

MAGNIS ENERGY TECHNOLOGIES LTD

ABN 26 115 111 763

NOTICE OF THE 2022 ANNUAL GENERAL MEETING EXPLANATORY MEMORANDUM AND PROXY FORM

DATE AND TIME OF MEETING

Thursday, 24 November 2022 at 10.00 a.m. (AEDT)

PLACE OF MEETING

The Meeting will be conducted in person at:

**Doltone House, Hyde Park
3/181 Elizabeth Street, Sydney NSW 2000**

IMPORTANT INFORMATION

**This is an important document that should be read in its entirety.
If you do not understand it, or any part of it, you should consult your professional advisors.**

NOTICE OF 2022 ANNUAL GENERAL MEETING

Notice is now given that the 2022 Annual General Meeting (**AGM**) of the members of Magnis Energy Technologies Ltd (**Magnis** or the **Company**) will be held in person on:

Date: Thursday, 24 November 2022

Time: 10.00 am (AEDT)

The Annual General Meeting of the Company's Shareholders will be held at Doltone House, Hyde Park 3/181 Elizabeth St, Sydney NSW 2000.

For more information about participating in the Annual General Meeting, please refer to our website <https://magnis.com.au/>.

ITEMS OF BUSINESS

ITEM 1.1 - FINANCIAL REPORT, DIRECTORS' REPORT AND AUDITOR'S REPORT

To receive and consider the Financial Report, the Directors' Report and the Independent Auditor's Report of the Company and its consolidated entities for the financial year ended 30 June 2022.

Note: There is no requirement for Shareholders to approve these reports or vote on this item of business.

ITEM 1.2 - RESOLUTION 1: REMUNERATION REPORT

To consider and, if thought fit, pass the following resolution as a non-binding advisory an ordinary resolution of the Company:

"That the Remuneration Report for the year ended 30 June 2022 (as set out in the Directors' Report, which forms part of the Company's Financial Report) be adopted in accordance with section 250R(2) of the Corporations Act 2001 (Cth)."

Board Recommendation

The Board recommends that Shareholders adopt the Remuneration Report.

Refer to the Voting Exclusion Statement that refers to resolution 1.2

ITEM 2 – DIRECTOR RE-ELECTIONS AND ELECTIONS

RESOLUTION 2.1: RE-ELECTION OF DIRECTOR – PETER TSEGAS

To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

"That Peter Tsegas, who retires by rotation from the office of Director in accordance with clause 16.10(a)(i) of the Company's Constitution and, having offered himself for re-election and being eligible for re-election, be re-elected as a Director of the Company."

Board recommendation

The Board (with Peter Tsegas abstaining due to personal interest) recommends that Shareholders vote in favour of the proposed Resolution 2.1.

No voting exclusion statement applies to resolution 2.1.

RESOLUTION 2.2: ELECTION OF DIRECTOR – CLAIRE BIBBY

To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

"That Claire Bibby, having been appointed as a Director of the Company since the last annual general meeting, and who retires from the office of Director in accordance with clause 16.6(b) of the Company's Constitution and ASX Listing Rule 14.4, and, having offered herself for election and being eligible, be elected as a Director of the Company."

Board recommendation

The Board (with Ms Claire Bibby abstaining due to personal interest) recommends that Shareholders vote in favour of the proposed Resolution 2.2.

No voting exclusion statement applies to resolution 2.2.

RESOLUTION 2.3: ELECTION OF DIRECTOR – HOSHI DARUWALLA

To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

"That Hoshi Daruwalla, having been appointed as a Director of the Company since the last annual general meeting, and who retires from the office of Director in accordance with clause 16.6(b) of the Company's Constitution and ASX Listing Rule 14.4, and, having offered himself for election and being eligible, be elected as a Director of the Company."

Board recommendation

The Board (with Mr Hoshi Daruwalla abstaining due to personal interest) recommends that Shareholders vote in favour of the proposed Resolution 2.3.

No voting exclusion statement applies to resolution 2.3.

RESOLUTION 2.4: ELECTION OF DIRECTOR – GILES GUNESEKERA

To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

"That Giles Gunesekera, having been appointed as a Director of the Company since the last annual general meeting, and who retires from the office of Director in accordance with clause 16.6(b) of the Company's Constitution and ASX Listing Rule 14.4, and, having offered himself for election and being eligible, be elected as a Director of the Company."

Board recommendation

The Board (with Mr Giles Gunesekera abstaining due to personal interest) recommends that Shareholders vote in favour of the proposed Resolution 2.4.

No voting exclusion statement applies to resolution 2.4.

ITEM 3 – DIRECTOR REMUNERATION SECURITIES

RESOLUTION 3.1: GRANTING OF OPTIONS TO CLAIRE BIBBY

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

"That should Claire Bibby be elected a director under resolution 2.2 and for the purposes of the ASX Listing rules 10.11 and 10.14.1 and other purposes, Claire Bibby, be granted 2,000,000 unlisted options in the Company with an exercise price of \$0.80, and these options will have an expiry date of 3 years from the date of issue on the terms and conditions described in the Explanatory Memorandum."

Board recommendation

The Board (with Ms Claire Bibby abstaining due to personal interest) recommends that Shareholders vote in favour of the proposed Resolution 3.1.

Refer to the Voting Exclusion Statement that refers to resolution 3.1

RESOLUTION 3.2: GRANTING OF OPTIONS TO HOSHI DARUWALLA

To consider and, if thought fit, pass the following as an ordinary resolution of the Company

"That should Hoshi Daruwalla be elected a director under resolution 2.3 and for the purposes of the ASX Listing Rules 10.11 and 10.14.1 and other purposes, Hoshi Daruwalla be granted 2,000,000 unlisted options in the Company with an exercise price of \$0.80, and these options will have an expiry date of 3 years from the date of issue on the terms and conditions described in the Explanatory Memorandum."

Board recommendation

The Board (with Mr Hoshi Daruwalla abstaining due to personal interest) recommends that Shareholders vote in favour of the proposed Resolution 3.2.

Refer to the Voting Exclusion Statement that refers to resolution 3.2

RESOLUTION 3.3: GRANTING OF OPTIONS TO GILES GUNESEKERA

To consider and, if thought fit, pass the following as an ordinary resolution of the Company

"That should Giles Gunesekera be elected a director under resolution 2.4 and for the purposes of the ASX Listing Rules 10.11 and 10.14.1 and other purposes, Giles Gunesekera, be granted 2,000,000 unlisted options in the Company with an exercise price of \$0.80, and these options will have an expiry date of 3 years from the date of issue on the terms and conditions described in the Explanatory Memorandum."

Board recommendation

The Board (with Mr Giles Gunesekera abstaining due to personal interest) recommends that Shareholders vote in favour of the proposed Resolution 3.3.

Refer to the Voting Exclusion Statement that refers to resolution 3.3

ITEM 4 – SECURITIES TO TRAXYS

RESOLUTION 4.1: GRANT OF 1,300,000 OPTIONS TO TRAXYS

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

"That for all purposes, including ASX Listing Rule 7.1, the Company approves the granting of 1,300,000 unlisted options to Traxys (or their nominees) at an exercise price of \$0.60, and these options will have an expiry date of 2 years from the date of issue on the terms and conditions described in the Explanatory Memorandum."

Board Recommendation

The Board recommends that shareholders vote in favour of the proposed Resolution 4.1.

Refer to the Voting Exclusion Statement that refers to resolution 4.1.

RESOLUTION 4.2: RATIFICATION OF PRIOR ISSUE OF 700,000 ORDINARY SHARES TO TRAXYS

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

"That for all purposes, including ASX Listing Rule 7.4, shareholders approve the issuing of 700,000 fully paid ordinary Shares by the Company at an issue price of \$0.445 to Traxys (or their nominees) on the terms and conditions described in the Explanatory Memorandum."

