









Quallion Matrix Battery Technology for Lithium-ion Lead Acid Replacement & Wide Operating Temperature Range Cells

May 2011

Powering Life.



Introduction

- Employing a core strategy of leveraging R&D, niche focus, complementary and synergistic market entries
- Largest manufacturer of Lithium cells in the U.S.
- Best-of-breed system level approach for advanced battery technologies involving a core expertise from material selection to cell design and final battery pack configuration
- Products:
 - Materials
 - Cells
 - Primary
 - Secondary
 - Polymer
 - Batteries
 - Matrix Battery (MBD)
 - Intellectual Property Portfolio
 - Zero-Volt
 - SaFE-LYTE

End Markets

- Aerospace
- Defense
- Medical
- Utility
- Vehicle

Headquarters: Sylmar, CA

Founded 1998

Employees 161

<u>Sites</u> Sylmar, California Detroit, Michigan New York, New York



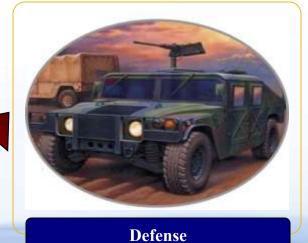
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QUALLION

Targeting and Dominating Key Niche Markets



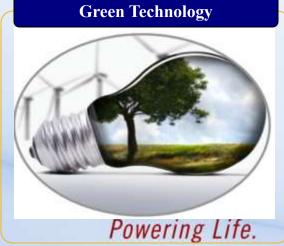
Quallion focuses on organic growth within niche markets rather than highly commoditized markets



QUALLION Powering Life.







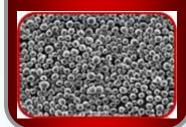


Overview of Battery Industry Battery Market Stratification

Battery Market Stratification

Materials

Chemistries can be varied for highenergy, power, rate and capacity, safety.



Cell Design

Cell configurations include prismatic, cylindrical, flat stack, wound, large, small, polymer (pouch), hard case.



Electronics

Cell and battery management, power, safety, interface, communication (e.g., SM/CAN), balancing, state of health monitoring, modeling, grade of board parts.



Battery Pack

Pack design: safety, interconnects, spacing of cells, thermal gradients, heat ejection, environmental requirements, interface to application.



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Lithium-ion Challenges for Lead Acid Replacement

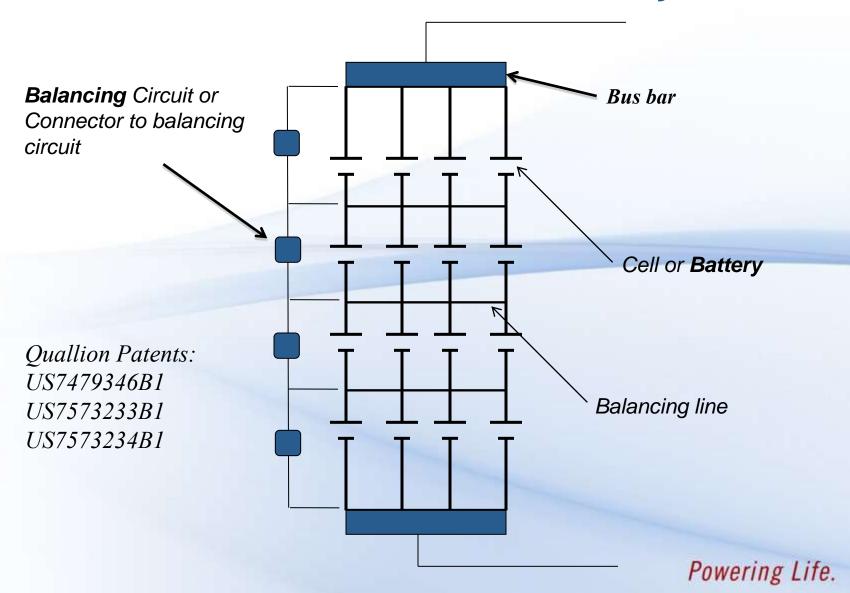
- Cost
 - Mitigated lifetime use, as long as lead acid is utilized for deep discharges
- Electronics
 - Battery must contain power electronics capable of high discharges while managing for external shorts
 - Safety for overcharge, overdischarge and over/under voltage
 - Charge management/regulation to ensure proper system function



Quallion Matrix™ Technology



Patented Quallion MatrixTM Battery Structure





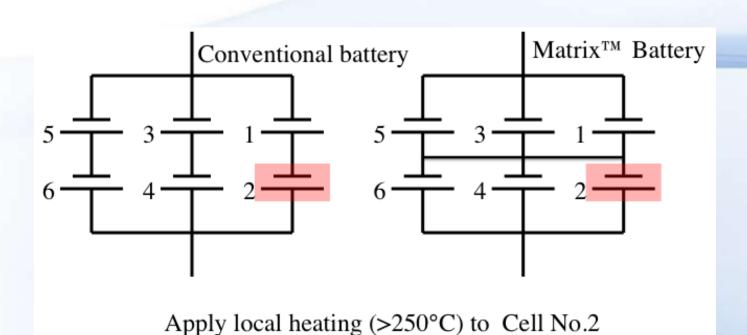
Quallion Matrix[™] Technology Safety Aspects



