



NEWS RELEASE

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ViewCast Raises \$745,000 in Private Placement

Private Investors, Directors and Officers Fund Growth Initiatives

PLANO, Texas, January 4, 2012 – ViewCast Corporation (OTCBB: VCST), a developer of industry-leading solutions for the transformation, management and delivery of digital media over enterprise, broadband, and mobile networks, today announced that it had entered into subscription agreements with 12 private investors, of which six were members of the ViewCast Board of Directors or executive officers, for the purchase of an aggregate of 6,618,068 shares of ViewCast common stock for an aggregate purchase price of \$745,000. The purchase price of common stock was \$0.1125707 per share, which was the weighted average closing price for the five trading days immediately prior to December 27, 2011. The investors also subscribed for warrants exercisable into 6,618,068 shares of ViewCast common stock at an exercise price of \$0.1238278 per share, which will expire on December 31, 2014.

“With the global demand for streaming video booming, these new funds will help us kickoff several new product innovations in early 2012 as part of our new efforts to reach additional large customers in areas such as the telecom industry where the delivery of video content through a variety of wireless, handheld devices has become paramount,” said CEO John Hammock. “At the same time, we have restructured our organizational costs to match our current level of revenue. We are confident that progress on these two initiatives has positioned ViewCast to take advantage of the new expansion in the streaming video market and return the Company to sustained profitable growth and prosperity.”

About ViewCast

ViewCast develops industry-leading hardware and software for the transformation, management and delivery of professional quality video over broadband, enterprise and mobile networks.

ViewCast's award-winning solutions simplify the complex workflows required for the Web-based streaming of news, sports, music, and other video content to computers and mobile devices, empowering broadcasters, businesses, and governments to easily and effectively reach and expand their audiences. With more than 350,000 video capture cards deployed globally, ViewCast sets the standard in the streaming media industry. ViewCast Niagara® streaming appliances, Osprey® video capture cards and VMp™ digital media management systems provide the highly reliable technology required to deliver the multi-platform experiences driving today's digital media market.

ViewCast (www.viewcast.com) is headquartered in Plano, Texas, USA, with sales and distribution channels located globally.

ViewCast, Osprey, VMp and Niagara are trademarks or registered trademarks of ViewCast Corporation or its subsidiaries. All other trademarks are the property of their respective owners.

Safe Harbor Statement

Certain statements in this release are forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995 and reflect the Company's current outlook. Such statements apply to future events and are therefore subject to risks and uncertainties that could cause actual results to differ materially. Important factors that could cause actual results to differ materially from forward-looking statements include, but are not limited to, changes in market and business conditions, demand for the Company's products and services, technological change, the ability of the Company to develop and market new products, increased competition, the ability of the Company to obtain and enforce its patent and avoid infringing other parties' patents, and changes in government regulations. All written and verbal forward-looking statements attributable to ViewCast and any person acting on its behalf are expressly qualified in their entirety by the cautionary statements set forth herein. ViewCast does not undertake any obligation to update any forward-looking statement to reflect circumstances or events that occur after the date on which the forward-looking statements are made. For a detailed discussion of these and other cautionary statements and factors that could cause actual results to differ from the Company's forward-looking statements, please refer to the company's reports on Form 10-K and 10-Q on file with the U.S. Securities and Exchange Commission.