

Pro-rata Non-renounceable Entitlement Offer (including Shortfall Offer) Prospectus

Montem Resources Limited
ACN 623 236 831

Prospectus for a pro rata non-renounceable entitlement offer of 1 New Share for every 12.62 Existing Shares held by Eligible Shareholders at the Offer Price of \$0.04 per New Share to raise up to \$1.0 million (before costs) (**Entitlement Offer**).

The Entitlement Offer is not underwritten.

This Prospectus also includes an offer of any New Shares not taken up by Eligible Shareholders (**Shortfall Offer**). Investors interested in participating in the Shortfall Offer should refer to Section 2.7 for further information.

IMPORTANT NOTICE

The Company's Securities have been suspended from trading since 25 July 2022. For more information on how this may impact your decision to accept under the Entitlement Offer see Sections 2.2 and 2.16.

The last date for acceptance and payment under the Entitlement Offer will be 5.00pm (AEST time) on 18 October 2022 (unless the Entitlement Offer is extended). Valid acceptances must be received before that time.

This Prospectus is a transaction specific prospectus issued in accordance with section 713 of the Corporations Act 2001 (Cth). Accordingly, this Prospectus does not of itself contain the same level of disclosure as an initial public offering prospectus. This Prospectus requires your immediate attention. It is an important document which is accompanied by a personalised Application Form and both documents should be read in their entirety. Please consult your stockbroker, accountant or other professional adviser if you have any questions.

This Prospectus is not for release to US wire services nor distribution in the United States.

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IMPORTANT INFORMATION

GENERAL

This Prospectus relates to an offer of New Shares in Montem Resources Limited ACN 623 236 831 (**Montem** or **Company**). The Entitlement Offer (including the Shortfall Offer) contained in this Prospectus is an offering to acquire fully paid ordinary shares (**New Shares**) in the Company (**Offer**).

This Prospectus is dated 29 September 2022 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. The expiry date of the Prospectus is 5.00pm (AEST time) on the date that is 13 months after the date of this Prospectus (**Expiry Date**). No securities will be issued on the basis of this Prospectus after the Expiry Date.

The Company will apply within 7 days after the date of this Prospectus for Official Quotation of the New Shares on the Australian Securities Exchange (**ASX**). Neither ASIC nor ASX takes any responsibility for the contents of this Prospectus nor for the merits of the investment to which this Prospectus relates.

PURPOSE OF THIS PROSPECTUS

This Prospectus is a 'transaction-specific' prospectus to which the special content rules under section 713 of the Corporations Act apply. Section 713 allows the issue of a more concise prospectus in relation to an offer of securities to acquire securities, in a class which has been continuously quoted by the ASX in the three months prior to the date of the prospectus. In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers. This Prospectus does not include the same level of disclosure as would be included in a prospectus for an initial public offering and it is intended to be read in conjunction with publicly available information in relation to the Company which has been notified to the ASX.

The information provided in this Prospectus is not investment advice or financial product advice and has been prepared without taking into account your individual investment objectives, financial situation, tax position or particular needs. Before deciding whether to apply for any New Shares, you should consider

whether they are a suitable investment for you in light of your own investment objectives, financial situation, tax position and particular needs and having regard to the merits and risks involved. If, after reading this Prospectus, you have any questions about the Entitlement Offer (including the Shortfall Offer), you should contact your stockbroker, solicitor, accountant and/or other professional financial adviser. The Company is not licensed to provide financial product advice in relation to the Securities or any other financial products.

EXPOSURE PERIOD AND COOLING OFF RIGHTS

No exposure period applies to this Prospectus by operation of ASIC Corporations (Exposure Period) Instrument 2016/74.

No cooling off regime applies to the acquisition of Securities under this Prospectus. You cannot withdraw your Application once it has been accepted.

NON-RENOUCEABLE OFFER

The right to participate in the Entitlement Offer is not transferable. Please carefully read and follow the instructions in this Prospectus and on the accompanying Application Form when subscribing for Securities.

ASX SUSPENSION

The Company's Securities have been suspended from trading since 25 July 2022 in relation to the release of an announcement concerning the results of the pre-feasibility study of the TM-REX Project. ASX has confirmed that the Company's Reinstatement will be conditional upon the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules.

Other conditions for Reinstatement may be imposed by ASX following its review of the Company's In-Principle Application when submitted. Eligible Shareholders should be aware that ASX may grant Official Quotation for the New Shares issued under the Entitlement Offer prior to and without the Company having satisfied ASX's conditions for Reinstatement. If this occurs, then the New Shares will not be freely tradeable due to the Company's Shares being voluntarily suspended from trading on ASX. See further at Section 2.16.

OBTAINING A PROSPECTUS AND AN APPLICATION FORM

Applications for Securities offered pursuant to this Prospectus in respect of the Entitlement Offer can be submitted on an Application Form. Eligible Shareholders will be able to access a copy of this Prospectus and a personalised Application Form from the Offer Website at

<https://investor.automic.com.au/#/home>. Paper copies of this Prospectus and an Application Form can be obtained free of charge during the Offer Period by calling the Company's share registry, Automic Pty Ltd, from 8.30am to 5.00pm, Monday to Friday on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia).

ELECTRONIC PROSPECTUS

This Prospectus is available electronically on the Offer Website at

<https://investor.automic.com.au/#/home>. The Application Form accompanying the electronic version of this Prospectus must only be used within Australia and New Zealand. An Application Form cannot be downloaded without also downloading this Prospectus. Electronic versions of this Prospectus should be downloaded and read in its entirety. Applications for New Shares under the Entitlement Offer may only be made on the Application Form by following the instructions on the Offer Website.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, free of charge, either a hard copy or a further electronic copy of this Prospectus or both.

STATEMENTS OF PAST PERFORMANCE

This Prospectus may include information regarding the past performance of Montem. Investors should be aware that past performance of the Company, the price of the Company's Existing Shares or other securities provides no guidance or indication as to how

the price of the Securities will perform in the future.

FUTURE PERFORMANCE AND FORWARD-LOOKING STATEMENTS

The pro forma financial information provided in this Prospectus is for illustrative purposes only and does not represent a forecast or expectation by the Company as to its future financial

condition and/or performance. In particular, certain pro forma financial information and certain other qualitative assessments by Montem in this Prospectus assume that proceeds of the Entitlement Offer were received by the Company on the settlement dates under the Entitlement Offer.

This Prospectus contains certain "forward looking statements" and comments about future matters. Forward looking statements can generally be identified by the use of forward looking words such as "expect", "anticipate", "likely", "intend", "propose", "should", "could", "may", "predict", "plan", "will", "believe", "forecast", "estimate", "target", "outlook", "guidance", and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, the outcome and effects of the Entitlement Offer and the use of proceeds. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

You are cautioned not to place undue reliance on forward-looking statements. Any such statements, opinions and estimates in this Prospectus speak only as of the date hereof and are based on assumptions and contingencies subject to change without notice, as are statements about market and industry trends, projections, guidance and estimates. Forward-looking statements are provided as a general guide only. The forward looking statements contained in this Prospectus are not indications, guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of Montem, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. A number of important factors could cause actual results or performance to differ materially from the forward looking statements, including the key risk factors outlined in Section 5 of this Prospectus. Investors should consider the

forward looking statements contained in this Prospectus in light of those risks and disclosures.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward looking statements. The Company has no intention of updating or revising forward looking statements, or publishing prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

To the maximum extent permitted by law, the Company and its officers, employees, agents, associates and advisers do not make any representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of such forward looking statements, or likelihood of fulfilment of any forward looking statement, and disclaim all responsibility and liability for these forward looking statements (including, without limitation, liability for negligence).

The forward looking statements are based on information available to the Company as at the date of this Prospectus. Except as required by law or regulation (including the ASX Listing Rules), the Company has no obligation to supplement, revise or update any forward looking statements, regardless of whether new information, future events or results or other factors affect the information contained in this Prospectus.

RISK FACTORS

Before deciding to invest in the Company, potential investors should read the entire Prospectus including the key risk factors outlined in Section 5. In considering the prospects for the Company, potential investors should consider the assumptions underlying the prospective financial information and the risk factors that could affect the performance of the Company. Applicants should carefully consider these factors in light of personal circumstances (including financial and taxation issues) and seek professional advice from a stockbroker, accountant or other independent financial adviser before deciding to invest. No person named in this Prospectus, nor any other person, guarantees the performance of the Company,

the repayment of capital by the Company or the payment of a return on the Shares.

SELLING RESTRICTIONS

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Securities or to otherwise permit a public offering of Securities, in any jurisdiction outside Australia or New Zealand. The distribution of this Prospectus outside Australia may be restricted by law and persons who come into possession of this Prospectus outside Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. See further at Section 6.10.

By returning a completed Application Form (if applicable) or making a payment by BPAY® or EFT, you will be taken to have given the representations and warranties set out in Section 2.13 and represented and warranted that there has been no breach of such laws and that all necessary approvals and consents have been obtained.

This Prospectus may not be distributed to, or relied upon by, any person in the United States. In particular, none of the Securities have been and will not be, registered under the US Securities Act of 1933 (US Securities Act) or the securities laws of any state of the United States and may not be offered or sold in the United States unless the New Shares are registered under the US Securities Act, or are offered or sold in a transaction exempt from, or not subject to the registration requirements of the US Securities Act and applicable US state securities laws.

PUBLICLY AVAILABLE INFORMATION

Information about the Company is publicly available and can be obtained from ASIC and ASX (including ASX's website www.asx.com.au). The contents of any website or ASIC or ASX filing by the Company are not incorporated into this Prospectus and do not constitute part of the Entitlement Offer (including Shortfall Offer). This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Investors should therefore have regard to publicly available information in relation to the

Company before making a decision whether or not to invest in Securities or the Company.

No person is authorised to give any information or to make any representation in relation to the Offers which is not contained in this Prospectus and any such information may not be relied on as having been authorised by the Directors.

PRIVACY

If you apply for Securities under the Entitlement Offer you will provide personal information to the Company and the Share Registry. The Company and the Share Registry collect, hold and use your personal information in order to assess your Application, service your needs as a holder of Securities, provide facilities and services that you request and carry out appropriate administration. Company and tax laws require some of the information to be collected. If you do not provide the information requested, your Application may not be able to be processed efficiently, or at all.

Each of the Company and the Share Registry may disclose your personal information for purposes related to your holding of Securities to each other and to their respective agents and services providers including those listed below or as otherwise authorised under the Privacy Act 1988 (Cth) (**Privacy Act**):

- in the case of the Company, to the Share Registry for ongoing administration of the Share register; and
- in the case of the Company and the Share Registry, to printers and mailing houses for the purposes of preparation and distribution of security holder information and for handling of mail.

Under the Privacy Act, you may request access to your personal information held by (or on behalf of) the Company or the Share Registry. You can request access to your personal information by emailing or writing to the Company through the Share Registry:

Automic Pty Ltd.
GPO Box 5193, Sydney NSW 2001
corporate.actions@automicgroup.com.au

ENQUIRIES

Phone the Offer Information Line:

- 1300 288 664 (within Australia)

- +61 2 9698 5414 (outside Australia)

between 8.30am and 5.00pm Monday to Friday during the Offer Period.

If you have questions about any Offer, please contact your solicitor, stockbroker, accountant and/or other professional financial adviser.

INTERPRETATION

A number of terms and abbreviations used in this Prospectus have defined meanings which are set out in Section 8.

All references in this Prospectus to \$, **AUD** or **dollars** are references to Australian currency, unless otherwise stated.

Any discrepancies between totals and sums of components in tables contained in this Prospectus are due to rounding.

Unless otherwise stated, all references to time in this Prospectus relate to the time in Melbourne, Australia.

