

QUARTERLY REPORT

For Quarter Ending June 2025

Key Highlights

- **Detailed Engineering begins on the Nachu Graphite Project (Nachu)**
- **Tri-Party MOU signed for the Development of Nachu which includes the development of the processing plant and civil works**
- **Plans to fast track the development of Anode Materials in the United States**
- **US Department of Commerce to place 93.5% Antidumping Tariffs on Chinese Graphite Products making the effective tariff rate 160%**
- **2024 AGM called for 15 August 2025**

Magnis Energy Technologies Ltd (ASX: MNS; FSE: U1P; OTC: MNSEF) (“Magnis” or the “Company”) provides its Quarterly Activities Report for the period ended 30 June 2025.

NACHU GRAPHITE PROJECT

Nachu Detailed Engineering

During the quarter, the Company advised that detailed engineering will be completed by Xinhai subsidiary, Yantai Xinhai Mining Research & Design CO., LTD. Xinhai estimate the assignment will take approximately 24 weeks to complete upon engagement and receipt of all required information. Detailed engineering is presently planned to be completed this calendar year.

The design work will include the three main aspects for the development of Nachu:

- Mine Planning
- Process Plant

- Tailings Storage Facility

Mine Planning will optimise and provide the final open pit design, the layout of the open-pit infrastructure, each mining bench, the initial cutting trench, the access trench, cross-sections of the open pit, the drainage system diagram of the waste dump, and the cross-section of the waste dump

Processing Plant configuration diagram will include various operation plants, equipment or units including various major equipment, belt conveyors, centralised lubrication systems and drawings of metal structural parts.

Tailings Storage Facility will include items like piping, tailings monitoring systems, tank layout, water quality testing and hydrology morphology.

Detailed engineering will also include Electrical Systems, Water Supply and Drainage, Civil Engineering designs and Ventilation Systems.

Tri-Party MOU

During the quarter, an MOU for the development of the Nachu Project was entered with Xinhai and SMC. Under the agreement, Xinhai will be responsible for developing the processing plant and SMC will be responsible for the civil works on the project. Importantly, both parties will work on securing financing for their services.

And also, as reported in the Company's March quarterly report, an MOU was entered with AUXIN Mining Services of Hong Kong for mining services.

Nachu Special Mining Licence

In May 2025, the Company's subsidiary in Tanzania received a notice of non-compliance from the Mining Commission concerning Special Mining Licence (SML 550/2015). The notice pertains to the subsidiary's failure to commence development activities within the stipulated 18-month period from the licence grant date, as mandated by the Mining Act, Cap 123. The Company responded to the Mining Commission to address this matter and ensure compliance and in June 2025 received confirmation that the default notice had been lifted. Currently, there are no indications of issues affecting the validity of the licence.

ANODE DEVELOPMENT

During the quarter development plans have been undertaken with groups who are looking at the fast tracking of the production of Anode Materials in the United States. The discussions have included customers urgently seeking materials.

In recent weeks the US Department of Commerce is imposing a preliminary anti-dumping duty of 93.5% on Chinese graphite-based active anode material (AAM), including AAM within finished lithium-ion batteries. When combined with existing countervailing duty tariffs, the effective tariff rate for Chinese AAM imports is now 160%, according to the American Active Anode Material Producers. The Company expects to have further developments in the coming quarter.

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IM3NY LLC AND IMPERIUM3 NEW YORK INC (IM3NY)

In January 2025, the directors of IM3NY filed for creditor protection under Chapter 11 of the US Bankruptcy Code. On 31 March 2025 (US time) the Delaware Bankruptcy Court approved the sale of the assets of IM3NY to Musashi Auto Parts Michigan Inc for consideration of US\$10 million, with the sale to close on 4 April 2025. At present the Company is not aware of the disposition of the proceeds. It appears unlikely that the Company will obtain a return on its investment through the bankruptcy process. In June 2025, the Delaware Bankruptcy Court ordered the dismissal of the Chapter 11 case and accordingly IM3NY has emerged from Chapter 11 bankruptcy protection. The Company retains its economic interest in Imperium3 and reserves its rights.

CORPORATE

Board

Peter Tsegas resigned as a director of the Company effective 30 June 2025. Peter has played a major role in Tanzania and has been instrumental in the progress of Nachu over the last decade. The board wishes Peter all the best in his future endeavours.

Secured Debt

During the quarter, the Secured Lender, McEvoy Street (Alexandria) Pty Ltd, agreed to increase the principal amount of the loan from \$7.262 million to \$8.238 million. In May 2025, McEvoy advised it intends to continue to provide financial support to Magnis in relation to its ongoing operating costs and working capital requirements in an amount of up to \$5 million over the next 12 months. All other terms and conditions under the existing Secured Debt agreement remain.

Annual General Meeting

The Company's 2024 Annual General Meeting will be held on 15 August 2025.

ASX Communications

The Company's shares have been suspended from quotation on the ASX since 8 December 2023 as ASX has determined that it is not satisfied that the Company is currently able to comply with its obligations under Listing Rules 3.1, 12.1 and 12.5. As the Company's securities have been suspended from quotation for a period of more than three months, Magnis is now considered by the ASX to be a long term suspended entity.