Matrix[™] Battery: Advanced Safety Feature

Cell: 18650







Conventional Battery: Thermal Run-away Propagated to Entire Battery







Matrix™ Battery: Thermal Run-away Localized to Only Cell #2







Matrix™ Battery: Cell #3-6 Remain Functional

Cell number	Resistan ce (Ohm)	Voltage (V)
1	5600	-
2	-	-
3	0.04	4.14
4	0.026	4.107
5	0.03	4.14
6	0.03	4.08



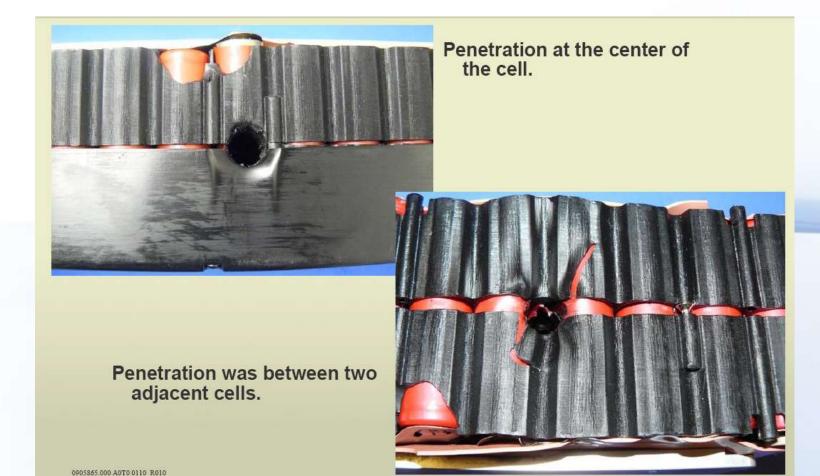
Partial Penetration Test Conditions



- The module was charged with 53.3V, 3.5A (CCCV method) at room temperature (approximately 25 Deg C).
- The module was charged to 100% RSOC (reported by SMBUS communication).
- The module was penetrated with a 10 mm mild steel (conductive) pointed rod.
- The rate of penetration was approximately 8 cm/sec.
- The module was penetrated twice, once at the center of the outer cell and a second penetration between two outer cells.
- After penetrating the battery module, the test was monitored for one hour.



Partial Penetration Test Results





Crush Test Conditions

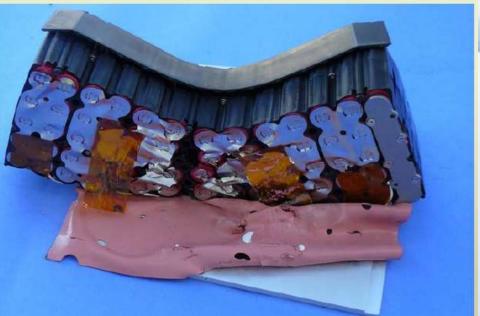


- The module was charged with 53.3V, 3.5A (CCCV method) at room temperature (approximately 25 Deg C).
- The module was charged to 100% RSOC (reported by SMBUS communication).
- The module was crushed between a flat plate and a textured plate as shown.
- Bottom flat plate was electrically isolated from the crush fixture.
- The crush occurred in two stages. In the first stage, crush is applied for 15% of the module's height, which is held for five minutes.
- In the second stage, crush was limited by a 47% displacement of the module's height and is held for five minutes.
- The module was observed for one hour after the test.



Crush Test Results







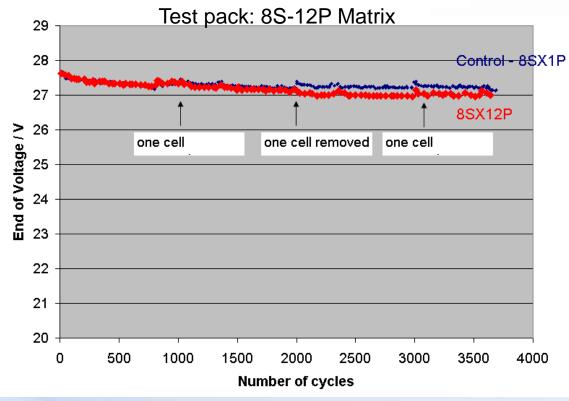
Quallion Matrix™ Technology Survivability



Increased Load Test on Matrix[™] Battery

... A cell was removed at every 1000 cycles from pack

LEO cycle continued with no impact on battery voltage after 3750 Cycles with Three Failed Cells