KEY DATES

Event	Date*
Prospectus lodged with ASIC and released to ASX, Announcement of Entitlement Offer and lodge Appendix 3B	Thursday, 29 September 2022
"Ex" Date	Monday, 3 October 2022
Record Date (at 5.00pm AEST)	Tuesday, 4 October 2022
Despatch of Offer Document and personalised Entitlement and Acceptance Forms to Shareholders	Thursday, 6 October 2022
Entitlement Offer opens	Thursday, 6 October 2022
Last Day to Extend the Entitlement Offer Closing Date	Thursday, 13 October 2022
Entitlement Offer closes (5:00 pm AEST)	Tuesday, 18 October 2022
Announcement of the results of the Offer	Wednesday, 19 October 2022
Allotment of New Shares under the Entitlement Offer and lodgement of Appendix 2A with ASX	Friday 21 October 2022
Quotation of New Shares issued under the Entitlement Offer	Monday, 24 October 2022
Despatch of holding statements for New Shares issued under the Entitlement Offer	Monday, 24 October 2022
Last date for Shortfall Offer close**	No later than 3 months after the Entitlement Offer Closing Date

* The timetable is indicative only and subject to change. The Company retains the discretion, subject to the ASX Listing Rules and the Corporations Act, to alter any or all of these key dates at its discretion (generally or in particular cases), without prior notice, including extending the Closing Date or to withdraw the Offer without prior notice. Applicants are encouraged to submit their Application Forms (if applicable) as soon as possible.

** The Directors may vary the closing date of the Shortfall Offer without notice.

KEY DETAILS OF THE CAPITAL RAISING

Offer Price	\$0.04 per New Share
Shares on issue as at the Prospectus Date*	315,512,504
Number of New Shares offered under the Entitlement Offer	25,000,000
Shares on issue on completion of the Entitlement Offer**	340,512,504
Proceeds of the Entitlement Offer (before costs)**	\$1,000,000

* The Shares on issue at the Prospects Date excludes the proposed participation by certain Directors under the terms of the Placement as announced on 24 August 2022, which is subject to Shareholder approval at a General Meeting.

**Assumes full take up by all Eligible Shareholders.

Chair's Letter

29 September 2022

Dear Shareholders,

On behalf of the Directors of Montem Resources, it is my pleasure to invite you to participate in the Entitlement Offer.

Overview of Capital Raising

Montem is undertaking an equity raising under this Prospectus to raise up to \$1.0 million (before costs and subject to rounding) under a pro rata non-renounceable Entitlement Offer of 1 New Share for every 12.62 existing shares held by Eligible Shareholders at 5:00pm (AEST) on 4 October 2022 (**Record Date**). The Entitlement Offer is at the same price of \$0.04 per New Shares as the price of the recent placement announced on 24 August 2022.

Use of Proceeds from Capital Raising

Montem intends to use the proceeds from the Entitlement Offer to progress the following key initiatives:

- fund ongoing work on the Tent Mountain and Chinook Projects exploration and evaluation;
- fund ongoing investigation of the TM-REX Project, including the potential sell down of up to -50% interest;
- comply with the requirements of the ASX to enable the removal of the trading suspension in Shares and Reinstatement; and
- provide the Company with additional working capital.

Even if the Entitlement Offer is not fully-subscribed, Montem is likely to need to raise further capital in the near future or seek other funding in order to fund its key initiatives and/or adjust its plans and priorities to suit the capital available for investment.

Top Up Facility

The Entitlement Offer incorporates a Top Up Facility under which Eligible Shareholders that have taken up their full Entitlement under the Entitlement Offer can apply to take up Additional New Shares in excess of their Entitlement which have not been taken up by other Eligible Shareholders pursuant to their Entitlements. Further details on the Top Up Facility are provided in Section 2.6.

Actions You Should Take

The Entitlement Offer is currently scheduled to close at 5:00pm (AEST) on 18 October 2022. If you wish to subscribe for New Shares under the Entitlement Offer, you must ensure that your Application Form and payment is received by this time in accordance with the instructions set out in Section 2.9.

Suspension

The Company's Shares have been suspended from trading since 20 July 2022. ASX has confirmed that MR1's Reinstatement to trading on ASX will be conditional upon the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules. Other conditions for Reinstatement may be imposed by ASX following its review of the Company's In-Principle Application when submitted. Eligible Shareholders should be aware that ASX may grant Official Quotation for the New Shares issued under the Entitlement Offer prior to and without the Company having satisfied ASX's conditions for

Reinstatement. If this occurs, then the New Shares will not be freely tradeable due to the Company's Shares being voluntarily suspended from trading on ASX. Please see further information in relation to the trading of the Company's Shares at Section 2.16 and Section 5.1.

Prospectus

This Prospectus contains important information regarding the Entitlement Offer, and I encourage you to read it carefully before making any investment decision, having particular regard to the 'Risk Factors' outlined in Section 5 of this Prospectus. If you have any questions, you should consult your financial or other professional adviser.

On behalf of the Directors, we thank you for being an investor in Montem, invite you to consider participating in the Entitlement Offer and look forward to your continuing support.

Yours sincerely,



Mr Mark Lochtenberg
Chairman
Montem Resources Limited

1. INVESTMENT OVERVIEW

The information below is a selective overview of the Entitlement Offer. Participants should read the Prospectus in full before deciding to invest in Securities.

TOPIC	SUMMARY
What is the Entitlement Offer?	<p>The Entitlement Offer provides Eligible Shareholders with the opportunity to subscribe for 1 New Share for every 12.62 Existing Shares held on the Record Date. The Offer Price is \$0.04 per New Share.</p> <p>The Entitlement Offer is non-renounceable. This means that Eligible Shareholders who do not take up their Entitlements by 5.00pm (AEST) on 18 October 2022, will not receive any payment or value for those Entitlements, and their proportionate equity interest in the Company will be diluted.</p> <p>If you take up all of your Entitlement, you may also apply for Additional New Shares under the Top Up Facility (see Section 2.6 for instructions on how to apply for Additional New Shares).</p> <p>The Company reserves the right to modify or terminate the Entitlement Offer at any time including closing the Entitlement Offer early. The Company will notify the ASX of any modification to, or termination of, the Entitlement Offer.</p>
What is the Offer Price?	The New Shares will be offered at a price of \$0.04 per New Share.
Am I eligible to participate in the Entitlement Offer?	<p>The Offer is made to all Shareholders with an address in Australia and New Zealand or who are otherwise an Eligible Shareholder.</p> <p>Custodians holding Existing Shares on behalf of one or more beneficial holders should refer to Sections 2.13 and 6.10.</p>
Is the Entitlement Offer conditional?	The issue of New Shares under the Entitlement Offer is not conditional on Shareholder approval and will not count towards the Company's placement capacity under ASX Listing Rule 7.1 or 7.1A as it falls under an exemption in ASX Listing Rule 7.2.
Is the Entitlement Offer underwritten?	No. The Entitlement Offer is not underwritten.
What is the effect of the Entitlement Offer on the Company?	The maximum number of New Shares that will be issued under the Entitlement Offer is approximately 25,000,000.
What will be the effect of the Entitlement Offer on the control of the Company?	The effect of the Entitlement Offer on the control of the Company will vary with the level of Entitlements taken up by Eligible Shareholders. If Eligible Shareholders do not participate in the Entitlement Offer they may have their shareholding diluted as described in Section 3.5.
Do I have to participate in the Entitlement Offer?	No. Participation in the Entitlement Offer is optional.

TOPIC	SUMMARY
Can I transfer my Entitlement to participate in the Entitlement Offer?	No. You cannot transfer your right to acquire New Shares under the Entitlement Offer to anyone else.
How many New Shares will I receive if I participate in the Entitlement Offer?	<p>Under the Entitlement Offer, Eligible Shareholders can apply for 1 New Share for every 12.62 Existing Shares held with no minimum subscription.</p> <p>The Entitlement Offer also incorporates a Top Up Facility under which Eligible Shareholders who have subscribed for their full Entitlement can apply for Additional New Shares (in excess of their Entitlement). The issue of Additional New Shares will depend on there being a shortfall in the take up of Entitlements under the Entitlement Offer.</p>
Shortfall Offer	A shortfall may arise if Applications received for New Shares under the Entitlement Offer are less than the number of New Shares offered. The Directors reserve the right, subject to the requirements of the Listing Rules and the Corporations Act, to place Shortfall Shares within three months after the Closing Date to investors at their discretion.
What is the use of the funds raised under the Entitlement Offer?	The Entitlement Offer is being undertaken to raise capital of up to \$1.0 million. The proposed use of the funds is set out in Section 3.2.
Is the Company adequately funded after completion of the Entitlement Offer?	The Company's continued evaluation of the TM-Rex Project, the Tent Mountain Mine Restart Project and the Chinook Project requires ongoing capital. Even if the Entitlement Offer is fully-subscribed, Montem is likely to need to raise further capital in the near future or seek other funding in order to fund its key initiatives and/or adjust its plans and priorities to suit the capital available for investment.
Do I have to pay brokerage on the New Shares?	No brokerage, commission or other participation costs are payable by you in respect of the acquisition of New Shares under the Entitlement Offer.
What are the risks of subscribing for New Shares under the Entitlement Offer?	<p>The business, assets and operations of the Group are subject to certain risk factors that have the potential to influence operating and financial performance in the future. These risks can impact on the value of an investment in the New Shares.</p> <p>New Shares offered under this Prospectus should be considered speculative and an investment in the Company is subject to a range of risks, including (but not limited to):</p> <ul style="list-style-type: none"> • Current suspension from trading and recompliance to trading • Going concern • Additional capital requirements • Regulatory approvals and licences • Laws and regulations • Accuracy of resources and reserve estimates • Timing of approvals • Title Risk

TOPIC	SUMMARY
	<ul style="list-style-type: none"> • Coal Regulation • Indigenous Peoples considerations • Land and infrastructure access • Environmental • Early stage TM-REX Project status • Geotechnical and ground stability • Construction and development costs • Contractual and counterparty risk • Country specific risks • General risks <p>Further details on the key risks associated with an investment in the Company are set out in Section 5.</p>
What do I do if I receive more than one Entitlement Application Form?	Eligible Shareholders who receive more than one Application Form under the Entitlement Offer or who are able to participate in the Entitlement Offer as an underlying beneficial owner of a custodian (e.g. where an Eligible Shareholder holds Shares in more than one capacity), may apply on different Application Forms for New Shares.
How do I Participate in the Entitlement Offer?	Refer to Sections 2.9 and 2.10 for details of how to apply for New Shares under the Entitlement Offer.
When will I receive my New Shares?	New Shares offered under the Entitlement Offer are expected to be issued on or about 21 October 2022.
When can I trade my New Shares issued under the Entitlement Offer?	<p>The Company's Shares have been suspended from trading since 25 July 2022. ASX has confirmed that MR1's Reinstatement to trading on ASX will be conditional upon the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules.</p> <p>Eligible Shareholders should be aware that ASX may grant Official Quotation for the New Shares issued under the Entitlement Offer prior to and without the Company having satisfied ASX's conditions for Reinstatement. If this occurs, then the New Shares will not be freely tradeable due to the Company's Shares being voluntarily suspended from trading on ASX. New Shares under the Entitlement Offer may be issued by the Company irrespective of whether the Company is able to satisfy the ASX's conditions for Reinstatement. See further at Section 2.16.</p>
Can the Offer be withdrawn?	<p>The Company reserves the right not to proceed with the Entitlement Offer at any time before the issue of New Shares to successful Applicants.</p> <p>If the Entitlement Offer does not proceed, Application Monies will be refunded.</p> <p>No interest will be paid on any Application Monies refunded as a result of the Entitlement Offer not proceeding.</p>
What are the rights and liabilities attaching to the New Shares issued under	<p>New Shares issued under the Entitlement Offer will rank equally in all respects with Existing Shares.</p> <p>The rights and liabilities attaching to New Shares are set out in Section 6.4.</p>

TOPIC	SUMMARY
the Entitlement Offer?	
How can Eligible Shareholders obtain further information?	<p>If you would like further information you can:</p> <ul style="list-style-type: none"> • phone the Offer Information Line 1300 288 664 (within Australia) or +61 2 9698 5414(outside Australia) between 8.30am and 5.00pm (AEST) Monday to Friday during the Offer Period; • contact your stockbroker, accountant, solicitor and/or other professional adviser; and/or • visit the Company's website at www.montem-resources.com

2. DETAILS OF THE ENTITLEMENT OFFER

2.1 The Entitlement Offer

Under this Prospectus, the Company invites each Eligible Shareholder to subscribe for 1 New Share for every 12.62 Existing Shares held on the Record Date at the Offer Price of \$0.04 per New Share free of brokerage or other transaction costs. Any fractional entitlements will be rounded down to the nearest whole number of New Shares (as applicable).

The Entitlement Offer is non-renounceable. This means that Eligible Shareholders who do not take up their Entitlements by 5.00pm (AEST) on 18 October 2022 will not receive any payment or value for those Entitlements, and their proportionate equity interest in the Company will be diluted.

