

17 July 2024

Vela Technologies plc
("Vela" or "the Company")

Investment in Hamak Gold Limited

The Board of Vela (AIM:VELA), an AIM-quoted investing company focused on early-stage and pre-IPO disruptive technology investments, announces that it has entered into an unsecured convertible loan note instrument ("**the Agreement**") with Hamak Gold Limited ("**Hamak**"), the Liberia-based gold exploration and development company (LSE:HAMA).

As part of the Agreement, Vela has agreed to issue 2,424,242,424 new ordinary shares of 0.01 pence each ("**the Consideration Shares**") to Hamak at a deemed issue price of 0.012375 pence per share in consideration of the issue to Vela by Hamak of £300,000 of unsecured convertible loan notes of £1 each ("**the Loan Notes**"). The deemed issue price represents a premium of 7.61 per cent. to Vela's closing mid-market price of 0.0115p on 16 July 2024.

The investment in the Loan Notes has been made by Vela in line with the opportunistic investments category of the Company's stated investing policy. The investment does not meet the core criteria of the Company's investment policy, which is focused on the disruptive technology sector, but, in accordance with the constraints of this investment category, it comprises less than 5% of the Company's net asset value and is intended to be held for the short term only.

Details of the Loan Notes

- The Loan Notes have a term of 24 months from the date of issue and are redeemable on 16 July 2026 ("**the Maturity Date**").
- Vela is subject to a six-month lock-in period from the date of the Agreement during which Vela is not entitled to submit a conversion notice in relation to the Loan Notes.
- Until the Loan Notes are repaid by Hamak or converted by the Company, interest will accrue at a rate of 10% per annum ("**Accrued Interest**").
- Accrued Interest will be paid on conversion or on the Maturity Date.
- The Loan Notes, together with any Accrued Interest, are convertible at the Company's option into Hamak ordinary shares at the lower of:
 - a 25% discount to the volume-weighted average price for the five days immediately prior to the issue of a conversion notice by the Company; and
 - a price of £0.03 (3p) per share.
- In the event that the Loan Notes are not converted by the Company prior to the Maturity Date, the principal amount of the Loan Notes, together with the Accrued Interest, is payable in cash by Hamak.
- The Loan Notes are transferable.

Hamak's ordinary shares are listed on the standard segment of the Main Market and therefore Hamak's ability to issue new ordinary shares to Vela may be limited until the publication of an FCA approved prospectus by Hamak.

Hamak has additionally undertaken to redeem £75,000 of the Loan Notes by making cash payments to Vela at a minimum rate of £10,000 per month, or such higher amount to a maximum of £25,000 per month, with the first payment due to be made on 31 July 2024.

Information on Hamak

Hamak is a UK listed mining exploration and development company operating in Liberia, with two highly prospective gold Mineral Exploration Licences (MELs) that cover an area of 1,116.2 square kilometres. Liberia is considered highly prospective for gold and is a geologically similar jurisdiction to the neighbouring gold producing countries such as Guinea, Côte d'Ivoire, Mali, Senegal, Burkino Faso and Ghana.

For the year ended 31 December 2023, Hamak reported a loss after tax of US\$0.68 million. As at 31 December 2023, Hamak's net assets were US\$1.55 million.

Admission and Total Voting Rights

The Consideration Shares will rank pari passu in all respects with the Company's existing ordinary shares. Application has been made to the London Stock Exchange for the Consideration Shares to be admitted to trading on AIM ("**Admission**"). It is expected that Admission will become effective and that dealings in the Consideration Shares on AIM will commence at 8.00 a.m. on or around 22 July 2024.

The Consideration Shares to be issued to Hamak will represent 12.8% of Vela's issued share capital on Admission.

From Admission the issued share capital of the Company will comprise 18,970,695,255 ordinary shares of 0.01 pence each (the "**Ordinary Shares**"), with one vote per share. The Company does not hold any Ordinary Shares in Treasury. Therefore, on Admission, the total number of Ordinary Shares and voting rights in the Company will be 18,970,695,255. With effect from Admission, this figure may be used by shareholders as the denominator for the calculation to determine if there is a requirement under the FCA's Disclosure Guidance and Transparency Rules to notify an interest in, or a change of interest in, the share capital of the Company.

James Normand, Executive Director of Vela, commented:

"This is an opportunistic transaction, in which Vela is using its equity as currency. We continue to be open to similar opportunities which have, in our assessment, the capability of enhancing shareholder value."

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About Vela Technologies

Vela Technologies plc (AIM: VELA) is an investing company focused on early stage and pre-IPO long term disruptive technology investments. Vela's investee companies have either developed ways of utilising technology or are developing technology with a view to disrupting the businesses or sector in which they operate. Vela Technologies will also invest in already-listed companies where valuations offer additional opportunities.

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