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3 October 2016

Arria NLG plc
("Arria NLG" or the "Company")

Financing update

Arria NLG (AIM: NLG), a world leader in artificial intelligence and natural language generation ("NLG"), is pleased to announce that it has reached agreement with investors, subject to the completion of the relevant documentation, for the subscription of approximately £2.7 million of unsecured convertible loan notes ("Loan Notes") with C warrants attached. The subscribers include existing and new investors in the Company.

The terms of the Loan Notes are substantially the same as those announced on 29 June 2015 and in summary the key terms are as follows:

- interest at the Bank of England base rate (currently 0.25%) plus 5%, payable in cash, either annually or upon maturity (at the Company's election);
- maturity date of 31 October 2019 with the Company having a right to make repayment before the maturity date; and
- convertible in to new ordinary shares in the Company at a price of 40p per new ordinary share. Loan Note holders are able to convert their Loan Note principal and any unpaid interest into new ordinary shares in the Company shortly before repayment or the maturity date, and annually during a specified window.

Subscribers for the Loan Notes will receive two unlisted warrants to subscribe for new ordinary shares in the Company for each US\$1.00 invested in the Loan notes, exercisable up to 11 June 2019, at 12p per new ordinary share (the "C Warrants").

The proceeds of the issue of Loan Notes will be applied to satisfy the Company's general short term working capital requirements.

As previously announced, the Company continues to advance its plans for the listing of the securities of a new New Zealand holding company ("Arria NLG Group") on the main board of the New Zealand Stock Exchange and secondary listings on the Australian Securities

Exchange and the standard segment of the Main Market of the London Stock Exchange plc (together, the "Listings"). Further announcements will be made in due course.

The Company also advises that under the subscription and sharing agreements between the Company and Lanstead Capital L.P. ("Lanstead"), details of which were announced on 15 October 2015, the monthly payments under the sharing agreements commenced during February 2016 and have continued since. To date the Company has received £1.58 million from Lanstead under the sharing agreements.

Sharon Daniels, Chairman and Interim Chief Executive Officer of Arria NLG, commented: "We are very pleased by the support we have received from Lanstead and other existing and new shareholders. The Listing process is progressing and we look forward to providing further details over the coming weeks."

For further information, please visit www.arria.com or contact:

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Arria NLG

Arria NLG's core product is known as the Arria NLG Platform, a form of artificial intelligence software, specialised in extracting information from complex data sources and communicating that information in natural language (i.e. as if written by a human). The scientific foundation for the Arria NLG Platform is based on more than 30 years of research and development by the Arria|Data2Text Founders at the University of Aberdeen. For additional information, visit www.aria.com. Follow Arria NLG on [Twitter](#), [LinkedIn](#), [Google+](#) and [YouTube](#).