Shareholders are also invited to apply for Additional New Shares beyond their Entitlement under the Top Up Facility (described in Section 2.6 below).

Under the Entitlement Offer, the Company is seeking to raise up to \$1.0 million through the issuance of 25,000,000 New Shares to Shareholders. The purpose of the Entitlement Offer and the intended use of funds raised pursuant to the Entitlement Offer are set out in Section 3.2.

The issue of New Shares under the Entitlement Offer is not conditional on Shareholder approval and will not count towards the Company's placement capacity under ASX Listing Rule 7.1 or 7.1A as it falls under an exemption in ASX Listing Rule 7.2. All of the New Shares offered under this Prospectus will rank equally with the Existing Shares on issue as at their date of issue. The material rights and liabilities attaching to the New Shares are set out in Sections 6.4.

2.2 Suspension

The Company's Shares have been suspended from trading since 25 July 2022. ASX has confirmed that MR1's Reinstatement to trading on ASX will be conditional upon the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules. Other conditions for Reinstatement may be imposed by ASX following its review of the Company's In-Principle Application when submitted. Eligible Shareholders should be aware that ASX may grant Official Quotation for the New Shares issued under the Entitlement Offer prior to and without the Company having satisfied ASX's conditions for Reinstatement. If this occurs, then the New Shares will not be freely tradeable due to the Company's Shares being voluntarily suspended from trading on ASX. See further at Section 2.16.

2.3 Offer Price

The Offer Price for the New Shares is \$0.04 per New Share. The Offer Price represents the closing Share price (as quoted on ASX) of \$0.04 on 20 July 2022 (being the last day on which a trade in Shares occurred before the details of the Entitlement Offer were announced on ASX on 29 September 2022). The Company's securities have not traded since 20 July 2022.

The Offer Price of New Shares under the Entitlement Offer is fixed, regardless of any changes in the market price of Shares during the Offer Period.

2.4 Offer Period

The Entitlement Offer is expected to open on 6 October 2022 and close at 5:00pm on 18 October 2022, or such later date as determined by the Company in its absolute discretion, subject to compliance with the ASX Listing Rules. The New Shares offered under the Entitlement Offer are expected to be issued on 21 October 2022.

The Company reserves the right to:

- extend the Entitlement Offer;
- close the Entitlement Offer early; or
- withdraw the Entitlement Offer,

at any time. The Company will announce to ASX any such extension, early closure or withdrawal. Eligible Shareholders who wish to apply for New Shares under the Entitlement Offer are encouraged to make their Application as soon as possible.

2.5 Participation in the Entitlement Offer – Eligible Shareholders

Participation in the Entitlement Offer is optional, subject to the eligibility criteria set out below and the terms and conditions of this Prospectus.

Eligible Shareholders for the purposes of this Entitlement Offer (**Eligible Shareholders**) are those persons who.

- were registered as the holder of Shares as at 5.00pm (AEST) on the 4 October 2022 (**Record Date**);
- have a registered address in Australia or New Zealand;
- are not in the United States nor acting for the account or benefit of a person in the United States or elsewhere outside Australia and New Zealand; and
- do not hold Shares on behalf of another person who resides outside Australia or New Zealand (unless they hold Shares in another eligible capacity).

Notwithstanding the above, the Company may (in its absolute discretion) extend the Entitlement Offer to certain Shareholders who have registered addresses outside the eligible countries in accordance with applicable law.

Shareholders who are not Eligible Shareholders are Ineligible Shareholders (**Ineligible Shareholders**). The Company has determined, in reliance on ASX Listing Rule 7.7.1, that it would be unreasonable to extend the Entitlement Offer to Ineligible Shareholders having regard to:

- the small number of Ineligible Shareholders;
- the number and value of the Shares would be offered to Ineligible Shareholders if they were Eligible Shareholders;
- the cost of complying with the legal requirements, and requirements of a regulatory authority, in the respective overseas jurisdictions.

Accordingly, unless otherwise determined by the Company, the Entitlement Offer is not being extended to Shareholders outside Australia and New Zealand. The Company will notify Ineligible Shareholders of the Entitlement Offer and advise that the Company is not extending the Entitlement Offer to those Shareholders.

The Company reserves the right to reject any Application for New Shares under this Prospectus to the extent it considers that the Application (whether alone or in conjunction with other Applications) does not comply with these requirements. If you are in any doubt about the Entitlement Offer, whether you should participate in the Entitlement Offer or how such participation will affect you, you should seek independent financial and

taxation advice before making a decision as to whether or not to take up any New Shares under the Entitlement Offer.

2.6 Top Up Facility

Any New Shares not taken up by the Closing Date may be made available to those Shareholders who took up their full Entitlement and applied for Additional New Shares under the Top Up Facility.

If issued, the price of each Additional New Share shall be the Offer Price of New Shares under the Entitlement Offer. Unless otherwise determined by the Board, the allocation policy for the Top Up Facility will be as follows:

- Each Eligible Shareholder who has applied for Additional New Shares under the Top-Up Facility will be allocated their pro rata share of any shortfall having regard to their holding at the Record Date (if an Eligible Shareholder has made an Application for an amount less than the amount of shares that the shareholder would otherwise be allocated under this process, the shareholder will be allocated the lesser amount applied for).
- If, following allocation of the shortfall in the first round, there still remains any shortfall, the above allocation process will be repeated in rounds until either all the shortfall has been allocated or all Additional New Share Applications have been satisfied in full;
- If, following the above process, there remains any shortfall, such New Shares may be allocated by the Company in accordance with the Shortfall Offer.

For the avoidance of doubt, the Corporations Act and ASX Listing Rules limits apply to the acquisition of Additional New Shares under the Top-Up Facility.

There is no guarantee a Shareholder will receive the number of Additional New Shares applied for under the Top Up Facility, or any. The number of Additional New Shares available under the Top Up Facility will not exceed the shortfall from the Entitlement Offer. The Directors, reserve the right to allot and issue Additional New Shares under the Top Up Facility at their discretion.

The Company may allocate all, or a lesser number, of Additional New Shares for which an application has been made under the Top Up Facility. If allocations are scaled back, there may be a different allocation of the scale-back policy to each Applicant. Eligible Shareholders who apply for Additional New Shares under the Top Up Facility will be bound to accept any lesser number of Additional New Shares allocated to them. The decision of the Company on the number of Additional New Shares to be allocated (if any) will be final.

Additional New Shares made available under the Top Up Facility are otherwise issued on the same terms as other New Shares offered under the Entitlement Offer.

Applying for Additional New Securities

Shareholders who wish to apply for Additional New Shares under the Top Up Facility can do so by paying the Application Monies for an amount equal to the Offer Price multiplied by the number of New Shares and Additional New Shares that you are applying for. If you do not receive all of the Additional New Shares you applied for, any excess Application Monies will be returned to you without interest.

Takeover law requirements

It is the responsibility of each Eligible Shareholder to ensure that it will not breach the takeovers provisions under the Corporations Act by applying for Additional New Shares under the Top Up Facility. These provisions are set out in section 606 of the Corporations Act. No Eligible Shareholder will be permitted to acquire Additional New Shares under the Top Up Facility to the extent the Directors consider (acting reasonably) that doing so would result in a contravention of the takeovers limits in section 606 of the Corporations Act (in circumstances where an exception in section 611 of the Corporations Act does not apply).

2.7 Shortfall Offer

A shortfall may arise if Applications received for New Shares under the Entitlement Offer (including after the completion of the Top Up Facility (if any) and the Entitlements of Ineligible Shareholders) are less than the number of New Shares offered (**Shortfall Shares**).

The Directors reserve the right, subject to the requirements of the Listing Rules and the Corporations Act, to place Shortfall Shares within three months after the Closing Date to investors at their discretion (**Shortfall Offer**). If issued, Shortfall Shares will be issued at a price not less than the Offer Price of New Shares under the Entitlement Offer.

The Board presently intends to allocate Shortfall Shares under the Shortfall Offer new investors with allocations (and any scale back) taking account of the following factors:

- identifying new potential long-term or cornerstone investors; and
- ensuring an appropriate Shareholder base for the Company.

If the Directors decide to issue New Shares under the Shortfall Offer, the issue of the New Shares will take place as soon as practicable after the closing date of the Shortfall Offer.

Shareholders will not receive any payment or value for the Entitlements not taken up under the Entitlement Offer that are subsequently taken up as Shortfall Shares.

2.8 Cleansing Offer

This Prospectus also includes an offer of up to 250 Shares at an issue price of \$0.04 per Share to raise up to \$10 to cleanse any Shares issued by way of placement under the Shortfall Offer after the closing date of the Entitlement Offer and before the date the Cleansing Offer is closed (**Cleansing Offer**). The Cleansing Offer will close on the date that is three months and one day after the Closing Date, unless otherwise determined by the Directors without notice in their discretion.

The Cleansing offer will only be extended to specific parties on invitation from the Directors. Applications for Shares under the Cleansing Offer should only be made if you are instructed to do so by the Company.

The Shares offered under this Cleansing Offer will rank equally with the existing Shares on issue. The primary purpose of the Cleansing Offer is to remove any trading restrictions that would otherwise attach to Shares that may be issued by the Company without disclosure under Chapter 6D of the Corporations Act prior to the closing date of the Cleansing Offer.

The Company is seeking to raise only a nominal amount of \$10 under the Cleansing Offer as the purpose of the Cleansing Offer is not to raise capital.

If the Directors decide to issue Shares under the Cleansing Offer, the issue of Shares will take place as soon as practicable after the closing date of the Cleansing Offer.

2.9 Applications for Entitlement Offer

If you are an Eligible Shareholder and wish to take up all or part of your Entitlement, or you wish to also apply for Additional New Shares, you should:

- read this Prospectus in full;
- consider the risks associated with the Entitlement Offer, as summarised in Section 5 of this Prospectus, in light of your personal circumstances;
- decide whether to participate in the Entitlement Offer; and
- make payment and apply for New Shares in accordance with Section 2.10.

Any fractional entitlements will be rounded down to the nearest whole number of New Shares. Any fractions of a New Share will be rounded down to the nearest whole number of New Shares or respectively.

Any Application Monies received for more than an Applicant's final allocation of New Shares, and where applicable Additional New Securities, (and only where the amount is \$1.00 or greater) will be refunded, without interest.

The Entitlement Offer is non-renounceable, which means that Shareholders may not transfer their rights to any New Shares offered under the Entitlement Offer. You cannot withdraw or revoke your Application once you have paid via BPAY®.

If a Shareholder holds Shares as a custodian the Entitlement Offer is also being made to the custodian and, subject to certain conditions, the custodian has the discretion to extend the Offer to the relevant Beneficiaries. Please refer to Section 2.15 for further details.

2.10 Payment of Application Monies

For payment by BPAY®, please follow the instructions on the Entitlement Application Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that if you pay by BPAY® you do not need to submit the Entitlement Application Form but are taken to have made the declarations in that Entitlement Application Form.

New Zealand Eligible Shareholders and other non-Australian resident Eligible Shareholders will not be able to make a payment using BPAY® and must make payment via EFT, using the payment details on the Form.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (AEST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. No interest will be paid on any application monies received or refunded.

If you wish to take up all of your Entitlement and apply for Additional New Shares under the Top Up Facility, follow the instructions on the Application Form and Offer Website.

2.11 Declining all or part of your Entitlement

If you decide not to take up all or part of your Entitlement, the Entitlement which is unexercised will lapse and may be taken up by other Eligible Shareholders under the Top Up Facility. Your Entitlement to participate in the Entitlement Offer is non-

renounceable and cannot be traded on the ASX nor any other financial markets, nor can it be privately transferred.

If you decide not to participate in the Entitlement Offer, you do not need to fill out or return the accompanying Application Form. By allowing your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Entitlement and you will not receive any value for your Entitlement. Your proportionate interest in Montem will also be diluted to the extent that New Shares are issued under the Entitlement Offer (including under the Shortfall Offer, if any).

2.12 Ineligible Shareholders

If you are an Ineligible Shareholder, you may not take up any of, or do anything in relation to, an Entitlement under the Entitlement Offer.