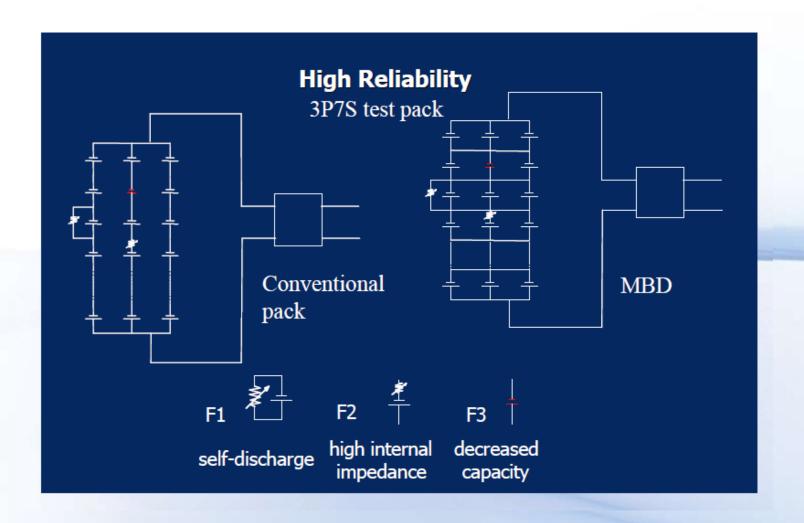


Test Parameters

- 90-minute orbit
- Charge at 6 A to 32 V clamp with a taper to end of the charge period of 60 minutes
- Discharge current 9.6 A for 30 minutes
- DOD: 40%
- Removed one cell at 1000th cycle, second at 2000th cycle and the third at 3000th cycle; to understand the performance of the battery with three failed cells

