

## Versarien

### Investors' questions for AGM

September 2020

#### Face Masks

1. Can you please update in respect of how the Face Mask is selling (volumes, values) and whether there have been any other notable sales (in a similar vein to the previously announced pre-sales)?
2. Can you please update in respect of the launch dates, and any pre-sales, for other promised PPE items such as the FFP3 Face Mask?

**Answer:** We continue to market the FFP2 face masks both directly and through distribution channels, and will update the market at both interim and final result stages unless there is an immediate notifiable event. Opportunities for FFP3 masks and other alternatives are in the course of development.

#### GSCALE

3. Can you please confirm which of the GSCALE projects the announced draw down of £1.96m Innovate UK Funding has been applied to?
4. Can you please confirm how / on what the initial funding has been spent (or will be spent)?
5. Can you please provide any update upon the plans / timelines for these projects?
6. Regarding GSCALE, why use the terms "kick-off...people into places...very initial stages", when supposedly the relevant collaborations have been said to have been worked on for some time? (Quotes Neill's TMS interview with Sarah Lowther on 5/8/20)
7. What is the value or quantity attaching to the supply of Nanene(?) for a single arch when to be ordered by TFL, to AECOM's specification?
8. Is there any indication of the date planned for the deployment of these arches?

**Answer:** The receipt of the first GSCALE monies will be applied to the 5 projects in accordance with the terms and conditions of the Innovate UK loan. The project development stage, which is for scale up, is expected to take 24 months.

#### GNPs

9. Previously Versarien have stated that they were developing a 30 tonne capacity machine for their GNPs, can we please have an update on progress?

**Answer:** Our scale up of manufacturing capability is now allied to the GSCALE loan funding, details which will be updated at the interim and final result stages.

#### Gnanomat

10. Can you shed any more light on who Gnanomat are working with to commercialise their Energy Storage Technology, and update upon progress, as mentioned in the Preliminary Results?

**Answer:**

- **Supercapacitors** - Gnanomat has tested lead nanomaterials in industrial prototype devices. Asymmetric devices with aqueous electrolyte with one electrode made of a Gnanomat product showed substantial improvement without affecting the power profile. It is performing initial tests into commercial customer devices with two companies, one

in the US and one in Spain, but the names are confidential. It is also working with companies in S. Korea, China and other parts of Europe. There is, however, no guarantee of commercial success.

- **Metal Air** - These are new industrial applications, in addition to supercapacitors. Metal-air batteries are energy storage devices that have excellent energy density properties and are much lighter when compared with the current technology such as Li-ion batteries. They are also environmentally friendly and fully recyclable at the end of life.
- In catalyst assays for primary batteries, Gnanomat products showed an improved functional profile against current market standards. Initial assays also confirmed the possible use as a secondary battery with initial tests performed at a potential commercial customer.

### **Subsidiaries**

11. In terms of cash payments between subsidiaries which are not wholly owned, how are cash payments handled in terms of allocation of profit/revenue to the parent company?

**Answer:** Versarien Plc funds its majority owned subsidiaries in order to ensure the development of its products. Management charges are levied to all its subsidiaries from the parent company.

### **Collaborations**

12. The present position of any of Versarien's many collaborations is unknown to shareholders. When can we expect an update, reviewing progress of any, or the majority of, collaborations listed in previous VRS RNS reports?

**Answer:** As previously announced, updates will be given at the interim and final results stage with any further updates being made as required under the AIM Rules. The Company has stated that it is focussing efforts on a few of the many collaborations in order to achieve commercialisation in as short a period as possible.

### **InnovateUK**

13. The latest InnovateUK deal gets the company to between 100-200 tonnes per year but the most interesting question is how to get to 20,000 tonnes? In terms of expansion to such high quantities does the company have the necessary support from EU/US banks and institutional investors if it chooses to scale to these quantities?

**Answer:** The company does not expect to scale up to that level in the near term, which would form around 40% of required global supply according to some research reports.

### **Communications**

14. In terms of investor communications, the UK listing rules forbid companies to give certain details about the operations. But when you listen to Elon he speaks quite freely without giving technical secrets away about what Tesla is actually doing in terms of engineering and future strategy. How do we get Versarien to that point where you can speak more freely about your goals and ambitions for the company?

**Answer:** Versarien has always aimed to be upfront and clear about our goals, ambitions and strategy. The core focus of the Company is the development, manufacture and commercialisation of advanced engineering materials such as graphene. Through working with our collaborative partners,

we aim to disrupt a wide variety of industry sectors with our technology. However, the Company is bound by the rules of the AIM market and updates on our business plans and strategy are released through RNS announcements. As stated in the Annual Report, the Company will communicate at each notifiable event, through our interim and final results. Non-price sensitive information is released via RNS Reach and via podcasts as appropriate.

**Other**

15. At the last AGM in September 2019 Chris stated that the groundwork had been laid for 'significant revenues' in the year ahead. At the GEIC in March 2019 Neill conceded, after being placed under some pressure, that he would be disappointed if 1 of the 5 did not drop 'in the next 6 months'. The proposed joint venture into China, with equity raise, has stumbled at the last hurdle. So my question to Neill is, "Are you disappointed, and if not, why not?"
16. Do VRS have any relationship, cordial or collaborative, with Paragraf, who have announced a launch of CVD graphene coated solar panels by the New Year 2021?
17. In light of all of the good news over the last six months what are the directors looking forward to in terms of future news flow of the company?

**Answer:** As stated in the Company's recently published Annual Report, its headline is to commercialise its technology. World events have slowed the development of some projects but we continue to focus on those projects that will provide revenues as soon as possible. There are no current relationships with Paragraf. As an AIM listed company we can only announce "good news" in accordance with AIM rules and therefore cannot pre-announce expectations.