



For Immediate Release

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

***DATA COMMUNICATIONS MANAGEMENT CORP. PROVIDES UPDATE
ON SENIOR CREDIT FACILITIES***

Brampton, Ontario – December 16, 2019 – DATA Communications Management Corp. (TSX: DCM) (“DCM” or the “Company”), a leading provider of marketing and business communication solutions to companies across North America, today provided an update regarding its existing senior credit facilities.

As previously disclosed, the Company is currently engaged in negotiations with its senior lenders regarding certain amendments (the “Credit Facilities Amendments”) to its senior credit agreements, including amendments to its financial covenants to align with an agreed budget for the next twelve months and enable the Company to resolve the issues it has encountered in connection with the recent implementation of the Company’s Enterprise Resource Planning system, such that the related adverse effects on the Company’s financial results no longer impact the Company’s ability to comply with its financial covenants on a trailing twelve-month basis. Those negotiations are continuing and, in that regard, the Company’s senior lenders have now agreed to waive certain financial covenants for the period of September 1, 2019 to December 22, 2019 and to extend the date by which the Credit Facilities Amendments are to be implemented from no later than December 15, 2019 to no later than December 22, 2019.

There can be no assurance that the Company will negotiate and implement the Credit Facilities Amendments on terms satisfactory to the Company prior to December 22, 2019, or the expiry time of 5:00 p.m. (Toronto time) December 27, 2019 of the Company’s current rights offering (the “Rights Offering”), or to the satisfaction of the standby purchaser pursuant to the terms of the standby purchaser agreement in connection with the Company’s Rights Offering, or at all.

Further details with respect to the Company’s senior credit facilities, Rights Offering and financial liquidity and capital resources can be found in the Company’s rights offering circular dated November 26, 2019 (the “Rights Offering Circular”) and other continuous disclosure filings of the Company on SEDAR (available at www.sedar.com). Holders of rights issued pursuant to the Rights Offering should carefully consider the risk factors and other information set out in the Rights Offering Circular and this press release before making an investment decision with respect to the exercise of the rights and the Company’s common shares.

About DATA Communications Management Corp.

DCM is a communication solutions partner that adds value for major companies across North America by creating more meaningful connections with their customers. DCM pairs customer insights and thought leadership with cutting-edge products, modular enabling technology and services to power its clients’ go-to market strategies. DCM helps its clients manage how their brands come to life, determine which channels are right for them, manage multimedia campaigns, deploy location-specific and 1:1 marketing, execute custom loyalty programs, and fulfill their commercial printing needs all in one place.

DCM’s extensive experience has positioned it as an expert at providing communication solutions across many verticals, including the financial, retail, healthcare, consumer health, energy, and not-for-profit sectors. As a result of its locations throughout Canada and in the United States (Chicago, Illinois and New York, New York), it is able to meet its clients’ varying needs with scale, speed, and efficiency - no matter how large or complex the ask. DCM is able to deliver advanced data security, regulatory compliance, and bilingual communications, both in print and/or digital formats.

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

-- 30 --

For further information, contact

Mr. Gregory J. Cochrane
Chief Executive Officer
DATA Communications Management
Tel: (905) 791-3151

Mr. James E. Lorimer
Chief Financial Officer
DATA Communications Management
Tel: (905) 791-3151
ir@datacm.com

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 DCM, 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 DCM’s current views regarding future events and operating performance, are based on information currently available to DCM, 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 DCM 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 DCM made or took into account in the preparation of these forward-looking statements include: DCM's new enterprise resource planning (“ERP”) system has failed to perform as planned and interrupted operational transactions during and following the implementation, which has, and may continue to, materially and adversely affect DCM's financial liquidity and operations and results of operations; there are material uncertainties associated with the resolution of the liquidity challenges currently facing the Company, as described in the Company’s condensed interim financial statements for the three months ended September 30, 2019, that may cast significant doubt as to the ability of the Company to meet its obligations as they come due; there is no assurance that management's initiatives for dealing with these events and conditions will be successful and there are risks in the expected timing of resolution thereof and the possible effects of these issues if they are not resolved; the Company's ability to continue as a going concern is dependent upon its ability to return the Company to profitability, generate positive cash flows from operations, obtain additional financing and resetting the financial covenants associated with its credit facilities as discussed in those interim financial statements; risks relating to DCM's ability to access sufficient capital, including, without limitation, under its existing revolving credit facility, on favourable terms to fund its liquidity and business plans from internal and external sources; the risk that DCM will not be successful in implementing amendments to the terms of its existing credit facilities including, without limitation, the financial covenants of DCM under these facilities prior to December 22, 2019 and the fact that a breach of those financial covenants could result in the occurrence of an event of default under the Company’s senior credit agreements, which would entitle the Company’s senior lenders to, among other things, accelerate the maturity of all or any part of the Company’s indebtedness outstanding under those credit agreements, declare that amount to be immediately payable on demand and exercise any and all of its rights and remedies available to the lenders, including enforcing the respective security for the Company’s obligations to the lenders and sell or cause the sale of all or any part of the Company’s assets should the Company fail to repay such amount; the risk that the exercise

of any of such remedies by the Company's senior lenders could have a material adverse effect on its business, financial condition and financial liquidity; the limited growth in the traditional printing industry and the potential for further declines in sales of DCM's printed business documents relative to historical sales levels for those products; the risk that changes in the mix of products and services sold by DCM will adversely affect DCM's financial results; the risk that DCM may not be successful in reducing the size of its legacy print business, realizing the benefits expected from restructuring and business reorganization initiatives, reducing costs, reducing and repaying its long term debt, and growing its digital and marketing communications businesses; the risk that DCM may not be successful in managing its organic growth; DCM's ability to invest in, develop and successfully market new digital and other products and services; competition from competitors supplying similar products and services, some of whom have greater economic resources than DCM and are well established suppliers; DCM's ability to grow its sales or even maintain historical levels of its sales of printed business documents; the impact of economic conditions on DCM's businesses; risks associated with acquisitions and/or investments in joint ventures by DCM; the failure to realize the expected benefits from the acquisitions of Thistle Printing, Eclipse Colour & Imaging, BOLDER Graphics and Perennial Group of Companies and risks associated with the integration and growth of such businesses; increases in the costs of paper and other raw materials used by DCM; and DCM's ability to maintain relationships with its customers.

Additional factors are discussed elsewhere in this press release and under the headings "Liquidity and capital resources" and "Risks and Uncertainties" in DCM's management's discussion and analysis and in DCM's other publicly available disclosure documents, as filed by DCM 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, DCM does not intend and does not assume any obligation to update these forward-looking statements.