As previously advised, ASX has determined that "Magnis must demonstrate to ASX that it is willing and able to comply with these rules, and the Listing Rules generally, before ASX can reinstate Magnis's securities to quotation. This will include demonstrating that Magnis has established sufficient continuous disclosure arrangements to ensure that Magnis can make continuous disclosure announcements to the market about the business currently operated by Imperium3 that will satisfy Magnis's obligations under Listing Rule 3.1. If Magnis disposes of some or all of its interest in Imperium3, and complies with all applicable Listing Rules in doing so, ASX will, at that time, undertake further assessment of Magnis's progress on its Nachu graphite project. The purpose of this assessment will be for Magnis to demonstrate that its operations are sufficient to satisfy Magnis's obligations under Listing Rule 12.1 and therefore warrant reinstatement of Magnis's securities to quotation."

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Given it presently appears unlikely that the Company will obtain a return on its investment in IM3NY, the Company will likely refocus on the Nachu Graphite Project as the Company's primary asset.

Shareholders are cautioned that reinstatement of a long term suspended entity's securities to quotation is not granted automatically on application. ASX must be satisfied that the reasons for the ongoing suspension have been addressed and that the entity complies with the Listing Rules at the point of reinstatement. ASX may require an entity to satisfy conditions before their securities can be reinstated to quotation, including but not limited to conditions relating to level of activities, financial condition and working capital, and the disclosure of financial or other information relevant to the entity's compliance with the Listing Rules.

ASIC Claim

During the quarter, the Company continued to undertake pre-trial activities in compliance with Court Orders.

Related Party Payments

Payments to related parties (or their associates) of the Company are disclosed in section 6 of Appendix 5B for the quarter. There were no payments during the quarter.

Further Information as Required under Listing Rule 5.3

No substantive mining exploration activities occurred during the quarter. Payments in the quarter related primarily to licence and lease costs. And in addition, no substantive mining production and development activities occurred during the quarter.

No licences were given up or acquired in the quarter. Magnis' licences held by Uranex in Tanzania are as follows:

- SML 550/2015 - the Special Mining Licence of 29.77 km² that covers the Nachu Graphite Project; and
- PL10929/2106 - the prospecting licence that surrounds the SML and is the licence that contains the various graphite mineralised areas discovered and reported from 2012 to 2015.

About Magnis

Magnis Energy Technologies Ltd (ASX: MNS; OTC: MNSEF; FSE: U1P) is a vertically integrated lithium-ion battery technology and materials company in the Lithium-ion battery supply chain. The company's vision is to enable, support and accelerate the mass adoption of Electric Mobility and Renewable Energy Storage critical for the green energy transition.

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

FOR FURTHER INFORMATION

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Magnis Energy Technologies Ltd

ABN

26 115 111 763

Quarter ended ("current quarter")

30 June 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(232)	(454)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(334)	(724)
	(e) administration and corporate costs	(354)	(1,371)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	3
1.5	Interest and other costs of finance paid	-	(400)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities #	(920)	(2,946)
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant, and equipment	-	-
	(d) exploration & evaluation (if capitalised)	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

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2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant, and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities #	-	-
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	976	3,643
3.6	Repayment of borrowings	-	(709)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities #	976	2,934
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash & cash equivalents at start of period	23	90
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(920)	(2,946)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	976	2,934
4.5	Effect of movement in exchange rates on cash held	(1)	-
4.6	Cash & cash equivalents at end of period	78	78

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5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	78	23
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	78	23

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

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Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	8,238	8,238
7.2 Credit standby arrangements:	-	-
7.3 Other	5,000	206
7.4 Total financing facilities	13,032	8,444

7.5 Unused financing facilities available at quarter end

4,794

- 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

During the December 2023 quarter, Magnis procured a \$4.6 million secured short term debt from sophisticated and professional investors. During the September 2024 quarter, the debt was assigned to McEvoy Street (Alexandria) Pty Ltd (McEvoy or Secured Lender), and the Company and the Secured Lender entered a side deed with the following material terms in relation to the debt:

- The principal amount owing to the Secured Lender was agreed at \$5.5 million.
- Interest will accrue at 4.5% per month payable on maturity; and
- Maturity date of 16 October 2024, subsequently extended to 15 May 2026.

During the June 2025 Quarter, the Secured Lender agreed to increase the Principal Amount from \$7.262 million to \$8.328 million. All other terms and conditions under the existing secured debt agreement remain.

In May 2025, McEvoy advised it intends to continue to provide financial support to the Company in relation to its ongoing operating costs and working capital requirements in an amount of up to \$5 million over the next 12 months.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(920)
8.1.5 Reversal of Q2 Net cash from / (used in) operating activities of iM3NY subsidiary as at date of deconsolidation. (Item 1.9)	-
8.2 Capitalised exploration & evaluation (Item 2.1(d))	-
8.3 Total relevant outgoings (Item 8.1 + Item 8.1.5 + Item 8.2)	(920)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	78
8.5 Unused finance facilities available at quarter end (Item 7.5)	4,794
8.6 Total available funding (Item 8.4 + Item 8.5)	4,872
8.7 Estimated quarters of funding available (Item 8.6 divided by (Item 8.3 x -1))	5.29
8.8 If Item 8.7 is less than 2 quarters , please provide answers to the following questions:	
1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/a.	
2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/a	
3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/a.	

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Date: 30 July 2025

Authorised by: By the Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

- This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
- If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
- Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
- If this report has been authorised for release to the market by:
 - your board of directors, you can insert here: "By the Board of Directors".

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- by a committee of your board of directors, you can insert here: “By the [*name of board committee* – e.g., *Audit and Risk Committee*]”.
 - by a disclosure committee, you can insert here: “By the Disclosure Committee”.
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council’s *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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