



EMPIRE ENERGY GROUP LIMITED CORPORATE GOVERNANCE STATEMENT

Overview

Empire Energy Group Limited (the '**Company**') and the Board of Directors (the '**Board**') are committed to maintaining and promoting the highest standards of corporate governance which meet the reasonable expectations of investors. The Company has established a framework of rules, relationships, systems and processes within and by which authority is exercised and controlled to promote the responsible management and conduct of its business. A key consideration in the development of the Company's corporate governance arrangements was the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, 4th Edition ('**ASX Recommendations**').

The Board and its committees periodically review the Company's governance arrangements to ensure they remain in line with regulatory requirements, developments in recommended corporate governance practice and stakeholder expectations, and that they continue to support the Company's strategic objectives.

References in this Statement to the 'Empire Group' mean the Company and all of its subsidiaries.

The ASX Listing Rules require listed companies to disclose the extent to which they have adopted the ASX Recommendations. This Corporate Governance Statement outlines the principal governance arrangements of the Empire Group and the extent to which the Company followed the ASX Recommendations during the financial year ended 31 December 2024. Where an ASX Recommendation has not been adopted, this fact has been disclosed together with the reasons for the departure.

This Corporate Governance Statement is current at 27 March 2025.

PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

A listed entity should clearly delineate the respective roles and responsibilities of its board and management and regularly review their performance.

1.1 Board Charter

The Board is accountable to shareholders for the performance of the Company. In carrying out its responsibilities, the Board undertakes to serve the interests of shareholders honestly, fairly and diligently.

The Company has established a Board Charter to outline the manner in which the Board's powers and responsibilities will be exercised and discharged. The Charter includes an overview of:

- a) Board composition and size;



- b) the Board's role and responsibilities;
- c) the relationship and interaction between the Board and management;
- d) the authority delegated by the Board to management and Board Committees; and
- e) Board processes.

The Board's Charter is reviewed at least annually to determine whether any changes are necessary or desirable.

The Board Charter can be found on the Company's website at:
<https://empireenergygroup.net/company/corporate-governance/>

1.2 Appointment of Directors and Senior Executives

Prior to the appointment of Directors and Senior Executives, appropriate checks are undertaken into a candidate's character, experience, education, criminal record and bankruptcy history. Shareholders are provided with information on Directors in the relevant Notice of Meeting, including all material information in the Company's possession relevant to their decision regarding whether to elect or re-elect a director.

Directors' and Senior Executives' biographies are provided in the Company's Annual Report.

1.3 Written Agreements

Directors are required to sign letters of appointment and/or service agreements, and senior management are required to sign employment contracts, setting out the terms of their appointment.

1.4 Company Secretary

The Board Charter provides that the Company Secretary is accountable to the Board, through the Chair, on matters to do with the proper functioning of the Board. The Charter also details the role and responsibilities of the Company Secretary which include:

- a) Advising the Board and Committees on governance issues;
- b) Monitoring that the Company's key governance policies and procedures are followed; and
- c) Ensuring that the business of Board and Committee meetings is accurately captured in the minutes.

1.5 Approach to Diversity

The Board recognises the benefits of diversity within the Board and senior management and within the organisation generally and the organisational strengths, deeper problem-solving ability and opportunity for innovation that diversity brings. The Board Charter provides that the Board, with guidance from the Remuneration Committee, is responsible for reviewing the diversity represented by the Directors on the Board, as well as their skills, experience, and



expertise, and determining whether the composition and mix remain appropriate for the Company's strategy.

The Board is responsible for monitoring and promoting diversity of staff and the associated corporate culture.

The Remuneration Committee is also responsible, under its Charter, for reviewing and assessing whether there is any gender or other inappropriate bias with respect to the remuneration of directors, senior executives or other employees.

The Company is committed to gender diversity and equal employment opportunity at all levels.

The Company has established a Diversity Policy which sets out the Company's commitment to diversity and the roles of the Board and senior management in relation to diversity as well as the actions the Company will take to establish measurable diversity objectives and monitor the achievement of the set objectives

The Company's Diversity Policy includes a requirement that the Company set measurable objectives for achieving gender diversity and that the Remuneration Committee annually review the objectives and progress made towards achieving the objectives.

In accordance with the Policy, the Board has established the following gender diversity objectives:

Level	Female representation
Whole Organisation	25%
Senior Executive Positions	40%
Board	20%

The Company aims to achieve these objectives over the next 3 years should director and senior executive positions become vacant and appropriately skilled candidates be available.

