



**OxySure (OXYS) Reports Second Quarter 2015 Results with Stellar Growth
and Solid Balance Sheet Improvements**
Revenues Up 62%; Assets Up 110%

Frisco, Texas, August 19, 2015 – 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 and other medical solutions, today announced financial and operating results for the second quarter ended June 30, 2015.

Second Quarter 2015 Highlights:

- Total revenue up 54% to \$1,046,019 for the three months ended June 30, 2015
- Total revenue up 62% to \$1,670,533 for the six months ended June 30, 2015
- Gross profit up 54% to \$636,836 for the three months ended June 30, 2015
- Gross profit up 64% to \$925,494 for the six months ended June 30, 2015
- Total cash up 344% to \$2,875,941 at June 30, 2015 from \$647,093 at December 31, 2014
- Working capital surplus up 441% to \$2,264,512 at June 30, 2015 from \$418,734 at December 31, 2014
- Total assets up 110% to \$5,282,567 at June 30, 2015 from \$2,511,448 at December 31, 2014
- Stockholder equity up 179% to \$2,997,385 at June 30, 2015 from \$1,074,788 at December 31, 2014.

Julian T. Ross, Chairman of the Board and Chief Executive Officer of OxySure stated, “We are pleased with our results for the second quarter, and our momentum continues to build. With revenues up 62%, total assets up 110% and stockholder equity up 179% for the year, we believe we are well positioned to achieve our goals for the remainder of the year. These include growing our sales force, solidifying our medical device platform, and uplisting our Company to a national exchange.”

For the three months ended June 30, 2015, revenues increased 54% to \$1,046,019 as compared to \$678,111 for the prior period. Total revenue increased 62% to \$1,670,533 for the six months ended June 30, 2015 as compared to \$1,034,340 for the prior period.

Gross profit increased 54% to \$636,836 for the three months ended June 30, 2015 as compared to \$413,255 for the prior period. Gross profit increased 64% to \$925,494 for the six months ended June 30, 2015 as compared to \$563,894 for the prior period.

On a consecutive quarter basis, the Company’s financial results were even more impressive. Revenue was up 67% from 1Q15 to 2Q15, and gross profit was up 120%. The Company’s net loss

per share went down from \$.05 per share for the three months ended March 31, 2015 to \$.04 per share for the three months ended June 30, 2015.

Selling, general and administrative expenses for the three months ended June 30, 2015 were \$1,247,915 compared to \$689,248 for the three months ended June 30, 2014. Sales and marketing expenses increased to \$329,393 during the three months ended June 30, 2015, up from \$154,044 during the three months ended June 30, 2014, as the Company expanded its sales and marketing, branding and investor relations efforts.

Other general and administrative expenses increased to \$621,066 for the three months ended June 30, 2015 as compared to \$259,230 during the prior period, primarily as a result of the previously announced increases in staffing in the sales department, as well as increases in stock based compensation expense and professional fees.

Interest expense increased to \$561,791 for the three months ended June 30, 2015, as compared to \$85,980 for the prior period, primarily as a result of an increase in the amortization of debt discounts and beneficial conversion features (BCF) and warrant fair values. In addition, the Company recorded \$204,272 in derivative expense for the quarter, as compared to zero in the prior period.

Net loss during the three months ended June 30, 2015 was \$1,258,434, or \$0.04 per share, as compared to \$319,508 or \$0.01 per share during the three months ended June 30, 2014. The weighted average shares outstanding were 30,215,788 and 25,996,642 for three months ended June 30, 2015 and 2014, respectively.

Exceptional Balance Sheet Improvements

The Company reported exceptional improvements to its balance as follows:

- Total cash equivalents increased 344% to \$2,875,941 at June 30, 2015 from \$647,093 at December 31, 2014;
- Working capital surplus increased 441% to \$2,264,512 at June 30, 2015 from \$418,734 at December 31, 2014;
- Total assets increased 110% to \$5,282,567 at June 30, 2015 from \$2,511,448 at December 31, 2014; and
- Stockholder equity increased 179% to \$2,997,385 at June 30, 2015 from \$1,074,788 at December 31, 2014.

