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For Immediate Release

DATA Group Ltd. Intends to Complete a Private Placement

Brampton, Ontario – May 27, 2016 – DATA Group Ltd. (TSX: DGI) (“**DATA**” or the “**Company**”) announces today that it intends to complete a non-brokered private placement of up to 198,751,793 common shares (“**Common Shares**”) of the Company (or approximately 19.9% of the of the current number of outstanding Common Shares) at a price of \$0.014 per share for gross proceeds to the Company of approximately \$2.8 million. DATA is engaged in ongoing discussions with Michael Sifton, DATA’s President and Chief Executive Officer, and a group of third party investors to subscribe for Common Shares pursuant to the private placement. Mr. Sifton may subscribe for up to 98,876,520 Common Shares (or approximately 9.9% of the current number of outstanding Common Shares) while the third party investors may subscribe for up to 99,875,273 Common Shares (or approximately 10.0% of the current number of outstanding Common Shares). Data expects to close the private placement on or about May 31, 2016, the record date for DATA’s upcoming annual meeting of shareholders. If completed, the private placement does not materially affect control of the Company (within the meaning of the rules of the Toronto Stock Exchange). Completion of the private placement would be subject to receipt of all necessary regulatory approvals, including the approval of the Toronto Stock Exchange. If completed, DATA intends to use the proceeds of the financing for general working capital purposes.

About DATA Group Ltd.

At DATA, we are experts at planning and driving business communications. We help marketers and agencies unify and execute communications campaigns across multiple channels, and we help operations teams streamline and automate document and communications management processes. Our core capabilities include direct marketing, print services, labels and asset tracking, event tickets and gift cards, logistics and fulfilment, content and workflow management, data management and analytics, and regulatory communications. We serve clients in key vertical markets such as financial services, healthcare, lottery and gaming, retail, not-for-profit, and energy. We are strategically located across Canada to support clients on a national basis, and serve the U.S. market through our facilities in Chicago, Illinois.

Additional information relating to DATA Group Ltd. is available on www.datacm.com, and in the disclosure documents filed by DATA Group Ltd. on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

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Forward-Looking Statements

Certain statements in this press release constitute “forward-looking” statements that involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, objectives or achievements of DATA, or industry results, to be materially different from any future results, performance, objectives or achievements expressed or implied by such forward-looking statements. When used in this press release, words such as “may”, “would”, “could”, “will”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “plan”, and other similar expressions are intended to identify forward-looking statements. These statements reflect DATA’s current views regarding future events and operating performance, are based on information currently available to DATA, and speak only as of the date of this press release. These forward-looking statements involve a number of risks, uncertainties and assumptions and should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such performance or results will be achieved. Many factors could cause the actual results, performance, objectives or achievements of DATA to be materially different from any future results, performance, objectives or achievements that may be expressed or implied by such forward-looking statements. The principal factors, assumptions and risks that DATA made or took into account in the preparation of these forward-looking statements include the Company’s ability to obtain Toronto Stock Exchange and other regulatory approval and the Company’s ability to close the proposed private placement. Additional factors are discussed under the headings “Risk Factors” and “Risks and Uncertainties” in DATA’s management’s discussion and analysis and in DATA’s other publicly available disclosure documents, as filed by DATA on SEDAR (www.sedar.com). Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described in this press release as intended, planned, anticipated, believed, estimated or expected. Unless required by applicable securities law, DATA does not intend and does not assume any obligation to update these forward-looking statements.