

20 October 2022

PipeHawk plc
("PipeHawk", "Company" or the "Group")

**Further update re. Major contract with Ventive Limited
Up to £2.5 million funding package secured by Ventive Limited**

PipeHawk is pleased to announce that further to the Company's announcement on 17 October 2022, QM Systems Limited ("QM"), one of the Group's principal subsidiaries, has been informed that Ventive Limited ("Ventive") has now secured a total of up to £2.5m in development capital.

This will provide Ventive with the necessary funding to deliver its modular heat pump production facility at QM, in Hartlebury, Worcestershire. Whilst securing of this additional funding has inevitably caused delay to the product release, the funding enables Ventive to complete the development of the initial product variants and, in partnership with QM, complete the manufacturing facility ready for product release in Q4 2023.

The Department for Business, Energy & Industrial Strategy (BEIS) awarded £1.5m in funding to Ventive as part of its Heat Pump Ready grant. In addition, an investment package has been secured by Ventive, led by the deep tech and venture capital specialist, EMV Capital, which includes an initial equity and debt investment of £600,000 from new investors including EMV Capital. The package also includes the restructuring of c. £1m of historical debt in Ventive. EMV Capital is a subsidiary of AIM-quoted NetScientific PLC.

Ventive's modular exhaust air heat pumps are targeted at both new build and retrofit applications and will provide significant cost and carbon dioxide emissions reductions across their installation, operation, and production.

Gordon Watt, Chairman of PipeHawk plc commented:

"It is testament to Ventive, the product and its strong partnership with QM that it has been able to attract the additional funding required from a combination of sources including the BEIS Heat Pump Ready grant scheme and a wider circle of green industry focused investors. We are very excited to continue on the journey with Ventive and its wider partners as we bring this opportunity to market over the coming months."

-Ends-

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For further information on the Company and its subsidiaries, please visit: www.pipehawk.com