



Magnis Resources
L I M I T E D

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QUEENSLAND GOVERNMENT APPROVES \$3.1M GRANT FOR TOWNSVILLE BATTERY PLANT STUDY

Magnis Resources Limited (“Magnis” or the “Company”) (ASX: MNS) is pleased to announce that iM3 Townsville (“iM3 Townsville”), the recently established subsidiary of Imperium3 Pty Ltd, has formally received government approvals for the \$3.1 million grant supporting the feasibility study into the establishment of a 15 GWh Lithium-ion Battery (LIB) manufacturing plant in Townsville, Queensland.

The Jobs and Regional Growth Fund Assistance Agreement for the Feasibility Study into the Townsville Battery Manufacturing Facility was formally signed by iM3 Townsville directors and the State of Queensland, acting through the Department of State Development, Manufacturing, Infrastructure and Planning. Further details are provided in the attached media release by the Queensland Government.

As well, the Brisbane and Townsville project offices were officially opened with government dignitaries and included representatives from iM3’s team, Probuild, Townsville City Council and Ausenco. Initial formal project meetings were also conducted to map out the feasibility study process and schedule future work programs.

Magnis Resources Chairman Frank Poullas said: “Together with our iM3 partners, Magnis is very encouraged that developing a high quality lithium-ion battery manufacturing plant at the Woodstock advanced technology precinct in Townsville is now becoming a distinct possibility.

“Magnis has an active program of developing these battery plants. Re-assembly work at the New York facility at Huron Campus is on schedule and this development in Queensland is a major step forward for Australian battery plant operations.”

Feasibility Study Update

The feasibility study for the 15 GWh LIB manufacturing plant in Townsville commenced following the agreement to fast track development in June this year. Initial work has focused on selection of equipment vendor partners

and the development of the manufacturing design concept. In parallel, Townsville City Council has been compiling site information and discussions with major infrastructure providers and funders have commenced. From this work, iM3 Townsville has composed a Project Description Report that backgrounds key project details, including: site specifications, battery product specifications and the manufacturing process concept.

Feasibility Study lead construction partner Probuild has established project offices in Brisbane and Townsville from where the Feasibility Study will be delivered. Planning meetings with the main study participants are currently being held at these offices to map out the feasibility study process, establish project systems and schedule future work programs.



Imperium3 and Queensland Government signing ceremony in Brisbane. Front Row: Corey Cooney [Director, Imperium3], Anastacia Palaszczuk [Queensland Premier], Jenny Hill [Townsville City Mayor]. Back Row: Scott Stewart [Member for Townsville], Coralee O'Rourke [Minister for Communities and Member for Mundingbura], Aaron Harper [Member for Thuringowa] and Cameron Dick [Minister for State Development, Manufacturing, Infrastructure and Planning]

Next steps are meetings with selected equipment vendors to refine the design concept and to set out engineering package deliverables and schedules. Probuild will continue to compile site details in readiness for development of layouts and engineering work packages that will follow. Preliminary talks on infrastructure provision and project funding will continue in parallel.

iM3 Townsville is a recently established subsidiary company of consortium company Imperium3 Pty Ltd. Imperium3 Pty Ltd is an Australian unlisted company, comprised of three equal shareholders, ASX listed Magnis Resources Limited, US based Charge CCCV [C4V] and Australian unlisted company Boston Energy and Innovation [BEI].

\$3.1 Million Assistance Agreement

The Assistance Agreement is confidential between iM3 Townsville and the Queensland Government. It should be noted the Assistance Agreement has several obligations on iM3 Townsville that must be delivered, to meet the key terms of the Assistance Agreement.

The Assistance Agreement defines three distinct payment milestones associated with the staged delivery of components of the feasibility study and supporting information.

The Assistance Agreement expenditure end date has been set as 30th Sept 2019, with iM3 Townsville aiming to have the Feasibility work fully completed in the first half of 2019.

Please find below the official press release made by the Queensland Premier and Minister for Trade, The Honourable Annastacia Palaszczuk.

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Media release

JOINT STATEMENT

Premier and Minister for Trade

The Honourable Anastacia Palaszczuk



Minister for State Development, Manufacturing,
Infrastructure and Planning

The Honourable Cameron Dick

Queensland charges ahead with Townsville battery project

Townsville is one step closer to having a \$2 billion lithium-ion battery factory creating hundreds of new jobs following today's signing of an assistance agreement between the Queensland Government and an international consortium.

Premier Anastacia Palaszczuk said the agreement with Imperium 3 – an international joint venture led by Boston Energy and Innovation, Magnis Resources and Charge CCCV LLC – follows on from her Government's election commitment last year to provide up to \$3.1 million for a feasibility study into this project.

"Today's signing is great news for Townsville, and Queensland as a whole, as it means we are one step closer to making this facility a reality, along with the jobs it would bring to Townsville," the Premier said.

"I was in Boston in June this year at the BIO International Convention, as part of my trade delegation to the United States, where I observed the signing of a recommitment between Townsville City Council and Imperium 3 should the lithium-ion battery project progress to construction.

"In line with our Advance Queensland agenda, we are determined to make the most of the opportunities for the future, and by assisting to progress the feasibility study of this project, we hope to leverage considerable private sector investment into regional Queensland.

"Battery storage solutions are fundamental to making renewable energy reliable, and Imperium 3's project would be supplying into a rapidly expanding market and would further develop Queensland's advanced manufacturing capabilities in the renewable energy market."

Minister for State Development, Manufacturing, Infrastructure and Planning Cameron Dick said a senior team from his department had worked with Imperium 3 to finalise the assistance agreement to support the delivery of the feasibility study for the \$2 billion lithium-ion battery manufacturing facility.

"The feasibility study is a key requirement for attracting the next stage of funding and is expected to be completed next year," he said.

"This project supports our vision to grow more jobs in regional Queensland, both at the facility and through supply chain opportunities.

"The project could be a vital job creator in Townsville, generating hundreds of high-skilled jobs at the manufacturing facility and throughout the supply chain.

"With today's signing, we are another step closer to making this major manufacturing project a reality for Townsville, and following the feasibility study completion, we expect Imperium 3 will make the final investment decision by mid-2020."

Townsville Mayor Jenny Hill welcomed today's progress on the project and thanked the Palaszczuk Government for their \$3.1 million contribution towards a feasibility study.

"This is an important occasion for Townsville - we are one step closer to the development of a sustainable, long term industry for our city and region," she said.

"This is an important milestone as it allows for further progression through to the construction of the project."

Minister for Communities and Member for Mundingburra Coralee O'Rourke said: "If the feasibility study is positive and if the full-scale proposed development is realised, this battery manufacturing facility will deliver a huge economic boost to the Townsville region, and more broadly to Queensland."

Member for Townsville Scott Stewart said: "For large-scale major investment projects like these to be deemed viable in Townsville is a strong vote of confidence in our region and the opportunities Townsville presents for new business and industry."

Member for Thuringowa Aaron Harper said: "This exciting project has the ability to charge the local economy and to put Townsville on the map as a key contributor to new energy solutions for Queensland, and it aligns perfectly with our plan to power North Queensland."

The Imperium 3 consortium has a project in New York that is more advanced and is providing a pathway for the Townsville project.

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