

NOV  
2023

# Magnis AGM



We are focused on the future, and we've taken positive steps to accelerate the **roadmap to recovery for Magnis**



## Highlights

- iM3NY Production Progresses
- LOI with BESS prospects
- AAM Project
  - Equipment ordered
  - Worley contracted
- Funding provided to iM3NY
  - Magnis increases stake



- iM3NY Production
- Funding sources
- Focus on governance
  - Auditing procedures
  - Director's Fees
  - EY Report
- Progress AAM & Nachu
- Off-take agreements



## Objectives

1. Funding sources
2. New iM3NY leadership
3. Production & ramp-up

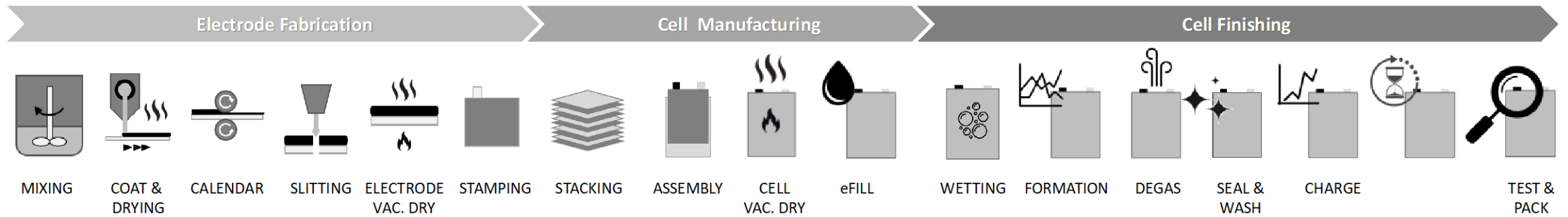




## Challenges & Results

- **Delayed UN 38.3 certification**
  - Issues have been resolved and the UN certificate was granted
- **Working through scale-up**





## Manufacturing Team On-Site Report

The production team communicated that they are on target to achieve a daily production run of 300 cells by December 2023



- Magnis appoints a 3 member board (Frank Poullas, Claire Bibby and Giles Gunsekera) at iM3NY and establishes a majority representation.
- Magnis appoints interim CEO of iM3NY Wade Guindy (Awaiting profile photo)
- Wade Guindy to appoint new iM3NY CFO
- Further management strengthening

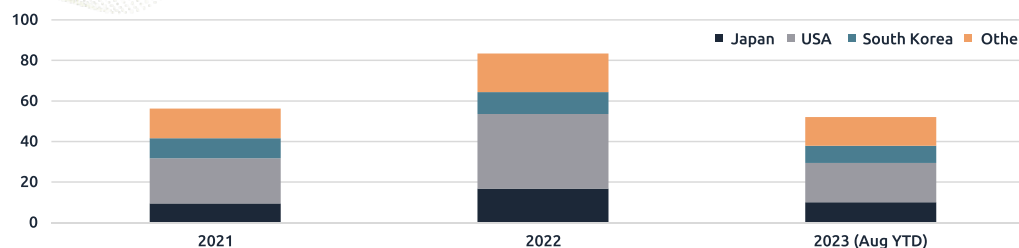




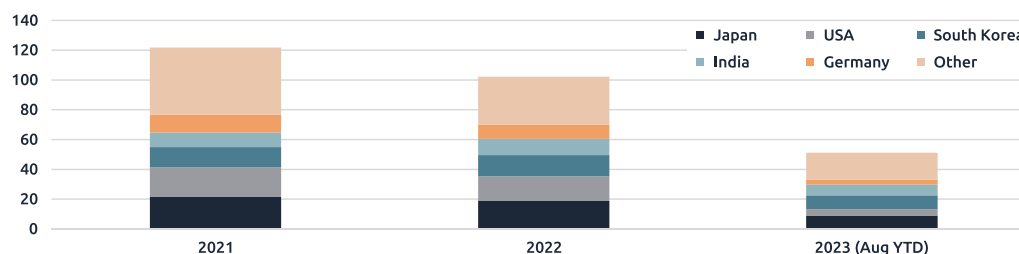
# China's New Export Controls on Graphite

