

# Appendix 4G

## Key to Disclosures

### Corporate Governance Council Principles and Recommendations

Name of entity

|                     |
|---------------------|
| Otto Energy Limited |
|---------------------|

ABN/ARBN

|                |
|----------------|
| 56 107 555 046 |
|----------------|

Financial year ended:

|              |
|--------------|
| 30 June 2022 |
|--------------|

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

- These pages of our annual report:
- This URL on our website: <https://ottoenergy.com/corporate-governance/>

The Corporate Governance Statement is accurate and up to date as at 14 October 2022 and has been approved by the board.

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

Date: 14 October 2022

Name of authorised officer authorising lodgement: Kaitlin Smith

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

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

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

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

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

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

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

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

## ANNEXURE – KEY TO CORPORATE GOVERNANCE DISCLOSURES

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

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

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

Key to Disclosures Corporate Governance Council Principles and Recommendations

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

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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|---|--|---|---|
| <b>PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS</b> |  |   |   |
| 4.1   | <p>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <p>(1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, who is not the chair of the board,</p> <p>and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the relevant qualifications and experience of the members of the committee; and</p> <p>(5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p> | <p><input checked="" type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at: <a href="https://ottoenergy.com/corporate-governance/">https://ottoenergy.com/corporate-governance/</a></p> <p>and the information referred to in paragraphs (4) and (5) at: Corporate Governance Statement and Annual Report</p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p> |
| 4.2   | <p>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>   | <p><input checked="" type="checkbox"/></p>  | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p> |
| 4.3   | <p>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p>  | <p><input checked="" type="checkbox"/></p>  | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p> |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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



## Key to Disclosures Corporate Governance Council Principles and Recommendations

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|--|--|--|---|
| <b>PRINCIPLE 7 – RECOGNISE AND MANAGE RISK</b> |  |  |   |
| 7.1  | <p>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <p>(1) has at least three members, a majority of whom are independent directors; and</p> <p>(2) is chaired by an independent director, and disclose:</p> <p>(3) the charter of the committee;</p> <p>(4) the members of the committee; and</p> <p>(5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the processes it employs for overseeing the entity's risk management framework.</p> | <p><input checked="" type="checkbox"/></p> <p><i>[If the entity complies with paragraph (a):]</i></p> <p>and we have disclosed a copy of the charter of the committee at: <a href="https://ottoenergy.com/corporate-governance/">https://ottoenergy.com/corporate-governance/</a>.</p> <p>and the information referred to in paragraphs (4) and (5) at: Corporate Governance Statement and Annual Report</p> | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p> |
| 7.2  | <p>The board or a committee of the board should:</p> <p>(a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose, in relation to each reporting period, whether such a review has taken place.</p>  | <p><input checked="" type="checkbox"/></p> <p>and we have disclosed whether a review of the entity's risk management framework was undertaken during the reporting period at: Corporate Governance Statement</p>   | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p> |
| 7.3  | <p>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p>  | <p><input checked="" type="checkbox"/></p> <p><i>[If the entity complies with paragraph (b):]</i></p> <p>and we have disclosed the fact that we do not have an internal audit function and the processes we employ for evaluating and continually improving the effectiveness of our risk management and internal control processes at: Corporate Governance Statement</p>                                   | <p><input type="checkbox"/> set out in our Corporate Governance Statement</p> |

Key to Disclosures Corporate Governance Council Principles and Recommendations

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|---|---|--|--|
| 7.4   | A listed entity should disclose whether it has any material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks. | <input checked="" type="checkbox"/><br>and we have disclosed whether we have any material exposure to environmental and social risks at:<br>Corporate Governance Statement<br>and, if we do, how we manage or intend to manage those risks at:<br>Corporate Governance Statement | <input type="checkbox"/> set out in our Corporate Governance Statement   |

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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

## Key to Disclosures Corporate Governance Council Principles and Recommendations

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

Key to Disclosures Corporate Governance Council Principles and Recommendations

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

## Corporate Governance Statement

**14 October 2022**

Otto Energy Limited (the “Company”) is committed to conducting business in accordance with a high standard of corporate governance. The Board considers that good corporate governance is important to the creation of shareholder value and assists in delivering against stakeholder expectations.

In establishing its corporate governance framework, the Board has considered and reports against the Corporate Governance Principles and Recommendations (4th Edition) as published by the ASX Corporate Governance Council (“Recommendations”).

This Corporate Governance Statement discloses the extent to which the Company has, during the financial year ending 30 June 2022, followed the Recommendations. The Recommendations are not mandatory. Any Recommendations that have not been followed for any part of the reporting period have been identified and reasons provided for not following them along with what (if any) alternative governance practices were adopted in lieu of the recommendation during that period.