The respective proportions of men and women on the Board, in senior executive positions and across the whole workforce as at 27 March 2025 is set out in the table below:

Actual as at 27 March 2025					Empire Group Objective	Progress towards meeting Objective
	Females		Males		Percentage Women	Percentage
Whole Organisation	1	20%	4	80%	25%	80%
Senior Executive Positions	1	25%	3	75%	40%	63%
Board	1	20%	4	80%	20%	100%



In the above table, “Senior Executive” is defined as an individual reporting to the CEO.

1.6 Evaluation of Board and Committees

A Director’s responsibilities are encompassed in a formal letter of appointment

Throughout the year, the Board informally reviews the performance of the Board, its Committees and individual Directors. Each year, the Board gives consideration to broad corporate governance matters, including the relevance of existing Board Committees and to reviewing its own and individual Directors’ performance. The performance of all Directors, the Board as a whole, the Managing Director and Company Secretary are regularly monitored.

1.7 Evaluation of Senior Executives

All Senior Executives have a formal role description. The Remuneration Committee sets Key Performance Indicators (‘KPI’) for the Managing Director each year which are designed to optimise operational outcomes and align senior executive outcomes with shareholders. Subsequent to the end of the reporting period, the Remuneration Committee assessed the Managing Director’s performance against his FY24 KPIs.

The Managing Director sets KPIs for all of his direct reports each year and assesses the performance of his direct reports against their KPIs. The Managing Director undertook this annual evaluation during the reporting period.

PRINCIPLE 2 – STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE

The board of a listed entity should be of an appropriate size and collectively have the skills, commitment and knowledge of the entity and the industry in which it operates, to enable it to discharge its duties effectively and to add value.

2.1 Nomination Committee

The Board does not have a Nomination Committee. The matters that would normally be the responsibility of a Nomination Committee, such as succession issues, director recruitment and ensuring that the Board has an appropriate balance of skills, knowledge, experience, independence and diversity, are dealt with by the full Board.

As detailed above, the Board, with guidance from the Remuneration Committee, is responsible under its Charter for reviewing the skills, experience, expertise and diversity represented by the Directors on the Board and determining whether the composition and mix remain appropriate for the Company’s strategy. The Board is also responsible under its Charter for succession planning.

The Board reviews its composition at least annually to ensure that it continues to be able to discharge its duties and responsibilities effectively. When a vacancy arises or where it is considered that the Board would benefit from the services of a new Director with particular skills, the Board will select appropriate candidates with relevant qualifications, skills and experience. External advisors may be used to assist in such a process. The Board will then appoint the most suitable candidate who must stand for election at the next general meeting of shareholders.



For Directors retiring by rotation, the Board assesses the Director before recommending their re-election.

2.2 Board Skills Matrix

The Board has developed a Skills Matrix to capture the mix of skills that the Board currently has and seeks to maintain in its membership. The Board’s current assessment of its skills coverage is set out in the table below:

Area	Competence
Business and Finance	Accounting and Tax, Business Strategy, Corporate Financing, Financial Literacy, Mergers & Acquisitions, Agreement/Fiscal Terms and Risk Management
Leadership	Business Leadership, Entrepreneurship, Executive Management and Mentoring, listed company experience
Sustainability & Stakeholder	Community relations, Corporate Governance, Environmental issues, Government Affairs, Health & Safety, Industrial Relations and Remuneration
Industry Specific	Oil & Gas/- resource projects exploration, development, construction and production
Capital Markets	Experience in equity capital funding

The Board considers the current mix of skills and experience on the Board to be appropriate to discharge the Board’s obligations effectively at the Company’s current stage of development.

The Board recognises the importance of the Board’s oversight role in respect of technology governance including cyber risks and data governance and the Board is addressing its knowledge gap in this area by drawing on external expertise.

2.3 Independent Directors

Each Director’s independence is regularly assessed by the Board.

The Board Charters establish that the Board only considers Directors to be independent where they are independent of management and free of any business or other relationship that could materially interfere with, or could reasonably be perceived to interfere with, the exercise of their unfettered and independent judgment.

In determining independence, the Board takes into account the guidelines on director independence in the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations (4th Edition).

