MAGNIS ENERGY TECHNOLOGIES LTD

ACN 115 111 763

NOTICE OF 2023 ANNUAL GENERAL MEETING

EXPLANATORY MEMORANDUM

AND PROXY FORM

DATE AND TIME OF MEETING
30 November 2023 at 11 am (AEDT)

PLACE OF MEETING
The Meeting will be conducted in person at:

Level 31, 1 O'Connell 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.

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NOTICE OF 2023 ANNUAL GENERAL MEETING

Notice is hereby given that the 2023 Annual General Meeting (**Meeting**) of the members of Magnis Energy Technologies Ltd (**Magnis** or the **Company**) will be held in person on:

Date: 30 November 2023

Time: 11 am (AEDT)

Venue: Level 31, 1 O'Connell St, Sydney NSW 2000

For more information about participating in the 2023 Annual General Meeting, please refer to our website https://magnis.com.au/.

ITEMS OF BUSINESS

ITEM 1 - RECEIVE AND CONSIDER REPORTS
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 2023.

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

ITEM 2 - CONSIDER RESOLUTIONS 1A TO 4 (INCLUSIVE)
RESOLUTION 1A: REMUNERATION REPORT
To consider and, if thought fit, to pass with or without amendment the following resolution as a **non-binding** advisory resolution of the Company:

"That the Remuneration Report for the financial year ended 30 June 2023 (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."

Board Recommendation
Given the personal interests of all Directors in the outcome of this Resolution, the Board declines to make a recommendation to Shareholders regarding this Resolution.

Refer to the Voting Exclusion Statement applicable to Resolution 1A

RESOLUTION 1B: RATIFICATION AND APPROVAL OF PAYMENTS TO RELATED PARTIES

To consider and, if thought fit, to pass with or without amendment the following resolution as an ordinary resolution of the Company:

"That each of the payments made to the Directors set out in Note 24 of the Financial Report (and as extracted in the table in Schedule 2 of the Explanatory Memorandum) be ratified and approved for all purposes."

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Board Recommendation
Given the personal interests of all Directors in the outcome of this Resolution, the Board declines to make a recommendation to Shareholders regarding this Resolution.

Refer to the Voting Exclusion Statement applicable to Resolution 1B

RESOLUTION 2A: ELECTION OF DIRECTOR – FABRIZIO PERILLI

To consider and, if thought fit, to pass with or without amendment the following resolution as an ordinary resolution of the Company:

"That Fabrizio Perilli, having been appointed as a Director of the Company since the last annual general meeting of the Company, and who retires from the office of Director in accordance with clause 16.6(b) of the 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 Fabrizio Perilli abstaining due to personal interest) recommends that Shareholders vote in favour of Resolution 2A.

No Voting Exclusion Statement applies to Resolution 2A.

RESOLUTION 2B: RE-ELECTION OF DIRECTOR – FRANK POULLAS

To consider and, if thought fit, to pass with or without amendment the following resolution as an ordinary resolution of the Company:

"That Frank Poullas, who retires by rotation from the office of Director in accordance with clause 16.10(a)(i) of the 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 Mr Frank Poullas abstaining due to personal interest) recommends that Shareholders vote in favour of Resolution 2B.

No Voting Exclusion Statement applies to Resolution 2B.

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RESOLUTION 2C: RE-ELECTION OF DIRECTOR – MONA DAJANI

To consider and, if thought fit, to pass with or without amendment the following resolution as an ordinary resolution of the Company:

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

Board recommendation
The Board (with Ms Mona Dajani abstaining due to personal interest) recommends that Shareholders vote in favour of Resolution 2C.

No Voting Exclusion Statement applies to Resolution 2C.

RESOLUTION 3A: RATIFICATION OF ISSUE AND AGREEMENT TO ISSUE PLACEMENT SHARES

To consider and, if thought fit, to pass with or without amendment the following resolution as an ordinary resolution of the Company:

"That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue and agreement to issue a total of 80,000,000 Placement Shares to sophisticated and professional investors on the terms and conditions in the Explanatory Memorandum."

Board recommendation
The Board recommends that Shareholders vote in favour of Resolution 3A.

Refer to the Voting Exclusion Statement applicable to Resolution 3A.

RESOLUTIONS 3B AND 3C: APPROVAL TO ISSUE DIRECTOR SHARES
To consider and, if thought fit, to pass with or without amendment each of the following resolutions as ordinary resolutions of the Company:

Resolution 3B
"That for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 2,500,000 Director Shares to the Company's Executive Chairman, Mr Frank Poullas or his nominee on the terms and conditions in the Explanatory Memorandum."

Resolution 3C
"That for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 833,334 Director Shares to the Company's Managing Director (USA), Mr Hoshi Daruwalla or his nominee on the terms and conditions in the Explanatory Memorandum."

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Board recommendation
The Board (with Mr Frank Poullas and Mr Hoshi Daruwalla abstaining due to personal interest) recommends that Shareholders vote in favour of Resolutions 3B and 3C.

Refer to the Voting Exclusion Statement applicable to Resolutions 3B and 3C

RESOLUTION 3D: APPROVAL OF LISTING RULE 7.1A MANDATE

To consider and, if thought fit, to pass with or without amendment the following resolution as a **special resolution** of the Company:

"That for the purposes of Listing Rule 7.1A and for all other purposes, Shareholders approve the potential issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."

Board recommendation
The Board recommends that Shareholders vote in favour of Resolution 3D.

Refer to the Voting Exclusion Statement that refers to Resolution 3D.

RESOLUTION 3E: RATIFICATION OF ISSUE AND AGREEMENT TO ISSUE STANDBY EQUITY FACILITY SHARES

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

"*That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the prior issue and agreement to issue a total of 80,000,000 Standby Shares to Evolution Capital Pty Ltd on the terms and conditions in the Explanatory Memorandum*."

Board recommendation
The Board recommends that Shareholders vote in favour of Resolution 3E.

Refer to the Voting Exclusion Statement applicable to Resolution 3E.

RESOLUTION 4: APPROVAL TO AMEND CONSTITUTION

To consider and, if thought fit, to pass with or without amendment the following resolution as a **special resolution** of the Company:

"That for the purposes of section 136(2) of the Corporations Act, and for all other purposes, the Constitution be modified by making the amendments contained in Section 7.1 of the

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Explanatory Memorandum, with these amendments taking effect on and from the date this Resolution is passed."

Board Recommendation
The Board recommends that shareholders vote in favour of Resolution 4.