The Company’s website contains a dedicated corporate governance section which includes copies of the key corporate governance policies adopted by the Company. Click [here](#) to go to the corporate governance section of the Company’s website.

The information contained in this Corporate Governance Statement has been approved by the Otto Energy Limited Board of Directors and is current as at 14 October 2022.

| RECOMMENDATIONS (4 <sup>TH</sup> EDITION)  | COMPLIANT               | EXPLANATION   |
|--|-------------------------|---|
| <i>Principle 1: Lay solid foundations for management and oversight</i>   |                         |   |
| <p><b>Recommendation 1.1</b><br/>A listed entity should have and disclose a board charter setting out:<br/>(a) the respective roles and responsibilities of its board and management; and<br/>(b) those matters expressly reserved to the board and those delegated to management.</p>   | <p>YES<br/><br/>YES</p> | <p>The Company has adopted a Board Charter that sets out the specific roles and responsibilities of the Board, the Chair, the Company Secretary and management and includes a description of those matters expressly reserved to the Board and those delegated to management.</p> <p>The Board Charter also sets out the requirements as to the Board’s composition, the establishment, operation and management of Board Committees, Directors’ access to Company records and information, details of the Board’s relationship with management, details of the Board’s performance review and details of the Board’s disclosure policy.</p> <p>A copy of the Company’s Board Charter is available on the Company’s website at <a href="https://ottoenergy.com/corporate-governance/">https://ottoenergy.com/corporate-governance/</a>.</p> |
| <p><b>Recommendation 1.2</b><br/>A listed entity should:<br/>(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and<br/>(b) provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.</p> | <p>YES<br/><br/>YES</p> | <p>(a) The Company has guidelines for the appointment and selection of the Board in its Remuneration and Nomination Committee Charter to ensure appropriate checks are undertaken before appointing a person or putting forward to security holders a candidate for election, as a director.</p> <p>(b) Through its Shareholders Communications Policy, the Company ensures all material information relevant to a decision on whether or not to elect or re-elect a director is provided to security holders in the Notice of Meeting containing the resolution to elect or re-elect a Director.</p>   |

| <b>RECOMMENDATIONS (4<sup>TH</sup> EDITION)</b>  | <b>COMPLIANT</b> | <b>EXPLANATION</b>  |
|--|------------------|---|
| <p><b>Recommendation 1.3</b><br/>A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.</p>                                     | <p>YES</p>       | <p>The Board requires that each Director and senior executive is a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment.</p> <p>The Company had written agreements with each of its Directors and senior executives for the past financial year.</p> |
| <p><b>Recommendation 1.4</b><br/>The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.</p> | <p>YES</p>       | <p>The Board Charter outlines the roles and responsibilities of the Company Secretary. In accordance with this, the Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.</p>   |



| RECOMMENDATIONS (4 <sup>TH</sup> EDITION)   | COMPLIANT        | EXPLANATION  |
|---|------------------|--|
| <p><b>Recommendation 1.5</b><br/>A listed entity should:</p> <ul style="list-style-type: none"> <li>(a) have and disclose a diversity policy;</li> <li>(b) through its board or a committee of the board set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally; and</li> <li>(c) disclose in relation to each reporting period: <ul style="list-style-type: none"> <li>(1) the measurable objectives set for that period to achieve gender diversity;</li> <li>(2) the entity's progress towards achieving those objectives; and</li> <li>(3) either: <ul style="list-style-type: none"> <li>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole workforce (including how the entity has defined "senior executive" for these purposes); or</li> <li>(B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under that Act.</li> </ul> </li> </ul> </li> </ul> <p>If the entity was in the S&amp;P/ASX 300 Index at the commencement of the reporting period, the measurable objective for achieving gender diversity in the composition of its board should be to have not less than 30% of its directors of each gender within a specified period.</p> | <p>PARTIALLY</p> | <ul style="list-style-type: none"> <li>(a) The Company is committed to an inclusive workplace that embraces diversity and values, respects and leverages the unique contributions of people with diverse backgrounds, experiences and perspectives.</li> <li>(b) The Company has adopted a Diversity &amp; Inclusion Policy which provides a framework for the Company to recruit and manage on the basis of competence and performance regardless of age, nationality, race, gender, religious beliefs, sexuality, physical ability or cultural background.</li> <li>(c) The Diversity &amp; Inclusion Policy is available on the Company's website.</li> <li>(d) The Board will review the Company's diversity practices on an annual basis, and the Diversity &amp; Inclusion Policy will be reviewed regularly and updated as required.</li> </ul> <p>Given the Company's current size, the Board has opted not to set specific measurable objectives at this stage. Whilst the Board of the Company endorses the concept of gender diversity, until the Company's size has grown to a point where fully implementing specific measurable objectives will become more meaningful, the Company will, in accordance with its Diversity &amp; Inclusion Policy, continue to recruit on the basis of competence and performance regardless of age, nationality, race, gender, religious beliefs, sexuality, physical ability or cultural background. It is essential that we have the right person for the right job and that we deliver at a high level of performance.</p> <p>The respective proportions of men and women on the Board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes) for the past financial year is disclosed in the Company's Annual Report.</p> <p>The Company is not a "relevant employer" under the Workplace Gender Equality Act.</p> |

