

2021 Corporate Governance Statement

The Board of Montem Resources Limited (the **Company**) is responsible for the overall corporate governance of the Company. The Board believes that good corporate governance helps ensure the future success of the Company, adds value to stakeholders and enhances investor confidence.

The ASX Listing Rules require listed companies to prepare a statement disclosing the extent to which they have complied with the recommendations of the ASX Corporate Governance Council (**Recommendations**) during the reporting period. The Recommendations are not prescriptive, such that if a company considers a recommendation to be inappropriate having regard to its own circumstances, it has the flexibility not to follow it. Where a company has not followed all the Recommendations, it must identify which Recommendations have not been followed and provide reasons for not following them.

This Corporate Governance Statement (**Statement**) discloses the extent to which the Company has followed the Recommendations, or where appropriate, indicates a departure from the Recommendations with an explanation. This Statement should be read in conjunction with the material on the Company's website on <https://montem-resources.com/corporate/corporate-governance/>

This Statement is current as at 29 March 2022 and has been approved by the Board of Directors of Montem Resources Limited.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Recommendation 1.1 - Role of the Board and Management

The role of the Board is to approve the strategic direction of the Company, guide and monitor the management of the Company and its businesses and oversee the implementation of appropriate corporate governance with respect to the Company's affairs. The Board aims to protect and enhance the interests of its shareholders, while considering the interests of other stakeholders, including employees, customers, suppliers, and the wider community.

The Board has a formal Board Charter which is available on the Company's website at <http://montem-resources.com/corporate/corporate-governance/>. The Charter clearly sets out those matters expressly reserved for the Board's determination and those matters delegated to management.

The day-to-day operations and administration of the Company has been delegated to the Managing Director (**MD**), who then has the authority to sub-delegate to the Executive Team. However, the Board of Directors maintains ultimate responsibility for the day-to-day management of the Company and its business, including strategy, control and risk profile of the Company.

Recommendation 1.2: Appointment of Directors

The Company has guidelines for the appointment and selection of the Board which require the Board to undertake appropriate checks before appointing a person or putting forward to security holders a candidate for election, as a Director.

We provide our shareholders with all material information relevant to a decision on whether or not to elect or re-elect a Director and they are provided to security holders through a number of channels, including via the Notice of Meeting and other information contained in the 2021 Annual Report.

Recommendation 1.3: Appointment Terms

Each Director and Senior Executive are party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment, including the remuneration entitlement and performance requirements. Directors also receive a deed of indemnity, insurance, and access.

Details of executive contracts in place are provided in the Company's Annual Remuneration Report in the 2021 Annual Report.

Recommendation 1.4: Company Secretary

The Board is supported by the Company Secretary, whose role includes supporting the Board on governance matters, assisting the Board with meetings and directors' duties, and acting as an interface between the Board and senior executives across the Group. The Board and individual Directors have access to the Company Secretary.

Under the Company's governance framework, the Company Secretary is accountable to the Board, through the Chair, on all matters regarding the proper functioning of the Board. The Board is responsible for the appointment of the Company Secretary.

Details regarding our Company Secretary, including experience and qualifications, is set out in the Directors' Report in the Company's Annual Report.

Recommendation 1.5: Diversity Policy

The workforce of the Company comprises individuals with diverse skills, backgrounds, perspectives and experiences and this diversity is valued and respected. To demonstrate the Company's commitment to developing measurable objectives to achieve diversity and inclusion in its workplace, the Company has implemented a Diversity Policy which can be viewed at <http://montem-resources.com/corporate/corporate-governance/>. The Company's policy has meritocracy as a guiding principle and seeks to align the Company's management systems with its commitment to continue to develop a culture that values and achieves diversity in its workforce and on its Board.

The Board and management considers building a diverse and inclusive workforce as paramount to gaining the best insight into the needs of our stakeholders. A diversity of perspectives and backgrounds also strengthens creativity and innovation in teams. Particular focus is paid to achieving a balance of men and women in senior management positions across the Group.