Board Recommendation

The Board recommends that shareholders vote in favour of the proposed Resolution 4.2.

Refer to the Voting Exclusion Statement that refers to resolution 4.2

ITEM 5 – APPROVAL FOR ISSUE OF SECURITIES TO CEO AND EMPLOYEES

RESOLUTION 5.1: RATIFICATION OF PRIOR ISSUE OF OPTIONS TO EXECUTIVE EMPLOYEES

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

"That for all purposes, including ASX Listing Rule 7.4, shareholders approve the issuing of a combined 2,025,000 Options by the Company at the prices and conditions specified in the Explanatory Memorandum, to the persons (or their nominees) specified in the Explanatory Memorandum, and on the terms and conditions described in the Explanatory Memorandum."

Board Recommendation

The Board recommends that shareholders vote in favour of the proposed Resolution 5.1.

Refer to the Voting Exclusion Statement that refers to resolution 5.1

RESOLUTION 5.2: RATIFICATION OF PRIOR ISSUE OF OPTIONS TO CEO

"That for all purposes, including ASX Listing Rule 7.4, shareholders ratify the prior issue of 1,000,000 Options by the Company at the exercise price of \$0.63 as specified in the Explanatory Memorandum, to David Taylor (or their nominees) specified in the Explanatory Memorandum, and on the terms and conditions described in the Explanatory Memorandum."

Board Recommendation

The Board recommends that shareholders vote in favour of the proposed Resolution 5.2.

Refer to the Voting Exclusion Statement that refers to resolution 5.2

ITEM 6 Convertible Note Resolutions

RESOLUTION 6.1: RATIFICATION OF PRIOR ISSUE OF SHARES TO THE LIND PARTNERS

"That for all purposes, including ASX Listing Rule 7.4, shareholders ratify the prior issue of 8,166,378 fully paid ordinary shares in the Company at the issue price of \$0.36 per share. to the Lind Partners for the reasons specified in the Explanatory Memorandum which was pursuant to the terms of the Convertible Notes Facility approved by shareholders at the Annual General Meeting 24 November 2021."

Board Recommendation

The Board recommends that shareholders vote in favour of the proposed Resolution 6.1.

Refer to the Voting Exclusion Statement that refers to resolution 6.1

RESOLUTION 6.2: RATIFICATION OF PRIOR ISSUE OF SHARES TO SBC GLOBAL INVESTMENT FUND

"That for all purposes, including ASX Listing Rule 7.4, shareholders ratify the prior issue of 6,971,154 fully paid ordinary shares in the Company to the SBC Global Investment Fund at various issue prices.as specified in the Explanatory Memorandum, for the reasons specified in the Explanatory Memorandum which was pursuant to the terms of the Convertible Notes Facility approved by shareholders at the Annual General Meeting 24 November 2021."

Board Recommendation

The Board recommends that shareholders vote in favour of the proposed Resolution 6.2.

Refer to the Voting Exclusion Statement that refers to resolution 6.2

EXPLANATORY MEMORANDUM

VOTING EXCLUSION STATEMENTS

The Company will disregard any votes cast in favour of the resolution by or on behalf of:

- the named person or class of persons excluded from voting set out below; or
- an +associate of that person or those persons.

However, this does not apply to a vote cast in favour of a resolution by:

- a person as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with directions given to the proxy or attorney to vote on the resolution in that way; or
- the +chair of the meeting as proxy or attorney for a person who is entitled to vote on the resolution, in accordance with a direction given to the +chair to vote on the resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

<p>Resolution 1 Adoption of Remuneration Report</p>	<ol style="list-style-type: none"> 1. any Director; 2. a member of the Company's Key Management Personnel named in the Remuneration Report or their Closely Related Parties, regardless of the capacity in which the vote is cast; or 3. as a proxy by a member of the Company's KMP at the date of the AGM or a closely related party of such a member; or 4. an Associate of those persons.
<p>Resolution 3.1, 3.2, and 3.3 Approval under Listing Rule 10.11 and 10.14.1 for the issue/s of securities to related party/s.</p>	<p>With regards to each resolution/s 3.1, 3.2 and 3.3</p> <ol style="list-style-type: none"> 1. the person who is to receive the securities in question who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the entity) 2. a person referred to in ASX Listing Rules 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question. an Associate of those persons.
<p>Resolution 4.1 Approval under Listing Rule 7.4, for ratification of the issue of shares to Traxys.</p> <p>Resolution 4.2 Approval under Listing Rule 7.1 for the prior issue of options to Traxys.</p>	<p>With regards to each of resolution 4.1 and resolution 4.2,</p> <ol style="list-style-type: none"> 1 any beneficiary associated with Traxys or Associate of such entities or persons; or 2.any other person; or entity expected to participate in or obtain a material benefit as the result of each of the securities described (except for a benefit solely by reason of being a holder of ordinary securities).

<p>Resolution 5.1 <i>Approval under Listing Rule 7.4 for the prior issue of options to employees.</i></p>	<p>with regard to Resolution 5.1 by or on behalf of all persons who participated in the issue, their, Associate, or beneficial nominee entity (except for a benefit solely by reason of being a holder of ordinary securities).</p> <p><i>For the avoidance of doubt, the above applies to all Company employees, (including non-recipients) of the option grants, Directors or Associates, whose votes received in favour of this resolution will be disregarded.</i></p>
<p>Resolution 5.2 <i>Approval under Listing Rule 7.4 for the prior issue of options to the CEO</i></p>	<p>with regards to resolution 5.2 by David Taylor or on behalf of a person or entity that might be expected to obtain a material benefit as the result of, the prior issue of options (except for a benefit solely by reason of being a holder of ordinary securities) and an Associate of these recipients or their nominees.</p>
<p>Resolution 6.1 <i>Approval under Listing Rule 7.4 for the prior issue of shares to The Lind Partners</i></p>	<p>With regards to resolution 6.1, The Lind Partners or Associate or on behalf of any beneficiary associated with such entities or persons or any other person or entity expected to participate in or obtain a material benefit as the result of each of the securities described (except for a benefit solely by reason of being a holder of ordinary securities).</p>
<p>Resolution 6.2 <i>Approval under Listing Rule 7.4 for the prior issue of shares to SBC Global Investment Fund</i></p>	<p>With regards to resolution 6.2, SBC Global investment Fund or Associate or on behalf of any beneficiary associated with such entities or persons or any other person or entity expected to participate in or obtain a material benefit as the result of each of the securities described (except for a benefit solely by reason of being a holder of ordinary securities).</p>

Explanatory Memorandum cont.

This Explanatory Memorandum has been prepared for the information of Shareholders of Magnis and accompanies the Notice of Meeting to be held on Thursday, 24 November 2022.

The purpose of this is to provide Shareholders with information reasonably required by Shareholders to decide how to vote upon the Resolutions set out in the Notice and should be read in conjunction with the Notice.

ITEM 1.1 - FINANCIAL REPORT, DIRECTORS' REPORT AND AUDITOR'S REPORT

As required by section 317 of the Corporations Act, the Financial Report, Directors' Report, and Auditor's Report of the Company for the most recent financial year must be laid before the Meeting.

All shareholders can view the Annual Report, which contains the Company's Financial Report for the year ended 30 June 2022, on the Magnis website: <https://www.magnis.com.au/news-reports/annual-reports>

There is no requirement for a formal resolution on this item.

The Chairman of the Meeting will allow a reasonable opportunity at the Meeting for Shareholders to ask questions about or make comments on the management of the Company.

