

Starcom Plc
("Starcom", "the Company" or "the Group")

Drawdown under Convertible Loan Facility

Starcom (AIM: STAR), which specialises in the development of wireless solutions for the remote tracking, monitoring and protection of a variety of assets and people, announces that it has drawn down US\$330,000 from YA II PN, Ltd. (formerly, YA Global Master SPV Ltd.).

The loan has a 12 month term expiring on 23 March 2018. During the three month period to 23 June 2017, the loan will be convertible at a fixed price of 2.5p per share. Thereafter, any outstanding balance will be convertible at the lower of 2.5p or 92.5% of the lowest daily VWAP during the 10 consecutive trading days prior to the conversion notice being given to the Company.

The loan forms part of an original facility granted to the Company in October 2015 which has been amended to provide for a more favourable conversion price during the next three months as stated above. All other terms are as announced on 15 October 2015.

The Board considers that these improved terms are beneficial to the Company and will provide the additional cash resources referred to in the recent statement accompanying the final results.

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This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014.