The proportion of women on the Board, in senior executive positions and women across the entire organisation as of 31 December 2021 was as follows:

- Women on the Board – 20%
- Women in senior executive positions – 28.6%
- Women across the entire organisation – 33.3%

The Company is committed to ensuring that the appropriate mix of skills, expertise, and diversity are considered when employing staff at all levels of the organisation and when making new senior executive and Board appointments, and is satisfied that the composition of employees, senior executives and members of the Board is appropriate.

The Company is committed to ensuring that the appropriate mix of skills, expertise, and diversity are considered when employing staff at all levels of the organisation and when making new senior executive and Board appointments, and is satisfied that the composition of employees, senior executives and members of the Board is appropriate for the Company's current strategy and focus. Due to the current size and composition of the organisation, the Board does not consider it appropriate to provide specific measurable objectives at this time. As such, the Company acknowledges that it does not comply with this Recommendation in its entirety.

Recommendation 1.6: Board and Individual Directors Performance Assessment

The Nomination and Remuneration Committee is responsible for evaluating the performance of the Board and individual Directors on an annual basis. It may do so with the aid of an independent adviser.

The Board has implemented this through an annual assessment process.

The review process involves:

- Completion of a questionnaire/survey by each Director facilitated by the Company Secretary;
- Preparation and provision of a report to each Director with feedback on the performance of the Board based on the survey results; and
- A Board meeting to discuss any areas and actions for improvement.

An internal Board assessment took place in January 2022. An analysis of the data collected indicated that the Board is functioning effectively against the majority of its criteria. The Board are committed to their roles and each Board member is dedicated to proactively support the Company and its stakeholders.

Recommendation 1.7: Senior Executive Performance Assessment

The Company's Board is responsible for evaluating the performance and remuneration of the Company's senior executives on an annual basis. A senior executive, for these purposes, means key management personnel (as defined in the Corporations Act) other than a Non-Executive Director.

Senior executives are appointed by the Managing Director and their Key Performance Indicators (KPI's) contain specific financial and non-financial objectives which will be reviewed by the Managing Director annually.

The performance of each Senior Executive against these objectives is evaluated annually. In the case of the Managing Director, this review is conducted by the Chair and the results are reported to the Board. Performance evaluations were undertaken during the reporting period by the Company in accordance with the process.

PRINCIPLE 2 – BOARD STRUCTURE

Recommendation 2.1: Nomination Committee

The Company's Remuneration and Nomination Committee Charter provides for the creation of a Committee, with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director.

The Nomination Committee Charter is available on the Company's website at <http://montem-resources.com/corporate/corporate-governance/>.

The Members of the Committee are:

- William Souter (Chair), Independent Director;
- Robert Tindall, Director;
- Susie Henderson, Independent Director.

Details of meetings held by the Committee during the year and member attendance are set out in the 2021 Directors' Report.

In accordance with the Company's Remuneration and Nomination Committee Charter the primary function of the Committee is to assist the Board to carry out the following:

- review director competence standards;
- review Board succession plans;
- evaluate the Board's performance;
- make recommendations for the appointment and removal of directors to the Board; and

- make recommendations to the Board on recruitment, retention and termination policies for senior management.

Recommendation 2.2: Board Skills Matrix

Our objective is to have an appropriate mix of expertise and experience on our Board so that it can effectively discharge its corporate governance and oversight responsibilities. It is the Board's view that the current directors possess an appropriate mix of relevant skills, experience, expertise and diversity to enable the Board to discharge its responsibilities and deliver the Company's strategic objectives.

The skills and experience represented in the Board and relevant to the Company's business are set out in the matrix below and following the Company's annual performance review, it is satisfied that it meets expectations in all of these categories:

Skills and experience	
Strategy & Leadership	Business Operations
Policy Development	Legal & Regulatory Approval
Corporate Governance	Safety & Social Responsibility
Financial Analysis & Capital Markets Expertise	Technology
Risk & Compliance Oversight	People and Performance
Executive Management Experience	Mining and Resources
Project Evaluation	Stakeholder Engagement
Leadership	Ethics and Integrity
Contribution	Critical Thinker
Negotiation	Crisis Management
Previous Board Experience	Corporate History

To the extent that any skills are not directly represented on the Board, they are augmented through management and external advisors. Full details of each Directors' relevant skills and experience are set out in the Company's 2021 Annual Report.

