



CONTINUOUS DISCLOSURE POLICY

1. INTRODUCTION & PURPOSE

Magnis Energy Technologies Ltd and its subsidiaries (“Magnis” or the “Company”) are committed to conducting its business activities fairly, honestly, with integrity, and in conformity and compliance with all applicable legislation, rules and regulations.

Included in this compliance obligation is the overarching requirement for Magnis to disclose information to the Australian Securities Exchange (ASX). Specifically, as a company listed on the ASX, Magnis has continuous disclosure obligations under the Listing Rule 3.1 of the ASX and under s.674 of the Corporations Act 2001 (Cth) to keep the market fully informed of information which is classed as having or potentially having a material effect on the share price or market value of the Company’s shares that are listed on the ASX.

2. GENERAL DISCLOSURE POLICY OBLIGATIONS

The policy of Magnis is to comply with its legal obligations and it does so by releasing information to the ASX in various forms such as media releases, annual reports, corporate updates, quarter end activities and cashflow reports which will comply with ASX Listing Rule 3.1 and any other associated guidelines stipulated by the ASX (including ASX Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1- 3.1B*). Rule 3.1 requires that the Company must immediately notify the ASX of any information that it becomes aware of concerning itself, that a reasonable person would expect to have a material effect on the price or value of the Company’s shares.

a) Material effect

A reasonable person is taken to expect information to have a material effect on the price or value of shares if it would, or would likely to, influence persons who commonly invest in securities in deciding whether or not to subscribe for, or buy or sell Magnis shares.

b) Releasing of information to other parties

The Company must **not** release price sensitive or material information to any person or party (for example, analysts or the media or email subscribers) until it has first provided the information to the ASX and the Company has received confirmation from the ASX that the information has been released to the market by the ASX.

c) Trading halts (refer ASX Listing Rule 17.1)

The Company will consider requesting a trading halt to its securities listed on the ASX in circumstances where warranted to appropriately manage continuous disclosure obligations promptly and effectively.

d) Any false markets (refer ASX Listing Rule 3.1B)

If the ASX considers that there is or likely to be a falsely informed market trading in Magnis shares and asks the Company to provide information to the ASX to correct or prevent a false market, then Magnis must promptly give the ASX the information required to do so.

Possible reasons that the ASX would consider or determine that there is likely to be a false market include:

- i. The Company has information that has not been released to the market (for example, because of exceptions permitted in ASX Listing Rule- 3.1A);
- ii. There is a specific rumour or comment in relation to Magnis that has not been confirmed or clarified by a Company announcement to the ASX;
- iii. There is evidence that the rumour or comment is having or the ASX forms the view that the rumour is likely to have an impact on the price of the Company's shares.

e) Exceptions to ASX Listing Rule 3.1 obligation (refer to ASX Listing Rule 3.1 A)

Confidential price sensitive information may not be immediately required for disclosure where **each** of the following conditions is and remains satisfied:

- i. A reasonable person would not expect the information to be disclosed; and
- ii. The information is confidential and the ASX has not formed the view that the information has ceased to be confidential; and
- iii. One or more of the following apply:
 - a. it would breach a law to disclose the information;

- b. the information concerns an incomplete proposal or negotiation;
- c. the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
- d. the information is generated for the internal management purposes of the Company;
- e. the information is a trade secret (for example, intellectual property or proprietary mining processing methods)

Once **any one** of these three exception conditions is not, or is no longer satisfied (for example, a media report that breaches confidentiality), the Company must comply with its continuous disclosure obligations and make disclosure to the ASX.

It must be noted that the ASX has a discretion to determine whether information is no longer confidential. If the ASX decides the information is no longer confidential, the exception from the obligation to make a disclosure will not apply and Magnis must disclose via an announcement to the ASX. The ASX potentially could form this view if there is a circulating rumour about the information and the rumour is specific in nature.

Overall, this demonstrates the need and importance of maintaining confidentiality of share price sensitive information.

3. REPORTING DISCLOSABLE EVENTS

If Company staff or directors become aware of information at any time that should be released to the market (ASX), it should be reported to a member of the Board and a member of the Audit & Risk Committee. The Chairman, will then decide if it is disclosable information and whether, in conformity with Company's continuous disclosure obligations, the information should be released to the market.

For any public speeches, presentations or open briefings, the relevant presentation materials (for example, investor roadshow presentations or Annual General Meeting presentations) are to be lodged first with the ASX prior to each speech, briefing or presentation being made.

4. FINANCIAL MARKET COMMUNICATIONS and VARIOUS PUBLIC COMMENTS

It is important for Magnis to set controls on what is said publicly and by whom within the Company, and this in particular is vital as part of the continuous disclosure obligations.

The official authorised spokespeople for the financial markets are the Company's Executive Chairman, Executive Director, Managing Director (if applicable), Chief Executive Officer and Company Secretary, or their respective nominated delegate for a specified purpose.

When disclosing financial results, Magnis may release a range of supporting information that will also be lodged with the ASX. Additionally, briefings, speeches, site visits, conferences may be also held to explain the financial position of the Company.

Magnis senior management and directors must comply with the Company's continuous disclosure obligations and must **not** disclose materially price sensitive information to a third party without that information first having been disclosed to the ASX and prior to each speech, briefing or presentation being made. The same requirement should be followed for Annual General Meetings, whereby the presentation provided at the AGM is released on the ASX platform prior to the AGM commencing.

From time to time, a broker report may be produced or released by the broker for submission to their clients or published platform. Any comment on such broker reports will be confined to errors in factual information underlying the analyst or report assumptions, provided those comments do not breach the Company's continuous disclosure obligations.

5. CONSEQUENCES FOR NON-COMPLIANCE

Any failure to comply with the continuous disclosure rules is a contravention of the ASX Listing Rules and Corporations Act 2001(Cth). ASIC (Australian Securities and Investments Commission) does have a range of enforcement options if it believes that Magnis has breached its continuous disclosure obligations.

These options could include issuing infringement notices involving the payment of a monetary fine through to court proceedings against the Company. Such proceedings are serious and may involve larger fines being imposed on the Company as well as any relevant Company officers or directors.

Because of these potential consequences, the Company encourages all senior staff, directors and office holders to take the matter of continuous disclosure very seriously. Any disclosure concerns should be raised with preferably more than one Board member and an Audit & Risk Committee member.

6. POLCY BREACHES

The Company regards its continuous disclosure obligations and this Policy very seriously and breaches of this Policy by any staff, directors or contractors may lead to disciplinary action.

7. REVIEW

This Policy is to be reviewed every two years by the Audit and Risk Committee in conjunction with feedback from the Chief Executive Officer and Company Secretary and then submitted to the Board for approval.

This Policy shall be made available on the Company website.

Author: Company Secretary

Approved By: Board of Directors

Edition: August 2020

Next Review Date: June 2022