

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. It contains the Resolutions to be voted on at the General Meeting of the Company to be held at Taylor Vinters LLP, Tower 42, 33rd Floor, 25 Old Broad Street, London EC2N 1HQ at 2.15 p.m., or as soon as possible after the AGM, on 25 July 2016. If you are in any doubt about what action you should take, you should consult your stockbroker, bank manager, solicitor or other independent financial adviser authorised under the Financial Services and Markets Act 2000 immediately.

If you have sold or otherwise transferred all of your Ordinary Shares, please forward this document and the accompanying Form of Proxy for use in relation to the General Meeting as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee.

The Directors, whose names appear on page 4 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Application will be made to the London Stock Exchange plc for the New Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the New Ordinary Shares will commence at 8.00 a.m. on 26 July 2016.

AIM is a market designed primarily for emerging and smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the UKLA. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consulting with an independent financial adviser. The London Stock Exchange has not itself examined or approved the contents of this document.



(Incorporated and registered in England and Wales with registered no. 06458458)

**Proposed Placing of 666,666,666 New Ordinary Shares
at 0.3 pence per share to raise £2 million, Subdivision**

and

Notice of General Meeting

Nominated Adviser and Broker:

PEEL HUNT

Your attention is drawn to the letter from the Chairman of the Company which recommends that you vote in favour of the Resolutions to be proposed at the General Meeting.

Notice of a General Meeting of Proxama plc to be held at **Taylor Vinters LLP, Tower 42, 33rd Floor, 25 Old Broad Street, London EC2N 1HQ** at 2.15 p.m., or as soon as possible after the AGM, on 25 July 2016 is set out at the end of this document. A Form of Proxy for use in connection with the general meeting is also enclosed with this document. The Form of Proxy should be completed and returned to the Company's Registrars, Computershare Investor Services plc, The Pavilions, Bridgwater Road, Bristol BS99 6ZY in accordance with the instructions printed on it as soon as possible and, in any event, so as to be received no later than 48 hours prior to the General Meeting. Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting in person at the General Meeting should they so wish.

This document does not constitute an offer of securities and accordingly is not a prospectus and neither does it constitute an admission document drawn up in accordance with the AIM Rules.

Peel Hunt LLP (“**Peel Hunt**”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser and broker to the Company with. The responsibilities of Peel Hunt as the Company’s nominated adviser under the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange plc and are not owed to the Company or to any Director, shareholder or any other person, in respect of his decision to acquire shares in the Company in reliance on any part of this document, or otherwise. Peel Hunt makes no representation or warranty, express or implied, as to the contents of this document. Peel Hunt will not be offering advice and will not be responsible for providing customer protections to recipients of this document in respect of the Placing or any acquisition of shares in the Company.

No person has been authorised to give any information or make any representation other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been so authorised. The delivery of this document shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document or that the information in it is correct as of any subsequent time.

The distribution of this document in jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this document and/or the accompanying Form of Proxy comes should inform themselves about and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction.

Copies of this document will be available free of charge until 26 July 2016 at the Company’s registered office, 27/28 Eastcastle Street, London W1W 8DH, during normal business hours.

Cautionary note regarding forward-looking statements

This document contains statements about the Company that are or may be deemed to be “forward-looking statements”.

All statements, other than statements of historical facts, included in this document may be forward-looking statements. Without limitation, any statements preceded or followed by, or that include, the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “should”, “anticipates”, “estimates”, “projects”, or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements may include, without limitation, statements relating to future capital expenditures, expenses, revenues, earnings, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects, etc.

These forward-looking statements are not guarantees of future performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual result, performance or achievements of any such person, or industry, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. Investors should not place undue reliance on such forward-looking statements and, save as is required by law or regulation (including to meet the requirements of the AIM Rules, the City Code on Takeovers and Mergers, the Prospectus Rules made by the UK Listing Authority and/or the Financial Services and Markets Act 2000), the Company does not undertake any obligation to update publicly or revise any forward-looking statements (including to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based). All subsequent oral or written forward-looking statements attributed to the Company or any persons acting on its behalf are expressly qualified in their entirety by the cautionary statement above. All forward-looking statements contained in this document are based on information available to the Directors at the date of this document, unless some other time is specified in relation to them, and the posting or receipt of this document shall not give rise to any implication that there has been no change in the facts set forth herein since such date.