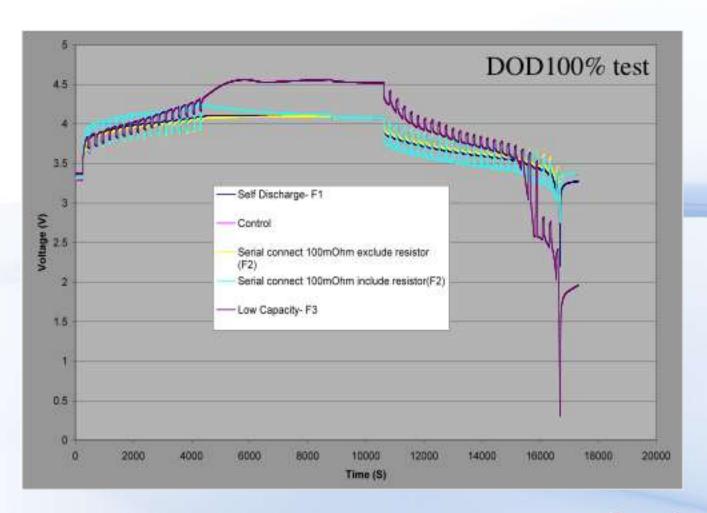


Survivability Comparison: MatrixTM vs. Conventional

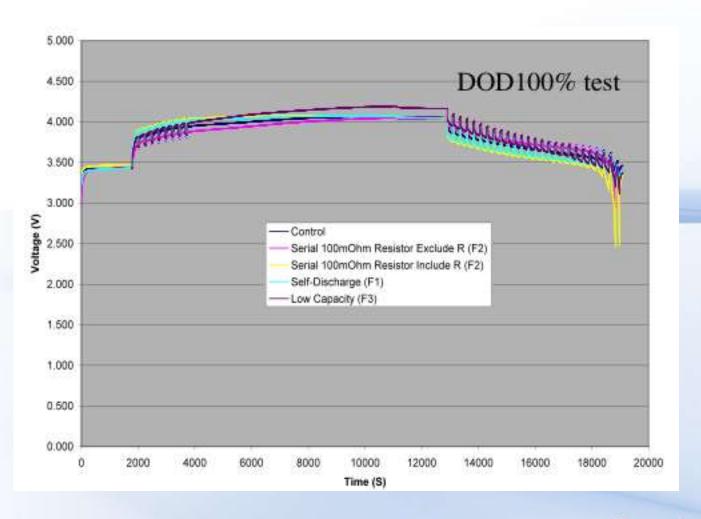




Conventional Pack: Failed in Overcharge at First Cycle

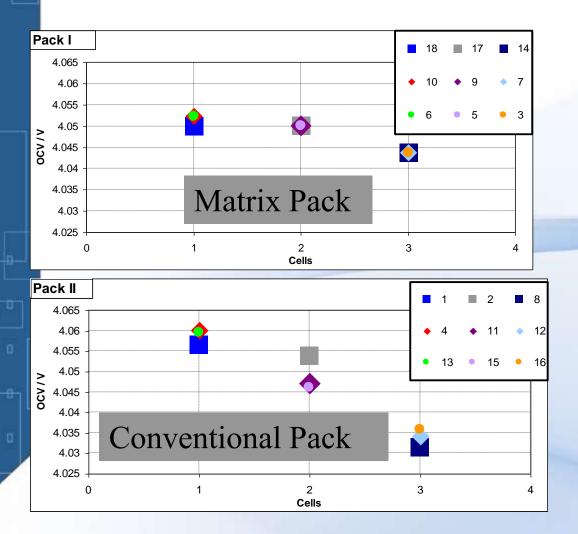


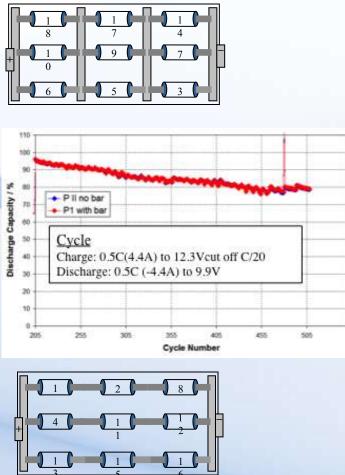
Matrix™ Battery: No Overcharge & Survived an Additional 19 Cycles





Matrix[™] Battery: Less Balancing Need for Pack after 300 Cycles





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Matrix™ Battery: Flexible Power/Energy Ratio

12S-4P with various HE/HP cell Mix

	HP Cells	HE Cells
Energy density	120Wh/kg	200Wh/kg
Power density	1000W/kg	200W/kg

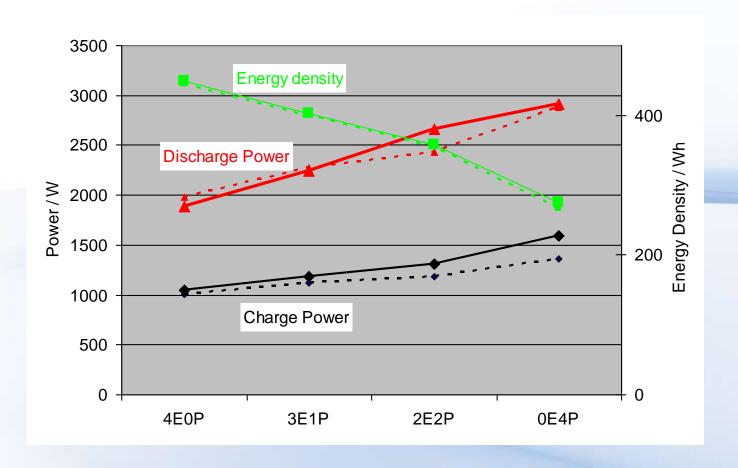


Battery pack	Total number of cells	High power cells (18650 - 1.5 Ah)	High energy cells (18650 - 2.5Ah)	Weight (g) (including heat shrink tube, excluding tab)
4E0P	48	0	48	2208
3E1P	48	16	32	2176
2E2P	48	24	24	2160
0E4P	48	48	0	2112



12S-4P Hybrid Quallion Matrix[™] Battery

... A matching correlation between design and performance



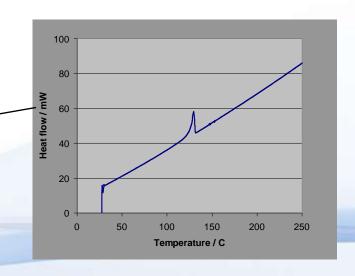


Quallion HAM™ Technology

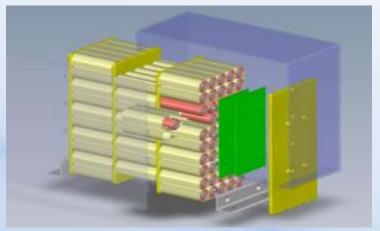


Quallion Heat Absorption Material (HAM™)Technology











Overcharge Test with and without HAM™

Test Battery

18650 (1.5Ah high power) - 10 cells in Parallel connection.

Capacity- 15.0 Ah



Overcharge Test Condition

Charge battery pack @6A to 12V, hold voltage @12V till temperature dropping



without HAM sleeve

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Thermal Run-away Propagation without HAMTM



Connection



After Test



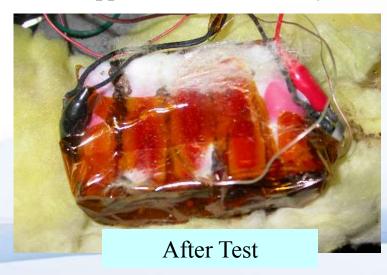




Thermal Dissipation with HAMTM

HAMTM melted and latent heat stopped thermal run-away









Insulation

After Test ering Life.