| <b>RECOMMENDATIONS (4<sup>TH</sup> EDITION)</b>  | <b>COMPLIANT</b> | <b>EXPLANATION</b>   |
|--|------------------|--|
| <p><b>Recommendation 1.6</b><br/>A listed entity should:</p> <p>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p> | <p>YES</p>       | <p>(a) The Company's Board is responsible for evaluating the performance of the Board, its committees and individual Directors on an annual basis. It may do so with the aid of an independent advisor. The process for this is set out in the Company's Performance Evaluation Policy which is available on the Company's website.</p> <p>(b) The Company did perform a performance evaluation in respect of the Board, its committees and individual Directors for the past financial year in accordance with the above process.</p>   |
| <p><b>Recommendation 1.7</b><br/>A listed entity should:</p> <p>(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and</p> <p>(b) disclose for each reporting period whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.</p>      | <p>YES</p>       | <p>(a) The Company's Chief Executive Officer is responsible for evaluating the performance of the Company's senior executives on an annual basis. The Company's Remuneration and Nomination Committee (or, in its absence, the Board) is responsible for evaluating the remuneration of the Company's senior executives on an annual basis. A senior executive, for these purposes, means key management personnel (as defined in the Corporations Act) other than a Director.</p> <p>The applicable process for these evaluations can be found in the Performance Evaluation Policy which is available on the Company's website.</p> <p>(b) The Company has completed performance evaluations in respect of the senior executives for the past financial year in accordance with the process.</p> |

| RECOMMENDATIONS (4 <sup>TH</sup> EDITION)   | COMPLIANT  | EXPLANATION   |
|---|------------|---|
| <i>Principle 2: Structure the board to be effective and add value</i>   |            |   |
| <p><b>Recommendation 2.1</b><br/>The Board of a listed entity should:</p> <p>(a) have a nomination committee which:</p> <ol style="list-style-type: none"> <li>1) has at least three members, a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director,</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>3) the charter of the committee.</li> <li>4) the members of the committee; and</li> <li>5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings;</li> </ol> <p>or</p> <p>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the Board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively.</p> | <p>YES</p> | <p>The Company had a Remuneration and Nomination Committee for the past financial year. The Company’s Remuneration and Nomination Committee Charter provides for the creation of a Remuneration and Nomination Committee comprising at least three directors, a majority of whom are non-executive directors.</p> <p>During the year the committee comprised of three independent non-executive directors with Mr John Jetter as the Chairman of the committee, Mr Paul Senycia and Mr Geoff Page as the member of the committee. Mr John Madden was appointed as a member of the Remuneration and Nomination Committee on 1 July 2022.</p> <p>The members of the Remuneration and Nomination Committee, the number of times the committee met during the last financial year, and the individual attendances of the members, are disclosed in the Annual Report.</p> <p>The Remuneration and Nomination Committee Charter is available on the Company’s website.</p> <p><a href="https://ottoenergy.com/corporate-governance/">https://ottoenergy.com/corporate-governance/</a>.</p> |



|   |            |   |
|---|------------|---|
| <p><b>Recommendation 2.2</b><br/>         A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.</p> | <p>YES</p> | <p>Under the Remuneration and Nomination Committee Charter, the Remuneration and Nomination Committee is required to review the composition of the Board and ensure that the Board has an appropriate mix of skills and experience to properly fulfil its responsibilities. The committee does this by preparing a Board skills matrix.</p> <p>The Board skills matrix sets out the mix of skills and diversity that the Board currently has and is looking to achieve. This matrix is reviewed at least annually. As well as general skills expected for Board membership of an ASX listed company, the matrix includes skills or professional qualifications in areas such as law, oil and gas/energy, international operations (US Gulf of Mexico in particular), capital markets, corporate finance and the ability to chair Board committees. While each of these areas is currently represented by the Board collectively,</p> <p>The Board is of the view that throughout the year the Board possessed an appropriate mix of skills, experience, expertise and knowledge to enable the Board to discharge its responsibilities, deliver the Company’s corporate objectives and direct the Company in accordance with high standards of corporate governance.</p> |
|---|------------|---|