2.13 Effect of making an Application

If you apply for New Shares under the Entitlement Offer or make a payment by BPAY®, you:

- will be deemed to have represented and warranted that you are an Eligible Shareholder, that you have read and understood the terms and conditions of participating in the Entitlement Offer as set out in this Prospectus, that you subscribe for Securities in accordance with those terms and conditions and that you agree to be bound by the Constitution as in force from time to time;
- declare that all details and statements in your Application Form are true, complete and not misleading;
- acknowledge that you have not been provided with investment advice or financial product advice by the Company or its Directors and have made your own enquiries before making an investment decision;
- agree that your Application is made on the terms and conditions of the Entitlement Offer set out in this Prospectus, the Application Form and the Constitution;
- accept that you will not be able to withdraw or revoke your Application or BPAY® payment once you have sent it in (or paid it, as the case may be);
- acknowledge that the Company may at any time determine that your Application is valid, in accordance with the terms and conditions set out in this Prospectus, even if the Application is incomplete, contains errors or is otherwise defective;
- accept the risk associated with any refund that may be sent to you by direct credit or cheque to your address shown on the Company's register of members;
- acknowledge that the Company is not liable for any exercise of its discretions referred to in this Prospectus;
- acknowledge the summary of key risks in Section 5 and that an investment in the Company is subject to risk, including the fact that the Company's Shares are currently in voluntary suspension and there is a risk that the New Shares may not be permitted by ASX for Reinstatement;
- are in compliance with all relevant laws and regulations (including, without limitation, section 1043A of the Corporations Act and laws and regulations designed to restrict terrorism financing and/or money laundering);

- acknowledge that the Securities have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdictions in the United States and accordingly, the Securities may not be offered or sold except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable US state securities laws;
- acknowledge that you have not and will not send this Prospectus or any other document relating to the Entitlement Offer to any person in the United States or elsewhere outside Australia and New Zealand;
- authorise the Company to register you as the holder(s) of New Shares (including any Additional New Shares) allotted to you;
- declare that you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under your Application Form (if you are a natural person);
- acknowledge that after the Company receives your payment of Application Monies through BPAY®, you may not withdraw your Application or funds provided except as allowed by law;
- authorise the Company, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares (including any Additional New Shares) to be issued to you, including to act on instructions of the Share Registry on using the contact details set out in your Application Form;
- acknowledge that neither the Company nor their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of the Company, nor do they guarantee the repayment of capital;
- agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Entitlement Offer and of your holding of Shares on the Record Date; and
- acknowledge and agree that determination of eligibility of investors for the purposes of the Entitlement Offer was made by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of the Company, and the Company and their respective related bodies corporate and affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise of that discretion to the maximum extent permitted by law.

2.14 Underwriting

The Entitlement Offer is not underwritten.

2.15 Custodians, trustees and nominees

Nominees and custodians who hold Shares as nominees or custodians will have received, or will shortly receive, a letter from the Company. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Entitlement Offer is not available to beneficiaries, on whose behalf they hold Shares, who would not satisfy the criteria for an Eligible Shareholder.

By submitting an Application on behalf of a Beneficiary, you certify that you are the custodian for the Beneficiary and the information contained in the Application Form is true and correct as at the date of the Application.

Nominees and custodians holding Shares on behalf of residents outside Australia and New Zealand may not send this Prospectus to persons, or apply for New Shares on behalf of beneficial shareholders, resident outside Australia and New Zealand. Payment by BPAY® or such other means will be taken to constitute a representation and warranty that there has been no breach of this restriction or applicable laws.

2.16 ASX Quotation and Reinstatement Conditions

Application for official quotation of the New Shares offered under this Prospectus has been made prior to, or will be made within seven days of, the date of this Prospectus. The fact that ASX may grant official quotation to the Securities is not to be taken in any way as an indication of the merits of the Company or the Securities offered for subscription.

If the New Shares are not admitted to Official Quotation by ASX before the expiration of three months after the date of this Prospectus, or such period as varied by ASIC, the Company will not issue any New Shares and will repay all Application Monies for the New Shares within the time prescribed under the Corporations Act, without interest.

The Company's Shares were subject to a trading halt on 21 July 2022 and have been suspended from trading since 25 July 2022. ASX has confirmed that the Company's Reinstatement will be conditional upon the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules.

Eligible Shareholders should be aware that ASX may grant Official Quotation for the New Shares issued under the Entitlement Offer prior to and without the Company having satisfied ASX's conditions for Reinstatement. If this occurs, then:

- the New Shares will not be freely tradeable due to the Company's Shares being voluntarily suspended from trading on ASX;
- recommencement of trading of the Company's Shares will be delayed until the Company is able to satisfy ASX's conditions for Reinstatement, including recompliance with Chapters 1 and 2 of the Listing Rules; and
- Eligible Shareholders will not be entitled to any refund for their New Shares issued under the Entitlement Offer.

In order to determine preliminary eligibility for Restatement, the Company is required to make an In-Principle Application to the ASX. As announced on 25 August 2022, the Company is conducting a process to sell down up to a 50% interest in the TM-REX Project. The timing of making the In-Principle Application will depend on a number of factors, including the progress of the sell down process for the TM-REX Project. Once it has reviewed the In-Principle Application, the ASX may impose other conditions in relation to Restatement, including, without limitation in relation to the TM-REX Project sell down process, a requirement for Shareholder approval and potentially for minimum capital funding.

The Company will keep Shareholders informed of the status of its suspension, the timing of submission of (and ASX's responses to) the In-Principle Application, and the progress of the proposed Reinstatement in accordance with its corporate governance policies and continuous disclosure requirements.

If the Company is unable to meet all of the conditions imposed by the ASX for Restatement and if ASX does not lift the suspension on trading of the Company's Shares, or the Company is otherwise delisted, the New Shares will remain not tradeable on the ASX.

The Company recommends Shareholders carefully consider the summary of key risks set out in Section 5 that could affect the performance of the Company, particularly with respect to the reinstatement to trading of its Shares on ASX.

2.17 Issue of New Shares

The issue of Securities under the Entitlement Offer will take place as soon as practicable after the Closing Date of each component of the Entitlement Offer.

The Company expects that the New Shares offered under the Entitlement Offer will be issued on 21 October 2022. These dates are subject to change at the absolute discretion of the Company.

Pending the issue of the Securities or payment of refunds under this Prospectus, all Application Monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

2.18 Defects in Applications

If an Application is not completed correctly or if the accompanying payment is for the wrong amount, the Company may, in its absolute discretion, still treat the Application to be valid. The Company's decision to treat an Application as valid, or how to construe, amend or complete it, will be final.

2.19 Refunds

Refunds under the Entitlement Offer may be paid under various circumstances. If a refund is made, payment will be by cheque mailed to your address as shown on the Company's share register or by deposit into your previously nominated bank account. You will not receive any interest on funds refunded to you.

2.20 Costs of participation

No brokerage, commissions or other transaction costs will be payable by Eligible Shareholders in respect of the Application for, and allotment of, Securities under the Entitlement Offer.

2.21 Applicants outside Australia

The distribution of this Prospectus outside of Australia and New Zealand may be restricted by law. This Entitlement Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

Refer to Section 6.10 for a summary of the selling restrictions applicable to the Entitlement Offer.

2.22 Modification and termination of the Entitlement Offer

The Company may modify or terminate the Entitlement Offer at any time including closing the Entitlement Offer early. The Company will notify the ASX of any modification to, or termination of, the Entitlement Offer. An omission to give notice of any modification to, or termination of, the Entitlement Offer or failure of ASX to receive such notice will not invalidate the modification or termination.

The Company may settle in any manner it thinks fit any difficulties, anomalies or disputes which may arise in connection with, or by reason of, the operation of the Entitlement

Offer, whether generally or in relation to any participant or application, and the decision of the Company will be conclusive and binding on all participants and other persons to whom the determination relates.

The Company reserves the right to waive strict compliance with any provision of the terms and conditions of this Prospectus. The powers of the Company under this Prospectus may be exercised by the Directors or any delegate of the Directors.

2.23 Rights and liabilities attaching to Shares

The New Shares to be issued pursuant to the Entitlement Offer are of the same class and will rank equally in all respects with the Existing Shares on issue. The rights and liabilities attaching to the New Shares are further described in Section 6.3.

2.24 CHESS and issuer sponsorship

The Company operates an electronic CHESS sub-register and an electronic issuer sponsored sub-register. These two sub-registers will make up the Company's register of Securities.

The Company will not issue a share certificate to a security holder. Rather, a holding statement (similar to a bank statement) will be dispatched to security holders as soon as practicable after issue of the New Shares the subject of the Entitlement Offer. The holding statement will be sent either by CHESS (if the security holder elects to hold the Securities on the CHESS sub-register) or by the Company's Share Registry (if the security holder elects to hold the New Shares on the issuer sponsored sub-register).

The statement will set out details of the Securities issued under this Prospectus and the Holder Identification Number (if the security holder elects to hold the New Shares on the CHESS sub register) or Shareholder Reference Number (if the security holder elects to hold the Securities on the issuer sponsored sub-register). Updated holding statements will also be sent to each security holder following the month in which the balance of their security holding changes, and also as required by the ASX Listing Rules and the Corporations Act.

2.25 Taxation

It is the responsibility of all Applicants to satisfy themselves of the particular taxation treatment that applies to them in relation to the Entitlement Offer, by consulting their own professional tax advisors. The Company and the Directors do not accept any liability or responsibility in respect of the taxation consequences of the matters referred to in this Prospectus.

2.26 Enquiries

This Prospectus is important and should be read in its entirety. Persons who are in any doubt as to the course of action to be followed should consult their stockbroker, solicitor, accountant or other professional advisor.

3. PURPOSE AND EFFECT OF THE ENTITLEMENT OFFER

3.1 Purpose of the Entitlement Offer

The Entitlement Offer is expected to raise gross proceeds of up to \$1.0 million before costs. The funds raised will be applied as described in the table below.

3.2 Use of funds

The Company intends to use the proceeds of the Entitlement Offer, together with its existing cash reserves (as disclosed in the Appendix 5B for the quarter ending 30 June 2022) as follows (assuming full subscription):

All amounts in the table below are in AUD.

SOURCES OF FUNDS	AMOUNT*		USE OF FUNDS	AMOUNT*
Cash at bank (30 June 2022)	\$1.3m		TM-REX project evaluation	\$1.25m
Placement proceeds*	\$0.6m		Sale process for TM-REX	\$0.5m
Offer proceeds**	\$1.0m		General working capital & other operating costs	\$1.11m
			Offer Costs	\$0.04m
Total	\$2.9m		Total	\$2.9m

Notes:

*Excludes the proposed participation by certain Directors under the terms of the Placement as announced on 24 August 2022, which is subject to shareholder approval at a General Meeting.

**Assumes full subscription under the Offers of \$1.0m.

The above represents a statement of the Company's current intentions as at the Prospectus Date. Investors should note that this may change depending on a number of strategic and operational considerations, regulatory developments, and market and general economic conditions.

Please refer to Section 6.6 for further details relating to the estimated expenses of the Entitlement Offer.

3.3 Effect of the Entitlement Offer

If the Entitlement Offer is fully subscribed, the Company expects that it will issue approximately 25,000,000 New Shares for total consideration of up to approximately \$1.0 million.

Accordingly, up to 25,000,000 New Shares may be issued under, or in connection with, the Entitlement Offer.

3.4 Effect of the Offers on capital structure

The table below illustrates the capital structure of the Company as at the Prospectus Date and on completion of the Entitlement Offer.

SHARES	NUMBER^{1,2}
<i>Shares on issue as at the Prospectus Date*</i>	315,512,504
<i>New Shares offered under the Entitlement Offer**</i>	25,000,000
<i>Total Shares on issue after completion of the Entitlement Offer**</i>	340,512,504

Notes:

* Excludes the proposed participation by certain Directors under the terms of the Placement as announced on 24 August 2022, which is subject to shareholder approval at a General Meeting.

**These numbers are indicative only. The capital structure of the Company may differ on completion of the Entitlement Offer to what is shown in the above table depending on the number of Applications received. Ignores impact of rounding.

Assuming no existing Options are exercised between the Prospectus Date and completion of the Entitlement Offer.

3.5 Effect on Shareholdings

The Entitlement Offer will have the effect of diluting the percentage Shareholdings of Shareholders who do not participate in the Entitlement Offer (including under the Top Up Facility). In particular:

- (a) Shareholders who do not take up their full pro rata entitlement under the Entitlement Offer will have their percentage Shareholding in the Company diluted following the issue of New Shares under the Entitlement Offer;
- (b) Shareholders who take up their full pro rata entitlement under the Entitlement Offer will maintain their percentage Shareholding under the Entitlement Offer;
- (c) Shareholders who take up their full pro rata entitlement under the Entitlement Offer and receive Additional New Shares under the Top Up Facility will increase their percentage Shareholding in the Company under the Entitlement Offer to the extent they receive Additional New Shares under the Top Up Facility; and
- (d) the proportional Shareholdings of Shareholders who are not resident in Australia or New Zealand (Ineligible Shareholders) will be diluted by the Entitlement Offer.

