13 March 2023

Gelion plc

("Gelion", "the Group" or the "Company")

Lithium sulfur IP acquired from University of Sydney and selected for Supercharge Australia Innovation Challenge

Gelion (AIM: GELN), the Anglo-Australian battery storage innovator, is pleased to provide the following update:

Lithium Silicon Sulfur ("LiSiS")

Acquisition of intellectual property assets from the University of Sydney

- Following the recent acquisition of the IP portfolio from Johnson Matthey announced on 9 March 2023, Gelion announces the acquisition of intellectual property assets ("IP") in relation to sulfur cathodes, electrolytes and additives from the University of Sydney ("University"). The IP was previously exclusively licenced to Gelion under a grant made by the University in 2021 which provided Gelion with an option to acquire the IP for A\$130,000. Post the Johnson Matthey acquisition, Gelion decided to use the option as we assess the strategic importance, and the value of this IP is significantly higher given the technological progression made by Gelion in the sulfur cathode space creating a pathway of accelerated commercialisation. This acquisition also includes future cooperation from the University including all right, title and improvement made by the University to the IP in the future.
- This acquisition along with the Johnson Matthey IP portfolio ("Combined IP") provides Gelion with greater flexibility in its Lithium Sulfur and Lithium Silicon Sulfur offerings, and our objectives toward supporting graphitic and high silicon as well as lithium metal anodes, improving overall lithium-ion battery safety, increasing gravimetric energy density and achieving lower costs. This acquisition reflects Gelion's commitment to accelerated technology development along this path.
- Concurrently Gelion, in partnership with other major industry participants, is exploring the potential to establish a pilot scale manufacturing capability in the LiSiS space.

Selected in the Supercharge Australia Innovation Challenge

Selected by Supercharge Australia to take part in the "Supercharge Australia Innovation Challenge". This
challenge supports lithium battery innovation and aims to capture more value from the lithium battery
supply chain, as a potential lithium battery gamechanger to enable next generation applications of eaviation and provide better battery performance and safety for electric passenger cars, trucks and buses.
Gelion aims to use the initiative to extend visibility and understanding of the strength, relevance, and
ultimate potential of its LiSiS initiative and to help further develop important connections inside the
Australian and Global supply chain.

Zinc Bromide

- Completed the manufacturing of 1,200 zinc bromide gel-based cells to be utilized in the Acciona trial and internal R&D. These are being tested internally at Gelion's cell testing program and utilised in an end-toend system validation process using the same infrastructure that will be used by Acciona. The trial will begin on the successful completion of these internal validation tests.
- Developed and implemented a more sophisticated version of our battery management system (BMS) for zinc-bromide batteries (currently being used for internal testing), designed to allow for high accuracy measurements.
- Initiated development of software to manage multi-string systems and provide reliable data for real-time data analysis.
- Conducted a rigorous match to market exercise in respect of its zinc bromide technology which has
 provided additional insight into how the product can be further optimized to better meet the needs of
 potential end customers. Based on outcomes from the review Gelion will conduct research and refinement
 of the zinc bromide technology toward delivering the identified goals which we anticipate will take in the
 order of 12 months before making any decision to scale production.

John Wood, Chief Executive of Gelion commented: "My first few months as the CEO have confirmed my view that Gelion offers exceptional technologies in a fast-moving and high-growth space. Our focus is to refine and deliver these technologies into a package that is suitable for our large target markets.

Building on the IP acquisition from Johnson Matthey, I am very pleased with the acquisition of sulfur cathode IP from the University of Sydney as we assess the value of this IP to now be multiple times higher than initially anticipated.

Our match to market study in the zinc bromide area has produced very useful data which we will use to further develop our technology. Again, the end market is vast, but it is critical that we deliver a compelling proposition to our customers with a robust and proven product and follow a rigorous approach to ensure full technology market readiness.

I am encouraged by the progress we have made over the last few months and am confident in the plans we have, to deliver the best performance building on Gelion's strong IP and team resources for the benefit of our shareholders."

Acquisition of lithium sulfur IP

Gelion has acquired the University's lithium sulfur IP for a total AUS\$130,000 (plus GST), which will be satisfied by the issue of 171,396 ordinary shares in Gelion plc (the "Consideration Shares") at a price of 42.83 pence on 17 March 2023.

