

Proxama PLC

("Proxama" or the "Company")

New Contract Win

London, 20 May 2015: Proxama PLC (AIM: PROX), the international mobile commerce Company specialising in proximity marketing and a provider of end-to-end payment solutions for card issuers and processors, is pleased to announce a new five year contract with Navy Federal Credit Union ("Navy Federal"), the world's largest credit union, commencing on 13 May 2015.

Proxama is pleased to confirm that our Digital Payments Division, which provides end-to-end software solutions will be supplying Proxama's Payment Application Manager software solution to support the migration to EMV, the international standard for chip and PIN cards, and on-going lifecycle management of Navy Federal's portfolio of approximately four million debit cards.

On 1 October 2015, a liability shift comes into force in the US, meaning that liability for any fraudulent transaction which would have been prevented through the use of an EMV card in an EMV terminal will fall on the party that has not implemented EMV. This significant regulatory change has accelerated the need for card issuers to migrate their card portfolios to EMV.

Navy Federal is the world's largest credit union serving the United States military and their families across the world. It has more than US\$65 billion in assets, and over 5 million members globally.

Proxama's Payment Application Manager is a complete card lifecycle management system that will manage the process of migrating Navy Federal's debit card base to EMV.

Mike Woods, CEO of Proxama's Digital Payments Division comments: "We are very pleased to have won this contract with a market leader such as Navy Federal. The 1 October 2015 liability shift is a significant challenge for card issuers in the US and it is driving migration to EMV. We are delighted to have been chosen to assist Navy Federal to manage this process and we are confident that we will be announcing further US clients during the course of 2015."

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About Proxama

- Proxama is an international mobile commerce Company specialising in proximity marketing via mobile and providing end-to-end solutions for card issuers to migrate customers from magnetic stripe credit and debit cards to contactless mobile payments.
- The technology to support mobile payments is now in place. 90% of the world's smartphones have technology to make mobile payments and in 2015 30 million contactless mobile payments are expected to be made compared to 3 million in 2014.
- Proxama has been at the forefront of this market for the last 10 years. Today, Proxama's solutions are used by banks, financial institutions, loyalty companies, media owners, stadium owners, retailers and brands. Current clients include: Fiserv, Exterion Media, Harrods, Ubisoft, Gala, Purple Seven and Argos.
- The proximity marketing division focuses on connecting consumers to brands and retailers via Bluetooth Low Energy (BLE) beacon technology. Proxama establishes and owns beacon networks in high footfall locations such as City Centres, stadia, shopping malls and retail outlets, which are then able to communicate to consumers via messages to mobiles when the consumer is in close proximity to a beacon. The technology platform at the heart of this division is TapPoint®
- The payments division manages end-to-end credit and debit cards solutions on behalf of financial institutions in the United States, Europe and the Middle East and specialises in enabling the migration of cards from magnetic stripe cards, to chip and pin cards and from contactless chip cards to mobile devices. The technology behind this division is Proxama's Digital Enablement Platform.

In December 2014, Proxama acquired Aconite Technology Limited:

- Aconite has been delivering advanced payment solutions to card issuers, processors and service providers for more than ten years
- Aconite established itself as a highly respected source of chip card management expertise in payments and other sectors, such as transport and ticketing, and as a specialist in the field of migrating credit cards from magnetic strip to contactless
- Aconite's software portfolio now forms the core of Proxama's Digital Enablement Platform that delivers end-to-end support for EMV deployment to cards, contactless and mobile payments.