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Phillips 66 Announces Strategic Investment in NOVONIX

Investment will expand Phillips 66's presence in the battery supply chain and advance NOVONIX's production of synthetic graphite for high-performance lithium-ion batteries

HOUSTON & BRISBANE, Australia – August 9, 2021 – Phillips 66 (NYSE: PSX) today announced it has entered into an agreement to acquire a 16% stake in NOVONIX Limited (ASX: NVX, OTC: NVNXF), a Brisbane, Australia-based company that develops and supplies in-demand materials for lithium-ion batteries.

“This strategic investment enables Phillips 66 to directly support the development of the U.S. battery supply chain,” said Greg Garland, Chairman and CEO of Phillips 66. “It advances our commitment to pursue lower-carbon solutions while leveraging our leadership position and expertise in the specialty coke market and supporting NOVONIX’s emerging position in U.S.-based anode production.”

Phillips 66 is a leading global manufacturer of specialty coke, a key precursor in the production of batteries that power electric vehicles, personal electronics, medical devices and energy storage units. NOVONIX, a leading producer of synthetic graphite, processes specialty coke to make high-performance anode material for these batteries. The investment supports the development of a fully domestic supply chain for sales into the U.S. electric vehicle and energy storage system markets.

“We’re excited by Phillips 66’s vision for a sustainable future and confidence in our business plan and management team,” said NOVONIX CEO and co-founder Chris Burns, Ph.D. “Phillips 66’s investment will provide us with the capital needed to support growth and ongoing R&D as we continue to scale our synthetic graphite production and develop new technologies for higher-performance energy storage applications. We look forward to continuing to build our relationship with Phillips 66 as both a strategic partner and investor.”



Under the terms of the agreement, Phillips 66 will subscribe for 77,962,578 ordinary shares of NOVONIX for a total purchase price of US\$150 million. Additionally, Phillips 66 will nominate one director to NOVONIX's Board of Directors. The transaction is subject to approval by NOVONIX shareholders, as well as other customary closing conditions. This investment is driven by Phillips 66's Emerging Energy organization, which is tasked with building a lower-carbon business platform.

NOVONIX's anode materials business is based in Chattanooga, Tennessee, where it is increasing capacity to produce 10,000 metric tons per year of synthetic graphite by 2023. The investment by Phillips 66 will support a capacity expansion of an additional 30,000 mt/year, which is expected to be completed by 2025.

This announcement has been authorised for release to the ASX by the Board of Directors of NOVONIX Limited.

About Phillips 66

Phillips 66 is a diversified energy manufacturing and logistics company. With a portfolio of Midstream, Chemicals, Refining, and Marketing and Specialties businesses, the company processes, transports, stores and markets fuels and products globally. Phillips 66 Partners, the company's master limited partnership, is integral to the portfolio. Headquartered in Houston, the company has 14,000 employees committed to safety and operating excellence. Phillips 66 had \$57 billion of assets as of June 30, 2021. For more information, visit www.phillips66.com or follow us on Twitter [@Phillips66Co](https://twitter.com/Phillips66Co).

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

CAUTIONARY STATEMENT FOR THE PURPOSES OF THE "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbors created thereby. Forward-looking statements may be identified by the use of words like "plans," "expects," "will," "anticipates," "believes," "intends," "projects," "targets," "estimates" or other words of similar meaning. Forward-looking statements are based on certain assumptions and expectations of future events which may not be accurate or realized, and involve risks and uncertainties, many of which are beyond Phillips 66's control, including but not limited to regulatory approvals and market conditions. A discussion of factors that may affect future results is included in Phillips 66's filings with the Securities and Exchange Commission. Phillips 66 disclaims and does not undertake any obligation to update or revise any forward-looking statement, except as required by applicable law.

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