

UPSNAP ANNOUNCES 2015 SECOND QUARTER FINANCIAL RESULTS

- *The Company's Mobile Advertising Revenue Grew Aggressively by 96%*

While Expenses Were Reduced by 14% -

Toronto, Ont. – August 10, 2015 – UpSnap Inc. (CSE: UP) ("UpSnap" or the "Company"), a leading provider of mobile advertising solutions, today announced its second quarter (Q2) financial results for the three and six-month period ended June 30, 2015.

"We continue to focus our attention on rapidly scaling customer acquisitions in the SMB marketplace, while retaining a significant percentage of existing subscribers that produce growing recurring revenues for our Company," said Bruce Howard, CEO of UpSnap. "As our existing clients continue to see the major benefits of the Company's technology, they are beginning to allocate more of their overall advertising budgets to our advertising platform. This has not only led to an increase in recurring revenues, but as a result, the overall growth in revenue per client has increased by almost 20% year over year."

"In addition to strong top line growth, we are pleased to report that we also have made significant progress on our objective of reducing our operating expenses in an effort to free up capital to be invested into acquiring future customers and driving revenues forward," continued Mr. Howard. "For the duration of 2015, our goal remains centered on aggressively growing our pipeline of SMB's in need of a proven advertising technology, while continuing to manage expenses."

Second Quarter Financial Highlights

- Total operating revenue for Q2 2015 grew by 85% to \$1.31 million, compared to \$0.71 million for Q2 2014, and increased by 54% to \$2.7 million in HY 2015, compared to \$1.75 million in HY 2014.
- Mobile advertising revenue grew by 96% to \$1.07 million for Q2 2015, compared to \$0.54 million in Q2 2014, and increased by 79% to \$2.25 million in HY 2015, compared to \$1.25 million in HY 2014.
- As a percentage of total revenue, recurring revenue was 24% in Q2 2015 compared to 5% in Q2 2014.
- Total operating cost decreased by 16% to \$1.51 million for Q2 2015, compared to \$1.79 million in Q2 2014, and decreased by 14% to \$3.23 million in HY 2015, compared to \$3.76 million in HY 2014.
- Loss from operations decreased by 81% to \$0.20 million for Q2 2015, compared to \$1.08 million in Q2 2014, and decreased by 74% to \$0.53 million in HY 2015, compared to \$2.00 million in HY 2014.

- Net loss and comprehensive loss decreased by 84% to \$0.18 million for Q2 2015, compared to \$1.12 million in Q2 2014, and decreased by 70% to \$0.54 million in HY 2015, compared to \$1.80 million in HY 2014.
- Basic and diluted loss per share of \$0.00 in Q2 2015, compared to loss per share of \$0.01 in Q2 2014, and \$0.00 in HY 2015, compared to loss per share of \$0.01 in HY 2014.
- Total cash position of \$0.60 million as at June 30, 2015, compared to \$0.67 million as at December 31, 2014.

Operational Highlights

- During the quarter, the Company hired digital product veteran Lance Brown to be the Vice President of Product & Technology.

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

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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. 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 growth of revenue per client; (iii) the continued reduction in operating expenses.

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.