Redknee Receives Shareholder Approval for US$54 million Rights Offering

TORONTO, July 25, 2017 /CNW/ - Redknee Solutions Inc. ("Redknee" or the "Company") (TSX: RKN) announces that it has received shareholder approval for its previously announced rights offering (the "Rights Offering"). The net proceeds of the Rights Offering will be used to fund a restructuring of the business in furtherance of the previously announced strategic plan (the "Strategic Plan").

The Rights Offering was approved by 92.58% of the 55,727,138 votes cast by holders of the Company's Subordinate Voting Shares present in person or represented by proxy at the special meeting of shareholders held on July 25, 2017. The Company has therefore satisfied its shareholder approval requirement for the Rights Offering, and as such will commence with the launch of the Rights Offering.

"We are very encouraged by the strong vote of confidence that the shareholders have given us to proceed with our rights offering," said Danielle Royston, CEO of Redknee. "Backed by shareholder approval, we will now turn towards proceeding with our Strategic Plan to build a platform for long-term growth, simplified operations and sustained profitability."

Pursuant to the Rights Offering, eligible shareholders as of the close of business (Toronto time) on August 1, 2017 (the "Record Date") will receive one right ("Right") for each Subordinate Voting Share held as of the Record Date. Each Right will entitle the holder thereof to acquire one Subordinate Voting Share at a subscription price of Cdn$0.63 (the "Subscription Price"). The Subscription Price represents a 40.1% discount to the simple average of the closing price of the Subordinate Voting Shares on the Toronto Stock Exchange for the 20 trading days immediately preceding the date hereof. The Rights Offering is expected to expire on August 29, 2017 (the "Expiry Date"). Any Rights not exercised on or before the time the Rights expire will be void and will have no value.

Further details on the Rights Offering, including eligibility requirements for shareholders to participate and the procedures to be followed by shareholders in order to subscribe for Rights, will be included in a rights offering circular (the "Rights Offering Circular") and rights offering notice (the "Rights Offering Notice") which are expected to be filed with securities regulatory authorities in each province and territory of Canada on July 26, 2017. A copy of the Rights Offering Circular and Rights Offering Notice will be available on SEDAR at www.sedar.com.

The completion of the Rights Offering is conditional upon the satisfaction of certain conditions, including the approval of the Toronto Stock Exchange.

In addition, the Company expects to release its results for the third quarter of 2017 on or about August 9, 2017. The Company estimates that revenue for the quarter will be between US$31 million and US$33 million. However, there can be no assurance that such estimate will prove to be correct and actual revenue may vary significantly from such estimate.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of securities in any province, state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such province, state or jurisdiction.

Forward-Looking Statements

Certain statements in this document may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this document, such statements use such words as "may," "will," "expect," "continue," "believe," "plan," "intend," "would," "could," "should," "anticipate" and other similar terminology. Forward-looking statements are provided for the purpose of providing information about management's current expectations and plans relating to the future. Persons reading this news release are cautioned that such information may not be appropriate for other purposes. Such forward-looking statements include statements respecting the Company's objectives; statements regarding financial or other projections; completion of the Rights Offering; the anticipated benefits of the Rights Offering; the net proceeds to be available upon completion of the Rights Offering; the intended use of proceeds from the Rights Offerings; our expectations regarding the Strategic Plan and the restructuring; revenue for the quarter. These statements reflect current assumptions and expectations regarding future events and operating performance and speak only as of the date of this document. Such forward-looking statements involve known and unknown risks, uncertainties and other factors and assumptions that may cause the actual results, performance or achievements to differ materially. Such factors include, but are not limited to, assumptions respecting : the completion of the Rights Offering; the anticipated benefits of the Strategic Plan, including the restructuring; the necessary regulatory approvals being obtained for the completion of the Rights Offering on terms acceptable to Redknee; the estimated costs of the Rights Offering and the net proceeds to be available upon completion of the Rights Offering; the operating expenses of the Company for the 12 month period following the Expiry Date; the amount of funds needed for the restructuring; the ability of Redknee's products to perform as expected; and no material adverse change in the affairs of Redknee. Forward-looking information should not be read as a guarantee of future performance or results, and will not necessarily be an accurate indication of whether or not such results will be achieved. The risks and uncertainties that may affect forward-looking statements include, but are not limited to: the failure of demand for Redknee's products to develop as anticipated, the failure to obtain customer orders or meet customer requirements, the inability of Redknee's products to perform as expected, the inability of Redknee to achieve anticipated cost savings in the time frames and to the extent anticipated, unanticipated negative impacts on customer service or product development as a result of costs savings implemented, a material adverse change in the affairs of Redknee, Redknee's ability to complete the Rights Offering; general economic conditions; foreign currency risk, the Company's failure to realize the anticipated benefits of the Rights Offering and the Strategic Plan, including the restructuring; the actual costs incurred in the Rights Offering, the actual amount of funds raised under the Rights Offering; the actual operating expenses of the Company for the 12 month period following the Expiry Date, and the factors discussed under the "Risk Factors" section of Redknee's most recently filed AIF which is available on SEDAR at www.sedar.com and on Redknee's web-site at www.redknee.com. Other unknown or unpredictable factors or underlying assumptions subsequently proving to be incorrect could cause actual results to differ materially from those in the forward-looking statements. Redknee does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based, except as required by law.

About Redknee

Redknee monetizes today's digital world for communications service providers. Our market-leading portfolio of monetization and subscriber management solutions includes real-time billing, charging, policy and customer care modules and is available on premise, cloud-based, or as Software-as-a-Service. With a central focus on driving customer success, Redknee's products power growth and innovation for operators globally. Established in 1999, Redknee Solutions Inc. (TSX: RKN) can be found on the Toronto Stock Exchange. For more information about Redknee, please go to www.redknee.com.

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