



DATA DEPOSIT BOX ANNOUNCES WARRANT EXERCISE INCENTIVE PROGRAM

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December 29, 2017

TORONTO, CANADA, Data Deposit Box Inc. (“**Data Deposit Box**”) (CSE: DDB, OTC Pink: DDBXF, Frankfurt: 2DD), a global provider of cloud backup and recovery technology, is pleased to announce a warrant exercise program (the “**Incentive Program**”) designed to encourage the early exercise of its 23,775,594 outstanding unlisted common share purchase warrants (the “**Warrants**”). Each Warrant is exercisable for one common share in the capital of Data Deposit Box at an exercise price of \$0.07, and expires on December 28, 2018 or March 15, 2018.

Under the terms of the Incentive Program, in order to encourage the early voluntary exercise of the Warrants, for a period from December 29, 2017 until 4:30 p.m. (Toronto time) on January 31st, 2018 (the “**Early Exercise Period**”), Data Deposit Box is offering to all non-US resident holders of Warrants, for each Warrant exercised under the Incentive Program, one (1) additional common share purchase warrant (each, an “**Incentive Warrant**”) at no additional cost. Each Incentive Warrant will entitle the holder to acquire one common share in the capital of Data Deposit Box at a price of \$0.25 per share for a period of two (2) years from the date of issuance. Only those holders of Warrants who exercise **ALL** of their Warrants during the Early Exercise Period will be eligible to receive the Incentive Warrants.

The gross proceeds to Data Deposit Box, if all of the Warrants are exercised, would be approximately \$1.66M. The terms and conditions of the Incentive Program, including the method of exercising the Warrants, will be set forth in a letter to be delivered to the registered holders of the Warrants. Any Warrants that are not exercised prior to the expiry of the Early Exercise Period will remain outstanding in accordance with their original terms, and in particular, the holders thereof will no longer be eligible for Incentive Warrants.

If holders of Warrants avail themselves of the Incentive Program, this will strengthen Data Deposit Box’s current cash position and provide Data Deposit Box with additional working capital.

Some Warrants eligible for participation in the Incentive Program may be held by insiders of Data Deposit Box. Participation by any such insiders in the Incentive Program may constitute a related party transaction pursuant to Multilateral Instrument 61-101 – *Take-over bids and Special Transactions* (“MI 61-101”). Data Deposit Box is exempt from the formal valuation requirement pursuant to subsections 5.5(a) and (b) of MI 61-101, and from the minority approval requirement pursuant to subsection 5.7(1)(a) of MI 61-101.

The Incentive Program is subject to the receipt of applicable regulatory approvals, including the approval of the Canadian Securities Exchange, if applicable.

About Data Deposit Box

Data Deposit Box, a pioneer of cloud backup and recovery technology, has set a new industry standard by providing the SMB market with the same level of security and protection that is available to large enterprises. Data Deposit Box patented backup technology, known for its Exabyte scalability, advanced data reduction capabilities and ease-of-use, has won prestigious industry awards and has been featured in many key industry publications.

Data Deposit Box technologies and solutions are currently used daily by SMB customers for online backup and recovery, archiving, disaster readiness, secure file sharing, and remote access.

For More Information Contact:

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This news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "would", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Forward-looking information is based on the opinions and estimates of management at the date the information is provided, and is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. For a description of the risks and uncertainties facing the Company and its business and affairs, readers should refer to the Company's Management's Discussion and Analysis. The Company undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change, unless required by law. The reader is cautioned not to place undue reliance on forward-looking information.