

MXC Capital Limited

("MXC" or the "Company")

Further investment in Tax Systems plc Sale of shares in Castleton Technology plc

MXC (AIM: MXCP), the technology focused adviser and investor, announces that on 3 August 2018 it sold 4,809,847 shares of 2 pence each in the capital of Castleton Technology plc ("Castleton") ("Castleton Shares") at a price of 101.5 pence per Castleton Share, being the mid-market closing price on 2 August 2018 (the "Latest Practicable Date") (the "First Sale").

The proceeds of the First Sale were used to purchase 4,881,995 shares of 1 penny each in the capital of Tax Systems plc ("Tax Systems") ("Tax Shares") at a price of 89.5 pence per Tax Share, being the mid-market closing price on the Latest Practicable Date (the "Purchase"). Following the Purchase, MXC now holds 20,655,461 Tax Shares, representing 25.6% of the issued share capital of Tax Systems.

The counterparty to the First Sale and the Purchase was Nigel Wray, who is a substantial shareholder of MXC and is therefore deemed a related party under the AIM Rules for Companies (the "AIM Rules"). The First Sale and Purchase are therefore related party transactions for the purposes of AIM Rule 13 of the AIM Rules. The board of directors of MXC consider, having consulted with the Company's Nominated Adviser, Zeus Capital Limited, that the terms of the First Sale and Purchase were fair and reasonable insofar as shareholders are concerned.

Furthermore, on 3 August 2018 MXC also sold a further 2,046,776 Castleton Shares at a price of 101.5 pence per Castleton Share (the "Second Sale"). Following the First Sale and the Second Sale, MXC now holds 5,341,588 Castleton Shares, representing 6.65% of the issued share capital of Castleton. The proceeds of the Second Sale will be used in line with MXC's stated strategy of investing in technology companies.

Castleton is a leading supplier of complementary software and managed services to the public and not-for-profit sectors listed on the AIM market of the London Stock Exchange. Further details about Castleton (including latest financial reports) are available at www.castletonplc.com.

Tax Systems is a leading provider of corporation tax software and services in the UK and Ireland listed on the AIM market of the London Stock Exchange. Further details about Tax Systems (including latest financial reports) are available at www.taxsystems.com.

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About MXC Capital Limited www.mxccapital.com

MXC is a specialist technology adviser and investor with a track record of investing in and advising companies in the TMT sector. MXC brings together a deep knowledge of technology, first-hand experience of managing companies in

the sector, an ability to make meaningful investments and a highly experienced corporate advisory team in support, all of which combine to grow shareholder value.