



ASX ANNOUNCEMENT
(ASX: **NVX**)

25 February 2021

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EQUITY RAISING FOR SCALE-UP OF ANODE MATERIALS PRODUCTION AND GROWTH PROJECTS

- Approximately \$115 million fully underwritten placement to institutional and sophisticated investors.
- Placements of new shares to certain directors of NOVONIX or entities associated with them to raise \$16.45 million on a non-underwritten basis, subject to approval by shareholders of NOVONIX and completion of the Institutional Placement and SPP.
- Issue price of \$2.90 per new share, representing a 11.9% discount to the closing price of NOVONIX shares of \$3.29 on 24 February 2021.
- Non-underwritten share purchase plan (SPP) to raise approximately \$15 million.
- Funds raised will provide capex and working capital to scale production for NOVONIX Anode Materials, fund R&D in cathode and other advanced battery technologies, fund general corporate costs and provide flexibility to pursue international growth opportunities.
- Successful raising will allow NOVONIX to fund capex to increase production of NOVONIX Anode Materials to 10,000 tonnes per annum.

NOVONIX Limited (ASX: NVX) (“NOVONIX” or “the Company”) is pleased to announce that it is undertaking a capital raising to raise approximately \$146 million, comprising:

- a fully underwritten placement to institutional and sophisticated investors to raise approximately \$115 million within NOVONIX’s current placement capacity under ASX Listing Rule 7.1 (**Institutional Placement**), through the issue of 39.7 million New Shares (representing approximately 11.3% of the total shares of the Company prior to the issue of New Shares);
- subject to obtaining shareholder approval and completion of the Institutional Placement and SPP, a non-underwritten placement of new shares, at the same issue price per new share as the Institutional Placement, to each of the following directors of the

NOVONIX Limited (ASX: NVX)
ACN 157 690 830
GPO Box 525 Brisbane Qld 4001
AUSTRALIA

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Company or entities associated with them which will raise approximately \$16.45 million in aggregate, with the value of each director's individual placement commitment being:

- Mr Trevor St Baker AO – \$12 million;
- Mr Andrew N Liveris AO – \$3 million;
- Admiral Robert J Natter – \$1.25 million; and
- Mr Robert Cooper – \$200,000,

(each a **Conditional Placement**, and together the **Conditional Placements**); and

- a non-underwritten share purchase plan targeting approximately \$15 million¹ (**SPP**).

Net proceeds will fund expansion capex and working capital to scale NOVONIX Anode Materials production to 10,000tpa under an exclusive technology alliance announced in December with US-based thermal processing solutions expert, Harper International Corporation. This will include new manufacturing site expansion, along with infrastructure and equipment being commissioned over the next 24 months, as well as working capital associated with increased production levels.

Subject to prevailing market conditions, NOVONIX management expects that 2,000tpa production levels will provide a basis to secure multi-year contracts and support subsequent plant expansion with access to debt funding.

In addition to scaling NOVONIX Anode Materials to 10,000tpa, net proceeds will fund a Research and Development (R&D) program for NOVONIX Cathode Materials (based on the proprietary DPMG technology), and also support NOVONIX's global growth initiatives including organic expansion, partnerships and licensing.

The offer price of the Institutional Placement and Conditional Placements is \$2.90 per fully paid ordinary NOVONIX share (**Offer Price**), representing a 11.9% discount to the last traded price of NOVONIX shares on 24 February 2021 of \$3.29.

The Institutional Placement is fully underwritten by Citigroup Global Markets Australia Pty Limited. New shares issued under the Institutional Placement will rank equally with existing shares from the date of issue.

Conditional Placements

NOVONIX also proposes to raise approximately \$16.45 million in aggregate pursuant to the Conditional Placements.

Admiral Robert J. Natter, Mr Trevor St Baker AO, Mr Robert Cooper and Mr Andrew N Liveris AO have each entered into a placement agreement with the Company, pursuant to which they have agreed to subscribe for new shares under the Conditional Placements.

As the issue of shares under the Conditional Placements will be made to certain directors of the Company or entities that are associated with each of them, each Conditional Placement is subject to shareholder approval being obtained for the purposes of ASX Listing Rule 10.11 and for all other purposes (to be sought at an extraordinary general meeting of shareholders

¹ Subject to scale-back and NVX's ability to raise less or more in its absolute discretion.

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scheduled to be held on or about early to mid-April 2021) (**EGM**), as well as completion of the Institutional Placement and SPP. The Conditional Placements are not underwritten. Further details of the resolutions to approve the Conditional Placements will be provided in the notice of general meeting for the EGM.

Following completion of the Conditional Placement, Mr Trevor St Baker AO or entities associated with him will hold approximately 15.97% of the Company's issued share capital (assuming that the full amount is raised under the Institutional Placement, SPP and each other Conditional Placement).

