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Directa Plus plc

("Directa Plus" or the "Company")

Supply and Strategic R&D Agreement with NexTech for Lithium-Sulphur Batteries

Partnership moves to the next level with three year agreement and joint R&D collaboration

Directa Plus (AIM: DCTA), a leading producer and supplier of graphene nanoplatelets based products for use in consumer and industrial markets, is pleased to announce that the Company has signed a supply agreement (the **"Supply Agreement**") and a Strategic R&D Agreement (the **"R&D Agreement**") with NexTech Batteries Inc. (**"NexTech"**), a leading company in the field of Lithium Sulphur (**"Li-S"**) batteries based in Nevada, US. These agreements follow on from the Memorandum of Understanding entered into between the two companies and announced on 26 October 2020.

The Supply Agreement has an initial duration of three years, with an option to extend for an additional two years by mutual agreement and governs the provision of a specific grade of G+[®] pristine graphene nanoplatelets by Directa Plus to NexTech for the production of the active materials of the cathode in NexTech's first generation of Li-S batteries. Under the Supply Agreement, Directa Plus will supply NexTech with 300kg of nanoplatelets in 2021, with quantities for delivery in each subsequent year to be agreed between the parties at the end of each year and subject to the achievement of order quantities related to NexTech's anticipated growth. Directa Plus and NexTech have also agreed a worldwide bilateral exclusivity between the parties in the lithium battery field for the duration of the Supply Agreement.

The R&D Agreement, also with a duration of three years, provides for Joint Lab activities with the intention of developing new specific grades of G+[®] graphene nanoplatelets for a next generation of Li-S batteries. Both parties will dedicate selected scientists from their R&D teams and part of their respective facilities to the enterprise.

As announced in November 2020, NexTech, using Directa Plus's G+ materials, achieved above 400 Wh/kg (watt-hours per kilogram, the usual measure of specific energy density) in a practical Li-S system: 410Wh/kg of specific energy at a weight only slightly below 30g. For comparison, standard lithium-ion ("**Li-ion**") batteries have a specific energy density of 100-265 Wh/kg.

The chemistry of Li-S batteries eliminates the safety issues that have plagued Li-ion batteries - with no oxygen producing materials, a passivate anode and no thermal runaway, Li-S batteries will not catch fire or explode.

NexTech's pouch cell technology is market ready. NexTech is currently initiating strategic customers and 3rd party sampling and validation with the intent to deploy batteries in mule vehicles and real-world systems towards the end of 2021.

Giulio Cesareo, Chief Executive of Directa Plus, commented: "These exclusive Supply and Strategic R&D agreements represent the latest stage in an exciting partnership between Directa Plus and NexTech. Directa Plus together with NexTech are collaborating on developing a process that is precisely designed to generate high lateral dimension and high aspect ratio nano-platelets that perfectly match the requirements of Li-S cathode production and retain the maximum electronic conductivity of graphene. We both believe that lithium-sulphur batteries have the potential to become deployed worldwide in multiple applications as we transition to net zero. Batteries that do not use cobalt, but waste sulphur, also represent a more environmentally sustainable choice in keeping with our core values."

Bill Burger, Chief Executive of NexTech, commented: "Our exclusive Supply Agreement with Directa Plus is a key component of NexTech's expansion strategy from the perspective of scalability, performance and cost. Additionally, our fundamental understanding of materials and materials interactions gained through the joint strategic R&D efforts will result in additional performance and breakthroughs which will open the way for more applications and market penetration."

For further information please visit <u>http://www.directa-plus.com/</u> or contact:

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About Directa Plus

Our focus is principally on the two sectors in which we have strong commercial advantage through developed and launched products and a technological lead: environmental (based on our Grafysorber[®] product) and textiles (based on our G+ products). In addition, we will continue to pursue opportunities in elastomers and composites (including tyres and asphalt), also using our G+ products. All our products are hypoallergenic, non-toxic and sustainably produced.

About NexTech Batteries

NexTech was founded in 2016 and owns the exclusive licence to the intellectual property relating to lithium-sulphur batteries developed by the Lawrence Berkeley National Lab, a US Department of Energy Office of Science laboratory, managed by the University of California. Lithium-sulphur batteries are considered to be a superior battery technology to lithium-lon battery technology due to possessing a superior energy density, a significant cost advantage, a superior safety profile and a less complex manufacturing process.

https://www.nextechbatteries.com/