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Valereum PLC
16 December 2024

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Valereum Plc

("Valereum" or the "Company")

Entry into non-binding heads of terms for a capital raise of £13 million with DMC Markets, Inc and acquisition of strategic assets

Exercise of Warrants

Valereum Plc (AQSE: VLRM) is pleased to announce that it has entered into non-binding Heads of Terms with a cornerstone investor, DMC Markets, Inc., ("DMC") whereby Valereum has agreed to conditionally issue and allot a total of 130,000,000 ordinary shares in the capital of VLRM with a nominal value of GBP £0.01each ("Ordinary Shares") at an issue price per share of GBP £0.10 ("Subscription Shares") to DMC Shareholders.

Subject to completion, this capital raise from DMC, totalling £13 million, is expected to accelerate Valereum's growth by providing additional working capital for VLRM to expand its range of digital asset services and extend its global reach and by funding minority investments in three strategic digital asset companies.

Upon completion and issue of the Subscription Shares, DMC Shareholders are expected to hold approximately 43% of the total issued share capital of VLRM and will have the right to nominate one member to the Board of Directors.

DMC has agreed to transfer all relevant rights to acquire minority stakes in three companies operating in the digital assets sector, which on completion will give Valereum Plc:

- Expanded presence across Australasia, Europe, North America, and South America, unlocking new opportunities through an integrated retail network and access to high-growth markets.
- Opportunities to leverage investments in Web 3 technologies and advisory services.
- Access to accelerated adoption of proprietary innovations in DeFi, asset securitisation, and blockchain, supported by award-winning fintech solutions and

a global network.

These investments are expected to drive innovation, market expansion, and long-term growth for Valereum.

Additional Information

Completion of the contemplated transaction with DMC is conditional on (i) customary legal, financial, and other due diligence for a transaction of this type; and (ii) entry into legally binding agreements which are expected to be completed during January 2025 ("Completion"). Agreement has been reached for the Board and Management of VLRM to lock-up 50% of their shares held for a period of 12 months from Completion, and the Subscription Shares will be subject to a 12 month lock-up period from Completion, except after the initial 6-month period has expired, the DMC Shareholders will be permitted to trade shares with an aggregate market value not exceeding the principal amount of their subscription. While the parties are in advanced discussions, there can be no certainty that a binding agreement will ultimately be reached or that the pre-conditions referred to above will be satisfied or waived and, hence, the Company cannot guarantee that the transaction will be completed.

Valereum CEO Nick Cowan commented:

"This potential deal represents a significant leap forward in Valereum's strategic scaling efforts, bolstering both our financial and technological capabilities to seize emerging market opportunities. In DMC, we have found a truly exceptional partner whose vision aligns seamlessly with ours, bringing a deep skill set and a shared commitment to innovation and growth. Together, we are poised to accelerate business expansion, underscoring our unwavering dedication to long-term shareholder value creation and transformative market impact."

DMC Markets Inc Chairman Angus Mackenzie added:

"We are delighted to be joining forces with Valereum Plc, this partnership not only validates Valereum's leadership in RWA tokenisation but also amplifies our shared commitment to pioneering innovations in the blockchain industry and global capital markets. We believe this strategic investment and partnership come at a pivotal time when the digital landscape is undergoing a seismic shift and will unlock new opportunities and drive significant value for our shareholders."

The Board remains focused on delivering sustained growth in shareholder value to its shareholders and believes this proposed transaction deliver multiple benefits for all of its stakeholders.

Exercise of Warrants

The Company has received notice of exercise from a warrant holder to exercise warrants over 1,000,000 Ordinary Shares at an exercise price of £0.01 per Ordinary Share ("New Ordinary Shares"). As a result, the Company will issue 1,000,000 New Ordinary Shares to the exercising warrant holder.

Application will be made for the New Ordinary Shares, which will rank pari passu with the existing Ordinary Shares in issue, to be admitted to trading on the AQSE Growth Market ("Admission"). Dealings are expected to commence on or around 20 December 2024.

Total voting rights

Following the exercises of warrants, the Company's total number of Ordinary Shares in issue will be 172,332,349. This figure may be used by shareholders as the denominator for the calculation to determine if they are required to notify the Company of their interest in, or a change to their interest in, the Company's securities pursuant to the Company's Articles.

Further updates will be provided as the transaction progresses and on any other significant announcements regarding further investments in complementary businesses in due course.

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The Directors of the Company accept responsibility for the contents of this announcement.

For more information, please visit the Company's website atwww.vlrm.com

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