

## Appendix 4G

### Key to Disclosures Corporate Governance Council Principles and Recommendations

Name of entity

Strategic Energy Resources Limited

ABN/ARBN

14 051 212 429

Financial year ended:

30 June 2022

Our corporate governance statement<sup>1</sup> for the period above can be found at:<sup>2</sup>

☐ These pages of our annual report:

☒ This URL on our website:

<https://www.strategicenergy.com.au/corporate-governance/>

The Corporate Governance Statement is accurate and up to date as at 7 September 2022 has been approved by the board.

The annexure includes a key to where our corporate governance disclosures can be located.<sup>3</sup>

Date: 7 September 2022

Name of authorised officer  
authorising lodgement:

Mathew Watkins – Company Secretary

<sup>1</sup> "Corporate governance statement" is defined in Listing Rule 19.12 to mean the statement referred to in Listing Rule 4.10.3 which discloses the extent to which an entity has followed the recommendations set by the ASX Corporate Governance Council during a particular reporting period.

Listing Rule 4.10.3 requires an entity that is included in the official list as an ASX Listing to include in its annual report either a corporate governance statement that meets the requirements of that rule or the URL of the page on its website where such a statement is located. The corporate governance statement must disclose the extent to which the entity has followed the recommendations set by the ASX Corporate Governance Council during the reporting period. If the entity has not followed a recommendation for any part of the reporting period, its corporate governance statement must separately identify that recommendation and the period during which it was not followed and state its reasons for not following the recommendation and what (if any) alternative governance practices it adopted in lieu of the recommendation during that period.

Under Listing Rule 4.7.4, if an entity chooses to include its corporate governance statement on its website rather than in its annual report, it must lodge a copy of the corporate governance statement with ASX at the same time as it lodges its annual report with ASX. The corporate governance statement must be current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

Under Listing Rule 4.7.3, an entity must also lodge with ASX a completed Appendix 4G at the same time as it lodges its annual report with ASX. The Appendix 4G serves a dual purpose. It acts as a key designed to assist readers to locate the governance disclosures made by a listed entity under Listing Rule 4.10.3 and under the ASX Corporate Governance Council's recommendations. It also acts as a verification tool for listed entities to confirm that they have met the disclosure requirements of Listing Rule 4.10.3.

The Appendix 4G is not a substitute for, and is not to be confused with, the entity's corporate governance statement. They serve different purposes and an entity must produce each of them separately.

<sup>2</sup> Tick whichever option is correct and then complete the page number(s) of the annual report, or the URL of the web page, where your corporate governance statement can be found. You can, if you wish, delete the option which is not applicable.

<sup>3</sup> Throughout this form, where you are given two or more options to select, you can, if you wish, delete any option which is not applicable and just retain the option that is applicable. If you select an option that includes "OR" at the end of the selection and you delete the other options, you can also, if you wish, delete the "OR" at the end of the selection.

See notes 4 and 5 below for further instructions on how to complete this form.

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

| Corporate Governance Council recommendation                             |   | Where a box below is ticked, <sup>4</sup> we have followed the recommendation in full for the whole of the period above. We have disclosed this in our Corporate Governance Statement:  | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>                                       |
|---|---|---|--|
| <b>PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT</b> |   |   |  |
| 1.1   | A listed entity should have and disclose a board charter setting out:<br>(a) the respective roles and responsibilities of its board and management; and<br>(b) those matters expressly reserved to the board and those delegated to management.   | <input checked="" type="checkbox"/><br>and we have disclosed a copy of our board charter at:<br><a href="https://www.strategicenergy.com.au/corporate-governance/">https://www.strategicenergy.com.au/corporate-governance/</a> . | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 1.2   | A listed entity should:<br>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and<br>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director. | <input checked="" type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 1.3   | A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.   | <input checked="" type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 1.4   | The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.   | <input checked="" type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |

<sup>4</sup> Tick the box in this column only if you have followed the relevant recommendation in full for the whole of the period above. Where the recommendation has a disclosure obligation attached, you must insert the location where that disclosure has been made, where indicated by the line with “*insert location*” underneath. If the disclosure in question has been made in your corporate governance statement, you need only insert “our corporate governance statement”. If the disclosure has been made in your annual report, you should insert the page number(s) of your annual report (eg “pages 10-12 of our annual report”). If the disclosure has been made on your website, you should insert the URL of the web page where the disclosure has been made or can be accessed (eg “www.entityname.com.au/corporate-governance/charters/”).