Refer to the Voting Exclusion Statement applicable to Resolution 4.

VOTING EXCLUSION STATEMENTS
Resolutions 1A and 1B
The Company will disregard a vote cast on Resolutions 1A and 1B by or on behalf of a member of the Key Management Personnel or by or on behalf of a Closely Related Party of any such a member.

However, the Company need not disregard a vote cast on Resolution 1A or 1B by a person who is excluded from voting if the vote is cast on behalf of a person who is not excluded from voting and:

- the otherwise ineligible person is appointed as a proxy by writing that specifies the way the proxy is to vote on Resolutions 1A and 1B; or
- the proxy is the Chair and the appointment of the Chair as proxy does not specify the way the Chair is to vote on Resolution 1A and 1B and expressly authorises the Chair to exercise the proxy as the Chair sees fit even if though Resolutions 1A and 1B are directly or indirectly connected with the remuneration of members of the Key Management Personnel.

By submitting a Proxy Form in which you appoint the Chair to cast undirected proxies as the Chair sees fit, you will be taken to have authorised the Chair to exercise the proxy in such a manner even though Resolutions 1A and 1B are connected directly or indirectly with the remuneration of the Company's KMP. If you do not want your vote cast in this way, you should direct the Chair to vote "against", or to "abstain" from voting on, these Resolutions.

Resolutions 3A, 3B, 3C, 3D and 3E
The Company will disregard a vote cast in favour of Resolutions 3A, 3B, 3C, 3D and 3E by or on behalf of:

<u>Resolution 3A</u>

- any person who participated in the issue of Placement Shares the subject of Resolution 3A;
- any person who is expected to participate in the final issue of Placement Shares the subject of Resolution 3A;
- any person who will obtain a material benefit as a result of the final issue of Placement Shares the subject of Resolution 3A (except a benefit solely by reason of being a Shareholder); and
- an Associate of any person referred to in the preceding 3 bullet points.

<u>Resolution 3B and 3C</u>

- Mr Frank Poullas and Mr Hoshi Daruwalla;

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- any person who will obtain a material benefit as a result of the issue of Director Shares the subject of Resolutions 3B and 3C (except a benefit solely by reason of being a Shareholder);
- an Associate of any person referred to in the preceding 2 bullet points.

Resolution 3D
If at the time the approval the subject of Resolution 3D is sought the Company is proposing to make an issue of Equity Securities under Listing Rule 7.1A.2, the Company will disregard any votes cast in favour of Resolution 3D by or on behalf of any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue the subject of Resolution 3D (except a benefit solely by reason of being a holder of ordinary securities in the Company) and/or by or on behalf of person who is an Associate of any such person.

Resolution 3E
The Company will disregard a vote cast in favour of Resolution 3E by or on behalf of:

- Evolution Capital;
- any person who will obtain a material benefit as a result of the potential issue of Standby Shares the subject of Resolution 3E (except a benefit solely by reason of being a Shareholder);
- an Associate of any person referred to in the preceding 2 bullet points.

EXCEPTIONS TO VOTING EXCLUSION STATEMENTS
The above voting exclusions do not apply to a vote cast in favour of Resolutions 3A, 3B, 3C, 3D and 3E by:

- a person as proxy or attorney for a person who is entitled to vote, in accordance with directions given to the proxy or attorney to vote on the relevant Resolution in that way;
- the Chair as proxy or attorney for a person who is entitled to vote on the relevant Resolution, in accordance with a direction given to the Chair to vote on the relevant 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 on the relevant Resolution, and is not an Associate of a person excluded from voting, on the relevant Resolution; and
    - the holder votes on the relevant Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

BY ORDER OF THE BOARD

Duncan Glasgow
Company Secretary
Magnis Energy Technologies Limited
Dated: 25 October 2023

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Magnis Energy Technologies Limited
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(Company)

Explanatory Memorandum

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Level 31, 1 O'Connell Street, Sydney NSW 2000 at 11 am (AEDT) on 30 November 2023.

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which Resolutions 1A, 1B, 2A, 2B, 2C, 3A, 3B, 3C, 3D, 3E and 4 will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on each Resolution:

Section 2	Action to be taken by Shareholders
Section 3	Annual Report
Section 4	Resolutions 1A and 1B
Section 5	Resolutions 2A, 2B and 2C
Section 6	Resolutions 3A, 3B, 3C, 3D and 3E
Section 7	Resolution 4
Schedule 1	Definitions
Schedule 2	Directors' Fees Paid in FY2023
Schedule 3	Material Terms of Standby Equity Facility

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice and Explanatory Memorandum carefully before deciding how to vote on Resolutions 1A to 4 (inclusive).

2.1 Voting in person

To vote in person, please attend the Meeting on the date and at the place set out in Section 1.

2.2 Voting by proxy

The Proxy Form is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the

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Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person. Please note that:

(a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
(b) a proxy need not be a member of the Company; and
(c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

(a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
(b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;
(c) if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
(d) if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Section 250BC of the Corporations Act provides that, if:

(a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the company's members;
(b) the appointed proxy is not the chair of the meeting;
(c) at the meeting, a poll is duly demanded, or is otherwise required under section 250JA on the resolution; and
(d) either the proxy is not recorded as attending the meeting or the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

Your proxy voting instruction must be received by 11 am (AEDT) on 28 November 2023, being not later than 48 hours before the commencement of the Meeting.

2.3 Chair's voting intentions

If the Chair is your proxy, either by appointment or by default, and you have not indicated your voting intention, you expressly authorise the Chair to exercise the proxy in respect of Resolutions 1A and 1B even though these Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel.

The Chair intends to exercise all available proxies in favour of all Resolutions.

2.4 Submitting questions

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretary at info@magnis.com.au] by 11 am (AEDT) on 25 November 2023.

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Shareholders will also have the opportunity to submit questions during the Meeting in respect to the formal Items of Business. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. The Chair will request prior to a Shareholder asking a question that they identify themselves (including the entity name of their Shareholding and the number of Shares they hold).

3. Annual Report

In accordance with section 317 of the Corporations Act, and as the first formal Item of Business at the Meeting, the Annual Report, including the Financial Report, the Directors' Report and the Auditor's Report will be laid before the Meeting.

There is no requirement for Shareholders to approve the Annual Report.