Recommendation 2.3 raises the following factors as being relevant to assessing the independence of Professor Warburton:

- A consultancy contract between the Company and Professor Warburton for the provision of technical consultancy services to the Company concluded on 31 December 2021. Professor Warburton received 1,200,000 Service Rights as compensation; and



- Professor Warburton previously served as Chief Executive of Imperial Oil & Gas Pty Limited (“Imperial”), a wholly owned subsidiary of the Company. Imperial holds certain of the Company’s Northern Territory exploration permits. There was not a period of at least three years between ceasing employment or the consultancy agreement with Imperial prior to commencing as a Non-Executive Director of the Company.

The Board has considered these factors and formed the view that these factors do not interfere with Professor Warburton’s capacity to bring an independent judgment to bear on issues before the board and act in the best interests of the Company as a whole.

The Board’s size and composition is subject to limits imposed by the Company’s constitution which provides for a minimum of three directors and a maximum of seven.

The Board currently holds scheduled meetings each financial year together with ad hoc meetings as necessary. The Board met 11 times during the year and Directors’ attendance is disclosed in the Company’s 2024 Directors’ Report.

The independence and length of service of each Director is set out in the table below:

Director	Independence	Length of Service
Mr Alex Underwood	Managing Director (Non-independent)	80 months Appointed August 2018
Prof. John Warburton	Independent Non-Executive Director	74 months Appointed February 2019
Mr Peter Cleary	Independent Non-Executive Director	58 months Appointed May 2020
Mr Louis Rozman	Independent Non-Executive Director	49 months Appointed March 2021
Ms Karen Green	Independent Non-Executive Director	17 months Appointed November 2023

2.4 Majority Independence

The majority of the Board was independent throughout the reporting period and continues to be as at the date of this Statement.

2.5 Chair Independence

Mr Peter Cleary has been assessed by the Board as being independent and was Chair of the Board throughout the reporting period. Mr Alex Underwood was the Managing Director / CEO of the Company throughout the reporting period.

2.6 Induction and Professional Development of Directors

The Company has an induction program for new directors to assist them in becoming familiar with the Company. provides an induction process for providing key information on the nature of the business and its operations. Relevant information is also provided to new directors through Board updates from executives.



All Directors are required to bring an independent judgment to bear on Board decisions. To facilitate this, each Director has the right of access to all relevant Company information from the Company's Executives. The Directors also have access to external resources as required to fully discharge their obligations as Directors of the Company. The use of this resource is co-ordinated through the Chairman of the Board.

PRINCIPLE 3 – INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY

A listed entity should instil and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly.

3.1 Company Values

The Board acknowledges the need for continued maintenance of the highest standards of corporate governance and ethical conduct by all Directors and employees of the consolidated entity. The Board is responsible under its Charter for developing and reviewing the Company's core values and corporate governance policies in order to underpin the desired culture within the Company. The Board is also responsible for monitoring corporate culture.

The Company's values are set out in the Company's Code of Conduct and have been reproduced below:

- a) **Safety & Environmental Stewardship:** are our highest priority;
- b) **Behaviours:** we work creatively with integrity, honesty, accountability, transparency and we deliver on our promises;
- c) **Collaboration:** we listen to our stakeholders, build long-term relationships and share ideas and knowledge; and
- d) **Respect:** we unconditionally respect our employees, stakeholders, local communities, and the Traditional Owners of the areas in which we operate and their cultural heritage.

3.2 Code of Conduct

The Company has established a Code of Conduct applicable to all Directors and employees. The requirement to comply with the code is mandatory and is communicated to all employees. The code sets out the standards of conduct, behaviour and professionalism expected by the Company.

Internal controls exist at the Company to ensure that any material breaches of the Code of Conduct are reported to the Board and the Audit and Risk Committee.

The Company's values, Code of Conduct, Securities Dealing Policy and Continuous Disclosure Policy collectively form a solid ethical foundation for Empire Group's ethical practices.

3.3 Whistleblower Policy

The Company has a Whistleblower Policy which encourages the reporting of any instances of suspected unethical, illegal, fraudulent or undesirable conduct involving Empire Group's



businesses and provides protections and measures so that those persons who make a report may do so confidentially and without fear of intimidation, disadvantage or reprisal.

Reports under the Company’s Whistleblower Policy are made to the Managing Director or Non-Executive Director Professor John Warburton.

A copy of the Company’s Whistleblower Policy is available on Corporate Governance page of the Company’s website at <https://empireenergygroup.net/company/corporate-governance/>.

3.4 Anti-Bribery and Corruption Policy

The Company has established an Anti-Bribery and Corruption Policy which seeks to ensure that the Company’s Board and employees conduct themselves in a manner consistent with current community, ethical and Company standards and in compliance with all relevant legislation.

