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To the Shareholders of Datatrak International Inc.:

You elected for new leadership at the recent annual shareholders' meeting. We hear you and vow to carry out the mandate you have given us. First and foremost, our top priority for 2016 is to make your company profitable. Beyond that, your new board and management have embarked on implementing meaningful and permanent improvements to your company. We must note how pleasantly surprised we have been to discover the level of dedication and loyalty from Datatrak's employees. Many of our people have served our company for many years and truly care about the company, its excellent products and the benefits to society. Our employees' work helps clinical trials make a positive impact on peoples' lives. This year we launch our CTMS product to much anticipation. We must thank our hard working development and sales teams, as well as our enterprise customers who have signed up for this incredible new product. As clients have come to expect from Datatrak, it is an elegant system with an intuitive user-friendly interface. If you have not seen a demo yet, we strongly encourage you to contact Scott DeMell, our head of sales, and make sure to see it. Chances are that you will love it and ask to join our loyal client base (and when you do the contract negotiation and pricing will be simple and quick). Of course, our EDC product will as always pleasantly surprise you. If you have not had the chance to see the most recent version, we highly recommend that you do. We had the good fortune of having Barbara Norris demonstrate to us its full capabilities during our recent visit to the Cleveland office. For those of you who have not had the pleasure of meeting Barbara yet, please do, because as one of our longest serving employees with a radiant personality, she truly embodies the heart, soul and spirit of Datatrak.

We believe Datatrak is a great business that has underperformed for many years due to mismanagement by its past leaders. Our Company offers excellent products and services to its clients. Great businesses must produce something of value for society, and Datatrak provides products and services of incredible value that are a critical component of the clinical trial process. All of our stakeholders should take great pride in the valuable service our company provides and will continue to increasingly provide. The fact that Datatrak has survived very poor past leadership is a testament to the quality of the underlying business, product and employees. Despite the squander of resources and opportunities by the previous leaders, we are pleased to report that the core assets of Datatrak are in great condition and simply require that they are more thorough and thoughtful utilization. We believe that with prudent leadership and management, Datatrak's high quality products and people will reach more of the life sciences industry, which will result in our growth of market share, revenues and profits. With our recent enacted changes, we now have an intelligent, prudent and trustworthy management team:

CEO & President:	**Jim Bob Ward**
CFO & Treasurer:	**Julia Henderson**
VP Sales:	**Scott DeMell**
VP Operations:	**Tim Lyons**

As our company earns increasing profits, we should have greater resources to increase the solutions we offer to our clients. We are fortunate to be able to play a positive-sum game in which Datatrak is in the service of: its clients to help produce life improving health solutions; employees who feel the sense of fulfillment from contributing positively to their society; and shareholders who can earn an honest profit from these positive activities Datatrak performs. All of the managers mentioned above have a long history with Datatrak and are deeply committed to seeing our company succeed. Our new management team is also more cohesive and geographically closer. While many things can be done remotely in the digital age, having our management team in the same office with our employee base is invaluable.

In order for us to continue to increasingly perform our duties, we must establish profitability. Profitability is your board of directors' top priority for the fiscal year 2016. In order to achieve this, your board needs to demonstrate two

of the most important duties of a board: a) intelligently allocate resources to the best opportunities reasonably available to the company; and b) align, as best as possible, the incentives of management and employees to the goals of the company and shareholders. These are simple ideas that are difficult to execute. They require discipline and avoiding mistakes; the proverbial "blocking and tackling". Entire departments at many universities are devoted to studying and creating theories on these topics. However, it is not an exact science and many fancy formulas that overpriced consultants offer put form over substance and most importantly real world outcomes. Business is not as scientific as physics or biology; it has a more significant artistic component. Therefore, the best means of providing board level guidance is through selecting logical, pragmatic, wise operating managers whose incentives are highly aligned with owners, a/k/a shareholders. Corporate resource allocation will require the wisdom and pragmatism of your directors and cannot be outsourced to consultants. Alignment of interests harnesses the most powerful of conscious and subconscious human motivations, incentive-caused bias. We must note here that the prior board had little out-of-pocket cash spent to purchase Datatrak shares. They received most of their shares through grants, options or some other forms that were not open market purchases. The former chairman and CEO boasted about his large shareholdings but the majority of these were grants, options or something other than actual cash paid for open market purchases. In fact, we estimate that on average his approximate 8.5% common stock ownership position only cost him about 37 cents per share. Compare that to what you paid for your shares, which is almost certainly a lot more. We know that the shares your new board owns cost us a heck of a lot more than 37 cents per share!

