

RNS Number : 2408N
Inspirit Energy Holdings PLC
04 September 2013

4 September 2013

Inspirit Energy Holdings plc
("Inspirit" or the "Company")
Conversion of all existing debt

Inspirit announces that it has approved the conversion of existing debt held with Global Investment Strategy (UK) Ltd ("GIS") and John Gunn (executive chairman). The total debt and accrued interest of £706,680.25 will be satisfied by the allotment of 54,360,019 ordinary shares of 0.1 pence each ("Ordinary Shares") in the Company at a conversion price of 1.3 pence each which was agreed in principle on 27 August 2013. Following this conversion the Company will be debt free.

Mr Gunn's direct and indirect beneficial interest following conversion is 350,269,926 Ordinary Shares representing approximately 64.0 per cent. of the Company's issued share capital as enlarged by the conversion. The new Ordinary Shares will also be subject to the lock-in arrangements as set out in the Company's re-Admission Document dated 1 July 2013.

Application for these new Ordinary Shares to be admitted to trading on AIM has been made and is expected to occur on 10 September 2013. The new Ordinary Shares will rank *pari passu* with the existing Ordinary Shares in issue.

Following admission of the new Ordinary Shares the Company will have 546,932,262 Ordinary Shares of 0.1 pence each in issue. The Company does not hold any ordinary shares in treasury. This figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

Related Party transaction

The conversion of the existing debt and accrued interest and allotment of the new Ordinary Shares to John Gunn and GIS constitutes a transaction with a related party for the purposes of the AIM Rules for Companies. Jubeenh Nazhat, because of her role as General Legal Counsel at GIS, is not considered independent for the purposes of this transaction. The independent directors, being Nilesh Jagatia and Neil Luke, consider, having consulted with the Company's Nominated Adviser, Westhouse Securities, that the conversion of the existing debt and accrued interest and allotment of the new Ordinary Shares is fair and reasonable insofar as shareholders are concerned.

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Notes to the Editor

Inspirit Energy, is a company based in Sheffield and is currently developing a micro combined heat and power (mCHP) boiler for the commercial and residential markets. The boiler is specifically designed to meet the challenge of reduced carbon energy supply and is capable of running on natural gas, LPG and Bio Fuels. The appliance produces hot water (for tap water or central heating) and electrical output simultaneously. The installation can be of single or multiple configuration and its high operating efficiency together with the off-set of electricity costs provides a very attractive investment payback proposition. Inspirit intends to explore opportunities to licence out the underlying technology and the Directors believe that in some instances, the patents owned by Inspirit may be also used in the development of products other than a mCHP appliance. A prototype of the Appliance has been independently tested and shown to be capable of simultaneous generation of up to 15kW thermal and up to 3kW electrical output. Once development of the Appliance has been completed and commercialised, the Directors expect that the Appliance will initially be marketed in the UK and Europe and eventually worldwide. Additional revenue streams may be possible through product licensing, sales of warranties and further development of the product.

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