



DCS Announces USD \$1.5 Million of Convertible Debenture Financing

San Diego, CA – August 10th, 2022 – Direct Communication Solutions, Inc. (OTCQX: DCSX) (CSE: DCSI) (FSE: 7QU) a leading provider of information technology solutions for the Internet of Things (IoT) market, announces its offering of unsecured convertible debentures (the “**Debentures**”) raising up to USD\$1,500,000 (CDN\$1,920,000) (the “**Offering**”). Pursuant to the terms of the Debentures, the subscribers may convert all or part of the principal amount outstanding under the Debentures into shares of common stock of the Company. The Debentures are convertible into shares of common stock of the Company (the “**Shares**”) at the higher of USD\$1.19 or a price equal to the price of the Shares of the next financing carried out before the 2nd anniversary of the closing date less a 25% discount. The Debentures have a maturity date of the 2nd anniversary of the closing date and bear an interest rate of 10% per annum, payable semi-annually.

Concurrent with the offering of the Debentures, the Company shall grant and issue up to 750,000 share purchase warrants on the basis of one-half (1/2) of one share purchase warrant for each US\$1.00 of debenture principal under subscription (the “**Warrant**”), where a whole warrant shall be exercisable at USD \$0.86 (CDN\$1.10) per share of common stock for a two year exercise term.

The Debentures are unsecured and the use of proceeds from the Offering shall be used for working capital and general corporate purposes.

The Company may pay finder’s fees to eligible finders in cash or warrants or a combination of both.

The conversion rate is 1 USD to 1.28 CDN.

About DCS

DCS is a technology solutions integrator focusing on connecting the Internet of Things. We provide real solutions that solve real problems. Our software applications and scalable cloud services collect and assess business-critical data from all types of assets. DCS is headquartered in San Diego, California and is publicly traded on the OTCQX (“DCSX”), Canadian Securities Exchange (“DCSI”) and Frankfurt Stock Exchange (“7QU”). For more information, visit www.dcsbusiness.com. DCS and the DCS logo are among the trademarks of DCS in the United States. Any other trademarks or trade names mentioned are the property of their respective owners.

Forward-Looking Statements

This release contains forward-looking statements, which reflect management’s current views of future events and operations. These statements are based on current expectations and assumptions that are subject to risks and uncertainties that could cause actual results to differ materially. We believe that these potential risks and uncertainties include, without limitation: the ongoing COVID-19 pandemic, the Company’s dependence on third-party manufacturers, suppliers, technologies and infrastructure; risks related to intellectual property; industry risks including competition, online security, government regulation and global economic conditions; and the Company’s financial position and need for additional funding. Statements in this release should be evaluated in light of these factors. These risk factors and other important factors that could affect our business and financial results are discussed in our Management’s Discussion and Analysis, periodic reports and other public filings which are

available on SEDAR at www.sedar.com and posted with the OTC Disclosure and News Service. DCS undertakes no duty to update or revise any forward-looking statements.

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