|  |   | Significant Competency | Some Competency | Total |
|--|---|------------------------|-----------------|-------|
| <b>Board Skills Matrix</b>                                   |   |                        |                 |       |
| <b>Capital projects and commercial capability</b>            |   |                        |                 |       |
|  | Experience working in an industry with projects involving large capital outlays and long term investment. Broad range of commercial skills and experience in managing, directing or advising on mergers and acquisitions. | 5                      | -               | 5     |
| <b>Corporate governance</b>                                  |   |                        |                 |       |
|  | Experience with an organisation that is subject to comprehensive governance and regulatory framework. Ability to implement high standards of governance.  | 5                      | -               | 5     |
| <b>Financial acumen</b>                                      |   |                        |                 |       |
|  | Experience in financial accounting and reporting, corporate finance, internal financial controls and risk management.   | 4                      | 1               | 5     |
| <b>Health, safety, environment and social responsibility</b> |   |                        |                 |       |
|  | Experience in oversight of workplace health and safety, environmental and social responsibility.  | 4                      | 1               | 5     |
| <b>Industry experience</b>                                   |   |                        |                 |       |
|  | Experience in the oil and gas sector, with experience and knowledge across some or all of exploration, development and operations.  | 3                      | 2               | 5     |
| <b>International experience</b>                              |   |                        |                 |       |
|  | Experience in working in different jurisdictions, with different cultures, political environments, regulatory and business practices.   | 5                      |                 | 5     |
| <b>Leadership</b>  |   |                        |                 |       |
|  | Successful senior executive positions and external Directorships.   | 5                      |                 | 5     |
| <b>People and performance</b>                                |   |                        |                 |       |
|  | Experience in relation to managing people and remuneration including incentive arrangements, leadership and development.  | 3                      | 2               | 5     |
| <b>Strategy and risk</b>                                     |   |                        |                 |       |
|  | Experience in developing, implementing and challenging company strategy. Ability to analyse information, think strategically and review and challenge management recommendations.   |                        |                 |       |
|  | Experience in risk management and oversight.  | 5                      |                 | 5     |

| RECOMMENDATIONS (4 <sup>TH</sup> EDITION)   | COMPLIANT  | EXPLANATION  |
|---|------------|--|
|   |            | <p>The Company appointed Mr John Madden as an Independent Non-Executive Director on 1 July 2022. Mr Madden was also appointed as a member of the Remuneration and Nomination Committee and Audit and Risk Committee.</p> <p>The Board renewal process will be an ongoing focus of the Board to ensure that its composition reflects the nature of the business as it evolves from being primarily focused on exploration activities towards development and production activities.</p>   |
| <p><b>Recommendation 2.3</b><br/>A listed entity should disclose:</p> <p>(a) the names of the directors considered by the Board to be independent directors;</p> <p>(b) if a director has an interest, position or relationship of the type described in Box 2.3 but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position or relationship in question and an explanation of why the board is of that opinion; and</p> <p>(c) the length of service of each Director</p> | <p>YES</p> | <p>An independent director is defined in the Recommendations as a Director that is free of any interest, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgment to bear on issues before the Board and to act in the best interests of the Company and its shareholders generally.</p> <p>The following Directors are considered independent:</p> <p>John Jetter – appointed as a director 10 December 2007<br/>Paul Senycia – appointed as director 24 April 2018<br/>Geoff Page – appointed as a director 17 July 2020<br/>John Madden – appointed as a director 1 July 2022</p> <p>Mr Mike Utsler is not considered independent as he is employed in an executive capacity by the Company.</p> <p>The Board is of the view that the participation of directors in the Company’s performance rights plan does not result in a loss of independence.</p> |
| <p><b>Recommendation 2.4</b><br/>A majority of the board of a listed entity should be independent directors.</p>  | <p>YES</p> | <p>The Board currently comprises a total of five directors, of whom four are considered to be independent. As such, independent directors currently comprise the majority of the Board.</p> <p>The Board currently considers the mix of directors appropriate after all factors are taken into consideration.</p>  |