Shareholders will also be given a reasonable opportunity at the Meeting to ask the Company's auditor, Hall Chadwick, questions about the Audit Report, the conduct of its audit of the Company's Financial Report for the financial year ended 30 June 2022, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in its preparation of the financial statements and the independence of Hall Chadwick about the conduct of the audit.

ITEM 1.2 - RESOLUTION 1: REMUNERATION REPORT

In accordance with section 300A of the Corporations Act, the Company has included in its Annual Report a Remuneration Report for the consideration of Shareholders.

As provided by section 250R(3) of the Corporations Act, the Resolution on this item of business is advisory only and does not bind the Board or the Company.

Refer to the Voting Exclusion Statement relevant to resolution 1.2

ITEM 2 – DIRECTOR RE-ELECTIONS AND ELECTION

RESOLUTION 2.1 – RE-ELECTION OF DIRECTOR – PETER TSEGAS

In accordance with clause 16.10(a) and 16.10(a)(i) of the Constitution, Peter Tsegas, being eligible, offers himself for re-election as Director of the Company.

It is noted that recently appointed directors' mandatory elections are put to Shareholders in Resolutions 2.2, 2.3 and 2.4.

Mr Peter Tsegas

Mr Peter Tsegas was appointed as a Director of Magnis on 16 June 2015. Mr. Tsegas has 15+ years of experience in Tanzania, engaging private and public sectors on projects. Mr. Tsegas is a resident of Tanzania.

Mr Tsegas has also previously held consulting roles with the Tanzanian Government and a number of mining companies, including Rio Tinto. Mr Tsegas is a member of the Health, Safety and Sustainability Committee.

As noted, resolution 2.1 is an **ordinary resolution**.

No voting exclusion statement applies to this Resolution.

RESOLUTION 2.2 – 2.4 ELECTION OF DIRECTORS

Under clause 16.6 of the Constitution, the Directors may appoint any person to be a director to either fill a casual vacancy or as an addition to the existing Directors. Any director so appointed must retire at the next following annual general meeting and is eligible for election at that meeting.

Resolutions 2.2 – 2.4 each place the directors below, shareholders, for election, as required by the Constitution.

On 29 April 2022, it was announced that the following directors were appointed to fill the casual vacancies:

1. Ms Claire Bibby
2. Mr Hoshi Daruwalla
3. Mr Giles Gunesekera

The abridged summary of each director's experience, qualifications and responsibilities has been described below. Kindly refer to the Annual Report to Shareholders for further information and the Company's website.

RESOLUTION 2.2 – ELECTION OF DIRECTOR – MS CLAIRE BIBBY

Ms Claire Bibby was appointed to fill a casual vacancy on 28 January 2022. As this is Ms Bibby's first Annual General Meeting as a director of the Company, clause 16.6 of the Constitution requires Ms Bibby automatically retire at the close of the meeting. Being eligible, Ms Bibby offers herself for re-election as Director of the Company.

Claire has over 30 years of professional experience as a senior lawyer and executive coach. Ms Bibby has founded and co-founded several businesses covering the legal, executive coaching, property-tech and legal-tech spaces and has held senior management appointments with some of the world's largest

companies and top-tier law firms. Ms Bibby is a Non-Executive Director of Comms Group Limited and Clime Asset Management, both ASX-listed companies.

Ms Bibby sits on several other unlisted companies and charities, including Arowana International Limited and has been recognised by a number of professional organisations during her legal career and named as one of the *Elite Women of 2021* by *Australasian Lawyer*. In addition, Ms Bibby is an Industry Professional Fellow at the University of Technology Sydney's School of Law.

As noted, resolution 2.2 is **an ordinary resolution**.

No voting exclusion applies to this resolution.

RESOLUTION 2.3: ELECTION OF DIRECTOR – HOSHI DARUWALLA

Mr Hoshi Daruwalla was appointed to fill a casual vacancy on 31 December 2021. As this is Hoshi's first Annual General Meeting as a director of the Company, clause 16.6 of the Constitution requires Mr Daruwalla automatically retire at the close of the meeting. Mr Daruwalla offers himself for re-election as a director of the Company.

Mr Daruwalla is based in the United States. He has a career spanning over three (3) decades where he has started, operated and grown businesses across various industries globally, from start-ups to significant multinationals.

Mr Daruwalla has held global senior management roles at corporations such as Daikin Industries, American Air Filter – McQuay, Hong Leong Group and Purafil. He has operated, seeded, and scaled up businesses in 93+ countries, with successful outcomes, including receiving the prestigious US Presidential E- and E-Start awards for Excellence in US Exports awarded by the US Secretary of Commerce.

Mr Daruwalla currently holds the roles of Executive VP – Strategic Global Expansions, Chairman of the Board, and President and CEO of EcoPro Battery Materials, a critical battery materials manufacturer with ties to Ford Motor Company, Volkswagen and other reputable EV manufacturers.

Hoshi is a board member and CEO Mentor at the State of Georgia District Export Council and active Rotarian of the Dunwoody Rotary Club.

Mr. Daruwalla is a member of the Audit & Risk Committee and the Nomination & Remuneration Committee and was a member of the Health Safety & Sustainability Committee.

As stated, resolution 2.3 is **an ordinary resolution**.

No voting exclusion applies to this Resolution.

RESOLUTION 2.4: ELECTION OF DIRECTOR – GILES GUNESEKERA

Mr Giles Gunesekera was appointed to fill a casual vacancy on 28 January 2022. As this is his first AGM at the Company, Mr Gunesekera has been proposed by fellow Directors to be put forward for election at the 2022 AGM.

Highly regarded for his client-centric approach in Australasia, Giles has over 25 years' experience building and developing teams, businesses and distribution strategies for global enterprises.

He has worked with clients in the corporate, government, central bank, social enterprise and not-for-profit sectors. Giles believes that a structured, systematic and results-orientated approach leads to profitable and sustainable change.

Mr Gunesekera is a Senior Fellow of the Financial Services Institute of Australia, Fellow of the School of Social Entrepreneurs, Fellow of the Australian Institute of Management and Member of the Australian Institute of Training and Development. Giles holds numerous Volunteer Not-for-Profit Directorships ranging from Human Rights, Disabilities, Arts and Sports. He is an Advisory Board Member of the Securities and Investments Institute of Asia Pacific and a Director of the Financial Planning Association (FPA) Foundation.

Giles has a unique blend of leadership and business skills gained in the corporate environment and financial and governance skills gained in the Not-for-Profit sector.

Mr Gunesekera chairs the Health Safety & Sustainability Committee and is a member of the Audit & Risk Committee.

As noted, resolution 2.4 is **an ordinary resolution**.

No voting exclusion applies to this Resolution.

ITEM 3 – REMUNERATION OPTIONS FOR RECENT DIRECTORS

RESOLUTION 3.1 to 3.3: OPTION GRANT FOR NON-EXECUTIVE DIRECTORS

The Remuneration Committee and Board favour a component of non-cash remuneration as being beneficial for attracting and retaining high calibre Directors and Senior Management.

The non-conflicted Directors have determined to recommend that Shareholders' approval be sought to grant 2,000,000 unlisted options in the Company to each of Claire Bibby, Hoshi Daruwalla or Giles Gunesekera

ASX Listing Rule 10.11 and 10.14.1 requires Shareholders' approval for the issue of securities to any Director or Related Party, which by the ASX definition and Corporations Law definition includes directors of the Company.

Several rules and conditions apply to the grant of these unlisted options under the Magnis Options Share Trust (MOST) an employee incentive scheme and are contained in Annexure B of this Notice of Meeting.

No funds are being raised by the issue of these unlisted options, so their issue price is nil per option. Also, no loan is being provided to any of the directors.

If the unlisted options described in Resolutions 3.1, 3.2 and 3.3 are each or severally approved by Shareholders, these will be issued within one (1) month of their approval to the Trustee of MOST.

