue was \$1.02 million for Q1 2016, compared to \$1.18 million in Q1 2015.
- Total operating costs were \$1.56 million for Q1 2016, compared to \$1.72 million in Q1 2015.
- Net loss and comprehensive loss for the quarter was \$0.31 million, compared to \$0.36 million in Q1 2015.
- Basic and diluted loss per share of \$0.00 in Q1 2016, compared to loss per share of \$0.00 in Q1 2015.
- Total cash position of \$0.56 million as at March 31, 2016, compared to \$1.04 million as at December 31, 2015.

Operational Highlights

- Recurring revenue comprised 41% of total revenue in Q1 2016, compared to 23% in Q1 2015
- Total subscribers rose 64% year over year from 1,143 in Q1 2015 to 1,876 in Q1 2016
- The Company reduced net and comprehensive loss 14% to \$0.31 million in Q1 2016 compared to a loss of \$0.36 million in Q1 2015.
- The Company reduced operating costs 9.3% to \$1.56 million in Q1 2016, compared to operating costs of \$1.72 million in Q1 2015.

This news release should be read in conjunction with UpSnap's audited financial statements and the accompanying notes, as at and for the year ended March 31, 2016, 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 continued growth of recurring subscription revenue; (ii) the continued reduction in operating expenses; (iii) the Company's ability to recognize a profit by the end of 2016.

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.