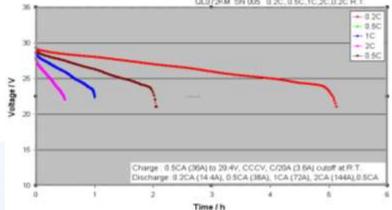


Quallion Matrix[™] Technology In Large Lithium-ion Lead Acid Replacements



Quallion 24V, QL072KM 1250A Capable Battery System for HMMWV





Discharge time at various rates



Current Lead-Acid Battery 12V x2Series, 65Ah, 59lb x2





Quallion Drop-in Li-ion APU with Safety Circuit and Fuel Gauge 24V, 72Ah, 42lb

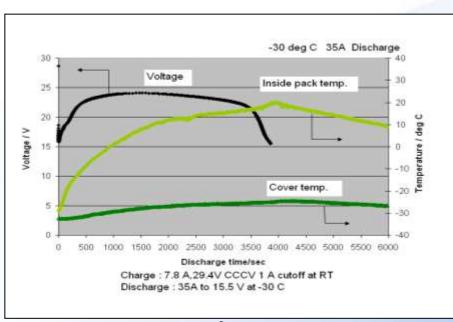
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24V, 50Ah Lithium-ion Battery for U2 Vehicle

Li-ion Tech Demonstration Unit using QL038KM unit

- 38 Ah capacity
- Flight Demonstration Fall 2008 with future scale up to 50Ah



QL038KM -30°C, 30A discharge (discharged 98% of nameplate capacity)







24V, 8.25Ah Lithium-ion EBPS for C-17 Aircraft





Qualification Program to Replace Current Ni-Cd System

- Low maintenance & long life
- Fully integrated charge control electronics, battery management electronics & BIT/SOC capability
- -65°F to 160°F (with heaters)
- 8.5lbs
- Full charge in 75 minutes over 21V to 32V input range
- Plug-N-Play



24V, 38Ah Lithium-ion Battery for Little Bird, MH-47 & MH-60 Vehicles







- •24V Lithium-ion/Lead Acid Replacement
- •1100 amp pulse capability
- •38 Ah capacity
- •24 lbs





Wide Operating Temperature Cell Designs



Quallion Q18650-HP



At -40°C, 30C rate discharge capable

Cell Specifications				
True Capacity / mAh*	1000			
Energy Density / Wh/kg*	92			
Energy Density / Wh/I*	217			
Dimensions / mm	65 x 18			
	(H x d)			
Weight / g*	39 ± 0.75			

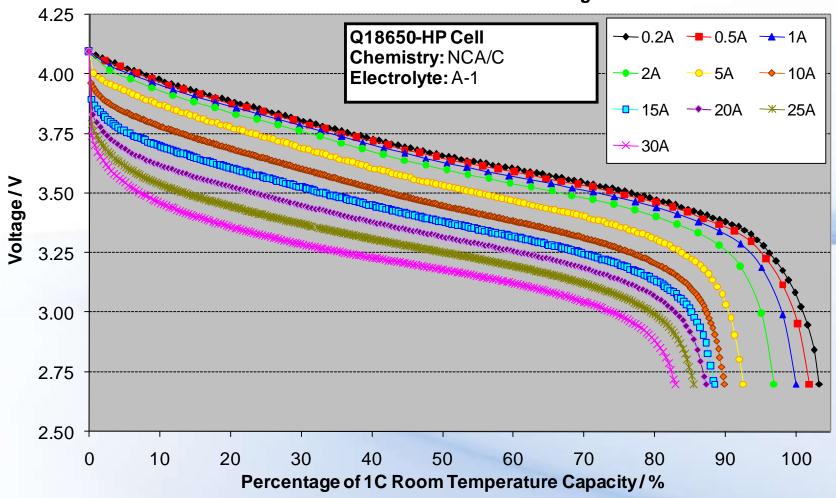
^{*} Calculated values based on design

- Operating Range = -40° C to $+71^{\circ}$ C
- Heritage Materials
 - Active materials are the same as Quallion SATELLITE cells