<sup>5</sup> If you have followed all of the Council’s recommendations in full for the whole of the period above, you can, if you wish, delete this column from the form and re-format it.

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation |  | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:   | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>   |
|---|--|--|--|
| 1.5   | <p>A listed entity should:</p> <p>(a) have and disclose a diversity policy;</p> <p>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</p> <p>(c) disclose in relation to each reporting period:</p> <p>(1) the measurable objectives set for that period to achieve gender diversity;</p> <p>(2) the entity's progress towards achieving those objectives; and</p> <p>(3) either:</p> <p>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</p> <p>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</p> <p>If the entity was in the S&amp;P / ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p> | <p><input type="checkbox"/></p> <p>and we have disclosed a copy of our diversity policy at: .....</p> <p>and we have disclosed the information referred to in paragraph (c) in the corporate governance statement.</p>   | <p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| 1.6   | <p>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>   | <p><input checked="" type="checkbox"/></p> <p>and we have disclosed the evaluation process referred to in paragraph (a) in the corporate governance statement and whether a performance evaluation was undertaken for the reporting period in accordance with that process in the corporate governance statement</p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>            |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation |   | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:  | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>  |
|---|---|---|---|
| 1.7   | <p>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p> | <p><input checked="" type="checkbox"/> and we have disclosed the evaluation process referred to in paragraph (a) in the corporate governance statement and whether a performance evaluation was undertaken for the reporting period in accordance with that process in the corporate governance statement</p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement <u>OR</u></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation                            |  | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:  | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>   |
|--|--|---|--|
| <b>PRINCIPLE 2 - STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE</b> |  |   |  |
| 2.1  | <p>The board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p> | <p><input type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p>and the information referred to in paragraphs (4) and (5) at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have a nomination committee and the processes we employ to address board succession issues and to ensure that the board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively at:</p> <p>.....</p> <p><i>[insert location]</i></p> | <p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |
| 2.2  | A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.  | <p><input checked="" type="checkbox"/></p> <p>and we have disclosed our board skills matrix in the corporate governance statement.</p>  | <p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>            |
| 2.3  | <p>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the board to be independent directors;</p> <p>(b) if a director has an interest, position, affiliation or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each director.</p>  | <p><input checked="" type="checkbox"/></p> <p>and we have disclosed the names of the directors considered by the board to be independent directors in the corporate governance statement and, where applicable, the information referred to in paragraph (b) in the corporate governance statement and the length of service of each director</p>   | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p>  |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation   |   | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:                                       | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>  |
|---|---|--|---|
| 2.4   | A majority of the board of a listed entity should be independent directors.   | <input type="checkbox"/>   | <input checked="" type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 2.5   | The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.   | <input type="checkbox"/>   | <input checked="" type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable |
| 2.6   | A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as directors effectively. | <input checked="" type="checkbox"/>  | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable            |
| <b>PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY</b> |   |  |   |
| 3.1   | A listed entity should articulate and disclose its values.  | <input checked="" type="checkbox"/><br>and we have disclosed our values at:<br><a href="https://www.strategicenergy.com.au/corporate-governance/">https://www.strategicenergy.com.au/corporate-governance/</a>                             | <input type="checkbox"/> set out in our Corporate Governance Statement  |
| 3.2   | A listed entity should:<br>(a) have and disclose a code of conduct for its directors, senior executives and employees; and<br>(b) ensure that the board or a committee of the board is informed of any material breaches of that code.  | <input checked="" type="checkbox"/><br>and we have disclosed our code of conduct at:<br><a href="https://www.strategicenergy.com.au/corporate-governance/">https://www.strategicenergy.com.au/corporate-governance/</a>                    | <input type="checkbox"/> set out in our Corporate Governance Statement  |
| 3.3   | A listed entity should:<br>(a) have and disclose a whistleblower policy; and<br>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.   | <input checked="" type="checkbox"/><br>and we have disclosed our whistleblower policy at:<br><a href="https://www.strategicenergy.com.au/corporate-governance/">https://www.strategicenergy.com.au/corporate-governance/</a>               | <input type="checkbox"/> set out in our Corporate Governance Statement  |
| 3.4   | A listed entity should:<br>(a) have and disclose an anti-bribery and corruption policy; and<br>(b) ensure that the board or committee of the board is informed of any material breaches of that policy.   | <input checked="" type="checkbox"/><br>and we have disclosed our anti-bribery and corruption policy at:<br><a href="https://www.strategicenergy.com.au/corporate-governance/">https://www.strategicenergy.com.au/corporate-governance/</a> | <input type="checkbox"/> set out in our Corporate Governance Statement  |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation                       |  | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:  | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup> |
|---|--|---|--|
| <b>PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS</b> |  |   |  |
| 4.1   | <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p> | <p><input type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p>and the information referred to in paragraphs (4) and (5) at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have an audit committee and the processes we employ that independently verify and safeguard the integrity of our corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner at:</p> <p>.....</p> <p><i>[insert location]</i></p> | <p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p>   |
| 4.2   | The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity 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 entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.  | <input checked="" type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement   |
| 4.3   | A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.   | <input checked="" type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement   |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation                 |   | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:  | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup> |
|---|---|---|--|
| <b>PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE</b>    |   |   |  |
| 5.1   | A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.  | <input checked="" type="checkbox"/><br>and we have disclosed our continuous disclosure compliance policy at:<br><a href="https://www.strategicenergy.com.au/corporate-governance/">https://www.strategicenergy.com.au/corporate-governance/</a> | <input type="checkbox"/> set out in our Corporate Governance Statement   |
| 5.2   | A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.   | <input checked="" type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement   |
| 5.3   | A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation. | <input checked="" type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement   |
| <b>PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS</b> |   |   |  |
| 6.1   | A listed entity should provide information about itself and its governance to investors via its website.  | <input checked="" type="checkbox"/><br>and we have disclosed information about us and our governance on our website at:<br><a href="https://www.strategicenergy.com.au">https://www.strategicenergy.com.au</a>                                  | <input type="checkbox"/> set out in our Corporate Governance Statement   |
| 6.2   | A listed entity should have an investor relations program that facilitates effective two-way communication with investors.  | <input checked="" type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement   |
| 6.3   | A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.  | <input checked="" type="checkbox"/><br>and we have disclosed how we facilitate and encourage participation at meetings of security holders in the corporate governance statement.   | <input type="checkbox"/> set out in our Corporate Governance Statement   |
| 6.4   | A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.   | <input checked="" type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement   |
| 6.5   | A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.                                  | <input checked="" type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement   |



## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation    |  | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <b>in full</b> for the <b>whole</b> of the period above. We have disclosed this in our Corporate Governance Statement:   | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup> |
|--|--|--|--|
| <b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b> |  |  |  |
| 7.1  | <p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p> | <p><input type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p>and the information referred to in paragraphs (4) and (5) at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have a risk committee or committees that satisfy (a) and the processes we employ for overseeing our risk management framework at:</p> <p>.....</p> <p><i>[insert location]</i></p> | <p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p>   |
| 7.2  | <p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>  | <p><input type="checkbox"/></p> <p>and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period in the corporate governance statement.</p>  | <p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement</p>   |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation |  | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:   | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup> |
|---|--|--|--|
| 7.3   | A listed entity should disclose:<br>(a) if it has an internal audit function, how the function is structured and what role it performs; or<br>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes. | <input type="checkbox"/><br><i>[If the entity complies with paragraph (a):]</i><br>and we have disclosed how our internal audit function is structured and what role it performs at:<br>.....<br><i>[insert location]</i><br><i>[If the entity complies with paragraph (b):]</i><br>and we have disclosed the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes at:<br>.....in the corporate governance statement | <input checked="" type="checkbox"/> set out in our Corporate Governance Statement  |
| 7.4   | A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.  | <input checked="" type="checkbox"/><br>and we have disclosed whether we have any material exposure to environmental and social risks in the corporate governance statement<br>and, if we do, how we manage or intend to manage those risks at:<br><a href="https://www.strategicenergy.com.au/corporate-governance/">https://www.strategicenergy.com.au/corporate-governance/</a>  | <input type="checkbox"/> set out in our Corporate Governance Statement   |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation            |  | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement:   | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>   |
|--|--|--|--|
| <b>PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY</b> |  |  |  |
| 8.1  | <p>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p> | <p><input type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p>and the information referred to in paragraphs (4) and (5) at:</p> <p>.....</p> <p><i>[insert location]</i></p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have a remuneration committee and the processes we employ for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive:</p> <p>.....</p> <p><i>[insert location]</i></p> | <p><input checked="" type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>   |
| 8.2  | A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.   | <p><input checked="" type="checkbox"/></p> <p>and we have disclosed separately our remuneration policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives in the corporate governance statement.</p>  | <p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p>  |
| 8.3  | <p>A listed entity which has an equity-based remuneration scheme should:</p> <p>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</p> <p>(b) disclose that policy or a summary of it.</p>   | <p><input checked="" type="checkbox"/></p> <p>and we have disclosed our policy on this issue or a summary of it at:</p> <p><a href="https://www.strategicenergy.com.au/corporate-governance/">https://www.strategicenergy.com.au/corporate-governance/</a></p>   | <p><input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b></p> <p><input type="checkbox"/> we do not have an equity-based remuneration scheme and this recommendation is therefore not applicable <b>OR</b></p> <p><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable</p> |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation                                    |   | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement: | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup>  |
|--|---|--|---|
| <b>ADDITIONAL RECOMMENDATIONS THAT APPLY ONLY IN CERTAIN CASES</b>             |   |  |   |
| 9.1  | A listed entity with a director who does not speak the language in which board or security holder meetings are held or key corporate documents are written should disclose the processes it has in place to ensure the director understands and can contribute to the discussions at those meetings and understands and can discharge their obligations in relation to those documents.                         | <input type="checkbox"/> and we have disclosed information about the processes in place at:<br>.....<br><i>[insert location]</i>   | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input checked="" type="checkbox"/> we do not have a director in this position and this recommendation is therefore not applicable <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable  |
| 9.2  | A listed entity established outside Australia should ensure that meetings of security holders are held at a reasonable place and time.  | <input type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input checked="" type="checkbox"/> we are established in Australia and this recommendation is therefore not applicable <b>OR</b><br><input type="checkbox"/> we are an externally managed entity and this recommendation is therefore not applicable   |
| 9.3  | A listed entity established outside Australia, and an externally managed listed entity that has an AGM, should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.   | <input type="checkbox"/>   | <input type="checkbox"/> set out in our Corporate Governance Statement <b>OR</b><br><input checked="" type="checkbox"/> we are established in Australia and not an externally managed listed entity and this recommendation is therefore not applicable<br><input type="checkbox"/> we are an externally managed entity that does not hold an AGM and this recommendation is therefore not applicable |
| <b>ADDITIONAL DISCLOSURES APPLICABLE TO EXTERNALLY MANAGED LISTED ENTITIES</b> |   |  |   |
| -  | <i>Alternative to Recommendation 1.1 for externally managed listed entities:</i><br>The responsible entity of an externally managed listed entity should disclose:<br>(a) the arrangements between the responsible entity and the listed entity for managing the affairs of the listed entity; and<br>(b) the role and responsibility of the board of the responsible entity for overseeing those arrangements. | <input type="checkbox"/> and we have disclosed the information referred to in paragraphs (a) and (b) at:<br>.....<br><i>[insert location]</i>  | <input type="checkbox"/> set out in our Corporate Governance Statement  |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

