

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

NOVONIX LIMITED

ABN

54 157 690 830

Quarter ended ("current quarter")

31 DECEMBER 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	639	1,645
1.2 Payments for		
(a) exploration & evaluation	(62)	(78)
(b) development	(287)	(976)
(c) production	(480)	(581)
(d) staff costs	(860)	(1,514)
(e) administration and corporate costs	(1,038)	(1,649)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(39)	(90)
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material) Grants and government funding	119	223
1.9 Net cash from / (used in) operating activities	(2,008)	(3,020)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(1,239)	(2,651)
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) 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	(1,239)	(2,651)

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	-	-
3.5	Proceeds from borrowings	350	350
3.6	Repayment of borrowings	(108)	(129)
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	242	221

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,589	6,054
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,008)	(3,020)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,239)	(2,651)

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4.4	Net cash from / (used in) financing activities (item 3.10 above)	242	221
4.5	Effect of movement in exchange rates on cash held	(22)	(42)
4.6	Cash and cash equivalents at end of period	562	562

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 \$A'000	Previous quarter \$A'000
5.1	Bank balances	562	1,197
5.2	Call deposits	-	2,392
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)	562	3,589

6. Payments to directors of the entity and their associates

- | | Current quarter
\$A'000 | |
|-----|--|----|
| 6.1 | Aggregate amount of payments to these parties included in item 1.2(d) | 96 |
| 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 | |

Payments to directors include salaries, director fees and superannuation guarantee.

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

- | | Current quarter
\$A'000 | |
|-----|--|---|
| 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 | |

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8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	2,243	2,243
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	2,000	350
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.		

The Company's directors have agreed to provide the Company with short term working capital funding of collectively up to \$2,000,000. The loans are unsecured, earn interest of 8% pa from the date of drawdown calculated on a daily basis, and are repayable upon the earlier of the Company raising sufficient funds and 6 months. The loans may be only partially drawn-down, at the discretion of the Company.

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Exploration and evaluation	32
9.2	Development	543
9.3	Production	562
9.4	Staff costs	679
9.5	Administration and corporate costs	754
9.6	Other	
	Repayment of borrowings	34
	Payments for property, plant and equipment	1,138
9.7	Total estimated cash outflows[#]	3,742

[#] The estimated cash outflows for the coming quarter are abnormally high due to expenditure required to complete the PUREgraphite manufacturing plant. Estimate cash outflows exclude anticipated receipts from customers/partners and also capital raised from the Share Purchase Plan and placement in January 2020 of \$1.3m. The directors believe there is sufficient cash and facilities available for the consolidated entity to continue operating and that further capital, prepayments from customers/partners and/or loan funding, is available if required.

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	N/A			
10.2	Interests in mining tenements and petroleum tenements acquired or increased	N/A			

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:



(Director/Company secretary)

Date: 31 January 2020

Print name: Suzanne Yeates

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 6: Exploration for and Evaluation of Mineral Resources and 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 standards apply 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.