



OXYSURE (OXYS) REPORTS FIRST QUARTER 2014 RESULTS

Growth Continues with Revenues Up 48%

Frisco, Texas, May 16, 2014 – OxySure Systems, Inc. (OTCQB: OXYS) (“OxySure,” or the “Company”), a global leader and medical device innovator of life-saving, easy-to-use emergency oxygen solutions with its “oxygen from powder” technology today announced financial and operating results for the first quarter 2014.

1Q 2014 Highlights:

- Revenues were up 48% to \$356,229
- Sales & marketing expense down 18%
- Research & development expense down 96%
- G&A expense up 35%
- Notes payable slightly up by \$25,843 to \$375,818
- Net loss per share flat at \$.01 for the quarter
- Cartridge shipments increased 394%

Julian T. Ross, Chairman of the Board and Chief Executive Officer of OxySure stated, “We had an excellent building quarter. We have accomplished many of our goals regarding the preparation for the European market and for a potential foray into the direct to consumer market. We invested in our future, while maintaining our bottom line, and we remain on track with our goals for the rest of 2014 and beyond.”

For the quarter ended March 31, 2014, revenues increased by 48% to \$356,229 from \$240,420 in the comparable period last year. The increase was primarily driven by a 161% increase in product sales in the United States.

For the Company’s Model 615 portable emergency oxygen product, unit cartridge reorder rates continued to increase as the installed base of Model 615 increases, continuing the “sticky” customer relationship with the product upon adoption. Unit cartridge shipments exceeded unit shipments of Model 615: during the quarter ended March 31, 2014 unit cartridge shipments represented 201% of Model 615 units shipped, up from 94% during the first quarter 2012. As of March 31, 2014, replacement cartridges shipped represented 44.2% of the known Model 615 installed base, up from 35.7% as at March 31, 2013.

Sales and marketing expense was down 18% and research and development expense was down 97%; these improvements were offset by an increase in other general and administrative expense of 35% to \$345,757, and an increase in interest expense to \$107,607 from \$28,716 in the first quarter of 2012. Of this interest amount, approximately \$100,115 of interest expense is non-cash,

GAAP interest, comprising \$71,740 of amortization of beneficial conversion features and \$28,375 in amortization of debt discount.

Net loss for the quarter ended March 31, 2014 was \$376,320, or \$0.01 per share, as compared to \$242,152 or \$0.01 per share for the quarter ended March 31, 2013. The weighted average shares outstanding were 25,889,334 and 22,665,515 for the quarters ended March 31, 2014 and 2013, respectively.

Conference Call

OxySure's CEO Julian Ross will host a conference call to discuss the Company's first quarter 2014 results.

Date: Friday, May 16, 2014
Time: 9:00 am ET
US Dial-In: 1 (800) 697-5978 US Toll Free
International Dial-In: 1 (630) 691-2750 US Toll
Passcode: 9900 607#
For webcast link: <http://www.oxysure.com/aed/index.php/investors-home>
(under Investor Events)

Please dial in at least 10-minutes before the call to ensure timely participation.

About OxySure Systems, Inc.

OxySure Systems, Inc. (OXYS) is a medical technology company that focuses on the design, manufacture and distribution of specialty respiratory and medical solutions. The company pioneered a safe and easy to use solution to produce medically pure (USP) oxygen from inert powders. The company owns numerous issued patents and patents pending on this technology which makes the provision of emergency oxygen safer, more accessible and easier to use than traditional oxygen provision systems. OxySure's products improve access to emergency oxygen that affects the survival, recovery and safety of individuals in several areas of need: (1) Public and private places and settings where medical emergencies can occur; (2) Individuals at risk for cardiac, respiratory or general medical distress needing immediate help prior to emergency medical care arrival; and (3) Those requiring immediate protection and escape from exposure situations or oxygen-deficient situations in industrial, mining, military, or other "Immediately Dangerous to Life or Health" (IDLH) environments. www.OxySure.com

Forward-Looking Statements

Statements in this earnings release that are not historical facts are considered to be forward-looking statements. Such statements include, but are not limited to, statements regarding management beliefs and expectations, based upon information available at the time the statements are made, regarding future plans, objectives and performance. All forward-looking statements are subject to risks and uncertainties, many of which are beyond management's

control and actual results and performance may differ significantly from those contained in forward-looking statements. OxySure Systems, Inc. intends any forward-looking statement to be covered by the Litigation Reform Act of 1995 and is including this statement for purposes of said safe harbor provisions. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this news release. OxySure Systems, Inc. undertakes no obligation to update any forward-looking statements to reflect events or circumstances that occur after the date as of which such statements are made. A discussion of certain risks and uncertainties that could cause actual results to differ materially from those contained in forward-looking statements is included in OxySure Systems, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2013.