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DIRECTORS, COMPANY SECRETARY AND ADVISERS

Directors	David Bailey, <i>Chairman</i> John Kennedy, <i>CFO (interim CEO)</i> Mike Woods, <i>CEO, Payments Division</i> Gavin Breeze, <i>Non-Executive Director</i> Shaun Gregory, <i>Non-Executive Director</i>
Company Secretary	Cargil Management Services Limited
Registered Office	Proxama plc 27/28 Eastcastle Street London W1W 8DH
Nominated Adviser and Broker	Peel Hunt LLP Moor House 120 London Wall London EC2Y 5ET
Legal Advisers to the Company	Taylor Vinters LLP Tower 42, 33rd Floor 25 Old Broad Street London EC2N 1HQ
Legal Advisers to Peel Hunt LLP	Irwin Mitchell LLP 40 Holborn Viaduct London EC1N 2PZ
Registrars	Computershare Investor Services plc The Pavilions Bridgwater Road Bristol BS13 8AE

EXPECTED TIMETABLE OF EVENTS

Announcement of the Proposals	7.00 a.m. on 24 June 2016
Latest time for receipt of Forms of Proxy	2.15 p.m. on 23 July 2016
General Meeting	2.15 p.m., or as soon as possible after the AGM, on 25 July 2016
Record date for the Subdivision	Close of business on 25 July 2016
Subdivision effective	8.00 a.m. on 26 July 2016
Admission and commencement of dealings in the New Ordinary Shares expected to commence on AIM	8.00 a.m. on 26 July 2016
CREST accounts expected to be credited	26 July 2016
Definitive share certificates to be dispatched by	9 August 2016

Each of the times and dates above is subject to change. Any such change will be notified by an announcement on a Regulatory Information Service.

ADMISSION AND PLACING STATISTICS

Total number of Existing Ordinary Shares	1,040,437,236
Number of Placing Shares	666,666,666
Number of New Ordinary Shares as a percentage of the Enlarged Share Capital	39.1 per cent.
Placing Price per Placing Share	0.3 pence
Enlarged Share Capital*	1,707,103,902
Gross proceeds of the Placing	£2 million
Net proceeds of the Placing	£1.9 million
Market capitalisation of the Company on Admission at the Placing Price	£5.1 million
ISIN of the Existing Ordinary Shares	GB00B2PKZ581
SEDOL of the Existing Ordinary Shares	B2PKZ58

** Assuming no new Existing Ordinary Shares are issued prior to the date of the General Meeting and post-Subdivision*

DEFINITIONS

The following definitions apply throughout this document and in the accompanying Form of Proxy unless the context requires otherwise:

“Admission”	admission of the New Ordinary Shares to trading on AIM becoming effective in accordance with the AIM Rules;
“AGM”	the Company’s annual general meeting to be held at Taylor Vinters LLP, Tower 42, 33rd Floor, 25 Old Broad Street, London EC2N 1HQ on 25 July 2016;
“AIM”	the market of that name operated by the London Stock Exchange;
“AIM Rules”	together, the AIM Rules for Companies and the AIM Rules for Nominated Advisers;
“Board” or “Directors”	the directors of the Company whose names are set out on page 4 of this document;
“Business Day”	any day on which banks are usually open in England and Wales for the transaction of business, other than a Saturday, Sunday or public holiday;
“Companies Act”	the Companies Act 2006 (as amended);
“Company”	Proxama plc, a company incorporated and registered in England and Wales with company number 06458458;
“CREST”	the computerised settlement system (as defined in the CREST Regulations) operated by Euroclear UK & Ireland Limited;
“Deferred Shares”	the deferred shares of 0.99 pence each in the capital of the Company;
“Digital Payments Division”	the Company’s digital payments division which provides end-to-end software solutions for card issuers with the ability to migrate customers from magnetic stripe to chip-and-pin cards and from contactless cards to mobile devices;
“Enlarged Share Capital”	the Company’s issued share capital immediately after the completion of the Proposals;
“Existing Ordinary Shares”	the existing ordinary shares of 1 penny each in the capital of the Company at the date of this document;
“Form of Proxy”	the form of proxy attached to this document for use by Shareholders in connection with the GM;
“FSMA”	the Financial Services and Markets Act 2000;
“GM” or “General Meeting”	the general meeting of the Company to be held at Taylor Vinters LLP, Tower 42, 33rd Floor, 25 Old Broad Street, London EC2N 1HQ at 2.15 p.m., or as soon as possible after the AGM, on 25 July 2016, notice of which is set out in Part 2 of this document;
“Group”	the Company and its subsidiaries;