| Corporate Governance Council recommendation |   | Where a box below is ticked, <sup>4</sup> we have followed the recommendation <u>in full</u> for the <u>whole</u> of the period above. We have disclosed this in our Corporate Governance Statement: | Where a box below is ticked, we have NOT followed the recommendation in full for the whole of the period above. Our reasons for not doing so are: <sup>5</sup> |
|---|---|--|--|
| -   | <p><i>Alternative to Recommendations 8.1, 8.2 and 8.3 for externally managed listed entities:</i></p> <p>An externally managed listed entity should clearly disclose the terms governing the remuneration of the manager.</p> | <p><input type="checkbox"/> and we have disclosed the terms governing our remuneration as manager of the entity at:</p> <p>.....</p> <p><i>[insert location]</i></p>                                 | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p>  |

## 2022 Corporate Governance Statement

---

The Board of Strategic Energy Resources Limited ("SER" or the "**Company**") is responsible for the overall corporate governance of the Company and its subsidiaries (collectively the "**Group**") and monitors the operational and financial position and performance of the Group and oversees its business strategy, including approving its strategic goals. The Board believes that good corporate governance helps ensure the future success of the Company, adds value to stakeholders and enhances investor confidence.

The Board has created a framework for managing the Company including adopting relevant internal controls, risk management processes and corporate governance policies and practices which it believes are appropriate for the Company's business and which are designed to promote the responsible management and conduct of the Company. In establishing its corporate governance framework, the Board has referred to the 4th edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**ASX Recommendations**).