Examples on how the dilution may impact Shareholders is set out in the table below. The table assumes that the holders do not participate the Top Up Facility and that no options are exercised after the Prospectus Date and before completion of the Entitlement Offer.

Holder	Record Date holding	% holding at Record Date	% holding on completion of the Entitlement Offer	
			If Entitlement Offer is 100% accepted	If Entitlement Offer is not accepted
1	10,000,000	3.17%	3.17%	2.92%
2	5,000,000	1.58%	1.58%	1.46%
3	1,000,000	0.32%	0.32%	0.29%
4	250,000	0.08%	0.08%	0.07%

3.6 Dilutive effect of the issue of New Shares under this Prospectus

Assuming all of the New Shares are issued under Entitlement Offer, the Company will have on issue 340,512,504 Shares.

This number excludes the proposed allocation of 2,054,243 shares to certain Directors under the terms of the Placement as announced on 24 August 2022 and the proposed conversion of certain Directors' fees into 1,125,000 Shares as described in Section 6.6, both of which are subject to Shareholder approval at a General Meeting.

3.7 Effect of the Entitlement Offer on control of the Company

The Company has managed the Entitlement Offer such that it does not anticipate that the acquisition of New Shares by any Shareholder will result in any Shareholder obtaining a relevant interest in 20% or more of the Company's Shares. Accordingly, the Entitlement Offer are not expected to have a material effect on control of the Company.

3.8 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, there are currently 3 Shareholders which (together with their associates) have a relevant interest in 5% or more of the Shares on issue (see table below).

<i>Shareholder</i>	<i>Number of shares held at Record Date</i>	<i>% holding at Record Date</i>	<i>% holding if 100% of the Entitlement Offer is accepted</i>	<i>% holding if the Entitlement Offer is not accepted</i>
Regal Funds Management Pty Limited and its associates	45,402,814	14.39%	14.39%	13.33%
Ilwella Pty Ltd	36,689,218	11.63%	11.63%	10.77%

4. FINANCIAL INFORMATION

4.1 Historical and pro forma balance sheet

This Section 4 contains a summary of the historical financial information for Montem as at 30 June 2022 (**Historical Financial Information**) and a pro-forma historical statement of the financial position as at 26 September 2022 (**Pro Forma Historical Financial Information**) (collectively, **Financial Information**). The Financial Information has been prepared to illustrate the effect of the pro forma adjustments described in Section 4.3 below.

Assets	Reviewed as at 30 Jun 2022 \$m	Subsequent events \$m Note 1	Pro Forma adjustments \$m Note 2	Pro Forma 30 Sep 2022 \$m
Current assets				
Cash and cash equivalents	1.32	0.64	0.96	2.92
Trade and other receivables	0.07	-	-	0.07
Deposits and advances	0.01	-	-	0.01
Total current assets	1.40	0.64	0.96	3.00
Non-current assets				
Property, plant and equipment	0.72	-	-	0.72
Right-of-use assets	0.10	-	-	0.10
Exploration and evaluation	15.21	-	-	15.21
Non-current deposits	0.20	-	-	0.20
Total non-current assets	16.23	-	-	16.23
Total assets	17.63	0.64	0.96	19.23
Liabilities				
Current liabilities				
Trade and other payables	0.94	(0.18)	-	0.76
Borrowings	0.04	-	-	0.04
Lease liabilities	0.05	-	-	0.05
Employee benefits	0.17	-	-	0.17
Total current liabilities	1.21	(0.18)	-	1.03
Non-current liabilities				
Lease liabilities	0.04	-	-	0.04
Total non-current liabilities	0.04	-	-	0.04
Total liabilities	1.25	(0.18)	-	1.07
Net assets	16.37	0.82	0.96	18.16
Equity				
Issued capital	45.20	0.82	0.96	46.99
Reserves	4.71	-	-	4.71
Accumulated losses	(33.54)	-	-	33.54
Total equity	16.37	0.82	0.96	18.16

4.2 Basis of preparation for the Financial Information

The basis of preparation for the Historical Financial Information is in accordance with the company's accounting policies, as described in its financial reports, and the recognition and measurement principles of the Australian Accounting Standards.

The Historical Financial Information is based on the balance sheet as at 30 June 2022. These results are based on the previously released half-year financial results for the period ended 30 June 2022.

The stated basis of preparation for the Pro Forma Historical Financial Information is in a manner consistent with the recognition and measurement principles of the Australian Accounting Standards applied to the Historical Financial Information and the events or transactions to which the pro forma adjustments relate, as described in Section 4.3, as if those events or transactions had occurred as at 26 September 2022.

4.3 Pro forma adjustments

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information and has been prepared on the basis of the following pro forma adjustments:

Note 1: Subsequent events include

- The issue of 22,765,871 shares under the terms of the Placement at \$0.04 per share as announced on 24 August 2022, equating to approximately \$0.7 million of new capital and approximately A\$0.2 million of trade creditor conversion.
- This excludes 2,054,243 Shares proposed to be issued to certain Directors who participated in the Placement which is subject to Shareholder approval at a General Meeting of the Company.
- Expenses of the offer are deducted.

Note 2: Pro forma adjustments include

- the 25,000,000 New Shares issued under the Entitlement Offer (on a fully subscribed basis);
- Entitlement Offer occurred as at 26 September 2022 and raised gross proceeds of A\$1,000,000 (on a fully subscribed basis); and
- that the expenses of the Entitlement Offer are deducted.

The Pro Forma Historical Financial Information has been prepared to provide investors with information on the assets and liabilities of the Company and pro forma assets and liabilities of the Company. The Financial Information is presented in abbreviated form, insofar as it does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial statements.

5. RISK FACTORS

As with any share investment, there are risks associated with an investment in the Company. The numerous risk factors are both of a specific and general nature. Some can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated.

This Section 5 identifies and highlights some of the risks that potential investors should consider prior to entering into the investment opportunity referred to in this Prospectus. However, the following is not, and does not purport to be, a comprehensive statement of all relevant risks and is not listed in order of importance. Potential investors should seek their own financial or other professional advice in relation to the risks and must make their own assessment regarding an investment in the Company.

5.1 Trading and Delisting Risk

The Company's securities have been suspended from trading since 25 July 2022. ASX has confirmed that the Company's Reinstatement will be conditional upon the Company re-complying with Chapters 1 and 2 of the ASX Listing Rules.

Eligible Shareholders should be aware that ASX may grant Official Quotation for the New Shares issued under the Entitlement Offer prior to and without the Company having satisfied ASX's conditions for Reinstatement. If this occurs, then:

- the New Shares will not be freely tradeable due to the Company's Shares being voluntarily suspended from trading on ASX;
- recommencement of trading of the Company's Shares will be delayed until the Company is able to satisfy ASX's conditions for Reinstatement, including recompliance with Chapters 1 and 2 of the Listing Rules; and
- Eligible Shareholders will not be entitled to any refund for their New Shares issued under the Entitlement Offer.

In order to determine preliminary eligibility for Restatement, the Company is required to make an In-Principle Application to the ASX. As announced on [25 August] 2022, the Company is conducting a process to sell down up to a 50% interest in the TM-REX Project. The timing of making the In-Principle Application will depend on a number of factors, including the progress of the sell down process for the TM-REX Project. Once it has reviewed the In-Principle Application, the ASX may impose other conditions in relation to Restatement, including, without limitation, in relation to the TM-REX Project sell down process, a requirement for Shareholder approval and potentially for minimum capital funding.

5.2 Company Specific risks

Risk Category	Risk
Going Concern	The continuing viability of the Company and its ability to continue as a going concern and meet its debts and commitments as they fall due are significantly dependent upon a number of factors, including (a) meeting the conditions placed on the Company by the ASX for recommencement of trading in securities of the Company (b) the Company successfully completing the Entitlement Offer; (c) completion of further feasibility studies on the TM-REX Project; (d) completing the proposed sell-down of an interest in the TM-REX Project; (e) raising further capital to undertake its activities (as further discussed below).

Risk Category	Risk
Capital Raising	The Company's continued evaluation of the TM-Rex Project, the Tent Mountain Mine Restart Project and the Chinook Project requires ongoing capital. Although the directors currently believe that additional capital may be able to be obtained, no assurances can be made that appropriate capital funding, if and when needed, either by way of debt or equity, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend operations and this could have a material adverse effect on the Company's activities and could affect the Company's ability to continue as a going concern or remain solvent. Future capital raisings may be at a lower price than the price under the Entitlement Offer and may be dilutive to the Company's Shareholders.
Dilution	Security-holders who do not take up all of their entitlement under the Entitlement Offer will be diluted in their percentage security holding by not participating to the full extent in the Entitlement Offer. Security-holders may also have their investment diluted by future capital raisings by Montem.
Laws and regulations	The Company is subject to laws in various jurisdictions. Existing and future legislation, regulation and actions could cause additional expense, capital expenditure and restrictions and delays in the activities of the Company, the extent of which cannot be predicted. No assurance can be given that new laws, rules and regulations will not be enacted or existing laws, rules and regulations will not be applied in a manner which could limit or curtail certain of the Company's activities or services.
Alberta Regulations	The Government of Alberta announced in March 2022 that it will update the framework around which it manages its land and natural resources, referred to as land use planning. The Province's coal development policy will then be updated to reflect the updated land use planning framework. Until that update, The Company will be unable to conduct exploration and development activities in its Chinook and greenfield coal projects until the revised coal policy has been adopted. No assurance can be given that the Government of Alberta will revise the coal development policy in a timely manner or that the revised policy will allow the Company's projects to proceed. This does not affect the Tent Mountain mine restart project which was considered an advanced project that is able to continue through the permitting process.
Climate risk	<p>There are a number of climate-related factors that may affect the operations and proposed activities of the Company. The climate change risks particularly attributable to the Company include:</p> <p>(a) the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. The Company may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit amongst an array of possible restraints on industry that may further impact the Company and its profitability. While the</p>

Risk Category	Risk
	<p>Company will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that the Company will not be impacted by these occurrences; and</p> <p>(b) climate change may cause certain physical and environmental risks that cannot be predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which the Company operates.</p>
Indigenous Peoples' Considerations	<p>Montem's Projects may now or in the future be the subject of Indigenous Peoples land claims. The legal nature of these land claims is a matter of considerable complexity. The impact of any such claim on Montem's ownership interest in the properties cannot be predicted with any degree of certainty and no assurance can be given that a broad recognition of indigenous rights in the area in which the properties are located, by way of a negotiated settlement or judicial pronouncement, would not have an adverse effect on the Group's activities. Even in the absence of such recognition, Montem may at some point be required to negotiate with Indigenous Peoples to facilitate exploration and development work on its Projects.</p>
Approvals and Licences	<p>Montem does not have some key approvals necessary to undertake and re-establish mining at Tent Mountain and its other coal projects, to develop the TM-REX Project at Tent Mountain, or to connect the TM-REX Project to Alberta's electricity transmission system.</p> <p>Amendments to the current mining permit and to the environmental approval will be required, as well as other permits and operational licences. Obtaining necessary regulatory and environmental approvals may be delayed, more expensive than expected or not obtained at all. Failure to obtain, or delays in obtaining and maintaining approvals, mining permits, licences and easements required to develop and operate the Projects may materially adversely affect the Group's activities. In addition, such failure may impact the ability of the Group to meet certain payment obligations under the Purchase Agreement.</p>
Title Risk	<p>Other than the freehold titles that it owns, development of the Projects is dependent upon the maintenance (including renewal) of the crown coal lease agreements and mining permits in which the Group has an interest in. Maintenance of the Group's current and future crown coal lease agreements and mining permits is dependent on, among other things, the Group's ability to meet the licence conditions imposed by relevant authorities which, in turn, is dependent on the Group being sufficiently funded. Although the Company has no reason to think that the crown coal lease agreements in which it currently has an interest will not be renewed, there is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed by the relevant granting authority. These approvals or consents may not occur at all, or on a timely basis.</p>

