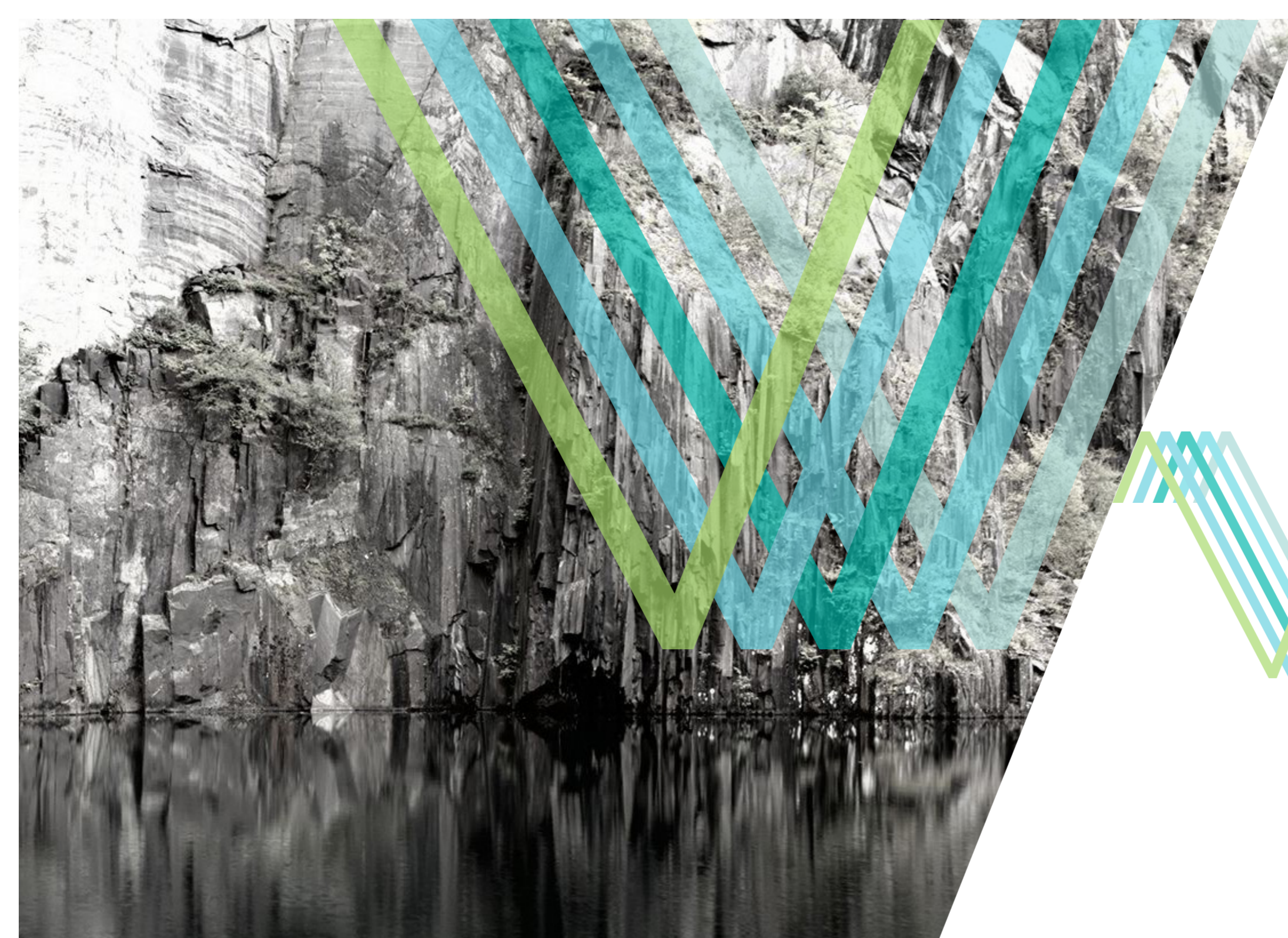




The Quarry Battery Company is an energy company which develops, builds and operates new and innovative energy storage and flexible generation.

Investment opportunity

- > £4,500,000 Convertible Bond Issuance
- > Minimum investment £10,000 (and in increments of £1,000 thereafter)
- > 4-year term
- > 8% return per annum with deferred interest payment upon maturity
- > Optional conversion to equity with significant uplift expected



Company Overview

The UK power industry is experiencing unprecedented change, with the proportion of electricity generated nationally by renewable technologies rising sharply each year.

