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New York Lithium-ion Battery Plant Update

- **New York battery plant status at the end of May – 78% complete**
- **Fully Automated Production expected to commence within the next 5 weeks**
- **Electrolyte filling machine has been commissioned**
- **Safety – Zero incidents in May**

Magnis Energy Technologies Ltd (“**Magnis**”, or the “**Company**”) (**ASX: MNS; OTCQX: MNSEF; FSE: U1P**) is very pleased to provide an update on activities from Imperium3 New York (“iM3NY”) which operates a Gigawatt scale Lithium-ion battery manufacturing plant in Endicott, New York. Magnis along with its joint venture and technology partner Charge CCCV LLC (“C4V”) are the major shareholders in iM3NY.

Project Status

Overall project completion rate is at 78% at the end of May and fully automated production expected to commence within the next 5 weeks from today and begin ramping up over the balance of the year.

Some delays were experienced during May due to global supply chain issues with the delivery of machinery from overseas suppliers. As of this week, all major equipment is now on-site and being installed with in excess of 30 engineers (provided by the equipment manufacturers) and contractors expediting the process.

iM3NY CEO Chaitanya Sharma commented: “After years of planning we are entering into an exciting phase with fully automated production expected in the near future. Whilst experiencing recent supply chain issues and delays in the shipping of equipment, we are so close to our target set over 12 months ago which is a huge achievement by the team in the climate that has existed.”

We look forward to keeping all stakeholders updated with any developments.”

Recent Milestones

During May, the electrolyte filling equipment was connected to the inside of the dry room, with a couple of modules placed in the High Bay area. As explained the importance of the dry room in the previous plant update announcement, the controlled (moisture and temperature) atmosphere of the dry room is of utmost importance especially during the cell electrolyte filling step. Any traces of moisture will react with the electrolyte resulting in undesirable side reactions and products that will slowly deteriorate the battery performance.

Furthermore, during May, iM3NY continued to work diligently with Ramboll engineering on the power distribution panels and electrical equipment which serves as the backbone to the electrical distribution throughout the plant.

New hires: 9 added bringing the total to 49 employees

- 4 Operators
- 4 Engineers
- 1 Admin

Completed items during May 2022

- Installed temporary compressed air piping for cell fabrication equipment
- Completed hook ups for air handling units (AHU) 4 and 5
- Completed installation of exterior pipe racks
- Completed installations of filling dry rooms
- Rig and set electrolyte filling equipment
- Rig and set drying ovens
- Continued installation of utility piping to exterior pipe racks
- Began installation of vacuum piping to cell fabrication equipment
- Began utility hook ups to AHU 1 & 2
- Began process exhaust ductwork for coating lines and cell fabrication equipment
- Began process equipment fit up for mixing equipment
- Began anode coating line interconnects



Figure 1: Degassing Ductwork

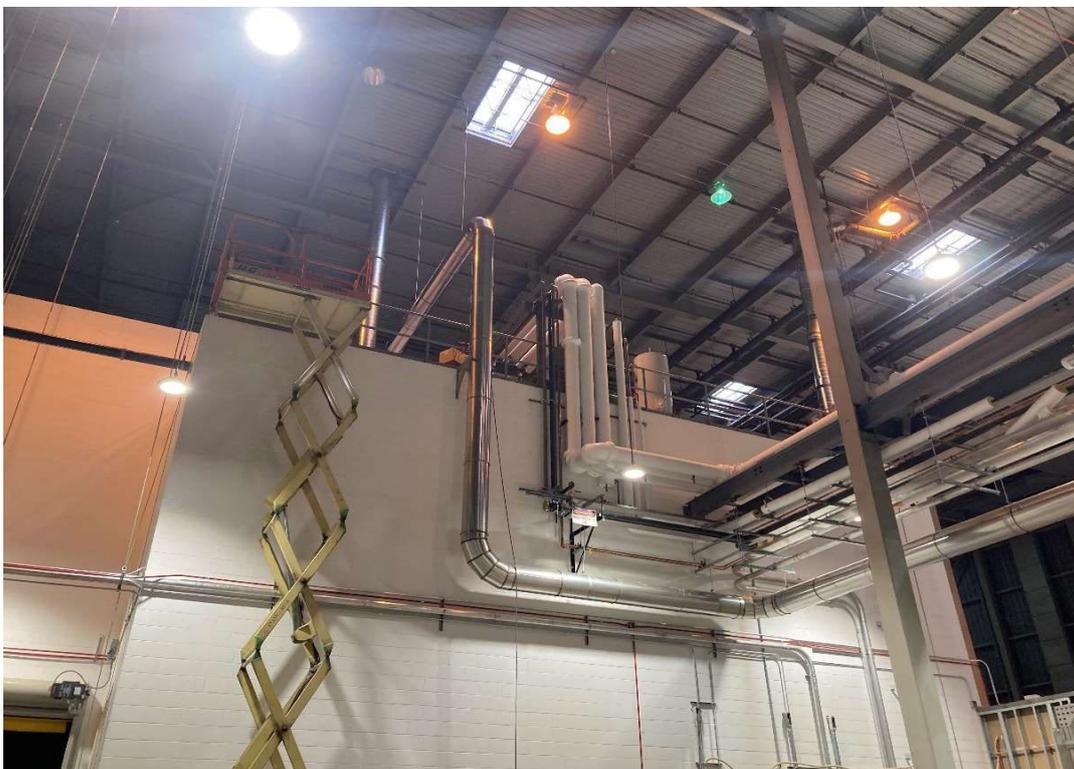


Figure 2: Electrolyte Exhaust Duct



Figure 3: iM3NY plant aerial view – May 2022



Figure 4: Battery cells produced from semi-automated production

Next Steps

With fully automated production nearing, the first two months of production will see low volume output and testing of the manufacturing processes and general quality control which is standard with any manufacturing plant.

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 the electrification supply chain. The company's US based subsidiary Imperium3 New York, Inc ("iM3NY") operates a Gigawatt scale Lithium-ion battery manufacturing project in Endicott, New York. Magnis along with its joint venture and technology partner Charge CCCV LLC ("C4V") are the major shareholders in iM3NY which plans to commercialise C4V's patented technology to produce green credentialed lithium-ion battery cells. Magnis also has a minority stake in C4V and has exclusively licensed their anode processing technology with an aim to produce high performance anode materials utilising ultra-high purity natural flake graphite from Magnis' Nachu Graphite Project in Tanzania. The company's vision is to enable, support and accelerate the green energy transition critical for the adoption of Electric Mobility and Renewable Energy Storage.

FOR FURTHER INFORMATION

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