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Mendell Helium PLC
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Mendell Helium plc

("Mendell Helium" or the "Company")

Subscription, Issue of Equity and Warrants
Implementation of Bitcoin Treasury Management Policy
Option Extension & Director Remuneration

Mendell Heliumannounces that it has raised approximately £515,000 before expenses by way of a subscription ("Subscription") through the issue of 25,745,500 new ordinary shares of 1 pence each in the Company ("Ordinary Shares") at an issue price of 2 pence per new Ordinary Share. The Company also announces that it is implementing steps to adopt a Bitcoin treasury management policy.

As announced on 27 June 2024, the Company has an option (the "Option") to acquire M3 Helium, a producer of helium which is based in Kansas and holds an interest in ten wells. There is no certainty that the Company's option to acquire M3 Helium will be exercised, nor that the enlarged group will successfully complete a re-admission.

Highlights

- Subscription to raiseapproximately£515,000 at 2 pence per New Ordinary Share
- Bitcoin treasury management policy in the process of being implemented
- Permitting and engineering works expected to be completed at the Rost 1-26 well by mid-July
- Good progress onproposed move to AIM with all workstreams well advanced
- CEO agreement to be predominantly remunerated in Ordinary Shares, thereby preserving cash for operations and bitcoin treasury management

Bitcoin Treasury Policy

On 1 April 2025, Mendell Helium announced that it was working on a feasibility study to use excess methane produced at either M3 Helium's Rost1-26 well ("Rost")wellin Fort Dodge, Kansasor future offset wells in the same area to provide energy for a cryptocurrency/Bitcoin mining operation. A significant advantage ofFort Dodgeis the network of the main roads and communications across the area. The analysis carried out by Mendell Helium has brought other areas to its attention and, to date, the Company has also examined opportunities for Bitcoin mining in Texas and Nebraska, albeit still at an early stage.

A logical extension of this work, and particularly being mindful of M3 Helium's forthcoming production plans at Rost which, if successful, are expected to be highly cash generative (as described below), is to implement a Bitcoin treasury management policyto support the operating activities of M3 Helium.

The Company has been engaging with consultants and specialist cryptocurrency advisers to formulate a Bitcoin treasury management policyto:

- Accumulate Bitcoin through spot markets, possibly alongside potential mining initiatives through M3 Helium
- Hold Bitcoin as a long-term treasury reserve asset
- Support M3 Helium's operations, and specifically its plans to expand its interests in the highly prospective Fort Dodge area
- Manage the reserve through selective divestments and reinvestments.

The cryptocurrency market continues to grow in popularity and gain awareness, with many investors now seeking exposure to digital assets and operating companies developing plans to diversify their own assets as well as create value for shareholders. Alongside this, governments and regulators are signalling their own acknowledgement of the importance of this asset class, as the recent passing of the GENIUS Act in the United States has illustrated.

Mendell Helium is seeking to build a portfolio of helium production assets in Kansas, subject to exercise of the Option. As a UK headquartered company and M3 Helium's US based operations, currency management will be a core part of the Company's financial planning and Bitcoin's flexibility as a cross-border transactional currency alongside its growing appeal will provide Mendell Helium, in the opinion of the directors, with an enhanced treasury function suited to the potentially cash-generative nature of its operations.

To preservecash for operations and bitcoin treasury management, Mendell Helium has agreed that the initial work performed by the consultants and advisers in this initiative will be remunerated through the issue ofnew Ordinary Shares and, on that basis, the Company is also issuing 1,550,000 new Ordinary Shares at a price of 2 pence per share ("Adviser Shares"). In addition, the advisers and consultants will receive warrants on the same basis and terms as the Subscription (detailed below) being warrants over 775,000 new Ordinary Shares at an exercise price of 4 pence per share and warrants over 775,000 new Ordinary Shares at an exercise price of 6 pence per share, exercisable for a period of three years from Admission (together the "Adviser Warrants"), subject to the Company receiving shareholder approval for the required allotment authorities.

Forthcoming production plans at Rost 1-26

Over the past two months, M3 Helium and the Company have been engaged inthe recompletion of Rost to bring it into production.