Renewable energy generation can be intermittent and volatile, and the UK electricity grid therefore needs to deploy flexible energy generation and storage technologies in order to guarantee a reliable supply of clean electricity to consumers.

The Quarry Battery Company's primary objective is to facilitate the delivery of circa 500MW of flexible energy storage and generation for operation in the UK electricity system. The company focuses on the proven technology of pumped hydro energy storage, with their flagship project being a 100MW pumped hydro storage and generation facility situated in Llanberis, North Wales – the Glyn Rhonwy Project – which has been granted a full grid connection and was issued a Development Consent Order by the Department for Business, Energy & Industrial Strategy in March 2017.

**Carbon savings
of approximately
50,000 tonnes of
carbon dioxide
each year**

RISK WARNING. Investors should be aware that there are risks to investing in all corporate lending. Reliance on this promotion for the purpose of engaging in any investment activity may expose an individual to a significant risk of losing all of the property or other assets invested. **The text of this Document should be read in full and in conjunction with the Offering Memorandum before deciding to invest and your attention is drawn to the section entitled "Risk Factors" with this Offering Memorandum and the "Important Information" section of this document.** All statements regarding the Company's business, financial position and prospects should be viewed in light of these Risk Factors. If you are in any doubt about the action you should take or the contents of this document, you should contact your stockbroker, solicitor, accountant, bank manager or other professional adviser authorised under the Financial Services and Markets Act 2000, who specialises in advising on investment in bonds, shares and other securities, including unlisted securities. This offer is not regulated by the Financial Conduct Authority. Investors will NOT have the benefit of the Financial Services Compensation Scheme and may not have access to the UK Financial Ombudsman Service. **YOUR CAPITAL IS AT RISK.**



Key figures and technical details

The Glyn Rhonwy site comprises two disused slate quarries that will be re-purposed as reservoirs for the new-build pumped hydro scheme.

A tunnel connecting them will be built to allow water to flow from the upper to the lower reservoir through a hydro turbine to generate power when demand is high.

When demand on the grid is low, the turbine will pump water back to the upper reservoir, recharging the energy store for later use.

- > 100 MW (megawatt) power
- > Storage capacity of 700 MWh (megawatt hours)
- > Water storage volume of 1.3 million m³
- > 2 reversible turbines
- > 12 seconds from start to full power
- > Cycle efficiency of around 81%
- > Project lifespan of 125 years
- > 50,000 tonnes of CO₂ saved per year


The site will re-purpose a disused slate quarry, which is currently an industrial scar on the landscape that sits just outside Snowdonia National Park.




Company highlights

- > Unique position in being one of the only developers of new pumped hydro technology in the UK.
- > Successful delivery of the first ever Development Consent Order (DCO) to a pumped hydro project in the UK, granted by the Department for Business, Energy & Industrial Strategy in March 2017.
- > Highly experienced team with a proven track record of successfully delivering numerous permits, planning applications and grid connection agreements, with extensive experience of the supply chain required to deliver new pumped hydro projects.
- > Advanced understanding of the potential for new pumped hydro plants in the UK, with a pipeline of sites with the potential to deliver circa 500MW of power to the UK electricity market.
- > Proprietary trading revenue model for operation of energy storage in the UK Balancing Services markets.
- > A network of key consultants, experts and contractors to assist in the development of both new pumped hydro projects and operation of energy storage in the UK electricity markets.

The site will be Britain's first new grid-scale power storage facility in more than 30 years, with enough stored energy at full charge to power 100,000 homes for 7 hours.



The carbon payback time, in other words the time it takes to account for the carbon emissions from developing the site, will be 6 months.




What will the funds raised be used for?

The funds will be used as working capital to complete the remaining pre-development work required to bring the Glyn Rhonwy pumped hydro site to the 'ready-to-build' stage. This includes:

- > Fulfilment of all planning requirements specified in the Glyn Rhonwy Development Consent Order.
- > Front End Engineering Design (FEED) process to finalise scheme detailed design.
- > Competitive tender process resulting in signed construction contracts for full construction of the Glyn Rhonwy project.
- > Procurement of long lead time items.
- > Common land de-registration and registration process.
- > Maintenance of all currently live permits and real estate option agreements.

Once the company has completed the works package outlined above and has reached the ready-to-build stage, the site would either be sold to a third party to develop or the company would raise further development finance in order to complete the construction of the site and then proceed to sell it on based on figures derived from the revenue earned.

Simultaneously, QBC will also continue to develop its pipeline of new pumped hydro sites in the UK. This involves carrying out feasibility, engineering and environmental studies around three chosen sites with the longer-term aim of seeking further investment and proceeding to development.





