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25th July 2023

Ms Angel He
Adviser, Listings Compliance (Sydney)
(via email to ListingsComplianceSydney@asx.com.au)

Dear Ms He,

Magontec Limited ('MGL'): Price - Query

I refer to your letter dated 24 July 2023 with reference: 76657.

The letter refers to a change in the price of the Company's securities from a low of 0.42 cents on 17th July 2023 to a high of 0.61 cents on 24th July 2023. Your letter also notes an increase in the volume of trading in the securities over the same period.

In the light of the price change and increase in volume you have asked the company to respond to several questions. Responses to those questions are provided below.

1. ASX Query:

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?

Magontec Response:

No, Magontec is not aware of any information that has not been announced to market which would explain the recent trading in its securities.

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2. ASX Query:

If the answer to question 1 is "yes".

Magontec Response:

Not applicable.

3. ASX Query:

If the answer to question 1 is "no", is there any other explanation that MGL may have for the recent trading in its securities?

Magontec Response:

We are not aware of any other reasons for the price and volume changes in share price and trading.

On 5th July 2023, the Chair of MGL was interviewed by AusBiz, a dedicated streaming service business channel. The interview was subsequently published on the AusBiz platform and on the Magontec website on 6th July 2023.

We do not feel this event would have been a sufficient explanation for the increased price and traded volumes.

4. ASX Query:

Please confirm that MGL is complying with the Listing Rules and, in particular, Listing Rule 3.1.

Magontec Response:

Yes, MGL is complying with the Listing Rules and in particular Listing rule 3.1.

5. ASX Query:

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.

Magontec Response:

Yes, Dean Taylor, Company Secretary of Magontec Limited has authorised the release of this document to the market on 25th July 2023 in accordance with its published continuous disclosure policy.

We hope this addresses the concerns raised in your letter.



Yours sincerely,
Dean Taylor
Company Secretary



24 July 2023

Reference: 76657

Mr Dean Taylor
Company Secretary
Magontec Limited
46A Macleay Street
Potts Point NSW 2011

By email only.

Dear Mr Taylor

Magontec Limited ('MGL'): Price - Query

ASX refers to the following:

- A. The change in the price of MGL's securities from a low of \$0.42 on 17 July 2023 to a high of \$0.61 today, Monday, 24 July 2023.
- B. The significant increase in the volume of MGL's securities traded from 17 July 2023 to 24 July 2023.

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?

In responding to this question, please consider in particular whether MGL is aware of any information that its earnings for the 6 month period ending on 30 June 2023:

- (a) are likely to differ materially (downwards or upwards) from any earnings guidance it has given for the period; or
 - (b) if MGL has not given any earnings guidance for the period, are otherwise likely to come as a surprise to the market (by reference to analyst forecasts for the period or, if MGL is not covered by analysts, its earnings for the prior corresponding period)?
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?

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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 **9:00AM AEST Tuesday, 25 July 2023**. 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

ASX reserves the right to release all or any part 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.

Yours sincerely

Angel He
Adviser, Listings Compliance