



Press release

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OXIS ENERGY ATTRACTS INVESTMENT FOR THE WORLD'S FIRST Li-S CELL MANUFACTURING PLANT

OXIS Energy Ltd UK ("OXIS") has signed a contract with CODEMGE PARTICIPACOES SA, a public company incorporated in the city of Belo Horizonte in the state of Minas Gerais, Brazil to establish the world's first digital manufacturing plant for the mass production of OXIS' lithium sulfur cells. OXIS Energy Brazil Holdings will manage the plant.

CODEMGE's US\$60m investment will go towards the building of the plant in Belo Horizonte with Phase 1 having a cell capacity of 2 million cells per annum. Collaborating with Siemens Digital Factory, among others, the aim is to design a plant that will produce around 5m cells by the mid 2020s. OXIS expects to complete Phase 1 in 2022.

The OXIS Li-S cells will be developed, designed and produced to meet the demands of three sectors - aviation, defence and electric vehicles such as buses, trucks and light commercial vehicles, reflecting the clients currently in partnership with OXIS.

Huw Hampson-Jones, CEO OXIS Energy said, "The decision made by CODEMGE to invest alongside OXIS to develop and build the first ever Lithium Sulfur cell technology manufacturing plant is of great significance to the widespread adoption of pure electric vehicles for worldwide consumption. It also displays the foresight of the State Government of Minas Gerais in moving away from its dependency on North American or Asian cell manufacturing capabilities. Brazil will emerge as being a major future supplier of re-chargeable lithium batteries, whilst at the same time exploiting its natural mineral reserves of lithium in the state of Minas Gerais."

According to Marco Antonio Castello Branco, CEO of CODEMGE, “This collaboration with OXIS Energy illustrates the diversification of the Minas Gerais industrial structure. Its entry into the high technology sector will increase its scientific and business relationships with the UK. The lithium sulfur cell plant represents a strategic downstream integration of CODEMGE’s engagement in lithium mining and chemicals production.”

This round of funding is in addition to the £6.3 million investment from the Brazilian private equity fund Aerotec completed in 2018.

Editor's Notes:

OXIS Energy Ltd is involved in the design, development and now the move towards commercial production of Lithium Sulfur cells for battery systems. With 39 patent families, OXIS has been granted 175 patents with 94 pending.

OXIS Energy Brazil Holdings

In early 2018, OXIS Energy UK Ltd established a legal entity in Brazil, known as OXIS Energy Brazil Holdings. The company is owned 80% by OXIS Energy UK Ltd and 20% by the Aerotec Fund Brazil. OXIS has already appointed a General Manager for Brazil, with further employment of personnel expected in the near term.

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