



OxySure (OXYS) Reports Third Quarter 2015 Financial Results with Annual Run Rate Approaching \$5 Million
Company on Track to Reach \$10 Million Run Rate and Breakeven in 2016

Frisco, Texas, November 17, 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 third quarter ended September 30, 2015.

Third Quarter 2015 Highlights:

- Total revenue up 39% to \$1,138,380 (3 months)
- Total revenue up 52% to \$2,809,553 (9 months)
- Gross profit up 12% to \$558,254 (3 months)
- Gross profit up 40% to \$1,484,388 (9 months)
- Total cash up 210% to \$2,006,312 at September 30, 2015 from \$647,093 at December 31, 2014
- Working capital surplus up 253% to \$1,479,075 at September 30, 2015 from \$418,734 at December 31, 2014
- Total assets up 76% to \$4,424,003 at September 30, 2015 from \$2,511,448 at December 31, 2014
- Stockholder equity up 103% to \$2,180,918 at September 30, 2015 from \$1,074,788 at December 31, 2014.
- Net loss \$.04 per share

Julian T. Ross, Chairman of the Board and Chief Executive Officer of OxySure stated, “This has been a good building quarter for us. We were able to bring strong management to the opportunities and challenges along the way and we are pleased with the exemplary results. With our revenue run rate approaching \$5 million we expect to be on track to reach a revenue run rate of \$10 million and breakeven in 2016.”

Other key highlights included:

- 14th Consecutive growth quarter
- TTM revenue \$3.4 million
- Revenue run rate approaching \$5 million
- **On track for revenue run rate of \$10 million in 2016**

- Adjusted EBITDA in 3Q15 was \$(76,000), -6.7%
- **On track for breakeven in 2016**
 - Cash flow breakeven first
 - GAAP breakeven later

For the three months ended September 30, 2015, revenues increased 39% to \$1,138,380 as compared to \$818,456 for the prior period. Total revenue increased 52% to \$2,809,553 for the nine months ended September 30, 2015 as compared to \$1,852,796 for the prior period.

Gross profit increased 12% to \$558,254 for the three months ended September 30, 2015 as compared to \$496,524 for the prior period. Gross profit increased 40% to \$1,484,388 for the nine months ended September 30, 2015 as compared to \$1,060,418 for the prior period.

On a consecutive quarter basis, the Company's financial results continue to exceed expectations. Revenue was up 8.1% from 2Q15 to 3Q15, and the Company's net loss per share was flat at \$.04 per share.

Selling, general and administrative expenses for the three months ended September 30, 2015 were \$1,486,870 compared to \$885,983 for the three months ended September 30, 2014. Sales and marketing expenses increased to \$437,442 during the three months ended September 30, 2015, up from \$202,825 during the three months ended September 30, 2014, as the Company continued to expand its sales and marketing, branding and investor relations efforts.

Other general and administrative expenses increased to \$686,829 for the three months ended September 30, 2015 as compared to \$527,289 during the prior period, primarily as a result of increases in salaries and wages, stock compensation expense, professional fees and insurance expense.

Interest expense increased to \$626,127 for the three months ended September 30, 2015, as compared to \$169,051 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 \$47,091 in derivative expense for the quarter, as compared to zero in the prior period.

Net loss during the three months ended September 30, 2015 was \$1,380,753, or \$0.04 per share, as compared to \$462,349 or \$0.02 per share during the three months ended September 30, 2014. The weighted average shares outstanding were 32,425,195 and 26,120,974 for three months ended September 30, 2015 and 2014, respectively.

Continued Balance Sheet Strength

The Company reported continued balance sheet strength as follows:

- Total cash equivalents increased 210% to \$2,006,312 at September 30, 2015 from \$647,093 at December 31, 2014;

- Working capital surplus increased 253% to \$1,479,075 at September 30, 2015 from \$418,734 at December 31, 2014;
- Total assets increased 76% to \$4,424,003 at September 30, 2015 from \$2,511,448 at December 31, 2014; and
- Stockholder equity increased 103% to \$2,180,918 at September 30, 2015 from \$1,074,788 at December 31, 2014.

