

ASX Release

31 October 2018**ULTRACHARGE LIMITED
ACN 140 316 463**

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Corporate and Investors

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Michael Shaw-Taylor
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Directors

Mr Kobi Ben-Shabat
Mr David Wheeler
Mr Doron Nevo
Mr Yuri Nehushtan
Mr John Paitaridis

ASX Code:

UTR

Shares:

695,629,070

Escrow Shares:

126,059,808 quoted
103,108,409 unquoted

Options (various):

174,000,000

Performance Rights:

13,687,500

September 2018 Quarterly Report

PERTH, AUSTRALIA, 31 OCTOBER 2018: UltraCharge Limited (**ASX: UTR**, "UltraCharge" or "the Company") is pleased to provide its shareholders and the market with an overview of its operational activities during the past three-month period to 30 September 2018.

A key aspect for the Company during the Quarter has been attracting additional customers across the two-wheel and three-wheel markets for UTR's LNMO battery product. New sales are anticipated in the coming months.

The Company has been finalising the supply of two kilograms of TiO₂ anode material to meet the requirement of a new, potential customer that has expressed significant interest in UTR's TiO₂ solution. Delivery of the TiO₂ anode material is scheduled in the next 4-6 weeks.

Substantial progress has been made on the joint development agreement with Chemours - the world's second largest TiO₂ manufacturer. At this point in time, our ability to disclose some of the technical progress is limited due to non-disclosure and commercial-in-confidence agreements that UTR has signed with Chemours.

The Company has progressed numerous business development opportunities with potential customers / partners in the electric vehicle (EV) market that have expressed interest in UTR's combined LNMO/TiO₂ solution for ultrafast charging EV's.

Other notable Company achievements during the past Quarter have included:

- Ongoing work to finalise the first battery pack for testing in Blitz Motors' scooters, which is scheduled for completion by the end of December;
- Additional potential for new Intellectual Property rights across the High Voltage Cathode that UTR will potentially be able to Patent by the end of this quarter; and –
- Cost savings implemented across the Board of Directors, senior management and corporate advisory services.

UltraCharge's Chief Executive Officer Kobi Ben-Shabat said: "We believe the key to achieving widespread adoption of electric vehicles is the production of ultra, fast-charging batteries.

"UltraCharge holds two proprietary chemistries that produce ultra, fast-charging batteries.

"The Company is committed to its long-term objective of commercialising and maximising the full potential of our technologies that will enable ultra, fast-charging batteries for electric vehicles.

“During the December 2018 Quarter, shareholders can look forward to a number of investment catalysts, including new EV battery sales for the two-wheel and three-wheel market.”



The Blitz deal is a strong validation of UltraCharge’s battery technology and serves as a case study for other potential users in the 2 & 3-wheel scooter market around the globe

For further information, please contact:

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About UltraCharge Limited (www.ultra-charge.net)

UltraCharge is an Israel-based company that is a global leader in identifying, acquiring and developing battery technologies that offer superior qualities and new solutions for the lithium ion and flow battery markets.

UltraCharge has established a battery facility to develop its platform technologies and customising solutions to meet end user requirements, and subsequently meet global market demand.

The Company offers a full lithium ion battery solution with the following suite of intellectual property:

- **Anode for Lithium Ion Batteries:** The technology will replace graphite in anodes (negative pole) with nanotube fibers made from titanium dioxide. This has the potential to revolutionise the market for lithium batteries by producing a battery that is safe, has a longer lifetime and is fast charging.
- **Cathode for Lithium Ion Batteries:** The technology contains a high voltage LiMnNio cathode that is half the cost of commercial cathodes and can offer a battery solution that has advantages in terms of the voltage, energy capacity and power capacity.
- **Electrolyte for Lithium Ion Batteries:** Low cost, high performing electrolyte solution. The intellectual property is around producing a more superior electrolyte salt – LiFSI - which can increase battery lifespan and performance at high and low temperatures.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

UltraCharge Limited

ABN

97 140 316 463

Quarter ended ("current quarter")

30 September 2018

Consolidated statement of cash flows	Current quarter \$US'000	Year to date (3 months) \$US'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(152)	(152)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(37)	(37)
(d) leased assets	-	-
(e) staff costs – research and development	(213)	(213)
(f) administration and corporate costs	(318)	(318)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	5
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	92
1.8 Other (provide details if material)		
- Receipts from Chemours	38	38
- VAT refund	84	84
1.9 Net cash from / (used in) operating activities	(598)	(598)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(19)	(19)
(b) businesses (see item 10)	-	-

Consolidated statement of cash flows	Current quarter \$US'000	Year to date (3 months) \$US'000
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(19)	(19)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	(29)	(29)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	(29)	(29)

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	2,214	2,214
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(598)	(598)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(19)	(19)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(29)	(29)

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (3 months) \$US'000
4.5	Effect of movement in exchange rates on cash held	(35)	(35)
4.6	Cash and cash equivalents at end of quarter	1,533	1,533

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$US'000	Previous quarter \$US'000
5.1	Bank balances	1,533	2,214
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,533	2,214

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$US'000**

114

-

Included in 6.1 is a CEO cash bonus component of \$US 35,000.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$US'000**

-

-

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$US'000	Amount drawn at quarter end \$US'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter	\$US'000
9.1 Research and development	155
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	30
9.4 Leased assets	45
9.5 Staff costs – research and development	242
9.6 Administration and corporate costs	323
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	795

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
(Company secretary)

Date: 31/10/2018

Print name: Justyn Stedwell

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.