Business updates

OxySure continues to gather momentum and build its business as a medical device platform company and an emerging leader in the emergency medical and resuscitation space. During the past quarter, the Company:

- Signed a distribution agreement with Z-Medica, LLC, a leading developer of bleeding control and hemostatic devices like the QuikClot Combat Gauze®;
- Was selected as an official Supplier of Medical Equipment for Health Services at Special Olympics World Games Los Angeles 2015 (LA2015); the OxySure Model 615 emergency oxygen device was deployed into all the competition venues and medical operations of the Games, along with Automated External Defibrillators (AEDs) and OxySure branded pulse oximeters supplied by the Company. During the Games the OxySure Model 615 was used in 18 lives saved;
- Appointed three new Territory Managers in Minneapolis, Philadelphia, and San Antonio. These appointments followed other appointments during 1Q2015 of Territory Managers in Michigan, Georgia, Colorado, Western Pennsylvania, Arizona, and North Texas;
- Signed a distribution agreement with Team Life of New Jersey, an established organization in emergency health training and products with three locations in Middlesex, Cherry Hill and Colts Neck, New Jersey; and
- Unveiled plans for a medical drone solution to be utilized in aerial operations in support of emergency response and services, disaster response and recovery, search and rescue, and humanitarian relief efforts.

The Company continues to focus on growth by expanding its direct sales force and its global distribution channel, and by diversifying its product portfolio. The Company also plans to continue to ramp up its sales and marketing activities to drive sales, raise market awareness and grow its brand. The Company has also made significant progress towards its goal of uplisting the Company to a national stock exchange.

“We are excited about the direction we are headed, and we look forward to pursuing our goals for remainder of 2015,” said Mr. Ross. “There is a lot of work ahead of us, and we plan to execute.”

Earnings Conference Call

OxySure’s CEO Julian Ross will host a conference call to discuss the Company’s second quarter 2015 results. To join the Audio Conference, please dial the phone number at least ten minutes prior to the start of the conference call and enter your passcode as follows:

Date:	Wednesday, August 19, 2015
Time:	9:00 pm ET
US Dial-In:	1 (866) 352-2112 Audience US Toll Free
International Dial-In:	1 (630) 691-2779 Audience US Toll
Passcode:	7500 647

A PowerPoint presentation to be used during the call will be made available under “Investor Events” at the following link prior to the call:

For webcast link/ <http://www.oxysure.com/aed/index.php/investors-home>
PowerPoint slide
Deck

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, 2014.

**OXYSURE SYSTEMS INC.
CONDENSED BALANCE SHEETS**

	June 30, 2015	December 31, 2014
	<u>(Unaudited)</u>	
<u>ASSETS</u>		
Current assets		
Cash and cash equivalents	\$ 2,875,941	\$ 647,093
Accounts receivable, net	711,148	369,575
Inventories	422,551	277,346
License fee receivable	448,308	463,308
Prepaid expenses and other current assets	91,747	53,588
Total current assets	<u>4,549,695</u>	<u>1,810,910</u>
Property and equipment, net	88,617	91,537
Intangible assets, net	347,650	362,764
Other assets	296,605	246,237
TOTAL ASSETS	<u>\$ 5,282,567</u>	<u>\$ 2,511,448</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities		
Accounts payable and accrued expenses	\$ 810,784	\$ 558,338
Related party payable	200,000	154,850
Capital leases - current	-	149
Notes payable - current, net of discount	43,723	40,897
Convertible notes payable, net of discount	1,116,109	606,932
Derivative liability	114,566	31,010
Total current liabilities	<u>2,285,182</u>	<u>1,392,176</u>
Long-term liabilities		
Notes payable	-	44,484
Total long-term liabilities	-	44,484
TOTAL LIABILITIES	<u>2,285,182</u>	<u>1,436,660</u>

COMMITMENTS AND CONTINGENCY

STOCKHOLDERS' EQUITY

Preferred stock, par value \$0.0005 per share; 25,000,000 shares authorized;		
518,750 Series A convertible preferred shares issued and outstanding as of June 30, 2015 and 593,750 shares issued and outstanding as of December 31, 2014.	258	296
900 Series B convertible preferred shares issued and outstanding as of June 30, 2015 and 1,145 shares issued and outstanding as of December 31, 2014.	1	1
770,000 Series C convertible preferred shares issued and outstanding as of June 30, 2015 and 0 shares issued and outstanding as of December 31, 2014.	385	-
1,050,000 Series D convertible preferred shares issued and outstanding as of June 30, 2015 and 0 shares issued and outstanding as of December 31, 2014.	525	-
531,666 Series E convertible preferred shares issued and outstanding as of June 30, 2015 and 0 shares issued and outstanding as of December 31, 2014.	266	-
Common stock, par value \$0.0004 per share; 100,000,000 shares authorized;		
31,224,000 shares of voting common stock issued and outstanding as of June 30, 2015 and 28,438,631 shares issued and outstanding as of December 31, 2014	12,492	11,377