Recommendation 2.3: Independent Directors

An independent Director is a Non-Executive Director who is not a member of management and free from any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the independent exercise of judgement.

The Board regularly assesses the independence of each Non-Executive Director in light of the information which each Director is required to disclose in relation to any material contract or other relationship with the Company in accordance with the Director's terms of appointment, the Corporations Act 2001, the Board Charter.

When appointing an independent director or reviewing the independence of its Directors', the Board will have regard to the definition of independent director and the factors set out in the Recommendations, in particular the factors relevant to assessing the independence of a director set out in Recommendation 2.3.

The Board's assessment of each current Director is set out below.

Name	Position	Appointment date	Status
Mark Lichtenberg	Chairman & Non-Executive Director	1/03/2019	Independent
Peter Doyle	Managing Director and CEO	5/12/2017	Not Independent
Rob Tindall	Non-Executive Director	5/12/2017	Not Independent
William Souter	Non- Executive Director	6/04/2018	Independent
Susie Henderson	Non- Executive Director	6/04/2018	Independent

Directors' shareholdings are set out in the 2021 Annual Report.

Recommendation 2.4: Majority Independence

As at the date of this Statement, the Board comprises of Five Directors, three of which are deemed independent and two non-Independent and therefore complies with Recommendation 2.4.

The Board considers that Mark Lochtenberg, Susie Henderson and Will Souter are free from any business or other relationship that could materially interfere with, or reasonably be perceived to materially interfere with, the independent exercise of his/her judgment and are able to fulfil the role of independent directors for the purposes of ASX.

Peter Doyle is considered by the Board not to be independent as an Executive Director of the Company. Robert Tindall is not independent due to his substantial shareholding in the Company during the 2021 financial year. At the date of this report, Mr Tindall is no longer a substantial shareholder of the Company.

Recommendation 2.5: Board Chair

The current Chair, Mr Mark Lochtenberg, is an independent Non-Executive Director and is not the Managing Director of the Company. The role of Managing Director is currently being fulfilled by Mr Peter Doyle.

In accordance with current practice, the Board Charter requires the role of Chair and Managing Director to be separate.

The current Board composition reflects an appropriate balance of skills, expertise, and experience to fulfil its obligations to act in the best interests of the Company and all stakeholders. The Board also considers that there are appropriate safeguards in place including policies and protocols to ensure independent thought and decision making.

The Board will consider the Recommendations in assessing any future changes in board composition.

Recommendation 2.6: Induction, Education and Training

In accordance with the Company's Remuneration and Nomination Committee Charter, the Committee is responsible for the approval and review of induction and continuing professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities. The Company Secretary is responsible for facilitating inductions and professional development.

PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY

Recommendation 3.1: Statement of Values

The Company's values are the guiding principles and norms that define what type of organisation Montem Resources Limited aspires to be and what it requires from its Directors, employees, and related parties and are noted as follows:

CORE VALUES

- Integrity
- Teamwork
- Respect
- Sustainability
- Results

The Managing Director and his executive team are responsible for instilling these values across the organisation and our values statements for each value are outlined on the Company's website.

Recommendation 3.2: Code of Conduct

The Board recognises the need to observe the highest standards of corporate practice and business conduct. Accordingly, the Board has adopted a Code of Conduct (Code) designed to:

- provide a benchmark for professional behaviour throughout the Group;
- support the Company's business reputation and corporate image; and
- make Directors' and employees aware of the consequences if they breach the Code.

The code of conduct is available on the Company's website at <http://montem-resources.com/corporate/corporate-governance/>.