Business updates

During the quarter the Company successfully managed through various opportunities and challenges, in the process maintaining momentum and emerging stronger:

- The Company appointed Dr. Joseph M. Chalil, MD, MBA, FACHE, a Physician and Executive at Boehringer Ingelheim to its Strategic Advisory Board;
- The Company's business and industry received support from an opinion paper published in the Journal of Emergency Medical Services (JEMS) that appears to pave the way for "public/first aid oxygen" usage, prior to the arrival of professional first responders;
- Stockholders voted to approve two proposals designed to support an uplisting of the Company to a national exchange such as Nasdaq and an amendment of the Company's capital structure to facilitate significant future growth;
- The Company conducted an investor day, at our headquarters where a tour of the Company's production plant and operations was provided;
- The Company announced the appointment of two new Territory Sales Managers in Indiana and Colorado;
- The Company placed fourth on the Fast Tech Award listing honoring the fastest growing technology Companies in North Texas – our Company grew at an average of 801.45% for the two-year period under review;
- The Company received commercial drone approval from the Federal Aviation Administration (FAA) - The Company's petition for exemption for commercial drone usage was granted by the FAA, a division of the United States Department of Transportation (DOT);
- The Company presented at the 2015 Sidoti Emerging Growth Conference as it continues to increase its participation in selected institutional investor and broker events;
- The Company retained Donohoe Advisory Associates LLC of Rockville, Maryland to advise

and assist in its efforts to obtain a listing on a national securities exchange;

- The OxySure Model 615 portable emergency oxygen device was used eighteen times during the Special Olympics World Games which took place July 25 - August 2, 2015 in Los Angeles;
- The Company teamed up with Cardiac Science Corporation (Cardiac Science), a market-leading manufacturer and marketer of automated external defibrillators (AEDs) and related services with a partnership covering various joint strategic initiatives; and
- The Company closed a \$3 million institutional financing transaction.

“Looking forward, we remain on track with the launch of at least one new solution in 2015,” added Ross. “Also, we have started working with our medical advisors on laying the ground work for our direct to consumer campaign addressing “At Risk” markets such as Asthma and Immunology markets. We expect to continue our efforts to grow our direct sales force. We have made additional progress and will be continuing our work on the Nasdaq uplisting process. Finally, our growth plan is working and our investments are paying dividends. We are especially excited about working towards one of our next key milestones, which is to reach the \$10 million revenue run rate number and breakeven some time in 2016.”

Earnings Conference Call Presentation

The Company held a conference call discussing the third quarter 2015 results. The PowerPoint presentation used during the call is available under “Investor Events” at the following link:

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

About OxySure Systems, Inc.

OxySure Systems, Inc. (OTCQB: 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. *In addition to oxygen products for public/lay responder usage, OxySure also markets emergency medical solutions including AEDs (Cardiac Science, Philips, Zoll,*

Physio Control, Defibtech, and HeartSine), Quickclot Bleeding Control solutions, resuscitation products and pulse oximetry products. 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**

September 30, December 31,
2015 2014
Unaudited

ASSETS

Current assets

Cash and cash equivalents	\$ 6,312	\$ 647,093
Restricted cash	\$ 2,000,000	-
Accounts receivable, net	830,596	369,575
Inventories	390,028	277,346
License fee receivable	403,478	463,308
Prepaid expenses and other current assets	91,747	53,588
Total current assets	3,722,161	1,810,910

Property and equipment, net	89,544	91,537
Intangible assets, net	340,142	362,764
Other assets	276,692	246,237

TOTAL ASSETS	\$ 4,428,538	\$ 2,511,448
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LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities

Accounts payable and accrued expenses	\$ 768,674	\$ 558,338
Related party payable	222,417	154,850
Capital leases - current	-	149
Notes payable - current, net of discount	47,103	40,897
Convertible notes payable, net of discount	1,132,808	606,932
Derivative liability	76,618	31,010
Total current liabilities	2,247,620	1,392,176

Long-term liabilities

Notes payable	-	44,484
Total long-term liabilities	-	44,484

TOTAL LIABILITIES	2,247,620	1,436,660
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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 September 30, 2015 and 593,750 shares issued and outstanding as of December 31, 2014.	258	296
750 Series B convertible preferred shares issued and outstanding as of September 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 September 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 September 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 September 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;		
33,488,420 shares of voting common stock issued and outstanding as of September 30, 2015 and 28,436,930 shares issued and outstanding as of December 31, 2014	13,398	11,377
Other stockholder equity	(1,231,666)	-
Additional Paid-in Capital	25,418,546.00	19,104,322
Accumulated deficit	(22,020,795)	(18,041,208)

TOTAL STOCKHOLDERS' EQUITY	<u>2,180,918</u>	<u>1,074,788</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 4,428,538</u>	<u>\$ 2,511,448</u>

