

May 18, 2011



Media and Wireless Industry Veteran Peter Adderton to be Named NeuMedia Chief Executive Officer

Founder of Boost Mobile and Co-Founder of Amp'd Mobile Brings Executive Experience and Key Relationships in the Digital Media and Mobile Spaces

Adderton's Latest Venture 'Digital Turbine' Will Be Integrated with NeuMedia

LOS ANGELES, May 18, 2011 /PRNewswire/ -- NeuMedia, Inc. (OTC BB: MNDL), a leading global mobile data services provider, has entered into a letter of intent to acquire Digital Turbine, a technology platform that allows media companies, mobile carriers, and their OEM handset partners to take advantage of multiple mobile operating systems across multiple networks, while maintaining their own branding and their unique, personalized, one-to-one relationships with each end-user.

Mr. Adderton has been a pioneer in the mobile digital media space, creating Boost Mobile and Amp'd Mobile, a 3G media company, in the past decade. Mr. Adderton founded Boost Mobile in 2000 and remains a Director and the largest shareholder of Boost Mobile Australia. Boost Mobile USA is one of the fastest growing mobile brands in its category with annual revenues over \$1 billion and over five million subscribers. Boost Mobile USA was purchased by Nextel in 2004, and it remains a wholly owned subsidiary of Sprint Nextel following their combination in 2006. Founded in 2005, Amp'd Mobile was the first integrated mobile entertainment company targeted for youth, young professionals and early adopters. Prior to Digital Turbine, he was Chairman and CEO of Agency 3.0, originally a joint venture with the William Morris Agency. Before Agency 3.0, Adderton spent two years working with senior management at Qualcomm, Best Buy, and Clearwire developing their wireless and media strategies. Mr. Adderton also founded Skycrest Ventures LLC, a venture investment firm focusing on mobile and digital media, and he was instrumental in the partial sale of Break Media to Lions Gate Entertainment in 2007. In addition, Adderton is an adviser to the Amber Watch foundation, and he remains on the Board of Advisors of NeuMedia, Inc.

Mr. Adderton commented, "This is a technology and a platform play for me, and I see rapidly expanding market opportunities for NeuMedia in all business segments. There have been significant investments in time and resources made in the underlying platforms of NeuMedia and Digital Turbine, and I am confident that the combined infrastructure provides

opportunities for huge leverage. I believe the Company is well positioned for strong growth in the emerging mobile data services space. The Digital Turbine team brings years of user interface, content management, and billing experience, and I look forward to integrating these services into the NeuMedia infrastructure."

"Peter Adderton is a leading mobile media executive, who has been the driving force behind some of the most successful brands in the industry," stated Robert Ellin, Co-Chairman of NeuMedia. "His deep relationships within the digital media space and leadership experience at mobile operators Boost Mobile and Amp'd Mobile will prove invaluable to NeuMedia as we continue to leverage our services platform and expand our offerings across the mobile space. We look for the Digital Turbine acquisition to transition NeuMedia to a comprehensive mobile content player focused on all areas of content."

With Digital Turbine, NeuMedia will have established a mobile services platform that reaches across more than 70 carriers in 30 countries around the globe and delivers more than 750 million ad impressions per month, leading the industry in mobile content distribution, advertising, billing, and social games for prizes, which will all benefit from phenomenal growth of mobile internet users worldwide. Market research firm Gartner projects that mobile advertising alone will more than double this year to \$3.3 billion and grow to \$20.6 billion worldwide by 2015.

"We believe the Digital Turbine platform is a natural fit with our current NeuMedia infrastructure," commented Peter Guber, Director of NeuMedia. "Peter Adderton's addition to the NeuMedia senior management team brings an unparalleled level of unique mobile services and mobile branding experience to our enterprise. His previous efforts in creating and distributing content from TV, film, music, and other channel sources will serve well as we fully develop the mobile distribution channel, a channel likely larger than each of those previous channels combined."

About NeuMedia, Inc.

NeuMedia is at the convergence of internet media content and mobile communications. It delivers a mobile services platform that works with mobile operators and third-party publishers to provide portal management, user interface, content development and billing technology that enables the responsible distribution of mobile entertainment. NeuMedia is headquartered in Los Angeles and has offices in Europe and Latin America to support global sales and marketing.

Forward Looking Statement

Statements in this news release concerning future results from operations, financial position, economic conditions, product releases and any other statement that may be construed as a prediction of future performance or events are forward-looking statements which involve known and unknown risks, uncertainties and other factors which may cause actual results to differ materially from those expressed or implied by such statements. These factors include uncertainties as to levels of orders, ability to record revenues, release schedules, market acceptance of new products, changes in economic conditions and market demand, pricing and other activities by competitors, and other risks including those described from time to time in the Company's filings on Forms 10K and 10Q with the Securities and Exchange Commission (SEC), press releases and other communications.

NeuMedia, Inc. Hayden IR

Dave Fore, Client Manager & Senior Research Analyst

(206) 395-2711

Email: dave@haydenir.com

- or -

Brett Maas, Managing Partner

(646) 536-7331

Email: brett@haydenir.com

SOURCE NeuMedia, Inc.