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AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

21 February 2024

Eden Acquires 30% Interest in Conditional Battery Joint Venture

HIGHLIGHTS

- Eden Innovations Ltd ("Eden")(ASX:EDE), following a request from Venture Aerospace, has entered into a conditional Joint Venture with Colorado-based Venture Aerospace LLC to develop, market, and potentially manufacture, solid-state batteries that are anticipated to offer, including through incorporating Eden's carbon nanotubes:
 - ultra-high performance;
 - higher energy density;
 - lower resistance;
 - low cost, using widely available, recyclable materials;
 - lower heat during operation and a reduced fire risk; and
 - suitability for use in a wide range of applications.
- A new joint venture company will be incorporated in which Eden will initially hold a 30% interest (300,000 units) and Venture Aerospace a 70% interest (700,000 units).
- The design of the batteries will be based upon intellectual property already developed by Venture Aerospace and trialled in prototypes, including new designs, materials, compounds and other substances .
- All relevant intellectual property including but not limited to a provisional patent, all designs, specifications, formulae, new materials, prototypes, trial results and all other physical material, data and intellectual property relevant to the solid-state battery project whatsoever shall be transferred free of charge and from encumbrances to the Joint Venture Company and thereupon become Joint Venture Property.
- Under the terms of the Joint Venture Eden will:
 - Provide technical advice and support to Venture Aerospace in the running of the Joint Venture project and

- Pursuant to a long-term contract, sell on commercial terms to the Joint Venture Company, all the carbon nanotubes, that will be produced by Eden, and which are required for use in the batteries.
- Venture Aerospace will raise working capital for the joint venture, after which if US\$10million is raised, the investors will hold a 20% interest (200,000 units), Eden a 24% interest (240,000 units), and Venture Aerospace a 56% interest (560,000 units).
- The Joint Venture, which was signed in the US, and commenced, on the 20th February 2024, remains conditional upon the following conditions subsequent:
 - The joint venture company being incorporated, and
 - Venture Aerospace being able to introduce investors within such time as Eden and Venture Aerospace mutually agree, and in default of agreement within 3 months of the commencement date, to invest up to US\$10million for working capital or such lesser amount that in the opinion of the Eden and Venture Aerospace is sufficient for enable the Joint Venture to proceed.

DETAILS

Eden Innovations Ltd ("Eden") (ASX:EDE) is very pleased to announce that following a request from Venture Aerospace LLC ("Venture Aerospace"), Eden and Venture Aerospace have entered into a Joint Venture Agreement to develop, market and potentially manufacture ultra-high performance, solid-state, batteries that will incorporate Eden's Carbon nanotubes in the electrodes and material used in the batteries.

Venture Aerospace (www.aerospace.inc), founded by former NASA scientists and staffed by highly talented engineers, has developed and commercialised, over a number of years, a range of new technologies including new engines, materials and aircraft designs.

More recently, Venture Aerospace has focused on developing ultra-high performance, solid-state batteries and in the process has invented, designed and developed a number of new materials and processes that were incorporated into proto-types that that have been trialled and shown promising results. Venture Aerospace has developed a body of intellectual property related to this work, including having filed a relevant patent application.

Based on earlier research by other scientists, carbon nanotubes are anticipated to deliver superior performance benefits to the solid-state batteries (and indeed to other types of batteries) when used instead of other forms of carbon such as graphene or carbon black.

Venture Aerospace intends that the ultra-high-performance solid-state batteries may be able to be used as either single-use or re-chargeable batteries.

In preliminary trials on prototypes, even without carbon nanotubes being incorporated, the Venture Aerospace proto-type solid-state batteries have demonstrated superior performance capabilities compared with similar existing solid-state batteries.

