



ASX ANNOUNCEMENT

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(ASX: **NVX**)

29 May 2020

SUCCESSFUL COMPLETION OF INSTITUTIONAL PLACEMENT AND INSTITUTIONAL ENTITLEMENT OFFER

Highlights

- NOVONIX receives commitments under the Institutional Placement and Institutional Entitlement Offer to raise approximately \$18.8 million.
- The Institutional Placement and Institutional Entitlement Offer were strongly supported by new and existing institutional and sophisticated investors from Australia and overseas.
- St Baker Energy Innovation Fund affirms its support with sub-underwriting commitment.
- The Retail Entitlement Offer will open on 3 June 2020 and is expected to close on 18 June 2020.
- The Equity Raising is now underwritten to \$58.28 million.

Equity Raising

NOVONIX Limited ACN 157 690 830 (ASX: NVX) (**NOVONIX** or **NVX**) is conducting a fully underwritten ~\$58.28 million equity raising via:

- (a) a placement to institutional and sophisticated investors to raise \$5.65 million (**Institutional Placement**);
- (b) subject to shareholder approval, a placement to St Baker Energy Innovation Fund (**SBIF**) to raise between \$14.72 million and \$19.45 million (**Strategic Placement**); and
- (c) an accelerated non-renounceable offer of 1 New Share for every 1 existing NOVONIX ordinary Share at \$0.29 per New Share to raise approximately \$37.91 million (before direct offer costs) (**Entitlement Offer**),

(together, the **Equity Raising**).

The Entitlement Offer comprises an accelerated institutional component (**Institutional Entitlement Offer**) and a retail component (**Retail Entitlement Offer**).

A total of approximately 82.69 million New Shares will be issued to successful applicants under the Institutional Placement and the Institutional Entitlement Offer at an issue price of \$0.29 per New Share (**Offer Price**). Those funds, totaling approximately \$23.98 million, will be available to NVX on or about 4 June 2020.



Proceeds from the fully underwritten Retail Entitlement Offer will be available to NVX on or about 25 June 2020.

Morgans Corporate Limited ACN 010 539 607 is acting as lead manager and underwriter to the Equity Raising.

The issue of Shares under the Strategic Placement remains subject to shareholder approval to be sought at NVX 's general meeting to be held on 30 June 2020.

Successful completion of the Institutional Placement and the Institutional Entitlement Offer

The Institutional Entitlement Offer was well-supported by existing and new Institutional investors with an interest in the lithium-ion battery sector, with demand significantly in excess of the amount sought to be raised by NVX. All Directors were accepting their entitlements (or in the case of Mr Robert Natter, a foreign based director, agreeing to sub-underwrite part of the Entitlement Offer), with some larger holders not participating in full in order to allow broader Institutional investor participation and to enhance liquidity. The Institutional Entitlement Offer included the entitlements that were offered by the large shareholders and received participation by eligible institutional shareholders of over 25%.

The Institutional Placement, attracted demand from new and existing institutional and sophisticated investors, with demand significantly in excess of the amount sought to be raised by NOVONIX.

As a result of the successful completion of the Institutional Placement and the Institutional Entitlement Offer, NOVONIX shares will recommence normal trading on an ex entitlement basis from today, 29 May 2020 following the release of this announcement to ASX .

St Baker Energy Innovation Fund – Strategic Investment

SBIF has agreed, subject to shareholder approval, to sub-underwrite the Entitlement Offer for up to 16,330,023 shares, with its obligation to subscribe for shares under the Strategic Placement reduced to the extent it is issued shortfall shares under its sub-underwriting of the Entitlement Offer. SBIF will not receive any sub-underwriting fee and will not, as a result of the sub-underwriting and the Strategic Placement, hold more than 19.9% of NOVONIX's issued share capital following the completion of the Equity Raising.

Trevor St Baker AO, founder of ERM Power Limited and the St Baker Energy Innovation Fund said that the Fund was taking a strategic stake in NOVONIX as a result of its strong interest in the global electrification of the transport sector.

"Our investment in NOVONIX is very complementary to our expanding portfolio in this area and in renewable energy technologies."

"NOVONIX is building best-in-class materials to make better and cheaper longer-life batteries that will help accelerate adoption of battery technologies to support the adoption of electric vehicles and cleaner energy technologies throughout the world.

"The batteries on wheels with the electrification of the transport sector will be a much more economic contributor to the uptake of intermittent wind and solar generation than all the futuristic new technologies being touted by government grant 'rent-seekers'".

"NOVONIX's nimble management and research team, based in North America, includes some of the leading battery scientists in the world.

NOVONIX already makes the highest-precision battery testing equipment available worldwide, which helps it to rapidly test new materials, makes batteries in-house, and is developing high-performance battery materials."



"We are confident that NOVONIX has a leading product in anode materials, with a supply contract with SAMSUNG SDI, along with a promising new manufacturing technology for the cathode market."

"These are two of the essential requirements for the quest for a 'million-mile battery', and they are found here within the same company - NOVONIX," Trevor St Baker said.

Retail Entitlement Offer

Under the Retail Entitlement Offer, eligible retail shareholders will be able to subscribe for 1 New Share for every 1 existing NVX share held at 7.00pm (Sydney time) on 29 May 2020 at the Offer Price.

A top-up facility will also be available to eligible retail shareholders, allowing them to apply for additional shares, subject to scale-back at the discretion of the Directors of NOVONIX.

Eligible retail shareholders will receive an information booklet, including a personalised entitlement and acceptance form, which will provide further details of how to participate in the Retail Entitlement Offer. A copy of the information booklet will be lodged today with ASX and is due to be dispatched (along with the personalised entitlement and acceptance form) on 3 June 2020. The Retail Entitlement Offer opens on 3 June 2020 and closes at 5.00pm (Sydney time) on 18 June 2020.

NOVONIX has also issued redemption notices for all outstanding convertible notes, as foreshadowed in its 27 May 2020 announcement.

Accompanying this announcement is a presentation for the Equity Raising.

This announcement has been authorised for release to the ASX by the Chairman, Tony Bellas, on behalf of the Board.

If you have any queries in relation to this announcement, please contact Greg Baynton, Executive Director, at greg@novonixgroup.com or +61 414 970 566.

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.

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