

Gate Ventures Plc

("Gate Ventures" or the "Company")

Trading Update

53% of funds raised expected to be deployed

Terms agreed for high profile investments in the entertainment industry

Withdrawal from AIM

Further to its recent announcement about a specific investment in Infinity Creative Media Limited, the Board of Directors ("Board") of Gate Ventures Plc provides the following trading update.

Commercial terms have been agreed for participation in three further high profile investments in the entertainment industry, in line with the investment strategy and in aggregate involving the deployment of £6.1 million, this representing in excess of 53% of the £11.6 million of funds currently available to the Company.

As already announced, the first of these is with Infinity Creative Media Limited, of which Lord Michael Grade, a former Chairman of the BBC, is Chairman. Infinity will also take advantage of Gate Ventures' expertise and connections in China, to sell its production content to TV stations and other media distribution platforms.

The majority of the anticipated returns from Infinity and also the other three potential investments referred to above will occur in the year to December 2016 as a result of certain revenues being related to box office and other takings during specific time periods.

Despite this progress, and through no action or omission of the Board, the Company finds itself without the necessary Nominated Advisor ("NOMAD"), a requirement of AIM. This technical issue appears to be unresolvable within the restricted period of time.

Therefore, further to the Company's announcement on 23rd June 2015 and pursuant to Rule 1 of the AIM Rules, the Company's admission to trading is expected to be cancelled on 23rd July 2015. In that event, the Company will continue its operations and investments as an unquoted public company, with the Board seeking an alternative exchange for the Company's shares.

The Board had agreed commercial terms in principle for an investment of £9 million by way of convertible loan notes, the drawdown of which is conditional of the Company being listed on AIM. Given that the Company is unlikely to be listed on AIM after 22nd July 2015 and whilst it seeks an alternative exchange, the Board has therefore sought other sources of funding for future investments, the entire investment in Infinity being funded already from the Company's current cash position.

The Board has secured commitments for £9 million of additional equity funding regardless of whether or not the Company is listed on AIM.

Geoff Morrow, Chairman of Gate Ventures Plc, said:

"The resignation of the Company's NOMAD was regrettable and the spurious market comment unwarranted. Gate wanted to remain quoted on AIM but the timescales imposed were just unfeasible.

"The Board has worked tirelessly since Gate's Admission to AIM to identify and reach terms with suitable investment opportunities in accordance with our stated investment policy. Over 50% of available funds are likely to be invested in the near term and we are confident of raising substantial additional capital for suitable investments in the future."

- Ends -

For further information:

Gate Ventures Plc

Geoff Morrow, Chairman

Tel: +44 (0) 20 7016 9963

www.gateplc.com

Media enquiries:

Abchurch Communications Limited

Canace Wong / James Burman

GateVentures@abchurch-group.com

Tel: +44 (0) 20 7398 7714

www.abchurch-group.com