SMARTCOOL SYSTEMS INC.

7155 Kingsway
PO Box 54523 Highgate PO
Burnaby, BC V5E 4J6
Telephone: 604 669-1388 Facsimile: 604 602 0674

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES OR TO U.S. PERSONS

SMARTCOOL ANNOUNCES INCREASE OF PRIVATE PLACEMENT

Vancouver, British Columbia May 11, 2016

SmartCool Systems Inc. (TSXV: SSC) (OTCQB: SSCFF) (the "**Company**") announces that it has received conditional approval from the TSX Venture Exchange to increase the size of its non-brokered private placement (the "**Offering**") announced on April 6, 2016. The Company today announces that it intends to increase the number of Units to be sold from 8,000,000 units (as originally proposed) to up to 12,000,000 Units, for total gross proceeds of up to $300,000. The terms of the Units remain as announced on April 6, 2016. To date, the Company has raised a total of $165,000 from the first tranche closing of the Offering. The Company also announces that it has extended the time for the closing of the Offering to on or before June 22, 2016. Closing of the Offering remains subject to final approval of the TSX Venture Exchange.

The Company may pay finder's fees in connection with the issuance of the Units.

The Company intends to use most of the proceeds from the Offering to pay accrued liabilities; it anticipates that approximately fifteen percent (15%) will be available for general working capital.

All of the securities to be issued pursuant to the Offering will be subject to a hold period expiring four months and one day after the closing of the Offering. The warrants are not transferable.

This press release is not an offer of securities for sale in the United States. None of the securities issued or issuable in connection with the Offering will be registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), and none of them may be offered or sold in the United States absent registration or an exemption from the registration requirements of the 1933 Act. This press release will not constitute an offer to sell or the solicitation of an offer to buy nor will there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Smartcool

Smartcool Systems Inc. (TSXV: SSC) provides cutting edge energy efficient and energy cost reduction solutions for businesses around the world. The ECO3 and ESM are Smartcool's unique retrofit technologies that reduce the energy consumption of compressors in air conditioning, refrigeration and heat pump systems by 15% to 20%, giving a return on investment in 12 to 36 months.

On behalf of Smartcool Systems Inc.

George Burnes, President
604.669.1388

Forward-looking statements:

Certain statements in this release are forward-looking statements. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. Forward looking statements in this release include those concerning the increase of the Offering and its intended use of proceeds. These forward-looking statements reflect management's current views and are based on certain expectations, estimates and assumptions which may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, as well as other factors beyond the Company's control. These forward-looking statements are made as of the date of this news release.