Discharge Rate Data of Quallion HP Cell

Discharge of Cell from 0.2A to 30A

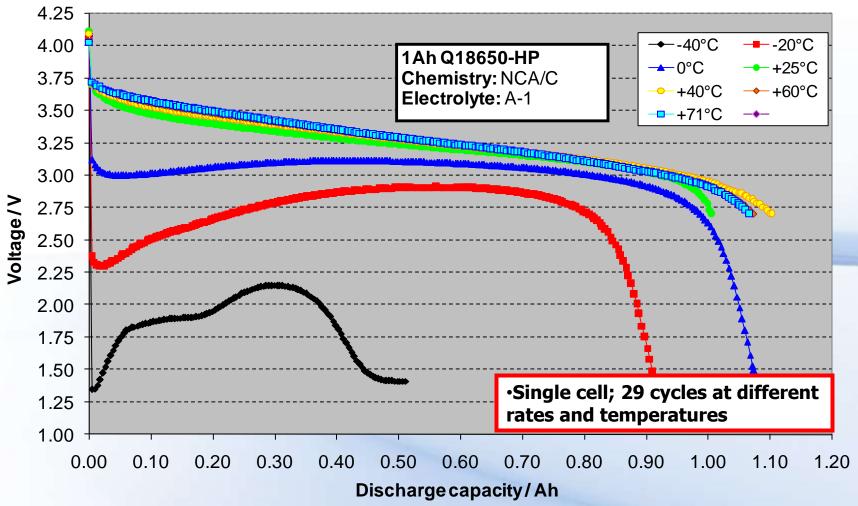


Charge: 1.0A, 4.1V CCCV C/20 mA cutoff at RT

Charge: 1.0A, 4.17 Cook 6/20 III, Codo. 110 Cook 6/20 III, Codo. 20 To A Cook 6/20 III, Codo. 20 To A



Discharge Temperature Data of Quallion HP Cell at 30C Rate



Charge: 1.0A, 4.1V CCCV C/20 mA cutoff at RT

Discharge: 30CA to 1.5V at -40, -20, 0 C or 2.7V at

RT, +40, +60, and +71 C



Quallion High Power 2.3Ah Cell



- Dimensions (without tabs) -5.5" x 2.25" x .25"
- Weight 75g



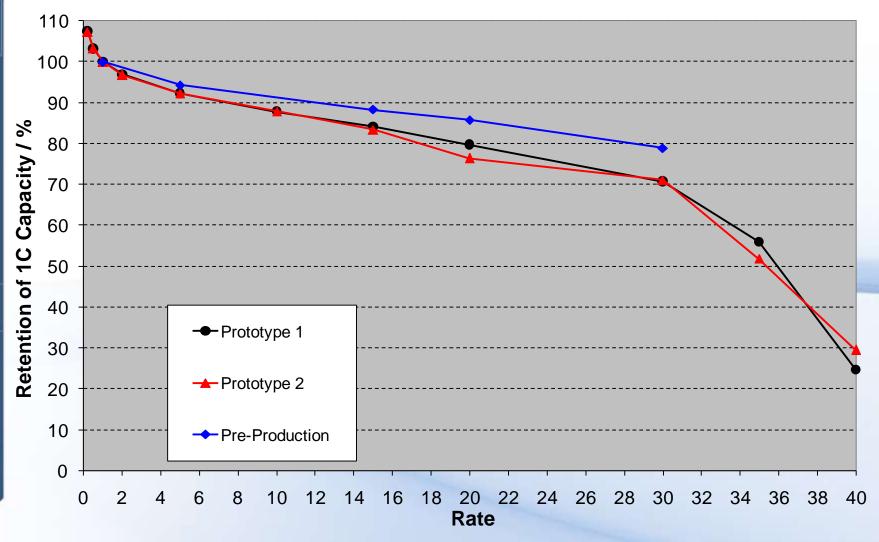
Pouch Cell

Cell Specifications		
Rated Capacity / mAh*	2300	
Energy Density / Wh/kg*	110	
Energy Density / Wh/I*	205	
Dimensions	5.3 x 2.1 x 0.25	
	(H x W x T)	
Weight / g	75 ± 0.75	

- Operating Range = -40° C to $+70^{\circ}$ C
- Heritage Materials
 - Active materials are the same as Quallion SATELLITE cells
 - USG T3 program enables Quallion to produce Cathode and Anode material in-house by 2012



