

25 June 2020

Dear Shareholder,

Magontec Limited
Suite 1.03, 46A Macleay St
Potts Point NSW 2011
Australia
Ph +61 2 8005 4109

Magontec Limited – 2020 Annual General Meeting Wednesday 29 July 2020 11:00am

Firstly, my greetings to you and I trust that you are safe and well in these difficult times.

I take the unusual step of including this letter in the material being dispatched to you for the 2020 AGM, to explain both the timing of the AGM and the process by which we intend to conduct this year's meeting.

1. Timing of AGM

The reasons for holding the AGM on 29 July were explained in the Company's announcement to shareholders dated 7 April 2020. Suffice it to say here, the delayed date for the AGM is by special dispensation afforded by the Australian Securities and Investments Commission to all Companies with a reporting date of 31 December 2019.

2. Conduct of 2020 AGM

a) AGM Format & Constraints

The conduct of the Annual General Meeting of a publicly listed company is a process tightly prescribed by a combination of the Corporations Act, the ASX Listing Rules and the Company's Constitution. Balancing these requirements with added Federal and State laws governing personal behaviour in the face of the COVID-19 pandemic is extremely difficult. Additionally, there is the overlay of moral responsibility the Company has to shareholders, staff and the broader community to adopt an AGM process that minimises exposure to the considerable health risks posed by the Covid-19 pandemic. Finally, the need to conduct forward planning for the AGM with uncertainty about the future environment has made the logistical task difficult.

Therefore, the format for the 2020 AGM involves a pragmatic approach to balance the spirit of corporate law - observing shareholders' right to interrogate Directors and senior management, to apply their democratic right to vote on important issues and to receive first-hand information - with the overriding moral personal and community responsibilities incumbent upon the Company. The AGM attendance, voting and questions regimes described below have regard to this philosophy.

b) Attendance

- i. Given the proximity of the AGM date to the recent relaxation in laws governing gatherings and the on-going risks posed by Covid-19, the Company has adopted a cautious approach to the design of the AGM process. **Shareholders are not encouraged** to physically attend the AGM. The Company is intending to conduct the AGM with a small number of shareholders in attendance sufficient to satisfy the Constitutional requirements for a quorum.
- ii. Shareholders will be able to tune into an audio webcast on the day of the meeting to listen to meeting proceedings. However, the webcast will not include a facility for a remote voting process or posing questions at the time of the AGM (but see headings c), d), and e) below). You can participate in the audio webcast by navigating to the 2020 AGM Home Page at the following website link: <http://magontec.com/investor-centre/agm2020/>. Further instructions on how to participate will be available at this location.

c) Voting

- i. Shareholders are encouraged to cast their votes on the Resolutions to be addressed in the "Ordinary Business" section of the meeting utilising the proxy voting process. To be valid, your signed proxy voting form must be:
 - lodged with Boardroom Pty Limited at Level 12, Grosvenor Place, 225 George St Sydney NSW 2000;
 - delivered by post to Boardroom Pty Limited GPO Box 3993, Sydney NSW 2001; or
 - sent by facsimile to Boardroom Pty Limited on +61 2 9290 9655.so as to be received by Boardroom Pty Limited by 11:00 am Sydney time on **Monday 27 July 2020**.
- ii. **Given the current delays being experienced in the postal system, it is suggested that shareholders wishing to lodge a proxy voting form should, where possible, do so well in advance of the 27 July 2020 cut-off.**

d) Questions in Relation to the Resolutions in "Ordinary Business"

- i. Please lodge any questions you have as follows.
Email to John.Talbot@magontec.com stating
 - Name of shareholder
 - Question
- ii. Please ensure your questions are lodged by close of business **Friday 17 July 2020**.
- iii. Shareholder questions able to be addressed by the Company and the Company's responses will be posted on the ASX Companies Announcement platform and the Magontec website by close of business **Tuesday 21 July 2020**.
- iv. This timetable will allow you to have the necessary intelligence that informs your proxy vote on the matter so that it is received by 11:00am (Sydney time) **Monday 27 July 2020**.

e) Questions in Relation to the Executive Chairman's Address & Other Matters

- i. Both written and visual versions of the Executive Chairman's address to the AGM will be posted on the ASX Companies Announcement platform and the Magontec website on **Wednesday 22 July 2020**
- i. To access this material on the Magontec website go to <http://magontec.com/investor-centre/agm2020/>
- ii. Please lodge any questions you have in relation to this address, or indeed on any other matters of General Business, as follows.
Email to Nic.Andrews@magontec.com stating
 - Name of shareholder
 - Question
- iii. Please ensure your questions are lodged by close of business on **Friday 24 July 2020**.
- iv. I will address those questions in the public forum on the day of the AGM.

f) Summary Timetable

Event	Action	Deadline
1 Questions on Resolutions in "Ordinary Business"	Lodge by email (refer 2d i & ii)	By close of business Friday 17 July 2020
2 Response to questions in 1	Released (refer 2d iii)	By close of business Tuesday 21 July 2020
3 Executive Chairman's address	Visual & written versions released (refer 2e i & ii)	By close of business Wednesday 22 July 2020
4 Questions on Exec Chair address & Other Matters	Lodge by email (refer 2e iii & iv)	By close of business Friday 24 July 2020
5 Proxy voting form	Lodge proxy form (refer 2c ii & 2d iv)	So as to be received by 11:00am (Sydney time) Monday 27 July 2020
6 AGM	Online presentation including responses to questions at item 4 (refer 2b ii)	11:00am (Sydney time) Wednesday 29 July 2020

I trust shareholders will understand the delicate balance in the 2020 AGM process. Should any shareholder have questions about the AGM process, please contact either myself on 0402 220 077 or the Company Secretary, John Talbot on 0405 317 594. Both phones have voicemail so if unanswered in the first instance please leave a message and we will respond promptly.

Yours Sincerely,



Nicholas Andrews
Executive Chairman
Magontec Limited