The University will transfer to Gelion plc the patents, the technical information and any improvements in relation to sulfur cathodes (including suitable additives and electrolytes), including all of its right, title and interest in any improvement to date and in the future, created by the University or its associates.

This acquisition converts Gelion's previously existing exclusive licence with the University to use its Lithium Sulfur technology within its additives business to create LiSiS batteries.

The Combined Portfolio has the potential to:

- resolve the issue of sulfur management which is a critical issue for Lithium Sulfur batteries;
- eliminate the reliance on the maturity of Lithium Metal anodes as the Lithium Sulfur cathodes developed by Gelion are intended to be compatible with graphitic, silicon, and lithium metal anodes; and
- allow for the Lithium Sulfur technology to be commercialized on accelerated paths.

In addition, the combined portfolio also provides Gelion with:

- a greater control over its usage and potential commercialisation pathways;
- an ability to tailor the IP to its specific needs and make changes or modifications as needed; and
- an option to licence the technology to other parties (should it decide) which has particular value to
 - Gelion given the importance of the product and intense competition.

Gelion's Performance Additives division is focused on developing sulfur cathodes which, when paired with existing lithium-ion and lithium-ion silicon battery anode technologies, have the potential to improve overall lithium-ion battery safety, increase energy density and reduce cost, presenting a compelling commercial proposition for a range of markets including electric vehicles, e-aviation and drones.

As previously announced in December 2022, Gelion's half-cell sulfur cathode technology has now reached 300 usage cycles at less than 20% capacity degradation using conditions where testing without the additive failed inside 100 cycles, a result that points to the potential for Gelion's additives when paired with existing lithium-ion and lithium-ion silicon battery technologies. Gelion is accelerating its research in this area and is commencing the early stages of full cell testing.

This IP acquisition will strengthen Gelion's overall offering in the LiSiS market, enhance the Group's IP portfolio and accelerate the Company's ability to develop products focused on the improved performance of lithium-ion batteries.

Gelion, in partnership with other major industry participants, is exploring the potential to establish a pilot scale manufacturing capability in the LiSiS space.

Supercharge Australia Innovation Challenge

Gelion has been selected to participate in the Supercharge Australia Innovation Challenge. Supercharge Australia is a project of the partnership between not-for-profit startup support organisations New Energy Nexus globally and EnergyLab in Australia and New Zealand. New Energy Nexus has offices in 11 countries and is head-quartered in the US, and EnergyLab is the leading local climate and clean energy tech startup support organisation, both supporting clean energy entrepreneurs with funds, accelerators, and networks.

A key purpose of Supercharge Australia is to bring the Australian industry together to understand where innovation is required and leverage New Energy Nexus' global expertise, including its role in the US Department of Energy's Lithium Bridge project combined with EnergyLab's leading Australian startup support expertise to accelerate the development of a robust and secure domestic supply chain for lithium-based batteries and associated businesses.

Danny Kennedy, Chief Energy Officer New Energy Nexus commented." New Energy Nexus and our partners established the US Lithium Bridge, a 600+ company ecosystem, to target US\$33 billion in lithium battery revenues and 100,000 new jobs by 2030. New Energy Nexus and EnergyLab are bringing these learnings to Australia, including developing a suite of startup support programs locally to accelerate the build out of Australia's ecosystem with candidate high impact, next generation technologies like Gelion's lithium-silicon-sulfur battery development."

The global clean energy transition will be driven largely by batteries and the Supercharge Australia initiative aims to position Australia as a leader in lithium battery technology, from extraction to advanced battery and EV manufacturing. While Gelion is still in the development stages of its LiSiS development, assuming success of the program, the technology has the potential to achieve double the gravimetric energy density of current lithium batteries, while achieving a lower cost and improving safety. It was selected into the Supercharge Australia Innovation Challenge as a potential lithium battery gamechanger to enable next generation applications of e-aviation and provide better battery performance and safety for electric passenger cars, trucks and buses. Gelion aims to use the initiative to extend visibility and understanding of the strength, relevance, and ultimate potential of its LiSiS initiative and to help further develop important connections inside the Australian and global supply chain.

