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AUDIOBOOM GROUP PLC

(“Audioboom” or the “Company”)

STRATEGIC UPDATE

Audioboom (AIM: BOOM), the leading spoken word audio on-demand platform, is pleased to provide shareholders with a strategic update:

Strategic investment

The Company is currently in discussions with a Chinese fund (the “Investor”) for a strategic investment of up to US\$8 million (including the loan described below) to be made at not less than 2.5 pence per share. The funds received from the strategic investment are to be applied towards accelerating the growth of the Company and not for working capital purposes. The Board currently expects that a formal agreement will be entered into with the Investor and announced by the end of September 2016. The investment will be conditional on the Chief Executive Officer of the Company, Rob Proctor, accepting a loan from the Investor of approximately US\$500,000 to be utilised in the acquisition of ordinary shares in the Company at the same price and at the same time as the subscription by the Investor. The loan is expected to be repayable on the earlier of the date which is three years from drawdown of the loan or the purchase of 100% of all of the outstanding share capital of the Company (whether by the Investor or otherwise). The loan will accrue interest at five per cent. per annum and will be secured against Rob Proctor’s existing interest in the capital of the Company.

The aggregate holding of the Investor and Rob Proctor post completion of the strategic investment is expected to be up to approximately 29.9 per cent. The Investor will have the right to appoint up to two directors to the Board of the Company.

Shareholders should note that there is no certainty that the investment described above will proceed or, if it does proceed, that it will be on the terms described above. In the event that the investment does proceed, it will be conditional on shareholder approval at an extraordinary general meeting of the Company. In addition, should the proposed investment proceed the investment would be a related party transaction and the requirements of the AIM Rules for Companies in that regard would be addressed.

Strategic acquisition

The Company is currently considering the acquisition of SONR News Limited (“SONR”), primarily for the purpose of obtaining their engineering team and Neuro-Linguistic Programming and Artificial Intelligence algorithms. The Board is currently considering building its own ad-server to reduce its ad-server costs and believes that the acquisition of SONR has the potential to accelerate the Company’s speed to market of the ad-serving platform, through acquiring the required engineering/coding team and specialist algorithms. Accordingly, the Company has entered into informal discussions with the board of SONR, with a view to a potential acquisition of SONR by the Company. It is currently envisaged that the consideration would be satisfied by the issue of new ordinary shares in the Company.

The Company intends on requesting specific information from the SONR board to allow the Company to evaluate SONR’s technology, assess its suitability for SONR’s ad-serving requirements and model an indicative price for the SONR business.

Nick Candy and Rob Proctor, Chief Executive Officer, currently have a combined equity interest of approximately 27.6 per cent in SONR. Both have declared their interest to the Board and independent directors of the Company will therefore manage any evaluation and negotiation in relation to this potential deal.

Shareholders should note that there can be no certainty that the strategic acquisition will proceed or the terms on which it will proceed. Note that, should the proposed strategic acquisition proceed, the acquisition would be a related party transaction and the requirements of the AIM Rules for Companies in that regard would be addressed.

The information communicated in this announcement contains inside information.

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About Audioboom (www.audioboopl.com)

Audioboom is the leading spoken-word audio platform for hosting, distributing and monetising content.

Audioboom works with more than 2,500 active broadcasters, content creators and podcasters around the world - including Cumulus, the BBC, the Telegraph, the Premier League, Associated Press, The Sun, NBC Sports Radio, Undisclosed, Global and Bauer - hosting over 8,500 content channels.

Audioboom's hosting and distribution platform allows partners to embed, share via social channels and re-syndicate their content. Audioboom content receives approximately 50m listens per month, and growing. Additionally, Audioboom works with its partners to monetise their audio via live in-reads, the dynamic insertion of pre and post roll audio adverts, and video ads.