| <b>RECOMMENDATIONS (4<sup>TH</sup> EDITION)</b>   | <b>COMPLIANT</b> | <b>EXPLANATION</b>   |
|---|------------------|--|
| <p><b>Recommendation 2.5</b><br/>The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.</p>  | NO               | <p>The Chair of the Company during the past financial year and to the date of this statement was Mr Mike Utsler. Mr Utsler is also the CEO of the entity.</p> <p>Given the Company’s current size, the Board is of the view that Mr Utsler has the appropriate skills and experience to guide the Company to a new level and create further shareholder value. The Board has opted not to appoint an independent director to be the chair of the board at this stage.</p>  |
| <p><b>Recommendation 2.6</b><br/>A listed entity should have a program for inducting new directors and for periodically reviewing whether there is a need for existing directors to undertake professional development to maintain the skills and knowledge needed to perform their role as a Director effectively.</p> | YES              | <p>The Remuneration and Nominations Committee is responsible for the approval and review of induction procedures for Directors to ensure that they can effectively discharge their responsibilities. This is expanded on in the Procedures for Selection and Appointment of Directors policy.</p> <p>Part of the Board review process is to identify ways of assisting the Board in performing its duties. Where appropriate, directors are provided professional development opportunities. The Company provides information and briefings on specific matters that impact the Company. Site visits are also utilised to ensure directors are adequately informed and to assist in the performance of their duties.</p> |

| RECOMMENDATIONS (4 <sup>TH</sup> EDITION)   | COMPLIANT | EXPLANATION   |
|---|-----------|---|
| <i>Principle 3: Instil a culture of acting lawfully, ethically and responsibly</i>  |           |   |
| <p><b>Recommendation 3.1</b><br/>A listed entity should articulate and disclose its values</p>  | YES       | <p>The Company’s mission, vision and values are on the Otto Energy website.<br/><a href="https://ottoenergy.com/company-overview">https://ottoenergy.com/company-overview</a>.</p>                          |
| <p><b>Recommendation 3.2</b><br/>A listed entity should:<br/>(a) have and disclose a code of conduct for its directors, senior executives and employees; and<br/>(b) ensure that the board or a committee of the board is informed of any material breaches of that code.</p> | YES       | <p>The Company’s Code of Conduct is available on the Company’s website.<br/><a href="https://ottoenergy.com/corporate-governance/">https://ottoenergy.com/corporate-governance/</a>.</p>                    |
| <p><b>Recommendation 3.3</b><br/>A listed entity should:<br/>(a) have and disclose a whistleblower policy; and<br/>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</p>                                | YES       | <p>The Company’s Whistleblower Policy is available on the Company’s website.<br/><a href="https://ottoenergy.com/corporate-governance/">https://ottoenergy.com/corporate-governance/</a>.</p>               |
| <p><b>Recommendation 3.4</b><br/>A listed entity should:<br/>(a) have and disclose an anti-bribery and corruption policy; and<br/>(b) ensure that the board or a committee of the board is informed of any material breaches of that policy.</p>                              | YES       | <p>The Company’s Anti-Bribery and Corruption Policy is available on the Company’s website.<br/><a href="https://ottoenergy.com/corporate-governance/">https://ottoenergy.com/corporate-governance/</a>.</p> |



| RECOMMENDATIONS (4 <sup>TH</sup> EDITION)   | COMPLIANT | EXPLANATION   |
|---|-----------|---|
| <i>Principle 4: Safeguard the integrity of corporate reports</i>  |           |   |
| <p><b>Recommendation 4.1</b><br/>The board of a listed entity should:</p> <p>(a) have an audit committee which:</p> <ol style="list-style-type: none"> <li>1) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director, who is not the chair of the board,</li> </ol> <p>and disclose:</p> <ol style="list-style-type: none"> <li>3) the charter of the committee;</li> <li>4) the relevant qualifications and experience of the members of the committee; and</li> <li>5) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ol> <p>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its corporate reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</p> | YES       | <p>The Company had an Audit and Risk Committee during the past financial year. The Committee's Charter requires the Audit and Risk Committee to comprise only non-executive Directors and at least two members, the majority of whom must be independent.</p> <p>During the past financial year, the Committee was chaired by an independent Director who is not the Chair of the Board. The Committee is currently chaired by Mr Geoff Page. Mr Paul Senycia and Mr John Jetter are members of the Audit and Risk Committee. Mr John Madden was also appointed as a member of Audit and Risk Committee on 1 July 2022.</p> <p>The members of the Audit and Risk Committee, their relevant qualifications and experience, the number of times the committee met during the last financial year, and the individual attendances of the members, are disclosed in the Annual Report.</p> <p>The Audit and Risk Committee Charter is on the Company's website.</p> <p><a href="https://ottoenergy.com/corporate-governance/">https://ottoenergy.com/corporate-governance/</a>.</p> |
| <p><b>Recommendation 4.2</b><br/>The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.</p>  | YES       | <p>The Company's Audit and Risk Committee Charter requires the CEO and CFO (or, if none, the person(s) fulfilling those functions) to provide a written statement to the Board in respect of the Company's annual financial report in accordance with the requirements of the Corporations Act.</p> <p>The Company has obtained the written report for its financial statements in the past financial year.</p>   |

