

19 February 2021

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

Magontec Limited
 Suite 1.03, Level 1
 46A Macleay St
 Potts Point NSW 2011
 Australia
 Ph: +61 2 8084 7813

Dear Sir/Madam

Magontec Limited (MGL): ASX Price Query

We refer to your letter dated 19 February 2021 with reference ODIN31107. That letter seeks the Company’s response to questions that have been posed by ASX in relation to extraordinary trading in the Company’s securities during the morning trading session of Friday 19 February 2021. Those questions and responses appear below.

	ASX Question	Company’s Response
1	Is MGL aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?	No.
2	<p>If the answer to question 1 is “yes”.</p> <p>(a) Is MGL relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in MGL’s securities would suggest to ASX that such information may have ceased to be confidential and therefore MGL may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is “yes”, you need to contact us immediately to discuss the situation.</p> <p>(b) Can an announcement be made immediately? Please note, if the answer to this question is “no”, you need to contact us immediately to discuss requesting a trading halt (see below).</p> <p>(c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?</p>	Not applicable

3	If the answer to question 1 is “no”, is there any other explanation that MGL may have for the recent trading in its securities?	No. The Company’s most recent continuous disclosure statement was made on Wednesday 17 February 2021. There is no further disclosure required in relation to that matter at this time.
4	Please confirm that MGL is complying with the Listing Rules and, in particular, Listing Rule 3.1.	The Company considers itself to be in compliance with the requirements of Listing Rule 3.1.
5	Please confirm that MGL’s responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of MGL with delegated authority from the board to respond to ASX on disclosure matters.	<i>Nicholas Andrews, Executive Chairman of Magontec Limited has authorised the responses to the questions and release of this document to the market on 19 February 2021</i>

Yours sincerely,



Nicholas Andrews
Executive Chairman
Magontec Limited



19 February 2021

Reference: ODIN31107

Mr John Talbot
Company Secretary
Magontec Limited
Suite 1.03 46a Macleay Street
Potts Point NSW 2011

By email

Dear Mr Talbot

Magontec Limited ('MGL'): Price - Query

ASX refers to the following:

- A. The change in the price of MGL's securities from a close of \$0.015 on 18 February 2021 to a high of \$0.055 at the time of this letter.
- B. The significant increase in the volume of MGL's securities traded today.

Request for information

In light of this, ASX asks MGL to respond separately to each of the following questions and requests for information:

1. Is MGL aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes".
 - (a) Is MGL relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in MGL's securities would suggest to ASX that such information may have ceased to be confidential and therefore MGL may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that MGL may have for the recent trading in its securities?
4. Please confirm that MGL is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that MGL's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of MGL with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **2 PM AEDT Friday, 19 February 2021**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, MGL's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require MGL to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsComplianceSydney@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in MGL's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in MGL's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to MGL's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that MGL's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Kind regards

Lin Kang

Adviser, Listings Compliance (Sydney)