These securities are not counted in the calculation of the Company's issue capacity under Listing Rule 7.1

If Resolutions 3.1, 3.2, and 3.3 (or any one or more of them) are NOT passed, then the Company will not issue those respective unlisted options for the relevant Directors to the Trustee of MOST.

Technical information required by ASX Listing Rule 10.14

- 1. Security issue details:** 2,000,000 unlisted options issued to MOST for each director.
- 2. Purpose of grant:** to align shareholders and director interests and assist in attracting and retaining talent commensurate with competitors. If the above resolution/s are not passed (Non-conflicted Board members may elect to supplement an isolated impacted directors' remuneration package through another form of payment).
- 3. Terms of Issue:** The exercise price is \$0.80, and they vest upon the issue and expire three (3) years from their issue date. Each option, when exercised, converts into one fully paid ordinary share. The value per option is \$0.1204 based on Black Scholes as at 13 October 2022.
- 4. Funds Raised:** No funds are being raised from the issue of these unlisted options.
- 5. Conversion Rights:** Each option entitles its holder to subscribe for one (1) share for each one (1) unlisted option that is exercised.
- 6. Other terms:** the options are issued pursuant to the terms of the Magnis Options Share Trust, which are set out in Annexure B.
- 7. Other Securities Held:** There are no other securities which have been issued to any of the relevant directors.
- 8. Current Total Remuneration:** The Annual Remuneration for each director is: Claire Bibby: \$80,000; Giles Gunesekera: \$70,000 and Hoshi Daruwalla is \$65,000
- 9. Other Information:**

Details of any securities issued under the scheme will be published in the annual report of the entity relating to a period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.

Any additional persons covered by Listing Rule 10.14 who become entitled to participate in the scheme after the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule.

Refer to the Voting Exclusion Statement relevant to resolutions 3.1, 3.2, and 3.3.

ITEM 4 – SECURITIES TO TRAXYS

RESOLUTION 4.1: GRANT OF 1,300,000 OPTIONS TO TRAXYS

1. Background

As per the agreed consideration for the Offtake Agreement (the key terms of which are set out below), Traxys (or their nominees) are eligible for the granting of 1,300,000 unlisted options with an exercise price of \$0.60, with a 2-year expiry the issue of which are subject to shareholder approval.

2. Listing Rule 7.1

Listing Rule 7.1 allows an entity to issue up to 15% of a Company's fully paid ordinary Shares in 12 months without the approval of shareholders of that Company. Unlisted options count towards that 15%. The Company wishes to retain as much flexibility as possible to issue additional equity securities without obtaining further shareholder approvals.

Shareholder approval is sought by Resolution 4.1 under ASX Listing Rule 7.1 to issue the 1,300,000 unlisted options to Traxys or its nominees.

Resolution 4.1 seeks to ratify the 1,300,000 options granted to Traxys.

3. Technical Information required by Listing Rule 14.1 A

If Resolution 4.1 is passed, the 1,300,000 unlisted options to be issued according to the Company's placement capacity under Listing Rule 7.1 will be excluded when calculating the Company's placement capacity under rule 7.1, effectively increasing the number of equity securities the Company can issue without shareholder approval over the 12 months following the date of issue of those Options.

If Resolution 4.1 is NOT passed, then the Company will not issue the unlisted options, it will however be obliged to pay an amount to Traxys in lieu.

4. Technical information required by ASX Listing Rule 7.3

In accordance with Listing Rule 7.3, the following information is provided:

- a. **Security Issue details:** a total of 1,300,000 unlisted options will be issued to Traxys Europe SA and/or its nominees.
- b. **Purpose of the Issue/ Intended use of funds:** each unlisted option will be granted at nil consideration for services provided by unrelated parties to the Company, however placing the unlisted options before shareholders for approval was an agreed element in the contract with Traxys.
- c. **Timing:** the unlisted options are to be issued within three (3) months of the AGM.
- d. **Exercise Price:** the amount payable upon exercise of each unlisted option will be \$0.60.
- e. **Expiry Date:** the expiry date of the unlisted options is at 5.00 (AEDT), on the 2nd anniversary from their issue date.
- f. **Other T&Cs:** Several rules and conditions that apply to the grant of the unlisted options are general in nature and have been set out in the terms and conditions in Annexure A of this Notice of Meeting

5. Key Terms of the Offtake Agreement are set out in Annexure C

As noted, resolution 4.1 is an **ordinary resolution**.

Refer to the Voting Exclusion Statement that refers to resolution 4.1.

RESOLUTION 4.2: RATIFICATION OF PRIOR ISSUE OF 700,000 ORDINARY SHARES TO TRAXYS

1. Background and Listing Rule 7.4 Approval

Traxys Europe SA (**Traxys**) signed an offtakes agreement with Magnis Energy Technologies Limited to receive 600,000 tonnes of natural graphite concentrate over a period of 6 years beginning in late 2024. Consideration provided for entry into the agreement included 700,000 Shares that were issued as a marketing fee.

2. Listing Rule 7.4

Listing Rule 7.4 allows for subsequent Shareholder approval of issues of equity securities for Listing Rule 7.1 if a Company did not breach the ASX Listing Rule 7.1 placement limit at the time of issue and the holders of ordinary Shares subsequently approve that issue.

The Company wishes to retain as much flexibility as practical to issue additional equity securities under ASX Listing Rule 7.1.

The Company issued the 700,000 Ordinary Shares to Traxys at an issue price of \$0.445 on 10 May 2022 and utilised the Company's available placement capacity under ASX Listing rule 7.1, namely 15% in any given period of 12 months.

3. Technical Information required by Listing Rule 14.1 A

- If resolution 4.2 is passed, the 700,000 Shares issued to Traxys under the Company's placement capacity under Listing Rule 7.1 will be excluded in calculating the Company's placement capacity under rule 7.1, effectively increasing the number of equity securities the Company can issue without shareholder approval over the 12 months following the date of issue of those Shares.
- If resolution 4.2 is NOT passed, the 700,000 Shares issued to Traxys under the Company's placement capacity under Listing Rule 7.1 will continue to be included in the Company's placement capacity under Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue or agree to issue without obtaining prior Shareholder approval over the 12 months following the date of issue of those Shares.

4. Technical information required by ASX Listing Rule 7.5

The following information is provided to Shareholders to allow them to assess this Resolution, including for ASX Listing Rule 7.5:

1. **Share issue details:** 700,000 fully paid ordinary Shares in the Company were issued on 10 May 2022 to Traxys.
2. **Deemed Issue price:** \$0.445 per share.
3. **Terms of Issue:** Shares to rank equally with the existing ordinary Shares on issue.
4. **Purpose of the Issue/Intended use of funds:** Upfront marketing fee from Magnis to Traxys pursuant to the Offtake Agreement the terms of which are set out in Annexure C.

As noted, resolution 4.2 is an **ordinary resolution**.

Refer to the Voting Exclusion Statement that refers to resolution 4.2.

ITEM 5 – RATIFICATION OF ISSUE OF OPTIONS TO EXECUTIVE EMPLOYEES

RESOLUTION 5.1: RATIFICATION OF PRIOR ISSUE OF PRIOR OPTIONS TO EXECUTIVE EMPLOYEES

1. Background and Listing Rule 7.4 Approval

Under the Magnis Options Share Trust Plan, Magnis Energy Technologies Limited granted in a total of 1,375,000 at prices and conditions to the various executive employees detailed below, none of which are Related Parties or Associates of Related Parties.

2. Listing Rule 7.4

Listing Rule 7.4 allows for subsequent Shareholder approval of issues of equity securities for Listing Rule 7.1 if a Company did not breach the ASX Listing Rule 7.1 placement limit at the time of issue and the holders of ordinary Shares subsequently approve the issue.

