

FOR RELEASE: 17 FEBRUARY 2023

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iM3NY Update

Magnis Energy Technologies Ltd (“**Magnis**”, or the “**Company**”) (**ASX: MNS; OTCQX: MNSEF; FSE: U1P**), a vertically integrated global player in the lithium-ion battery chain for EVs and clean energy storage, provides an update on the operations of the Imperium3 New York (“**iM3NY**”) Lithium-ion Battery Plant located in Endicott, New York, in which Magnis has a 61% interest.

As previously reported, commercial cell production at the plant commenced in August 2022. The process involved internal qualifications (to ensure compliance with safety and environmental guidelines) as well as customer specifications. Following completion of internal processes, independent certification commenced in late 2022.

Independent Certification

The independent certification process focusses on a range of international safety standards, including Standard UN38.3. UN38.3 is a United Nations standard that Lithium batteries must meet to achieve certification for safe transport in large quantities (by air, sea, rail or road). Until certification is achieved, a limit of eight (8) cells may be shipped to customers, meaning recent sales have been limited.

Ten (10) cells are provided for the certification process and all cells are required to pass all tests. In one of the last tests performed, a cell reported an irregular result which has resulted in the process starting again with a new batch of cells.

In order to compress the timeline to achieve certification, additional accredited independent certifiers have been appointed.

While disappointed with the delay, Magnis is pleased that cells produced by iM3NY are continuing to be sampled by a range of existing and potentially new customers, which reinforces the Company’s view on positive market demand for these new cells.

Sale of Cells

A small number of cells have been sold to existing and potential new customers, to enable their internal qualification processes to be undertaken. The range of customers includes major and Tier 1 OEM’s from both the electric vehicle and stationery energy storage sectors, which is an important step in securing larger sales contracts with these parties in the future.

Purchase Orders

Orders from Sukh Energy, an existing iM3NY contracted customer, have been placed for delivery in calendar 2023. Delivery of cells will commence once the external certification to Standard UN38.3 as referred to above is completed. Production of cells continues with those cells being stockpiled on site to ensure delivery can occur in a timely manner upon receipt of independent certification and confirmation orders once the internal qualification processes of the customers have been completed.

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

FOR FURTHER INFORMATION

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About Magnis

Magnis Energy Technologies Ltd (ASX: MNS; OTCQX: MNSEF; FSE: U1P) is a vertically integrated lithium-ion battery technology and materials company in the Lithium-ion battery supply chain. The company's US based subsidiary Imperium3 New York, Inc ("iM3NY") operates a Gigawatt scale Lithium-ion battery manufacturing plant in Endicott, New York. Magnis has also commenced development plans to set up an Active Anode Materials Project in the US. In conjunction with battery technology partner, C4V LLC, Magnis has produced high-performance active anode materials for lithium-ion batteries utilising high purity graphite concentrate feedstock from Magnis' Nachu Graphite project in Tanzania. The company's vision is to enable, support and accelerate the mass adoption of Electric Mobility and Renewable Energy Storage critical for the green energy transition.