At the Meeting, Shareholders will be offered the opportunity to:

a) consider and discuss the Annual Report which is available online at https://magnis.com.au/annual-reports/;
b) ask questions about, or comment on, the management of the Company; and
c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chair about the management of the Company, or to the Company's auditor about:

a) the preparation and content of the Auditor's Report;
b) the conduct of the audit;
c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than five business days before the Meeting to the Company Secretary at the Company's registered office.

The Company will not provide a hard copy of the Company’s Annual Report to Shareholders unless specifically requested to do so.

4. Resolutions 1A and 1B

The second formal Item of Business at the Meeting relates to the consideration of Resolutions 1A, 1B, 2A, 2B, 2C, 3A, 3B, 3C, 3D, 3E and 4. Further information in relation to each of these Resolutions is set out below.

4.1 Resolution 1A

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report for the year ended 30 June 2023 in the 2023 Annual Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, the Non-Executive Directors and specified executives of the Company. In accordance with section 250R(3) of the Corporations Act, Resolution 1A is advisory only and does not bind the Directors.

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If the Company's Remuneration Report receives a 'no' vote of 25% or more (**Strike**) at two consecutive annual general meetings, Shareholders will have the opportunity to remove the whole Board, except the Managing Director (if any).

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the Managing Director, if any) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2022 annual general meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2024 annual general meeting, this may result in the re-election of the Board.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

Resolution 1A is an ordinary resolution.

Board recommendation
Given the personal interests of all Directors in the outcome of this Resolution, the Board declines to make a recommendation to Shareholders regarding this Resolution.

4.2 Resolution 1B

During the year ended 30 June 2023, the Company paid its Directors a total of $1,619,059 in directors' fees. This total figure of $1,6198,059 is comprised of $575,792 which was paid to (or to entities related to) Frank Poullas and $1,043,267 which was paid to (or to entities related to) the Company's Non-Executive Directors (including Hoshi Daruwalla before he became an executive director) in each case for services rendered.

Of the $1,043,267 in directors' fees that was paid to the Non-Executive Directors during FY23, $421,108 was paid to the Non-Executive Directors pursuant to and in accordance with their engagement agreements with the Company (i.e. for services rendered in their capacity as Non-Executive Directors) and $472,138 was paid to them in the form of "special exertion" fees with the balance of $150,021 paid to entities related to or associated with them for services performed by employees or contractors of those entities.

In paying directors' fees, a listed company is required to comply with, amongst other things:

(a) Listing Rule 10.17A (which limits the aggregate amount payable to the listed company's non-executive directors to the sum approved by shareholders for this purpose); and
(b) Chapter 2E of the Corporations Act (which requires shareholder approval for related party payments unless a relevant exception from that requirement is available).

Listing Rule 10.17A only allows a listed company to exceed the shareholder approved cap (which, in the case of the Company, is $650,000) where the relevant payments to the non-executive directors in excess of the cap were genuine special exertion fees and the payment of any such fees is made in accordance with the listed company’s constitution.

Unfortunately, and while the $472,138 paid to the Non-Executive Directors are regarded by the Company to constitute genuine special exertion fees, the payment of such fees was not

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technically "made in accordance with" the Constitution as the Constitution does not include fairly customary provisions which would have otherwise permitted the payment of such fees.

As a result, the Company has inadvertently breached Listing Rule 10.17A by exceeding the $650,000 cap approved by Shareholders by $243,246 (noting that the $150,021 referred to above was not actually received by the relevant directors). The Company regards this as an unfortunate oversight and will ensure that such an oversight does not occur again in the future.

Despite the breach of Listing Rule 10.17A, the Company is confident that it has not breached any of the related party benefit provisions in Chapter 2E of the Corporations Act. This is because the Board believes the exception (i.e. the exception in section 210 of the Corporations Act[1]) from the requirement to obtain Shareholder approval is available to the Company. This is because the Board regards the fees paid to the Directors to be equivalent to or less than the Company would have been required to pay similarly qualified third-party consultants.

The Company has taken steps to ensure that such an oversight doesn't re-occur again in the future.

The purpose of this Resolution 1B is seek shareholder approval and ratification of the payments made by the Company to the Directors during FY2023. All of these payments are set out in Schedule 2.

If Shareholders do not pass Resolution 1B, the relevant Non-Executive Directors will be required repay the $243,246 that was paid to them in excess of the $650,000 per annum cap within 3 months of the date of the Meeting.

Resolution 1B is an ordinary resolution.

Board recommendation
Given the personal interests of all Directors in the outcome of this Resolution, the Board declines to make a recommendation to Shareholders regarding this Resolution.

5. Resolutions 2A, 2B and 2C

5.1 Resolution 2A

Clause 16.6 of the Constitution provides that the Directors may at any time appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board.

Clause 16.6 of the Constitution and Listing Rule 14.4 both provide that a Director appointed to fill a casual vacancy or as an addition to the existing Board must not hold office without re-election past the next annual general meeting of the Company following the Director's appointment.

Accordingly, Mr Fabrizio Perilli, a Director appointed on 31 July 2023, retires at this Meeting and, being eligible and offering himself for election, seeks election pursuant to Resolution 2A.

[1] Section 210 of the Corporations Act allows a financial benefit to be given to a related party such as a Director without Shareholder approval if the financial benefit is on terms that (a) would be reasonable in the circumstances if the Company and the Director were dealing at arm's length terms or (b) are less favourable to the Director than the terms referred to in paragraph (a). As noted in the body of this Explanatory Memorandum, the Board is confident that this exception to the requirement to obtain Shareholder approval is available to the Board in respect of the payments set out in Schedule 1.

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Mr Perilli has over 25 years of experience in director level roles and has overseen projects valued at over $6 Billion. Currently he is co-founder and Managing Director at PERIFA, a vertically integrated international property group. Prior to PERIFA, Mr Perilli spent 15 years at TOGA Group as its CEO, Development and Construction where he significantly grew the business and successfully led the company's focus on achieving value and quality outcomes for all stakeholders. Mr Perilli was also a Director at Clifton Coney Group (Coffey Projects), and over the 10 years was responsible for establishing and leading new operations in Sydney, New Zealand and Vietnam.

Mr Perilli is the president of the Property Council of Australia's NSW division and is also a Non-Executive Director of Okapi Resources Limited (ASX:OKR).

Mr Perilli does not currently hold any other material directorships, other than as disclosed in this Explanatory Memorandum.

The Company confirms that it took appropriate checks into Mr Perilli's background and experience and that these checks did not identify any information of concern.

Mr Perilli is not considered by the Board to hold any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the entity as a whole rather than in the interests of an individual security holder or other party. Accordingly, if elected, Mr Perilli will be considered by the Board (with Mr Perilli abstaining) to be an independent Non-Executive Director.

