

4 September 2007

Avanti Screenmedia Group plc

("Avanti" or the "Company")

Funding update, Contract Wins

Further to the announcement of 3 August 2007, the Board of Avanti confirms that the cash position was further improved through a £100,000 convertible loan (the "Convertible Loan"). The Company is no longer reliant on an overdraft facility from its bank.

The Convertible Loan carries an annual interest rate of 10 percent and is due to be repaid or converted in 6 months. If converted, the Convertible Loan will require the issue of up to 5.0 million new ordinary shares, equivalent to 16.3% of the enlarged share capital. The details of the Convertible Loan will be announced in due course, upon posting of the requisite EGM circular to convene a shareholder meeting at which the Company will seek the approval of shareholders to issue equity pursuant to the Convertible Loan. Meanwhile the Company continues to seek to secure further funding for the Company's short term working capital requirement and continuing development.

The Board is also pleased to confirm that advertising sales across the Company are performing strongly. Booked (gross) advertising sales for the current financial year have already exceeded those achieved for the entire 12 months to 30 June 2007.

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