

August 19, 2014



# GelStat Corporation Reports Second Quarter Results and Provides Shareholder Update

## The Company Has a Current Backlog in Excess of \$500,000 to Be Completed and Delivered by Year-End 2014

PALM CITY, FL -- (Marketwired) -- 08/19/14 -- GelStat Corporation(PINKSHEETS: GSAC), a fully integrated consumer healthcare company engaged in the research, development, marketing and branding of innovative over-the-counter (OTC) consumer healthcare products addressing very large markets, reported results for the period ended June 30, 2014 and is updating shareholders on recent events.

### ***Highlights for the Second Quarter 2014:***

- Reported revenue of \$14,038 up 261% versus \$3,880 over the same period in 2013 and up 136% from \$5,942 in the 1<sup>st</sup> quarter ended 3/31/14. The revenue growth was attributable to increasing sales of GelStat Migraine primarily driven by small advertising tests designed to drive new customer acquisitions. While the revenue numbers themselves are insignificant, the trends and validation of marketing efforts are very meaningful. To review the financial reports for the period ended June 30, 2014 in detail visit: <http://www.otcmarkets.com/financialReportViewer?symbol=GSAC&id=125149>
- Completed development and manufactured the initial inventory of Chews 2 Lose and began developing its direct-to-consumer marketing and branding collateral as well as secured a distribution agreement with Windmill Health Products. For more information visit: [www.Chew2Lose.com](http://www.Chew2Lose.com)
- Completed the development and purchased the initial inventory of All Natural Speed.
- Roger Cady, M.D. joins GelStat as its Chief Medical Advisor.

Larry Gershman, GelStat's CEO, said, "The second quarter of 2014 was another transformational quarter for GelStat as we increased sales of GelStat Migraine while preparing and purchasing inventory of Chews 2 Lose and All Natural Speed. Most importantly, we signed a definitive agreement to acquire Mastix Medica which we closed on July 7, 2014. This acquisition secured the future production of Chews 2 Lose, as well as brought significant revenue, resources and opportunities to GelStat."

Since the closing of the second quarter, the Company has achieved a number of significant milestones including:

- Closed the acquisition of Mastix Medica completing our vertical integration strategy and providing a solid foothold in the rapidly growing high-CBD hemp oil products market.
- Launched a new corporate website [www.GelStat.com](http://www.GelStat.com) .

Robert Estey, COO of GelStat, said, "We have made great strides at Mastix Medica since the end of the second quarter. Several new products incorporating high-CBD industrial hemp oil have been developed by our in-house team and are ready for production and distribution to consumers in the near future. Purchase orders from five new customers have been received and are being produced and shipped over the next few months. Our product development project list is robust with a good combination of contract manufacturing customers and our own proprietary products."

***Our primary objectives and outlook for the remainder of 2014:***

- Increasing the marketing efforts to secure additional contract manufacturing opportunities for Mastix Medica. Mastix has a solid pipeline of projects and purchase orders in excess of \$500,000 to be completed by the end of 2014.
- Building brand recognition and product placement through distribution agreements in select retailers for GelStat Migraine, Chews 2 Lose and All Natural Speed.
- Developing additional high-CBD products leveraging Mastix Medica's proprietary methods to make functional gums and lozenges.
- Collectively, GelStat forecasts revenue of \$400,000 for the third quarter and \$500,000 for the fourth quarter of 2014.

Make sure you are first to receive timely information on GelStat Corporation when it hits the newswire. Sign up for GelStat's email news alert system today at: <https://ir.stockpr.com/gelstat2/email-alerts>

***ABOUT GELSTAT CORPORATION***

GelStat Corporation is a publicly-traded company trading under the symbol ("GSAC") that is engaged in research, development, marketing and branding of innovative over-the-counter (OTC) consumer healthcare products addressing very large markets. Through its recent acquisition of Mastix Medica (now a wholly owned subsidiary of GelStat), it is now a fully integrated healthcare products company with proprietary manufacturing capabilities. For more information, visit [www.gelstat.com](http://www.gelstat.com).

Mastix Medica develops and manufactures niche healthcare products in dosage forms like tableted chewing gum, chewable tablets and lozenges. Mastix Medica is one of very few companies in the world that has the ability to make tableted chewing gum products at room temperature versus the traditional boiling process which can degrade the active ingredients and reduce their efficacy. Most importantly, Mastix Medica has a patent pending process for incorporating hemp oil into chewing gum, lozenges and chewable tablets. For more information on Mastix Medica visit: <http://mastixmedica.com>

## ***Safe Harbor Statement***

This press release contains forward-looking statements including the projected revenue that Mastix may produce, the forecasted size of the migraine market and the forecasted value of the energy drink market. Forward-looking statements can be identified by words such as "anticipates," "intends," "plans," "seeks," "believes," "estimates," "expects" and similar references to future periods.

Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements. We caution you therefore against relying on any of these forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statements include the ability of Mastix to obtain future customers, regulatory and other legal changes which may affect the forecasts, and the demand for hemp based products as well as the ability to sell hemp products.

Any forward-looking statement made by us in this press release speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

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