The purpose of this resolution is that the Company wishes to retain as much flexibility as possible to issue additional equity securities without obtaining further shareholder approvals.

3. Technical Information required by Listing Rule 14.1 A

- If Resolution 5.1 is passed, the 1,375,000 unlisted options issued to the specified persons under the Company's placement capacity under Listing Rule 7.1 are excluded when

calculating the Company's placement capacity under rule 7.1, effectively increasing the number of equity securities the Company can issue without shareholder approval over the 12 months following their date of issue.

- If Resolution 5.1 is **NOT** passed, the 1,375,000 unlisted options issued to the specified persons, under the Company's placement capacity under Listing Rule 7.1 will continue to be included in the Company's placement capacity under Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue or agree to issue without obtaining prior Shareholder approval over the 12 months following the date of issue of those Shares.

4. Technical information required by ASX Listing Rule 7.5

The following information is provided to Shareholders to allow them to assess this Resolution, including for ASX Listing Rule 7.5:

1. **Issue details:** unlisted options in the Company were issued to the Trustee of MOST.
2. **Deemed Issue price:** Nil.
3. **Terms of Issue:** as part of the employee long-term incentive salary packages.
4. **Purpose of the Issue:** to incentivise the employees and encourage alignment with shareholders' interests.

Specified Person	Relationship with Company	Security Type	Number	Exercise Price	Date Issued	Expiry Date
Jurgen Behrens	Chief Financial Officer and a shareholder holding < 1,000,000 shares	Unlisted Options	250,000	\$0.70	26/11/2021	26/11/2024
Aran Nagendra	Manager – Corporate Development and Investor Relations	Unlisted Options	500,000	\$0.70	26/11/2021	26/11/2024
Rodney Chittenden	Project Director	Unlisted Options	250,000	\$0.70	26/11/2021	26/11/2024
Lichuan Chen	Financial Officer and a shareholder holding <50,000 shares	Unlisted Options	250,000	\$0.70	26/11/2021	26/11/2024
Jawahar Nerkar	Project Director	Unlisted Options	125,000	\$0.70	26/11/2021	26/11/2024

Refer to the Voting Exclusion Statement as it applies to resolution 5.1

As noted, resolution 5.1 is an **ordinary resolution**.

RESOLUTION 5.2: RATIFICATION OF PRIOR OPTIONS ISSUED TO CEO

1. Background and Listing Rule 7.4 Approval

On 1 August 2022, David Taylor was appointed the CEO of the Company. As part of Mr Taylor's Employment Agreement (the details of which are in Annexure E) long-term-incentive arrangement, 1,000,000 options were to be issued to the Trustee of MOST each year on the anniversary of his appointment. The exercise price is 100% higher than the closing share price from their grant date.

Each new tranche shall occur on the anniversary of the initial grant that coincided with Mr Taylor's appointment as CEO.

Each grant of options would expire three (3) years from their respective grant date if not exercised.

As the share price on 1 August 2022 was \$0.315, the exercise price of the options issued in the first tranche is \$0.63 per option.

2. Listing Rule 7.4

Listing Rule 7.4 allows for subsequent Shareholder approval of issues of equity securities for Listing Rule 7.1 if a Company did not breach the ASX Listing Rule 7.1 placement limit at the time of issue and the holders of unlisted options subsequently approve the issue.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without obtaining shareholder approval for such issues under ASX Listing Rule 7.1.

3. Technical Information required by Listing Rule 14.1 A

- If Resolution 5.2 is passed, the options issued to Mr Taylor under the Company's placement capacity under Listing Rule 7.1 will be excluded in calculating the Company's placement capacity under rule 7.1, effectively increasing the number of equity securities the Company can issue without shareholder approval over the 12 months following the date of issue of those Shares.
- If Resolution 5.2 is NOT passed, the options issued to Mr Taylor, under the Company's placement capacity under Listing Rule 7.1 will continue to be included in the Company's placement capacity under Listing Rule 7.1, effectively decreasing the number of equity securities the Company may issue or agree to issue over the same period as above.

4. Technical information required by ASX Listing Rule 7.5

The following information is provided to Shareholders to allow them to assess this Resolution, including for ASX Listing Rule 7.5:

1. **Issue details:** 1,000,000 unlisted options in the Company were issued to Mr Taylor on 1 August 2022 under the terms of MOST.
2. **Deemed Issue price:** Nil.
3. **Terms of Issue:** as part of the CEO's long-term incentive salary package.
4. **Purpose of the Issue:** to incentivize the CEO and encourage alignment with stakeholders' interests.

Refer to the Voting Exclusion Statement as it applies to resolution 5.2

ITEM 6

RESOLUTION 6.1: RATIFICATION OF PRIOR ISSUE OF 8,166,378 ORDINARY SHARES TO The Lind Partners

1. Background and Listing Rule 7.4 Approval

The Lind partners signed a Convertible Note Facility (**Facility**) with Magnis Energy Technologies Ltd details of which are as provided to Shareholders in August 2021 are reproduced in Annexure D. An amount was payable for the consideration of entering into of the Convertible Note which could be within a period of 18 Months converted to shares in Magnis at the VWAP chosen by The Lind Partners at any date within the period 10 days before the notice of exercise by The Lind Partners.

2. Listing Rule 7.4

Listing Rule 7.4 allows for subsequent Shareholder approval of issues of equity securities for Listing Rule 7.1 if a Company did not breach the ASX Listing Rule 7.1 placement limit at the time of issue and the holders of ordinary Shares subsequently approve the issue.

The Company wishes to retain as much flexibility as practical to issue additional equity securities under ASX Listing Rule 7.1.

The Company issued the 8,166,378 Fully Paid Ordinary Shares to the Lind Partners at an issue price of \$0.36 on 13 December 2021 and utilised the Company's available placement capacity under ASX Listing rule 7.1. **3. Technical Information required by Listing Rule 14.1 A**

- If resolution 6.1 is passed, the 8,166,378 Shares issued to The Lind Partners under the Company's placement capacity under Listing Rule 7.1 will be excluded in calculating the Company's placement capacity under rule 7.1, effectively increasing the number of equity securities the Company can issue without shareholder approval during the 12 months following the date of issue of those Shares.
- If resolution 6.1 is NOT passed, the 8,166,378 Shares issued to The Lind Partners under the Company's placement capacity under Listing Rule 7.1 will continue to be included in the Company's placement capacity under Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue or agree to issue without obtaining prior Shareholder approval during the 12 months following the date of issue of those Shares to Lind Partners.

4. Technical information required by ASX Listing Rule 7.5

The following information is provided to Shareholders to allow them to assess this Resolution, including for ASX Listing Rule 7.5:

5. **Share issue details:** 8,166,378 fully paid ordinary Shares in the Company were issued on 13 December 2021 to the Lind Partners.
6. **Issue price:** \$0.36 per share.
7. **Terms of Issue:** Shares to rank equally with the existing ordinary Shares on issue.
8. **Purpose of the Issue/Intended use of funds:** Consideration – in accordance with the terms of the Facility.

As noted, resolution 6.1 is an **ordinary resolution**.

Refer to the Voting Exclusion Statement that refers to resolution 6.1.
--

RESOLUTION 6.2: RATIFICATION OF PRIOR ISSUE OF 6,971,154 ORDINARY SHARES TO SBC GLOBAL INVESTMENT FUND

5. Background and Listing Rule 7.4 Approval

The SBC Global Investment Fund (SBC Global) signed a Convertible Note Facility (**Facility**) with Magnis Energy Technologies Ltd details of which are as provided to Shareholders in August 2021 are reproduced in Annexure D. An amount was payable for the consideration of entering into of the Convertible Note which could be within a period of 18 Months converted to shares in Magnis at the VWAP chosen by SBC Global at any date within the period 10 days before the notice of exercise by The Lind Partners.

