

21 December 2016

Surgical Innovations Group plc
("SI Group" or the "Company")

**Conversion of Loan Notes
& Issue of Shares**

Surgical Innovations Group plc (AIM: SUN), the designer and manufacturer of innovative technology for minimally invasive surgery, announces the conversion of all of the outstanding unsecured fixed rate convertible loan notes ("Loan Notes") amounting to £1.00m, together with accrued interest of £0.11m into 44,259,178 ordinary shares of 1p each at a conversion price of 2.5p per share. The Loan Notes were originally created on 17 November 2014 and were repayable on 17 November 2017 unless converted into equity at an earlier date.

In addition, the Company has issued and allotted a total of 467,143 ordinary shares of 1p each ("Shares") at a price of 3.5p per share to Nigel Rogers, Executive Chairman, and Michael McMahon, Paul Hardy and Alistair Taylor, Non-Executive Directors.

Details of the Shares issued and the resulting holdings of each of the directors are as follows:

Director	Shares issued	Resulting holding	Percentage of enlarged share capital
Nigel Rogers	124,286	3,471,317	0.65%
Michael McMahon	85,714	18,171,396	3.41%
Paul Hardy *	142,857	3,561,474	0.67%
Alistair Taylor	114,286	672,906	0.13%

** Paul Hardy's beneficial holding comprises the holdings of Hardy Transaction Management Limited, a company in which he has a controlling interest, and his SIPP*

As the Shares have been issued in lieu of remuneration for the fourth quarter of 2016, the issue price was set at the closing price on the date of the Company's payroll in December.

Application will be made for 44,726,321 Shares to be admitted to trading on AIM ("Admission") which is expected to take place on 28 December 2016.

Following Admission, the total number of ordinary shares in issue will be 533,407,756 with each share carrying the right to one vote. The above figure may be used by shareholders as the denominator for the purposes of calculating their holding in the Company under the Disclosure Guidance and Transparency Rules.

For further information please contact:

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