



Mobile Tornado Group plc
("Mobile Tornado", the "Company" or the "Group")

Related Party Transaction

On 31 August 2017, the Company entered into a loan agreement (the "Loan Agreement") with Jeremy Fenn and Peter Wilkinson pursuant to which Mr Fenn and Mr Wilkinson loaned the Company a total of £200,000 (the "Loan"), for short term working capital purposes. The Loan was entered into due to a delay in the Company receiving a R&D tax credit for FY 2016 totalling £431,000.

Under the terms of the Loan Agreement, the Loan was scheduled for repayment by the earlier of 31 October 2017 or on receipt of the FY 2016 R&D tax credit. This repayment date was subsequently extended to January 2018. The Loan bore interest at 10% per annum and was subject to a 2% arrangement fee. All amounts due pursuant to the Loan Agreement were repaid by the Company in January 2018, out of the proceeds of the Placing announced by the Company on 10 January 2018.

As Mr Fenn and Mr Wilkinson are Directors of the Company, the entering into of the Loan Agreement constituted a related party transaction under Rule 13 of the AIM Rules for Companies. The independent directors of the Company (excluding Mr Fenn and Mr Wilkinson), having consulted with the Company's current nominated adviser, Allenby Capital Limited, consider the terms of the Loan Agreement and the subsequent variation thereof to be fair and reasonable insofar as the Company's shareholders are concerned.

Enquiries:

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