



Announcement Summary

Entity name

MAGNIS ENERGY TECHNOLOGIES LTD

Announcement Type

New announcement

Date of this announcement

3/8/2021

The Proposed issue is:

☒ A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
New class-code to be confirmed	To be determined.	71,060,707
MNS	ORDINARY FULLY PAID	19,000,000

Proposed +issue date

3/8/2021

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

MAGNIS ENERGY TECHNOLOGIES LTD

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ABN

Registration Number

26115111763

1.3 ASX issuer code

MNS

1.4 The announcement is☒ New announcement**1.5 Date of this announcement**

3/8/2021

1.6 The Proposed issue is:☒ A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?

☒ No

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

Details of +securities proposed to be issued

ASX +security code and description

MNS : ORDINARY FULLY PAID

Number of +securities proposed to be issued

19,000,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ No

Please describe the consideration being provided for the +securities

14,000,000 Ordinary Shares (Initial Shares) are to offset a partial repayment of the Face Value (\$21,000,000) in Convertible Notes (the Facility), that the Company intends repaying by way of ordinary shares in accordance with the terms of the Convertible Note Agreement/s. A further 5,000,000 shares as remuneration to financial advisers (as noted later). The estimate below is calculated on the 7.5% discounted VWAP modelling, under the Convertible Notes, as if calculated based on the previous ten (10) trading days. (The number assumes the lowest VWAP date was selected.)

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

4,656,355.500000



Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ Yes

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ New class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

☒ Yes

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

☒ No

ASX +security code

New class-code to be confirmed

+Security description

To be determined.

+Security type

+Convertible debt securities

Number of +securities proposed to be issued

71,060,707

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ No

Please describe the consideration being provided for the +securities

\$AUD20,000,000.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

0.2468825

Will all the +securities issued in this class rank equally in all respects from their issue date?

☒ Yes



+Convertible debt securities details

These securities are:

Converting

Type of security

Convertible note or bond

+Security currency

AUD - Australian Dollar

Face value

AUD 21,000,000.0000

Interest rate type

Fixed rate

Frequency of coupon/interest payments per year

No coupon/interest payments

s128F of the Income Tax Assessment Act status applicable to the +security

Not applicable

Is the +security perpetual (ie. no maturity date)?☒ No**Maturity date**

2/2/2023

Select other features applicable to the +security☒ Redeemable☒ None of the above**Is there a first trigger date on which a right of conversion, redemption, call or put can be exercised (whichever is first)?**☒ No**Details of the type of +security that will be issued if the securities are converted, transformed or exchanged**

MNS : ORDINARY FULLY PAID

Number of +securities that will be issued if the +securities are converted, transformed or exchanged (including, if applicable, any interest)

Unknown at this stage, as it is dependent on the VWAP of the ten (10) trading preceding for each respective conversion event, as selected by the convertible note holders.

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.

https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02403040-2A1313406?access_token=8.3ff96335c2d45a094df02a206a39ff4

Announcement - see Annexure A



Part 7C - Timetable

7C.1 Proposed +issue date

3/8/2021

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?

☒ No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

☒ Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

19,000,000 shares

7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?

☒ No

7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

☒ No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

☒ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

☒ No

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

☒ Yes

7E.1a Who is the lead manager/broker?

Evolution Capital Advisors Pty Ltd

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

5,000,000 shares, and subject to shareholder approval, and 10,000,000 unlisted options. Exercise price of \$0.50, with a 3 year expiry.

7E.2 Is the proposed issue to be underwritten?

☒ No



7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

\$5,500 in (capped) legal costs.

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

The issue of 14,000,000 shares, were for the purpose of meeting a condition of the Convertible Note Agreements. 5,000,000 shares were issued for the purpose of paying the financial advisers (excluding GST).

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

☒ No

7F.2 Any other information the entity wishes to provide about the proposed issue

The Conversion Price depends on the VWAP, so the number of shares to be issued are not knowable. If calculated today, the Conversion Price (assuming the lowest day was selected from the past 10 days that the Company traded) then after the discount would \$0.2468825 per security and so based on the \$21,000,000 Face Value, 85,060,707 shares would settle that primary obligation to repay the Face Value. Less 14,000,000 shares issued today, 71,060,707 further shares would need to be issued. Further information: as part remuneration, the Company will also seek shareholder approval to issue 20,000,000 (in total) unlisted options with an exercise price of \$0.40 and expiry date of three (3) years from their issue date.

7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

☒ The publication of a cleansing notice under section 708A(5), 708AA(2)(f), 1012DA(5) or 1012DAA(2)(f)