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29 December 2021

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

Dear Sir/Madam,

**Magontec Xi'an factory – COVID lockdown**

On 23 December 2021 we informed the market that the Chinese city of Xi'an, where Magontec manufactures Mg anodes, had entered a COVID-related city-wide lockdown.

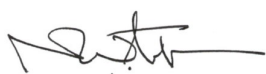
While the lockdown had initially allowed some manufacturing activity to continue, all residents are now confined to their homes and all commercial activity has ceased. Thus, magnesium anode production at the Magontec's Xi'an plant has also been halted.

The Xi'an City authorities have given no indication of the likely duration of the lockdown.

The Magontec Xi'an factory supplies customers in China, Vietnam and the USA and this event has occurred at a time of high seasonal sales when inventories are generally low. Arrangements have been made, where possible, to find alternative sources of supply.

We will keep the market updated on any developments.

Yours sincerely



Mr Nicholas Andrews  
**Executive Chairman**  
**Magontec Limited**

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***Nicholas Andrews, Executive Chairman Magontec Limited, has authorised the release of this document to the market on 29 December 2021***