“London Stock Exchange”	London Stock Exchange plc;
“New Ordinary Shares”	the new ordinary shares of 0.01 pence each in the capital of the Company to be issued in connection with the Placing immediately following the Subdivision;
“Peel Hunt”	Peel Hunt, Moor House, 120 London Wall, London EC2Y 5ET;
“Placing Agreement”	the conditional placing agreement dated 24 June 2016 between Peel Hunt and the Company, details of which are set out in the letter from the Chairman;
“Placing”	the proposed placing by Peel Hunt, as agents for the Company, of the Placing Shares at the Placing Price on the terms of the Placing Agreement;
“Placing Price”	0.3 pence per New Ordinary Share;
“Placing Shares”	666,666,666 New Ordinary Shares;
“Proposals”	together the Placing and the Subdivision;
“Proximity Marketing Division”	the Company’s proximity marketing division which specialises in transport based mobile proximity services;
“Record Date”	means the date of Admission;
“Registrars”	Computershare Investor Services plc, The Pavilions, Bridgwater Road, Bristol BS13 8AE;
“Resolutions”	the resolutions to be proposed at the GM, as set out in the notice of GM contained in Part 2 of this document;
“Shareholders”	holders of Existing Ordinary Shares at the date of this document;
“Subdivision”	the share capital subdivision to be proposed pursuant to the resolution 2 in the Resolutions whereby, if such Resolution is approved by Shareholders, each Existing Ordinary Share will be subdivided into one New Ordinary Share and one Deferred Share;
“UK” or “the United Kingdom”	the United Kingdom of Great Britain and Northern Ireland.

PART 1

LETTER FROM THE CHAIRMAN

Proxama plc

(Incorporated and registered in England and Wales with registered no. 06458458)

Directors:

David Bailey, *Chairman*
John Kennedy, *CFO (interim CEO)*
Mike Woods, *CEO, Payments Division*
Gavin Breeze, *Non-Executive Director*
Shaun Gregory, *Non-Executive Director*

Registered office:

27/28 Eastcastle Street,
London W1W 8DH

27 June 2016

To all Shareholders and, for information only, holders of options over Existing Ordinary Shares

Dear Shareholder

**Proposed Placing of 666,666,666 New Ordinary Shares
at 0.3 pence per New Ordinary Share, Subdivision and Notice of General Meeting**

1 Introduction

The Company has announced today that it is proposing to raise £2 million (before the deduction of fees and expenses) through a Placing comprising the issue of 666,666,666 New Ordinary Shares at 0.3 pence per New Ordinary Share.

The Placing is conditional, *inter alia*, on the passing of the Resolutions at the General Meeting, Admission becoming effective by no later than 8.00 a.m. on 26 July 2016 and the Placing Agreement between the Company and Peel Hunt becoming unconditional and not being terminated prior to Admission (in accordance with its terms). It is expected that the New Ordinary Shares will be admitted to trading on AIM on or around 8.00 a.m. on 26 July 2016.

The Board believes that raising equity finance by the Placing is the most appropriate method of financing for the Company at this time. This allows both existing and new institutional investors to be targeted and to participate in the Placing in order to provide additional working capital for the Company. The Board believes that the potential value creation for the benefit of Shareholders arising from the Placing outweighs the dilutive effects of the Placing. The Board considered the merits of offering the Placing Shares to existing Shareholders, but concluded that the costs associated with making such an offer to all Shareholders on a pre-emptive basis would be disproportionate and would not provide sufficient certainty in relation to the likely take-up.

In addition, the Board is also proposing to undertake a restructuring of the Company's share capital to take effect in order to allow the allotment of the Placing Shares.

The purpose of this document is to set out the reasons for, and provide further information on, the Proposals, to explain why the Board considers the Proposals to be in the best interests of the Company and its Shareholders as a whole and why the Directors unanimously recommend that you vote in favour of the Resolutions, as they have irrevocably undertaken to do so in respect of their own beneficial holdings of Existing Ordinary Shares, in aggregate representing approximately 17.4 per cent. of the Company's issued share capital on 24 June 2016 (being the last Business Day prior to publication of this document).

At the end of this document you will find a notice convening the General Meeting at which the Resolutions will be proposed by the Directors. The General Meeting has been convened for 2.15 p.m., or as soon as possible after the AGM, on 25 July 2016 and will take place at Taylor Vinters LLP, Tower 42, 33rd Floor, 25 Old Broad Street, London EC2N 1HQ.

2 Background to the Placing

Strategic Review and Proposed Placing

In January 2016, the company confirmed that it had been exploring a number of strategic opportunities to secure the long term financial future of the business and that it had received a number of expressions of interest in relation to the Digital Payments division. Since then, discussions have taken place and a potential buyer has been selected. The potential buyer has submitted a Letter of Intent with an indication of \$10-12 million as a price range to acquire the Digital Payments division. The potential buyer's due diligence is underway and discussions are active. However, there can be no certainty that an offer will be made, any sales concluded, nor as to the terms of any offer or sale. Whilst the Company is continuing discussions with this potential buyer, it is not in a period of exclusivity and there are ongoing conversations with other potential buyers.