Mr Perilli has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

Resolution 2A is an ordinary resolution.

Board recommendation

Mr Perilli's extensive commercial, development and construction experience complements well with the technical and commercial skills and experience of the balance of the Board and management of the Company. Accordingly, the Board (with Mr Perilli abstaining) supports the election of Mr Perilli and recommends that Shareholders vote in favour of Resolution 2A.

5.2 Resolution 2B

Clause 16.10 of the Constitution requires that one-third of the Directors (excluding the Managing Director, if one has been appointed) must retire at each annual general meeting (or if that is not a whole number, the whole number nearest to but not exceeding one-third of the Directors (excluding Directors who retire by virtue of Clause 16.6).

Pursuant to Clause 16.11, the Directors to retire at each annual general meeting of the Company are those who have held their office as Director for the longest period since their last election or appointment to that office. In the event two of more Directors have held office for equal periods of time, the retiring Directors are to be determined by lot, unless otherwise agreed by those Directors.

Clause 16.10 provides that a Director who retires under clause 16 is eligible for re-election.

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Directors Frank Poullas and Mona Dajani have served the longest in office since their last election, having been elected at the annual general meeting held on 22 November 2021.

Accordingly, Frank Poullas and Mona Dajani will retire at the Meeting and, being eligible, seek re-election pursuant to Resolution 2.2 and 2.3.

Mr Poullas' commercial acumen, combined with his understanding of game-changing megatrends and technological disruption, has led to a successful 20+ year career in the technology, financial services and materials sectors.

Mr Poullas currently serves as Executive Chairman of the Company. Realising several years ago that lithium-ion battery technology would play an integral role in the electric vehicle and battery storage trend, Mr Poullas was instrumental in transforming Magnis from a pure graphite miner to the vertically integrated lithium-ion battery and materials company it is today.

Mr Poullas does not currently hold any other material directorships, other than as disclosed in this Explanatory Memorandum.

Given his executive role with the Company, the Board (with Mr Poullas abstaining) does not consider Mr Poullas to be an independent Director.

Mr Poullas has acknowledged to the Company that he will have sufficient time to fulfil his responsibilities as a Director.

Resolution 2B is an ordinary resolution.

Board recommendation

Mr Poullas has been involved with the Company for more than a decade and has a depth of experience with the Company and its projects. Mr Poullas' commercial experience and skill set in the technology and mineral resource sector is complementary to the balance of the Board's experience. Accordingly, the Board (with Mr Poullas abstaining) supports the election of Mr Poullas and recommends that Shareholders vote in favour of Resolution 2B.

5.3 Resolution 2C

Ms. Dajani has over 20 years of practise experience as a dual qualified lawyer in the U.S. and England and as a licensed professional engineer. Ms Dajani serves as a lead lawyer in complex acquisitions, dispositions, financing, and project development transactions involving energy and infrastructure facilities in the United States and around the world. Ms Dajani is a partner in the Project Development & Finance practice in the New York office of Shearman and Sterling as well as Global Head of Renewables, Global Head of Energy & Infrastructure (Projects), Head of the Hydrogen and Ammonia Practice (Americas) and Co-Head of the U.S. Energy team, focusing on energy innovation.

Mr Dajani does not currently hold any other material directorships, other than as disclosed in this Explanatory Memorandum.

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Ms Dajani is not considered by the Board to hold any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect her capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the entity as a whole rather than in the interests of an individual security holder or other party. Accordingly, if elected, Ms Dajani will be considered by the Board (with Ms Dajani abstaining) to be an independent Non-Executive Director.

Ms Dajani has acknowledged to the Company that she will have sufficient time to fulfil her responsibilities as a Director.

Resolution 2C is an ordinary resolution.

Board recommendation

Ms Dajani's extensive legal and US commercial experience complements well with the technical and commercial skills and experience of the balance of the Board and management of the Company. Accordingly, the Board (with Ms Dajani abstaining) supports the election of Ms Dajani and recommends that Shareholders vote in favour of Resolution 2C.

6. Resolutions 3A, 3B, 3C, 3D and 3E

Background to Resolutions 3A, 3B and 3C

On 17 July 2023, the Company announced that it had received firm commitments to issue a total of 83,333,334 Shares at $0.12 per Share to raise gross proceeds of $10 million (**Placement**). The Placement, which was managed by Evolution Capital Pty Ltd (**Evolution Capital**), was comprised of the following components:

(a) 80,000,000 Shares issued (or to be issued) to a number of sophisticated and professional investors under Listing Rule 7.1 (**Placement Shares**); and

(b) 3,333,334 Shares to be issued to Directors Frank Poullas and Hoshi Daruwalla, subject to Shareholder approval under Listing Rule 10.11 (**Director Shares**).

Of the 80,000,000 Placement Shares, 64,166,668 were issued on 21 July 2023. 15,833,332 Placement Shares (the issue of which was initially delayed through no fault of the Company) remain to be issued. The Company is confident that it will be able to procure the issue of the remaining 15,833,332 Placement Shares.

6.1 Resolution 3A

Broadly speaking, and subject to a limited number of exceptions set out in Listing Rule 7.2, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary shares it had on issue at the beginning of that 12-month period.

As the issue of Placement Shares does not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it has used a significant part of the Company's 15% limit in Listing Rule 7.1, thereby significantly reducing the Company's capacity to issue further equity securities without approval under Listing Rule 7.1 for the next 12 months.

Listing Rule 7.4 allows the shareholders of a listed company to ratify an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been

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approved under Listing Rule 7.1 such that the issuance in question does not reduce the company's capacity to issue further securities without approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for any such future issue under Listing Rule 7.1. To that end, Resolution 3A seeks Shareholder ratification of the 64,166,668 Placement Shares that were issue under the Placement and of the 15,833,332 Placement Shares that were agreed to be but that have not yet been issued under the Placement.

If Resolution 3A is passed by Shareholders and the Company is able to complete the Placement of the 15,833,332 Placement Shares within 3 months of the Meeting, all 80 million Placement Shares will be excluded from calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 months following the date the first 64,166,668 Placement Shares were issued[2].

If Resolution 3A is not passed, the 80,000,000 Placement Shares the subject of Resolution 3A will be included in the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 months following the Placement Issue Date.

