



UpSnap Announces Q3 2018 Financial Results

Intentional Direct Mail Revenue Grows 29% Quarter over Quarter

TORONTO, Nov. 28, 2018 -- UpSnap Inc. (CSE: UP) ("UpSnap" or the "Company"), a leading provider of mobile and intent based advertising solutions, today announced its third quarter (Q3) financial results for the three and nine-month period ended September 30, 2018.

"We continue to focus on establishing Intentional Direct Mail as a driver of growth moving forward and continue to see strong demand from new and existing clients," said Bruce Howard, CEO of UpSnap. "Looking ahead to 2019, we expect IDM to continue growing as customers recognize the unique value proposition of tracking online consumer behaviour and using data to more effectively engage their target audience."

Third Quarter Financial Highlights

- Recognized revenue from Intentional Direct Mail ("IDM") was \$248,000 in Q3 2018 compared to \$192,000 in Q2 2018. Recognized revenue from IDM for the nine months ended September 30, 2018 was \$518,000 compared to \$nil for the same period in 2017.
- IDM mailers sent increased by 35% from Q2 2018 to Q3 2018. Revenue from IDM is recognized upon mailers being sent.
- The average IDM Reseller order increased from USD \$1,600 in Q2 2018 to USD \$2,300 in Q3 2018, an increase of 44%.
- Total operating revenue was \$861,000 for Q3 2018 compared to \$1.1 million for Q3 2017. Total operating revenue was \$2.7 million for nine months ended September 30, 2018 compared to \$3.3 million for nine months ended September 30, 2017.
- Total operating cost of \$1.2 million for Q3 2018 compared to \$1.0 million for Q3 2017. Total operating cost for nine months ended September 30, 2018 was \$3.2 million compared to \$3.3 million for nine months ended September 30, 2017. Total operating cost of \$241,000 for Q3 2018 and \$564,000 for the first nine months of the year were contributed to the development and launch of the IDM technology.
- Loss from operations was \$311,000 for Q3 2018 compared to gain of \$53,000 for Q3 2017. Loss from operations was \$610,000 for nine months ended September 30, 2018 compared to loss of \$23,000 for nine months ended September 30, 2017.

This news release should be read in conjunction with UpSnap's unaudited financial statements and the accompanying notes, as at and for the quarter ended September 30, 2018, 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.

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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.