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Company Announcements Office
Australian Securities Exchange Limited
20 Bridge Street, Sydney
NSW 2000

7 May 2021

Dear Sir/Madam,

Magontec Limited – Employee Share Trading Policy & Remuneration and Nomination Committee

At its meeting on 28 April 2021, the Board of Magontec Limited approved –

- a new Employee Share Trading Policy; and
- that the name of the Board Committee currently known as the Remuneration and Appointments Committee be changed to Remuneration and Nomination Committee.

1. Employee Share Trading Policy

The new policy is attached and can also be found at

- <http://magontec.com/wp-content/uploads/2017/01/7.-Share-Trading-Policy.pdf> or
- by going to the Magontec website (Magontec.com) and then follow the tabs "Investor Centre", "Corporate Governance" and "Share trading Policy".

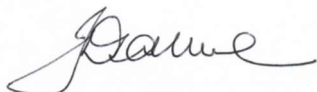
The key features of the new policy are –

- no trading is permitted inside a blackout period unless there is a compelling and extraordinary need and the trade is approved by the Executive Chairman or equivalent (clause 6a);
- trading is permitted outside a blackout period with approval of the Executive Chairman or equivalent (clause 6b); and
- a blackout period is defined in clause 5g.

2. Remuneration and Nomination Committee

The Committee's role and charter does not alter. The name change merely reflects the terminology used in Recommendation 2.1 of the ASX Corporate Governance Principles 4th Edition.

Yours Sincerely



John Talbot
Company Secretary
Contact details: +61 (0) 405 317 594

John Talbot, Company Secretary of Magontec Limited has authorised the release of this document to the market on 7 May 2021



Magontec Limited

Employee Share Trading Policy

Approved: 28th April 2021

1. CENTRAL POLICY PRINCIPLES

- (a) Subject to the exception at heading 6(a) you and your Close Associates ***are prohibited to*** Deal in Securities issued by any Group Company during a Blackout Period.
- (b) Subject to the provision at heading 6(b) you and your Close Associates ***are permitted to*** Deal in Securities issued by any Group Company outside a Blackout Period.

2. BACKGROUND

Although employees (including Directors and consultants) are encouraged to become shareholders of Magontec Limited, there are both legal and ethical considerations involved in respect of the timing of any trading of Securities by employees. The obvious consideration is the legal prohibition placed upon individuals trading in Securities where those individuals are in possession of "Inside Information".

3. LANGUAGE

This Policy is to be interpreted by reference to the English version with such interpretation to take precedence over an alternative interpretation that may arise in a version of the Policy written in another language.

4. AIM

- (a) To effect proper business controls.
- (b) To protect broader shareholder interests.
- (c) To meet legal requirements.
- (d) To satisfy ethical standards.

5. DEFINITIONS

- (a) Who is covered by this Policy?

All –

- (i) employees;
- (ii) consultants engaged on a regular or periodic basis as a substitute for engagement of full-time personnel;
- (iii) Directors; and
- (iv) Close Associates of such persons above,

of all MGL Group companies.

- (b) What is a Close Associate?

For the purposes of this policy, a close associate is:

- (ii) any company in which you have a substantial shareholding;
- (iii) any private trust of which you are a beneficiary; and
- (iv) any person, company or trust (of which you are a beneficiary) and with whom you have an arrangement which would entitle you to control, or influence substantially, the exercise of any voting power of Securities so held by such a person in any Group Company.

(c) What are Securities?

For the purposes of this policy, Securities are any listed or unlisted class of share, right or share option issued by a Group Company.

(d) What is a Group Company?

For the purposes of this policy, the MGL Group companies incorporate Magontec Limited and any other Company which becomes part of the Group as a result of a takeover offer or other form of acquisition by MGL.

(e) What is Dealing in Securities?

For the purposes of this policy, Dealing in Securities is a transaction that includes:

- (i) the buying or selling by you of, you subscribing for or you being issued, any Securities; and
- (ii) the sale of shares which are a result of the exercise of an Employee Share Option or vesting of Performance Rights.

Whether on your own account or on behalf of another person.

The following are not considered to be dealing in securities under this Policy –

- (iii) participation in a capital raising (e.g. rights issue or share purchase plan) offered by the company to all Australian and New Zealand domiciled shareholders; and
- (iv) the issue of any share option or Performance Right.

However, the subsequent sale of shares from the exercising of a share option or the vesting of Performance Rights does constitute such a transaction and must comply with this Policy.

(f) What is Inside Information?

For the purpose of this Policy, Inside Information is information which has not been released to the Australian Securities Exchange, and which may have a material effect on the price of the Securities in the relevant company.

(g) What is the Blackout Period?

A Blackout Period is a period during which dealing in Securities should not occur by persons covered by this policy. A Blackout Period occurs during the following times:

- (i) The month of January, being the period following the annual reporting date and before which the Company's quarterly report is due to be released on 31 January.
- (ii) The period commencing and including the date 30 days prior to 31 December to and including 31 December of each year, being the 30-day VWAP measurement period for determination of achievement or otherwise of share price targets for the purpose of the LTI scheme.
- (iii) Any other period so designated by the Board or Executive Chairman (or equivalent) as being a trading Blackout Period.
- (iv) A period not included above, during which an employee is in possession of **Inside Information**¹ of which the Board and the market is unaware.

¹ Refer definition of "Inside Information" at heading 5(f) above

6. APPROVAL PROCEDURES TO DEAL IN SECURITIES

(a) What must you do if you wish to Deal in Securities **during a Blackout Period**?

The Company's default position is that there is a blanket prohibition on Dealing in Securities during a Blackout Period. Under extraordinary circumstances the Executive Chairman or his equivalent, and at his sole discretion, may provide a dispensation to permit a trade in circumstances (including but not limited to) where:

- the seller's action is not in breach of any law;
- the seller is not in possession of Inside Information; and
- a compelling urgent or emergency case exists requiring you to raise cash.

(b) What must you do if you wish to Deal in Securities **outside a Blackout Period**?

Corporate activity, of which you are unaware, may be occurring at the time you wish to Deal in Securities. If this is the case, it could be that your intended trade may unintentionally breach a law, ASX rule or ethical standard. To avoid such a situation, prior to conducting the trade you are required to obtain the written consent of the Executive Chairman or his equivalent.