6. Listing Rule 7.4

Listing Rule 7.4 allows for subsequent Shareholder approval of issues of equity securities for Listing Rule 7.1 if a Company did not breach the ASX Listing Rule 7.1 placement limit at the time of issue and the holders of ordinary Shares subsequently approve the issue.

The Company wishes to retain as much flexibility as practical to issue additional equity securities under ASX Listing Rule 7.1.

The Company issued the 6,971,154 Ordinary Shares to SBC at various issue prices, namely 3,125,000 @\$0.48 on 20 January 2022 and 3,846,154 @\$0.26 on 25 July 2022 and utilised the Company's available placement capacity under ASX Listing rule 7.1.

7. Technical Information required by Listing Rule 14.1 A

- If resolution 6.2 is passed, the 6,971,154 Shares issued to SBC Global under the Company's placement capacity under Listing Rule 7.1 will be excluded in calculating the Company's placement capacity under rule 7.1, effectively increasing the number of equity securities the Company can issue without shareholder approval during the 12 months following the date of issue of those Shares.
- If resolution 6.2 is NOT passed, the 6,971,154 Shares issued to SBC Global under the Company's placement capacity under Listing Rule 7.1 will continue to be included in the Company's placement capacity under Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue or agree to issue without obtaining prior Shareholder approval during the 12 months following the date of issue of those Shares.

8. Technical information required by ASX Listing Rule 7.5

The following information is provided to Shareholders to allow them to assess this Resolution, including for ASX Listing Rule 7.5:

9. **Share issue details:** 3,125,000 fully paid ordinary Shares in the Company were issued on 20 January 2022 and 3,846,154 fully paid ordinary Shares in the Company were issued on 25 July 2022 to SBC Global.
10. **Deemed Issue price:** \$0.48 and \$0.26 respectively per share.
11. **Terms of Issue:** Shares to rank equally with the existing ordinary Shares on issue.

12. **Purpose of the Issue/Intended use of funds:** in Consideration – in accordance with the terms of the Facility.

As noted, resolution 6.2 is an **ordinary resolution**.

Refer to the Voting Exclusion Statement that refers to resolution 6.2.

Annexure A
Additional Terms & Conditions for unlisted options described in the 2022 Notice of Meeting and Explanatory Memorandum

These are subject to the following terms and conditions.

1. Vesting and nil consideration

No amount is payable on the issue of an Option, and vest immediately upon being issued.

2. Exercise of an Option

Unlisted options described in this Notice of Meeting are all convertible on a 1:1 basis of unlisted options in return for one (1) fully paid ordinary share.

3. Exercise prices

Each relevant option has an exercise price as described in the respective resolution.

4. Exercise Period and last exercise date

The exercise date for each option is described under the Explanatory Memorandum attached to this Notice of Meeting. Any Options not exercised on or before 5.00 p.m. (AEDT) on the expiration date shall lapse immediately.

5. The registered Manner of Exercise

Holders of the option may only exercise each option by delivering an Exercise Notice to the company specifying the number of Options being exercised.

An Exercise Notice is permitted to be delivered at any time during the applicable Exercise Period, including by email, post, hand, or any other method, to the Company's Share Registry or registered office. Once delivered, the Exercise Notice is not permitted to be withdrawn.

Exercise of Options must be in blocks of no less than 100,000 per conversion notice. If the Option holder owns less, then that number must be converted.

For an Exercise Notice to be valid, the Company must receive cleared funds before the end of the applicable Exercise Period from the option holder. This payment must equal the Exercise Price multiplied by the options subject to that Exercise Notice.

If the amount of money paid is less than the Exercise Price for the number of Options to which the Exercise Notice relates, the Company may, at its discretion, elect to treat the Exercise Notice as an Exercise of such a lower number of options as it considers lawful and practical.

6. Issue of Shares on exercise

On or about the 5th Trading Day after the last day of the Exercise Period, the Company must issue the number of Shares equal to the number of options that are the subject of valid Exercise Notices. The new Shares issued upon the exercise of an Option will be issued fully paid. These will rank equally with the other fully paid Shares from their issue date.

7. Constitution

Each Option holder that exercises Options and receives shares upon the exercise does so on the basis that they are consenting to be a member of the Company and bound to its constitution.

8. Non-Transfer

The Options are non-transferable, though, after exercise, the resulting fully paid ordinary shares may be nominated or transferred to a third party.

9. Distributions

An Option does not confer any right to dividends or other distributions. The unlisted options in and of themselves do not confer any rights to attend general meetings of the Company vote or speak at meetings.

10. Participation rights

Option holders may not participate in new issues to existing shareholders except and the extent that they may already be a shareholder

11. Adjustments to terms of Options

11.1 Pro-rata Issues or bonus issues

If there is a pro-rata issue or bonus issue to the holders of Shares (except an issue in lieu of distributions) after the issue of the options and before the date, then the Exercise Price of the options or the number of Shares to be issued on the exercise of these options will be adjusted under the ASX Listing Rules.

11.2 Reorganisations

If there is a reorganisation (including a consolidation, sub-division, return of capital, reduction of capital, cancellation) of the capital of the Company or both after the issue of the options and before the relevant options are exercised or lapse, the Exercise Price of the options or the number Shares to be issued on the exercise of the Options will be adjusted following the ASX Listing Rules.

11.3 Calculations Binding

Any calculations or adjustments to these terms and conditions of the Options required or permitted to be made under these terms and conditions will be made by the Board of the Company. For the avoidance of doubt, no changes may be made to the price or expiration period of the relevant options. In the absence of manifest error, changes are otherwise final and conclusive and binding on each option holder described in this Notice of Meeting.

12. Notifications

The Company must, within a reasonable period or, as otherwise required by the ASX Listing Rules, give the option holder notice of any change in the options or the number of Shares to be issued on the exercise of the option.

13. Application of ASX Listing Rules

The Options and any Shares issued on exercise of these options are always subject to the provisions of the constitutions of the Company and the ASX Listing Rules. To the extent of any inconsistency between these terms and conditions, the constitutions of the Company, T&Cs and the ASX Listing Rules, then ASX Listing Rules prevail.

14. Defined terms

ASX means ASX Limited or the Australian Securities Exchange operated by ASX Ltd, as the case requires.

ASX Listing Rules means the listing rules of ASX as amended from time to time.

Business Day has the same meaning as in the ASX Listing Rules.

Exercise Notice means a written notice in the form approved by the Company or its Share Registry from time to time.

Exercise Period means the period described in each relevant resolution's Explanatory Memorandum.

Exercise Price has the means of the relevant exercise prices described in the Explanatory Memorandum for each issue.

The Company means Magnis Energy Technologies Limited (ASX: MNS).

Option or option refers to unlisted options issued to the parties as described in the 2022 AGM Notice of Meeting.

Trading Day has the same meaning as in the ASX Listing Rules.

Annexure B

Additional Terms & Conditions for unlisted options issued pursuant to MOST described in the 2022 Notice of Meeting and Explanatory Memorandum

These are subject to the following terms and conditions subject to (where) relevant, the terms in the Magnis Options Share Trust Plan (MOST)(T&Cs). If there is any inconsistency between these T&Cs and this Notice of Meeting, then the former prevails, subject to the ASX Listing Rules to the extent they are applicable.

1. Vesting and nil consideration

No amount is payable on the issue of an Option, The issue is to the Trustee of MOST. They only vest upon being exercised by the respective director or employee the recipient of the MOST units..

