









22 September 2021

Reference: 39996

Mr Julian Rockett  
Group General Counsel & Company Secretary  
Suite 9.03, Aurora Place  
88 Phillip Street  
Sydney NSW 2000

By email:

Dear Mr Rockett

### Magnis Energy Technologies Limited ('MNS'): Query Letter

ASX refers to the following:

- A. MNS' announcement titled "New York Battery Plant Annual Capacity Increased - 1.8GWh" released on the ASX Market Announcements Platform ('MAP') on 3 May 2021, which disclosed (relevantly) that:  
*"Estimated minimum offtake sales of US\$655 million in orders have been secured in binding offtakes forming the foundation in securing the recently announced funding agreement. The binding orders are mostly used in the Energy Stationary Storage products along with transportation applications."*  
MNS did not disclose the names of any counterparties who placed the binding orders.
- B. MNS' announcement titled "Company Update – Offtake Signed with Omega Seiki", released on MAP on 15 September 2021, which disclosed relevantly that:  
*"Indian based Sukh Energy have permitted their name as one of the companies that signed a binding agreement with iM3NY announced on 3 May 2021. Headquartered in India, Sukh Energy have operations in India, Europe and Africa and are involved in the oil and gas industry, telecommunications and energy industries with contracts totalling over US\$500 Million."*
- C. The article in *The Australian* published on 20 September 2021<sup>1</sup> titled "Questions over Magnis Energy customer revenue 'black hole'", which stated (relevantly, emphasis added):  
*"But Sukh Energy – one of six customers Magnis says has signed deals worth a total of \$US898m (\$1.24bn) – has no revenues and assets of just \$70,000, according to financial reports for the year ending March 31, 2020. "The company is into the business of solar based lighting solutions to customers," the report filed with India's corporate regulator reads."*
- D. 'Sukh Energy Ltd's' accounts, lodged with the Companies House service in the United Kingdom<sup>2</sup> on 15 September 2021, which disclosed that Sukh Energy Ltd's net assets totalled £100.
- E. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.

<sup>1</sup> <https://www.theaustralian.com.au/business/companies/mystery-deepens-over-magnis-energys-multinationals/news-story/5adc85c3b6da7ccd3dc7417c9b5377f7>

<sup>2</sup> <https://find-and-update.company-information.service.gov.uk/company/11569222/filing-history>

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## Request for information

Having regard to the above, ASX asks MNS to respond separately to each of the following questions and requests for information:

1. What is the full legal name of 'Sukh Energy' that is the counterparty to the binding offtake, and in which country is it registered?
2. Of the US\$655 million in binding offtakes, what proportion is attributable to Sukh Energy's orders?
3. To the best of MNS' knowledge, is it the case that Sukh Energy has no revenues and assets of \$70,000, as lodged with the Indian corporate regulator?
4. If the answer to question 3 is 'yes', please explain the basis for MNS' view that Sukh Energy can fulfil its obligations under the binding offtakes.
5. If the answer to question 3 is 'no', please explain the basis for that view. In your answer, please include details on all relevant due diligence performed by MNS or iM3NY.
6. Please confirm that MNS is complying with the Listing Rules and, in particular, Listing Rule 3.1.
7. Please confirm that MNS's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of MNS with delegated authority from the board to respond to ASX on disclosure matters.

## When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than ~~10:00 AM~~ **10:00 AM AEST on 1 October 2021**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, MNS's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require MNS to request a trading halt immediately.

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

## Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in MNS's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

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

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

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## **Suspension**

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

## **Listing Rules 3.1 and 3.1A**

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

## **Release of correspondence between ASX and entity**

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

## **Questions**

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

Yours sincerely

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**Angel He**  
Adviser, Listings Compliance (Sydney)