Rate Test Summary at RT

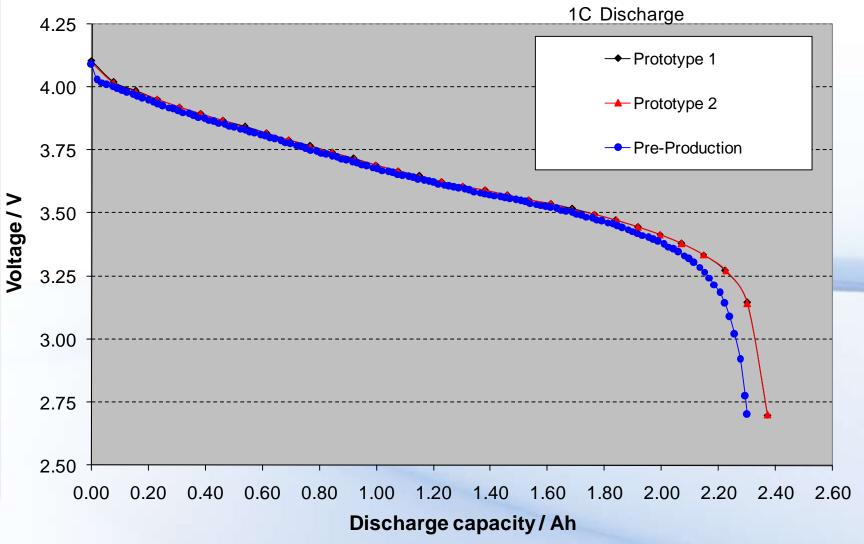


Charge: 1.0C A, 4.1V CCCV C/20 mA cutoff at RT

Discharge: 0.2, 0.5, 1, 2, 5, 10, 15, 20, 25, 30C A to 2.7 V at RT



1C Discharge Rate Curve at RT



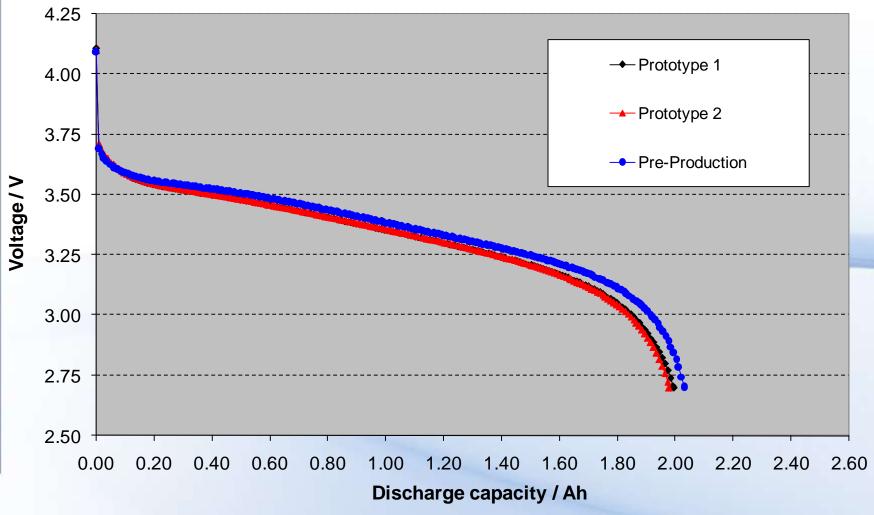
Charge: 1.0 CmA, 4.1V CCCV C/20 mA cutoff at RT

Discharge: 1 CmA to 2.7V at RT



15C Discharge Rate Curve at RT





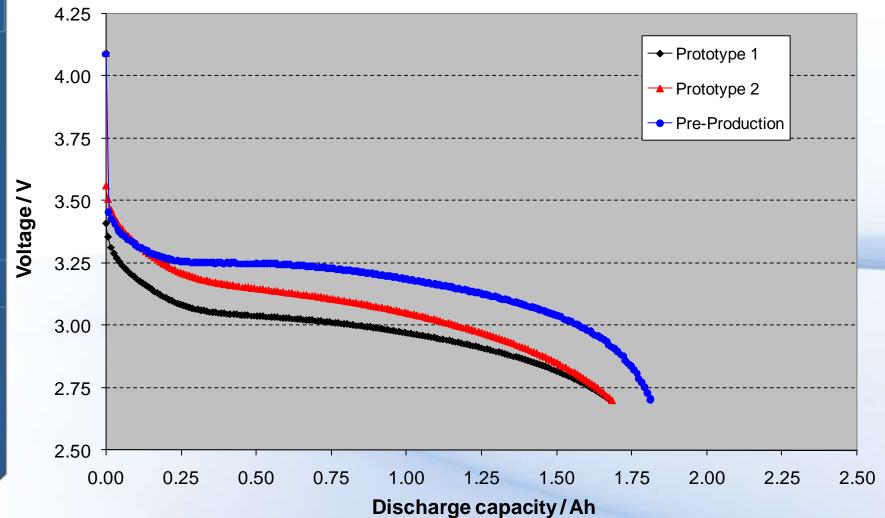
Charge: 1.0 CmA, 4.1V CCCV C/20 mA cutoff at RT

Discharge: 15 CmA to 2.7 V at RT



30C Discharge Rate Curve at RT

30C Discharge



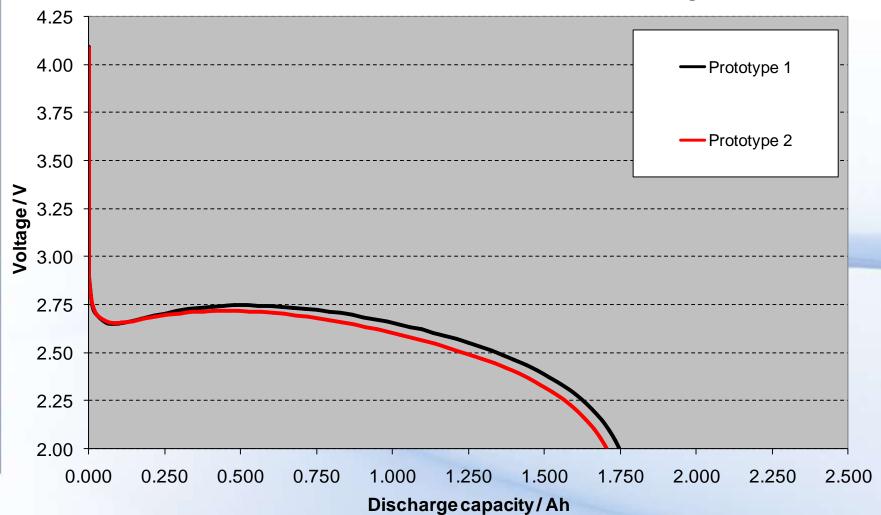
Charge: 1 CmA, 4.1V CCCV C/20 mA cutoff at RT

