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Nachu Graphite Project Update

- **Ausenco begins update to previous Bankable Feasibility Study**
- **Developer and Project Manager selected for resettlement village**
- **Recent offtake agreement with Traxys for 600,000 tonnes over a six-year period for the supply of natural flake graphite concentrate**

Magnis Energy Technologies Ltd (“**Magnis**”, or the “**Company**”) (**ASX: MNS; OTCQX: MNSEF**) is pleased to provide an update on activities from its wholly owned Nachu Graphite Project (**Nachu**) in Tanzania.

Bankable Feasibility Study

Global engineering group Ausenco have been engaged to complete an updated Bankable Feasibility Study for the Nachu Graphite Project.

Ausenco has 26 offices in 14 countries, with projects in over 80 locations worldwide. With over 30 years of experience in the mining industry, Ausenco are highly respected and well known for producing innovative capital efficient process plant designs.

Following the recent offtake agreement with Traxys and significant subsequent interest from other potential customers and funders, the Magnis Board had decided to update the feasibility study with an annual graphite production of 220,000 tonnes. This production rate is very similar to the 2016 study and the main variance will be that Ausenco will redesign the process plant for capital and operating cost efficiency.

The study will also review power generation options with a strong focus on assisting the local community.

The Nachu high grade graphite production profile will include

1. 20,000 tpa of +500 micron (+35 mesh Super Jumbo) at 98.5% TGC
2. 70,000 tpa of +300 micron (+50 mesh, Jumbo) at 98.5% TGC
3. 130,000 tpa of -300 micron (- 50 mesh) at +99% TGC

The ability to produce both the large size fractions and the high purity of the Nachu products is a combination of the quality of the flake that naturally occurs in the mineralisation as well as developing a process to take advantage of these natural attributes.

Resettlement Village

Basic infrastructure works have recently been completed including the boundary road. The contractor and Project Manager for the project have been appointed for the development and construction of the resettlement village. All groups will work to create a higher standard of living and fully equipped home once the relocation process is completed.



Figure 1: Computer generated diagram of resettlement village

Traxys Binding Offtake Agreement

As announced on 20 December 2021, a Binding Offtake Agreement was executed with Traxys for the future delivery and sale of high-quality, high purity natural flake graphite from Nachu.

Under the terms of the agreement which will begin in 2H 2024, 600,000 tonnes of high purity graphite across all flake sizes will be purchased over a six-year period at market prices.

Magnis Chairman Frank Poullas commented: “We are proud to be involved in many social programs which will improve the lives of the local community. It has and always will play an important role in the Company.”

“We continue to work hard to progress our Nachu Graphite Project and we believe the green attributes of the project of being able to produce battery anode material without the need for chemical purification will be a game changer in the marketplace.”

About Magnis

Magnis Energy Technologies Ltd (ASX: MNS; OTCQX: MNSEF) is a vertically integrated lithium-ion battery company with strategic investments in several aspects of the electrification supply chain including manufacturing of green credentialed lithium-ion battery cells, leading edge lithium-ion battery technology and high-quality, high-performance anode materials. The Company’s vision is to enable, support and accelerate the green energy transition critical for adoption of Electric Mobility and Renewable Energy Storage.

This announcement has been authorised for release by the Board of Magnis Energy Technologies Ltd (ACN 115 111 763).

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