The above-mentioned goals in mind, we have created a 2016 budget and board plan with the goal of reaching profitability by year-end. The intermittent quarters during 2016 may produce losses and other discouraging signs, but another businessperson and investment manager that we admire, Bruce Berkowitz, likes to say, "sometimes you have to take one step back in order to go two steps forward." The prior board's significant spending left behind a substantial fiscal mess for us to clean up, but your new directors like a good challenge and believe we are capable of the task at hand. It is important to note to our fellow shareholders that while foolish overspending produced losses during the previous few years, underneath it lays an excellent operation that actually should be producing significant profits. We believe that had Datatrak been appropriately managed by its past stewards, it may have been able to build a cash balance in excess of $10,000,000 from earnings over the past few years and additionally earned as much as $2,000,000 in profits on $10,000,000 of revenues during 2015. Keep in mind that this does not even factor in the average industry growth of 10-20% that most of our fellow industry participants are able to achieve annually (nor intelligent reinvestment of the retained earnings). We do have the potential to substantially increase our intrinsic business value, but we do face very real challenges to overcome first.

We believe that 2015 should have been a profitable year for Datatrak, but for unnecessary and excessive expenses that turned what should have been a multi-million dollar profit into an over three-million dollar loss. 2015 contained grossly excessive legal expenses incurred by the prior board's multiple poor decisions to: a) initiate and pursue since 2011 an expensive and aggressive litigation against an industry peer, not to mention the largest with an over $200M cash war chest ("never go into a shoot out with a knife"); b) aggressively oppose shareholders seeking change at their own company through director elections; and c) pay for a big law firm to investigate allegations of misconduct by the prior CEO, which resulted in findings that the former CEO and CFO breached their fiduciary duties including, but not limited to, their duties of loyalty to the company; yet surprisingly the prior board of directors did not terminate either of them, but instead attempted to insulate and entrench the former CEO and CFO by offering them enhanced golden parachutes (with your shareholder money of course!). Some of these expenses incurred by the prior board remain for us to resolve during 2016. We will deal with them and have already implemented a 2016 budget that ***significantly*** reduces our legal spending. Lawyers have an old joke that can be paraphrased as, "litigation is a lose-lose for everyone except the attorneys." Your new board plans to reduce excessive legal spending and employ more wisdom in avoiding legal disputes. We believe that investing in our ongoing business operation is more fruitful than investing in litigation. In fact, we can find many alternatives and superior uses for shareholder capital other than litigation.

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Bureaucracy, Politics & Turf Wars: We discovered as directors a company riddled with bureaucracy and overbearing controls wielded by a few gatekeepers at the top who were highly allied with the former Chairman/CEO. This organizational structure is almost guaranteed to not breed success in a business operation. We dismantled it down to a reasonable level, recognizing that process and procedure are necessary and like any medication, it is good in reasonable dosages but deadly when overdosed on.

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Nobody would call Jim Bob or me a socialist, but the level of income inequality at Datatrak was absurd. A few at the top, essentially the warlord's junta, garnered about 15% - 25% of the company's revenues for their own personal benefit, whether compensation or expense accounts or otherwise. An additional amount was devoted to their "pet projects" or hometown offices or home offices, hiring and paying "consultant" friends, etc. There is no doubt that our company was hijacked and turned into a lifestyle company for the benefit of a select few who unjustly enriched themselves at the expense of most shareholders and employees.

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During the last few years, the prior board had not organized our company in a manner to benefit shareholders, but instead to benefit a chosen few and their allies. For example, the 2015 opening of the oversized Chicago office, in the hometown of our previous Chairman/CEO, was a poor decision that produced massive expenses that will not provide an appropriate return on investment for our company. Your new board is taking steps in 2016 to mitigate this expense and redirect the capital allocated to this poor investment to other areas with better opportunity costs, such as sales and marketing of our new CTMS product that is receiving high marks from our clients who have seen its capabilities. Having said this, we continue to have valuable employees in Chicago and we will seek to keep them as members of the Datatrak team. We have visited the Chicago office and spoken face-to-face with our employees there in order to gain a better understanding of how best to utilize our people in that location. We greatly appreciated their candor and friendliness.

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The most egregious mismanagement by our prior board relates to the excessive management compensation provided for many years that stripped our company of millions of dollars of shareholders' investment capital and retained earnings that would have otherwise been available for growth initiatives. Your prior Chairman/ CEO talked a lot about "reinvestment" into growing our products and sales, but we believe this was simply just not true after looking at the numbers. Sales and product development flourished because of our employee's dedication and extra efforts to go above and beyond what was required, despite their not receiving the resources they deserved; just image what our people will be able to accomplish as we begin to direct adequate resources towards sales and development.