| <b>RECOMMENDATIONS (4<sup>TH</sup> EDITION)</b>   | <b>COMPLIANT</b> | <b>EXPLANATION</b>   |
|---|------------------|--|
| <p><b>Recommendation 4.3</b><br/>A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.</p> | <p>YES</p>       | <p>A periodic corporate report includes an entity's annual directors' reports, quarterly activity reports, quarterly cash flow reports and, in some cases, integrated reports (if prepared as a separate annual report) and sustainability reports.</p> <p>The preparation of public corporate reports is a similar methodology to the preparation of reports that are audited or reviewed by an external auditor. At all times the Company strives to satisfy itself that the report is materially accurate, balanced and provides investors with appropriate information to make informed investment decisions.</p> <p>The originator of the report ensures that all statements and financial information or calculations are supported by source documentation or factual evidence and have a reasonable basis. All assumptions within a document or financial model are disclosed and considered for appropriateness. Material accuracy, appropriate information and balanced reporting is achieved by layers of review undertaken within the organisation by senior managers, peer reviews, CEO review, Company Secretary review and final review and approval is undertaken by the Board. A majority of Directors' approval is required prior to the release of the document to the ASX.</p> <p>If there is any uncertainty regarding the materially accuracy of a corporate report, the Company will seek external advice or review of the document. Any errors or misleading information that may be published is corrected by the Company via a separate release as soon as the Company becomes aware of the error.</p> |

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| <i>Principle 5: Make timely and balanced disclosure</i>  |           |  |
| <p><b>Recommendation 5.1</b><br/>A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under the listing rules 3.1.</p>   | YES       | <p>The Company's Continuous Disclosure Policy is available on the Company's website.</p> <p><a href="https://ottoenergy.com/corporate-governance/">https://ottoenergy.com/corporate-governance/</a>.</p>   |
| <p><b>Recommendation 5.2</b><br/>A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.</p>   | YES       | <p>All Directors of the Company receive the ASX confirmation of the lodgment of an ASX Announcement by email from the ASX Market Announcement platform.</p>  |
| <p><b>Recommendation 5.3</b><br/>A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.</p> | YES       | <p>In accordance with the Company's Continuous Disclosure policy, a copy of any presentation materials used by the Company must first be released on the ASX Market Announcements Platform ahead of the presentation, to ensure a fully informed market.</p> |

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| <i>Principle 6: Respect the rights of security holders</i>   |           |  |
| <p><b>Recommendation 6.1</b><br/>A listed entity should provide information about itself and its governance to investors via its website.</p>  | YES       | <p>Information about the Company and its governance is available on the Company's website.</p> <p><a href="https://ottoenergy.com/corporate-governance/">https://ottoenergy.com/corporate-governance/</a>.</p>   |
| <p><b>Recommendation 6.2</b><br/>A listed entity should have an investor relations program that facilitate effective two-way communication with investors.</p>                             | YES       | <p>The Company has in place a Shareholder Communications Policy which aims to promote and facilitate effective two-way communication with investors. The Shareholder Communications Policy is available on the Company's website.</p> <p><a href="https://ottoenergy.com/corporate-governance/">https://ottoenergy.com/corporate-governance/</a>.</p>  |
| <p><b>Recommendation 6.3</b><br/>A listed entity should disclose how it facilitates and encourage participation at meetings of security holders.</p>                                       | YES       | <p>Shareholders are encouraged to participate at all general meetings and AGMs of the Company. As part of the despatch of any notice of meeting to Shareholders, the Company Secretary shall send out material stating that all Shareholders are encouraged to participate at the meeting. This is covered in the Shareholder Communications Policy which is available on the Company's website.</p> |
| <p><b>Recommendation 6.4</b><br/>A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.</p> | Yes       | <p>Under the Company's constitution the Chairperson can call a poll. The 2021 AGM was conducted by a poll. The 2022 AGM will be conducted by a poll.</p>   |

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| <p><b>Recommendation 6.5</b><br/>           A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.</p> | <p>YES</p>       | <p>The Shareholder Communication Policy provides that security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted.</p> <p>Shareholder queries can be sent via the email address provided on the Company's website. An email address is also provided should shareholders wish to email the Company's share registry.</p> |