Risk Category	Risk
	<p>The Alberta Leaseholds and BC Leasehold may be subject to cancellation as to all or part of the location specified in the lease agreement. Cancellation may occur at any time, upon the opinion of the responsible Minister that it is not in the public interest for further exploration for or development of the mineral within the location to which the agreement relates. Such cancellation is subject to the payment of compensation of the lessee's interest under the agreement, as determined in accordance with relevant regulations.</p> <p>Under the original purchase agreement with PMRU, Montem has mortgaged and charged all of its right, title and interest in its coal projects to PMRU, as continuing security for the due and timely payment of the outstanding purchase price for those assets. If additional capital is not raised as required and the Company defaults in payment of sums due under the Purchase Agreement then PMRU may enforce their security.</p>
Contractual and Counterparty Risk	<p>As with any contract, there is a risk that the business of the Group could be disrupted in situations where there is a disagreement or dispute in relation to terms of a material contract that the Group has entered into. Should such a disagreement or dispute occur, this may have an adverse impact on the Group's operations and performance generally. Further financial failure, default or contractual noncompliance on the part of third parties, such as suppliers, contractors and clients, may have a material impact on the Group's operations and performance.</p>
Key personnel and shortage of Skilled Labour	<p>The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.</p> <p>In addition, the successful development and commercialisation of the Projects will require a large number of personnel not currently employed by the Company. There is high demand from time to time for skilled workers in mining regions from competing operators. As such, there is a risk that the Company may not be able to identify and employ the skilled workers required for its future operations and this may adversely impact the Company's financial performance.</p>

5.3 Coal Industry specific risks

Risk Category	Risk
Reserve and Resource Estimates	<p>No assurance can be given that any estimated reserves and resources that are estimated by the Company will be recovered or that they will be recovered at the rates estimated. Mineral reserve and resource estimates are based on limited sampling, and, consequently, are uncertain because the samples may not be representative. Mineral reserve and resource estimates may require revision (either up or down) based on actual production experience. Furthermore, a decline in the market price for natural resources that the Company may discover or invest in could render reserves containing relatively</p>

Risk Category	Risk
	lower grades of these resources uneconomic to recover and may ultimately result in a restatement of reserves.
Exploration Resource Definition Stage	Some of Montem's projects are at the exploration and resource definition drilling stage only. Potential investors should understand that mineral exploration and subsequent development are high-risk undertakings. The prospects of the Company should be considered in light of the risks, expenses and difficulties frequently encountered by companies in their early stage of development. The business of mineral exploration, project development and mining, by its nature, contains elements of significant risk with no guarantee of success. There can be no assurance that the exploration activities will result in the discovery of further resources. Even if further mineral resource is identified, there is no certainty that it can be economically exploited.
Land and Infrastructure Access	<p>The Company holds a combination of its own freehold surface rights and lease agreements for Crownlands for its Projects. Access to and use of Crownlands located within a coal lease agreement with the Alberta Crown requires a mineral surface lease (MSL) which is obtained by application to the Alberta Energy Regulator. In applying for an MSL at the Tent Mountain Mine, Montem will need to seek the consent of any parties with third party interests. This may involve accommodating or compensating the third party for the potential impact to its interests. Such consents will also be required when applying for an MSL any other areas such as the Chinook Project.</p> <p>Coal produced from Montem's proposed mining operations is intended to be transported to customers by road, rail and sea. A number of factors could disrupt these transport services, including failure to secure access to roads, infrastructure, key equipment and infrastructure failures, weather-related problems and industrial action, thereby impairing the Company's ability to supply coal to customers. The Group does not own all of the surface land between the Tent Mountain Mine permit boundary and various potential points of access to the rail corridor.</p> <p>To date, no definitive agreements have been entered into for rail access. The Group will need to secure capacity on the rail systems from existing operators in order for the Group to secure sufficient capacity to meet its potential transport requirements. There is a risk that the Group will not be able to enter into arrangements on acceptable terms however railways in Canada have a common carrier obligation and are required by national statute to "furnish adequate and suitable accommodation for the carriage, unloading and delivering of the traffic". That statute also provides an arbitration remedy for "A shipper who is dissatisfied with the rate or rates charged or proposed to be charged by a carrier for the movement of good". If the Group cannot gain access to such infrastructure on acceptable terms, or increase rail and port capacity when needed, it could have a negative impact on the value of the Group.</p>
Environmental	The operations and proposed activities of the Company are subject to laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of

Risk Category	Risk
	<p>environmental obligation, including compliance with all environmental laws.</p> <p>Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as unpredictable rainfall or bushfires may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non- compliance with environmental laws or regulations.</p> <p>The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.</p> <p>Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.</p>
Mine development	<p>Possible future development of a mining operation at any of the Company's projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, weather, access to the required level of funding and contracting risk from third parties providing essential services.</p> <p>If the Company commences production, its operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement of hazardous weather conditions and fires, explosions or accidents. No assurance can be given that the Company will achieve commercial viability through the development or mining of its projects and treatment of ore.</p>
Insurance risks	<p>The business of the Company is subject to a number of risks and hazards generally, including industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, adverse environmental conditions, changes in the regulatory environment and natural phenomena such as extreme weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties, buildings, personal injury or death, environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability. It is not</p>

Risk Category	Risk
	<p>always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. In addition, there is a risk that an insurer defaults in the payment of a legitimate claim by the Company.</p>
<p>Commodity price and volatility and exchange rate risks</p>	<p>If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.</p> <p>Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Canadian and Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar, the Canadian dollar and the Australian dollar as determined in international markets.</p>
<p>Coal prices and commercialisation</p>	<p>There is a high degree of risk associated with the development and commercialisation of coal resources. Substantial changes to coal markets, coal prices and other macroeconomic factors including foreign exchange rates, could have an adverse impact on the commercial viability of exploiting coal reserves. This may result in the Company needing to defer or suspend some or all of its planned exploration and/or mining activities. The capital expenditure required to develop the Projects may differ from the expectations of the Company. In addition, actual operational costs may differ from estimates. Variations in capital or operational expenditure may result in material impacts on future profitability.</p>
<p>Selenium</p>	<p>The rocks of the coal bearing Mist Mountain Formation contain selenium. Potential run-off water from mine overburden can contain elevated selenium levels. Historical large-scale open-cut mining in the Elk Valley (British Columbia) has resulted in elevated selenium levels in mine run-off water which enters the Elk River. Current mining operations in British Columbia are required to implement mitigation strategies to manage potential selenium enriched run-off water. The Tent Mountain BC tenement is located in the Elk River catchment and any future development of this tenement will require the development of a selenium leachate management plan. Similarly, a selenium leachate management plan will be required for the Albertan portion of Tent Mountain mine, and for any proposed development of the other Chinook Project. Operational impacts may occur due to implementation of selenium leachate management plans for the Projects, and these may increase the cost of coal production.</p>

Risk Category	Risk
Coal Product Risk	There is a risk that any coal identified may not be of sufficient quality to develop commercial mining operations, which could have an adverse impact on the Company. There are also risks that actual coal products produced and sold will differ from the Company's expectations.
Coal Regulation	The coal industry is regulated. Extensive federal, provincial, local and foreign laws and regulations relating to the exploration for and development, production, gathering and marketing of coal will affect the Company's operations. Compliance with altered regulation may increase costs. There can be no assurance that all permits that the Company requires for future, exploration, development, construction and operation of mining facilities and the conduct of mining operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on the operations of the Company.
Occupational Health and Safety	Mining activities have inherent risks and hazards, and the mining industry has become subject to increasing occupational health and safety responsibility and liability. There is potential liability for the Company under occupational health and safety regulations under normal business operations, and in the case of accident.

5.4 TM-REX Project risks

Risk Category	Risk
Sell Down Proposal	The Company has announced a plan to sell down up to a 50% interest in the TM-REX Project. There is no certainty that the Company will achieve this sell done, or what terms the Company may receive for the interest sold.
Early Stage Assessment	The engineering studies relating to the TM-REX Project and hydrogen projects are preliminary in nature. No decision has been made to proceed with those Projects and no assurances can be given that the Company will achieve the operating and capital cost projections from those studies.
Geotechnical and Ground Stability	Due to Tent Mountain being a historical mine site, there are areas which may be impacted from previous blasting and waste rock impoundments. No assurances can be given that project capital and operating costs will not be adversely affected in future by unexpected geotechnical conditions.
Relations with Indigenous People	Collaborative relations with Indigenous People within whose traditional territories the TM-REX Project is situated are key to project approval and can cause delays if not achieved on a timely basis. No assurances can be given that support from Indigenous People will be sufficient to avoid project delays or unexpected cost increases.
Stakeholder Relations	Project delays can occur absent support from local communications and other stakeholders. No assurance can be provided that

Risk Category	Risk
	stakeholder support will be sufficient to avoid project delays or unexpected cost increases.
Interconnection to Alberta Electricity Grid	The TM-REX Project is reliant on the ability to connect to the Alberta power grid. The process to connect is underway, with the AESO having registered the TM-REX as a project. There remains a significant process to enable the connection, and this is a critical path timeline for the project. Delay in the interconnection will delay the project. Costs for the interconnection are being quoted by third parties and are subject to market forces. No assurance can be provided that the Company can avoid unexpected interconnection timing delays and unexpected cost increases.
Revenue	Montem has sought third party advice for the Alberta electricity market and used multiple potential electricity market development scenarios and the resulting revenue projections for economic modelling. No assurances can be provided regarding the accuracy of projected electric power selling prices.
Regulatory Approval Timing	The renewable energy projects require Provincial and possibly Federal regulatory permits and licenses. Project delays can occur due to uncertainty in the timing of regulatory approvals.
Land Access	Access to public lands is required to develop the TM-REX. No assurances can be provided that access to public lands will be provided on a timely basis.
Water Rights	The TM-REX Project falls within a region of Southern Alberta that is a closed watershed where no new water allocations will be made. TM-REX requires a Water Act approval to utilize the existing water in Pit 4. No assurances can be provided that water rights approvals will be granted in a timely manner.
Constructing Costs	TM-REX is a large infrastructure project requiring significant construction. Construction costs and timing are subject to market forces and costs could be higher than expected and timing delays could occur. If a decision to proceed is made, no assurances can be given that the Company will raise the necessary capital costs for construction.
Project funding	Montem does not currently have the necessary funding to complete FEED and permitting, as well as the required development capital. If a decision is made to proceed, Project delays could occur as a result of failure by the Company to secure funding in a timely manner.

5.5 General risks

Risk Category	Risk
Trading Price of Shares	The Company's operating results, economic and financial prospects and other factors will affect the trading price of the Shares. In addition, the price of Shares is subject to varied and often unpredictable influences on the market for equities, including, but not limited to general economic conditions including, inflation rates and interest rates, variations in the

Risk Category	Risk
	<p>general market for listed stocks, changes to government policy, legislation or regulation, industrial disputes, general operational and business risks and hedging or arbitrage trading activity that may develop involving the Shares.</p> <p>In particular, the share prices for many companies have been and may in the future be highly volatile, which in many cases may reflect a diverse range of non-company specific influences such as global hostilities and tensions relating to certain unstable regions of the world, acts of terrorism and the general state of the global economy. No assurances can be made that the Company's market performance will not be adversely affected by any such market fluctuations or factors.</p>
COVID-19 risk	<p>The outbreak of the coronavirus disease (COVID-19) continue to impact global economic markets. The precise effect of continuous COVID-19 outbreaks on the performance of the Company is unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.</p> <p>In addition, the effects of COVID-19 on the Company's Share price and global financial markets generally may also affect the Company's ability to raise equity or debt or require the Company to issue capital at a discount, which may in turn cause dilution to Shareholders.</p>
Ukraine / Russia	<p>The current evolving conflict between Ukraine and Russia (Ukraine Conflict) is impacting global economic markets. The nature and extent of the effect of the Ukraine Conflict on the performance of the Company remains unknown. Following reinstatement to the Official List, the Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by the Ukraine Conflict.</p>
Litigation Risks and Activism	<p>Legal proceedings or disruption from interest groups may also arise from time to time in the course of the business of the Company. Legal proceedings brought by third parties including but not limited to customers, business partners, lobbyists or employees could negatively impact the business, including where protestors block access and cause disruption to operations. Any such claim or dispute if proven in a legal proceeding may impact adversely on the Company's operation, financial performance and financial position. Neither the Company, nor any of its subsidiaries, are currently engaged in any litigation.</p>
Economic Risks	<p>General economic conditions, movements in interest and inflation rates may have an adverse effect on the Company's activities, as well as on its ability to fund those activities.</p> <p>Further, share market conditions may affect the value of the Company's securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:</p> <ol style="list-style-type: none"> (1) general economic outlook; (2) interest rates and inflation rates;

Risk Category	Risk
	<p>(3) currency fluctuations;</p> <p>(4) changes in investor sentiment toward particular market sectors (such as the exploration industry or the lithium sector within that industry);</p> <p>(5) the demand for, and supply of, capital; and</p> <p>(6) terrorism or other hostilities.</p>
Force Majeure	<p>The Company, now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, extreme weather conditions, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.</p>
Competition	<p>The energy and resources industry is subject to domestic and global competition, particularly in the current climate of depressed commodity prices. The Company will have no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of the Company's assets and business.</p>
Taxation	<p>The acquisition and disposal of securities will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring securities from a taxation viewpoint and generally.</p>

6. ADDITIONAL INFORMATION

6.1 Continuous disclosure obligations

As the Company is admitted to the Official List, the Company is a 'disclosing entity' for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose to the market any information it has which a reasonable person would expect to have a material effect on the price or the value of the Company's securities.