The key aspects of this code are to:

- act fairly with honesty and integrity in the best interests of the Company and in the reasonable expectations of shareholders;
- act in accordance with all applicable laws, regulations, and the Company policies and procedures; and
- have responsibility and accountability for individuals for reporting and investigating reports of unethical practices; and
- use the Company's resources and property properly.

The Code of Conduct sets out the Company's policies on various matters including ethical conduct, business conduct, compliance, privacy, security of information and conflicts of interest.

Recommendation 3.3: Whistleblower Policy

The Whistleblower Policy demonstrates that the Company is committed to the highest standards of conduct and ethical behaviour in all its business activities. The Company supports a culture of honest and ethical behaviour in ensuring good corporate compliance and governance. The policy sets out, amongst other things, instances of suspected misconduct which can be reported to the internal and external parties and summarises the protections offered to whistleblowers.

Any material breach of the Company's policies, including any breach of the Whistleblower Policy, is raised at each Board Meeting.

The Whistleblower Policy is available on the Company's website at <http://montem-resources.com/corporate/corporate-governance/>.

Recommendation 3.4: Anti-bribery and Corruption Policy

The Anti-Bribery and Corruption Policy demonstrates that the Company is committed to maintain high standards of integrity and accountability in conducting its business. The policy provides a framework of guidelines and principles to encourage ethical behaviour in the conduct of business.

Any material breach of the Company's policies, including any breach of the Anti-Bribery and Corruption Policy, is raised at the Audit and Risk Committee level and/or Board level where appropriate.

The Anti-Bribery and Corruption Policy is available on the Company's website at <http://montem-resources.com/corporate/corporate-governance/>.

PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING

Recommendation 4.1: Audit Committee

The Company's Audit and Risk Committee Charter provides for the creation of an Audit and Risk Committee, with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director who is not the Board. The Audit and Risk Committee Charter is available on the Company's website at <http://montem-resources.com/corporate/corporate-governance/>.

The Company has established an Audit and Risk committee which comprises Mark Lochtenberg, William Souter and Susie Henderson. Ms Henderson is the Chair of the Committee. Each member is financially literate and Ms Henderson is a qualified accountant. Accordingly, the Audit and Risk Committee complies with the ASX Recommendation that all three members be non-executive Directors, a majority of whom are independent.

In accordance with the Company's Audit and Risk Committee Charter the primary function of the Committee is to assist the Board to carry out the following:

- review and monitor the integrity of the Company's financial reports and statements;
- monitor the performance and independence of the external auditor; and
- reviewing the consolidated accounts of the company.

It also has risk management and internal control functions as set out under Recommendation 6.1.

Details of meetings held by the Committee during the year and member attendance are set out in the 2021 Directors' Report.

Recommendation 4.2: Assurances

The CEO and Chief Financial Officer provide an annual declaration to the Board prior to the Board's approval of the Company's full year financial results. This process was followed for the 2021 full year financial results, where the CEO and Chief Financial Officer provided a declaration to the Board that, in their opinion, the financial records have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Group, and their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively. On this basis, the 2021 full year financial results were approved by the Board.

Recommendation 4.3: Verification of integrity of periodic corporate reports

The Company's external auditor is William Buck Audit (Vic) Pty Ltd (William Buck). William Buck attends each Annual General Meeting and a representative will be available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

William Buck's independence declaration is contained in the Directors' Report in our 2021 Annual Report.

Any periodic corporate reports the company intends to release to the market that are not audited or reviewed by an external auditor will be reviewed and approved by the Board so that it is satisfied the report in question is materially correct, balanced and provides investors with appropriate information to make an informed investment decision.

PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE

Recommendation 5.1: Continuous Disclosure Policy

We are committed to providing information to shareholders and to the market in a manner that is consistent with the meaning and intention of the ASX Listing Rules and the Corporations Act.

To comply with these obligations, the Board has adopted a Continuous Disclosure Policy, which is available on our website at <http://montem-resources.com/corporate/corporate-governance/>. This Continuous Disclosure Policy sets out the key obligations of directors and employees in relation to the Company's continuous disclosure requirements.

