

As shareholders will be aware, URA Holdings plc (“URA” or “the Company”) entered into non-binding heads of terms to acquire Entertainment AI Limited (“EAI”) prior to its suspension from trading on AIM. Despite working extensively with EAI and with URA’s advisers, it was not possible to complete this acquisition prior to the delisting of URA from AIM on 21 December 2018. The Company continued to work with EAI subsequent to that date.

The Company and its directors have, since its reconstitution and refinancing, reviewed a number of investment strategies and opportunities, including the development of cannabis for medicinal purposes. Whilst preparing for the acquisition of EAI the Company decided, as it was unlisted, to take the opportunity to also participate in this sector via an investment in an existing NEX Markets quoted company, Ananda Developments Plc (“Ananda”) which itself is proposing to acquire Tiamat Agriculture Limited (“Tiamat”), for the purpose of applying for a Home Office Licence to grow >0.2% THC cannabis.

EAI has subsequently advised URA that it was terminating its agreements with URA.

URA therefore today announces that it has irrevocably committed £400,000 of its cash resources, subject to the shareholders of Ananda approving the waiver by the Panel on Takeovers and Mergers of the obligations which would otherwise arise on the Concert Party (as defined in Ananda’s Circular) to make a general offer under Rule 9 of the Takeover Code as a consequence of the matters described in that Circular, to subscribe for 88,888,888 shares in at price of £0.0045 per share, with an attaching 3 year warrant also exercisable at £0.0045 and that Peter Redmond will join the Board of Ananda to represent URA’s interests.

Ananda is listed on NEX for the purpose of investing in medicinal cannabis related projects with Melissa Sturgess as a founder director and shareholder. The Directors of URA (with Ms Sturgess as noted below recused from decision making) believe that the strategy of Ananda and its acquisition of Tiamat Agriculture represents a positive further step for the company into the medicinal cannabis sector and it would be in the interest of URA shareholders to take a shareholding in this sector through Ananda.

It should be particularly noted that Melissa Sturgess is a director and shareholder of both URA and Ananda. She is a related party for the purposes of the proposed investment in Ananda by URA and in relation to the proposed acquisition of Tiamat by Ananda. URA therefore retained independent legal counsel and Ms Sturgess was recused from decision making in relation to both transactions.

Ananda has today called a General Meeting of its shareholders, details of which can be found at [www.anandadevelopments.com](http://anandadevelopments.com). The following link is to the Ananda Circular: <http://anandadevelopments.com/wp-content/uploads/2019/05/Ananda-Developments-plc-Acquisition-Subscription-and-Rule-9-Waiver-24.05.19.pdf>

The following is an excerpt from Ananda’s release:

Acquisition Highlights

- Tiamat Agriculture has agreed with JEPCO Limited and Anglia Salads Limited to apply for a United Kingdom Controlled Drug Cannabis (with THC content of >0.2%) cultivation, production, possession and supply licence
- JEPCO and Anglia Salads have previously grown Cannabis under a >0.2% THC Home Office Licence
- Under the terms of the agreement, infrastructure and cannabis growing expertise and experience is to be contributed by JEPCO and Anglia Salads

Melissa Sturgess, Chief Executive Officer of Ananda, commented:

“The acquisition of Tiamat, if approved by Shareholders, will create the next building block for Ananda to become a significant and substantial participant in the growing Medicinal Cannabis sector. To date, Ananda has created a footprint in Israel through its investment in iCAN, giving Ananda access to leading cannabis researchers, and we also have a 15% equity investment in Liberty Herbal Technologies, the developers of hapac®. hapac® is a novel technology for the dry vaping of medicinal cannabis and is currently being commercially rolled out in Italy. The hapac® team is also actively exploring routes to market in the UK.

With leading cannabis science at one end and a route to market at the other, the cultivation of Medicinal Cannabis in the UK is a logical next step for the Company.”

A letter outlining full details of the subscription, the proposed future direction of URA and the proposed future treatment of URA’s investment in Ananda will be posted to URA shareholders once the Ananda transactions have been approved by its shareholders.