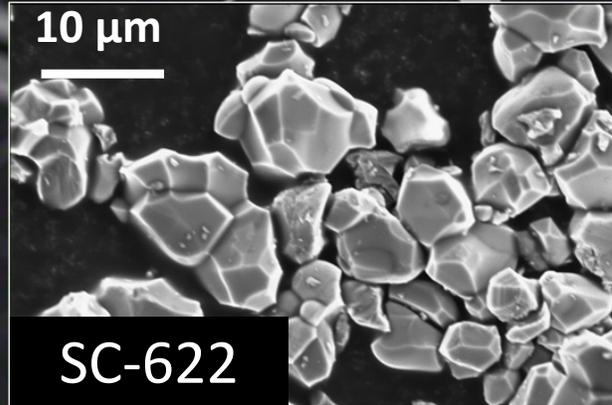
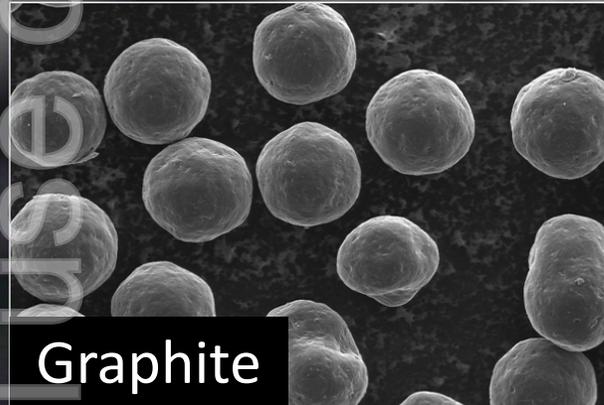


NOVONIX

NOVONIX LIMITED (ACN 157 690 830)



Quarterly Activities Report
October – December 2020

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Corporate Activities

October – December 2020

- Launched Investor Newsletter – 20 October 2020
- Presented at Benchmark Week Conference – 8 December 2020
- Released Investor Newsletter #2 – 15 December 2020
- Announced becoming a founding member of the Zero Emissions Transportation Association (ZETA), the first industry-backed coalition of its kind advocating for 100% of vehicles sold by 2030 to be electric vehicles (EVs) – 22 December 2020
- Announced a strategic alliance with Harper International on specialized furnace technology for battery anode material – 22 December 2020
- Announced an update regarding the planned delivery schedule for the contract to supply Samsung SDI with 500 tons of the PUREgraphite synthetic anode material for use in lithium-ion batteries – 22 December 2020
- Cash balance as of 31 December 2020: \$25,286,000
- Post-December Quarter:
 - NOVONIX was added to the OTCQX Composite Index and the OTCQX International Index
 - Prof. Jeff Dahn appointed Chief Scientific Officer to the Company (effective July 2021)
 - Awarded US\$5.57M from U.S. Department of Energy for new furnace technology development
- NOVONIX continues to monitor clean energy policies in North America and Europe and liaison with relevant agencies where appropriate

Agreements with Battery Makers



SANYO Electric Co., Ltd. a subsidiary of Panasonic Corporation of Japan

PUREgraphite Activities (1/2)

October – December 2020

- Initiated transition plan from Generation 1 furnace technology to Generation 2 systems for qualification of full 2,000 ton per annum (tpa) planned plant capacity
 - Proprietary systems designed by Novonix and Harper to support improved economics in capital expansion and operational costs compared to current Generation 1 systems
 - First Generation 2 system to begin installation at PUREgraphite facility in February 2021
 - Current inventory held as work-in-progress awaiting Generation 2 systems to continue finishing for delivery to Samsung and others
 - Pilot line continued all normal operations for product development and customer sampling
- Product Development:
 - Processing of new precursor materials for lower cost and improved performance with strong performance results validating PUREgraphite processing as flexible to input materials
 - Targeted development programs for customer requested performance such as higher charge rate materials to support fast-charge vehicle applications

PUREgraphite Activities (2/2)

