

Volcon ePowersports Completes an Underwritten Public Offering to Fund Delivery of the Stag and Support 2024 Operations

AUSTIN, TX / ACCESSWIRE / November 20, 2023 /As previously announced on November 17, 2023, Volcon, Inc. (NASDAQ:VLCN), ("Volcon" or the "Company"), the first all-electric, off-road powersports company, announced today the closing of a firm commitment underwritten public offering. The aggregate gross proceeds to the Company were \$18.0 million, before deducting underwriting discounts and other estimated expenses payable by the Company. The offering consisted of 42,857,142 Common Units or Pre-funded Units, each consisting of one share of common stock or one pre-funded warrant ("Pre-Funded Warrant") to purchase one share of common stock, 0.35 of a warrant to purchase one share of common stock at an exercise price of \$0.55 per share (or 130% of the price of each Common Unit sold in the offering) or pursuant to an alternative cashless exercise option, which warrant will expire on the five-year anniversary of the original issuance date (the "Series A Warrants") and 0.35 of a warrant to purchase one share of common stock at an exercise price of \$0.84 per share (or 200% of the price of each Common Unit sold in the offering), which warrant will expire on the five-year anniversary of the original issuance date (the "Series B Warrants" and together with the Series A Warrants, the "Warrants"). The purchase price of each Common Unit was \$0.42, and each Pre-Funded Unit was \$0.41999 (which is equal to the public offering price per Common Unit to be sold in the offering minus \$0.00001). The Pre-Funded Warrants are immediately exercisable and may be exercised at any time until all of the Pre-Funded Warrants are exercised in full.

In addition, the Company has granted Aegis Capital Corp. a 45-day option to purchase additional shares of Common Stock and/or Pre-Funded Warrants, representing up to 15% of the number of Common Stock and/or Pre-Funded Warrants sold in the offering, and additional Warrants representing up to 15% of the Warrants sold in the offering solely to cover over-allotments, if any. On November 17, 2023, Aegis partially exercised its over-allotment option with respect to 842,575 Series A Warrants and Series B Warrants.

Aegis Capital Corp. acted as the sole bookrunning manager for the offering.

The Company anticipates using proceeds from this Offering for the following:

- Inventory purchases to support the pending launch of the Volcon Stag UTV (the "Stag"), which is expected in the fourth quarter of 2023. Although we have a contract manufacturer to build the Stag, there are components that Volcon is responsible for sourcing from various suppliers to ensure parts are delivered to the manufacturer on time and in quantities that support our expected sales volumes as production ramps in support of expected customer demand.

- Marketing and sales support to deliver Stags to our US dealers, government entities, business customers, and international distributors. Volcon will support our customers who sell the Stag to end users through sales lead generation, and product and technical support.
- Investor and public relations campaigns to support the Company's products and to grow the Company's investor awareness.

The Company believes that based on its current sales forecasts, along with cost reduction measures that have been implemented or are being implemented, this funding should allow the Company to fund its operations through 2024.

The securities described above were offered by the Company pursuant to a registration statement on Form S-1 (No. 333-274800) originally filed September 29, 2023, with the Securities and Exchange Commission (the "SEC") and declared effective by the SEC on November 15, 2023. A final prospectus relating to and describing the terms of the offering was filed with the SEC and is available on the SEC's website at www.sec.gov. Electronic copies of the final prospectus can be obtained from Aegis Capital Corp., Attention: Syndicate Department, 1345 Avenue of the Americas, 27th Floor, New York, NY 10105, by email at syndicate@aegiscap.com, or by telephone at (212) 813-1010.

About [Volcon, Inc](#)

Based in the Austin, Texas area, Volcon was founded as the first all-electric power sports company producing high-quality and sustainable electric vehicles for the outdoor community. Volcon electric vehicles are the future of off-roading, not only because of their environmental benefits but also because of their near-silent operation, which allows for a more immersive outdoor experience.

Volcon's vehicle roadmap includes both motorcycles and UTVs. Its first product, the innovative Grunt, began shipping to customers in late 2021 and combines a fat-tired physique with high-torque electric power and a near-silent drive train. The Volcon Grunt EVO, an evolution of the original Grunt with a belt drive, an improved suspension, and seat, began shipping to customers in September 2023. Volcon will also offer the Runt LT, a fun-sized version of the groundbreaking Grunt, better suited for small-statured riders, more compact properties and trails, or as a pit bike at race events, while still delivering robust off-road capabilities. The Brat is Volcon's first foray into the wildly popular eBike market for both on-road and off-road riding and is currently being delivered to dealers across North America. Volcon is also currently delivering the Volcon Youth Line of dirt bikes for younger riders between the ages of 4 to 11. Volcon debuted the Stag in July 2022 and entered the rapidly expanding UTV market and previously announced that it expects to begin shipping the Stag to customers in the fourth quarter of 2023. The Stag empowers the driver to explore the outdoors in a new and unique way that gas-powered UTVs cannot. The Stag offers the same thrilling performance of a standard UTV without the noise (or pollution), allowing the driver to explore the outdoors with all their senses.

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Volcon Products:

Volcon Stag:<https://www.volcon.com/stag>

Volcon Brat:<https://www.volcon.com/brat>

Volcon Grunt:<https://www.volcon.com/grunt-evo>

Volcon Runt:<https://www.volcon.com/runt-lt>

Volcon Youth Line:<https://www.volcon.com/youth>

Forward-Looking Statements: Volcon

Some of the statements in this release are forward-looking statements, which involve risks and uncertainties. Forward-looking statements in this press release include, without limitation, whether the Company can begin production of the Stag to meet expected deliveries to customers beginning in the fourth quarter of 2023, whether production of the Runt LT will occur and the anticipated use of net proceeds from the offering including that the proceeds will be sufficient to fund operations through 2024. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable as of the date made, expectations may prove to have been materially different from the results expressed or implied by such forward-looking statements. The Company has attempted to identify forward-looking statements by terminology including "believes," "estimates," "anticipates," "expects," "plans," "projects," "intends," "potential," "may," "could," "might," "will," "should," "approximately" or other words that convey uncertainty of future events or outcomes to identify these forward-looking statements. These statements are only predictions and involve known and unknown risks, uncertainties, and other factors. Any forward-looking statements contained in this release speak only as of its date. The Company undertakes no obligation to update any forward-looking statements contained in this release to reflect events or circumstances occurring after its date or to reflect the occurrence of unanticipated events. More detailed information about the risks and uncertainties affecting the Company is contained under the heading "Risk Factors" in the Company's Annual Report on Form 10-K and subsequently filed Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC, which are available on the SEC's website, www.sec.gov.

SOURCE: Volcon ePowersports, Inc.

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