In 2022, the original developer of Rost conducted a drill stem test which yielded a maximum flow rate of approximately 2,900 Mcf per day. Gas samples taken during the test, and then subsequently by M3 Helium, indicated a helium composition of 5.1 per cent. within the gas stream. The ability of Rost to become a very significant producer of helium has been validated by observations made by the engineering team during the works, particularly gas shows at the well head even before the dewatering process has begun.

As announced on 19 May 2025, the neighbouring Brobee salt water disposal well ("Brobee SWD") was successfully tested as being able to accommodate over 4,500 barrels of water per day at 640 psi. This is anticipated to be in excess of the capacity required for forthcoming production plans at Rost as well as, in the future, potentially accommodating water production from offset wells to Rost. M3 Helium has applied to the State of Kansas for a permit to dispose of water through Brobee SWD and approval is anticipated by mid-July. This is therefore the timescale to commence dewatering and subsequent helium production.

In preparation for that, an Electric Submersible Pump (ESP) has been supplied by Summit, a division of Halliburton, and installed at Rost. Final works connecting Rost and Brobee are being prepared now.

Mendell Helium has previously announced by way of illustration that, operating Rost at around one tenth of the drill stem test could generate revenues in excess of US$100,000 per month. An improved helium price or investment in on-site helium processing would improve these economics.

Update on proposed move to AIM and completion of acquisition of M3 Helium

On 7 April 2025, the Company reported that, following feedback from investors, the Company was considering the AIM market operated by the London Stock Exchange as an alternative market to seek admission of its ordinary shares. Since that date, the Company has made significant progress in facilitating this move to AIM with all requisite advisers appointed and all workstreams now well advanced. Mendell Helium will make further announcements on the timing of this move in due course.

The Company and M3 Helium have agreed that the optimum date on which the Option should be exercised is the date of admission to AIM on the basis that this will be most efficient in terms of production of the required regulatory documentation. The Company has also determined that the appropriate time to move to AIM should shortly follow production commencing at Rost. With this in mind, the Company and M3 Helium have agreed to extend the Option to 30 September 2025.

There are no other changes to the Option which will be exercised through the issue of 57,611,552 new ordinary shares in Mendell Helium to M3 Helium's shareholders.

Subscription andIssue of Warrants

The Company has raised gross proceeds of approximately £515,000before expensesthrough the issue of 25,745,500new Ordinary Shares, at the Issue Price, pursuant to the Subscription.

For every two New Ordinary Shares issued pursuant to theSubscription, investors will receive one warrant allowing the holder to subscribe for an additional new Ordinary Share in the Company at an exercise price of 4 pence per Ordinary Share, exercisable within one year of Admission ("4p Warrants") and one warrant allowing the holder to subscribe for an additional new Ordinary Share in the Company at an exercise price of 6 pence per Ordinary Share, exercisable within three years of Admission ("6p Warrants"). In aggregate25,745,500warrants have been issued pursuant to the Subscription, subject to the Company receiving shareholder approval for the required allotment authorities. The warrants will not be tradeable, nor transferable or CREST-enabled.

It is a term of the 4p Warrants that they must be exercised into Ordinary Shares in the event that the closing mid market price of an Ordinary Share is above 10 pence for a period of five trading days.

It is a term of the 6p Warrants that they must be exercised into Ordinary Shares in the event that the closing mid market price of an Ordinary Share is above 15 pence for a period of five trading days.

Following the Subscription and Adviser Shares issuance, the Company will not have sufficient allotment authority to issue the Adviser Warrants, 4p Warrants or the 6p Warrants. Accordingly, and to enable the warrants to be exercisable in due course, it is Mendell Helium's intention to shortly convene a general meeting to seek shareholder approval to issue new ordinary shares in the Company.

Director share based remuneration

In light of the positive developments at the Company, Nick Tulloch, CEO of Mendell Helium, has agreed to a remuneration package that is (i) predominantly based on earning equity in the Company; (ii) is designed to incentivise and align his interests with shareholders and (iii) preserves the Company's cash resources. Accordingly it has been agreed that he will receive a salary of £150,000 per annum of which £60,000 is to be paid in cash pro

rata across the year, and the balance is to be satisfied by the issue of equity in four quarterly payments. At the end of each calendar quarter, Mr Tulloch will be issued with ordinary shares in the Company at a value of £22,500, with such number of shares calculated by reference to: (i) the price at which an equity fundraising in the Company was carried out during that quarter or (ii) if there was no fundraising, the price equal to the volume weighted average price of ordinary shares in the Company calculated over the previous 14 days, provided always that the minimum issue price that shall apply is 2 pence per share. Mr Tulloch has, to date, received zero remuneration during 2025.