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| <i>Principle 7: Recognise and manage risk</i>   |           |   |
| <p><b>Recommendation 7.1</b><br/>The board of a listed entity should:</p> <p>(a) have a committee or committees to oversee risk, each of which:</p> <ol style="list-style-type: none"> <li>1) has at least three members, a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director, and disclose:</li> <li>3) the charter of the committee;</li> <li>4) the members of the committee; and</li> <li>5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings;</li> </ol> <p>or</p> <p>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity’s risk management framework.</p> | YES       | <p>The Company had an Audit and Risk Committee during the past financial year. The Committee’s Charter requires the Audit and Risk Committee to comprise only non-executive Directors and at least two members, the majority of whom must be independent.</p> <p>During the past financial year, the Committee was chaired by an independent Director. The Committee is currently chaired by Mr Geoff Page. Mr Paul Senycia and Mr John Jetter are members of the Audit and Risk Committee. Mr John Madden was appointed as a member of the Audit and Risk Committee on 1 July 2022.</p> <p>The members of the Audit and Risk Committee, their relevant qualification and experience, the number of times the committee met during the last financial year, and the individual attendances of the members, are disclosed in the Annual Report.</p> <p>The Audit and Risk Committee Charter is on the Company’s website.</p> <p><a href="https://ottoenergy.com/corporate-governance/">https://ottoenergy.com/corporate-governance/</a>.</p> |
| <p><b>Recommendation 7.2</b><br/>The board or a committee of the board should:</p> <p>(a) review the entity’s risk management framework at least annually to satisfy itself that it continues to be sound and that the entity is operating with due regard to the risk appetite set by the board; and</p> <p>(b) disclose in relation to each reporting period, whether such a review has taken place.</p>  | YES       | <p>(a) The Risk Management Policy (Summary of Risk Management, Internal Compliance and Control), which can be found on the Company’s website, sets out that the Board will undertake an annual review of the strategic and other material business risks facing the Company as part of its strategic and business planning process.</p> <p>(b) During the past financial year, the Board undertook a review of the risk management framework and satisfied itself that it was sound.</p>  |

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| <p><b>Recommendation 7.3</b><br/>A listed entity should disclose:</p> <p>(a) if it has an internal audit function, how the function is structured and what role it performs; or</p> <p>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its governance, risk management and internal control processes.</p> | <p>NO</p> <p>YES</p> | <p>The Audit and Risk Committee Charter provides for the Audit and Risk Committee to appoint, review and assess the internal audit arrangements. It was assessed that that the Company did not require an internal audit function for the past financial year.</p> <p>As a minimum, the Board undertakes a review of the strategic and other material business risks facing the Company as part of its annual strategic and business planning process. The management team and reporting structures through to the Board are designed to ensure that appropriate risk management and internal control processes are considered on an ongoing basis for all aspects of the business.</p> |