Share Purchase Plan

A Share Purchase Plan (SPP) will follow the Institutional Placement with eligible NOVONIX shareholders in Australia and New Zealand offered the opportunity to acquire additional shares in NOVONIX. The SPP will not be underwritten.

Shareholders on the NOVONIX register at 7:00pm (Sydney time) on 24 February 2021 (Record Date) with a registered address in Australia or New Zealand will be entitled to subscribe for up to \$10,000 worth of NOVONIX shares per shareholder, free of transaction and brokerage costs, through the SPP, subject to eligibility criteria and other terms and conditions of the SPP which will be set out in the SPP booklet and dispatched to eligible shareholders on or around 4 March 2021. Shares issued under the SPP will rank equally with existing shares of NOVONIX.

The SPP aims to raise approximately \$15 million. NOVONIX may decide to scale back applications should it receive demand above that target or to issue a higher amount above the target, at its absolute discretion (and, if a higher amount is issued, to either accept applications in full or scale back applications, at its absolute discretion). New shares under the SPP are to be issued at the Institutional Placement price of \$2.90 per new share.

Timetable

Institutional Placement	
Trading halt and announcement of Institutional Placement and Strategic Placement	Thursday, 25 February 2021
Institutional Placement Bookbuild opens	Thursday, 25 February 2021
Institutional Placement Bookbuild closes	Thursday, 25 February 2021
Announcement of completion of Institutional Placement	Friday, 26 February 2021
Trading halt lifted	Friday, 26 February 2021
Settlement of New Shares under the Institutional Placement	Tuesday, 2 March 2021
Allotment of New Shares under the Institutional Placement	Wednesday, 3 March 2021
SPP	

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Record date for determining eligibility under the SPP	7:00pm, Wednesday 24 February 2021
Despatch of SPP Booklet and SPP opens	Thursday, 4 March 2021
SPP closes	Monday, 22 March 2021
Allotment of new shares under the SPP	Monday, 29 March 2021
Normal trading of new shares under the SPP	Tuesday, 30 March 2021
Despatch of holding statements	Tuesday, 30 March 2021
Conditional Placements	
Shareholder meeting to approve Conditional Placements	April 2021
Allotment of new shares under the Conditional Placements	April 2021

Note: All dates are indicative only. All dates and times are Sydney time, unless otherwise specified. NVX reserves the right to vary the date of the Institutional Placement, Conditional Placements and SPP, in general or in particular cases, including closing them early or terminating them altogether, without prior notice.

NOVONIX's Chairman, Tony Bellas, said that it was an exciting time for the Company as it begins to rapidly scale production of high-performance anode materials for lithium ion batteries to meet the growing demands of the electric vehicle (EV) and energy storage system (ESS) markets in North America.

"The Company remains well positioned as the only qualified producer in North America of high grade anode material suitable for lithium ion batteries for EVs and ESS. Importantly, the company is continuing to strengthen its position with key relationships across the industry such as Harper International to develop next generation furnace technology systems" Mr Bellas said.

"The recent approval by the U.S. Department of Energy through an innovation grant of US\$5.6 million is indicative of the importance of the work that NOVONIX is doing to develop the North American lithium ion battery supply chain."

Mr Bellas said that the Company is progressing its key relationships with Sanyo Electric Co., Ltd of Japan and Samsung SDI of South Korea, both major international manufacturers of lithium ion batteries for EVs and ESS. The Company is also exploring opportunities in new jurisdictions to establish anode production capacity to service the rapidly growing markets in Europe, the Middle East and Asia.

"NOVONIX continues to leverage its team and their expertise by investing in its R&D and commercialisation programs, including the scale up of its Cathode business utilising its proprietary dry particle microgranulation (DPMG) technology", Mr Bellas said.

Mr Bellas said that the five-year renewal of the sponsorship of the Dalhousie research program led by Professor Mark Obrovac, and the engagement of Professor Jeff Dahn as Chief

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Scientific Advisor (commencing June 2021) underscore the commitment to the Company's R&D initiatives, aimed at sector leadership in battery technology and materials production.

Mr. Bellas said that he was encouraged to see the support of existing investors and members of the Board of Directors such Trevor St. Baker, Andrew Liveris, Bob Natter and Rob Cooper.

ABOUT NOVONIX

NOVONIX LIMITED (ASX: NVX) is an integrated developer and supplier of high-performance materials, equipment and services for the global lithium-ion battery industry with operations in the USA and Canada and sales in more than 14 countries.

NOVONIX's mission is to support the global deployment of lithium-ion battery technologies for a cleaner energy future.

For any questions, please contact IR@novonixgroup.com

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GPO Box 525 Brisbane Qld 4001
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