



ASX ANNOUNCEMENT

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27 May 2020

### Entitlement Offer cleansing notice under section 708AA(2)(f) of the *Corporations Act 2001* (Cth)

NOVONIX Limited ACN 157 690 830 (ASX: NVX) (NOVONIX) announced today that it will undertake a \$58.28 million equity raising (Equity Raising) at an issue price of \$0.29 per new fully paid ordinary share (New Shares).

The Equity Raising consists of a 1 for 1 pro rata accelerated non-renounceable entitlement offer to raise approximately \$37.91 million (Entitlement Offer), an institutional placement of up to \$5.65 million (Institutional Placement) and (subject to shareholder approval) a strategic placement to St Baker Energy Innovation Fund (SBEF) of up to 19.9% of the Company's issued shares following the Equity Raising (Strategic Placement).

This Notice is given by NOVONIX under section 708AA of the *Corporations Act 2001* (Cth) (*Corporations Act*) as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 (Instrument 2016/84).

### Information required under section 708AA(7) of the *Corporations Act*

For the purposes of section 708AA(7) of the *Corporations Act*, NOVONIX advises that:

- (a) the New Shares will be issued without disclosure under part 6D.2 of the *Corporations Act* as notionally modified by Instrument 2016/84;
- (b) this notice is given under section 708AA(2)(f) of the *Corporations Act* as notionally modified by Instrument 2016/84;
- (c) as at the date of this notice, NOVONIX has complied with:
  - (i) the provisions of chapter 2M of the *Corporations Act* as they apply to NOVONIX; and
  - (ii) section 674 of the *Corporations Act*;
- (d) as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the *Corporations Act* as notionally modified by Instrument 2016/84; and



(e) information regarding the potential effect of the issue of New Shares pursuant to the Entitlement Offer on the control of NOVONIX, and the consequences of that effect, is set out below.

### **Effect of the Equity Raising on control**

The issue of New Shares under the Entitlement Offer is not expected to have any material effect or consequence on the control of NOVONIX, but is dependent on a number of factors including investor demand.

Given the structure of the Entitlement Offer as a pro rata offer, if all eligible shareholders take up their entitlement, each eligible shareholder's ownership interest (and voting power) in NOVONIX will remain largely unchanged insofar as the Entitlement Offer is concerned.

However, in addition to the Entitlement Offer, NOVONIX will undertake the Institutional Placement and (subject to shareholder approval) the Strategic Placement. Shares issued under these placements will, assuming full participation represent approximately 24.88% of the ordinary shares on issue following completion of the Equity Raising, with SBEF holding 19.9% of the Company's issued shares. Accordingly, existing NOVONIX shareholders will be diluted as a result of the Institutional Placement and the Strategic Placement.

To the extent that any eligible shareholder fails to take up their entitlement under the Entitlement Offer, that eligible shareholder's percentage holding in NOVONIX will be further diluted by those other eligible shareholders who take up some, all or more than their Entitlement and as a result of the Institutional Placement and the Strategic Placement. The voting power of ineligible foreign shareholders will be diluted.

NOVONIX Directors, Andrew Liveris, Philip St Baker, Tony Bellas, Robert Natter, Greg Baynton and Rob Cooper, have committed to take up all or part of their entitlements under the Entitlement Offer (collectively a \$3.06 million commitment).

Other than SBEF (who's interest will be 19.9% upon completion of the Strategic Placement), no person is expected to increase their interest to more than 5% of NOVONIX's issued shares as a result of the Equity Raising.

A handwritten signature in black ink, appearing to read "Tony Bellas".

Tony Bellas  
Chairman  
Novonix Limited