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**For Immediate Release**

***DATA COMMUNICATIONS MANAGEMENT CORP. ANNOUNCES CLOSING OF OVER-SUBSCRIBED RIGHTS OFFERING RAISING MAXIMUM GROSS PROCEEDS OF \$4.95 MILLION***

**Brampton, Ontario – January 6, 2020** – DATA Communications Management Corp. (TSX: DCM) (“**DCM**” or the “**Company**”) has closed its previously announced rights offering (the “**Rights Offering**”), raising gross proceeds of \$4.95 million. The Rights Offering was over-subscribed and will result in the issuance of the maximum number of common shares (“**Common Shares**”) of the Company available under the Rights Offering.

“Our Rights Offering received strong support from both insiders and many long-standing shareholders,” said Gregory Cochrane, Chief Executive Officer of DCM. “The additional subscription privilege was significantly over-subscribed, indicating market confidence in our direction.”

**Details of the Rights Offering**

Under the terms of the Rights Offering, each eligible securityholder was entitled to subscribe for one Common Share for every one right (a “**Right**”) held upon payment of the subscription price of \$0.23 per Common Share. The Company issued 21,523,515 Common Shares or 100% of the Common Shares available under the Rights Offering for gross proceeds of approximately \$4.95 million.

The Company distributed a total of 16,020,009 Common Shares pursuant to the basic subscription privilege under the Rights Offering. To the knowledge of DCM after reasonable inquiry, 5,381,493 Common Shares were distributed to persons who were insiders of DCM before the distribution and 10,638,516 Common Shares were issued to the remaining subscribers under the basic subscription privilege.

The Company distributed a total of 5,503,506 Common Shares pursuant to the additional subscription privilege under the Rights Offering. To the knowledge of DCM after reasonable inquiry, 2,818,790 Common Shares were distributed to persons who were insiders of DCM before the distribution and 2,684,716 Common Shares were issued to the remaining subscribers under the additional subscription privilege.

As the additional subscription privilege was over-subscribed, no Common Shares were required to be issued pursuant to the stand-by commitment entered into between the Company and the standby purchasers.

To the knowledge of the Company after reasonable inquiry, directors, officers, and other insiders of the Company exercised subscription privileges, including subscription privileges associated with additional rights acquired in the market, to acquire 8,200,283 Common Shares under the Rights Offering representing total gross subscription proceeds of approximately \$1.9 million. To the knowledge of the Company, after reasonable inquiry, no person that was not an insider became an insider of the Company as a result of the Rights Offering.

Upon closing the Rights Offering, the Company has 43,047,030 Common Shares outstanding.

DCM retained Kingsdale Advisors as the information agent in connection with the Rights Offering.

## Use of Proceeds

The Company will use the net proceeds from the Rights Offering to reduce its outstanding indebtedness, by repaying amounts drawn on its revolving credit facility (the “**Revolving Credit Facility**”) and repaying up to \$1.5 million of outstanding promissory notes, as more fully described in the Company’s rights offering circular dated November 26, 2019. Repayments of borrowings made under the Revolving Credit Facility increase the borrowing base available to the Company under that credit facility, thereby enhancing the Company’s available liquidity.

## Early Warning Reporting Information

The following information is being provided in respect of Michael G. Sifton, a director of the Company, in accordance with National Instrument 62-103 – *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*.

Pursuant to the Rights Offering, Mr. Sifton acquired beneficial ownership of, or control over, a total of 2,508,485 Common Shares (the “**Acquired Shares**”) at a price of \$0.23 per Common Share and an aggregate purchase price of \$576,952. Immediately prior to the acquisition of the Acquired Shares, Mr. Sifton and his joint actors had beneficial ownership of, or control over, 1,687,504 Common Shares, stock options to acquire up to 499,377 Common Shares at a price of \$1.41 per share and stock options to acquire up to 40,000 Common Shares at a price of \$1.50 per share (collectively, the “**Options**”), representing 10.09% of the outstanding Common Shares. After giving effect to the acquisition of the Acquired Shares and the completion of the Rights Offering and assuming the exercise in whole of the Options, Mr. Sifton and his joint actors have beneficial ownership of, or control over, 4,735,366 Common Shares, representing 10.86% of the issued and outstanding Common Shares. Details of the allocation of Common Shares under the additional subscription privilege became available on January 3, 2020.

Mr. Sifton acquired the Acquired Shares for investment purposes. Other than the possible exercise of the Options, Mr. Sifton and his joint actors do not have any present plans or intentions to acquire or dispose of Common Shares. Depending upon the circumstances, including but not limited to the Company’s business and prospects, market and general economic conditions and other available investment opportunities, however, Mr. Sifton and his joint actors may, in the future, acquire additional securities or related financial instruments of the Company or dispose of all or a portion of the securities or related financial instruments of the Company previously acquired. A copy of the report required to be filed by Mr. Sifton pursuant to the early warning requirements of applicable securities laws, once filed on SEDAR, may be obtained from the Chief Financial Officer of the Company at the telephone number set out below.

## No Offering in the United States

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities of the Company in the United States. The securities described in this news release have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or any state securities laws and may not be offered or sold within the United States or to U.S. persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from registration is available.

## 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](http://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](http://www.sedar.com).

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The Company's head office address, and Mr. Sifton's address for purposes of this press release, is 9195 Torbram Road, Brampton, Ontario, L6S 6H2.

### **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 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. 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.