



ASX ANNOUNCEMENT

23 September 2020

LEADERSHIP UPDATE

NOVONIX Limited (ASX: NVX) (“NOVONIX” or “the Company”), is pleased to announce a restructure and recommitment of the Board, major shareholders and Executive leadership designed to maximise leverage of the significant talent and capability available and to best position the Company to secure and deliver on the exciting opportunities ahead.

Today NOVONIX has multiple integrated business streams including advanced manufacturing of battery materials, research and development of next generation battery materials, battery research, development and testing services and development and sales of advanced battery testing diagnostic technology.

The operating divisions of the Company are in the USA and Canada and the Company plans to expand into Europe as a second phase of market penetration in the medium term.

We have made significant progress within our anode material business with our foundational customer, Samsung SDI (of the Samsung Group), as well as with Sanyo Electric (of the Panasonic Group). We have growth ambitions to work with large global battery manufacturers and automotive OEMs, and already our customer base currently spans 15 countries including many of those companies.

Our investor base continues to rapidly diversify internationally from an historical concentration of Australian investors, attributable to the Company’s primary listing on the ASX.

We are in the throes of implementing our major expansion in Chattanooga, as well as growing our IP portfolio from our rich R&D base in Halifax.

As a result, we are realigning our board and management structures to give focus to our operations and customers, as well alignment with our shareholders.

We are putting in place leadership for the next growth phase of the Company.

Executive Appointments

The transition to the new structure involves appointments to the positions of Group CEO and Group CFO.

The Company is pleased to announce the appointment of Dr Chris Burns as Chief Executive Officer of the NOVONIX Limited group of companies, bearing the title “**Group CEO**”.

Chris is the co-founder and CEO of NOVONIX Battery Testing Services Inc based in Canada and co-developed the breakthrough Ultra-High-Precision-Coulometry (UHPC) technology with Professor Jeff Dahn. He has also been the COO of the NOVONIX group responsible for the PUREgraphite business in the USA and the Battery Technology Solutions (BTS) business in Canada, for the last three years.

The company is also pleased to announce the appointment of Nick Liveris as Chief Financial Officer of the NOVONIX group of companies, bearing the title “**Group CFO**”.

Nick has been the operational CFO at PUREgraphite and NOVONIX BTS and VP Business Development for the NOVONIX group for the last three years. Nick has played a key role in group strategy and business development, establishing the PUREgraphite business and engagement with global customers and other stakeholders. He brings significant investment banking, management consulting and analytics experience with him from prior roles with McKinsey and Merrill Lynch.

NOVONIX Chairman, Tony Bellas, said Dr Chris Burns is a thought leader in the rechargeable battery sector. “Dr Burns is a rising star in the world of lithium-ion batteries. He is an outstanding battery scientist, inventor and battery technology and materials engineer. Dr Burns is also a successful entrepreneur ready to take NOVONIX to the next level,” Mr Bellas said. He went on to add “Nick Liveris is an executive with deep financial and consulting background, and with proven leadership skills. He has been instrumental in developing the PureGraphite customer base and financial strategy”, said Mr Bellas.

Mr Bellas said that the combination of Burns and Liveris together with an outstanding Board has the capability to take NOVONIX to a new level of shareholder value. They will both report to the Chairman.

Board Changes

As part of the transition to the new executive structure, Philip St Baker has retired as Managing Director and resigned from the Board of the Company. Philip will be taking up the role of Chairman of Delta Electricity, a major electricity generation and retail company in NSW, Australia, presently chaired by Trevor St Baker AO, who is replacing Philip on the Board of NOVONIX, as Non-Executive Director. Trevor St Baker AO, is the founder and director of the St Baker Energy Innovation Fund, the major shareholder in NOVONIX.

Trevor has over 60 years’ experience in the energy industry, including 23 years in planning and leadership roles within NSW and Queensland Electricity Commissions, 12 years as Principal of ERM Consultants then founding ERM Power Ltd which was acquired by Shell for \$617 million in November 2019.

Trevor is currently Chairman of Sunset Power International t/a Delta Electricity and is the founder and a Director of the St Baker Energy Innovation Fund (SBEIF).

Trevor is an investor and director of leading global electric vehicle DC fast charge developer and manufacturer, Tritium Pty Ltd. He is also Chairman of Nth Degree Worldwide Technologies Inc, and of Printed Energy Pty Ltd, both of Tempe Arizona, and a Director of

CareWear Corp, of Reno NY. He is also a founding director of SMR Nuclear Technology Pty Ltd. Trevor also co-founded the St Baker Wilkes Indigenous Educational Foundation Limited, and he and his wife have established the Trevor & Judith St. Baker Philanthropic Trust.

Reflecting the locus and importance of the Company's operations in North America, Admiral Robert (Bob) Natter will take an Executive Director role with particular focus on supporting the PUREGraphite operations team in Chattanooga, Tennessee. At the same time, Greg Baynton will move from an Executive Director role and remain a Non-Executive Director of the Company.