The Company has posted a copy of this policy on the Corporate Governance page of its website at <https://empireenergygroup.net/company/corporate-governance/>.

Internal controls exist at the Company to ensure that any material breaches of the Anti-Bribery and Corruption Policy are reported to the Board and the Audit and Risk Committee.

PRINCIPLE 4 – SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS

A listed entity should have appropriate processes to verify the integrity of its corporate reports.

4.1 Audit and Risk Committee

The Company has established an Audit and Risk Committee. The Committee is comprised of the following members:

Member	Position	Relevant Qualifications and Experience
Ms Karen Green	Committee Chair, Non-Executive Director	Chartered accountant, former partner of Deloitte
Prof. John Warburton	Committee Member, Non-Executive Director	Geoscientist, career in oil & gas industry

The Company does not fully comply with Recommendation 4.1 as the Audit & Risk Committee does not have three members. The Company is satisfied that the Audit & Risk Committee can adequately discharge its functions because the Committee is comprised of non-executive directors with skill sets which are appropriate to the discharge of the Committee’s responsibilities.

The Committee has the following responsibilities under its Charter:

- a) reviewing the annual and half year financial reports to ensure compliance with Australian Accounting Standards and generally accepted accounting principles;



- b) monitoring corporate risk management practices;
- c) reviewing and approving the consolidated entity's accounting policies and procedures;
- d) reviewing external audit plans;
- e) reviewing the nomination, performance and independence of the external auditors; and
- f) organising, reviewing and reporting on any special reviews or investigations deemed necessary by the Board.

The full Board is responsible for the appointment, removal and remuneration of the external auditors, and reviewing the terms of their engagement, and the scope and quality of the audit. In fulfilling its responsibilities, the Board receives regular reports from Management and the external auditors at least once a year, or more frequently if necessary. The external auditors have a clear line of direct communication at any time to the Chairman of the Board.

The current auditors, EY, were appointed on 12 July 2024. Shareholders will be asked to approve the appointment at the 2025 Annual General Meeting. A representative of the Auditor will attend the Company's Annual General Meeting and be available to answer shareholder questions about the conduct of the audit and the preparation and content of the Auditor's Report.

Attendance at Audit and Risk Committee meetings is disclosed in the table of Director meetings included in the Company's Annual Report.

The Company has posted a copy of the Audit and Risk Committee Charter on the Corporate Governance page of its website at <https://empireenergygroup.net/company/corporate-governance/>.

4.2 Managing Director and Chief Financial Officer Declaration

The Managing Director and Chief Financial Officer provide the Board with a written declaration in accordance with section 295A of the Corporations Act. The declaration includes confirmation that the declaration is founded on a sound system of risk management and internal control and that the system is operating effectively in all material aspects in relation to financial reporting risks.

4.3 Process to verify the integrity of non-audited periodic corporate reports

The Audit and Risk Committee is responsible under its Charter for overseeing the adequacy of the Company's corporate reporting processes. The Charter establishes that the processes should be formal and rigorous to safeguard the integrity of the Company's corporate reporting and facilitate independent verification. The Audit and Risk Committee's responsibilities include reviewing the completeness and accuracy of this Corporate Governance Statement.

The process established by the Company to verify the content of any periodic corporate report that is not audited or reviewed by the external auditor (such as quarterly activity and cash flow reports) varies depending on the nature of the report, but typically includes:

- (a) financial information is initially prepared by the Chief Financial Officer or Vice President



Finance based on their first-hand knowledge and is informally reviewed by the external auditor;

- (b) non-financial components of the report are initially prepared by management based on matters known to them or with reference to source documentation;
- (c) each of the individuals engaged in the preparation of or commentary on the initial draft of a report is responsible for identifying any material that is potentially misleading or inaccurate having regard to their knowledge of the Company's activities and position;
- (d) the draft report is then circulated to the Managing Director and Chief Executive Officer and the Chief Financial Officer for their review and comments;
- (e) all financial reports and any covering releases relating to financial results are reviewed by the Audit and Risk Committee; and
- (f) the report is then considered for approval by either the Managing Director or the Board.

The Company's Auditor is required to attend the Annual General Meeting and be available to answer shareholder questions about the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted in relation to the preparation of the financial statements and the independence of the Auditor.

PRINCIPLE 5 – MAKING TIMELY AND BALANCED DISCLOSURE

A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

The Company has established a Continuous Disclosure Policy to reinforce the Company's commitment to its continuous disclosure obligations and to describe the processes the Company has in place that enable the Company to provide shareholders with timely and balanced disclosure in accordance with its obligations.

