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NY BATTERY PLANT – MAJOR MILESTONES COMPLETED

- Detailed engineering and facility pre-work completed on the New York Battery Plant
- Reports commissioned at the request of three prospective investors have been finalised for their due diligence process
- Potential financiers have provided Non-Binding term sheets and a LOI, but COVID-19 pandemic is delaying funding closure
- Sale of a portion of the nickel foam purchased as part of the plant acquisition, nets iM3NY over AUD\$500,000

Magnis Energy Technologies Limited (“Magnis”, or the “Company”) [ASX: MNS] is pleased to announce that iM3NY has recently completed major milestones relating to its New York Battery Plant. Detailed engineering of plant, process optimisation, cost estimation and facility design works have recently been completed at the request of three prospective project financiers as part of their due diligence process .

Detailed Engineering and Due Diligence

Over the past six months, three major reports were commissioned and completed to refine project works, schedules and costs for due diligence by prospective financiers. Detailed engineering work was completed by Dutch Engineering giant, Ramboll Group (“Ramboll”), and a large independent consulting firm was hired by a potential investor to complete the financial, technical and business due diligence of iM3NY.

A project team of close to twenty people from Dutch Engineering giant Ramboll (“Ramboll”), with C4V [Magnis battery partner] and iM3NY has performed this recent work covering plant layout, facility and utility design, safety, environment, process, inventory management and operations. An independent valuation completed by O’Brien & Gere, a wholly owned subsidiary of Ramboll, valued the equipment at US\$71.34 Million [A\$105.5 Million], with Magnis ownership at over 50% in the project.

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The three prospective investors include a well-known global financial institution and a green investment fund. All three groups have provided iM3NY with non-binding agreements and a Letter of Intent (LOI) to showcase their serious interest.

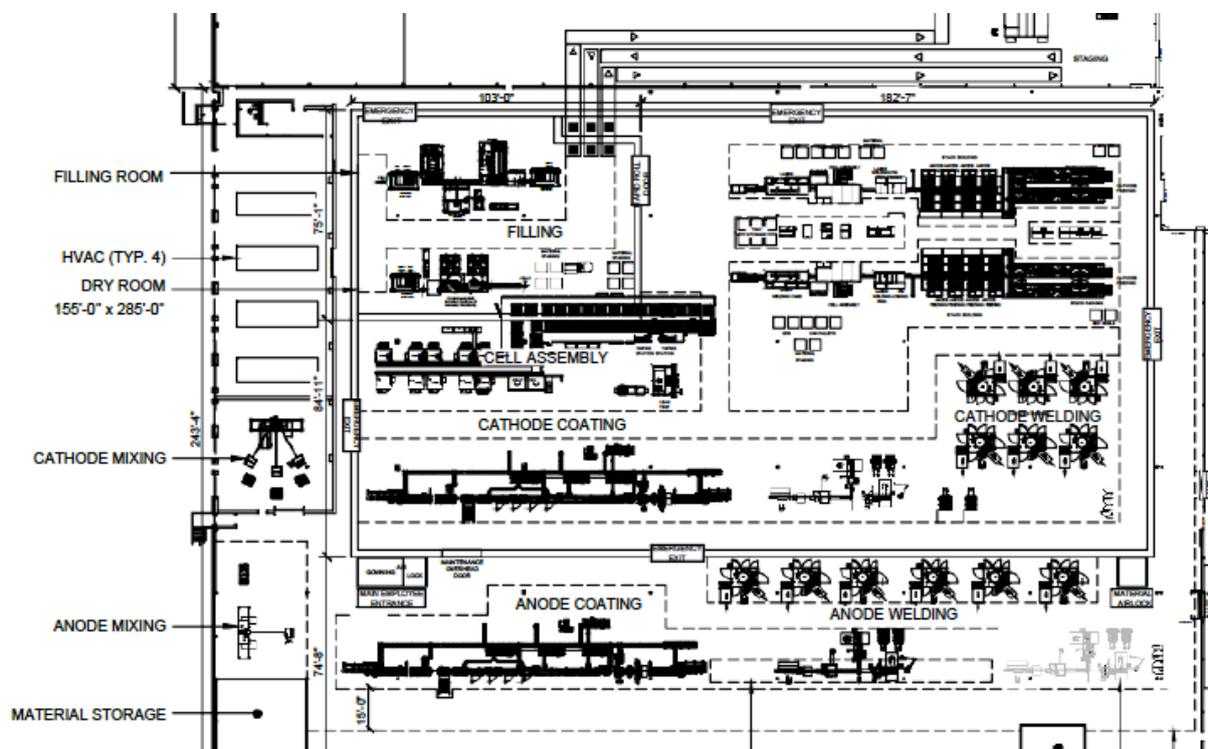


Figure 1: General arrangement of the iM3NY facility and equipment

Magnis Chairman, Frank Poullas, commented: "We are working hard towards closure of funding for the New York battery plant and with significant interest demonstrated from several parties, this process continues to be expedited. Whilst delays have been experienced due to COVID-19, the emerging thematic of national security through domestic manufacture has generated new interest for government and investment community. In recently completed due diligence programs, over 1,000 documents were compiled in a data room created for all stakeholders including prospective investors."

Working Capital

To provide iM3NY with additional working capital, a portion of the nickel foam system, which is not required for future operations in the New York Battery Plant, was recently sold for over AUD\$500,000.

This announcement has been authorised for release by the Board of Magnis Energy Technologies Ltd.

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