Admission

Application will be made for the 27,295,500 new Ordinary Shares to be admitted to trading on the Aquis Stock Exchange AQSE Growth Market ("Admission"). Admission is expected to occur at 8:00 am on or around 27 June 2025. The new Ordinary Shares will rank *pari passu* with the existing Ordinary Shares.

Total Voting Rights

Following Admission, the Company's enlarged share capital will comprise112,930,635 Ordinary Shares of 1 pence each. Therefore, the total number of voting rights in the Company will be 112,930,635. This figure may be used by shareholders as the denominator for calculations by which they will determine if they are required to notify their interest in the Company, or a change to their interest in the Company, under the Financial Conduct Authority's Disclosure Guidance and Transparency Rules.

Nick Tulloch, Chief Executive Officer of Mendell Helium and Chairman of M3 Helium, said:*"We have been examining opportunities in Bitcoin and other cryptocurrencies for some time, wanting to ensure that our model takes full advantage of these opportunities at the optimum moment. That time is now. Our interest began by utilising trapped gas assets, or waste gas, to power Bitcoin mining facilities but has subsequently been expanded by the current strong level of interest by investors in using Bitcoin both as a diversification from other assets and also a store of value.*

"Attitudes towards money and finanicial systems are changing and the growth in digital assets in recent years has made them a growing, and in some cases preferred, payment mechanism. M3 Helium is poised to enter a new phase of its development when the Rost well comes into production. This is a well that has the potential not only to make a very significant revenue contribution to M3 Helium but to generate positive operating cashflow for deployment to our proposed bitcoin treasury. Just as importantly, this well could also pave the way for further offset wells in the same region allowing us to build on this cashflow. It is incumbant on M3 Helium to have in place a robust cash management strategy ahead of that production and it is equally apparent that a trans-Atlantic, and therefore multi-currency, business such as ours will benefit from an active currency management solution.

"We have begun working with experts in this field to develop a detailed Bitcoin treasury management policy which we are expecting to implement shortly.

"Alongside this, M3 Helium's recompletion work at Rost continues to proceed successfully and it is forecasting being ready to commence dewatering and therefore production by mid-July. This event also ties into our planned move to AIM - that process is well advanced and we will make further announcements in due course.

"We have a great deal to look forward to in the coming months and I am pleased to be able to show my own confidence in our prospects through a share-based remuneration structure."

This announcement contains inside information for the purposes of the UK Market Abuse Regulation and the Directors of the Company are responsible for the release of this announcement.

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Overview of M3 Helium

Mendell Helium announced on 27 June 2024 that it has entered into an option agreement to acquire the entire issued share capital of M3 Helium through the issue of 57,611,552 new ordinary shares in Mendell Helium to M3 Helium's shareholders. The exercise of the option will constitute a reverse takeover pursuant to AQSE Rule 3.6 of the Access Rule Book and is subject to, inter alia, publication of an admission document.

M3 Helium has interests in ten wells in South-Western Kansas of which five (Peyton, Smith, Nilson, Bearman and Demmit) are in production. Eight of the company's wells are within the Hugoton gas field, one of the largest natural gas fields in North America. Significantly these wells are in the proximity of a gathering network and the Jayhawk gas processing plant meaning that producing wells can quickly be tied into the infrastructure.

The ninth well, Rost, is in Fort Dodge, just to the east of Dodge City, Kansas. It was tested in July 2024as containing 5.1% helium composition and a previous drill stem test yielded a maximum flow rate of approximately 2,900 Mcf per day. M3 Helium owns a mobile Pressure Swing Adsorption production plant which has been

installed on site and will be used to purify the produced helium. The plant is capable of processing up to 800 Mcf per day of raw gas and purifying it up to 99.999% helium.

The tenth well, Brobee, is a disposal well that has been tested atover 4,500 barrels of water per day at 640 psi.

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