The Strategic Review will extend into H2 2016 and therefore in the absence of sale proceeds from Digital Payments division in the near term, the Company has announced an equity placing to raise £2 million.

The Board believes that this funding will be sufficient to see the Company to trading cash positively by the end of 2017 and provide sufficient time to complete the sale of the Digital Payments division.

2015 Progress

The Board is pleased to report that the Company made strong progress in 2015 in regard to developing its technology and business strategy and it continues to do so in 2016. The mobile advertising market in particular saw significant developments in 2015. The Proximity Marketing Division has benefitted from growing awareness and popularity of location based marketing, helped by the actions of the industry's largest players such as the introduction of Google's open beacon format, Eddystone.

During 2015 the strategy for the Proximity Marketing Division evolved. Today the Company has a London focused network opportunity of approximately 50,000 beacon locations, primarily spread across transport links (taxis, buses and airports) representing a differentiated opportunity for potential partners and clients to communicate innovatively and directly with the millions of people travelling across and through London. To gain greater scale, the Company is seeking to extend the number of partnerships it has with established apps, such as its recently announced partnership with Mapway, which has approximately 30 million life-time downloads across its 26 international transport apps.

The Board believes that the Company is an attractive partner for app owners like Mapway, as beacon powered mobile app engagement increases the volume of app sessions and subsequent advertising response, creating a direct and positive impact on the average revenue per user (ARPU). Recently the Company has also established a number of other key relationships with organisations such as Google, Oracle, Adsquare and Pubmatic which the Board believes will rapidly accelerate the progress of the Proximity Marketing Division as the proximity marketing industry develops.

In 2016, the Company's objective is to continue to expand the beacon network to be in position to offer app owners the ability to connect to primarily London audiences in a highly targeted manner. The last six months has seen the Proximity Marketing Division make substantial progress and the Board believes it is on the brink of further significant strides forward.

3 Details of the Placing

It was announced on 24 June 2016 that the Company proposes to raise, in aggregate, £2 million (approximately £1.9 million net of expenses) by way of a Placing of 666,666,666 Placing Shares with certain new and existing investors representing in aggregate 39.1 per cent. of the Enlarged Share Capital, at a Placing Price of 0.3 pence per New Ordinary Share.

The net proceeds of the Placing shall be used for working capital purposes. As a result, the Company will both strengthen its balance sheet and preserve its existing free cash resources, enabling it to commit further capital over the next 12 months towards the delivery of its stated strategy.

The Placing Price of 0.3 pence per New Ordinary Share represents a discount of 58.6 per cent. to the closing mid-market price of 0.725 pence on 23 June 2016, being the last Business Day prior to the publication of this document. The Board unanimously agrees that the level of discount and method of issue are appropriate to secure the investment necessary in order to undertake the Placing.

In connection with the Placing, the Company has entered into the Placing Agreement with Peel Hunt, pursuant to which Peel Hunt has agreed to use its reasonable endeavours, as agents on behalf of the Company, to procure places for the Placing Shares at the Placing Price and has agreed to conditionally place the Placing Shares with certain investors. The Placing is conditional, *inter alia*, on:

- the passing of the Resolutions at the General Meeting;
- the conditions in the Placing Agreement being satisfied or (if applicable) waived and the Placing Agreement not having been terminated in accordance with its terms prior to Admission; and
- Admission becoming effective by no later than 8.00 a.m. on 26 July 2016.

Accordingly, if any of these conditions are not satisfied or, if applicable, waived, the Placing will not proceed.

The Placing has not been underwritten by Peel Hunt or any other party.

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. The Placing Shares will rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid in respect of the Ordinary Shares following Admission. It is expected that Admission will become effective, and that dealings on AIM will commence, at 8.00 a.m. on 26 July 2016.

The Placing Agreement contains customary warranties given by the Company to Peel Hunt in relation to, *inter alia*, the accuracy of the information in this document, certain financial information and other matters relating to the Group and its business. In addition the Company has agreed to indemnify Peel Hunt and any other Peel Hunt Person (as such term is defined in the Placing Agreement) in respect of certain liabilities that Peel Hunt and any other Peel Hunt Person may incur in connection with the Placing.

