

# City backs green jet fuel development as Velocys secures £25m investment

Green jet fuel refinery developer Velocys has secured the £25 million it was seeking from the City in order to deliver its next stage work.

A total of 312.5 million shares have conditionally been placed after they were [opened up as the market closed on Thursday](#).

Within hours the bookbuild was complete, with the process described as “significantly oversubscribed”, and is now subject to existing shareholder approval at a meeting next month.

**Read more:** [Velocys secures green aviation fuel supply deals for US plant](#)

The cash will be used to invest in manufacturing capability for the reactors it builds, to advance its Humber and US projects to the point of securing external investment into the detailed engineering stage, while also potentially securing a site option for extension of the former.

Backed by [British Airways](#), the development known as Altalto Immingham is consented for land off Hobson Way, Stallingborough, close to the port and an existing refining cluster. It will produce fuel from household waste.



Henrik Wareborn, chief executive of Velocys.

(Image: Velocys)

Velocys chief executive, Henrik Wareborn, said: “Velocys has a technology solution to accelerate the decarbonisation transition for global aviation clients which has been commercially demonstrated and is ready for commercial scale deployment.

“As a capital-light, licensing company which benefits from recurring revenues from the full-service technology packages we provide to our clients, we have a strong platform for scalable growth. This placing and open offer, which has been significantly oversubscribed, will enable the investment required to advance our commercial traction and proceed towards our goals.

“On behalf of the board I would like to express my appreciation to the investors who have supported us in this placing.

“We look forward to continuing to pursue our strategy, which we believe will create value for all of our stakeholders.”

Major acquirer is Lansdowne Partners, an investment management partnership that claims it represents some of the world’s largest and most sophisticated investors. It has upped its stake in Velocys, an Oxford University spin-out fused with a US acquisition in allied technology, to 18.2 per cent.

As reported, [shares were offered at 8p](#). An open offer to existing eligible shareholders has also been made, looking to add a further £2 million.

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