Price sensitive information is publicly released through the ASX before it is disclosed to Shareholders and market participants. Distribution of other information to Shareholders and market participants is also managed through disclosure to the ASX. In addition, the Company posts information on its website after the ASX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

In accordance with section 713 of the Corporations Act, the Company is entitled to issue a 'transaction-specific' prospectus in respect of the Entitlement Offer. In general terms, a 'transaction-specific prospectus' is only required to contain information in relation to the effect of the issue of securities on the Company and the rights and liabilities attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position and performance, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

As a disclosing entity under the Corporations Act, the Company states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial report of the Company for the financial year ended 30 June 2021;
 - (ii) any half-year financial report of the Company lodged with ASIC after the lodgement of the annual financial report referred to in paragraph (i) above and before the lodgement of this Prospectus with ASIC; and
 - (iii) all continuous disclosure notices given by the Company after the lodgement of the annual financial report referred to in paragraph (i) above and before the lodgement of this Prospectus with ASIC (see below).

There is no information which has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules that investors or their professional advisers:

- (a) would reasonably require for the purpose of making an informed assessment of;
- (b) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company;
- (c) the rights and liabilities attaching to the securities the subject of this Prospectus; and,
- (d) would reasonably expect to find in this Prospectus.

This Prospectus contains information specific to the Entitlement Offer. If investors require further information in relation to the Company, they are recommended to take advantage of the opportunity to inspect or obtain copies of the documents referred to above.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report on 29 March 2022 and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
28/09/2022	Change of Director's Interest Notice – Peter Doyle
28/09/2022	Notification of cessation of securities – MR1
15/09/2022	Notification of Release of Securities from Escrow
13/09/2022	Half Year Report
7/09/2022	Notification of Release of Securities from Escrow
31/08/2022	Change in substantial holding
29/08/2022	Application for quotation of securities – MR1
25/08/2022	Cleansing Prospectus
24/08/2022	Proposed issue of securities – MR1
24/08/2022	Montem Successfully Undertakes Placement of approx. \$1million
22/08/2022	Voluntary Suspension Update
16/08/2022	Extension to Voluntary Suspension
05/08/2022	Extension to Voluntary Suspension
29/07/2022	Quarterly Activities and Cashflow Report
26/07/2022	TM-REX Pre-Feasibility Presentation
26/07/2022	MR1 Pre-Feasibility Studies Results

Date	Description of Announcement
25/07/2022	Suspension from trading
21/07/2022	Trading Halt
21/07/2022	Pause in Trading
05/07/2022	Change of Director's Interest Notice – M Lochtenberg – P Doyle – R Tindall – S Henderson – W Souter
05/07/2022	Notification of cessation of securities – MR1
07/06/2022	Change in substantial holding – Regal Funds Management Pty Limited and its associates
25/05/2022	Results of Annual General Meeting
25/05/2022	AGM Presentation
22/04/2022	Notice of Annual General Meeting/Proxy Form
19/04/2022	Montem enters MOU with Invest Alberta to establish TM-REX
12/04/2022	Quarterly Activities and Cashflow Report
07/04/2022	Ceasing to be a substantial holder – Robert James Tindall and associated entities
07/04/2022	Change of Director's Interest Notice – Robert Tindall
04/04/2022	Change of Director's Interest Notice – Mark Lochtenberg
04/04/2022	Application for quotation of securities – MR1
04/04/2022	Section 708A Cleansing Statement
29/03/2022	Appendix 4G and Corporate Governance Statement
29/03/2022	Annual Statement 2021

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website at www.montem-resources.com.

6.2 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Securities are enhanced disclosure securities quoted on ASX.

The Company's shares have been suspended from trading on the ASX since 25 July 2022. Accordingly, there has been no trading in the Company's shares since that date. The last sale price before the Company was suspended from trading and lodgement of this Prospectus with ASIC was \$0.04 per Share on 25 July 2022.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with ASIC on 29 September 2022 and the respective dates of those sales were:

	(\$)	Date
Highest	\$0.04	20 July 2022
Lowest	\$0.022	27-28 June 2022
Last	\$0.04	20 July 2022

6.3 Litigation

The Company has initiated proceedings against Mountaineer Met Holdings LLC to recover the costs of US\$300,000 (being approximately A\$461,467 at an exchange rate of A\$1:US\$0.6501 being the Reserve Bank of Australia exchange rate published as at 27 September 2022, the last practical date prior to finalising this Prospectus) and other related costs.

Other than as mentioned above, the Company is not currently engaged in any litigation and, as at the date of this Prospectus, the Directors are not aware of any legal proceedings pending or threatened against, or any material legal proceedings affecting, the Company.

6.4 Rights and liabilities attaching to the Shares

The following is a general description of some of the significant rights, liabilities and obligations attaching to the Shares. This summary is not exhaustive. Full details of provisions relating to rights attaching to the Shares are contained in the Corporations Act, ASX Listing Rules and the Constitution (a copy of which is available for inspection at the Company's registered office during normal business hours and on the Company's website at www.motem-resources.com).

(a) Meeting of Members

Each Shareholder is entitled to receive notice of and, except in certain circumstances, to attend and vote at general meetings of the Company and receive all financial statements, notices and other documents required to be sent to shareholders under the Constitution, the Corporations Act and the ASX Listing Rules. At least 28 days' notice of a meeting must be given to Shareholders.

(b) Voting at a General Meeting

At a General Meeting of the Company, every Shareholder present in person or by proxy, attorney or representative has (a) on a show of hands, one vote and (b) on a poll, one vote for each Share held. On a poll, every member (or their proxy, attorney or representative) is entitled to vote for each fully paid share held and in respect of each partly paid Share, is entitled to a fraction of a vote equivalent to the proportion which the amount paid up (not credited) on that partly paid Share bears to the total amounts paid and payable (excluding amounts credited) on that Share. Amounts paid in advance of a call are ignored when calculating the proportion.

(c) **Ranking of Shares**

At the date of this Prospectus, all shares are of the same class and rank equally in all respects. Specifically, the Shares issued under this Prospectus will rank equally with the Company's existing Shares.

(d) **Variation of class rights**

Subject to the Corporations Act and the terms of issue of a class of shares, wherever the capital of the Company is divided into different classes of shares, the rights attached to any class of shares may be varied:

- (i) with the written consent of the holders of at least 75% of the issued shares in the particular class; or
- (ii) by a special resolution passed at a separate meeting of the holders of shares in that class.

(e) **Dividend rights**

The Board may declare or determine that a dividend is payable on Shares. The Board may fix the amount of the dividend, the time for determining entitlements to the dividend, the time for the payment of the dividend and the method of payment of the dividend. If a dividend is declared or determined to be payable, Shareholders will be entitled to dividends, distributed among members in proportion to the capital paid up, from the date of payment.

(f) **Transfer of Shares**

Shares can be transferred by a proper instrument of transfer. The instrument of transfer must be in writing or any other form approved by the Directors, and signed by the transferor and the transferee. Except where the operating rules of an applicable CS facility licensee, being the ASTC Operating Rules provide otherwise, until the transferee has been registered, the transferor is deemed to remain the holder of the Shares, even after signing the instrument of transfer.

In some circumstances, the Directors may refuse to register a transfer if on registration the transferee will hold less than a marketable parcel. The Board may refuse to register a transfer of shares on which the Company has a lien.

(g) **Rights on winding up**

If the Company is wound up, the liquidator may with the sanction of a special resolution, divide the assets of the Company amongst Shareholders as the liquidator sees fit. The liquidator may not require a Shareholder to accept any Shares or other securities in respect of which there is any liability.

6.5 Interests of Directors, experts and advisors

(a) Other than as set out below or elsewhere in this Prospectus, no:

- (i) Director or proposed Director;
- (ii) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (iii) promoter of the Company; or

- (iv) financial services licensee named in this Prospectus as a financial services licensee involved in the Offers,

holds, or has held within 2 years before the date of this Prospectus, any interest in the Offers or in the formation or promotion of, or in any property acquired or proposed to be acquired by, the Company in connection with its formation or promotion or the Offers.

- (b) Other than as set out in Section 6.5 or elsewhere in the Prospectus, no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given:

- (i) to a Director or proposed Director to induce him to become, or to qualify him as, a director of the Company; or
- (ii) for services provided in connection with the formation or promotion of the Company or the Offers by any Director or proposed Director, any person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus, any promoter of the Company, or any underwriter or financial services licensee named in this Prospectus as an underwriter or financial services licensee involved in the Offers.

6.6 Details of interests

(a) Directors' security holdings

The relevant interests of the Directors in securities of the Company as at the Prospectus Date are as follows:

Director	Shares	Options and Performance Rights
Peter Doyle	3,569,728 Fully Paid Ordinary Shares ¹	<ul style="list-style-type: none"> 233,463 Unlisted Options exercisable at \$0.63, expiring 12 January 2023 233,463 Unlisted Options exercisable at \$0.75, expiring 31 December 2023 233,463 Unlisted Options exercisable at \$1.00, expiring 31 December 2024 233,463 Unlisted Options exercisable at \$0.31, expiring on 28 May 2026 233,463 Unlisted Options exercisable at \$0.37, expiring on 28 May 2026 233,463 Unlisted Options exercisable at \$0.50, expiring on 28 May 2026 1,200,389 Performance Rights expiring 1 June 2023 1,000,000 Performance Rights expiring 30 June 2023

Director	Shares	Options and Performance Rights
Mark Lochtenberg	11,723,330 Fully Paid Ordinary Shares ²	<ul style="list-style-type: none"> • 58,366 Unlisted Options exercisable at \$0.63, expiring 12 January 2023 • 58,366 Unlisted Options exercisable at \$0.75, expiring 31 December 2023 • 58,365 Unlisted Options exercisable at \$1.00, expiring 31 December 2024 • 58,366 Unlisted Options exercisable at \$0.31, expiring on 28 May 2026 • 58,366 Unlisted Options exercisable at \$0.37, expiring on 28 May 2026 • 58,365 Unlisted Options exercisable at \$0.50, expiring on 28 May 2026 • 87,500 Performance Rights expiring 30 June 2023 • 175,000 Performance expiring 1 June 2023
Rob Tindall	5,320,260 Fully Paid Ordinary Shares ³	<ul style="list-style-type: none"> • 155,642 Unlisted Options exercisable at \$0.63, expiring 12 January 2023 • 155,642 Unlisted Options exercisable at \$0.75, expiring 31 December 2023 • 155,642 Unlisted Options exercisable at \$1.00, expiring 31 December 2024 • 591,926 Performance Rights expiring 1 June 2023 62,500 Performance Rights expiring 30 June 2023 • 155,642 Unlisted Options exercisable at \$0.31, expiring on 28. May 2026 • 155,642 Unlisted Options exercisable at \$0.37, expiring on 28 May 2026 • 155,642 Unlisted Options exercisable at \$0.50, expiring on 28 May 2026 • 591,926 Performance Rights expiring 1 June 2023 • 62,500 Performance Rights expiring 30 June 2023
Susie Henderson	368,431 Fully Paid Ordinary Shares ⁴	<ul style="list-style-type: none"> • 58,366 Unlisted Options exercisable at \$0.63, expiring 12 January 2023 • 58,366 Unlisted Options exercisable at \$0.75, expiring 31 December 2023 • 58,365 Unlisted Options exercisable at \$1.00, expiring 31 December 2024 • Unlisted Options exercisable at \$0.31, expiring on 28 May 2026 • 58,366 Unlisted Options exercisable at \$0.37, expiring on 28 May 2026 • 58,365 Unlisted Options exercisable at \$0.50, expiring on 28 May 2026 • 300,097 Performance Rights expiring 1 June 2023 • 62,500 Performance Rights expiring 30 June 2023
Will Souter	341,763 Fully Paid Ordinary Share ⁵	<ul style="list-style-type: none"> • 58,366 Unlisted Options exercisable at \$0.63, expiring 12 January 2023