The previous CEO's compensation was not negotiated in the best interests of shareholders; it did not align incentives with shareholders as best as possible; the "compensation consultant" hired was a further waste of shareholder assets. No self-respecting businessperson or board member would want to use a compensation consultant. On this topic we agree with Charlie Munger who said "I would rather have snakes thrown down my shirt than to hire compensation consultants." Golden parachutes and excessive insurance coverage for directors and officers are instruments that self-confident and intellectually honest and component business leaders shun and do not require to do their jobs. The best business leaders actually enjoy their work and first and foremost do it for the "love of the game"; the financial rewards are simply a by-product of a job well done, and a welcomed and nice benefit nonetheless. We will not go into the details of the previous Chairman/CEO's expensing personal charges to the company, but simply say that it was not in the best interest of shareholders and was not consistent with what you would want to see from a person you would appoint as trustee for your children, let alone to be the steward of your investment in Datatrak. It is what it is and we cannot turn back the clock. Let's call it what it is and move on. This is why your new board elected to settle the litigation with some of the previous directors. While we believe they did not live up to their fiduciary duties, we did believe that the company would be better off going forward if it is investing its limited resources into its future business operations rather than litigating its former directors while they continued to cause a board deadlock that would effectively render the board ineffective and further harm the business and our shareholder's investment. Yes, it was a hostage crisis and we negotiated to save the hostage, our investment.

We have embarked on fixing the management compensation system and better aligning it with shareholder interests. We cannot emphasize how grateful we are that Jim Bob agreed to be interim CEO and president for virtually no cash compensation and on an "at will" employment basis. Jim Bob did not ask for a golden parachute. He demonstrated his commitment to our company through his selfless actions. We cannot sufficiently applaud this example from the top. Perhaps equally as important, we now have a CEO who is "tech literate", meaning he can intelligently speak with our software developers (without our developers chuckling or rolling their eyes). As our company gets its fiscal house in order, your board will revisit the issue of CEO compensation and also finding a suitable candidate to be a permanent CEO.

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We must also express our gratitude to Julia Henderson, our new CFO. Julia has loyally dedicated herself to Datatrak for over ten years. Julia had the courage to challenge the old leaders regarding their significant spending, but frustratingly her prudent and wise advice fell on deaf ears. She endured and tried her best to help the company she felt incredibly dedicated to. If there was a CPA medal of honor, the accounting profession should consider awarding it to her. We are very lucky that she remained committed to Datatrak and we are excited to promote her to CFO and Treasurer. We could not think of a better person for the role. Julia will be one of the young leaders who we will trust to guide Datatrak going forward.

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Scott DeMell, our head of sales and marketing, has a long dedicated history with Datatrak. Why the previous leadership did not further utilize Scott is nothing short of shocking to us. This was a totally inexcusable oversight. Scott is a bright, hard working and a no non-sense straightforward individual. He is extremely loyal to our company and a tremendous asset for us. We have empowered Scott to lead our sales and marketing efforts. He is one of our leaders and we trust him to be one of the key people who lead us for years to come. We believe that sales languished previous due to the old management's neglect for the Sales Department. They simply were not given their rightful place or seat at the executive table. Scott had to fight hard to get the old management's attention. They even had him answering to our in-house counsel. Lawyers work for sales, not the other way around. In fact, in our business, *everyone works for sales!* This is the primary source of cash flowing into our business. We must never forget that.

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We must now discuss the financial state of our company. As we all know by now, the past leadership spent significant cash resources of our company. They had set the Company on a path for ruin this year. In one of our first meetings, certain former managers told us that bankruptcy was imminent and surprisingly their next recommendation was that the Board figures out how to provide these same managers lavish benefits for their exits. The audacity! However, your new leadership immediately set about pouring over the detailed financial information and crafting and implementing a plan to see us through the looming challenges. After all, one of the things that made (and continues to make) America great is our citizen's "can do" attitude. We are pleased to report that we have produced a financial plan and implement its cost cutting measures so that we are projecting a year-end profit. While we feel confident in this projection, our auditors at BDO, have asked that we seek additional funding to bolster our balance sheet. Perhaps if we had been permitted to take our Board seats sooner and get to work, we could have preserved more cash by curtailing wasteful expenditures. Regardless, your Board has demonstrated in just a few weeks that it is willing to do what it takes to help the company and protect and enhance your investment. This will not be done with bankers or consultants that will charge their attendant fees and commissions. One of your Board's first actions was to terminate the Company's investment bankers and other "consultants" who seemed persistent to recommend more "consulting" activity. They are looking to generate revenues, so businesspeople should not be surprised when "advisors" recommend more "advising". We are reminded of the old proverb, to the hammer every problem looks like a nail.