The ASX Listing Rules require listed companies to prepare a statement disclosing the extent to which they have complied with the 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 Strategic Energy Resources Limited 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 our website [www.strategicenergy.com.au](http://www.strategicenergy.com.au), including the 2022 Annual Report.

This Statement is current as of 7 September 2022 and has been approved by the Board of Directors of Strategic Energy 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 Group, guide and monitor the management of the Company and its businesses and oversee the implementation of appropriate corporate governance with respect to the Group's affairs. The Board aims to protect and enhance the interests of its shareholders, while taking into account the interests of other stakeholders, including employees, customers, suppliers and the wider community.

The Board has a formal Board Charter which is available on our website at <https://www.strategicenergy.com.au/corporate-governance/> that clearly sets out those matters expressly reserved for the Board's determination and those matters delegated to management.

The Board delegates responsibility for the day-to-day management of the Company and its businesses to the Managing Director with the assistance of the Executive Chair. Management delegates authority to appropriate senior executives for specific activities and transactions. The Board maintains ultimate responsibility for strategy, control and risk profile of the Group.

#### **Recommendation 1.2: Appointment of Directors and Senior Executives**

The Remuneration and Nomination Committee (or in its absence, the Board) facilitates the selection and appointment of Directors and senior executives. Before the Board appoints a new Director (or senior executive)

or puts forward a candidate for election, the Remuneration and Nomination Committee ensures that appropriate background checks are undertaken. We provide our shareholders with all material information in our possession that is relevant to their decision on whether or not to elect or re-elect a Director through a number of channels, including via the notice of meeting and other information contained in the 2022 Annual Report.

### **Recommendation 1.3: Appointment Terms**

Each director and senior executive is party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment. Directors and certain senior executives are also party to a deed of indemnity, insurance, and access.

Details of executive contracts in place are detailed in the Directors report included in the Company's 2022 Annual Report.

### **Recommendation 1.4: Company Secretary**

The Board is supported by its 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 its 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, are set out in the Directors' Report in our 2022 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 <https://www.strategicenergy.com.au/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. The Company is also of the view that inclusion should be driven by culture (i.e. 'we want to') rather than by policy ('we have to'). A diversity of perspectives and backgrounds also strengthens creativity and innovation in teams.

As on date of this report, there are no women on the Board or in senior executive positions.

The Company's workforce is relatively small and as such the Board does not believe it is appropriate to establish formal diversity objectives at this stage and therefore, we do not comply with Recommendation 1.5 in its entirety.

The Company's diversity policy sets out various objectives for achieving diversity within the organisation. 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 not considered a “relevant employer” under the Workplace General Equality Act 2012, as it is not a non-public sector employer with 100 or more employees in Australia for any six months or more of a reporting period.

#### **Recommendation 1.6: Board Performance Assessment**

The Board is committed to evaluate its performance, the performance of its Committees (if applicable) and individual Directors, on an annual basis, as well as the governance processes supporting the Board.

A Board performance assessment took place during the reporting period in relation to the 2022 financial year. An analysis of the data collected indicated that the Board is functioning effectively against the majority of its criteria.

The review process involved:

- Interviews conducted by the Chair with individual Directors on performance of the Board and individual Directors, on key performance areas noted below, facilitated by the Company Secretary;
  - Major Achievements over last 12 months and key challenges over next 12 months
  - Strength and weakness of the Board and how to overcome weaknesses
- The preparation of a report with feedback on the performance based on the interview; and
- Discussion on necessary actions for any areas of improvement.

The Board does not currently have any separate committees due to the size and nature of the Company and thus Committee performance assessments were not applicable.

#### **Recommendation 1.7: Senior Executive Performance Assessment**

Senior Executives are appointed by the Board and their Key Performance Indicators (**KPI's**) contain specific financial and non-financial objectives.

These KPI's are reviewed annually by Managing Director or in the case of the Managing Director by the Board or any committee thereof. The performance of each Senior Executive against these objectives is evaluated annually.

The Senior Executive performance evaluation was undertaken for the financial year 2022 in accordance with the prescribed process. The Board undertook a performance review on the Managing Director and Executive Chairman during the period.

### **PRINCIPLE 2 – BOARD STRUCTURE**

#### **Recommendation 2.1: Nomination Committee**

Due to the current size of the Company and Board, the Board fulfils the roles and responsibilities in relation to nominations. The duties of the Board in relation to nomination are the same that would otherwise be fulfilled by a Nomination Committee to address any issues and continuously review the range of skills, knowledge, experience, independence and diversity to ensure that the Board can discharge its duties and responsibilities effectively.

