



UPSNAP ANNOUNCES CONVERSION OF PAYABLES

Toronto, Ont. June 14, 2017 – UpSnap Inc. (CSE: UP) ("**UpSnap**" or the "**Company**"), a leading provider of mobile advertising solutions, today announced that User Friendly Media ("**UFM**") has agreed to convert (the "**Debt Conversion**") a portion of its outstanding payables due from the Company into common shares into the capital of the Company ("**Shares**"). Pursuant to the terms of the Debt Conversion, UFM (or an affiliate thereof) will receive in satisfaction of \$455,000 of payables, 22,750,000 Shares at a deemed price of \$0.02 (the "**Deemed Price**"). The Deemed Price represents a premium of 100% to the closing price of the Shares on June 13, 2017, a day prior to the Conversion being agreed by the Company and UFM.

Subsequent to the conversion, UpSnap will have an outstanding balance of approximately CAD \$300,000.

Immediately after the Debt Conversion, UFM will hold, directly or indirectly, an aggregate of 131,398,751 Shares, representing approximately 49.48% of the Shares. The Shares issued to UFM (or an affiliate thereof) as part of the Debt Conversion are subject to a hold period of four months and a day.

The issuance of the Shares to UFM will be considered a related party transaction within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). UpSnap intends to rely on exemptions from the formal valuation and minority approval requirements in sections 5.5(a) and 5.7(1)(a) of MI 61-101 in respect of this transaction based on a determination that the fair market value of the Shares issued to UFM will not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. The Company expects to file a material change report in respect of this related party transaction less than 21 days prior to the closing of the Conversion, which the Company deems reasonable in the circumstances so as to be able to deal with its existing payables and avail itself of the resulting working capital from the Conversion in an expeditious manner.

About UpSnap

UpSnap provides highly-targeted, data-driven mobile advertising to attract the ideal audience for brands big and small. Utilizing real-time analytics, UpSnap goes beyond location to deliver app-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.

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.