



10 December 2018

## **LANDMARK STRATEGIC RELATIONSHIP BETWEEN LVCHI AUTOMOBILE AND NEXT-BATTERY**

- ***Next-Battery* secures landmark strategic relationship with Lvchi Automobile Technology (Shanghai) Co Ltd (“Lvchi”). LVCHI AUTO group is a whole value chain operation platform company that focuses on new electric vehicles (EV), with targeted annual production of over 500,000 vehicles. The global design, research and development base of Lvchi is located at the Turin engineering centre in Italy. Lvchi also has technology centres in Coventry, England and Silicon Valley in California, USA. The engineering application development is carried out by Lvchi’s Shanghai engineering research institute in collaboration with Wuxi Research branch and Beijing Future Institute. For further information see [www.lvchimotor.com/en](http://www.lvchimotor.com/en)**
- **Lvchi reviewed the *Next-Battery* technology and its research and development program, and were satisfied that *Next-Battery*’s lithium ion technology could play a significant part in the future development plans of Lvchi as *Next-Battery* moves towards completing its first advanced prototype battery.**
- **Both *Next-Battery* and Lvchi will proceed with key visits in Ukraine and China during Q1 2019 with a view to formalising a commercial collaboration venture in China designed to fast track the commercial roll-out and development of *Next-Battery*.**
- ***Next-Battery*’s Ukraine operations continue steady progress on cathode and anode prototype production (refer to the 20 November update announcement) and have not been affected by the recent problems with Russia over access to the Azov sea since those events are localized to areas in which *Next-Battery* has no operations.**
- ***Next-Battery* featured in Forbes Magazine article**

**HIPO Resources Limited (ASX: HIP) (HIPO or the Company)** is pleased to report the significant progress summarised above in respect of *Next-Battery*, the lithium-ion battery technology company in which HIPO has a 35% earn-in interest.

As communicated (ASX release: 29 August 2018), *Next-Battery*’s technology involves unique lithium-ion chemistries with novel nano-structuring technology to effectively ‘upgrade’ a battery electrode’s functional properties. The proprietary process significantly increases the surface area of the metal oxides in the cathode which allows dimension reduction and doping to increase



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functionalisation and morphology control. This enables cathodes that are ultra-porous, and lithium infused within a nanostructured surface to enable faster lithium-ion transport and electron movement in a more energy dense structure.

Laboratory studies on the cathode by *Next-Battery's* scientists show the technology can more than double the specific energy of the best commercial lithium-ion batteries today, such as the new Tesla/Panasonic 2170 cell used in the Tesla Model 3 battery pack. Recharge time should also improve based upon tests to date.

*Next-Battery* is well advanced in demonstrating a state-of-the-art prototype battery that will aim to show a minimum 50% increase in specific energy from the best commercial lithium-ion batteries on the market today.

**Benton Wilcoxon, CEO of *Next-Battery*, commented:** *"We are progressing to plan and have completed adding the new Solid State electrolyte team to our group as well as commencing conductivity tests on our double-walled nanotubes of carbon, which our parent company developed for other applications. The Lvchi collaboration is an exciting component to our development and confirms what we already were very confident in – that Next-Battery is well advanced in developing a battery that has the potential to replace existing technologies being used in EV's today."*

**HIPO Executive Chairman Maurice Feilich added:** *"The Lvchi strategic collaboration confirms the Board's belief in the accelerated pathway Next-Battery is taking. Lvchi is a fully integrated company that focuses on new energy vehicles, and fits nicely with the progressive approach taken by Next-Battery in developing next generation batteries. Lvchi's corporate strategic positioning is to create an "intelligent mobile life operator", and it is a huge tick for both Next-Battery and Hipo that Lvchi is seeking to collaborate with Next-Battery as it rapidly moves to the commercial prototype stage."*

Hipo also notes very positive coverage on Next-Battery in Forbes Magazine which can be viewed at the following link: <http://forbes.ge/blog/315/Introducing-a-new-paradigm>

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