The Remuneration and Nomination Committee Charter is available on our website at <https://www.strategicenergy.com.au/corporate-governance/>.



The Board undertook the functions of Nomination Committee during the course of its general Board Meetings.

The Company does not meet this Recommendation in its entirety.

## 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. This mix is subject to review on a regular basis as part of the Board's performance review process.

The Board undertook a review of the current skills and expertise of the Board of Directors during a prior period and retained its existing Board Skills Matrix given there were no changes to the Company's Board of Directors during the period.

The skills and experience represented in the Board and relevant to the Company's business are set out in the matrix below:

| <i><b>Skills and experience</b></i> |                                |
|-------------------------------------|--------------------------------|
| Risk and compliance                 | Stakeholder Engagement         |
| Financial and Audit                 | Client Engagement              |
| ASX Governance                      | Industry Relations             |
| Strategy                            | Leadership                     |
| Business Operations                 | Ethics and Integrity           |
| Policy Development                  | Contribution                   |
| Capital Markets                     | Negotiation                    |
| Technology                          | Critical Thinking              |
| People and Performance              | Crisis Management              |
| Executive Management                | Previous Board Experience      |
| Exploration Management experience   | Experienced Executive Chairman |
| Project Evaluation                  | 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 2022 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 considers the independence of Directors having regard to the relationships listed in Box 2.3 of the ASX Recommendations.

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, and 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.

As on date of this report, the Board's assessment of each current Director is set out below.

| Name             | Position               | Appointment Date | Status          |
|------------------|------------------------|------------------|-----------------|
| Stuart Rechner   | Executive Chair        | 19 October 2015  | Not independent |
| Dr David DeTata  | Managing Director*     | 1 July 2021      | Not independent |
| Anthony McIntosh | Non-Executive Director | 7 October 2020   | Independent     |

\*Dr DeTata served as a Non-Executive Director during the period 11 October 2017 to 30 June 2021 and was appointed as Managing Director effective from 1 July 2021.

The Board considers that Mr McIntosh is free from any business or any other relationship that could materially interfere with, or reasonably be perceived to interfere with, the exercise of their unfettered and independent judgement and is able to fulfil the role of independent director for the purpose of the Recommendations.

Mr Rechner is not considered independent as the Company employs him in an executive capacity as Executive Chair.

Dr DeTata is not considered independent as the Company employs him in an executive capacity as Managing Director.

The Board has considered the holdings of securities in the Company by the Non-Executive Director and is of the opinion that their respective interests in shares would not materially interfere with, or could be reasonably perceived to interfere with, the independent exercise of their judgement in their position as a Director, but instead helps align their interest with that of the members of the Company. The Board also considers that they are otherwise free from any business or other relationship that could materially interfere with, or reasonably be perceived to interfere with, the independent exercise of their judgement, and that each of these Directors is able to fulfil the role of independent Director for the purposes of the ASX Recommendations.

#### **Recommendation 2.4: Majority Independence**

As at the date of this Statement, one of our three Directors' is deemed independent and therefore the Company does not have a majority of independent directors and does not comply with Recommendation 2.4.

The Board recognises that it is desirable for the majority of the Board to be Independent Directors, 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.

It is noted that the composition of the Board will be reassessed in the future in line with changes in the Group's operations and will be adjusted as deemed appropriate. The Board will consider the Recommendations in assessing any future changes in board composition and note that while the Board may not meet the majority independence requirements that each Board member exercises independence in each of the Board decisions.

Further information regarding our Directors', including their experience and qualifications, is set out in the Directors' Report of our 2022 Annual Report.

#### **Recommendation 2.5: Board Chair**

The Chair, Mr Stuart Rechner is not currently considered to be an independent Director. The Board believes that a Non-Executive Chair is not necessary as Mr Rechner's experience and industry knowledge makes him the most appropriate person to lead the Board at this time.

The Chair provides leadership to the Board in relation to all Board matters and is responsible for ensuring that the Board meets its responsibilities under the Board Charter. The role is set out in more detail in the Board Charter.

The Company does not meet this Recommendation in its entirety.

#### **Recommendation 2.6: Induction, Education and Training**

New Directors are provided with copies of all relevant documents and policies governing the Company's business, operations and management, at the time of joining the Board. All Directors are provided with ongoing professional development and training opportunities to enable them to develop and maintain their skills and knowledge.

