

13 February, 2017

**Proxama PLC**  
("Proxama" or the "Company")  
**Posting of Circular and Notice of General Meeting**

**London, United Kingdom, 13 February 2017:** Proxama PLC (AIM:PROX), the leading mobile proximity marketing expert, announces that a circular (the "Circular") containing a notice of general meeting will be sent to Shareholders today. The purpose of the General Meeting is to seek Shareholder approval to provide the Directors with authority to allot such number of Ordinary Shares as may be required in connection with the conversion into Ordinary Shares of the remaining £800,000 of loan notes issued pursuant to the Instrument ("Loan Notes").

The General Meeting is to be held at Taylor Vinters LLP, Tower 42, 33rd Floor, 25 Old Broad Street, London EC2N 1HQ at 10.30 a.m., on 1 March 2017.

The Circular gives more information on the proposed resolutions and is available on the Company's website at [www.proxama.com](http://www.proxama.com) and is also available, free of charge, at Proxama's registered office at 27/28 Eastcastle Street, London, W1W8DH during normal business hours on any week day (public holidays excepted). Unless otherwise defined in this announcement, all defined terms used in this announcement shall have the meaning ascribed to them in the Circular.

### **Introduction**

The Company today announces the calling of a general meeting of the Company ("General Meeting") in connection with the convertible loan note instrument executed by Proxama on 12 December 2016 (the "Instrument").

### **Background**

Under the terms of the Instrument the Company is required at all times to maintain a minimum authority to allot 300,000,000 Ordinary Shares (the "Minimum Share Number"). Following the allotment of Ordinary Shares in connection with the Instrument on 8 February 2017, the Company's authority to allot Ordinary Shares on a non pre-emptive basis fell below the Minimum Share Number.

Accordingly, the Company is now seeking the approval of the Shareholders (at the General Meeting) to provide the Directors with authority to allot such number of Ordinary Shares as may be required in connection with the conversion into Ordinary Shares of the remaining £800,000 of loan notes issued pursuant to the Instrument ("Loan Notes"). As this number is dependent upon the share price from time to time of the Ordinary Shares, the Directors propose that up to 400,000,000 Ordinary Shares be authorised for allotment, although the number of Ordinary Shares required to satisfy the conversion of the Loan Notes would be significantly less than 400,000,000 if the price per Ordinary Share remains at or above 0.475 pence (being the closing mid-market price on 10 February 2017, the latest practicable date prior to posting of this document). This authority to allot Ordinary Shares will be restricted to just the allotment of Ordinary Shares in connection with the Loan Notes.

If the Minimum Share Number is not reinstated, or if the Company is unable to issue Ordinary Shares as and when required in connection with the Loan Notes then the Company will be in potential breach of the terms of the Instrument. The potential outcome of any such breach is that the Company may be

obliged to repay the outstanding balance of the Loan Notes (currently £800,000) at 120% of their face value (£960,000).

**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, plus certain shareholders, has irrevocably undertaken to vote in favour of the Resolutions in respect of, in aggregate, 305,581,608 Ordinary Shares, representing approximately 14.44 per cent. of the Ordinary Shares in issue as at the date of this letter.