If Resolution 3A is passed but the remaining 15,833,332 Placement Shares are not issued within 3 months of the Meeting, these Placement Shares will (and despite not being issued), effectively decrease the number of equity securities the Company can issue without Shareholder approval following the Placement Issue Date.

In accordance with the disclosure requirements in Listing Rule 7.5, the following information is provided by the Company:

In accordance with the disclosure requirements in Listing Rule 7.5, the following information is provided by the Company:

Listing Rule	Required Disclosure
7.5.1	The Placement Shares were issued to a number of sophisticated and professional investors who were either existing Shareholders[3] or who were clients of Evolution Capital[4].
7.5.2	Under the Non-Related Party component of the Placement, the Company agreed to issue a total of 80,000,000 Placement Shares (with each Placement Share being a fully paid ordinary share in the capital of the Company).
7.5.3	N/A
7.5.4	As at the date of the Notice, the Company has issued 64,166,668 Placement Shares. These Shares were issued on 21 July 2023.

[2] These Placement Shares were issued on 21 July 2023 (**Placement Issue Date**).
[3] None of whom were a Related Party (or an Associate of a Related Party) of the Company.
[4] The Company has paid Evolution Capital a $462,000 management fee for managing the Placement.

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Listing Rule	Required Disclosure
	The Company intends to issue the remaining 15,833,332 Placement Shares by no later than 28 February 2024.
7.5.5	The Company issued the 64,166,668 Placement Shares for $0.12 each. If it can, the Company will also issue the remaining 15,833,332 Placement Shares for $0.12. Shareholders should note that there is no certainty that the Company will be able to issue the remaining 15,833,332 Placement Shares at $0.12 per Share or at all.
7.5.6	The Company raised gross proceeds of $7.7 million from the issue of the 64,166,668 Placement Shares under the Placement. These funds were used by the Company: • to advance its AAM Demonstration Plant and its Nachu Graphite Project; and • for general working capital (including to pay the costs of the Placement) purposes. The funds raised from the issue of the remaining 15,833,332 Placement Shares will also be used by the Company for the same purposes.
7.5.7	N/A
7.5.8	Please refer to the voting exclusion statement set out in the Notice.
Other	Voting in relation to Resolution 3A will be considered by way of a poll. The Chair will cast all undirected proxies in favour of Resolution 3A.

Resolution 3A is an ordinary resolution.

Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 3A.

6.2 Resolution 3B

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

(a) **LR 10.11.1**: a related party;

(b) **LR 10.11.2**: a person who is, or was at any time in the 6 months before the issue or agreement, a "substantial (30%+)" holder in the company;

(c) **LR 10.11.3**: a person who is, or was at any time in the 6 months before the issue or agreement, a "substantial (10%+)" holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;

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(d) **LR 10.11.4**: an Associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or

(e) **LR 10.11.5**: a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue should be approved by its shareholders,

unless it obtains the approval of its shareholders.

Since Mr Frank Poullas is a Related Party of the Company (thereby triggering Listing Rule 10.11.1) and no exception to Listing Rule 10.12 applies, the Company is seeking Shareholder approval pursuant to Resolution 3B to the extent necessary to permit the proposed issue of 2,500,000 Director Shares to Mr Poullas as detailed in Section 6 above.

The following information is provided to Shareholders for the purposes of satisfying the disclosure requirements in Listing Rule 10.13:

Listing Rule	Required Disclosure
10.13.1	The Company is seeking Shareholder approval pursuant to Resolution 3B to issue the Director Shares to Mr Poullas, the Company's Executive Chairman.
10.13.2	Mr Poullas triggers Listing Rule 10.11.1 because he is a Related Party (which includes a Director) of the Company.
10.13.3	The Company is seeking Shareholder approval pursuant to Resolution 3B to issue 2,500,000 Director Shares to Mr Poullas.
10.13.4	N/A
10.13.5	If Resolution 3B is approved by Shareholders, these Director Shares will be issued within 1 month of the Meeting.
10.13.6	The issue price for the Director Shares the subject of Resolution 3B is $0.12 per Share.
10.13.7	The funds raised from the issue of Director Shares the subject of Resolution 3B will be used by the Company to further advance its AAM Demonstration Plant and/or for general working capital purposes.
10.13.8	N/A
10.13.9	N/A
10.13.10	Please refer to the voting exclusion statement set out in the Notice.
Other	Voting in relation to Resolution 3B will be considered by way of a poll. The Chair will cast all undirected proxies in favour of Resolution 3B. If Shareholders do not approve Resolution 3B, the Company will not be permitted to issue the 2,500,000 Director Shares to Frank Poullas.

Resolution 3B is an ordinary resolution.

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Board recommendation

The Board (with Mr Poullas abstaining) recommends that Shareholders vote in favour of Resolution 3B.

6.3 Resolution 3C

Since Mr Hoshi Daruwalla is a Related Party of the Company (thereby triggering Listing Rule 10.11.1) and no exception to Listing Rule 10.12 applies, the Company is seeking Shareholder approval pursuant to Resolution 3C to the extent necessary to permit the proposed issue of 833,334 Director Shares to Mr Daruwalla as described in section 6 above.

The following information is provided to Shareholders for the purposes of satisfying the disclosure requirements in Listing Rule 10.13:

Listing Rule	Required Disclosure
10.13.1	The Company is seeking Shareholder approval pursuant to Resolution 3C to issue the Director Shares to Mr Daruwalla, the Company's Managing Director.
10.13.2	Mr Daruwalla triggers Listing Rule 10.11.1 because he is a Related Party (which includes a Director) of the Company.
10.13.3	The Company is seeking Shareholder approval pursuant to Resolution 3C to issue 833,334 Director Shares to Mr Daruwalla.
10.13.4	N/A
10.13.5	If Resolution 3C is approved by Shareholders, these Director Shares will be issued within 1 month of the Meeting.
10.13.6	The issue price for the Director Shares the subject of Resolution 3C is $0.12 per Share.
10.13.7	The funds raised from the issue of Director Shares the subject of Resolution 3C will be used by the Company to further advance its AAM Demonstration Plant and/or for general working capital purposes.
10.13.8	N/A
10.13.9	N/A
10.13.10	Please refer to the voting exclusion statement set out in the Notice.
Other	Voting in relation to Resolution 3C will be considered by way of a poll. The Chair will cast all undirected proxies in favour of Resolution 3C. If Shareholders do not approve Resolution 3C, the Company will not be permitted to issue the 833,334 Director Shares to Hoshi Daruwalla.

Resolution 3C is an ordinary resolution.