The team

Peter Taylor - Chairman

Peter Taylor is co-founder, Director and Chairman of QBC. In this capacity he will be hands on in directing the marketing of the exit sale, together with assisting in financial management, investor relations and government regulation. Peter has over 30 years' commercial experience, including five years in the Middle East involved in project finance and 12 years at Dow Jones Markets in London and New York. As a senior vice president at Dow Jones Markets, he led pioneering work based on electronic trading using the early internet – assisting in establishing one of the first real-time energy pricing and market information services. Following this he spent three years leading Royal Mail's efforts to bring encrypted national email services to market.

David Holmes – Managing Director

David is a co-founder, Director and Managing Director of QBC. In his capacity as Managing Director he focuses on managing the complex commercial and technical issues associated with pumped storage and leads the day-to-day operations of the delivery team. Prior to this David spent 18 months working as a senior consultant for an environmental consultancy, CarbonPlan, undertaking economic modelling and leading the delivery of commercial projects. David holds a BA (Hons) in Natural Sciences from the University of Cambridge and an MSc (Arch) in Advanced Environment and Energy Studies from the Centre of Alternative Technology at the University of East London.

Christopher Williamson – Technical Lead

Christopher has been heavily involved in the delivery of all planning, permitting and development works for Glyn Rhonwy since 2011. He oversaw the ground investigation workstream that was successfully carried out by Quantum Geotechnical. Chris knows the site inside out and will play an essential role in communicating the site and planning constraints to the engineers whilst we develop the design and secure EPC contracts in the run up to the financial close. Christopher graduated from Liverpool University in 2011 with an MSc in Earth Sciences and received an award from the Mineralogical Society of Great Britain and Ireland for outstanding achievement in mineralogy and petrology.



Environmental & social impact

- > An infrastructure project on this scale provides the local economy with a significant boost through job creation, which has corresponding social benefits.
- > The site will re-purpose a disused slate quarry, which is currently an industrial scar on the landscape that sits just outside Snowdonia National Park.
- > The site will deliver carbon savings of approximately 50,000 tonnes of carbon dioxide each year – equivalent to 20,000 cars being taken off the road – with a lifespan of 125 years.
- > At 100MW, the site will be Britain's first new grid-scale power storage facility in more than 30 years, with enough stored energy at full charge to power 100,000 homes for 7 hours.
- > The carbon payback time, in other words the time it takes to account for the carbon emissions from developing the site, will be 6 months.





IMPORTANT NOTICE

This Brochure ("this Document" or "Brochure") has been prepared and issued by The Quarry Battery Company Limited, a private limited company incorporated on 13th August 2010 in England and Wales under company number 7344961, with registered address: The Quarry Battery Company Limited, 21 Bedford Square, London, WC1B 3HH, United Kingdom ("the Company") in respect of Bonds (the "Offer") to be issued by the Company and is issued solely for the purpose of seeking Investors under the Offer.

This document does not constitute an offer of, an invitation to subscribe for or purchase, or a recommendation to purchase, bonds in the Company (the "Bonds") or any of the other securities described herein. Any offer of the Bonds will be made solely by means of the Offering Memorandum.

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Any opinions expressed in this Brochure do not constitute investment advice. Independent advice should be sought from a person authorised by the Financial Conduct Authority ("FCA") where appropriate.

The Company accepts responsibility for the information contained herein. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and does not omit anything likely to affect the importance of such information.

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documentation, including copies of this document, the instruments constituting the Bonds and any form of acceptance are available from the Directors.

Offering Memorandum requirement

This document does not constitute an Offering Memorandum as defined by the Offering Memorandum Regulation (809/2014) and has not been prepared in accordance with the requirements of the Offering Memorandum Regulation (809/2014).

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(d) to persons who fall within article 50 of the FPO ("certified sophisticated investor") namely a person who (1) has a written certificate within the last 36 months by a firm confirming he has been assessed by the firm as sufficiently knowledgeable to understand the risks associated with engaging in activity relating to non-readily realisable securities and (2) who has signed within the period of 12 months, ending on the date on which this communication is made, a statement in the terms specified in article 50 of the FPO;

(e) to persons who fall within article 50A of the FPO ("self-certified sophisticated investor") namely a person who has signed, within the period of 12 months ending on the date on which this communication is made, a statement in the terms specified in Part 2 of Schedule 5 of the FPO; and to any other person to whom the communication may otherwise lawfully be made in accordance with the FPO or otherwise.

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