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| <p><b>Recommendation 7.4</b><br/>                 A listed entity should disclose whether it has any material exposure to environmental and social risks and, if it does, how it manages or intends to manage those risks.</p> | <p>YES</p> | <p>In order to mitigate any material exposure to environmental and social risks, the Board, assisted by the Audit and Risk Committee, has oversight of risk management.</p> <p>As a minimum, the Board sets its risk appetite and undertakes a review of the strategic and other material business risks facing the Company as part of its annual strategic and business planning process.</p> <p>During the past financial year, the Company identified and addressed the following as material risks relating to environmental and social risk:</p> <p><u>Operating Risk</u></p> <p>Maintaining the technical integrity and operational performance of our assets is essential to protecting our people, the environment, our license to operate and the financial capacity to support existing business and growth opportunities. Failure to deliver safe, reliable, and efficient operations could result in a sustained, unplanned interruption to production, which can lead to not meeting production forecasts, delivery of the base business or generate revenue to support growth.</p> <p>Our operating assets are subject to operating hazards associated with major accident events, cyber-attacks, extreme weather events and disruptions within global supply chains that may ultimately lead to a loss of hydrocarbon containment or additional costs. Safe operation is fundamentally embedded through an extensive framework of controls that deliver strong operational performance in our base business.</p> <p>Operating risk is managed wherever possible via operator and partner selection, joint venture partner meetings, real time data receipt and review, technical reviews and audits.</p> <p>Otto has insurance cover for a number of these risks where it is appropriate and commercially justifiable to do so. For example, Otto has insurance cover for</p> |
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|  | <p>property damage, but does not have cover for loss of profits as the cost is prohibitive.</p> <p>As Otto is non-operator, the operating risks are extended to include the performance of the operator. These risks could include inadequate resourcing or systems, misalignment of interest, inadequate capture or provision of data and information, poor financial position or unfavourable or inadequate agreement with the operator. Consequences of poor performance by an operator could extend to operational incidents, financial loss, loss of opportunity, non-compliance, legal disputes or less than optimal financial returns from the field. Otto seeks to manage the risks around performance of the operator by entering into ventures with operators who have demonstrated competencies and financial capacity. Through its due diligence Otto seeks to ensure that the operator’s reputation is sound and that Otto’s interests are in alignment before committing to participation.</p> <p><u>Unsuccessful Exploration and Oil and Gas Reserves Depletion Risk</u></p> <p>Without additions to reserves through exploration and development drilling success or acquisitions, Otto’s oil and gas production, and hence revenues and cash flows, will decrease over time as production from existing fields declines naturally. The rate of decline is dependent on reservoir characteristics.</p> <p>Exploration for and development of reserves may be unsuccessful or unprofitable due to a number of factors that are inherent in the oil and gas industry and are outside Otto’s control. These include the risk that Otto will not discover commercially productive reservoirs or discovers reservoirs that do not produce sufficient revenues to return a profit. Drilling and development operations may be curtailed, delayed or cancelled as a result of other sub-surface, mechanical or environmental factors or events causing significant financial losses.</p> <p>Otto seeks to mitigate the risk of unsuccessful exploration by having an exploration strategy based around a strict set of criteria including geographical restrictions, probabilities of success, partner and operator capacity and reputation (including drilling contractors) and required rates of return. Otto then seeks to ensure that it has suitably qualified and experienced staff and advisors</p> |
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|   |           | <p>to generate and evaluate opportunities within the set criteria. Any acquisition of reserves is subject to the same discipline.</p> <p>Where possible, Otto also seeks to reduce the likelihood or impact of such risks through commercial agreements where possible.</p> <p><u>Key Management Risk</u><br/>           As Otto is a non-operator of its key interests, it has a small management team. Therefore the Company relies heavily on the services of its Chief Executive Officer and senior management. Having a suitably qualified and reputable operating team in place with appropriate relationships and experience in the Gulf of Mexico oil and gas business is critical to Otto’s success so far and in the future. The loss of the services of members of the Houston operating team, and the Chief Executive Officer in particular, could have a negative impact on the Company’s operations and relationships. Particularly in the short term until suitable replacements could be recruited. Otto does not maintain or plan to obtain any insurance against the loss of any key management personnel.</p> <p>The Board is aware of this risk and is always looking to ensure there is some level of succession planning, while managing ongoing costs.</p> |

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| <i>Principle 8: Remunerate fairly and responsibly</i>  |           |   |
| <p><b>Recommendation 8.1</b><br/>The board of a listed entity should:</p> <p>(a) have a remuneration committee which:</p> <ol style="list-style-type: none"> <li>1) has at least three members, a majority of whom are independent directors; and</li> <li>2) is chaired by an independent director, and disclose:</li> <li>3) the charter of the committee;</li> <li>4) the members of the committee; and</li> <li>5) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ol> <p>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p> | YES       | <p>The Company had a Remuneration and Nomination Committee for the past financial year. The Company’s Remuneration and Nomination Committee Charter provides for the creation of a Remuneration and Nomination Committee comprising at least three directors, a majority of whom are non-executive directors.</p> <p>During the year the committee comprised of three independent non-executive directors with Mr John Jetter as the Chairman of the committee, Mr Paul Senycia and Mr Geoff Page as the member of the committee. Mr John Madden was appointed as a member of the Remuneration and Nomination Committee on 1 July 2022.</p> <p>The members of the Remuneration and Nomination Committee, the number of times the committee met during the last financial year, and the individual attendances of the members, are disclosed in the Annual Report.</p> <p>The Remuneration and Nomination Committee Charter is available on the Company’s website.</p> <p><a href="https://ottoenergy.com/corporate-governance/">https://ottoenergy.com/corporate-governance/</a>.</p> |
| <p><b>Recommendation 8.2</b><br/>A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive Directors and other senior executives.</p>  | YES       | <p>The Company’s policies and practices regarding the remuneration of Directors and senior executives is disclosed in the remuneration report contained in the Company’s Annual Report.</p>   |

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| <p><b>Recommendation 8.3</b><br/>           A listed entity which has an equity-based remuneration scheme should:</p> <ul style="list-style-type: none"> <li>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</li> <li>(b) disclose that policy or a summary of it.</li> </ul> | <p>YES</p>       | <p>The Company had an equity-based remuneration scheme during the past financial year. The Company does not permit participants to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.</p> |