The Continuous Disclosure Policy also seeks to ensure accountability for compliance with the Company's continuous disclosure obligations.

The Company Secretary, in consultation with the Managing Director and Chair, is responsible for communication with the ASX. The Company Secretary also helps to co-ordinate the disclosure of information to the ASX, analysts, brokers, shareholders, the media and public.

Directors receive copies of all material market announcements before they are released to the ASX for review.

The Company has posted a copy of the Continuous Disclosure Policy on the Corporate Governance page of its website at <https://empireenergygroup.net/company/corporate-governance/>.



PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS

A listed entity should provide its security holders with appropriate information and facilities to allow them to exercise their rights as security holders effectively.

6.1 Company Website

The Company's website (<http://www.empireenergygroup.net>) provides information about the Company, its Board and leadership team, its operations and its governance arrangements

6.2 Investor Relations

The Board recognises and respects the rights of shareholders. In order to facilitate the effective exercise of those rights, the Company has adopted a shareholder communication policy that aims to empower shareholders by:

- a) communicating effectively with them;
- b) providing easy access to balanced and understandable information about the Empire Group; and
- c) encouraging and facilitating shareholder participation in general meetings.

Shareholders and other interested parties can subscribe, via the 'Contact' page on the Company's website, to receive an email alert when the Company releases an ASX announcement.

The Company has also employed an Investor Relations Manager on a part-time basis to manage the Company's investor relations activities and has established a dedicated email address for investor queries - NickKell@empiregp.net.

6.3 General Meetings

All shareholders are invited to attend the Annual General Meeting which is held in Sydney. The full Board, senior executives as well as the Company's external auditor and a representative from the Company's legal advisors are generally available to answer questions.

6.4 Substantive Resolutions

All substantive resolutions presented at General Meetings of the Company's shareholders are decided by a poll and not a show of hands.

6.5 Electronic Shareholder Communication

Shareholders can elect to receive communications from the Company electronically.



PRINCIPLE 7 – RECOGNISE AND MANAGE RISK

A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework.

7.1 Risk

The allocation of responsibilities in respect of risk management is set out in the Board Charter and the Audit and Risk Committee Charter.

The Board's role is to set the risk appetite for the Company (that is, the nature and extent of the risks it is prepared to take to meet its objectives), to oversee the risk management framework and to satisfy itself that the framework is sound.

Management's role is to identify risks, develop and implement the risk management framework, manage and report on risks and monitor that the Company operates within the risk appetite set by the Board.

The Audit and Risk Committee's role in respect of risk management is to:

- (i) oversee that management carry out their risk management roles;
- (ii) review the Company's risk management framework to satisfy itself that it continues to be sound and effectively identifies all areas of potential risk;
- (iii) regularly review the Company's policies and processes to ensure that they are adequate to manage risks;
- (iv) review reports from management on new and emerging sources of risk and the risk controls and mitigation measures that management has put in place to deal with those risks, including (where necessary) on an urgent basis; and
- (v) make recommendations to the Board regarding risks the Company faces, action it should take, the adequacy of the Company's risk management framework, and the disclosure of risk.

The Company does not fully comply with Recommendation 7.1 as the Audit & Risk Committee does not have three members. The Company is satisfied that the Audit & Risk Committee can adequately discharge its functions because the Committee is comprised of non-executive directors with appropriate skill sets to discharge their responsibilities.

The Company has posted a copy of the Audit and Risk Committee Charter on the Corporate Governance page of its website at <https://empireenergygroup.net/company/corporate-governance/>.

Technical Committee

During 2021, the Board established a Technical Committee. The Technical Committee acts in an advisory only capacity, to provide ad hoc technical advice to the Board and management and to interpret technical issues as they arise for sharing with the Board.

The Technical Committee is comprised of the following members:

Member	Position	Relevant Qualifications and Experience
Prof. John Warburton	Chair of the Technical Committee, Non-Executive Director	Geoscientist, career in oil & gas industry
Mr Louis Rozman	Committee Member, Independent Non-Executive Director	Mining engineer, experience across construction, project management, joint ventures and project financing

7.2 Risk Management Framework

Management provides periodic status reports to the Board which identify potential areas of business risk arising from changes in the financial and economic circumstances of its operating environment. The Board regularly assesses the Company's performance in light of risks identified by such reports. Management is required to design, implement and review the Company's risk management and internal control system. The Board reviews the effectiveness of the implementation of the Company's risk management and internal control system on a regular basis.

