



For Immediate Release

DATA Group Ltd. Announces the Consolidation of its Alberta Operations, Continuation of Company Transformation

Brampton, Ontario – June 27, 2016 – DATA Group Ltd. (TSX: DGI) (“**DATA**” or the “**Company**”) announced today that it will consolidate its Alberta operations into its flagship Calgary Operations facility. As a result, it will close its Edmonton Operations facility at the end of 2016. The Company will, however, maintain a presence in Edmonton with a Sales office. Other production capabilities may also remain in Edmonton, which will be determined prior to the end of 2016.

“We’ve been working hard to transform our company over the last year to provide it with a solid foundation upon which to build. This focus has led to many strategic, but difficult decisions”, said Michael Sifton, President & CEO. “We’re striving to be focused, optimized, united, and most of all agile, and we believe the decision to consolidate our operations in Alberta will help solidify our foundation for growth”.

The Company expects this consolidation to be seamless to its clients as it redistributes work to DATA’s Calgary location and other operations facilities across Canada. “The decision to close a manufacturing operation never comes easy, but we believe that making this change is a critical step in our transformation process”, said Alan Roberts, SVP, Operations. “Our Calgary facility, on the other hand, will grow by 50,000 square feet as work and warehousing from Edmonton will be transitioned there”, he continued.

DATA presently expects to incur a total of approximately \$3.5 million in restructuring expenses in the second half of 2016 related to these consolidation plans, consisting primarily of severance costs associated with headcount reductions and, to a lesser extent, relocation of equipment. DATA also announced that it expects to retain most of the work previously produced in Edmonton, resulting in improved gross margin percentages and utilization rates at its five remaining centres of excellence.

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 reduce costs and improve the efficiency of its operations; the restructuring expenses expected to be incurred as a result of consolidating DATA’s Alberta operations; and DATA’s ability to maintain relationships with its customers and suppliers. 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.