

21 October 2024

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

**Investment in Igraine plc via convertible loan note**

The Board of Vela (AIM:VELA), an AIM-quoted investing company focused on early-stage and pre-IPO disruptive technology investments, announces that on 18 October 2024 it entered into a conditional unsecured convertible loan note agreement ("**the Agreement**") with Igraine plc ("**Igraine**"), an investment company focused on opportunities in breakthrough technologies and life sciences (AQSE:KING).

Vela currently holds 23,928,080 ordinary shares in Igraine representing 27.66 per cent. of Igraine's current issued share capital, Vela having acquired the equity interest in Igraine in March 2022.

**Details of the Agreement**

- Vela has granted Igraine a total loan amount of up to £500,000 convertible loan notes of £1 each ("**Loan Notes**") to be drawn down in tranches of £50,000 only.
- Vela has agreed to subscribe for a minimum £200,000 of Loan Notes.
- Igraine must give Vela at least 30 clear days' notice of any proposed drawdown of Loan Notes.

- The Loan Notes shall bear interest at a fixed rate of 12% per annum on the drawn down amount, which will be rolled up

("Accrued Interest") and payable upon redemption or conversion of the aggregate sum of the drawn down Loan Notes into ordinary shares of Igraine.

- The Loan Notes shall be redeemed on the fifth anniversary from the date of the Agreement (the '**Redemption Date**').

However, Igraine may redeem the drawn down amount of Loan Notes, in whole or in part, at any time prior to the Redemption Date subject to 30 clear days' notice.

- At any time after the anniversary of the first drawdown, Vela may elect to have the Loan Notes repaid at 150% of the drawn down amount, inclusive of any Accrued Interest due.

- The Company has the right to convert the drawn down sum of Loan Notes (and any Accrued Interest) into ordinary

shares of Igraine at a 30% discount to the previous day's closing bid price of Igraine ("**Conversion**"). Conversion cannot take place earlier than 15 months nor later than 36 months from the date when the Agreement becomes unconditional.

- Conversion is subject to the condition that the Company's shareholding interest in Igraine's issued share capital,

including that of any persons acting in concert with the Company, shall not exceed 29.9% of the issued share capital of Igraine following Conversion. Brent Fitzpatrick (Chairman of Vela) holds 372,499 ordinary shares representing 0.43 per cent. of Igraine's current issued share capital.

- The Loan Notes are transferable with the consent of Igraine.

The Agreement is entered into simultaneously with Igraine securing exclusive investment rights in relation to GEM Energia Limited ("**GEM**") and its subsidiaries, including a right of first refusal on all current and future battery storage projects within GEM's portfolio. GEM specialises in the development of battery energy storage systems across the UK. Operating through its wholly-owned subsidiaries, GEM is committed to

increasing the number of battery storage sites across the country, aimed at stabilising the national grid and supporting the integration of renewable energy sources.

Notice of the first drawdown of £50,000 of Loan Notes by Igraine is expected to be received following the passing of certain resolutions at Igraine's annual general meeting, which is expected to be held in November 2024. The Agreement is conditional upon the passing of these resolutions and on GEM successfully entering into its investment rights agreement with Igraine.

For further information, please see the announcement being published by Igraine simultaneously with this announcement.

Vela currently has cash resources of approximately £103,000 and it therefore anticipates being able to fund the first drawdown of £50,000 of Loan Notes from its existing cash resources. Any further draw-down notices received from Igraine are expected to be funded by Vela through the generation of cash resources from the sale of shares that the Company holds in its listed investments. Vela's ability to fund future draw-down requests pursuant to the Agreement will be subject to its ability to sell such shares (for which there can be no guarantee).

#### **Information on Igraine**

Igraine is an investment issuer listed on the Access Segment of the Aquis Growth Market Exchange. The Company maintains an investment strategy focused on the evaluation of innovative technologies and commercially attractive discoveries in the health, medtech, biotech and life science sectors worldwide. The commercial objective of the Company is to seek investment opportunities that are at inflection points that, if proven and successful, can dramatically alter their valuation and growth trajectory.

For further information, visit Igraine's website at [igraineplc.com](http://igraineplc.com).

#### **Update re. investment in Hamak Gold Limited ("Hamak")**

Under the terms of Vela's investment in convertible loan notes ("CLNs") (as set out in the Company's announcement of 17 July 2024) Hamak undertook to redeem £75,000 of the CLNs at a minimum rate of £10,000 per month, with the first payment

due to have been made on 31 July 2024. Vela has yet to receive any such payments and so has been in discussions with the

Hamak board in order to reach a mutually beneficial longer-term solution which preserves Vela's right to convert its CLNs. Further announcements on this matter will be made at the appropriate time.

#### ***For further information, please contact:***

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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 will also invest in already-listed companies where valuations offer additional opportunities.

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