

**Early Equity plc Working Capital Review  
("Early Equity" or "the Company")**

Birmingham based Early Equity Plc, the PLUS Markets quoted and Investbx traded investment company, announces that following a review of its working capital requirements, it has reached the following agreements with its shareholders.

**Harbinger Capital PLC ("Harbinger")**

Harbinger owns 29.16% of Early Equity. On 22 May 2009 the Company announced that it had borrowed £25,000 to partially fund its investment in Tangibal Limited ("Tangibal") which was repayable no later than 30 September 2010, carried a 5% interest coupon and was unsecured. The term of this loan was subsequently extended pending discussions on further financing for Tangibal and was repayable in any event on conversion of an Early Equity loan to Tangibal. This conversion occurred on 22 October and following negotiations with Harbinger, the Company agreed on 10 November 2009 to transfer 55,963 shares in Tangibal to Harbinger, at the most recent issue price per share, in satisfaction of its loan.

In addition, Harbinger has agreed to vary the terms of its £20,000 loan facility to Early Equity which was announced on 30 September 2009. This loan facility, which is currently drawn at £14,375 is now repayable no later than 31 December 2010 and from 1 January 2010 will accrue interest at a rate of 5% per annum which will be payable quarterly.

**Robert Painting ("Mr Painting")**

Mr Painting, who has a beneficial interest in 27.9% of Early Equity, has agreed to make available a loan facility to the Company of £20,000 for working capital purposes. Amounts drawn under this loan facility will be repayable no later than 31 December 2010 and from 1 January 2010 will accrue interest at a rate of 5% per annum which will be payable quarterly.

**Rationale for the Loans**

Although the Company's investment portfolio continues to show significant value, the company's cash resources have been depleted during 2009 by its investment in Tangibal, now showing a substantial premium over cost, professional costs related to an aborted transaction, and the continuing high costs of maintaining a public quotation on PLUS. The Board has resolved to undertake a programme of selective sale of investments to help improve its cash position and the shareholder loans from Harbinger and Mr Painting will help to provide working capital for the Company while this is undertaken.

**--ENDS--**

Enquiries:

Early Equity plc Tel: 079 7330 9458  
Rob Painting  
rob@earlyequity.co.uk

Orange Corporate Finance Tel: 020 3301 3356  
John Bridges  
BridgesJ@orangecef.com