**OXYSURE SYSTEMS INC.
BALANCE SHEETS**

	March 31,	
	2014	2013
<u>ASSETS</u>		
Current assets		
Cash and cash equivalents	\$ 150,669	\$ 657,673
Accounts receivable, net of allowances for sales returns and allowance for doubtful accounts	319,999	47,183
Inventories	277,259	287,666
License fee receivable	463,308	500,000
Prepaid expenses and other current assets	50,542	107,305
Total current assets	1,261,776	1,599,827
Property and equipment, net	129,617	70,249
Intangible assets, net	385,238	392,746
Other assets	306,122	289,532
TOTAL ASSETS	\$ 2,082,754	\$ 2,352,354
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Current liabilities		
Accounts payable and accrued expenses	\$ 352,021	\$ 147,719
Related party payable	29,501	118,627
Deferred revenue	-	2,976
Capital leases - current	308,553	309,129
Notes payable - current, net of discount	47,103	44,000
Convertible notes payable, net of discount	252,643	229,903
Total current liabilities	989,821	852,354
Long-term liabilities		
Capital leases	554	554
Notes payable, net of discount	76,072	76,072
Total long-term liabilities	76,626	76,626
TOTAL LIABILITIES	1,066,448	928,980
COMMITMENTS AND CONTINGENCY (NOTE 9)		
<u>STOCKHOLDERS' EQUITY</u>		
Preferred stock, par value \$0.0005 per share; 25,000,000 shares authorized;		
693,750 Series A convertible preferred shares issued and outstanding as of March 31, 2014 and 743,750 shares issued and outstanding as of December 31, 2013.	346	371
750 Series B convertible preferred shares issued and outstanding as of March 31, 2014 and 750 shares issued and outstanding as of December 31, 2013.	-	-
Common stock, par value \$0.0004 per share; 100,000,000 shares authorized;		
25,969,163 shares of voting common stock issued and outstanding as of March 31, 2014 and 25,854,307 shares issued and outstanding as of December 31, 2013	10,391	10,343
Additional Paid-in Capital	16,669,538	16,700,307
Accumulated deficit	(15,663,968)	(15,287,647)
TOTAL STOCKHOLDERS' EQUITY	1,016,307	1,423,374
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 2,082,754	\$ 2,352,354

OXYSURE SYSTEMS INC.
STATEMENTS OF OPERATIONS

	For the three months ended March 31,	
	2014	2013
Revenues, net	\$ 356,229	\$ 240,420
Cost of goods sold	205,590	53,181
Gross profit	150,639	187,239
Operating expenses		
Research and development	1,541	36,711
Sales and marketing	87,949	107,347
Other general and administrative	345,757	256,617
Loss from operations	(284,608)	(213,436)
Other income (expenses)		
Gain on settlement of debt	16,226	-
Other income (expense)	(331)	-
Interest expense	(107,607)	(28,716)
Total other income (expenses)	(91,712)	(28,716)
Net loss	\$ (376,320)	\$ (242,152)
Basic net income (loss) per common share	\$ (0.01)	\$ (0.01)
Diluted net income (loss) per common share	\$ (0.01)	\$ (0.01)
Weighted average common shares outstanding:		
Basic	25,889,334	22,665,515
Diluted	25,889,334	22,665,515

OXYSURE SYSTEMS INC.
STATEMENTS OF CASH FLOWS

	Three Months Ended March 31,	
	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	\$ (376,320)	\$ (169,349)
Adjustments to reconcile net income (loss) to net cash from operating activities:		
Depreciation and amortization expense	12,141	35,610
Amortization of debt discount and beneficial conversion features	95,776	21,802
Expenses paid by related parties	4,374	-
Stock based compensation	17,588	(12,061)
Gain on extinguishment of debt	(16,226)	-
Stock issued for services	-	19,023
Changes in operating assets and liabilities:		
Accounts receivable	(272,816)	(54,542)
Inventories	10,407	(142)
License fees receivable	36,692	-
Prepaid expenses and other current assets	40,173	-
Accounts payable and accrued liabilities	212,259	91,364
Deferred revenue	(2,976)	(125,000)
	(238,928)	(193,295)
NET CASH USED IN OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(64,000)	(623)
Purchase of intangible assets	-	-
	(64,000)	(623)
NET CASH USED IN INVESTING ACTIVITIES		
CASH FLOWS FROM FINANCING ACTIVITIES		
Common stock issued for cash	-	230,824
Series B preferred stock issued for cash and warrants	-	-
Common stock issued for cash and warrants	-	-
Cash received from related parties	-	-
Payments made to related parties	(93,500)	-
Cash received notes payable	-	-
Payments made on notes payable	-	-
Cash received from convertible notes payable	-	28,103
Payments made on convertible notes payable	(110,000)	-
Payments on capital leases	(576)	12,881
Exercising of warrants	-	3,500
	(204,076)	275,308
NET CASH PROVIDED BY FINANCING ACTIVITIES		
Net change in cash and cash equivalents	(507,004)	81,390
Cash and cash equivalents, at beginning of period	657,673	13,514
Cash and cash equivalents, at end of period	\$ 150,669	\$ 94,905

Supplemental disclosure of cash flow information:
Cash paid during the period for:

Interest	<u>\$ 7,492</u>	<u>\$ 182</u>
Income taxes	<u>\$ -</u>	<u>\$ -</u>
Supplemental non-cash investing and financing activities:		
Conversion of convertible notes payable	25,000	-
Conversion of Series A preferred stock to common stock	25	-

Contacts:

Investor Contact:
Stonegate Securities, Inc.
214-987-4121 / 972-294-6461
investors@oxysure.com

Media Contact:
media@oxysure.com