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During our campaign for the Board, we spoke regularly of our skillset in effectively allocating capital and resources. We will now discuss that. Many businesspeople, directors and managers are talented in certain areas and those are rarely in investment allocation. Therefore, often businesses simply retain earnings and dogmatically plow those earnings back into the core business without careful thought or thorough analysis given to the expected return on employment of that capital and opportunity cost of the available alternative uses for the earned capital. We propose that every dollar of retained or other capital available to the company must only be deployed if we believe with a high degree of certainty that it will return to our company significantly more than one dollar, over a reasonable time period. Otherwise we would be simply growing by mindlessly hoarding retained earnings, or even worse what the previous leadership of Datatrak was doing, which we believe was to squander retained earnings and divert shareholder focus onto other metrics. Here is your new leadership's proposed general outline of how capital, including retained earnings, should be used in order of priority:

> **Pay-Down High Interest Debt:** To the extent that we observe this, we will eliminate it assuming we reasonably believe that we have sufficient resources to do so. Going forward we will avoid entering into debt arrangements that we believe are disadvantageous to our long-term interests. On the other hand, not all debt is bad. In fact, low interest bearing debt that matures at a far out date (long-term maturing debt that is for example 10, 20, 50 years in maturity) can actually a good thing to have if it is wisely employed in a manner that yields a return significantly more than the cost of the capital.

Acquisitions: We anticipate that we will need to make acquisitions in order to grow our business. Whenever we make any acquisition, we will thoroughly vet the asset or operating business being acquired and we must be convinced that the price we are paying for the acquisition is fair or a bargain compared to the intrinsic value of what is being acquired. Acquisitions for the sake of M&A activity are not beneficial to shareholders. Moreover, your Board is perfectly capable of evaluating the financial merits of any acquisition so it is unlikely that we will incur investment banker fees, which increase the costs of acquisitions and diminish returns to shareholders.

Our primary duty as fiduciaries is to protect and enhance the purchasing power of your investment dollars. Ultimately, that is the end goal of investing money: to keep up with inflation or purchasing power and additionally to enhance your purchasing power by growing your investment at a rate better than inflation. However, most companies fail to recognize this big picture goal and limit their opportunity set to one line of business, industry, asset class or geography. Historical outcomes teach us that this is not wise. General Motors' shareholders would have been better off if their fiduciaries had diverted retained earnings into other businesses or investments rather than plowing back into automobile manufacturing. On the other hand, the shareholders of companies like Fairfax Holdings, Markel Corp. and Leucadia National are much better off because its fiduciaries chose a more logical path of retained earnings allocation.

Cash as a Position: If we cannot find acquisitions that fit our criteria, we will be perfectly comfortable building a cash war chest for future opportunities. Cash is essentially a call option on everything. When great opportunities arise, only those who have stored away cash are able to take full advantage of the opportunities. Usually when opportunity strikes, very few participants had the foresight to store cash for the rainy day, which usually causes the purchasers to have significant negotiating abilities to obtain the opportunities of a lifetime.

Share-Buy Back: Under certain circumstances, repurchasing of the Company's shares may be beneficial to our shareholders. if we have ample cash for working capital and our stock price is significantly below what we believe to be its intrinsic value. Moreover, intelligently implemented share-buy backs can have tax advantages when compared to cash dividends. The reason is dividends incur upon the receipt taxable income. Share-buy backs do not cause a taxable event upon our shareholders, however they do provide remaining shareholders an increased ownership stake in the business.

Dividend: If we cannot find a reasonably good use for your capital and we have no reasonable prospects on the horizon and we believe that shareholders have better opportunities for their capital, then your Board will elect to issue dividends to shareholders. It is noteworthy to mention another tax advantage related to dividends, which is that dividends paid incur significant taxes that erode the ability of capital to grow in the future. On the other hand, under certain circumstances, dividends paid to a corporate shareholder, such as Datatrak, can have significantly less tax consequences therefore enhancing the ability of that dividend capital paid to grow in the future.

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House keeping items: We are looking for a few good men and women to add to our Board of Directors. We are seeking to increase the size of our Board to be more than three directors. We have identified prospective candidates and will inform shareholders when appointments have been made. You should know that any director we appoint to the Board will be up for election by shareholders this year. We are glad this is the case and would not want it any other way. Shareholder democracy is important to us and something that we cherish due to our recent experiences with disenfranchisement by the prior board. Here are several key characteristics that we will look for in the director candidates that we nominate for your Board of Directors:

- Business Acumen, wisdom, judgment, knowing what you know and, more importantly, knowing what you don't know;
- Self-confidence to make their own decisions without outsourcing their thinking;
- Independence in thought and actions, the courage to challenge others when in disagreement;
- Trustworthy stewards of our shareholders hard earned investment dollars;

- Aligned interests, “skin in the game”.