The Board has overarching responsibility for compliance with continuous disclosure obligations and Board approval is required for certain key matters (as set out in the Continuous Disclosure Policy) and matters may be referred to the Board for approval by the Managing Director or the Company Secretary.

The Board is committed to the promotion of investor confidence by ensuring that trading in the Company's securities takes place in an efficient, competitive and informed market and in compliance with our Securities

Trading Policy (as applicable). In accordance with continuous disclosure obligations under the ASX Listing Rules, the Company has procedures in place to ensure that all price sensitive information is identified, reviewed by management and disclosed to the ASX in a timely manner. The Company website includes a link to all information disclosed to the ASX.

Recommendation 5.2: Provide Board with copies of all material market announcements

The Company ensures that its Board receives copies of all material market announcements prior to release to the market followed by immediate notification including announcement following each release to the market.

Recommendation 5.3: Investor Presentations

The Company ensures that all substantive presentations are released to the market to enable security holders the opportunity to participate in the presentation.

PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS

Recommendation 6.1: Information and Governance

Information about the Company and its corporate governance policies is available on the Company's website, <http://montem-resources.com/corporate/corporate-governance/>.

The Company maintains a separate investor page on the Company website to provide shareholders with links to annual and interim reports, ASX announcements, presentations, and other key information.

Recommendation 6.2: Investor Relations

The Company endeavours to communicate with shareholders and other stakeholders in an open, regular and timely manner so that the market has sufficient information to make informed investment decisions.

Through its shareholder communications, we aim to provide information that will allow existing shareholders, potential shareholders and financial analysts to make informed decisions about the Group's intrinsic value and meet its obligations under the ASX's continuous disclosure regime.

Our investor relations program which includes:

- issuing regular written shareholder communications such as quarterly financial reporting and an Annual Report to address the Company's strategy and performance;
- sending and receiving shareholder communications electronically;
- maintaining the Board and corporate governance and investor sections on our website including posting all announcements after they have been disclosed to the market;
- promoting two-way interaction with shareholders, by supporting shareholder participation at general meetings including encouraging shareholders to send their questions to the Company prior to the annual general meeting and responding to their questions and feedback; and
- ensuring that continuous disclosure obligations are understood and complied with throughout the Group.

Shareholder queries should be referred to the Company Secretary in the first instance.

Our Company Policy for Shareholder Communications Policy is available on our website at <http://montem-resources.com/corporate/corporate-governance/>.

Recommendation 6.3: Shareholder Meeting Participation

Shareholders are forwarded the Company's Annual Report, if requested (it is otherwise made available on the Company's website), and documents relating to each general meeting, being the notice of meeting, any explanatory memorandum and a proxy form and shareholders are invited to attend these meetings.

The Board regards each general meeting as an important opportunity to communicate with shareholders and it provides a key forum for shareholders to ask questions about the Company, its strategy and performance. At shareholder meetings, the Company will provide an opportunity for shareholders and other stakeholders to hear from and put questions to the Board, management and if applicable our external auditor.

Recommendation 6.4: All substantive resolutions at a security holder meeting are decided by poll

In order to ascertain the true will of Montem Resources Limited security holders attending and voting at its security holder meetings, whether they attend in person, electronically or by proxy or other representative, the Company will conduct the voting procedure by a poll.

Recommendation 6.5: Electronic Communication with Shareholders

Shareholders are encouraged to take advantage of the benefits of electronic communications by electing to receive communication from the Company and its share registry electronically.

PRINCIPLE 7 – RECOGNISE AND MANAGE RISK

Recommendation 7.1: Risk Committee

The Company's Audit and Risk Committee Charter provides for the establishment of an Audit and Risk Committee with at least at least three Directors a majority of whom must be independent where practicable, and all of whom must be non-executive Directors (to the extent that this is practical given the size and composition of the Board from time to time). The committee Chair must not be the Chair of the Company.

The Audit and Risk Committee Charter can be found on our website at <http://montem-resources.com/corporate/corporate-governance/>.

