RNS Number : 7354K
Mendell Helium PLC
09 December 2025

Mendell Helium plc

("Mendell Helium" or the "Company")

Further re Broker Option
Convertible Loan Note
and
Appointment of Joint Broker

Mendell Helium announces that, further to its announcement of 17 November 2025, the Company is pleased to announce that it has raised, through the Subscription and an unsecured convertible loan note facility ("CLN") with certain high net worth investors, aggregate gross proceeds of approximately £513,000.

Highlights

Fundraising

- A total of 7,102,320 new Ordinary Shares have been issued through the Subscription (all as previously announced) to raise approximately £213,000
- A further £300,000 of funding is available to the Company through the CLN, with the timing most likely linked to the next phase of expansion of M3 Helium Corporation's ("M3 Helium") Fort Dodge, Kansas projects
- The CLN, if converted before the Company is admitted to trading on AIM, entitles the holders to new Ordinary Shares at a price of 3 pence per share (further details are below)
- The CLN, if converted after the Company is admitted to trading on AIM, entitles the holders to new Ordinary Shares at a price of 4.5 pence per share (further details are below)

Operations

- Advanced discussions with a group of US based investors who have expressed interest in supporting M3 Helium in drilling a new production well in the Fort Dodge region
- Agreement in principle with a local well owner to dewater and recomplete a currently disused well

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 six producing 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. As announced on 1 December 2025, the Company and M3 Helium have agreed to extend the date on which the Option should be exercised to 28 February 2026.

Subscription

Investments in the Subscription were announced on 17 and 25 November 2025 and 4 December 2025. No further new Ordinary Shares have been issued pursuant to this announcement.

For every two new Ordinary Shares issued pursuant to the Subscription, investors have received one warrant allowing the holder to subscribe for an additional new Ordinary Share in the Company at an exercise price of 4.5 pence per Ordinary Share, exercisable within two years of Admission (as defined further below) 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, each exercisable within two years of Admission. In aggregate 7,102,320 warrants have been issued pursuant to the Subscription. The warrants will not be tradeable, nor transferable or CREST-enabled.

Investments in the Subscription were announced on 17 and 25 November 2025 and 4 December 2025. No further new Ordinary Shares have been issued pursuant to this announcement.

No commissions are due under the Subscription as each subscriber made a direct investment in the Company.

Convertible Loan Note

Further to the announcement on 4 December 2025, certain high net worth investors have agreed to provide £300,000 under the unsecured CLN in substitution of the Broker Option. The advantage of this structure is that it secures funding for the Company at the likely time of the next phase of expansion of its Fort Dodge, Kansas projects but, unless the CLN is converted prior to the move to AIM (as described below) is a less dilutive structure for Mendell Helium's shareholders.

Key terms of the CLN are detailed below:

- The CLN can be converted by the holders into new Ordinary shares at 3p up to the date of Mendell Helium's proposed admission to trading on AIM
- The CLN can be converted by the holders into new Ordinary shares at 4.5p after the date of Mendell Helium's proposed admission to trading on AIM
- If the CLN is converted then £300,000 (or pro rata) is payable to the Company at the time of conversion
- If the CLN is not converted, the Company agrees not to draw down on the CLN until the later of (i) admission to trading on AIM or (ii) 14 February 2026
- Following draw down, CLN carries a coupon of 10% payable half yearly or can at any time be converted into new Ordinary Shares at 4.5 pence per share
- A 5% fee will be payable in new Ordinary shares on draw down of the CLN
- The CLN will expire if it is neither converted nor drawn down by 30 April 2026

- The CLN is repayable in full (principal and interest) by the later of (i) second anniversary of admission to AIM or (ii) 14 February 2028
- The CLN will expire if it is neither converted nor drawn down by 30 April 2026

In consideration for providing the CLN, investors in the CLN will be issued, in aggregate, 10,000,000 warrants on the same terms as the Subscription as described above.

AlbR Capital Limited ("AlbR") acted as the Company's broker in connection with the CLN. The Company is pleased to announce that AlbR has been appointed as a Joint Broker to the Company with immediate effect.

Use of proceeds

On 17 November 2025, Mendell Helium announced that the success of M3 Helium's Rost 1-26 well ("Rost") had generated interest from finance partners, nearby well owners and specialist engineers, all of whom have expressed interest in principle in working with M3 Helium to expand its operations in Fort Dodge, Kansas. The Company is now pleased to provide the following update:

- Mendell Helium is in advanced discussions with a group of US based investors who have expressed interest in supporting M3 Helium in drilling a new production well in the Fort Dodge region.

- Mendell Helium has reached an agreement in principle with a local well owner to dewater and recomplete a currently disused well. This partnership would provide a faster route to expansion than drilling on a new site.

- The Company has also received recommendations from several firms of specialist engineers to enhance M3 Helium's Fort Dodge operations by, amongst other things, purifying produced helium to a higher concentration and capturing produced NGLs for sale.

As previously announced, whilst there can be no guarantee that any of the above opportunities will be realised, given Rost has attracted so much attention in its early weeks of operation is an indication of both Rost's and the region's potential.

Mendell Helium intends to apply the proceeds of the Subscription and, in time, the CLN through issuing additional loans to M3 Helium to enable M3 Helium to further invest in its operations at Rost and to continue to investigate the opportunity for M3 Helium to expand its interests in the Fort Dodge area through additional producing wells.