2. Exercise of an Option

Unlisted options described in this Notice of Meeting are all convertible on a basis of 1 unlisted options return for one (1) fully paid ordinary share.

3. Exercise prices

Each relevant option has an exercise price as described in each respective resolution.

4. Exercise Period and last exercise date

The exercise date for each option is described under the Explanatory Memorandum attached to this Notice of Meeting. Any Options not exercised on or before 5.00 p.m. (AEDT) on the expiration date will lapse if not exercised within a further 3 months from the end of the exercise period.

5. The registered Manner of Exercise

Holders of the Units may only exercise each option by delivering an Exercise Notice to the Trustee of MOST specifying the number of Options being exercised.

An Exercise Notice is permitted to be delivered at any time during the applicable Exercise Period, including by email, post, hand, or any other method, to the Trustee of Most. Once delivered, the Exercise Notice is not permitted to be withdrawn.

Exercise of Options must be in blocks of no less than 100,000 per conversion notice. If the Option holder owns less, then that number must be converted.

For an Exercise Notice to be valid, the Trustee of MOST must receive cleared funds so as to enable the Trustee to remit cleared funds to the company. This payment must equal the Exercise Price multiplied by the options subject to that Exercise Notice.

If the amount of money paid is less than the Exercise Price for the number of Options to which the Exercise Notice relates, the Trustee of MOST may, at its discretion, elect to treat the Exercise Notice as an Exercise of such a lower number of options as it considers lawful and practical or to not convert the option and return the funds.

6. Issue of Shares on exercise

On or about the 5th Trading Day after the last day of the Exercise Period, the Company must issue the number of Shares equal to the number of options that are the subject of valid Exercise Notices. The new Shares issued upon the exercise of an Option will be issued fully paid. These will rank equally with the other fully paid Shares from their issue date.

7. Constitution

Each Option holder that exercises Options and receives shares upon the exercise does so on the basis that they are consenting to be a member of the Company and bound to its constitution.

8. Non-Transfer

The Options are non-transferable, though, after exercise, the resulting fully paid ordinary shares may be nominated or transferred to a third party.

9. Distributions

An Option does not confer any right to dividends or other distributions. The unlisted options in and of themselves do not confer any rights to attend general meetings of the Company vote or speak at meetings.

10. Participation rights

Option holders may not participate in new issues to existing shareholders except and the extent that they may already be a shareholder

11. Adjustments to terms of Options

11.1 Pro-rata Issues or bonus issues

If there is a pro-rata issue or bonus issue to the holders of Shares (except an issue in lieu of distributions) after the issue of the options and before the date, then the Exercise Price of the options or the number of Shares to be issued on the exercise of these options will be adjusted under the ASX Listing Rules.

11.2 Reorganisations

If there is a reorganisation (including a consolidation, sub-division, return of capital, reduction of capital, cancellation) of the capital of the Company or both after the issue of the options and before the relevant options are exercised or lapse, the Exercise Price of the options or the number Shares to be issued on the exercise of the Options will be adjusted following the ASX Listing Rules.

11.3 Calculations Binding

Any calculations or adjustments to these terms and conditions of the Options required or permitted to be made under these terms and conditions will be made by the Board of the Company through amendments in the relevant security plan. For the avoidance of doubt, no changes may be made to the price or expiration period of the relevant options.

In the absence of manifest error, changes are otherwise final and conclusive and binding on each option holder described in this Notice of Meeting.

12. Notifications

The Company must, within a reasonable period or, as otherwise required by the ASX Listing Rules, give the option holder notice of any change in the options or the number of Shares to be issued on the exercise of the option.

13. Application of ASX Listing Rules

The Options and any Shares issued on exercise of these options are always subject to the provisions of the constitutions of the Company and the ASX Listing Rules. To the extent of any inconsistency between these terms and conditions, the constitutions of the Company, T&Cs and the ASX Listing Rules, then ASX Listing Rules prevail where they apply to unlisted options otherwise the T&Cs.

14. Additional Terms

Any tax impost to the company (including FBT) is to be reimbursed to either the Company or the Trustee of MOST.

Upon exercise of the unit the resultant shares may be retained in MOST

Should there be a takeover or similar action (such as a scheme of arrangement) the options attached to the units will crystallise.

Should the director or employee resign, be terminated or vacate their position with the company the units in MOST are forfeited unless the participant issues and exercise notice within three months from cessation.

Annexure C

Material Terms of the Traxys Offtake Agreement described in the 2022 Notice of Meeting and Explanatory Memorandum

Term

The Offtake Agreement provides for the delivery of Product (defined below) by Magnis to Traxys for a period of 6 years from the Commencement Date (also defined below)

Commencement Date

Subject to the fulfilment (or waived by mutual agreement) of the Conditions Precedent, the Offtake Agreement makes provision for the delivery to commence in the second half of 2024

Volume

The Offtake Agreement provides that Traxys (or, if applicable, one of Traxys' customers) must take delivery of:

- 50,000 tonnes of Product (with varying specifications) within the first 12 months of the Commencement Date; and
- 110,000 tonnes of Product (with varying specifications) in each of the following 5 delivery years.

Pricing

Market Price

Conditions Precedent

The Offtake Agreement provides that Traxys (or, if applicable, one of Traxys' customers) is not required to take delivery of any Product until each of the following conditions are satisfied (or waived by mutual agreement):

- Magnis delivering an updated Bankable Feasibility Study in relation to the Nachu Graphite Project;
- Magnis securing, finalising and entering into project financing for the Nachu Graphite Project before the end of Q3 2022;
- receipt of all approvals from and agreements with the Tanzania Ministry of Minerals before the end of Q3 2022; and
- construction of plant to commence prior to the end of Q3 2022.

Other

The Offtake Agreement covers the high purity graphite produced from Nachu in all flake sizes from Super Jumbo (> 500 microns), Jumbo (> 300 microns) and battery feedstock (< 300 microns).

Magnis is not required to deliver any product to Traxys (and as such, will not suffer any financial loss if it is unable to or it does not deliver any Product to Traxys) until each of the Conditions Precedent are satisfied (or waived, by mutual agreement).

In consideration for the entry into the Offtake Agreement, Magnis will pay Traxys an upfront marketing fee of 700,000 fully paid ordinary shares and will issue Traxys with 1.3m options, each exercisable into Magnis shares on or before the 24-month anniversary of the date of their issue for \$0.60 each, subject to shareholder approval at the next general meeting of Magnis.

Annexure D

Material Terms of the Convertible Note Facility described in the 2022 Notice of Meeting and Explanatory Memorandum

Funded Amount

A\$20,000,000 (i.e. A\$10 million from each Investor)

Face Value A\$21,000,000

Commitment Fee

A\$1,000,000 (being 5%) going to The Lind Partners and SBC Global Investment Fund being the difference between the Funded Amount and the Face Value offset on the receipt of the Funded Amount.

Two Investors

There are two (2) Facility agreements (each a "Facility Agreement" and together, the "Facility Agreements") with equal terms, and the figures are combined for convenience. Both investors' (i.e. The Lind Partners and SBC Global Investment Fund) rights and obligations may be relied on jointly or severally.

Use of Funds

Magnis has determined to directly invest US\$13 million (equivalent to approximately A\$17.6 million at a USD/AUD exchange rate of US\$0.74) into iM3NY, with the balance used for general working capital purposes such as described in the Announcement.

Renewable Facility

Subject to ASX Listing Rule 7.1, the Facility may be renewed for up to a further (combined) A\$20,000,000 through mutual agreement by the parties.

Term 18 Months

Interest Rate 0%

Buy-Back Right

Magnis has the right to buy back the outstanding Face Value of the Facility at any time with no additionally priced penalty subject to the Investors' right joint or severally convert up to 1/3rd of the remaining Face Value at the Conversion Price.