OXYSURE SYSTEMS INC.
STATEMENTS OF OPERATIONS

	For the three months ended September 30,		For the nine months ended September 30,	
	2015	2014	2015	2014
	Unaudited	Unaudited	Unaudited	Unaudited
Revenues, net	\$ 1,138,380	\$ 818,456	\$ 2,809,553	\$ 1,852,796
Cost of goods sold	580,126	\$ 321,932	1,325,165	\$ 792,378
Gross profit	558,254	496,524	1,484,388	1,060,418
Operating expenses				
Research and development	\$ 362,599	\$ 155,869	\$ 873,450	\$ 433,384
Sales and marketing	437,442	202,825	1,231,581	444,818
Other general and administrative	686,828	527,289	1,930,425	1,132,276
Total operating expenses	1,486,869	885,983	4,035,456	2,010,478
Loss from operations	(928,615)	(389,459)	(2,551,067)	(950,060)
Other income (expenses)				
Interest expense	(626,127)	(169,051)	(1,519,071)	(362,638)
Change in value of derivative liabilities	219,673	-	342,257	-
Derivative expense	(47,091)	-	(251,363)	-
Other income (expense)	1,407	96,161	(342)	154,521
Total other income (expenses)	(452,138)	(72,890)	(1,428,519)	(208,117)
Net loss	<u>\$ (1,380,753)</u>	<u>\$ (462,349)</u>	<u>\$ (3,979,587)</u>	<u>\$ (1,158,177)</u>
Basic net loss per common share	<u>\$ (0.04)</u>	<u>\$ (0.02)</u>	<u>\$ (0.13)</u>	<u>\$ (0.04)</u>
Weighted average common shares outstanding:				
Basic and Diluted	<u>32,425,195</u>	<u>26,120,974</u>	<u>30,543,678</u>	<u>26,042,971</u>

OXYSURE SYSTEMS INC.
STATEMENTS OF CASH FLOWS
(Unaudited)

**For the nine months ended
September 30,**

2015 2014

CASH FLOWS FROM OPERATING ACTIVITIES:

Net loss	\$ (3,979,587)	\$ (1,158,177)
Adjustments to reconcile net loss to net cash from operating activities:		
Depreciation and amortization expense	33,239	35,462
Amortization of debt discount and beneficial conversion features	1,315,271	254,944
Gain on forgiveness of debt	(44,954)	-
Excess derivative over proceeds	251,363	-
Derivative liability fair value adjustment	(342,257)	-
Expenses paid by related parties	137,150	4,374
Warrants issued for services	11,025	-
Stock based compensation	119,083	62,137
Common stock issued for services	147,363	-
Gain on extinguishment of debt	-	(123,667)
Changes in operating assets and liabilities:		
Accounts receivable	(461,020)	(444,915)
Inventories	(112,682)	(11,618)
License fees receivable	59,830	36,692
Prepaid expenses and other current assets	(38,159)	87,070
Other assets	(30,455)	-
Accounts payable and accrued liabilities	266,363	476,772
Deferred revenue	-	(2,976)

NET CASH USED IN OPERATING ACTIVITIES (2,668,427) (783,900)

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property and equipment	(8,624)	(70,651)
Purchase of intangible assets	-	(198)

NET CASH USED IN INVESTING ACTIVITIES (8,624) (70,849)

CASH FLOWS FROM FINANCING ACTIVITIES

Common stock subscribed and issued for cash	80,001	29,672
Preferred stock issued for cash and warrants	2,650,001	-
Cash received from related parties	43,917	9,800
Payments made to related parties	(113,500)	(115,300)
Cash received from convertible notes payable	1,551,000	475,000
Payments made on convertible notes payable	(175,000)	(192,000)
Payments on capital leases	(149)	(1,440)

NET CASH PRODUCED BY FINANCING ACTIVITIES 4,036,270 205,732

Net change in cash and cash equivalents 1,359,219 (649,019)

Cash and cash equivalents, at beginning of period 647,093 657,673

Cash and cash equivalents, at end of period \$ 2,006,312 \$ 8,654

Supplemental disclosure of cash flow information:

Cash paid during the period for:

Interest	\$ -	\$ 12,996
Income taxes	\$ -	\$ -

Supplemental non-cash investing and financing activities:

Conversion of preferred stock to common stock	\$	371	\$	-
Common stock issued for prepaid services		-		25,000
Conversion of convertible notes payable		1,234,730		188,358
Beneficial conversion feature		843,515		-
Initial value of the derivative		165,200		-

Contacts:

Renmark Financial Communications, Inc.

Bettina Filippone: bfilippone@renmarkfinancial.com

Tel.: (416) 644-2020 or (514) 939-3989

www.renmarkfinancial.com/

Redchip Companies, Inc.

Jon Cunningham: jon@redchip.com

800-733-2447, ext. 107

www.redchip.com/