Directors are also encouraged to personally undertake appropriate training and refresher courses as appropriate to maintain the skills required to discharge their obligations to the Company.

### **PRINCIPLE 3 – ACT ETHICALLY AND RESPONSIBLY**

#### **Recommendation 3.1: Statement of Values**

In order to reinforce the Company's values which underpin how the Company undertakes its business, it has adopted a Statement of Values. The Statement of Values is the guiding principle and norm that define what type of organisation it aspires to be and what it requires from its directors.

The Company's values and behaviours are:

- a) Science Driven
  - i. technical excellence, innovation, question dogma, learn from mistakes.
- b) Frontier Exploration
  - ii. internal project generation, large holdings with ambitious targets, drill!
- c) Share Risk & Reward
  - iii. exploration has low success rate, partnerships give more shots on target.
- d) Good Conduct is Good Business
  - iv. Safety first, reputation critical, opportunities come to integrity, people excel when trusted, respect for stakeholders, respect our planet, play long game.

The Company's Management is responsible for instilling these values across the organisation.

The values of Strategic Energy Resources Limited are disclosed in Company's website available at <https://strategicenergy.com.au/>.

#### **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 can be found on our website at <https://www.strategicenergy.com.au/corporate-governance/>.

The key aspects of this Code are to:

- Directors have an obligation to be independent in their judgements;
- 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;
- have responsibility and accountability for individuals for reporting and investigating reports of unethical practices;
- employees act with due care and are responsible for shareholders and other stakeholders as a whole;
- employees must not take advantage of the position for personal gain; and
- use the Company's resources properly.

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

### **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 of 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 are reported at the following Board meeting or earlier if required.

SER's Whistleblower Policy may be viewed on the Company's website at <https://www.strategicenergy.com.au/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 Company has adopted an Anti-bribery and Corruption Policy. This Policy is aimed at establishing controls to ensure compliance with all applicable anti-bribery and corruption regulations and to ensure that the Company's business is conducted in a socially responsible manner. The Policy provides information and guidance to employees on how to recognise and deal with bribery and corruption issues.

Any material breach of the Company's policies, including any breach of the Anti-bribery and Corruption Policy are reported at the following Board meeting or earlier if required.

SER's Anti-Bribery and Corruption Policy may be viewed on the Company's website at <https://www.strategicenergy.com.au/corporate-governance/>.

## **PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING**

### **Recommendation 4.1: Audit Committee**

It is the Board's responsibility to ensure that an effective internal control framework exists within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the

safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators.

Due to the current size of the Company and Board, the Board fulfils the roles and responsibilities in relation to audits. The duties of the Board in relation to audit are the same that would otherwise be fulfilled by an Audit Committee, including overseeing the integrity of the Company's accounting and corporate reporting systems, including the external audit.

The Board, after each audit or review that occurs twice per year with the assistance of the Company's external auditors, reviews the performance of the external auditor including the required rotation by the engagement partner.

The Audit and Risk Committee Charter is available on our website at <https://www.strategicenergy.com.au/corporate-governance/>.

The Board undertook the functions of an Audit Committee during the course of its general Board Meetings.

The Company does not meet this Recommendation in its entirety.

#### **Recommendation 4.2: Assurances**

The Managing Director and Company Secretary provide declarations to the Board prior to the Board's approval of the Company's financial results including full year and half year and quarterly financial results. This process was followed for the 2022 full year financial results, where the Managing Director) and Company Secretary 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 2022 full year financial results were approved by the Board.

#### **Recommendation 4.3: Verification of integrity of periodic corporate reports**

Our external auditor, Grant Thornton (GT), attends our AGM and a representative is available to answer shareholder questions about the conduct of the audit and the preparation and content of the auditor's report.

GT's independence declaration is contained in the Directors' Report in our 2022 Annual Report.

The effectiveness, performance and independence of the external auditor is reviewed annually by the Board.

For any periodic reports released to the market, the processes to verify their integrity will be disclosed either in the report itself or more generally in the Company's corporate governance disclosures in its annual report, or on the Company's website.

### **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 <https://www.strategicenergy.com.au/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 any 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. 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 has set up external notifications so that all board members receive a notification from ASX as soon as an announcement has been released. The Company also circulates all price sensitive announcements to the Board ahead of the release being made.

#### **Recommendation 5.3: Investor Presentations**

The Company will ensure that all substantive presentations are released to the market to enable security holders the opportunity to access the material included 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 our website at <https://www.strategicenergy.com.au/corporate-governance/>.