Peel Hunt is entitled to terminate the Placing Agreement in certain customary circumstances prior to Admission, including:

- the occurrence of certain force majeure events or a material adverse change in (amongst other things) the financial or political conditions in the United Kingdom (which in the opinion of Peel Hunt, materially adversely affects the Placing);
- any warranty in the Placing Agreement being untrue, inaccurate or misleading;
- the failure of the Company to comply with any of its obligations under the Placing Agreement.

If this right is exercised, the Placing will not proceed.

The Placing Agreement is not subject to any right of termination after Admission.

The Placing Agreement provided for payment by the Company to Peel Hunt of certain commissions relating to the Placing Shares.

4 Details of the Subdivision

The Existing Ordinary Shares have in recent months frequently been trading on AIM at a price below their nominal value of 1 penny per share. The issue of new shares by a company incorporated in English and Wales at a price below their nominal value is prohibited by the Companies Act and accordingly, the ability of the Company to undertake the Placing is inhibited.

Accordingly, the Board is proposing a re-organisation of the Company's share capital that comprises a subdivision of the Existing Ordinary Shares that will create two classes of shares: New Ordinary Shares with a nominal value of 0.01 pence and Deferred Shares with a nominal value of 0.99 pence.

The proportion of the issued ordinary share capital of the Company held by each Shareholder immediately before and after the Subdivision will remain unchanged. Other than a change in nominal value, the New Ordinary Shares will carry equivalent rights under the Company's articles of association to the Existing Ordinary Shares.

The Deferred Shares shall not be quoted and no share certificates will be issued in respect of the same. The Deferred Shares are effectively valueless. The Deferred Shares are required to be issued in order for the aggregate par value of the shares, once sub-divided, to remain at 1 penny. Subject to the provisions of the Companies Act, the Deferred Shares may then be cancelled by the Company or may be bought back by the Company for £1 and then cancelled as permitted under the amended articles of association, leaving the number of shares in issue the same as at the date of this document (except for shares subsequently issued). If the Company determines to cancel or buy back the Deferred Shares, it will advise Shareholders accordingly at the relevant time.

All entitlements under outstanding share options shall be recalculated accordingly as a result of the Subdivision.

Approval for the Subdivision will be sought by passing of resolution 2 at the General Meeting.

Following the Subdivision, replacement share certificates will be despatched by first class post to Shareholders in respect of newly denominated New Ordinary Shares held in certificated form. Share certificates in respect of New Ordinary Shares are expected to be despatched by 9 August 2016. All share certificates previously issued will no longer be valid and should be destroyed.

In respect of New Ordinary Shares held in uncertificated form, CREST accounts will be credited with the newly denominated New Ordinary Shares on 26 July 2016.

Following the Subdivision, the ISIN code for the New Ordinary Shares will remain GB00B2PKZ581.

5 Current Trading and Outlook

The Company has continued to make good progress and made the following update in its full year results for the year ended 31 December 2015 on 24 June 2016:

2016 trading continues to improve with income year on year growth of more than 50 per cent. after 5 months (2016 £1.3 million, 2015 £0.8 million). Marketing Division income accounts for approximately 24 per cent. of Group income in 2016, whereas only 4 per cent. in 2015. 2016 EBITDA year to date loss of £2 million is a 35 per cent. improvement on the same position last year. The business continues to drive down the cost base with costs reducing by nearly 20 per cent. since the start of the year.

6 General Meeting

A notice convening the GM to be held at Taylor Vinters LLP, Tower 42, 33rd Floor, 25 Old Broad Street, London EC2N 1HQ at 2.15 p.m., or as soon as possible after the AGM, on 25 July 2016 is set out at the end of this document.

Set out below is an explanation of the resolutions to be considered at the GM. Resolutions 2, 3 and 5 will be proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 1, 4 and 6 will be proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

- *Resolution 1 – amendments to the articles of association of the Company*
The Deferred Shares constitute a new class of share, the creation of which necessitates an amendment to the Company's articles of association. Resolution 1 in the accompanying notice of GM seeks approval to amend the Company's articles to create that the Deferred Shares as a new class of share.
- *Resolution 2 – Subdivision of the Existing Ordinary Shares*
Resolution 2 in the accompanying notice of GM seeks approval to the above described reorganisation of the company's share capital by way of the Subdivision, which is conditional on Shareholders approving the amendments to the Company's articles of association. If Resolution 2 is approved, the Subdivision will occur after close of trading on AIM on the date of the GM.
- *Resolutions 3 and 4 – non pre-emptive allotment of the Placing Shares*
Resolutions 3 and 4 empower the Directors to allot the Placing Shares for cash otherwise than in accordance with the statutory pre-emption provisions set out in the Companies Act.
- *Resolutions 5 and 6 – non pre-emptive allotment of shares in the capital of the Company (general authority)*
Resolutions 5 and 6 empower the Directors to allot shares in the capital of the Company for cash otherwise than in accordance with the statutory pre-emption provisions set out in the Companies Act.