Zinc Bromide

Gelion has manufactured approximately 1,200 zinc bromide gel-based cells to date (170 kWh). While
these have been tested within Gelion's own parameters they have not been tested under conditions
analogous to those within the Acciona ecosystem. Accordingly, these cells are now being tested internally
at Gelion's cell testing program and utilised in an end-to-end system validation process using similar
infrastructure as Acciona would use. The trial will begin on the successful completion of these internal
tests.

The Company has conducted a rigorous match to market exercise, which has supported the positioning pre-empted in the December update of adapting Gelion's:

- Zinc technology toward applications currently dominated by Lead-Acid batteries (intended applications include reserve power for microgrids, telco tower battery systems and uninterruptible power supply (UPS) batteries for data centres); and
- Lithium Silicon Sulfur technology toward the family of lithium dominated applications where the potential of the technology to deliver higher gravimetric energy density, enhanced safety, and lower cost is compelling.

Combining understanding of the performance needs from the lead acid segments identified as most suitable to Gelion's technology with learnings from the Company's early manufacturing and testing, the business will now focus its Zinc technology development toward a further round of research work to achieve certain defined goals before committing further investment to scale production. This research is expected to take place over the course of the next 12 months with a round of further testing and validation thereafter.

Release of a full production battery cell design requires significant time and investment, and the Board believes this approach is both the most effective stewardship of the Company's resources and the fastest path to successfully launch a new cell chemistry. The Board will continue to keep shareholders informed as this progresses.

Issue of Consideration Shares

Application has been made to the London Stock Exchange for the 171,396 Consideration Shares to be admitted to trading on AIM and admission is expected to occur on or around 8.00am on 17 March 2023 ("Admission"). The Consideration Shares will rank nor nassy with the existing ordinary chares in the capital of the Company ("Ordinary Shares").

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Total Voting Rights

Following Admission, the issued share capital of the Company will be 108,407,750 Ordinary Shares and this figure may be used by shareholders as a denominator for the calculations by which they will determine if they are required to notify their interest in or change to their interest in the Company under the Disclosure Guidance and Transparency Rules published by the UK Financial Conduct Authority. There are no Ordinary Shares held in treasury and each Ordinary Share entitled the holder to a single vote at general meetings of the Company. Therefore, the total number of voting rights in the Company will be 108,407,750.

CONTACTS

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About Gelion plc

Gelion ("gel: ion") is a global renewable-energy storage innovator who supports the transition to a sustainable economy while delivering value for its customers and investors by designing and manufacturing the outstanding zinc-bromide batteries for stationary energy storage and Lithium Sulfur and Lithium Silicon Sulfur technologies for mobile battery applications.

Mobile storage - Tomorrow's transport systems will rely on mobile renewable energy. Gelion is developing sulfur cathode, electrolyte, and additive technologies with the aim of improving the safety, longevity and energy density of lithium-based batteries for mobile applications. Using nanotechnology, Gelion's lithium-silicon-sulfur additives will help power the EV and e-aviation markets.

Stationary storage - Gelion Endure: the sustainable energy storage solution.

Gelion has developed patented technology for a breakthrough zinc-bromide battery to support the transition to a carbon neutral economy by 2050. The technology is being developed with the goal of establishing Gelion Zinc Bromide as a logical participant in the ecosystem of suppliers, manufacturers and customers surrounding lead acid technology.

Gelion's zinc-bromide gel battery uses non-flow technology, which is scalable, can deliver 100% depth of discharge and has potential for higher temperature tolerance and longer duration discharge than lead-acid batteries.

Gelion was spun-out from the University of Sydney in 2015 by Professor Thomas Maschmeyer, Fellow of the Australian Academy of Science and recipient of the Australian Prime Minister's Prize for Innovation 2020, that country's highest honour for scientific entrepreneurship.

The Company's ESG credentials are strongly aligned to six of the UN's 17 Sustainable Development Goals. Gelion's shares are listed on the AIM market of the London Stock Exchange and it received the Green Economy Mark at IPO in November 2021 recognising its commitment to energy transition.

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