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

#### **Recommendation 6.2: Investor Relations**

We endeavour 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 Group Policy for Shareholder Communications Policy is available on our website at <https://www.strategicenergy.com.au/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 the Company's security holders attending and voting at its security holder meetings, whether attendance is in person, electronically or by proxy or other representative, in most situations where this can be achieved 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, Link Market Services, electronically.

## **PRINCIPLE 7 – RECOGNISE AND MANAGE RISK**

### **Recommendation 7.1: Risk Committee**

Due to the current size of the Company and the Board, the Board fulfils the roles and responsibilities in relation to risk. The duties of the Board in relation to risk are the same that would otherwise be fulfilled by a Risk Committee, including ensuring that the Company has an appropriate risk management framework and associated internal compliance and control procedures.

The Audit and Risk Committee Charter is available on our website at <https://www.strategicenergy.com.au/corporate-governance/>.

The Board undertook the functions of an Risk Committee during the course of its general Board Meetings.

The Company does not meet this Recommendation in its entirety.

### **Recommendation 7.2: Risk Management Framework**

The Group's risk management framework is currently supported by the Board of directors and management team. The Board is responsible for approving and reviewing the Company's risk management framework. Management is responsible for monitoring that appropriate processes and controls are in place to effectively and efficiently manage risk.

The Board continually monitors the Company's risk management framework. A full review of the risk management framework will be undertaken during FY2023.



The Company does not meet this Recommendation in its entirety.

### **Recommendation 7.3: Internal Audit**

The Audit & Risk Committee Charter provides for the Audit & Risk Committee (Board currently acts as Committee) to monitor the need for an internal audit function.

The Company did not have an internal audit function for the past financial year and due to the size of the Company the Board does not consider it necessary to have an internal audit function.

The Company will employ the following process for evaluating and continually improving the effectiveness of its risk management and internal control processes:

- the Audit and Risk Committee will monitor the need for an internal audit function having regard to the size, location and complexity of the Company's operations; and
- the Audit and Risk Committee will periodically undertake an internal review of financial systems and processes where systems are considered to require improvement these systems are developed.

The Company does not meet this Recommendation in its entirety.

### **Recommendation 7.4: Economic, Environmental and Social Sustainability Risk**

The Board is responsible for the oversight and reporting of material exposure to economic, environmental and social sustainability risks. The Company has a strong focus on risk in field activities, including workplace health and safety, business risk arising through equipment use, community and environmental factors. The Risk Register is updated on an ongoing basis. A risk assessment and reporting procedure is used to assess all risks. Risk is reviewed as part of the Board meetings.

The Company has environmental responsibilities as required by the holding of its exploration licences and applicable permits to conduct exploration activities on its exploration licences. The Company has a strong emphasis in supporting the local communities it operates in and active management and liaison with local landowners that the Company's projects may impact. The Company respects and recognises the diversity of communities, in which it seeks to accommodate different cultures and heritages.

The Company details the associated risks in its Director's Report in the Company's 2022 Annual Report.

The Company is subject to a range of general economic risks, including macro-economic risks, government policy, general business conditions, changes in technology and many other factors.

## **PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBILITY**

### **Recommendation 8.1: Remuneration Committee**

Due to the current size of the Company and Board, the Board fulfils the roles and responsibilities in relation to remuneration. The duties of the Board in relation to remuneration are the same that would otherwise be fulfilled by a Remuneration Committee to address any issues and continuously review the range of skills, knowledge, experience, independence and diversity to ensure that the Board can discharge its duties and responsibilities effectively.

The Remuneration and Nomination Committee Charter is available on our website at <https://www.strategicenergy.com.au/corporate-governance/>.



The Board undertook the functions of an Audit Committee during the course of its general Board Meetings.

The Company does not meet this Recommendation in its entirety.

#### **Recommendation 8.2: Remuneration Policies and Practices**

The Remuneration and Nomination Committee (or in its absence, the Board) 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**

While the Company does not have a formally adopted Equity Based Remuneration Scheme, from time to time the Company issues securities to Directors and employees. As such the Company has a Securities Trading Policy, which prohibits Directors, Officers and employees, from entering into transactions (whether through the use of derivatives or otherwise), engaging in short selling or other hedging arrangements, which limits the economic risk related to the Company's securities.

A copy of the Company's Share trading Policy is available on the Company's website at: <https://www.strategicenergy.com.au/corporate-governance/>.