The Company has exposure to economic and market risks, including general economy wide risks and risks associated with the economic cycle which impact on the price and demand of oil and gas. The Company has in place risk management procedures and processes to identify, manage and minimise its exposure to those economic risks where appropriate.

7.3 Internal Audit Function

The Board does not employ an internal auditor, although as part of the Company's strategy to implement an integrated framework of control, the Board requests that the external auditors review internal control procedures. Recommendations once presented are considered by the Board.

In addition, as required under the Corporations Act, the Managing Director and Chief Financial Officer have provided statements in writing to the Board that:

- a) The Empire Group's financial reports present a true and fair view in all material respects of the Empire Group's financial position and operating results and are in accordance with relevant accounting standards;
- b) The integrity of the financial statements is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board; and
- c) The Company's risk management and internal compliance and control system is operating efficiently in all material respects.

The Board requires this declaration to be made bi-annually and at the end of each financial



reporting period.

7.4 Material Exposures to Environmental and Social Risks

Environmental risks which the Company is exposed to include the drilling of petroleum wells, producing petroleum, transporting petroleum to customers, and associated greenhouse gas emissions. The Company has in place a risk management matrix and procedures and processes to identify, manage and minimise exposure to those environmental risks where appropriate.

The Company operates under regulatory frameworks for onshore petroleum in the Northern Territory, Australia and New York and Pennsylvania, USA.

The Company is committed to managing its Environmental, Social and Governance (“ESG”) responsibilities through adherence to practices and processes embedded into our culture and risk management framework. Empire released its ESG Policy on 31 March 2022.

PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY

A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders and with the entity’s values and risk appetite.

8.1 Remuneration Committee

The Board has established a Remuneration Committee. This Committee is comprised of the following members:

Member	Position
Mr Louis Rozman	Chair of the Remuneration Committee, Independent Non-Executive Director
Ms Karen Green	Committee Member, Independent Non-Executive Director

The Company does not fully comply with Recommendation 8.1 as the Remuneration Committee does not have at least three members. The Board considers that the function of the Remuneration Committee is not jeopardised by its current structure and is appropriate given the present size of the Company and the Board.

The Company has posted a copy of the Remuneration Committee Charter on the Corporate Governance page of its website at <https://empireenergygroup.net/company/corporate-governance/>.

The main responsibilities of the Remuneration Committee include:

- a) reviewing and recommending executive remuneration arrangements;
- b) determining the performance hurdles (Key Performance Indicators or ‘KPIs’) applicable to the Managing Director;

- c) reviewing and approving short term incentive strategy, performance targets and bonus payments;
- d) reviewing major changes and developments in the remuneration policies, superannuation arrangements, personnel practices and industrial relations strategies for the Company;
- e) reviewing and making recommendations on participation in and whether offers are to be made under incentive plans;
- f) reviewing senior management performance assessment processes and results; and
- g) reviewing and making recommendations to the Board on the remuneration for Non-Executive Directors.

Attendance at Remuneration Committee meetings is disclosed in the Company's Annual Report.

8.2 Remuneration policies and practices regarding

Executive Remuneration

Executive remuneration and other terms of employment are reviewed annually having regard to relevant comparative information and independent expert advice.

Remuneration packages include base salary, superannuation and the right of participation in the Company's Rights Plan.

Remuneration packages are set at levels that are intended to attract and retain executives capable of effectively managing the Company's operations.

Consideration is also given to reasonableness, acceptability to shareholders and appropriateness for the current level of operations.

The Company seeks the advice of external independent Australian remuneration consultants to ensure that the remuneration paid by the Company is reasonable in comparison to similar ASX-listed companies.

Non-Executive Director Remuneration

The remuneration of non-executive directors is determined by the Board based on market rates paid by industry peers and the maximum aggregate amount approved by shareholders from time to time.

Non-Executive Directors have the right to participate in the Company's Rights Plan. Further information on director and executive remuneration is included in the Company's annual Remuneration Report that forms part of the Annual Directors' Report.

8.3 Equity based remuneration



At the 2022 AGM, shareholders approved the Company's Rights Plan, with the details contained in the relevant Notice of Meeting, dated 28 April 2022. The Company considers this Plan to be a critical and cost-effective important remuneration mechanism to continue to attract and maintain an appropriate depth of executive talent.

Participants in the Company's Rights Plan are not permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the Rights Plan.