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Board recommendation

The Board (with Mr Daruwalla abstaining) recommends that Shareholders vote in favour of Resolution 3C.

6.4 Resolution 3D

Broadly speaking, and subject to a limited number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that an ASX-listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities the listed entity had on issue at the start of that period.

However, under Listing Rule 7.1A, an "Eligible Entity" may seek shareholder approval by special resolution passed at an annual general meeting to increase this 15% limit by an extra 10% (i.e. to a total of 25%) (the "**7.1A Mandate**").

An Eligible Entity is one that, as at the date of the relevant annual general meeting:

(a) is not included in the S&P/ASX 300 Index; and

(b) has a market capitalisation of less than $300 million.

As at the date of the Notice (and this Explanatory Memorandum), the Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a market capitalisation (calculated in accordance with the definition for that term set out in Chapter 19 of the Listing Rules) of less than $300 million.

Any Equity Securities issued under the 7.1A Mandate must be in the same class as an existing class of quoted Equity Securities. As at the date of the Notice (and this Explanatory Memorandum), the Company's only class of quoted securities is its Shares. This means, if applicable, the Company will only issue new Shares under the 7.1A Mandate.

If Shareholders approve Resolution 3D, the Company will be able to issue Equity Securities (in the form of new Shares) up to the combined 25% limit in Listing Rules 7.1 and 7.1A without being required to obtain any further Shareholder approvals.

If Shareholders do not approve Resolution 3D, the Company will not be able to access the 7.1A Mandate to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

Resolution 3D is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 3D for it to be passed. Please also note that voting on Resolution 3D will be determined by a poll at the Meeting rather than by way of a show of hands.

In accordance with Listing Rule 7.3A, the information below is provided in relation to this Resolution 3D:

Minimum price
The minimum price at which the Equity Securities may be issued is 75% of the volume

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weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

(c) the date on which the price at which the Equity Securities are to be issued is agreed by the Company and the recipient of the Equity Securities; or

(d) if the Equity Securities are not issued within 10 ASX trading days of the date specified immediately above, the date on which the Equity Securities are issued.

Date of issue

The Equity Securities may be issued under the 7.1A Mandate commencing on the date of the Meeting and expiring on the first to occur of the following:

(a) the date that is 12 months after the date of the Meeting;

(b) the time and date of the Company's next annual general meeting; and

(c) the time and date of approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of the Company's activities) or 11.2 (disposal of the Company's main undertaking).

Risk of voting dilution

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3D is approved by Shareholders and the Company issues the maximum number of Equity Securities available to be issued under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shares calculated in accordance with the formula in Listing Rule 7.1A.2, on the basis of a A$0.075 issue price and the number of Shares on issue on the date of the Notice (and this Explanatory Memorandum) (i.e. of 1,199,498,151).

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

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Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		**Shares issued – 10% voting dilution**	**Issue Price**		
			$0.0375	$0.075	$0.15
			50% decrease	**Same**	**50% increase**
			Funds Raised		
Current	1,199,498,151	119,949,815	$4,498,118	$8,996,236	$17,992,472
50% increase	1,799,247,227	179,924,723	$6,747,177	$13,494,354	$26,988,708
100% increase	2,398,996,302	239,899,630	$8,996,236	$17,992,472	$35,984,945

The number of Shares on issue (i.e. the Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro rata rights issue or under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1 and/or Listing Rule 10.11.

The calculations above do not show the dilution that any one particular Shareholder will be subject to. As such, all Shareholders should consider the dilution caused to their own Shareholding depending on their specific circumstances.

Shareholders should also note that there is a risk that:

(d) the market price for the Company's shares may be significantly lower on the issue date than on the date of the Meeting; and

(e) new Shares may be issued at a price that is at a discount to the market price for the Company's existing Shares on the date of issue.

Purpose and use of funds

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate:

(f) to advance its AAM Demonstration Plant and/or its Nachu Graphite Project; and

(g) for general working capital (including to pay down debt) purposes.

Allocation policy

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be Related Parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

(h) the purpose of the issue;

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(i) alternative methods for raising funds available to the Company at that time, including, but not limited to, a rights issue or other offer where existing Shareholders may participate;

(j) the effect of the issue of the Equity Securities on the control of the Company;

(k) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;

(l) prevailing market conditions; and

(m) advice from corporate, financial and broking advisers (if applicable).

Previous Listing Rule 7.1A approval

The Company not previously obtained approval (or issued any Shares) under Listing Rule 7.1A.

Resolution 3D is a special resolution.

Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 3D.

6.5 Resolution 3E

On 8 September 2023, the Company announced that it had entered into a standby equity facility agreement with Evolution Capital (**Equity Facility**). The Equity Facility allows the Company to potentially raise equity capital by placing Shares (**Standby Shares**) to Evolution Capital at a pre-agreed issue price per Standby Share.

Under the Equity Facility, the Company has the discretion as to whether to request any share placements be conducted, the timing of each individual placement (with each placement subject to a 20,000,000 Standby Share "cap") and, subject to an overall cap of 80,000,000 Standby Shares, the total number of Standby Shares to be issued to Evolution Capital.

As part of the 80,000,000 Standby Shares cap referred to above, and immediately following the Company's entry into the Equity Facility, the Company issued 20,000,000 Standby Shares to Evolution as security for the obligations the Company owes Evolution Capital under the Equity Facility. These Standby Shares were issued on 11 September 2023.

A summary of the material terms of the Equity Facility are set out in Schedule 3.

Broadly speaking, and subject to a limited number of exceptions set out in Listing Rule 7.2, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary shares it had on issue at the beginning of that 12-month period.

As the issue of Standby Shares does not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it has used a significant part of the Company's 15% limit in Listing Rule 7.1, thereby significantly reducing the Company's capacity to issue further equity securities without approval under Listing Rule 7.1 for the next 12 months.

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Listing Rule 7.4 allows the shareholders of a listed company to ratify an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 such that the issuance in question does not reduce the company's capacity to issue further securities without approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for any such future issue under Listing Rule 7.1. To that end, Resolution 3E seeks Shareholder ratification of the 20,000,000 Standby Shares that were issued following the Company's entry into the Equity Facility and of the remaining 60,000,000 Standby Shares that were agreed (for the purposes of the Listing Rules) to be but that have not yet been issued under the Equity Facility.

If Resolution 3E is passed by Shareholders and the Company is able to place the remaining 60,000,000 Standby Shares within 3 months of the Meeting, all 80 million Placement Shares will be excluded from calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 months following the date the first 20,000,000 Standby Shares were issued[5].

