



THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE MARKET ABUSE REGULATIONS (EU) NO. 596/2014 ("MAR"). IN ADDITION, MARKET SOUNDINGS WERE TAKEN IN RESPECT OF THE MATTERS CONTAINED IN THIS ANNOUNCEMENT, WITH THE RESULT THAT CERTAIN PERSONS BECAME AWARE OF SUCH INSIDE INFORMATION. UPON THE PUBLICATION OF THIS ANNOUNCEMENT, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN AND SUCH PERSONS SHALL THEREFORE CEASE TO BE IN POSSESSION OF INSIDE INFORMATION AS A RESULT OF SUCH MARKET SOUNDINGS.

3 May 2017

**Tekcapital plc
("Tekcapital" or the "Company")**

Private Placement for Belluscura Ltd to raise US\$1.7m

Tekcapital plc (AIM: TEK), an international provider of technology and intellectual property services, announces that Belluscura Ltd ("Belluscura") has concluded a private placement to raise approximately US\$1.7m (the "Private Placement") through Dowgate Capital Stockbrokers.

This Private Placement was priced at 51 pence per share, giving Belluscura a post-money valuation of approximately US\$7.6m, representing an increase of approximately US\$2m since its fundraising in October 2016. Belluscura may extend the Private Placement for an additional 90 days to enable additional investors to participate.

Following the recent acquisition of Nanotether Discovery Science Ltd and the issue of new shares from the Private Placement, Belluscura will have gross cash of approximately \$2m from the transactions. The proceeds of the Private Placement will be used for further investment in the Company's existing products and products in development, sales and marketing and for general working capital purposes.

Investors in the Private Placement include Nigel Wray and his family and as they currently hold more than 10 per cent. of both Tekcapital's and Belluscura's ordinary share capital, their participation of approximately US\$500,000 in the Private Placement is deemed to be a related party transaction pursuant to rule 13 of the AIM Rules for Companies. Accordingly, the directors of Tekcapital consider, having consulted with the Company's nominated adviser, Allenby Capital Limited, that the terms of the subscription with Nigel Wray and his family are fair and reasonable insofar as Tekcapital's shareholders are concerned.

As a result of the Private Placing, Tekcapital's ownership interest in Belluscura has been reduced from approximately 61% to approximately 48% of its share capital. The Directors of Tekcapital believe that this will result in Belluscura no longer being consolidated in Tekcapital's consolidated group accounts. As announced on 17 June 2016, Tekcapital is not involved in the day-to-day management of Belluscura and Belluscura has an experienced executive management team with significant expertise in the medical devices industry that covers a broad spectrum of disciplines in business, law, medicine and technology.

The Directors of Tekcapital believe that the funds from the Private Placing will allow Belluscura to significantly progress its commercial strategy. In addition, Belluscura is exploring an IPO in 2017.

Commenting on the Private Placement, Dr. Clifford M. Gross, Executive Chairman of Tekcapital, said: "We are very pleased to announce this Private Placement. Belluscura's mission is to provide premium, proprietary medical devices at affordable prices."

Background to Belluscura

Belluscura (www.belluscura.com) was established in the UK in December 2015 to provide premium proprietary medical devices at affordable prices, to address part of the global unmet need for inexpensive, superior medical devices. Belluscura seeks to achieve this goal by acquiring, then manufacturing and selling, proprietary medical devices deemed to be non-core or undervalued by leading medical device companies on an on-going basis.

Belluscura's core portfolio of medical devices is currently based on exclusive licenses to manufacture and sell four medical products. These devices are:

- Slyde™, a lightweight stretcher designed for use in emergency evacuations of multi-storey structures;
- Passport®, a surgical trocar designed as a camera port for use in laparoscopy (keyhole surgery);
- SNAP II, a level of consciousness monitor for use during surgical procedures requiring general anesthesia; and
- Wire Caddy™, an innovative wire management system that provides lubrication and organization during multi-wire, multi-exchange operating room cases.

Slyde™ is already manufactured and sold by Belluscura in the US. Shipping to the European Union commenced in March 2017. Belluscura will seek to expand the markets and routes to market for Slyde™ over the course of 2017.

Passport® is currently only sold to US customers, but Belluscura intends to expand its markets over 2017 to the European Union and other global territories.

Belluscura's management believes that SNAP II will require certain design updates in order to fulfill the device's fuller potential within the anesthesia market, and that such updates may enable level of consciousness monitoring to be applied to less mature markets. Additionally, Belluscura's management believes that the core technology underlying SNAP II has significant potential for retail applications in markets outside anaesthesia, particularly in the field of sleep measurement and evaluating and identifying sleep disorders. Part of the proceeds of the Private Placement will be applied towards the development of SNAP II.

Wire Caddy™ was launched in the US in February 2017 and Belluscura's management are targeting its launch in the European Union in 2017.

The exclusive licences for the distribution and sale of Slyde™, Passport®, SNAP II and Wire Caddy™ were acquired by Belluscura from Stryker Corporation. These four medical devices are protected by a comprehensive intellectual property portfolio of 19 issued and pending patents and industrial designs. They have received US 510(k) regulatory clearance where necessary and have already recorded

commercial sales revenue for Stryker. Further details of these four medical devices can be found in Tekcapital's announcements of 17 June 2016 and 15 September 2016.

Belluscura is also party to a co-exclusive license and development agreement with Separation Design Group ("SDG") to develop a next generation portable oxygen concentrator ("POC"). As part of the agreement, Belluscura has licensed a portfolio of six intellectual properties from SDG and has agreed to provide monthly funding towards the development of a prototype POC device and part of the proceeds of the Private Placement will be applied towards its development. Further details regarding the POC development arrangements can be found in Tekcapital's announcement of 28 February 2017.

Belluscura's unaudited accounts as at 30 November 2016 (being the end of its most recent financial reporting period) record net assets of approximately US\$1,200,000. Belluscura's unaudited accounts for the period from incorporation, on 10 December 2015, to 30 November 2016 record an operating loss of approximately US\$977,000. Belluscura commenced commercial sales operations in June 2016.

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Tekcapital creates value from new, university-developed intellectual properties. With its proprietary discovery search engine, linked to 4,500+ universities in 160 countries, coupled with expert scientific review, Tekcapital provides a turn-key service to make it easy for clients to find and acquire the IP, analytics and technology transfer professionals they need to create a competitive advantage. Tekcapital plc is quoted on the AIM market of the London Stock Exchange (AIM: symbol TEK) and is headquartered in Oxford, in the UK. For more information, please visit www.tekcapital.com

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