

PNI Digital Media and Kodak Australasia Expand Partnership to Launch New Kodak Express Digital Solutions Online Photo Center for New Zealand

VANCOUVER, BC – July 14th, 2010 - PNI Digital Media (TSX-V: PN; OTCBB: PNDMF), (“PNI” or the “Company”), the leading innovator in online and in-store digital media solutions for retailers, announced that it has expanded its agreement with Kodak (Australasia) Pty Ltd. to include a new online photo center specific for the New Zealand marketplace.

Kodak New Zealand customers can now easily create and order a range of photo prints and customized photo gifts from the new Kodak Express Digital Solutions Online Photo Center, available at <http://www.kodakexpressonline.co.nz>.

Consumers can easily upload their photos, create and order photo prints, custom photo calendars, custom photo gifts and custom photo collage prints. Consumers can have their orders shipped to home or picked up for free at any of the 60 Kodak Express retail stores nationwide.

Clyde Rodrigues, Business Strategy & Partnership Director of Kodak Australasia said “We have created an online national presence with the Kodak brand for photo printing. It will connect the Kodak Express Digital Solutions channel to new customers and bring incremental business in the online space. This partnership will make Kodak Express Digital Solutions an even stronger retail chain.”

“We are excited to expand our partnership with Kodak to help their Kodak Express stores in New Zealand reach their customers online”, said Kyle Hall, Chief Executive Officer of PNI Digital Media. “By combining great Kodak products and printing with the flexibility of the PNI Digital Media Platform, we can drive sales into the retail photo market while also offering consumers compelling value and no shipping fees.”

About Kodak Australasia- As the world’s foremost imaging innovator, Kodak helps consumers, businesses, and creative professionals unleash the power of pictures and printing to enrich their lives.

To learn more, visit <http://www.kodak.com> and follow our blogs and more at <http://www.kodak.com/go/followus>.

(Kodak is a trademark of Eastman Kodak Company.)

About PNI Digital Media- Founded in 1995, PNI Digital Media operates the PNI Digital Media Platform, which provides transaction processing and order routing services for major retailers. The PNI Digital Media Platform connects consumer-ordered digital content, whether from online, in-store kiosks, desktop software or mobile phones, with retailers that have on-demand manufacturing capabilities for the production of personalized products such as photos, photo books and calendars, business cards and stationery. PNI Digital Media successfully generates millions of transactions each year for retailers and their thousands of locations worldwide.

Further information on our company can be found at <http://www.PNIMEDIA.com>

Investor Relations and Press Contact:



News Release

For Immediate Release

Simon Cairns
PNI Digital Media
866-544-4881
ir@pnimedia.com

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The TSX Venture Exchange has neither approved nor disapproved the information contained in this release. PNI Digital Media relies upon litigation protection for "forward-looking" statements.

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