If Resolution 3A is not passed, the 80,000,000 Placement Shares the subject of Resolution 3E will be included in the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 months following the Collateral Shares Issue Date.

If Resolution 3E is passed by Shareholders but the remaining 60,000,000 Standby Shares are not issued within 3 months of the Meeting, these Standby Shares will (and despite not being issued), effectively decrease the number of equity securities the Company can issue without Shareholder approval following the Collateral Shares Issue Date.

In accordance with the disclosure requirements in Listing Rule 7.5, the following information is provided by the Company

Listing Rule	Required Disclosure
7.5.1	The Standby Shares were (and will be) issued to Evolution Capital.
7.5.2	The Company agreed to issue a total of 80,000,000 Standby Shares (with each Standby Share being a fully paid ordinary share in the capital of the Company).
7.5.3	N/A
7.5.4	As at the date of the Notice, the Company has issued 20,000,000 Standby Shares. These Shares were issued on 11 September 2023. The Company will attempt to issue the remaining 60,000,000 Placement Shares by no later than 28 February 2024.

[5] These Standby Shares were issued on 11 September 2023 (**Collateral Shares Issue Date**).

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Listing Rule	Required Disclosure
7.5.5	The Company issued the 20,000,000 Standby Shares for nil consideration (i.e. because those Shares were issued as collateral to ensure the Company's obligations to Evolution Capital under the Equity Facility are met). To the extent the Company is able to issue the remaining 60,000,000 Shares under the Equity Facility, the issue price for those Shares will be based on the prevailing market price for the Shares as traded on ASX. Please see Schedule 3 for further details.
7.5.6	The Company has not yet raised any capital under the Equity Facility. Any capital raised actually raised under the Equity Facility will be used by the Company to further advance its AAM Demonstration Plant, its Nachu Graphite Project and/or for general working capital purposes.
7.5.7	N/A
7.5.8	Please refer to the voting exclusion statement set out in the Notice.
Other	Voting in relation to Resolution 3E will be considered by way of a poll. The Chair will cast all undirected proxies in favour of Resolution 3E. Following the issuance of the first 3 tranches of 20,000,000 Standby Shares under the Equity Facility, and provided that the Company has no unsatisfied obligations to Evolution Capital, the Company will be able to request that the initial 20,000,000 Standby Shares be dealt with and the proceeds of that arrangement be provided to the Company.

Resolution 3E is an ordinary resolution.

Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 3E.

7. Resolution 4

Under section 136(2) of the Corporations Act, a company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders.

Resolution 4 seeks the approval of Shareholders to modify the Company's existing Constitution in the manner specified below.

The proposed modifications to the existing Constitution will incorporate recent amendments to the Corporations Act regarding the holding of meetings of Shareholders using virtual meeting technology and to allow special exertion payments to be made to Non-Executive Directors.

The Directors believe that it is preferable in the circumstances to simply modify a couple of provisions of the existing Constitution rather than repealing the entire existing Constitution and replacing it with a new constitution.

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The Directors believe these amendments are not material nor will they have any significant impact on Shareholders.

A copy of the modified Constitution will be released on ASX and on the Company's website if Shareholders approve Resolution 4.

A copy of the modified Constitution will also be sent to Shareholders upon request to the Company Secretary at info@magnis.com.au.

While the proposed amendments are relatively self-explanatory, Shareholders are invited to contact the Company if they have any queries or concerns.

If Resolution 4 is passed, the Company will adopt the modified Constitution with effect from the date this Resolution 4 is passed.

7.1 Summary of material proposed changes

Technology (clause 13.7)

The modifications provide for the ability of the Company to hold general meetings using virtual technology only, as well as physical or hybrid meetings. This improved flexibility is necessary to ensure the Company is able to hold general meetings at times where physical meetings may not be practicable (such as during pandemics).

Set out below are the proposed modifications to clause 13.7 of the Constitution:

Prior to modification:

13.7 Technology

The Company may hold a general meeting simultaneously at two or more venues using any technology that gives the members as a whole a reasonable opportunity to participate in the meeting.

After modification:

13.7 Technology

13.7.1 The Company may hold a meeting of Members at a time determined by the Directors:

(a) at one or more physical venues;

(b) at one or more physical venues and using virtual meeting technology; and

(c) using virtual meeting technology only,

provided that, in each case, Members as a whole are given a reasonable opportunity to participate in the meeting, and otherwise in the manner determined by the Directors.

13.7.2 If the Directors elect to use virtual meeting technology for a general meeting of the Company, the Directors will determine the type of virtual meeting technology to be used, which may include any combination of telephone, video conferencing, messaging,

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smartphone application or any other audio and/or visual device which permits instantaneous communication.

Remuneration of Directors (clause 16.15)

The modification proposed by the addition of subclause (e) in the terms set out below will ensure that any Non-Executive Director who is asked to perform more than their normal duties can be adequately remunerated for that additional work. Listing Rule 10.17 allows for genuine special exertion fees to be paid to Non-Executive Directors so long as relevant company's constitution also allows such fees to be provided.

Clause 16.15 will be modified by including the words set out below the existing clause 16.15(d)(iii) in italics.

16.15 Remuneration of Directors

(a) The remuneration of the non-executive Directors will not:

(i) be more than the aggregate fixed sum which is determined by a general meeting, or until so determined, such sum as determined by the Directors; nor

(ii) be by way of a commission on, or percentage of, profits or operating revenue.

(b) Subject to Clause 16.15(a), the Directors will determine:

(i) the amount of remuneration, or the proportion of the aggregate fixed sum, to be paid, or applied for the benefit of, each non-executive Director; and

(ii) the proportions, timing, and the manner in which such remuneration will be paid or applied,

or until so determined, the non-executive Directors will be paid equally.

(c) That remuneration will accrue from day to day.

(d) The Company may also pay the Director's travelling and other expenses that they properly incur:

(i) in attending meetings of the Board or meetings of committees of Directors;

(ii) in attending general meetings of the Company; and

(iii) in connection with the Company's business.

(e) If any of the Directors being willing shall be called upon to perform extra services or *make any special exertions on behalf of the Company or the businesses of the*

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Company, the Directors may remunerate such Director for such services or exertions, and such remuneration may be either in addition to or in substitution for their share in the remuneration provided for in clause 16.15(a).

