FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: <u>Direct Communication Solutions, Inc.</u> (the "Issuer" or the "Company").

Trading Symbol: **DCSI**

Number of Outstanding Listed Securities: <u>2,305,079</u>

Number of Shares Reserved for Issuance: 680,012 (Warrants 107,140 / Options 572,872)

Date: February 5, 2024

Report on Business

 Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

The Company entered into a strategic licensing and reseller agreement with System Loco Ltd. This collaboration will further expand System Loco's advanced IoT supply chain visibility and intelligence technology solutions to the North American Market.

2. Provide a general overview and discussion of the activities of management.

Management continues to work with its clients in the development of IoT, 4G—Wireless Communications, Cloud Based Platforms (SaaS), Data Analytics, AI & Sensor Based Monitoring.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

Not applicable.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

Not applicable.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

The Company entered into a strategic licensing and reseller agreement with arms-length System Loco Ltd.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

Not applicable.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

Not applicable.

8. Describe the acquisition of new customers or loss of customers.

Not applicable.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

Not applicable

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

Not applicable.

11. Report on any labour disputes and resolutions of those disputes if applicable.

Not applicable.

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

Not applicable.

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

Not applicable.

14. Provide details of any securities issued and options or warrants granted.

No securities were issued in January 2024.

15. Provide details of any loans to or by Related Persons.

Not applicable.

16. Provide details of any changes in directors, officers or committee members.

Not applicable.

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Company's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk

The trends and risks which are likely to impact the Issuer are further detailed in the Issuer's Management Discussion and Analysis (the "MD&A") under the headings "Financial Instruments", "Risks" and "Risks and Uncertainties". The MD&A is available on the Issuer's SEDAR+ profile at www.sedarplus.ca and on the Issuer's disclosure hall with the CSE at www.thecse.com

Certificate Of Compliance

The undersigned hereby certifies that:

- 1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
- 2. As of the date hereof there were/is no material information concerning the Issuer which has not been publicly disclosed.
- 3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
- 4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: February 5 ,2024	
	Chris Bursey
	Name of Director or Senior
	Officer
	<u>"Chris Bursey"</u>
	Signature
	Director
	Official Capacity

Issuer Details Name of Issuer	For Month End	Date of Report YY/MM/DD	
Direct Communication Solutions, Inc.	January 31, 2024	2024/02/05	
Issuer Address			
11021 Via Frontera, Suite C			
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No. (858)798-7100	
San Diego CA 92127			
Contact Name	Contact Position	Contact Telephone No. (858)798-7100	
Chris Bursey	Director		
Contact Email Address cbursey@dcsbusiness.com	Web Site Address www.dcsbusiness.com		