

Tuesday, August 18, 2020

ZoomerMedia Limited Announces Close of Sale of Assets of Darwin CX Inc.

(Toronto, Canada – August 18, 2020) Further to its media release dated May 18, 2020, **ZoomerMedia Limited** (“ZoomerMedia”) (TSXV: ZUM) is pleased to announce that it has closed the agreement (“Purchase Agreement”) for the sale of substantially all of the assets (“Darwin Assets”) of ZoomerMedia’s wholly-owned subsidiary **Darwin CX Inc.** (“Darwin”), ZoomerMedia’s proprietary subscription and membership management platform, to New York-based **Irish Studio LLC** (“Irish Studio”). The purchase price was \$7,465,000 (CAD), consisting of \$700,000 (CAD) received concurrently on signing of the Purchase Agreement, and \$5,386,000 (CAD) in cash and a \$1,280,000 promissory note of Irish Studio, subject to customary post-closing adjustments, which were received by ZoomerMedia on the closing date.

“ZoomerMedia committed significant resources to creating Darwin in a space that hasn’t seen innovation in decades, so it’s not surprising that it developed into a competitive software platform in a short period of time. Darwin naturally complements Irish Studio’s core business and they are better positioned to invest the additional resources necessary for long-term growth.

The sale price is in line with our expectations, fetches good value for ZML shareholders, strengthens ZML’s financial position, and allows us to focus our energy on growing our core media businesses focused on Canada’s 45plus demographic,” said ZoomerMedia Founder and CEO Moses Znaimer.

The Special Relationship between ZoomerMedia and Darwin will not end with the sale. ZoomerMedia Chief Digital Officer and Darwin co-founder Omri Tintpolver will sit on Darwin’s Advisory Board, and the company’s operations will continue to be based at ZoomerMedia’s headquarters in Toronto’s Liberty Village for now. ZoomerMedia will assist with product and service development, while Darwin will continue to manage subscriptions for ZoomerMedia’s flagship print publication Zoomer Magazine, and membership for the company’s affiliate advocacy association CARP (formerly known as the Canadian Association of Retired Persons).

Current Darwin President and co-founder Laas Turnbull will now serve as Darwin CEO, and fellow co-founder Michael Smith will serve as Chief Technology Officer and Head of Innovation.

“We’re thrilled to be continuing the great work Moses started,” said Liam Lynch, Co-Chairman of Studio Media Group. “We looked at every player in the space and Darwin’s customer-centric software technology is head and shoulders above the rest in serving the needs of subscription and membership organizations. This will give our clients modern tools to develop new revenue streams and find innovative ways to grow their businesses.”

About ZoomerMedia Limited (TSXV: ZUM)

Founded in 2008 by Moses Znaimer (Citytv, CP24, MuchMusic, Bravo! etc.), ZoomerMedia is Canada’s leading diversified multimedia company devoted to creating content, services and experiences for

Canada's largest demographic - "Zoomers" or the 16.2 million Canadians aged 45plus - on all platforms: television, radio, print, digital, and live events. ZoomerMedia's television properties include VisionTV, Canada's only multi-faith specialty television service available in 9 million homes; ONETV: Get Fit, a 24-hour fitness and health channel with yoga and exercise programs viewers can do from home; JoyTV in Vancouver, Victoria, Surrey and the Fraser Valley; and FAITHTV, the Nation's Faith Station. ZoomerMedia's radio properties include The New Classical FM (96.3 FM in the Greater Toronto Area/103.1FM in Eastern Ontario/102.9FM in Southern Georgian Bay), English Canada's only commercial all-classical music radio service; and Zoomer Radio (AM740 and 96.7FM in Downtown Toronto), playing The Original Greatest Hits. ZoomerMedia also publishes ZOOMER Magazine, the largest paid circulation magazine in Canada for the mature market, everythingzoomer.com - Canada's leading provider of online content targeting the 45plus demographic, and On The Bay Magazine, a regional lifestyle magazine published quarterly for the 20 towns and villages of Southern Georgian Bay, Ontario. ZoomerMedia's tradeshow division operates The ZoomerShow in Toronto and Vancouver, Canada's largest annual lifestyle expos and consumer shows for the 45plus, and produces Moses Znaimer's 3-day ideaCity conference. Both ZoomerMedia and CARP are located in The ZoomerPlex, a 2.6-acre state-of-the-art production and live event complex in Toronto's Liberty Village. For more information, visit zoomermedia.ca.

About Darwin CX Inc.

Darwin CX is a Toronto technology company that develops enterprise software-as-a-service (SaaS) applications for publishers and membership-based organizations. Designed to replace the legacy technology that serves these industries, the Darwin platform supercharges acquisition and retention through customer experience orchestration, the conductor that keeps various departments and systems aligned on customer intelligence management. As customer expectations continue to change due to digital disruption, the subscription economy is expanding rapidly, doubling between 2000 and 2015 to \$480 billion in the U.S. and Canada. Darwin has seized on this opportunity through three design principles that form the heart of the platform: user-centricity, seamless integration, and AI-powered expertise. Supporting that are a suite of tools for marketing (digital experience, customer insights, personalized marketing), commerce (omni-channel, order and data management, financial reporting), and fulfillment (customer support, direct mailings, data integrity).

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Cautionary Note Regarding Forward-looking Statements

This press release contains "forward-looking statements". Forward-looking statements can be identified by words such as: "anticipate," "intend," "plan," "goal," "seek," "believe," "project," "estimate," "expect," "strategy," "future," "likely," "may,"

"should," "will" and similar references to future periods. Examples of forward-looking statements include, among others, statements we make regarding the anticipated closing timeline of the transactions described herein.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: Economic and financial conditions, including volatility in interest and exchange rates, commodity and equity prices and the value of financial assets, including such volatility caused by the ongoing COVID-19 pandemic.

Any forward-looking statement made by us in this press release is based only on information currently available to us and speaks only as of the date on which it is made. Except as required by applicable securities laws, we undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.