Discharge: 30 CmA to 2.7 V at RT



1C Discharge at -40°C

-40 C Discharge @ 1C



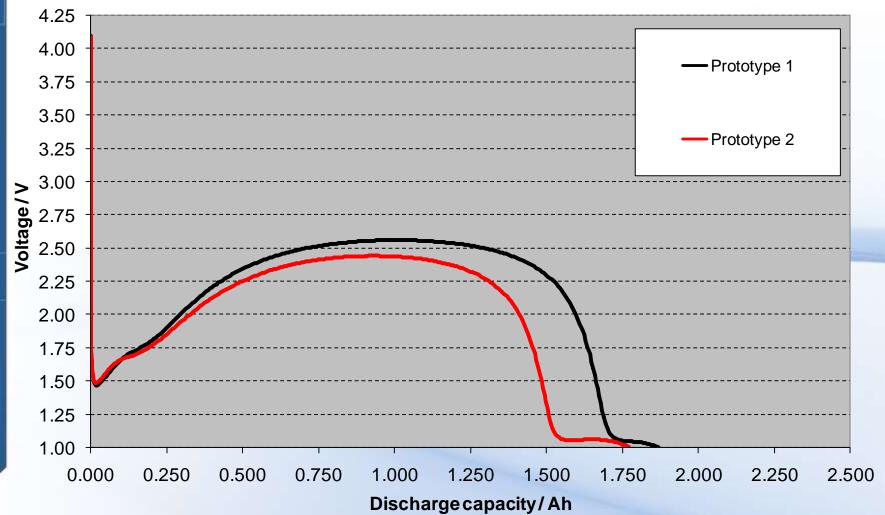
Charge: 1 CmA, 4.1V CCCV C/20 mA cutoff at RT

Discharge: 1 CmA to 1.5 V at -40 C



15C Discharge at -40°C

-40 C Discharge @15C

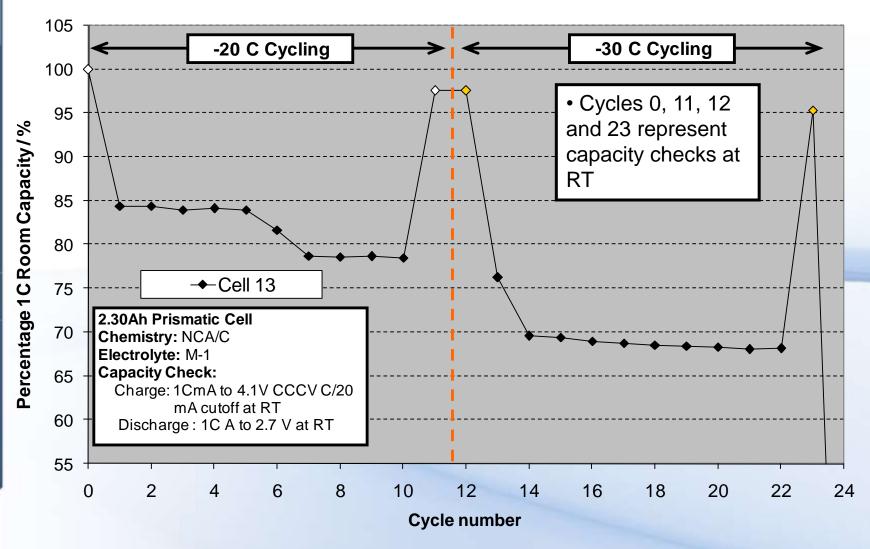


Charge: 1 CmA, 4.1V CCCV C/20 mA cutoff at RT

Discharge: 15 CmA to 1.0 V at -40 C



C/2 Charge/Discharge Cycling of Prismatic Cell at -20° & -30°C



Charge: C/2 A, 4.1V CCCV C/50 mA cutoff at -20 & -30 C

Discharge: C/2 A to 2.5 V at -20 & -30 C



Quallion 10Ah Cell with Wide Operating Temperature



Cell Specifications		
Theoretical Capacity / mAh*	10000	
Energy Density / Wh/kg*	82	
Weight / g*	450	

^{*} Calculated values based on design

- Operating Range = -40° C to $+71^{\circ}$ C
- Heritage Materials
 - Active materials are the same as Quallion SATELLITE cells
 - Wide temperature electrolyte
- 5000 DOD 60% to 80% Cycling over Wide Temp Temperature Spectrum
- Cell to undergo life testing February 2011

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