7 Directors' shareholdings

Each of David Bailey and Gavin Breeze are participating in the Placing as set out below and the beneficial and non-beneficial interests of the Directors in Existing Ordinary Shares as at the date of this document and following the Placing are set out below:

	<i>Date of this document</i>		<i>Immediately following the Placing</i>	
	<i>Number of Existing Ordinary Shares</i>	<i>Percentage of issued Existing Ordinary Share capital</i>	<i>Number of New Ordinary Shares</i>	<i>Percentage of issued New Ordinary Share capital</i>
<i>Director</i>				
David Bailey	12,824,126	1.2%	32,824,126	1.9%
John Kennedy	800,000	0.1%	800,000	0.05%
Mike Woods	17,439,021	1.7%	17,439,021	1%
Gavin Breeze	150,006,651	14.4%	216,673,317	12.7%
Shaun Gregory	0	0.0%	0	0%
Total	181,069,798	17.4%	267,736,464	15.7%

In addition, a total of 24,367,800 options over Existing Ordinary Shares are granted to the Directors, representing approximately 2.3 per cent. of the current issued share capital.

The participation by David Bailey and Gavin Breeze in the Placing constitutes a related party transaction for the purposes of the AIM Rules. John Kennedy, Mike Woods and Shaun Gregory, who are independent directors for the purposes of the Proposals, having consulted with the Company's nominated advisor, Peel Hunt, consider that the terms of the related party transactions are fair and reasonable insofar as the Company's shareholders are concerned.

8 Irrevocable Undertakings

The Directors have irrevocably undertaken to vote in favour of the Resolutions in respect of their own beneficial holdings of 181,069,798 Existing Ordinary Shares, in aggregate representing approximately 17.4 per cent. of the Company's issued share capital on 24 June 2016 (being the last Business Day prior to publication of this Circular).

9 Action to be taken in respect of the General Meeting

Please check that you have received with this document:

- a Form of Proxy for use in respect of the General Meeting; and
- if you are a Shareholder based in the United Kingdom, a reply-paid envelope for use in conjunction with the return of the Form of Proxy.

Whether or not you propose to attend the General Meeting in person, you are strongly encouraged to complete, sign and return your Form of Proxy in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received, by post or, during normal business hours only, by hand, to Computershare Investor Services plc, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, by no later than 2.15 p.m. on 23 July 2016 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)).

Appointing a proxy in accordance with the instructions set out above will enable your vote to be counted at the General Meeting in the event of your absence. The completion and return of the Form of Proxy will not prevent you from attending and voting at the General Meeting, or any adjournment thereof, in person should you wish to do so.

10 Recommendation

The Directors believe that the Resolutions to be proposed at the General Meeting are in the best interests of the Company and Shareholders as a whole and unanimously recommend that you vote in favour of the Resolutions. Each of the Directors has irrevocably undertaken to vote in favour of the Resolutions in respect of, in aggregate, 181,069,798 Existing Ordinary Shares, representing approximately 17.4 per cent. of the Existing Ordinary Shares in issue as at the date of this letter.

Yours faithfully

David Bailey
Chairman

PART 2

NOTICE OF GENERAL MEETING

Proxama plc

(Incorporated in England and Wales with registered no. 06458458)

(the "Company")

NOTICE IS HEREBY GIVEN that a General Meeting of the Company will be held at **Taylor Vinters LLP, Tower 42, 33rd Floor, 25 Old Broad Street, London EC2N 1HQ** at 2.15 p.m., or as soon as possible after the AGM, on 25 July 2016 for the purposes of considering and, if thought fit, passing the following resolutions of which resolutions 2, 3 and 5 will be proposed as ordinary resolutions and resolutions 1, 4 and 6 will be proposed as special resolutions:

SPECIAL RESOLUTION

1. That, the articles of association of the Company be amended as follows:
 - a. by inserting the following definition at article 1:

