



7 December 2018

ASX Announcement

Updates to 5 December 2018 Announcement

On 5 December 2018, UltraCharge (the **Company**) released an announcement in relation to a contract with Roadix Urban Transportation Ltd.

The Company now releases an updated announcement with the following additional information:

- In addition to meeting the Specification, all relevant approvals, certifications and licences must be obtained in accordance with all applicable laws and regulations;
- UltraCharge has offered exclusivity to Roadix for the three wheeled scooter market for 18 months provided that Roadix orders and pays for a minimum of USD\$380,000 of batteries in the first 12 months;
- Delivery for testing to take place within 150 days of the contract being signed;
- If Roadix acquire the maximum number of forecast units over the first three years then UltraCharge will earn revenue of US\$2,940,000 over that period. It is anticipated that the first delivery of batteries will take place within 12 months of the contract being signed.



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UltraCharge enters into purchase agreement to supply lithium-ion batteries to power three-wheel electric scooters

- UTR signs deal to supply lithium-ion batteries for three-wheel electric scooter manufacturer, Roadix Urban Transportation Ltd
- Subject to meeting battery specifications set out by Roadix, UTR contracted to provide 16,700 batteries
- UTR's lithium ion battery solution will deliver Roadix's three-wheel scooters more torque and horsepower, and increase their range to 40 kilometres
- The global market for two wheel and three-wheel electric scooters is growing rapidly, with many new players around the world
- Roadix deal follows similar supply deal signed in May 2018 with Blitz Motors for their two-wheel electric scooters

UltraCharge Limited (**ASX: UTR**, "**UltraCharge**" or "**the Company**") advises it has signed a conditional purchase agreement ("**Purchase Agreement**") with Roadix Urban Transportation Ltd ("**Roadix**") to provide high voltage lithium-ion batteries for their three-wheel electric scooters.

Under the deal, Ultracharge will design, develop and manufacture a lithium-ion pouch-cell battery that will be fully compatible with Roadix's three-wheel electric scooter. UltraCharge's battery solution will deliver Roadix scooters more torque, higher power and increase their range to 40 kilometres.

Headquartered in Israel, Roadix is the developer of MUV-e (My Urban Vehicle), a lightweight electric scooter. The company is expanding internationally to Europe, US and China.

The material terms of the Purchase Agreement are:

- Ultracharge is to design, develop, manufacture and sell customised batteries to Roadix for use in their three-wheel scooters;
- The conditions include:
 - Ultracharge warrants the batteries will comply with the (commercially sensitive) technical specifications set out in the schedules to the Purchase Agreement (**Specifications**); and

- All relevant approvals, certifications and licences must be obtained in accordance with all applicable laws and regulations (**Compliance**);
- If the batteries fail to comply with the Specifications or the Compliance, the only remedy available to Roadix is to acquire batteries from another supplier;
- Roadix will assist Ultracharge in the commissioning and testing of the batteries;
- UltraCharge has offered exclusivity to Roadix for the three wheeled scooter market for 18 months provided that Roadix orders and pays for a minimum of USD\$380,000 of batteries in the first 12 months;
- Ultracharge will retain all intellectual property in relation to the batteries;
- Neither party may assign the Purchase Agreement without the prior written consent of the other party;
- The Purchase Agreement is governed by the laws of Israel;
- There are a number of milestones that can take place up to 360 days from the date of the agreement including in lab testing, modular testing, in individual vehicle testing, and fleet testing with delivery for testing to take place within 150 days of the contract being signed;
- Either party will have the right to terminate if a breach is not remedied within 14 days after having had written notice to do so. Breaches include:
 - Material failures to perform duties within time frames;
 - Gross negligence or wilful misconduct;
 - Illegal activities; and
 - Insolvency of a party.

UltraCharge is contracted to provide batteries in accordance with the following forecast schedule:

| Period (from 3 December 2018) | Forecast units |
|--------------------------------------|-----------------------|
| Year 1 | 2,000 |
| Year 2 | 4,500 |
| Year 3 | 10,000 |
| Total | 16,500 |

If Roadix acquire the maximum number of forecast units over the first three years then UltraCharge will earn revenue of US\$2,940,000 over that period. It is anticipated that the first delivery of batteries will take place within 12 months of the contract being signed.

Commenting on the supply deal, **UltraCharge CEO Kobi Ben-Shabat** said: “This contract with Roadix is another significant milestone for our cobalt-free, high voltage, lithium-ion battery solution and clearly demonstrates UltraCharge’s ability to customise solutions for specific end-user requirements.

“The Roadix contract is further third-party validation of UltraCharge’s lithium-ion battery solution and comes just six months after our signing of a similar supply deal with Blitz Electric Motors.

“UltraCharge is one of only a handful of pure lithium-ion battery listed companies in the world with the ability to produce a lithium-ion battery and we are well placed to capitalise on the rapidly emerging global opportunities for lithium-ion batteries.

“With two supply contracts now in place we look forward to strengthening our position as the market leaders in the lithium-ion battery market.”

Roadix Urban Transportation CEO Amir Zaid said: “Our company vision is to become a leading global brand in the premium scooter market.

“We are incredibly excited to offer our future customers an enhanced three-wheel scooter using UltraCharge’s lithium-ion battery solution that delivers higher power, more torque and an extended range.

“Using UltraCharge’s revolutionary, cobalt-free, lithium-ion battery offering is closely aligned to Roadix’s core objective - to help the environment while increasing the overall performance of our electric scooters for our customers.”



Roadix’s My Urban Vehicle – “MUV-e”



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About Roadix Urban Transportation Ltd (www.muv-e.com)

Roadix Urban Transportation Ltd is the developer of MUV-e (My Urban Vehicle), a lightweight electric scooter. The three-wheeled vehicle is simple to use and automatically folds into a suitcase-sized trolley. MUV-e can be easily transported on a bus or in a car and can be stored in the office between rides. MUV-e's self-centering suspension makes the scooter simple to steer, even through crowded urban environments. The company seeks to combine the advantages of a scooter, bicycle and motorcycle in one safe, affordable vehicle.

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.