The Members of the Committee are:

- Susie Henderson (Chairperson), Independent Director
- Mark Lochtenberg, Independent Director
- William Souter, Independent Director

In accordance with the Company's Audit and Risk Committee Charter the Committee also has delegated responsibilities in relation to risk management which includes assisting the Board to:

- review and make recommendations regarding the adequacy and integrity of the Company's risk management framework and system of internal controls; and
- reviewing compliance with relevant laws and regulations.

Details of meetings held by the Committee during the year and member attendance are set out in the 2021 Directors' Report.

Recommendation 7.2: Risk Management Framework

The Company's risk management framework is supported by the Board of Directors and by Management. The Board is responsible for approving and reviewing the Company's risk management strategy and policy. The Managing Director is responsible for monitoring and ensuring that appropriate processes and controls are in place to manage risk effectively and efficiently. The Managing Director is also responsible for monitoring compliance with and the effectiveness of risk management systems and controls at a divisional level including financial and non-financial risks. The Managing Director regularly reports to the Board on the adequacy of the risk management systems, processes, and key matters for consideration.

The Company's risk management framework including risk profile and risk registers are reviewed on a periodic basis by the Board.

Recommendation 7.3: Internal Audit

Due to the current size of the Company, and taking into account cost/benefit considerations, the Board does not currently consider it necessary to have an internal audit function. The Audit and Risk Committee Charter requires the Committee to oversee the evaluation and continual improvement of the effectiveness of the Company's risk management and internal control processes. The Committee will achieve this objective by closely monitoring these areas and will require management to review and report on risk and internal control areas. The Committee may consider the use of external resources to assist as required.

The Board considers these departures from the ASX Recommendation are justified given the maturity of the Company and the need to preserve funds as an early stage business. If in future an internal audit function is warranted then the Board will give due regard to the ASX Recommendation and the establishment of an internal audit function.

Recommendation 7.4: Economic, Environmental and Social Risk

The Board is assisted by the Audit and Risk Committee for the oversight and reporting of material exposure to economic, environmental and social sustainability risks. A risk register for the Company is maintained to document the risks identified. A risk assessment and reporting procedure is used to assess all risks. Risk is reviewed as part of the Board and Audit and Risk Committee meetings. Should the risk profile of the Company change, the risk register will be updated to reflect this accordingly and any further controls required will be implemented.

PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBILITY

Recommendation 8.1: Remuneration Committee

The Company's Remuneration and Nomination Committee Charter provides for the creation of a Committee, with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director.

The Nomination Committee Charter is available on the Company's website at <http://montem-resources.com/corporate/corporate-governance/>.

The Members of the Committee are:

- William Souter (Chair), Independent Director;
- Robert Tindall, Director;
- Susie Henderson, Independent Director.

Details of meetings held by the Committee during the year and member attendance are set out in the 2021 Directors' Report.

In accordance with the Company's Remuneration and Nomination Committee Charter the primary function of the Committee is to assist the Board to carry out the following:

- review director competence standards;
- review Board succession plans;
- evaluate the Board's performance;
- make recommendations for the appointment and removal of directors to the Board; and
- make recommendations to the Board on recruitment, retention and termination policies for senior management.

Recommendation 8.2: Remuneration Policies and Practices

The Remuneration and Nomination Committee is responsible for determining and reviewing remuneration policies for the directors and senior executives. If necessary, it obtains independent advice on the appropriateness of remuneration packages given trends in comparable companies and in accordance with the objectives of the Company.

Details of the Company's remuneration practices for its Directors and Senior Executives are disclosed in the Remuneration Report in the Company's Annual Report. The Remuneration Report highlights the balance between fixed pay, short term incentive and long-term incentives, and includes details of the remuneration paid and the relationship to the Company's performance.

Recommendation 8.3: Equity Based Remuneration Scheme

The Company has a Securities Trading Policy which includes a policy prohibiting participants of an equity-based remuneration scheme from entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.

A copy of the Company's Share trading policy is available at <http://montem-resources.com/corporate/corporate-governance/>.