“Deferred Shares: the deferred shares in the capital of the Company with the rights set out in article 3”
 - b. by replacing article 3 with the following:
 - “3.1 The issued share capital of the Company is divided into the Ordinary Shares of 0.01 pence each and the Deferred Shares.
 - 3.2 The rights and restrictions attached to the Deferred Shares shall be as follows:
 - 3.2.1 As regards income the holders of the Deferred Shares shall not be entitled to receive any dividend out of the profits of the Company available for distribution and resolved to be distributed in respect of any financial year or any other income or right to participate therein.
 - 3.2.2 As regards capital on a distribution of assets on a winding-up or other return of capital (otherwise than on conversion or redemption on purchase by the Company of any of its shares) the holders of the Deferred Shares shall be entitled to receive the amount paid up on their shares after there shall have been distributed (in cash or in specie) to the holders of the Ordinary Shares the amount of £100,000,000 in respect of each Ordinary Share held by them respectively. For this purpose distributions in currency other than Sterling shall be treated as converted into Sterling, and the value for any distribution in specie shall be ascertained in Sterling, in such manner as the Directors of the Company in general meeting may approve. The Deferred Shares shall not entitle the holders thereof to any further or other right of participation in the assets of the Company.
 - 3.2.3 As regards voting the holders of Deferred Shares shall not be entitled to receive notice of or to attend (either personally or by proxy) any general meeting of the Company or to vote (either personally or by proxy) on any resolution to be proposed thereat.
 - 3.2.4 The Deferred Shares shall not be listed on any stock exchange and shall not be transferable except in accordance with this article 3 or with the written consent of the Board.
 - 3.2.5 The rights attached to the Deferred Shares shall not be deemed to be varied or abrogated by the creation or issue of any new shares ranking in priority to or *pari passu* with or subsequent to such shares. In addition neither the passing

by the Company of any resolution for the cancellation of the Deferred Shares for no consideration by means of a reduction of capital requiring the confirmation of the Court nor the obtaining by the Company nor the making by the Court of any order confirming any such reduction of capital nor the becoming effective of any such order shall constitute a variation, modification or abrogation of the rights attaching to the Deferred Shares and accordingly the Deferred Shares may at any time be cancelled for no consideration by means of a reduction of capital effected in accordance with applicable legislation without sanction on the part of the holders of the Deferred Shares.

- 3.2.6 Notwithstanding any other provision of these Articles, the Company shall have the power and authority at any time to purchase all or any of the Deferred Shares for an aggregate consideration of £1.
- 3.2.7 The Company shall have irrevocable authority to appoint any person to execute on behalf of the holders of the Deferred Shares a transfer/cancellation of the Deferred Shares and/or an agreement to transfer/cancel the same, without making any payment to the holders of the Deferred Shares to such person or persons as the Company may determine as custodian thereof and, pending such transfer and/or cancellation and/or purchase, to retain the certificate(s) if any, for such shares.
- 3.2.8 The Company may, at its option and subject to compliance with the provisions of applicable legislation, at any time after the adoption of this article 3, cancel such shares by way of reduction of capital for no consideration.
- 3.2.9 Notwithstanding any other provision of these articles, and unless specifically required by the provisions of applicable legislation, the Company shall not be required to issue any certificates or other documents of title in respect of the Deferred Shares.”

ORDINARY RESOLUTIONS

2. That, subject to the passing of Resolution 1, with effect from 23.59 hours on the date of the passing of this resolution:
 - a. each of the existing Ordinary Shares of 1 penny each in the capital of the Company be subdivided into one new Ordinary Share of 0.01 pence each (“New Ordinary Share”) and one Deferred Share of 0.99 pence each (“Deferred Share”); and
 - b. the New Ordinary Shares will have the same rights and be subject to the same restrictions (save as to nominal value) as the existing Ordinary Shares in the Company’s articles of association (“Articles”) and the Deferred Shares will have the rights and be subject to the restrictions set out in the Articles.
3. That, the Directors be and they are hereby generally and unconditionally authorised to exercise all of the powers of the Company to allot equity securities (as defined in section 560 of the Companies Act 2006 (the “Act”), (“Equity Securities”)) pursuant to section 551 of the Act, provided this authority shall be limited to the allotment of up to 666,666,666 Equity Securities with an aggregate nominal value of £6,666,666.00 in connection with the Placing (as defined in the Circular accompanying this Notice of General Meeting dated 27 June 2016 (the “Circular”)) provided always that the authorities conferred by this resolution shall expire at the conclusion of the next annual general meeting of the Company (unless previously renewed, varied or revoked by the Company in a general meeting) and provided further that the Company may before such expiry make an offer or agreement which would or might require Equity Securities to be allotted after such expiry and the Directors may allot Equity Securities in pursuance of such offer or agreement notwithstanding that the authority conferred hereby has expired. The authority granted by this resolution shall be in addition to all existing authorities to allot any shares or grant rights to subscribe for or convert securities into shares in the Company previously granted to the Directors pursuant to section 551 of the Act.