Resolution 3E is a special resolution (meaning that at least 75% of the votes cast by Shareholders present (whether in person or by proxy) and eligible to vote on the Resolution are in favour of the Resolution for it to be passed).

Board recommendation

The Board recommends that Shareholders vote in favour of Resolution 3E.

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Schedule 1 Definitions

Unless otherwise defined in the body of the Notice or Explanatory Memorandum, the following words and terms used in the Notice and Explanatory Memorandum have the following meanings:

Annual Report	means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2023.
Associate	has the meaning given in the Corporations Act.
ASX	means the ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
Auditor's Report	means the auditor's report contained in the Annual Report.
AEDT	means Australian Eastern Daylight Time.
Board	means the board of Directors.
Chair	means the person appointed to chair the Meeting of the Company convened by the Notice.
Company	means Magnis Energy Technologies Limited (ACN 115 111 763).
Constitution	means the constitution of the Company.
Corporations Act	means the *Corporations Act 2001* (Cth).
Director	means a director of the Company.
Directors' Report	means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.
Equity Security	has the same meaning as in the Listing Rules.
Explanatory Memorandum	means the explanatory memorandum which forms part of the Notice.
Financial Report	means the financial report contained in the Annual Report.
Key Management Personnel	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

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Listing Rules	means the listing rules of ASX.
Meeting	has the meaning given in the introductory paragraphs of the Notice.
Notice	means the notice of annual general meeting accompanying the Explanatory Memorandum
Options	means an option to acquire a Share.
Performance Right	means a contractual right to be issued a Share upon the satisfaction of a performance related milestone.
Proxy Form	means the proxy form attached to the Notice.
Remuneration Report	means the remuneration report contained in the Annual Report.
Related Party	has the meaning given in the Corporations Act.
Resolution	means a resolution referred to in the Notice.
Schedule	means a schedule to the Notice.
Section	means a section of the Explanatory Memorandum.
Securities	means any Equity Securities of the Company (including Shares, Options and/or Performance Rights).
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a holder of a Share.

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Schedule 2 Directors' Fees Paid in FY2023

Director	Payment under the Pool approved in 2017	Special Exertion/Consultancy Fees	Other Services Fee	Note 24 of the FY23 Financial Statements
Frank Poullas	N/A[6]	$223,300	$220,492	$443,792
Peter Tsegas	$65,000	nil	nil	($21,044)
Claire Bibby	$94,331	$56,000	$11,000[7]	$72,600
Mona Dajani	$65,000	$117,092	$16,799[8]	$133,891
Giles Gunesekera	$62,760	$65,800	$87,455[9]	$153,400
Hoshi Daruwalla	$76,005	$233,246	$34,767[10]	$268,068
Mugunthan Siva	$58,012	nil	nil	nil
TOTAL	**$421,108**	**$695,438**	**$370,513**	**$1,048,606**[11]

[6] As Frank Poullas is an executive director, his $132,000 fee is not included in the pool amount.

[7] This payment was invoiced by Claire Bibby Pty Ltd and was passed through to an unrelated party.

[8] This was paid to the Law Firm of which M. Dajani is a partner.

[9] This reflects a fee of $77,000 for setting up a Sustainability Reporting program for Tanzania and the finalisation of the work on the ESP Principles for the Group, all work done by Global Impact Initiative Pty Ltd staff. An amount of $11,500 was billed in FY2022 for the initial ESG Principles work.

[10] This reflects fees billed through Yatha Enterprises LLC for work performed by M. Osborne an unrelated party of Yatha Enterprises, a similar amount was billed in FY2022, namely $34,476 (as per note 24).

[11] Includes $2,101 refunded by AmeriAnode Inc.

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Schedule 3 Material Terms of the Equity Facility

Terms	Detail
Equity Facility size	A maximum of 80 million Shares (in 4 individual placements of up to 20 million Shares each) may be issued to Evolution Capital under the Equity Facility.
Facility period	12 months, unless extended by the parties.
Maximum requested amount per placement	20 million Shares (subject always to the Company's Listing Rule 7.1 placement capacity).
Purchase price per Share	Greater of: • 94% of the of the volume weighted average price of Shares during the relevant valuation period as notified by Evolution Capital to the Company; and • a floor price of $0.08.
Security Shares	Magnis will issue Evolution Capital up to 20 million security Shares as security for the obligations the Company owes Evolution Capital under the Equity Facility.
Fees	No Fees will be payable by the Company to Evolution Capital other than $10,000 on account of legal fees.
Warranties	Various standard warranties are given in terms of capacity and authorisation, valid obligations, breaches and defaults, solvency, validity of shares and share capital, third party rights, no encumbrances and compliance with continuous disclosure.
Termination	Termination occurs on the expiry date, being, unless extended by the parties, 8 September 2024.
Other terms	The Equity Facility is subject to the laws of NSW, Australia. Other standard terms such as notices, confidentiality, indemnities for breach of warranties, assignment and waivers.

MAGNIS
ENERGY TECHNOLOGIES

ABN 26 115 111 763

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

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LODGEMENT 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 **11:00am (AEDT) on Tuesday, 28 November 2023,** 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 Resolutions are 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:

(a) 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

(b) 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.

NAME SURNAME
ADDRESS LINE 1
ADDRESS LINE 2
ADDRESS LINE 3
ADDRESS LINE 4
ADDRESS LINE 5
ADDRESS LINE 6

X99999999999

PROXY FORM

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

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STEP 1 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 **11:00am (AEDT) on Thursday, 30 November 2023 at Level 31, 1 O'Connell Street, Sydney NSW 2000** (the **Meeting**) and at any postponement or adjournment of the Meeting.

Important for Resolutions 1(a) & 1(b): 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 Resolutions 1(a) & 1(b), even though the Resolutions are 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.

STEP 2 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*
1(a)	Remuneration Report			
1(b)	Ratification and Approval of Payments to Related Parties			
2(a)	Election of Director – Fabrizio Perilli			
2(b)	Re-Election of Director – Frank Poullas			
2(c)	Re-Election of Director – Mona Dajani			
3(a)	Ratification of Issue and Agreement to Issue Placement Shares			
3(b)	Approval to Issue of 2,500,000 Director Shares to Mr Frank Poullas			
3(c)	Approval to Issue of 833,334 Director Shares to Mr Hoshi Daruwalla			
3(d)	Approval of Listing Rule 7.1A Mandate			
3(e)	Ratification of Issue and Agreement to Issue Standby Equity Facility Shares			
4	Approval to Amend Constitution			

* 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.

STEP 3 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 PRX2302D