

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF REGULATION 11 OF THE MARKET ABUSE (AMENDMENT) (EU EXIT) REGULATIONS 2019/310 ("MAR")

20 December 2024

Oneiro Energy plc
("Oneiro" or the "Company")

Loan funding

Oneiro Energy plc (LSE:ONE), the LSE-quoted company focussed on energy transition, announces that it has entered into agreements to raise, in total, £275,000 (the "Loan Funds"). The Loan Funds will be used to support the Company's working capital requirements as it works towards the completion of its proposed acquisition (the "Proposed Acquisition") of Switch Metals Côte d'Ivoire Sarl ("Switch Metals").

The Loan Funds are intended to be drawn down in full immediately and are to be repaid by the earlier of the completion of the Proposed Acquisition ("Admission") and associated fundraise ("Fundraise") or the date falling twelve months from the date of the Loan Funds documentation ("Repayment Date") and attract interest at a fixed rate of 10%, repayable on the Repayment Date.

Convertible loan notes

Of the Loan funds, £200,000 has been raised with existing shareholders of the Company through the issue of convertible loan notes ("Convertible Loan Notes" or "CLNs"). Under the CLNs, the principal, along with the fixed interest, may be converted into new ordinary shares of £0.0085 in Oneiro ("Ordinary Shares") solely at the election of the lender ("CLN Lenders") at or following Admission. The conversion price will be the price at which new Ordinary Shares are issued pursuant to the Fundraise (the "Issue Price").

CLN Lenders will also receive warrants over new Ordinary Shares at Admission over an amount equivalent to the principal amount of the Loan Funds plus accrued interest, with such number of warrants calculated by reference to the Issue Price (the "CLN Warrants"). The CLN Warrants will be exercisable at a 50 per cent. premium to the Issue Price.

The CLN Lenders would also be entitled to receive additional warrants if warrants are to be attached to the Fundraise and on the same terms as any Fundraise warrants, should the CLN Lenders choose to convert the CLNs on Admission.

Director and proposed director loans

A total of £75,000 of the Loan Funds are being provided via loan agreements (the "Loans") with Andy Yeo (Non-Executive Chairman), for £50,000, and Karl Akueson (CEO of Switch Metals and proposed CEO of the enlarged group on completion of the Proposed Acquisition), for £25,000. The Loans have been provided on the same terms as the CLNs, save that their commitments do not include any conversion provisions and no right to receive warrants as described above, due to these individuals being in a closed period under MAR pending publication of the documentation being prepared in connection with the Proposed Acquisition.

It is intended that the loan agreements with Andy Yeo and Karl Akueson will be amended ahead of Admission to bring them in line with the CLNs, including conversion rights on the same terms as the CLNs.

Related Party Transaction

The provision of the Loan by Andy Yeo constitutes a material related party transaction for the purpose of rule 7.3 of the FCA's Disclosure Guidance and Transparency Rules. This material related party transaction has been approved by the other member of Oneiro's board of directors, John Treacy (Non-Executive Director). Mr Yeo recused himself from the board's consideration of this transaction and did not vote on the relevant board resolution.

Andy Yeo, Non-Executive Chairman of Onerio, commented:

"We continue to make good progress on the proposed acquisition of Switch Metals, a mining exploration company focused on battery minerals and technology metals in Côte d'Ivoire and we look forward to updating shareholders early in the New Year.

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