SPECIAL RESOLUTION

4. That, subject to Resolution 3 above being passed, the Directors be and they are hereby authorised and empowered pursuant to section 570 of the Act to allot Equity Securities for cash pursuant to the section 551(1) authority referred to in Resolution 3 above, as if section 561(1) of the Act did not apply to any such allotment, provided that such power is limited to the allotment of up to 666,666,666 Equity Securities with an aggregate nominal value of £6,666,666.00 in connection with the Placing (as defined in the Circular), provided always that the authorities conferred by this resolution shall expire at the conclusion of the next annual general meeting of the Company (unless previously renewed, varied or revoked by the Company in a general meeting) and provided further that the Company may before such expiry make an offer or agreement which would or might require Equity Securities to be allotted after such expiry and the Directors may allot Equity Securities in pursuance of such offer or agreement notwithstanding that the authority conferred hereby has expired. The authority granted by this resolution shall be in addition to all existing authorities to allot any shares or grant rights to subscribe for or convert securities into shares in the Company previously granted to the Directors pursuant to section 570 of the Act.

ORDINARY RESOLUTION

5. That, the Directors be and they are hereby generally and unconditionally authorised to exercise all of the powers of the Company to allot Equity Securities pursuant to section 551 of the Act, provided this authority shall be limited to the allotment of up to 569,034,634 Equity Securities with an aggregate nominal value of £56,904 provided always that the authorities conferred by this resolution shall expire at the conclusion of the next annual general meeting of the Company (unless previously renewed, varied or revoked by the Company in a general meeting) and provided further that the Company may before such expiry make an offer or agreement which would or might require Equity Securities to be allotted after such expiry and the Directors may allot Equity Securities in pursuance of such offer or agreement notwithstanding that the authority conferred hereby has expired. The authority granted by this resolution shall be in addition to all existing authorities to allot any shares or grant rights to subscribe for or convert securities into shares in the Company previously granted to the Directors pursuant to section 551 of the Act.

SPECIAL RESOLUTION

6. That, subject to Resolution 5 above being passed, the Directors be and they are hereby authorised and empowered pursuant to section 570 of the Act to allot Equity Securities for cash pursuant to the section 551(1) authority referred to in Resolution 5 above, as if section 561(1) of the Act did not apply to any such allotment, provided that such power is limited to the allotment of up to 569,034,634 Equity Securities with an aggregate nominal value of £56,904, provided always that the authorities conferred by this resolution shall expire at the conclusion of the next annual general meeting of the Company (unless previously renewed, varied or revoked by the Company in a general meeting) and provided further that the Company may before such expiry make an offer or agreement which would or might require Equity Securities to be allotted after such expiry and the Directors may allot Equity Securities in pursuance of such offer or agreement notwithstanding that the authority conferred hereby has expired. The authority granted by this resolution shall be in addition to all existing authorities to allot any shares or grant rights to subscribe for or convert securities into shares in the Company previously granted to the Directors pursuant to section 570 of the Act.

Dated: 27 June 2016

Registered office:
27/28 Eastcastle Street
London W1W 8DH

By Order of the Board

Cargil Management Services Limited
Company Secretary

Notes

1. A shareholder entitled to attend and vote at the GM may appoint a proxy to attend, speak and vote instead of that shareholder. A proxy need not be a shareholder of the Company but must attend the meeting in person. A shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share held by the appointing shareholder.
2. To be effective, the relevant proxy form must be completed and lodged with the Company's registrar, Computershare Investor Services plc, whose address is The Pavilions, Bridgwater Road, Bristol BS99 6ZY, no later than 48 hours before the meeting together with the original of any power of attorney or other authority under which the form of proxy is signed. In the case of a corporation, the form of proxy must be executed under its common seal or under the hand of any officer or attorney duly authorised. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy. Completion and return of the relevant proxy form enclosed herewith will not prevent a shareholder from attending and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
3. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or withhold from voting at his/her discretion. Your proxy will vote (or withhold from voting) as he/she thinks fit in relation to any other matter which is put before the meeting.
4. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
5. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended), specifies that only those members registered in the Register of Members of the Company at 2.15 p.m. on 23 July 2016 (or if the GM is adjourned, members entered on the Register of Members of the Company not later than 48 hours before the time fixed for the adjourned GM) shall be entitled to attend, speak and vote at the GM in respect of the number of ordinary shares registered in their name at that time. Changes to entries on the Register of Members of the Company after 2.15 p.m. on 23 July 2016 shall be disregarded in determining the rights of any person to attend, speak or vote at the GM.
6. Except as provided above, members who have general queries about the meeting should write to the Company Secretary at the address of our registered office. You may not use any electronic address provided either in this notice of GM or any related documents (including the proxy form) to communicate with the Company for any purposes other than those expressly stated.

