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NOVONIX Announces Intent to Enter Supply Agreement and Make Strategic Investment in KORE Power

Proposed investment and supply agreements will further the localization of the U.S. battery supply chain

NOVONIX to be exclusive supplier of high-performance graphite anode materials to KORE Power's U.S. facility

Brisbane, Australia & Coeur d'Alene, Idaho – January 25, 2022 – NOVONIX Limited (ASX: NVX, OTC: NVNXF) ("NOVONIX"), an advanced battery materials and technology company, today announced the execution of a letter of intent to enter into investment and supply agreements with KORE Power, Inc. ("KORE Power"), as part of an ongoing joint effort to strengthen the North American battery supply chain, from key materials to cell and pack manufacturing for electric vehicles and energy storage systems.

Pending board approvals of both companies and the execution of definitive documentation, NOVONIX will acquire an approximately 5% stake in KORE Power and will become the exclusive supplier of graphite anode materials to KORE Power's large-scale battery cell manufacturing facility in the U.S. The letter of intent is non-binding and subject to the execution of definitive documents and other customary conditions. If approved, these agreements are expected to close in early 2022.

NOVONIX and KORE Power began working together in 2019 when the parties entered into testing agreements to focus on validation and development of KORE Power's battery cell technologies. Through the arrangement, the parties have continued to test existing and new materials and designs for use in future KORE Power products found in electric vehicles and energy storage systems. KORE Power has announced plans to build a 12 gigawatt-hour (GWh) facility in Buckeye, Arizona to support the local market need for battery cells and systems, and this facility will need close to 12,000 tonnes per year of graphite anode material when fully operational.

"NOVONIX and KORE Power have been actively working together to improve battery technology utilizing NOVONIX's proprietary cell testing technologies, and these agreements deepen our longstanding collaboration," said Dr. Chris Burns, NOVONIX Co-Founder and CEO. "Through our partnership, we showed KORE Power's cell performance as comparable to global Tier 1 cell providers, and we are excited to continue to strengthen that technology. We are reducing the reliance on foreign materials and furthering the United States' position as a global energy storage leader by providing high-capacity long-life synthetic graphite anode material to a leading domestic developer."



“This partnership represents a natural fit for two companies committed to establishing a North American battery sector and facilitating a sustainable future” said KORE Power Co-Founder & CEO Lindsay Gorrill. “The booming U.S. market is leading the global transition to grid-scale battery systems, and with the support of NOVONIX, we’re energized to work towards building a secure domestic supply chain for energy storage.”

Under the proposed Securities Purchase Agreement, NOVONIX would agree to purchase 3,333,333 shares of KORE Power common stock ("Shares") at an issue price of \$7.50 per share. The aggregate offering price for the Shares will be paid in a combination of 50% cash and 50% ordinary shares of NOVONIX ("NOVONIX Shares"), at a valuation equal to 95% of the 20-day volume weighted average trading price of NOVONIX Shares on the ASX ending three days prior to the closing date. Simultaneously with the contemplated investment, NOVONIX and KORE Power shall enter into a supply agreement on mutually agreed terms. The cash component of the offering price will be funded from NOVONIX's existing cash reserves. NOVONIX Shares which are issued as part of the purchase consideration for the Shares, will be issued to KORE Power within NOVONIX's existing placement capacity under the ASX Listing Rules.

This announcement has been authorised for release to the ASX by NOVONIX Chairman, Admiral Robert J. Natter, USN Ret.

About NOVONIX

NOVONIX Limited is an integrated developer and supplier of high-performance materials, equipment and services for the global lithium-ion battery industry with operations in the U.S. and Canada and sales in more than 14 countries.

NOVONIX is a leading producer of synthetic graphite anode materials used in the making of lithium-ion batteries that power electric vehicles, personal electronics, medical devices and energy storage units. NOVONIX's anode materials business is based in Chattanooga, Tennessee, where its goal is to increase capacity to produce 10,000 metric tons per year of synthetic graphite by 2023, with further targets of 40,000 mt/year by 2025 and 150,000 mt/year by 2030. NOVONIX, which has operations in the U.S. and Canada, is also a global supplier of advanced battery-testing services.

NOVONIX's mission is to enable a clean energy future by producing longer-life and lower-cost battery materials and technologies.

About KORE Power

KORE Power, Inc., is the leading U.S.-based developer of battery cell technology for the clean energy industry. With clients in energy storage, e-mobility, utility, industrial and mission-critical markets, KORE Power provides the backbone for decarbonization across the globe. Optimized by its battery management system, KORE Power designs and manufactures its proprietary NMC and LFP cells, VDA modules and packs. Through the construction and operations of its large-scale battery cell manufacturing facility in the U.S., KORE is positioned to operate at 12 GWh per year capacity. The facility (the "KOREplex") will operate with net-zero carbon emissions through strategic partnerships and solar and storage co-generation.

KORE Power's differentiated approach provides customers with direct access, unparalleled service, superior technology and Tier 1 product availability. Focused on building sustainable communities, clean

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energy jobs and green economic expansion, KORE Power is proud to offer a functional solution to real-world problems and fulfill market demand to deliver a zero-carbon future. The KOREPlex is expected to come to Buckeye Arizona and be the anchor to the development of the Sustainable Valley by the end 2023

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This communication contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. This press release contains forward-looking statements about NOVONIX, KORE and each of their respective industries that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this press release, including statements that relate to the expected timetable for completing the potential transaction, the ability to complete the potential transaction, the expected benefits of the potential transaction (including future opportunities) and any other statements regarding each company's future results of operations, financial condition, business strategy and plans and objectives of management for future operations. In some cases, you can identify forward-looking statements because they contain words such as "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," "target," "will," or "would," or the negative of these words or other similar terms or expressions. Neither NOVONIX nor KORE have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements are subject to a number of known and unknown risks, uncertainties, other factors and assumptions. We undertake no obligation to update any forward-looking statements made in this press release to reflect events or circumstances after the date of this press release or to reflect new information or the occurrence of unanticipated events, except as required by law. Neither company may actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements.

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