In order to further increase the capabilities of the individual materials and components and thus also increase the performance of the solid-state battery, Venture Aerospace requested Eden to enter into a Joint Venture, pursuant to which Eden will:

- assist in the designing, development and trialling of various superior materials and components that are required to produce higher performing solid-state batteries, and
- supply to the Joint Venture on commercial terms, pursuant to a long-term supply agreement, carbon nanotubes produced by Eden and assist in developing ways to most effectively incorporate the carbon nanotubes into the other materials and components that will be used in the solid-state batteries.

The other material terms of the Joint Venture are:

- a new Joint Venture Company (JV Company) will be incorporated in Colorado in which the initial shareholdings will be :
 - Eden- 30% (300,000 units)
 - Venture Aerospace – 70%. (700,000 units)
- Venture Aerospace with raise up to US\$10million from US investors for which, if the full US\$10million is raised, the investors will acquire a 20% interest (200,000 units) in the JV Company and as a result the interests of Eden and Venture Aerospace will be reduced to 24% (240,000 units) and 56% (560,000 units) respectively. The number of units that the investors receive will be reduced proportionately to the actual amount invested if less than US\$10million is raised.

The Board of directors of the JV Company will comprise the following:

- One director who shall also be the Chairman shall be appointed by Venture Aerospace
- One director who shall also be the Secretary shall be appointed by Eden
- One director who shall be independent from both Venture Aerospace and Eden shall be nominated by Venture Aerospace and approved Eden
- One director who shall be appointed by the larger Investors who, subject to adjustment based on the outcome of the capital raising necessitating this to be changed, each invest US\$50,000 or more; and
- One director who shall be appointed by the smaller Investors who, subject to adjustment based on the outcome of the capital raising necessitating this to be changed, each invest less than US\$50,000.

The purpose of the Joint Venture shall be:

- To develop and invent materials, processes and related intellectual property to create superior solid-state batteries that may be either single-use or re-chargeable, and
- To manufacture in-house or using third party suppliers the solid-state batteries it develops,
- To develop markets for the solid-state batteries and any other products that it develops, and
- when considered appropriate by the joint Venture company to enter into:
 - ◆ licencing agreements,
 - ◆ supply agreements, or

- ◆ any other form of collaboration with other suitable companies,
- ◆ or to seek a third-party buyer for the Joint Venture Company or for all or some of the assets and liabilities of the Joint Venture Company which may be achieved by:
 - An arms-length sale to a third party unrelated to any of the Parties or
 - A takeover of the Joint Venture Company by any third party on terms which are approved in a general meeting by Parties holding not less than 60% of the units in the Joint Venture Company, in which case such approval shall bind all unitholders and be enforceable by the Parties that voted in favour of the resolution.

CONCLUSION

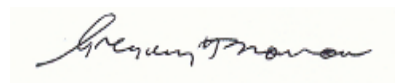
The request by Venture Aerospace for Eden to enter into this joint venture reaffirms the value of Eden's intellectual property including its suite of patents and the considerable amount of know-how and trade secrets, and its commercialisation, developed over the past 20 years.

In addition to creating a new, potentially significant market for Eden's carbon nanotubes, this project offers Eden a unique opportunity to participate in a cutting-edge research and development project in one of the most currently important sectors of technological research and development.

Globally, the search is on for new batteries that offer improvements in many areas including the benefits that are targeted by the Joint Venture including, through the addition of the Eden carbon nanotubes, being:

- ultra-high performance;
- higher energy density;
- lower resistance;
- rapid charging and discharging capability;
- low cost, using widely available, recyclable materials;
- lower heat during operation and a reduced fire risk; and
- suitability for use in a wide range of applications.

If successful, the ultra-high-performance solid-state batteries that the Joint Venture aims to develop, could become an important battery, suitable for a potentially wide range of applications and markets. With the positive results from preliminary prototype trials, and anticipated further improvements resulting from addition of Eden's carbon nanotubes, this Joint Venture represents a major and exciting milestone in Eden's story.



Gregory H. Solomon
Executive Chairman

This announcement was authorised by the above signatory.
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