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## **iM3NY Completes US\$100 Million Intellectual Property-based Financing in Collaboration with Aon and Atlas Credit Partners**

- **Intellectual Property-based financing closed with Aon and Atlas Credit Partners**
- **Funds will be used to fast-track expansion and retire previous debt**
- **Accelerated expansion required to meet anticipated strong demand from potential major customers following positive meetings**
- **Strong validation of C4V's patented technology through IP backed loan with credit wrap insurance arranged through Aon**

Magnis Energy Technologies Ltd (“**Magnis**”, or the “**Company**”) (ASX: MNS; OTCQX: MNSEF; FSE: U1P) is very pleased to announce that its Gigawatt scale Lithium-ion battery manufacturing project and subsidiary Imperium3 New York, Inc. (“iM3NY”) has completed a US\$100 million, three-year intellectual property-based financing (the “loan facility”), partnering with Atlas Credit Partners (“ACP”) and Aon. Magnis along with its joint venture and technology partner Charge CCCV LLC (“C4V”) are the major shareholders in iM3NY.

The loan facility refinances the existing US\$50 million four-year Riverstone senior secured loan obtained by iM3NY in April 2021 and supports iM3NY’s long term growth plans. Over the last year, iM3NY has made significant progress in the construction of the initial phase of its first Gigawatt scale factory and a portion of the net proceeds will be used to fast track its growth plans as it looks to expand production.

The new loan facility is for three years and provides additional capital cost reductions for iM3NY based on certain milestones. The loan facility reduces iM3NY’s cost of capital and provides additional cash to the project’s balance sheet, significantly increasing its financial flexibility and ability to take advantage of new opportunities.

Key material terms of the loan facility are disclosed in Annexure A. Additionally Annexure B provides further information about the loan facility partners.

**iM3NY Chairman and President of C4V Dr Shailesh Upreti commented:** “While intellectual property is the lifeblood of any technology company driving majority of the value, its importance in a highly crowded market like Lithium-ion batteries is even more consequential. We continue to remain at the forefront of innovation by pioneering the next generation chemistry, industry leading advanced cell designs and processes as well as the associated supply chain.”

“While C4V’s Cobalt and Nickel-free BMLMP cell technology delivers best in class safety and superior performance, we are now very close to making this technology available to the market as a leading product at scale from iM3NY. At C4V we are diligently innovating new molecules and at iM3NY we are committed to making them available to our customers to help achieve their electrification goals faster and greener.”

“Partnering with firms such as Atlas Credit Partners and Aon underscores our market-leading position and is a direct result of the hard work by the C4V and iM3NY team. I’d like to thank the ACP and Aon teams for their tireless efforts and look forward to having both as long-term partners of C4V and iM3NY.”

**CEO of iM3NY Chaitanya Sharma commented:** “We are excited to welcome Aon and ACP into our growing family of partners as we get ready to begin production from our Gigafactory in the coming months. This financing will serve to accelerate our production ramp-up plans and bring our cells to serve our trusted customers. 2022 has been, and will continue to be, a very exciting chapter in iM3NY’s success story”

**Managing Partner of Atlas Credit Partners Drew Mallozzi commented:** “We are both privileged and excited to partner once again with the iM3NY team to create another value-enhanced capital solution. In collaboration with Aon, our structure will allow iM3NY to continue on its path as a pivotal player in the global trend toward electrification.

## About Magnis

Magnis Energy Technologies Ltd (ASX: MNS; OTCQX: MNSEF; FSE: U1P) is a vertically integrated lithium-ion battery technology and materials company with strategic assets, investments and partnerships in several aspects of the electrification supply chain including manufacturing of green credentialed lithium-ion battery cells, leading edge lithium-ion battery technology and high-quality, high-performance anode materials. The Company’s vision is to enable, support and accelerate the green energy transition critical for adoption of Electric Mobility and Renewable Energy Storage.

This announcement has been authorised for release by the Board of Magnis Energy Technologies Ltd (ACN 115 111 763).

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**Annexure A - Material Terms of the Loan Facility**

<b>Issuer</b>	Imperium3 New York, Inc
<b>Arranger</b>	ACP POST OAK CREDIT I LLC shortened to Atlas Credit Partners
<b>Insurance</b>	Arranged through Aon plc
<b>Guarantor</b>	Charge CCCV LLC (C4V)
<b>Term</b>	3 Years
<b>Loan Amount</b>	US\$100 million
<b>Interest Cost</b>	Secured Overnight Financing Rate ((SOFR) with a floor of 1%) + 6% margin
<b>Credit Insurance Wrap Premium</b>	Year 1 - 8.25%, Year 2 - 4.6% or 2.5% (if milestone achieved), Year 3 - 4.35% or 2.25% (if milestone achieved)
<b>Security</b>	A lien over, amongst other assets of iM3NY LLC the intellectual property that C4V has provided to Imperium3 New York Inc
<b>Financial Covenants</b>	A liquidity covenant

## **Annexure B – Information about the Atlas Loan Facility Partners**

### **About Aon**

Aon plc (NYSE: AON) is a leading global professional services firm providing a broad range of risk, retirement and health solutions. With more than 50,000 employees in 120 countries, the company supports customers worldwide by using proprietary data and analytics to deliver insights that improve performance.

### **About Atlas Credit Partners**

Atlas Credit Partners, is a special situations investment firm, based in Houston, Texas, providing innovative credit solutions to middle market companies.

### **About C4V**

Charge CCCV (C4V) is a Li-ion battery technology company possessing patents, critical insights and manufacturing know-how to next generation Gigafactory designs. C4V's discoveries have been widely successful in extending battery life, safety and charging performance. C4V is working together with industry leading supply chain partners and OEMs to bring "best-in-class" batteries that are deployed across a spectrum of applications.

### **About iM3NY**

Imperium3 New York, Inc (iM3NY) is America's first home-grown gigafactory that commercialises C4V's lithium-ion battery technology. With a fully qualified supply chain that is primarily ex-Asia, iM3NY is truly built in America, for applications globally. With commercial production set to commence within 2022, the team is aggressively targeting a production capacity exceeding 38 GWh/year by 2030.