Stock subscription receivable	(1,231,666)	-
Additional Paid-in Capital	24,854,869	19,104,322
Accumulated deficit	<u>(20,639,745)</u>	<u>(18,041,208)</u>
TOTAL STOCKHOLDERS' EQUITY	<u>2,997,385</u>	<u>1,074,788</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 5,282,567</u>	<u>\$ 2,511,448</u>

OXYSURE SYSTEMS INC.
STATEMENTS OF OPERATIONS

	For the three months ended June 30,		For the six months ended June 30,	
	2015	2014	2015	2014
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Revenues, net	\$ 1,046,019	\$ 678,111	\$ 1,670,533	\$ 1,034,340
Cost of goods sold	409,183	264,856	745,039	470,446
Gross profit	636,836	413,255	925,494	563,894
Operating expenses				
Research and development	\$ 297,456	\$ 275,974	\$ 510,801	\$ 277,515
Sales and marketing	329,393	154,044	794,139	241,993
Other general and administrative	621,066	259,230	1,243,350	604,987
Total operating expenses	1,247,915	689,248	2,548,290	1,124,495
Loss from operating expenses	(611,079)	(275,993)	(1,622,796)	(560,600)
Other income (expenses)				
Interest expense	(561,791)	(85,980)	(892,945)	(193,587)
Change in value of derivative liabilities	119,933	-	122,584	-
Derivative expense	(204,272)	-	(204,272)	-
Other income (expense)	(1,225)	42,465	(1,108)	58,360
Total other income (expenses)	(647,355)	(43,515)	(975,741)	(135,227)
Net loss	<u>\$ (1,258,434)</u>	<u>\$ (319,508)</u>	<u>\$ (2,598,537)</u>	<u>\$ (695,828)</u>
Basic and diluted net loss per common share	<u>\$ (0.04)</u>	<u>\$ (0.01)</u>	<u>\$ (0.09)</u>	<u>\$ (0.03)</u>
Weighted average common shares outstanding:				
Basic and diluted	<u>30,215,788</u>	<u>25,996,642</u>	<u>29,587,327</u>	<u>25,956,948</u>

OXYSURE SYSTEMS INC.
STATEMENTS OF CASH FLOWS
(Unaudited)

	For the six months ended June 30,	
	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$(2,598,537)	\$ (695,828)
Adjustments to reconcile net loss to net cash from operating activities:		
Depreciation and amortization expense	21,934	24,853
Amortization of debt discount and beneficial conversion features	803,870	121,140
Gain on forgiveness of debt	(37,714)	-
Gain on extinguishment of debt	-	(42,525)
Excess derivative over proceeds	204,272	-
Derivative liability fair value adjustment	(122,584)	-
Expenses paid on behalf of related parties	137,150	-
Expenses paid by related parties	-	4,374
Warrants issued for services	8,883	-
Stock based compensation	106,911	17,588
Common stock issued for services	62,670	-
Changes in operating assets and liabilities:		
Accounts receivable	(341,573)	(363,543)
Inventories	(145,205)	1,804
License fees receivable	15,000	36,692
Prepaid expenses and other current assets	(38,159)	62,509
Other assets	(50,368)	-
Accounts payable and accrued liabilities	282,345	304,405
Deferred revenue	-	(2,976)
NET CASH USED IN OPERATING ACTIVITIES	(1,691,105)	(531,507)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(3,900)	(70,651)
Purchase of intangible assets	-	(198)
NET CASH USED IN INVESTING ACTIVITIES	(3,900)	(70,849)
CASH FLOWS FROM FINANCING ACTIVITIES		
Common stock subscribed and issued for cash	80,001	10,672
Preferred stock issued for cash and warrants	2,650,001	-
Cash received from related parties	-	9,800
Payments made to related parties	(92,000)	(108,300)
Cash received from convertible notes payable	1,461,000	247,500
Payments made on convertible notes payable	(175,000)	(192,000)
Payments on capital leases	(149)	(1,008)
NET CASH PRODUCED BY FINANCING ACTIVITIES	3,923,853	(33,336)
Net change in cash and cash equivalents	2,228,848	(635,692)
Cash and cash equivalents, at beginning of period	647,093	657,673
Cash and cash equivalents, at end of period	<u>\$ 2,875,941</u>	<u>\$ 21,981</u>

Supplemental disclosure of cash flow information:

Cash paid during the period for:

Interest	\$ -	\$ -
Income taxes	\$ -	\$ -

Supplemental non-cash investing and financing activities:

Conversion of preferred stock to common	\$ 246	\$ -
Conversion of convertible notes payable	804,138	-
Beneficial conversion feature	808,532	-
Initial value of the derivative	165,200	-

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