

17 June 2025

TAO Alpha PLC

("TAO" or "the Company")

Execution of £5m Fundraising and Adoption of BTC Treasury Policy

Following the 13 May 2025 announcement, the board of directors of TAO Alpha PLC are pleased to provide material updates to investors, positioning the Company at the centre of decentralised AI economy and the cryptocurrency related industries.

The board confirm that the Company has established a new Singapore subsidiary, Tao Alpha PTE LTD, and adopted a defined treasury policy focused on Bitcoin.

The board will provide operational updates on the performance of the existing Bittensor decentralised open-source network and the performance of the networks and the TAO tokens generated by participants.

Adoption of a defined BTC led Treasury policy

The existing operations of the Company have an ongoing intrinsic exposure to digital assets and the financial services around blockchain related validation. As such, the board of the Company have adopted a treasury policy which prescribes that up to two thirds of the cash retained by the Company, from time to time, may be held in bitcoin (BTC) and other stablecoins (being mature coins which the directors believe provides liquidity within the parameters of cash equivalency).

The adoption of this treasury policy reflects the Directors' ongoing belief that digital assets, including BTC, offer a reliable store of value and act as a hedge against inflation while also at times providing the possibility of value uplift. It also aligns the Company with a number of other listed enterprises within both the digital assets sector as well as beyond.

The Company's treasury (the **Treasury**) will be held in its new Singapore subsidiary which is considered a tax and regulatorily favourable jurisdiction for maximum operational efficiency of the Treasury (including moving cash realised from the Treasury into the Company and its group companies from time to time).

£5m fixed price convertible loan

The Company has, through its newly appointed broker, Fortified Securities, been able to agree a syndicated £5m facility (the **Investment**). This facility will enable the Company to accelerate its growth within the existing Bittensor decentralised open-source network and drive further development in the A.I enabled cryptocurrency sector, including the ability to increase the developer headcount.

The proceeds of the Investment will be held, in part, within the Treasury whilst the anticipated investments can be made into the operations of the Company (including securing developers and further R&D).

The key terms of the Investment are:

- £5m committed investment;
- secured by a first ranking debenture;
- no interest or fees accrue on the balance advanced to the Company (save for customary default interest if applicable);
- the investors have the right to appoint 2 directors to the board until the Investment converts into equity so that they hold half of the board seats (such appointments to be subject to the customary regulatory checks and eligibility processes);
- the Investment automatically converts on (a) the approval of the requisite shareholder authorities at a specially convened general meeting and (b) the approval of a secondary prospectus resulting in Admission to the Main Market of the resulting ordinary shares in the Company with a longstop date of 30 August 2025 (the **Longstop Date**);
- the conversion price is fixed at £0.002 (nought point two pence) per ordinary share;
- a maturity date of 30 November 2025 if an automatic conversion has not been triggered by then.

The Company is finalising the execution of the documents relating to the Investment with the Syndicate and has a complete set of documents from all the members of the Syndicate save for one, the last of which is expected by close of business on 17 June 2025 based on discussions with the representatives of the subscriber. The Company is providing this update to the market in advance of the final signature given recent price-movements, although the directors have no reason to believe there has been any leaks associated with the details of this announcement based on discussions within the Company, Fortified Securities and the participants in the Syndicate. The Company will confirm the execution of the Investment to the market once the final commitment has been received.

Matthew Lodge, CEO of TAO Alpha, said: "The investment and backing of a syndicate of investors shows a high level of confidence in the technical application of the TAO Alpha platform. The £5m secured through Fortified Securities enables us to launch into the next phase of the existing Bittensor decentralised open-source network as well as further A.I enabled systems within the cryptocurrency sphere. The newly adopted Treasury enables us to hold investor capital in a manner which maximises the potential for capital needs, which the board have weighed against the potential volatility of BTC and any other digital assets that form part of the Treasury."

This announcement contains information which, prior to its disclosure, was inside information as stipulated under Regulation 11 of the Market Abuse (Amendment) (EU Exit) Regulations 2019/310 (as amended). Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

End

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