

## **DIGITAL ALLY AWARDED THREE STATE CONTRACTS TO SUPPLY IN-CAR VIDEO SYSTEM TO LAW ENFORCEMENT AGENCIES**

### **ARKANSAS, WISCONSIN AND NEW MEXICO JOIN WEST VIRGINIA IN STATEWIDE PURCHASE AUTHORIZATIONS FOR *DVM-500* DIGITAL IN-CAR VIDEO SYSTEM INTEGRATED INTO REARVIEW MIRROR**

**LEAWOOD, Kansas (July 30, 2007)** – Digital Ally, Inc. (OTCBB: DGLY), which develops, manufactures and markets advanced video surveillance products for law enforcement, homeland security and commercial security applications, today announced that three additional states have awarded contracts that allow all state, county and municipal law enforcement agencies to purchase Digital Ally's ***DVM-500 Digital In-Car Video System Integrated into a Rearview Mirror*** at prices negotiated with the Company. These contracts were received during the second quarter of 2007 and, when added to the West Virginia statewide contract announced during the first quarter, they bring to four the number of statewide contracts signed during the first half of 2007.

The Arkansas State Police, after a thorough evaluation period, awarded a one-year contract, with renewal options, and placed an initial order for 70 *DVM-500* systems. The systems have been delivered, and a training session has been conducted for State Police Instructors. Additional systems are expected to be ordered later this year.

The Wisconsin Department of Transportation has awarded a statewide contract to Digital Ally, Inc. for the *DVM-500*. This contract allows all state, county and municipal government agencies to purchase the *DVM-500* for a period of one year, with renewal options. The Wisconsin State Patrol placed an initial order for 50 *DVM-500* systems, which are currently being installed in vehicles throughout the State. Orders are expected from a number of cities and counties as notification of the contract is received by other agencies.

The New Mexico General Services Department has awarded a Price Agreement to Digital Ally, Inc. for the *DVM-500*, which allows all New Mexico agencies, commissions, institutions, political subdivisions and local public bodies to purchase the *DVM-500* system under the same terms and prices. Notification is being sent to all agencies informing them of this Price Agreement.

"These three new statewide contracts, and the earlier one awarded to us from West Virginia, verify the continued acceptance of the *DVM-500* by law enforcement agencies of all sizes," observed Stanton E. Ross, Chief Executive Officer of Digital Ally, Inc. "Our concept of integrating state-of-the-art digital video technology into a rearview mirror, thereby minimizing the space required within a law enforcement

vehicle, has been enthusiastically received in the marketplace. Police cars are full of other equipment in both the trunk and the driver/passenger compartment. Thus, when officers see a complete digital video system integrated into a rearview mirror, their response has been universally positive.”

For more information on the *DVM-500*, contact Digital Ally, Inc. at (800) 440-4947 or via email at [sales@digitalallyinc.com](mailto:sales@digitalallyinc.com)

### **About Digital Ally, Inc.**

Digital Ally, Inc. is involved in the development, manufacturing and marketing of advanced technology products for law enforcement, homeland security and commercial security applications. The Company’s primary development focus involves the field of Digital Video Imaging and Storage. For additional information, visit [www.digitalallyinc.com](http://www.digitalallyinc.com)

The Company is headquartered in Leawood, Kansas, and its shares are traded on the OTC Bulletin Board under the symbol “DGLY”.

*This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Act of 1934. These forward-looking statements are based largely on the expectations or forecasts of future events, can be affected by inaccurate assumptions, and are subject to various business risks and known and unknown uncertainties, a number of which are beyond the control of management. Therefore, actual results could differ materially from the forward-looking statements contained in this press release. A wide variety of factors that may cause actual results to differ from the forward-looking statements include, but are not limited to, the following: the Company’s ability to raise sufficient capital to implement its business plan; its ability to have all of its product offerings perform as planned or advertised; whether there will be a commercial market for one or more of its products; its ability to commercialize its products and production processes, increase revenues significantly and achieve profitability; whether the Company will be able to adapt its technology to new and different uses, including being able to introduce new products; competition from larger, more established companies with far greater economic and human resources; its ability to attract and retain customers and quality employees; its ability to obtain patent protection on any of its products and, if obtained, to defend such intellectual property rights; the effect of changing economic conditions; and changes in government regulations, tax rates and similar matters. These cautionary statements should not be construed as exhaustive or as any admission as to the adequacy of the Company’s disclosures. The Company cannot always predict or determine after the fact what factors would cause actual results to differ materially from those indicated by the forward-looking statements or other statements. The reader should consider statements that include the words “believes”, “expects”, “anticipates”, “intends”, “estimates”, “plans”, “projects”, or other expressions that are predictions of or indicate future events or trends, to be uncertain and forward-looking. The Company does not undertake to publicly update or revise forward-looking statements, whether as a result of new information, future events or otherwise.*

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