- China introduced export controls on certain graphite products including **natural and spherical graphite** from December 1, 2023
- China is currently the **major producer of graphite** products globally
- The new export controls expected to **benefit the progression of the Nachu Graphite project**

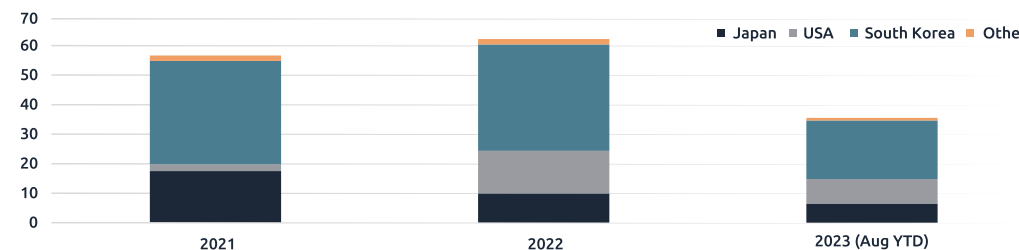
China natural graphite AAM exports (kt)<sup>2</sup>



China natural graphite exports (kt)<sup>2</sup>



China spherical graphite exports (kt)<sup>2</sup>





**NPV<sub>10</sub> US\$1.2bn &  
51% IRR**

Strong Cash Flows driven by high operating margins

**World Class**  
Battery Materials Project



Attractive  
Project Returns

**99% TGC**

Very high purity is a key differentiator to other Graphite Projects



Very High Purity  
Concentrate

**Off-Take  
Agreements**

- Tier 1 EV Manufacturer
- European Trading House



Reputable  
Off-Takers

**Special Economic  
Zone License**

Significant Fiscal Benefits for Production and Export of Value-added Graphite Products



Advanced  
Graphite Products



### Key Highlights of the Nachu Graphite Project<sup>1</sup>

Project Metrics	Units	Value
Project NPV <sub>10</sub> LOM (Post Tax)	US\$	\$1.2bn
Project IRR LOM (Post Tax)	%	51%
Payback Period	Months	19
Operating Expenditure	US\$/t	\$639
Concentrate Basket FOB Mtwara	US\$/t	\$1847
Operating Margin (incl. 3% Royalty)	US\$/t	\$1150
Initial Project Capital Cost	US\$	\$364mn
Special Economic Zone Period	Years	10
Concentrate Total Graphitic Carbon (TGC)	%	98.5% - 99%
Process Plant Capacity	t/year	5,000,000
Steady State Graphite Production	t/year	~236,000

- Magnis engaged global engineering firm Ausenco Services Pty Ltd and various other parties to update the previous BFS published in 2016
- BFS Update confirms Nachu as a world class graphite project driven by strong technical and financial viability combined with impactful sustainability outcomes
- Steady state 236ktpa high purity graphite concentrate produced over years 2 to 12
- Initial reserve-backed 15.5 year mine life with further high-grade resource conversion potential
- Post-tax NPV<sub>10%</sub> of US\$1.2b and project IRR of 51% driven by outstanding forecast operating margin of ~US\$1,150/t or 62%

**US\$1.2bn**



NPV<sub>10</sub>

**51%**



**PROJECT IRR**

**US\$1150~t**



**EXPECTED  
OPERATING MARGIN**

1. Refer to ASX Announcement Nachu Graphite Project BFS Update and Supplementary Information to BFS update for further details on Sep 27<sup>th</sup> 2022 and Sep 30<sup>th</sup> 2022 respectively



- There is **continued interest** in the Magnis businesses
- Currently in discussions with our existing lender Baupost Group. A term sheet is in place and is being worked on by the investor and lender. We are in the due diligence phase. We hope to announce a new loan agreement.
- **Nachu graphite** mining project - we have a roadmap towards negotiations for finance for both iM3NY and for Nachu
- **DOE Grant** - We are in on-going discussions with the DoE on clarifications to the agreement and look forward to providing you with an update when we can.





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