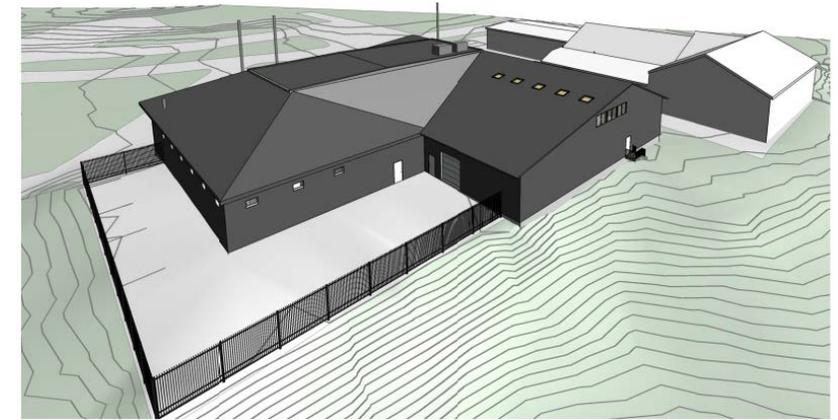
October – December 2020

- Customer Engagement:
 - Samsung and Sanyo will receive materials from Generation 2 furnace systems for mass production qualification after installation and commissioning
 - Samsung audit of PUREgraphite plant will now be targeted at Generation 2 furnace systems
 - Continued sampling programs with domestic and international battery manufacturers and automotive OEMs with strong feedback and desire to see demonstrated higher volume production
- Expansion Plans:
 - 2,000 tpa plant expansion on track, equipment all on order in various stages of assembly and field testing before shipment
 - Initiated expansion of lease to the additional 80,000 sq ft of current facility for beginning of FY22 or earlier
 - Began engagement on plant and equipment engineering review and design for Phase 2 plant (25,000 tpa)
 - Engaged in multiple potential technology partnership opportunities with international partners to enable faster global deployment of PUREgraphite's technology
- Post-December Quarter: Awarded US\$5.57M from U.S. Department of Energy for new furnace technology development

Battery Technology Solutions (BTS) Activities

October – December 2020

- Strong revenue growth and engagement in new materials development and evaluation programs as well as downstream application projects
- Expanded staff and initiated build out of addition to existing BTS facility, adding ~65% additional space for continued growth in cathode commercialization and new development work
- Expanded cell building capability, dryroom and infrastructure to support increased workload
- New projects commenced for global customers in mobility, energy storage and consumer electronics
- Cathode Commercialization Activities:
 - Pilot line 90% commissioned with final piece of equipment delayed in shipping and will arrive in January
 - Analytical lab fully commissioned
 - Newly synthesized materials continuing electrochemical testing for internal qualification
 - Continued growth in IP with additional patent applications to be filed in early 2021
 - Engaged with multiple current commercial precursor and cathode suppliers



Strategic Alliance with Harper International

Harper Company Overview

- Harper International (Buffalo, New York) is a global leader in complete thermal processing solutions and technical services essential for the production of advanced materials
- From concept to commercialization, from research scale to full production line operations, Harper produces cutting edge innovative furnace designs for worldwide markets
- Harper specializes on processing materials at high temperatures up to 3000°C and in non-ambient atmospheres
- For additional information, visit www.harperintl.com or email info@harperintl.com



Prof. Jeff Dahn appointed Chief Scientific Officer⁽¹⁾

Professor Jeff Dahn Overview

- Leading researcher in the field of lithium-ion batteries and materials
- Currently holds the title of NSREC/Tesla Canada Industrial Research Chair with Dalhousie University
- Long career across both industry and academia, and has spent the last 25 years as a professor at Dalhousie University, with support from 3M Company and most recently, from Tesla
- Co-authored 730 papers and has 73 inventions with patents issued or filed, including some of the early patents related to $\text{Li}[\text{NiMnCo}]\text{O}_2$ (NMC) cathode material in 2001



Appointment effective July 1, 2021

Contact Information

CORPORATE

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

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