When we find people who meet these requirements, we will investigate, interview and invite them to our Board.

The Company has elected to list on the OTC Pink instead of the OTCQX because of the cost savings, which are expected to be more than $100,000 per year for regular outside law firm certifications and an additional $10,000 in OTC fees that are being increased to $20,000 per year in 2017. Going to the OTC Pink will not decrease our public company disclosures, and we intend to continue the same disclosures as in the past, but with increased transparency. We would have liked to seek an SEC registration this year, however we decided that the limited cash resources are best allocated otherwise during 2016 and we will revisit an SEC listing in 2017. Also, it remains our goal to grow and improve our company so that it is eligible to list on the NASDAQ or another large exchange.

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Transparency: We promised to provide shareholders increased transparency. We had concerns regarding the previous leadership’s behavior and over-reliance on backlog. As we learned from our neglected Sales Department, new sales languished in the past primarily due to neglect from former executives. That should not be a surprise since the previous leadership turned out almost 40 sales people within the last few years alone. They left Scott with no outside sales people last year (well before the proxy contest by the way). Therefore, the old management was heavily relying on current revenues coming from backlog, which is not the sign of a well-run organization, particularly in our industry. We have begun to change this and are promoting and enhancing our Sales Department by treating them as one of the most important parts of our business. The days of management contempt for the Sales Department are over. Customers will no longer grumble about Datatrak’s Sales Department being undermined by senior management or cumbersome “legal review” of contracts. So backlog appears to be useful but we can no longer solely rely on backlog for current revenues. Most of our industry peers have a significantly higher amount of new sales contributing to current revenues each year. We must do the same.

Management & Board Misbehavior: We hate to have to report this but your old leadership was hiding a lot from shareholders and now we know why. Your old Board spent over $250,000 for an outside law firm to investigate the old Chairman/CEO and when the independent law firm’s report concluded that the former Chairman/CEO and the former CFO breached various fiduciary duties and violated various company policies, the old Board tried to hide this information and not only did they fail to terminate the bad actors, instead they attempted to reward these bad actors by further entrenching them and showering them with benefits from the company at the expense of shareholders. The old leadership was derelict of their duties and let you down. We cannot sugar coat that. All we can do is provide you with an honest account of what happened in the past and move on.

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Industry Peers: Our industry is fast growing, at a far greater clip than US GDP, therefore the pie is growing for all participants in our industry. We believe that the competitive landscape is such that it is wise for us to view our industry peers as peers and not adversaries. We are glad the former patent litigation with one of our industry peers settled. We believe that we add significant value to our industry and so do our peers. That does not mean we won’t compete hard to win customers and increase our market share. But the pie is growing for everyone and we can all experience healthy grow rates while being respectful and cordial. We recognize that Datatrak has not always lived up to this in the past. Our shareholders and employees demanded change and leadership has changed, so our industry can expect a more positive tone from the top at Datatrak going forward.

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The 2016 Annual Shareholder Meeting will actually be held during 2016, unlike our 2015 meeting that was held in early 2016. We believe that shareholder annual meetings should be held as soon as possible and in a manner that is most convenient for shareholders to meaningfully attend and participate in. Ideally, we would set a date for the Annual Meeting soon after the issuance of the annual report. Perhaps we can accomplish this in 2017. For 2016, due to our heavy work load in order to “right the ship” at your company this year our annual meeting will likely be in the late summer or fall. We will provide more details as soon as we have more information for you. Please note that from now on the Annual Shareholder’s Meeting will be held in Cleveland and also will be organized in a manner to encourage shareholder attendance and participation. Our plan is to have a significant component of the meeting be

an open format Q&A for shareholders to ask of your Board anything that is relevant to our business. We will also endeavor to have certain managers and employees in attendance along with demos of our product offerings so that you, as business owners, can gain a better understanding of our company and what we do and why what we do is meaningful.

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As we started off discussing, achieving profitability this year is priority number one. However, we want to remind our employees that we can both make money and have fun at the same time. In fact, we believe it is essential for good capitalists to enjoy fulfilling hard work that also generates a healthy buck at the end of the day.

Respectfully Submitted,

Alex Tabatabai
Chairman of the Board

Jim Bob Ward
CEO, President, & Director