At the date of this announcement Mendell has provided approximately US$1.3 million in loans to M3 Helium including accrued interest.

Nick Tulloch, Chief Executive Officer of Mendell Helium and Chairman of M3 Helium, said: *"Our fundraising which began as an offer of new investment from one shareholder has closed with in excess of £0.5 million of new funds secured for Mendell Helium. The success of M3 Helium's operations in Kansas and the prospects that it has created in the Fort Dodge region have attracted support from both existing shareholders and new investors - and significantly from industry partners in the US. The convertible loan note structure has been employed as a creative mechanism that may delay access to funds until such time as M3 Helium requires them - namely for new wells in Fort Dodge - and, subject to the timing of conversion, may be less dilutive for existing holders than taking all the funds in now through the issue of new Ordinary Shares.*

"M3 Helium's Rost well is a complex dewatering and helium purification project. In proving its success, as evidenced by commercial production of helium being underway, it is no surprise that there is now rising interest in working with M3 Helium on related projects. Proceeds of the fundraising puts M3 Helium in a strong position to develop and, in time, conclude these discussions and, with that, secure the next phase of development at Fort Dodge."

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.

ENDS

Engage with the Mendell Helium management team directly by asking questions, watching video summaries and seeing what other shareholders have to say. Navigate to our Interactive Investor website here: https://mendellhelium.com/s/a6a55a

Enquiries:

Investor questions on this announcement https://mendellhelium.com/s/a6a55a

We encourage all investors to share questions on this announcement via our investor website

Mendell Helium plc Nick Tulloch, CEO	*Via our website* investors@mendellhelium.com
Cairn Financial Advisers LLP (AQSE Corporate Adviser) Ludovico Lazzaretti / Liam Murray	**Tel: +44 (0) 20 7213 0880**
SI Capital Limited (Broker) Nick Emerson	**Tel: +44 (0) 1483 413500**
Stanford Capital Partners Ltd (Broker) Patrick Claridge/Bob Pountney	**Tel: +44 (0) 203 3650 3650/51**
Fortified Securities Guy Wheatley	**Tel: +44 (0)** 203 4117773
AlbR Capital Limited Gavin Burnell, Colin Rowbury, Jon Belliss	**Tel: +44 (0)** 207 4690930
Brand Communications (Public & Investor Relations) Alan Green	**Tel: +44 (0) 7976 431608**

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's flagship well, Rost 1-26, is in Fort Dodge, just to the east of Dodge City, Kansas. It has been tested as containing 5.1% helium composition and a 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 although management believes on-site purification to around 75% will be more practical.

Water removed from Rost 1-26 is delivered to Brobee, a nearby disposal well that has been permitted at 5,000 barrels of water per day at 1,200 psi.

Production at Rost 1-26 commenced in early November 2025.

M3 Helium also has interests in five producing wells (Peyton, Smith, Nilson, Bearman and Demmit) within the Hugoton gas field in South-Western Kansas, 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 are all tied into the infrastructure.

M3 Helium is also developing a Bitcoin mining operation in Nebraska where it has taken a lease of land prospective for biogenic methane and has drilled a pilot well (Jasper). It is onboarded for custody with Bitgo Inc. and its Bitcoin treasury management policy is available at https://mendellhelium.com/bitcoin-treasury.

Forward Looking Statements

These forward-looking statements are not historical facts but rather are based on the Company's current expectations, estimates, and projections about its industry; its beliefs; and assumptions. Words such as 'anticipates,' 'expects,' 'intends,' 'plans,' 'believes,' 'seeks,' 'estimates,' and similar expressions are intended to identify forward-looking statements. These statements are not a guarantee of future performance and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond the Company's control, are difficult to predict, and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. The Company cautions security holders and prospective security holders not to place undue reliance on these forward-looking statements, which reflect the view of the Company only as of the date of this announcement. The forward-looking statements made in this announcement relate only to events as of the date on which the statements are made. The Company will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances, or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.

Important Notices

Mendell Helium plc (the "Company") intends in the future to invest surplus cash and hold treasury reserves in bitcoin. Bitcoin is a type of cryptocurrency or crypto asset. Whilst the Board of Directors of the Company considers holding bitcoin to be in the best interests of the Company, the Board is aware that the financial regulator in the UK (the "Financial Conduct Authority" or "FCA") considers investment in bitcoin to be high risk. However, the Board of Directors of the Company consider bitcoin to be an appropriate store of value and growth for the Company's reserves and, accordingly, the Company may in the future be materially exposed to bitcoin. Such an approach is innovative, and the Board of Directors of the Company wish to be clear and transparent with prospective and actual investors in the Company on the Company's position in this regard. An investment in the Company is not an investment in bitcoin, either directly or by proxy.

The Company is neither authorised nor regulated by the FCA and cryptocurrencies (such as bitcoin) are unregulated in the UK. As with most other investments, the value of bitcoin can go down as well as up, and therefore the value of bitcoin holdings can fluctuate. The Company may not be able to realise any future bitcoin exposure for the same as it paid in the first place or even for the value the Company ascribes to bitcoin positions due to these market movements. As bitcoin is unregulated, the Company is not protected by the UK's Financial Ombudsman Service or the Financial Services Compensation Scheme. Prospective investors in the Company are encouraged to do their own research before investing.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our Privacy Policy.

END

NEXPKFBQBBDBOBK