Purchase Price

The "Purchase Price" of conversion shares to be issued by Magnis under each conversion notice ("Conversion Notice") is calculated based on a single daily VWAP selected by the Investors during the (10) ten preceding trading days, less a 7.5% discount, rounded down to the nearest 1/10th of a cent.

Initial Placement

1. The Company will make a one-time issuance of 14,000,000 shares (being 7,000,000 per Investor) to the Investors as soon as practical after this ASX release ("Placement Shares"). The Placement Shares may be requested by the Company to be applied in whole or part to satisfy any Conversion Notice.
2. Should a Facility Agreement be terminated, the terminating Investor is required to make an additional payment to the Company equal to up to 7,000,000 shares) multiplied by the Purchase Price or proportionately less, based on the remaining shares already utilised in-lieu of satisfying a Conversion Notice.

3. Neither party believe it was necessary to issue shares as collateral to 'cover the Face Value'. (Had that been the case, then the Company would have more likely pursued a significant placement or different form of funding).

4. The Initial Placement is to benefit the Company as well as the Investors. For the Investors, it partially secures repayment and issue obligations, and in the Company's case, in assisting it in managing its ASX Listing Rule 7.1 capacity and managing any potential Default Events, for example, the Minimum Shares required to be retained under ASX Listing Rule 7.1 (see below).

Conversion Cash Payment Option

Instead of issuing shares, the Company has the option (but not the obligation) to settle any "Conversion Notice" in cash plus a 5% premium prior to the (subject to no event of default has occurred).

Investor Options

Subject to shareholder approval under ASX Listing Rule 7.1, 20,000,000 options (being 10,000,000 per Investor), exercisable at A\$0.40 and expiring in 3 years, is to be issued to the Investors.

Limited restrictions on obtaining alternative funding

1. The Company has agreed to not pursue competitive forms of funding (i.e., convertible note instruments or other debt-based instruments with share-price repayment mechanisms) during the term of the Facility Agreements. For clarity, these funding restrictions do not apply where the Facility Agreements are terminated due to "change of law" or the 'floor' company valuation capitalisation threshold being breached.

2. Funding restrictions are limited. Notably, they do not apply in terms of limiting the Company's ability to raise funds using the more conventional methods, for example, share placements (including attached unlisted options), right issues (underwritten or otherwise) or the issue of share purchase plans.

Other conversion-related obligations

The maximum number of Shares that the Investors are permitted to call is limited to 100,000,000 (50,000,000 per Investor). This right would require a significant fall in the Company's share price based on the Purchase Price calculation and the repayable Face Value limit.

Termination Events

Either Investor may terminate their Facility Agreement if any of the following occurs:

1. Events of default that are not remedied by Magnis or waived by the Investors.
2. If the Company's market cap falls below \$A140,000,000.
3. Changes in the law would impact the legality of instruments such as the Facility Agreement.
4. Changes to the Company's corporate structure made materially varies the obligations and liabilities or the parties' right and benefits of the parties under their respective Facility Agreement so that that Investors' rights or economic burden are materially adversely affected (including by way of material delay or postponement).
5. Trading in securities generally in Australia has been suspended for a period exceeding four consecutive business days. In examples 2 – 5, the Company would have 60 days to obtain funding to pay the outstanding Face Value, without any competitive financing restrictions being applicable.

Default Events

Each Facility Agreement contains events of default considered customary for agreements of this nature. These events include:

- failure to issue shares at the relevant Share Price when due;
- a breach of any material obligations;
- material adverse changes to the Company (described above); or
- an insolvency event occurs in respect of the Company.

If an event of default occurs, the Investors may, amongst other things:

- declare the unpaid Face Value as being immediately due and payable;
- require the Company to convert all or part of the remaining Face Value into Shares; and / or
- terminate the Facility Agreement.

ASX Listing Rules

In the event of a reorganisation of Magnis' capital, the Facility will be reorganised in accordance with the requirements of the ASX Listing Rules.

Representations & Warranties

Each Facility Agreement further contains representations and warranties and undertakings by the parties that the Company considers conventional for financing agreements of this nature.

Annexure E

Material Terms of the CEO's Employment Agreement described in the 2022 Notice of Meeting and Explanatory Memorandum reproduced here are the terms as disclosed to Shareholders in June 2022.

Commencement Date	1st of August 2022
Term	Ongoing, subject to termination provisions as set out in the agreement
Base Salary	\$400,000 per annum plus minimum statutory superannuation contributions
Short Term Incentive	The Short-Term Incentive (STI) component of the Salary Package: comprising up to 100% of Base Salary paid in cash if key performance indicators are met. (This is paid in three instalments of 30% of STI achieved after Year 1, a further 30% after Year 2 and the final 40% after Year 3)
Long Term Incentive	The Long-Term Incentive (LTI) component of the Salary Package: 5 tranches of 1 million "out-of-the-money" options, set at a strike price which is 100% above the share price when granted. The first at the Commencement Date and thereafter 1 million options at each of 1st, 2nd, 3rd and 4th anniversary of the Commencement Date. Each grant of options will have a tenure of 3 years after which they expire, if not exercised.
Termination	<p>Both Mr. Taylor and Magnis may terminate the employment with 1 month notice period during probation period (6 months) and thereafter with 6 months' notice.</p> <p>Any entitlement to either the STI component or the LTI component mentioned above will expire should this agreement be terminated by Magnis for cause. Magnis reserves the right to make a payment in lieu of notice given by either party for all or part of the notice period calculated by reference to the then Base Salary (and superannuation to the extent required by law).</p>
Restraints	Mr. Taylor will be restrained for 6 months following employment cessation from performing any restrained duties such as assisting with or otherwise be directly involved in a business which is the same as, substantially similar to, or competitive with the business carried on by the Company. Furthermore, interfere to the detriment of the Company with the relationship between the Company and any of their clients, customers, employees or suppliers.

LODGE YOUR VOTE

ONLINE
<https://investorcentre.linkgroup.com>

BY MAIL
Magnis Energy Technologies Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND*
Link Market Services Limited
Parramatta Square, Level 22, Tower 6,
10 Darcy Street, Parramatta NSW 2150

*during business hours Monday to Friday (9:00am - 5:00pm)

ALL ENQUIRIES TO
Telephone: 1300 554 474 Overseas: +61 1300 554 474

LODGE MENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **10:00am (AEDT) on Tuesday, 22 November 2022**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

ONLINE
<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).

BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link <https://investorcentre.linkgroup.com> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.

QR Code



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company. When a body corporate is noted then follow the instruction about the Corporate Representation below.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you

may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au. This will need to be done when a body corporate is noted as the proxy.

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

PROXY FORM

I/We being a member(s) of Magnis Energy Technologies Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **10:00am (AEDT) on Thursday, 24 November 2022 at Doltone House, Hyde Park, 3/181 Elizabeth Street, Sydney NSW 2000** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolution 1: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an .

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4.1 Grant of 1,300,000 Options to Traxys	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.1 Re-Election of Director – Peter Tsegas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4.2 Ratification of Prior Issue of 700,000 Ordinary Shares to Traxys	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.2 Election of Director – Claire Bibby	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5.1 Ratification of Prior Issue of Options to Executive Employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.3 Election of Director – Hoshi Daruwalla	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5.2 Ratification of Prior Issue of Options to CEO	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.4 Election of Director – Giles Gunesequera	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6.1 Ratification of Prior Issue of Shares to The Lind Partners	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.1 Granting of Options to Claire Bibby	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6.2 Ratification of Prior Issue of Shares to SBC Global Investment Fund	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.2 Granting of Options to Hoshi Daruwalla	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
3.3 Granting of Options to Giles Gunesequera	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

MNS PRX2201D

