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New York Battery Plant Annual Capacity Increased to 1.8GWh

- Recently acquired equipment evaluated with annual production expanded to 1.8 GWh
- Machinery was acquired from a plant previously operated by A123 Systems in Michigan
- Estimated minimum offtake sales of US\$655 million have now been secured

Magnis Energy Technologies Limited ("Magnis," or the "Company") [ASX: MNS] is pleased to announce that Imperium3 New York (iM3NY), based in Endicott, New York, has acquired new equipment that will help support an incremental annual production rate of up to 0.6 GWh bringing the total potential annual capacity to 1.8 GWh. This announcement follows the recent purchase of state-of-the-art machinery previously used by lithium-ion cell manufacturer A123 Systems. Magnis has a direct and indirect holding of approximately 63% of iM3NY.

Following the recent US\$85 million funding package announced on 19 April 2021, the new equipment purchased will enable iM3NY to further evolve its position as one of the new players in the lithium-ion battery industry in the United States. The sector continues to grow as demand for products powered by lithium-ion batteries increases exponentially in the global market.

iM3NY bought approximately 60% of one of the production lines that A123 Systems of Romulus, Michigan, previously used. This additional equipment will be integrated into the existing production line that iM3NY is setting up, which will enhance the entire production capability to 1.8 GWh. Once fully operational, this additional equipment will provide iM3NY with the flexibility to produce the same cell design as the current line or will allow iM3NY to manufacture different cell designs to further expand their customer base.

Estimated minimum offtake sales of US\$655 million in orders have been secured in binding offtakes forming the foundation in securing the recently announced funding agreement. The binding orders are mostly used in the Energy Stationary Storage products along with transportation applications.

CEO of iM3NY Chaitanya Sharma commented: “We are working around the clock to fast-track production at the iM3NY battery plant following the recent injection of substantial funding.”

“I can draw comparisons with our team’s excitement levels and my early experience working on the Tesla Gigafactory in Nevada. We look forward to being one of the leading providers of American-made batteries for the US market in the near term.”

Magnis Chairman Frank Poullas commented: “With financing completed, the team in NY is focused on meeting production milestones. We look forward to providing constant updates to our shareholders as we progress towards production.”

This announcement has been authorised for release by the Board of Magnis Energy Technologies Limited [ACN 115 111 763].

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