Director	Shares	Options and Performance Rights
		<ul style="list-style-type: none"> • 58,366 Unlisted Options exercisable at \$0.75, expiring 31 December 2023 • 58,365 Unlisted Options exercisable at \$1.00, expiring 31 December 2024 • 58,366 Unlisted Options exercisable at \$0.31, expiring on 28 May 2026 • 58,366 Unlisted Options exercisable at \$0.37, expiring on 28 May 2026 • 58,365 Unlisted Options exercisable at \$0.50, expiring on 28 May 2026 • 300,097 Performance Rights expiring 1 June 2023 • 62,500 Performance Rights expiring 30 June 2023

Notes:

1. 5,741,176 shares indirectly held by Rigi Investments Pty Ltd <The Cape> and 5,982,154 shares held by Mark and Michael Lochtenberg <Rigi Superannuation Fund A/C>. In addition, Mr Lochtenberg has proposed to participate in the Placement to subscribe for 1,500,000 ordinary shares which remains subject to Shareholder approval at a General Meeting.
2. Shares indirectly held by Armarna Too Pty Ltd <Armarna Too Trust>. In addition, Mr Doyle has proposed to participate in the Placement by converting C\$19,847.57 in accrued salary entitlements to subscribe for 554,243 Shares which remains subject to Shareholder approval at a General Meeting.
3. 466,926 indirectly held by Robert Tindall, Carolyn Tindall & Christine Tindall.
4. Shares indirectly held by Please Murray Pty Ltd <Henderson Ashton Family A/C>. In addition, Ms Henderson intends to subscribe for additional Shares by seeking shareholder approval at a General Meeting to convert her June and September 2022 quarter Director Fees of \$22,500 into 562,500 Shares at \$0.04 per Share being the same price as the Entitlement Offer.
5. Shares indirectly held by Souter Family Holdings Pty Limited. In addition, Mr Souter intends to subscribe for additional Shares by seeking shareholder approval at a General Meeting to convert his June and September 2022 quarter Director fees of \$22,500 into 562,500 Shares at \$0.04 per Share being the same price as the Entitlement Offer.

(b) Directors' participation in the Entitlement Offer

Eligible Directors may choose to take up their entitlements in full or in part under the Entitlement Offer. No Additional New Shares will be allocated to Directors or related parties of the Company or any of their associates.

(c) Director's remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is determined by ordinary resolution of Shareholders in General Meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$500,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a

Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the annual remuneration paid to both executive and non-executive Directors inclusive of superannuation for the past financial year and the proposed remuneration for financial year 2022.

	Financial Year 2022 (Proposed)	Financial Year 2021 (Actual)
Mark Lochtenberg	\$100,000	\$100,000
Peter Doyle ¹	\$536,180	\$586,944
Robert Tindall	\$60,000	\$60,000
Susan Henderson	\$45,000	\$45,000
William Souter	\$45,000	\$45,000

Notes:

1. Mr Doyle receives annual remuneration of C\$476,342 (inc statutory and other required deductions). FY21 includes prior year contributions towards Registered Retirement Savings Plan. Applying an AUD/CAD exchange rate of A\$1.00: C\$0.8884, being the Reserve Bank of Australia exchange rate published as at 27 September 2022 the last practical date prior to the date of this Prospectus.

(b) Related party arrangements

Not applicable.

6.7 Expenses of the Offer

The total expenses of the Entitlement Offer are estimated to be approximately \$35,063 (excluding GST), the table below sets out the breakdown of these expenses:

Item	Amount (AUD) \$'000
ASX and ASIC fees	\$8,402
Denton's legal fees	\$20,000
Registry and printing fees	\$6,661
Total Fees	\$35,063

6.8 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, the persons named in the Prospectus with their consent as proposed directors, any underwriters, persons named in the Prospectus with their consent having made a statement in the Prospectus and persons involved in a contravention in relation to the Prospectus, with regard to misleading and deceptive statements made in the Prospectus. Although the Company bears primary responsibility

for the Prospectus, the other parties involved in the preparation of the Prospectus can also be responsible for certain statements made in it.

(a) Consenting parties

Denton's has given and has not, before lodgement of this Prospectus, withdrawn its written consent to be named in this Prospectus as legal adviser to the Company in respect of the Entitlement Offer in the form and context in which it is named.

Automic Pty Limited has given and has not, before lodgement of this Prospectus, withdrawn its written consent to be named in this Prospectus as share registry to the Company in respect of the Entitlement Offer in the form and context in which it is named.

(b) Basis of consents

Each of the persons named as providing consents above:

- (i) did not authorise or cause the issue of this Prospectus;
- (ii) does not make, or purport to make, any statement in this Prospectus nor is any statement in this Prospectus based on any statement by any of those parties other than as specified in this Section 6.8 and
- (iii) to the maximum extent permitted by law, expressly disclaims any responsibility or liability for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with the consent of that party as specified in this Section 6.8.

6.9 Governing law

The information in this Prospectus, the Entitlement Offer, and the contracts formed on acceptance of the Application Forms are governed by the law applicable in Victoria, Australia. Any person who applies for Securities under the Entitlement Offer submits to the non-exclusive jurisdiction of the courts of Victoria, Australia.

6.10 Selling Restrictions

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register or qualify the Securities or to otherwise permit a public offering of Securities, in any jurisdiction outside Australia or New Zealand. The distribution of this Prospectus outside Australia may be restricted by law and persons who come into possession of this Prospectus outside Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

This Prospectus may not be distributed to, or relied upon by, any person in the United States. In particular, none of the Securities have been and will not be, registered under the US Securities Act of 1933 (US Securities Act) or the securities laws of any state of the United States and may not be offered or sold in the United States unless the New Shares are registered under the US Securities Act, or are offered or sold in a transaction exempt from, or not subject to the registration requirements of the US Securities Act and applicable US state securities laws.

New Zealand

The Securities are not being offered to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of these Securities is being

made in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Hong Kong

This Prospectus has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (**SFO**). No action has been taken in Hong Kong to authorise or register this Prospectus or to permit the distribution of this Prospectus or any documents issued in connection with it. No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the New Shares that are or are intended to be offered to persons outside Hong Kong. The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. This Prospectus may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever in Hong Kong. Any forwarding, distribution or reproduction of this [Document] in whole or in part is unauthorized under Hong Kong securities law. You are advised to exercise caution in relation to the Entitlement Offer. If you are in any doubt about any of the contents of this Prospectus, you should obtain independent professional advice

UK

Neither this Prospectus nor any other document relating to the Entitlement Offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (FSMA)) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this Prospectus or any other document, except in circumstances that do not require the publication of the prospectus under section 86(1) of the GSMA. This Prospectus is issued on a confidential basis in the United Kingdom to fewer than 150 persons who are existing Shareholders. This Prospectus may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the GSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (FPO), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together “relevant persons”). The investment to which this Prospectus relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this Prospectus.

7. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

Signed for and on behalf of the Company on 29 September 2022.



Mr Mark Lochtenberg

Chairman
Montem Resources Limited

8. DEFINITIONS

Definitions used in this Prospectus are as follows:

\$ means the lawful currency of the Commonwealth of Australia.

Additional New Shares means New Shares subscribed for by Eligible Shareholders in excess of their Entitlement under the Entitlement Offer, under the Top Up Facility at the issue price of \$0.04 being the price at which the New Shares have been offered under the Entitlement Offer.

Applicant means a person who submits an Application.

Application means payment of Application Monies by BPAY® or, for New Zealand Eligible Shareholders or other non-Australian resident Eligible Shareholders, by electronic funds transfer or such other means as advised by the Share Registry.

Application Amount means the dollar value of any application to participate in the Entitlement Offer.

Application Form means the personalised application form included in or accompanying this Prospectus for participation in the Entitlement Offer.

Application Monies means monies equal to the value of New Shares at the Offer Price applied for by an Eligible Shareholder under the Entitlement Offer.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691 or the financial market known as the 'Australian Securities Exchange' operated by it, as the context requires.

ASX Listing Rules means the official listing rules of the ASX as amended or waived.

ASTC Operating Rules means the operating rules of ASTC in its capacity as a CS facility licensee, except to the extent of any relief given by ASTC in their application to the Company.

AUD means Australian Dollars.

Australian Accounting Standards means the Australian accounting standards issued by the Australian Accounting Standards Board.

Beneficiary means a person who resides in either Australia or New Zealand for whom a custodian (being an Eligible Shareholder) held Shares on behalf of on the Record Date, and who is not, or is not acting for the account or benefit of, a U.S. Person.

Board means the board of Directors of the Company.

Chair means the Chair of the Board.

CHESS means Clearing House Electronic Subregister System operated by ASX Settlement Pty Limited (ABN 49 008 504 532).

Closing Date means the date that the Entitlement Offer closes which is 5.00pm (AEST) on 18 October 2022 or such other time and date as the Directors determine, being the last day on which Applications will be accepted under that offer.

Company or **Montem** means Montem Resources Limited ACN 623 236 831.

Constitution means the constitution of the Company.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Eligible Shareholder has the meaning given in Section 2.5.

Entitlement means the right to subscribe for 1 New Share for each 12.62 Existing Shares at a price of \$0.04 per share held by Eligible Shareholders on the Record Date, in accordance with the Entitlement Offer.

Entitlement Offer means the offer of New Shares to Eligible Shareholders under this Prospectus, including under the Top Up Facility.

Existing Shares means Shares on issue at the Record Date.

Financial Information means the Historical Financial and Pro Forma Historical Financial Information contained in Section 4.

In-Principle Application means an in principle application to the ASX for Reinstatement in the prescribed form.

Ineligible Shareholder has the meaning given in Section 2.5.

New Shares means the new Shares offered under the Entitlement Offer.

Offer Period means the period commencing on the Opening Date and ending on the Closing Date.

Offer Price means the offer price of \$0.04 per New Share under the Entitlement Offer.

Official List means the official list of the ASX.

Official Quotation means the quotation of Shares on the Official List.

Opening Date means the day that the Entitlement Offer opens, being 6 October 2022.

Prospectus means this prospectus dated 29 September 2022 and lodged with ASIC on that date, including any supplementary or replacement prospectus in relation to this prospectus.

Record Date means 5.00pm (AEST) on 4 October 2022, being the date on which Eligible Shareholders who are permitted to participate in the Entitlement Offer are determined.

Restatement means the Company's Shares recommencing trading on ASX.

Section means a section of this Prospectus.

Securities means the New Shares offered under this Prospectus.

Share means a fully paid ordinary share in the capital of the Company.

Share Registry means Automic Pty Limited.

Shareholder means a holder of at least one Share.

Shortfall Offer has the meaning given in Section 2.7.

Shortfall Shares means those New Shares not taken up by Eligible Shareholders under the Entitlement Offer (including after completion of the Top Up Facility), together with the New Shares to which Ineligible Shareholders would otherwise have been entitled.

TM-REX Project means the potential Tent Mountain Renewable Energy Complex as described in the Company's announcement of 26 July 2022.

Top Up Facility has the meaning given in Section 2.6.

US Securities Act means the United States Securities Act of 1933, as amended.

CORPORATE DIRECTORY

Directors

Mr Peter Doyle (Managing Director and Chief Executive Officer)
Mr Mark Lochtenberg (Non-Executive Chair)
Ms Susie Henderson (Non-Executive Director)
Mr Will Souter (Non-Executive Director)
Mr. Robert Tindall (Non-Executive Director)

Company Secretary

Ms Melanie Leydin (Company Secretary and Chief Financial Officer)

Registered Office

Level 4, 100 Albert Road
South Melbourne, VIC 3205

Share Registry

Automic Pty Ltd
GPO Box 5193, Sydney NSW 2001
Email: corporate.actions@automicgroup.com.au

Legal Adviser

Dentons Australia Limited
Level 43 Bourke Place
600 Bourke Street, Melbourne
Victoria 3000 Australia