



DCS ANNOUNCES SETTLEMENT OF USD \$1,500,000 CONVERTIBLE DEBENTURES

San Diego, California – September 6, 2024 – Direct Communication Solutions, Inc. (“**DCS**” or, the “**Company**”) (**OTCQX: DCSX**) (**CSE: DCSI**) (**FSE: 7QU**), a leading provider of information technology solutions for the Internet of Things (IoT) market, announces its offering of new convertible debentures (the “**New Debentures**”) to settle indebtedness related to the convertible debentures issued by DCS in 2022 having an aggregate principal amount of **US\$1,500,000** accruing interest at **10%** per annum until the maturity date of **September 9, 2024** (the “**Maturity Date**”) for an aggregate interest amount of **US\$300,000** for total indebtedness of **US\$1,800,000** and any further accruing interest until the closing date, which is expected to occur on September 13, 2024 (the “**Offering**”).

The New Debentures are unsecured, having a maturity date of the **1st** anniversary of the closing date and bear an interest rate of **15%** per annum, not payable in advance.

Pursuant to the terms of the New Debentures, the subscribers may convert all or part of the principal and accrued interest of the New Debentures up to and including the maturity date of the New Debentures into **one (1)** share of common stock of DCS at **US\$6.00 (CDN\$8.13)** per share of common stock.

Concurrent with the Offering of the New Debentures, the Company shall grant and issue share purchase warrants on the basis of **one-half (1/2)** of **one (1) whole** share purchase warrant for each **CDN\$6.00** of the principal amount of the New Debentures which shall amount to an aggregate of **203,361** whole share purchase warrants (each, a “**Warrant**”), where each Warrant may be exercised for a period of **two (2)** years from the date of grant for the purchase of one share of common stock of the Company (each, a “**Warrant Share**”) at **CDN\$3.20 (US\$2.36)** per Warrant Share.

The conversion rate of **US\$1.00 to CDN\$1.3545** is based on the Bank of Canada conversion rate as of September 6, 2024.

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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