Current Independent Non-Executive Directors, Andrew Liveris AO and Rob Cooper, will continue to serve on this renewed Board.

In addition, two committees of the Board will be established, an Executive Committee chaired by Tony Bellas, with members being Bob Natter, Chris Burns and Nick Liveris, and a Remuneration Committee, chaired by Robert Cooper, with the independent Directors Tony Bellas, Andrew Liveris and Trevor St Baker as members.

Importantly, all Non-Executive Directors of NOVONIX have recommitted to continue to provide active strategic guidance and support of critical customer and supplier relationships globally.

NOVONIX Chairman, Tony Bellas, said, "This Board and new executive leadership structure will serve NOVONIX and its shareholders very well in our next phase of opportunities in the battery sector. We have the right team to deliver on our ambitious plans for the Company."

He went on to say: "Phil St Baker has played a pivotal role in positioning the company strategically and leaves it well placed to be able to fulfil its potential in this next phase, under CEO Chris Burns. Philip's management capability and executive leadership have been invaluable, and we wish him well in his new role at Delta Electricity".

The Company and Mr Philip St Baker have agreed, in accordance with his employment contract, that Mr Philip St Baker will receive \$75,000 payment in lieu of notice. The loan of \$1.5 million to Mr Philip St Baker (see note 23(g) to the Company's 2020 annual report) will be repaid through set off against vested performance rights and outstanding employee entitlements held by Mr Philip St Baker, with shares being valued at the closing price on 22 September 2020 (\$1.70).

This announcement has been authorised for release by Tony Bellas, Chairman.

Signed for and on behalf of NOVONIX Limited:



Tony Bellas
Chairman
NOVONIX Limited
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 15 countries.

NOVONIX's mission is to advance battery technology and materials to accelerate global deployment for a cleaner energy future.

FURTHER INFORMATION

MATERIAL TERMS OF EMPLOYMENT CONTRACTS

Chief Executive Officer

Term	Appointment on an on-going basis with full-time commitment
Total Fixed Remuneration	AUD\$350,000 Comprising base salary and superannuation
Short Term Incentive (STI)	Target of 100% of Total Fixed Remuneration (TFR) subject to achievement of board approved KPIs which incorporates stretch above base case business plan. Board reserves the right to increase to 150% of TFR for extra-ordinary performance well above stretch KPIs.
Long Term Incentive (LTI)	Threshold of 80% of TFR for achieving a positive Total Shareholder Return (TSR) above the average of peer companies over a three-year period rising to a maximum award of 160% for achieving the 75% percentile and above when compared with peer companies. Existing eight and a half (8.5) million Share Options linked to production and sales milestones for the NOVONIX PUREgraphite anode business. Existing one (1) million Share Options linked to securing sales contracts for the NOVONIX PUREgraphite anode business.
Termination	The company and the executive can terminate the agreement by providing six months' notice. The company may elect, at its discretion, to make payment in lieu. Unvested STI and LTI incentives will be forfeit by the Executive in the event of a resignation without good reason. The Executive is bound by Restrictive Covenants including Non-Competition, Non-Solicitation and Confidentiality during the Executive's employment with the Company and five (5) years following the Executive's termination of employment from the Company.

Chief Financial Officer

Term	Appointment on an on-going basis with full-time commitment
Total Fixed Remuneration	AUD\$320,000 Comprising base salary and superannuation
Short Term Incentive (STI)	Target of 100% of Total Fixed Remuneration (TFR) subject to achievement of board approved KPIs which incorporates stretch above base case business plan. Board reserves the right to increase to 150% of TFR for extra-ordinary performance well above stretch KPIs.
Long Term Incentive (LTI)	Threshold of 80% of TFR for achieving a positive Total Shareholder Return (TSR) above the average of peer companies over a three-year period rising to a maximum award of 160% for achieving the 75% percentile and above when compared with peer companies. Existing two and a half (2.5) million Share Options linked to production and sales milestones for the NOVONIX PUREgraphite anode business. Existing one (1) million Share Options linked to securing sales contracts for the NOVONIX PUREgraphite anode business
Termination	The company and the executive can terminate the agreement by providing six months' notice. The company may elect, at its discretion, to make payment in lieu. Unvested STI and LTI incentives will be forfeit by the Executive in the event of a resignation without good reason. The Executive is bound by Restrictive Covenants including Non-Competition, Non-Solicitation and Confidentiality during the Executive's employment with the Company and five (5) years following the Executive's termination of employment from the Company.

Mr Nick Liveris is, by reason of his relationship with Director Andrew Liveris, a related party under Chapter 2E of the Corporations Act. The Company's Directors (excluding Mr Andrew Liveris) have determined that Mr Nick Liveris' remuneration package is reasonable given the circumstances so that shareholder approval is not required under Chapter 2E of the Corporations Act for the package.