



Magnis Resources
LIMITED

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Magnis Makes Strategic Investment in US Lithium-ion Battery Technology Group C4V

- 10% stake in Charge CCCV [C4V] acquired – along with an exclusive agreement over C4V's selected patents
- C4V has a wide range of patents and technology for current and future lithium-ion battery materials and manufacturing – pivotal to Magnis' ongoing business development in the sector
- Magnis to appoint a representative to the C4V board – also gain first right of refusal on any capital raising initiatives within the next three years

Magnis Resources Limited ["Magnis" or the "Company"] [ASX: MNS] is pleased to announce that it has made a strategic investment to acquire a 10% interest in leading US based, lithium-ion battery technology group, Charge CCCV LLC ["C4V"], and secured an exclusive agreement over selective patents, which will assist in driving the Company's growth in the lithium-ion battery sector.

Details of the Agreement

Under the terms of the Agreement, Magnis will acquire a 10% stake in C4V for a total of US\$7.5 million, comprising an upfront consideration of US\$2 million, US\$2.5 million in fully paid ordinary shares in Magnis and a further \$3 million cash payment to be paid within the next 12 months.

The number of ordinary shares in Magnis that will be provided to C4V will be 6,940,544. This calculation was based on the VWAP [Volume Weighted Average Price] for the past 15 trading days as at close of trade 28 March 2018 and using an exchange rate of one AUD equalling USD 0.7694. The ordinary shares will be issued within 15 days of today's announcement.

The Company will appoint one representative to the Board of Directors of C4V and has also secured a first right of refusal for any future capital raising initiatives that C4V undertake. Further to the agreement, Magnis will also have an exclusive agreement for 5 years over selected C4V patents, which will expand the Company's materials technologies in the rapidly growing lithium-ion Battery sector.

Recognising the tremendous future demand for electric vehicles and energy storage, and with significant new opportunities in multiple regions, Magnis and C4V will co-share respective intellectual properties and expertise in pursuit of select projects to drive shareholder value.

Both parties believe that the result of this agreement will create unique competitive advantages providing strong leverage against alternative lithium-ion battery producers. These advantages have already been witnessed through the Company's previous collaborations with C4V, which repeatedly generate tremendous interest from major global corporations.

C4V Battery Technologies

With combined lithium-ion battery experience totalling over 150 years, C4V has been granted patents that have the potential to be extremely powerful in the development of both anode and cathode components in lithium-ion batteries. C4V's developments and technology have been recognised by some of the industry's most influential minds to resolve major constraints in battery performance.

Consequently, this technology is now being applied to the next generation of high efficiency manufacturing practises providing significant performance and cost advantages and as a result of today's agreement, Magnis will benefit from secured access to such leading technology.

C4V Generation 1 battery compositions are commercially viable today and feature cobalt and nickel free cathode chemistry that boasts higher voltage and longer cycle lifetime than currently available commercial materials. In addition, compositionally-patented modifications at the crystal-level ensure leading safety. Design and optimisation efforts have been focused on cylindrical [2170 and 3270] and prismatic cells for production. With the support of strategic partners and the key acquisition of cell manufacturing equipment, production at a nominal 1 GWh scale is expected to commence starting first half of 2019.

Located in the state of the art facilities in Binghamton New York, the C4V technical team is working on improving current and future technologies including developing a semi-solid state design that will be ready for commercial production by 2025. C4V is one of a few IP companies that has a dedicated supply chain department which handles taking lab research all the way through to commercial production.

C4V President Dr. Shailesh Upreti said: "The management teams of Magnis and C4V have worked exceptionally well together in the past and this agreement further improves the relationship between the two companies."

"We are pleased to have Magnis as a strategic partner and stakeholder and look forward to benefitting from their expertise and assistance in our company's development."

Magnis Chairman Frank Poullas said: "We are delighted to become a significant shareholder in C4V. We have been working closely with C4V for three years and we are delighted to be officially part of the team. Their expertise in the lithium-ion battery sector is unparalleled and Magnis is now set to directly benefit from this."

"While the cobalt prices is around US\$95,000 per tonne, to have access to a battery technology which eliminates cobalt, will be extremely important for the industry and the Company's involvement with our battery plants globally."

"The Company is progressing the development of these plants, as well as development plans at its flagship, Nachu project and looks forward to updating shareholders on developments in the near term."

About C4V:

C4V™ is an intellectual property company based in Binghamton, New York with expertise and patented discoveries in Lithium-Ion battery composition and manufacture. C4V™ has proven Lithium-Ion Battery materials and designs that are solely owned by C4V. C4V's patented material can be manufactured by existing Lithium-Ion materials producers to get benefit of lower \$/kWh at almost no increase in production costs. In terms of underlying nano-materials science, C4V's battery material provides for a robust crystal stability allowing higher voltage operations,

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combined with superior corrosion resistance to side reactions thereby increasing battery life resulting in reducing the cost of ownership.

C4V's patented molecules allow to extract best performance at the battery management system level. For the past several years, C4V has worked closely with commercial partners in the supply chain to fine tune the structure, composition, particles and electrode processing of molecules for different applications such as electric mobility, stationary storage, electric-aviation and portable electronics. High impact patented material providing exceptional battery performance, is now undergoing GWh scaleup with C4V's supply chain partners and manufacturing spin-off.

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