



PRESS RELEASE

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Digital Dispatch Closes StrataGen Acquisition

Richmond, BC, December 10, 2007 – Digital Dispatch Systems Inc. ("Digital Dispatch") (TSX: DD), a leading provider of mobile data solutions, announced today that it has completed the acquisition of StrataGen™ Systems Inc. of Kirkland, Washington, U.S.A ("StrataGen"). In two separate transactions, all the intellectual property of StrataGen was acquired by Digital Dispatch and the outstanding shares of StrataGen were acquired via Digital Dispatch's wholly owned US subsidiary Digital Dispatch Ltd. ("DDL").

DDL and Digital Dispatch collectively paid US\$6.0 million in cash consideration for the two transactions with US\$4.5 million paid at closing and US\$1.5 million payable in 15 monthly installments of US\$100,000. In addition, DDL will pay up to a maximum of US\$2.3 million in Digital Dispatch common shares issued from treasury or cash at its sole discretion. The delay in closing this transaction results in lower revenue contribution from StrataGen than the previous forecast for 2007, resulting in the revenue forecast for 2007 now being slightly lower than the CDN\$22 million guidance provided previously. The revenue guidance provided by Digital Dispatch for 2008 remains unchanged at CDN\$38-CDN\$40 million.

"Although the Digital Dispatch shares will not be issued for several months, the issuance of shares instead of cash for the earn out is expected to improve the liquidity and float for the Company which is a priority for us," commented Mr. Vari Ghai, CEO for Digital Dispatch. In an earlier announcement by the Company, Mr. Ghai had clarified why this acquisition is a cornerstone of Digital Dispatch's diversification strategy. "By combining the transit businesses of Digital Dispatch and the recently acquired MobiSoft OY with StrataGen, we achieve instant critical mass in the transit industry and become a vertically integrated turnkey solutions provider. The combined customer base includes 4 of the top 5 and 10 of the top 20 transit authorities in North America. In addition, the large majority of Finland's para-transit market and a large portion of the UK community transportation systems will now be provided by Digital Dispatch," he had commented.

"The combination of StrataGen and Digital Dispatch creates a complete solution for the transit industry. Our recent joint new customer wins like the Suburban Mobility Authority for Regional Transportation ("SMART") of Michigan and Access Services Inc. of Los Angeles, California ("ASI") illustrate the opportunity for this new strategic partnership," stated Mr. William Ho, Chief Technology Officer of StrataGen who will continue with StrataGen in his current role and has transferred patents developed by him to StrataGen. Dr. Allen Ho, the CEO of StrataGen, will be available as a consultant to the Company on an as-needed basis. Digital Dispatch has initiated a search for a new Seattle-based President for StrataGen and expects to fill this position within the next three months.

Founded in 1998, StrataGen designs and provides advanced scheduling, dispatching, and client management software for the public transit domain for Paratransit services. Paratransit services were mandated by the 1990 Americans with Disabilities Act, which requires that any community providing fixed route services must also provide door-to-door van service for people with disabilities and elderly people. This is a difficult problem to solve, particularly for larger transit agencies, because the mix of trips changes daily. StrataGen's customers' primary challenge is to provide these services as efficiently as possible to contain costs which are in excess of \$2 billion annually in the US. To address this need, StrataGen has developed a product line called ADEPT™ which is recognized as best-in-class transit management software in the industry with respect to overall performance. ADEPT™ has proven itself to be significantly superior, typically operating several times faster while also improving productivity, measured in trips per vehicle hour, by an average of 15% to 20%.

Forward-Looking Statements

This press release contains statements which, to the extent that they are not recitations of historical fact, may constitute forward-looking information. Factors that could cause actual events or results to differ materially from those suggested by these forward-looking statements include, but are not limited to the related integration of the StrataGen and Mobisoft acquisitions referred to in this press release. Additional factors also include but are not limited to; the dependence on our customers' satisfaction with, and continued commitment to the deployment of Digital Dispatch's products; the timing of entering into significant contracts; the performance of the global economy and growth in software industry sales; market acceptance of the Company's products and services; customer and industry analyst perception of the Company and its technology vision and future prospects; the success of certain business combinations engaged in by the Company or by competitors; possible disruptive effects of organizational or personnel changes; technological change, new products and standards; risks related to international expansion; reliance on large customers; concentration of sales; international operations and sales; management of growth and expansion; dependence upon key personnel and hiring;; industry growth; competition; intellectual property; product defects and product liability; currency exchange rate risk; ; and including but not limited to other factors described in Digital Dispatch's reports filed on Sedar, including its Annual Information Form and financial report for the year ended December 31, 2006. In drawing a conclusion or making a forecast or projection set out in the forward-looking information, the Company takes into account the following material factors and assumptions in addition to the above factors; the Company's ability to execute on its business plan; the acceptance of the Company's products and services by its customers; the timing of execution of outstanding or potential customer contracts by the Company; the sales opportunities available to the Company; the Company's subjective assessment of the likelihood of success of a sales lead or opportunity; the Company's historic ability to generate sales leads or opportunities; and that sales will be completed at or above the Company's estimated margins. This list is not exhaustive of the factors that may affect our forward-looking information. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. All forward-looking statements made in this press release are qualified by this cautionary statement and there can be no assurance that actual results or developments anticipated by the Company will be realized. The Company disclaims any intention or obligation to update or revise forward-looking information, whether as a result of new information, future events or otherwise.

About StrataGen Systems Inc.

Based in Kirkland, Washington, StrataGen Systems, Inc. is a leading provider of dynamic real-time scheduling and client management software. They provide automatic, real-time scheduling systems aimed to improve efficiency and reduce operating costs for Para-transit/demand-respond transport operators. Visit www.stratagen.com for more information.

About Digital Dispatch Systems Inc.

Digital Dispatch Systems Inc. is a worldwide provider of mobile data solutions for fleet and mobile workforce management. Founded in 1987, we have an installed base of 75,000 wireless mobile data devices and nearly 200 wireless data systems in four continents. We offer products and services to manage vehicle fleets and mobile workforces, including dispatch software, wireless communication infrastructure and a range of in-vehicle mobile devices. Visit www.digital-dispatch.com for more information.

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