

Vogogo Inc. Announces Formation of Special Committee to Review Strategic Alternatives and Filing of Its First Quarter 2016 Financial Statements

LONDON, UNITED KINGDOM and CALGARY, ALBERTA – (Marketwired – May 25, 2016) - Payment processing and transactional risk management specialist Vogogo Inc. (“Vogogo” or the “Company”) (TSX VENTURE:VGO) announces that it has formed a special committee of independent members of the board of directors (“Board”) of the company (the “Special Committee”) to consider various strategic alternatives potentially available to the Company.

Vogogo also announces that it has filed its first quarter financial statements for the period ended March 31, 2016. These financial statements and the corresponding management’s discussion and analysis may be obtained on Vogogo’s SEDAR profile at www.sedar.com.

Q1 2016 Highlights

- Revenue focus and increase
- Cost reduction
- Strategic Alternatives

Following authorization as an Electronic Money Institution in the UK in November 2015, which extends across the European Union, Vogogo is focused on generating near-term revenue by selling payment services as a Payment Facilitator (“PayFac”) with European banking partners. The PayFac structure provides a more efficient payment framework and lowers the cost of related banking services. The Company increased revenue to \$164,452 compared with \$11,753 in the same period a year earlier. General and administration, sales and marketing and development and operations costs (“Expenses”) were lower at \$1.84 million for the quarter ended March 31, 2016 compared to \$2.23 million in the same period a year earlier.

With direction from the Board, Management commenced an expanded cost reduction program in March 2016 while simultaneously focusing on near-term revenue opportunities. Adjustments include staffing reductions and intense cost stewardship that prioritize cash preservation while maintaining critical business functions. The adjustments are expected to be substantially complete in Q2 2016.

Due to the deterioration in Vogogo’s original market opportunity involving services for the cryptocurrency industry and the longer-than-expected timing for generating material revenues in more conventional payment processing and transaction risk services, the Board determined in April 2016 that a process would be immediately initiated to identify and examine strategic alternatives focused on increasing shareholder value. The alternatives may include, but are not limited to, a modified plan for continuing the business; the sale or combination of Vogogo’s payment and risk management assets to or with another firm; a strategic vend-in, amalgamation, reverse amalgamation or similar transaction; a sale of one or more corporate assets; a strategic business combination or strategic partnership. Opportunities, if any, will be assessed based on synergies with Vogogo’s business and the potential to increase shareholder value. There can be no assurance that this exploration process will result in any transaction. There is no set timetable with respect to the Special Committee’s review, and the Company does not expect to make further public comment regarding these matters unless and until the Special Committee approves a specific action or otherwise concludes its review.

While exploring strategic options, Vogogo will energetically continue its operational plan to expand its client base while making cash conservation a top priority.

About [Vogogo Inc.](#)

Vogogo Inc. provides payment processing and related transaction risk services. The Company develops software that administers multiple electronic payment types including card payments, pre-authorized debit, direct deposit, peer-to-peer and online banking payments for the US, UK and Canadian markets. The head office is located at 400, 320 – 23 rd Avenue SW, Calgary, Alberta, Canada, T2S 0J2. The

registered office is located at Torys LLP, 4600, 525 – 8th Avenue SW, Calgary, Alberta, Canada, T2P 1G1. For further company information please view the [Vogogo Media Kit](#).

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Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this press release. None of the information contained on, or connected to, Vogogo's website is incorporated by reference herein.

Cautionary Note Regarding Forward-Looking Statements

This press release contains certain forward-looking statements. All information, other than information regarding historic fact that addresses activities, events or developments that the Company believes, expects or anticipates will or may occur in the future is forward-looking information. Forward-looking information contained in this news release includes, but is not limited to the Company's continued focus on cash conservation, the timing for completion of cost cutting adjustments, the ability to continue to effect and implement cost cutting measures, the ability to identify any strategic alternative that could increase shareholder value and the ability to maintain revenue and lower costs of related banking services as a PayFac. The words "will," "anticipate," "believe," "estimate," "expect," "intent," "may," "project," "should," and similar expressions are intended to be among the statements that identify forward-looking statements. The forward-looking statements are founded on the basis of expectations and assumptions made by Vogogo. Readers are cautioned that assumptions used in the preparation of such information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of Vogogo. Vogogo does not have any obligation to update or revise any forward-looking statements except as expressly required by applicable securities laws. See Vogogo's Annual Information Form for the year ended December 31, 2015 and its Management's Discussion and Analysis for the three month period ended March 31, 2016 for a detailed discussion of risk factors.

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