

16 MARCH 2020

Clarification to the earlier announcement

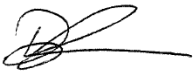
“Magnis Increases Ownership in the New York Lithium-ion Battery Plant”

Magnis Energy Technologies Ltd [the “Company”] advises that the wording in the second paragraph to the earlier announcement to the ASX this morning has been amended. The second paragraph should state:

“Under the terms of the Transaction, Magnis has acquired BEI’s entire holdings in iM3NY as well as Boston Opportunities interest in iM3NY. The consideration for the Shareholding is US\$350,000, with funds to be paid by 30 June 2020. An additional US\$150,000 bonus payment is to be paid to BEI on the condition that iM3NY successfully secures project finance or a joint venture agreement with an offtake partner for the iM3 New York Battery Plant, within a twelve month period.”

The Company confirms that this release has been authorised by the Board of Directors.

Yours Sincerely,



Doug Richardson
Company Secretary



FOR RELEASE : 16 MARCH 2020

Magnis Increases Ownership in the New York Lithium-ion Battery Plant

Magnis Energy Technologies Limited [**"Magnis"**, or the **"Company"**] (ASX: MNS) is pleased to announce that the Company has increased its shareholding in the iM3 New York Battery Plant, following an investment made into the project, coupled with the signing of an agreement [**"Transaction"**] to acquire Boston Energy and Innovation Pty Limited's [**"BEI"**] entire shareholding [**"Shareholding"**] in the US based entity, Imperium 3 New York LLC (iM3NY).

Under the terms of the Transaction, Magnis has acquired BEI's entire holdings in iM3NY as well as Boston Opportunities interest in iM3NY. The consideration for the Shareholding is US\$350,000, with funds to be paid by 30 June 2020. An additional US\$150,000 bonus payment is to be paid to BEI on the condition that iM3NY successfully secures project finance or a joint venture agreement with an offtake partner for the iM3 New York Battery Plant, within a twelve month period.

At the completion of the Transaction, Magnis will hold a 53.39% direct holding in iM3NY. C4V will have a direct holding of 45.17%, with Primet Precision Materials Inc and C&D Assembly Inc the remaining holders.

As announced on 30 September 2019, iM3NY equipment was independently valued at US\$71.34 Million (A\$115.5 Million) by O'Brien & Gere, a wholly owned subsidiary of Dutch engineering giant Ramboll Group.

Magnis remains a 10% shareholder of C4V, and following this transaction, the Company's ownership in iM3NY on a direct and indirect basis will be 57.91%.

Magnis Chairman, Frank Poullas, commented: "We are committed to seeing the New York project through to production. Recent news events have highlighted the current shortage of Lithium-ion cells in the marketplace and we have an opportunity to take advantage of this situation. We look forward to providing an update in the near future regarding the progress of our project with an emphasis on financing."

Townsville Battery Plant

The ownership structure in the iM3 Townsville [iM3TSV] entity that owns the planned Lithium-ion battery plant for Townsville remains unchanged. BEI, C4V and Magnis each own an equal one third interest in iM3TSV. The Townsville Battery Manufacturing Feasibility Study was submitted to the Queensland Government in late 2019, and iM3TSV looks forward to the next stage of attaining suitable project funding for the development.

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

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