

QUANTUM GRAPHITE

CORPORATE GOVERNANCE STATEMENT

» 30 SEPTEMBER 2026

Introduction

Quantum Graphite Limited (QGL) is committed to achieving best practice in corporate governance.

Corporate Governance is central to QGL's approach to creating and sustaining growth through effective strategic planning, risk management, transparency, and maintaining our corporate responsibility to maximise shareholder value.

Purpose

It is the responsibility of the Board of Directors of the Company to monitor the business affairs of the Company and to protect the rights and interests of the shareholders. The Board believes that high standards of corporate governance are an essential prerequisite for creating sustainable value for shareholders.

Framework

Corporate Governance is the framework of our systems, policies, and processes by which we make decisions, operate, and hold people accountable. It also establishes the roles and responsibilities of the Board and other members and the processes for corporate reporting, disclosure, remuneration, risk management and engagement of the security holders.

QGL's approach to Corporate Governance is designed to promote transparency, for dealing and the protection of our stakeholder interests. We aspire to high standards of corporate governance for the sustainability and performance of the company.

Adherence to the ASX Corporate Governance Principles and Recommendations

The ASX Corporate Governance Principles and Recommendations (4th edition) (ASX Guidelines) have been followed as depicted in Appendix 1 where we outline and provide an explanation of our corporate governance practices and demonstrate our compliance levels with each Recommendation in the previous financial year. The Board will update Appendix 1 annually to reflect the previous financial year.

The policies and practices are reported against the 4th Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (ASX Guidelines).

Where the Company's compliance with the ASX Guidelines is reflected in a separate document or policy, a reference to the location of that document or

policy is included in this statement.

APPENDIX 1

CORPORATE GOVERNANCE STATEMENT as at 30 September 2026

This statement reports on the significant corporate governance practices of Quantum Graphite Limited (QGL) as of 30 September 2026 and it has been approved by the Board of the Company.

This statement sets out the Company's main corporate governance policies and practices. All these practices, unless otherwise stated, were in place for the entire year financial year.

References in this statement to "reporting period" are to the financial year ended 30 June 2026.

PRINCIPLE 1 – LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

Recommendation 1.1

A listed entity should disclose:

(a) the respective roles and responsibilities of its board and management; and

(b) those matters expressly reserved to the board and those delegated to management.

Recommendation Followed. The Company's Board Charter sets out (amongst other things):

- the roles and responsibilities of the Board and of management.
- the matters expressly reserved to the Board; and
- the matters delegated to management.

The Board Charter was reviewed by the Board during the 2025 - 2026 financial year to ensure it reflects the current obligations of the Board and the requirements of the ASX Guidelines. A copy of the Board Charter can be viewed at the Company's website.

Recommendation 1.2

A listed entity should:

(a) undertake appropriate checks before appointing a director or senior executive or putting someone forward for election as a director; and

(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.

Recommendation Followed. Prior to the appointment of a person or putting forward to security holders a candidate for election, as a director, the Company undertakes probity checks which it believes are appropriate to verify a director's character, experience, education, criminal record and bankruptcy history including for new directors.

The Company ensures that all material information in its possession relevant to a shareholder's decision whether to elect or re-elect a director, including the information referred to in Recommendation 1.2, is provided to shareholders in the Company's Notice of Annual General Meeting.

Recommendation 1.3

A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.

Recommendation Followed in Part. Directors are not appointed for specific terms and are subject to rotational requirements for re-election. The condition for continued office is effective contribution relevant to the Company's size and nature of operations and this is regularly reviewed in the evaluation of the Board's performance. The Company enters into written agreements with each director and senior executives setting out the key terms and conditions of their appointment including their duties, rights and responsibilities and (to the extent applicable) the matters referred to in the commentary to ASX Guideline 1.3.

Recommendation 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.

Recommendation Followed. The Company Secretary has a direct line of reporting to the Chairman and is responsible for:

- advising and supporting the Chairman and the Board and its committees to manage the day-to-day governance framework of the Company.

- assisting with Board effectiveness by monitoring whether applicable Board and committee policies, procedures and charters are followed and coordinating timely completion and despatch of Board agendas and papers; and
- assisting with all matters to do with the proper functioning of the Board including advising on governance matters and assisting with induction and professional development of directors.

The responsibilities of the Company Secretary are set out in the Board Charter referenced in this statement.

Recommendation 1.5

A listed entity should:

(a) have and disclose a diversity policy.

(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

(c) disclose in relation to each reporting period:

i. the measurable objectives set for that period to achieve gender diversity.

ii. the entity's progress towards achieving those objectives; and

iii. either:

(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

(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.

If the entity was in the S&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.

Recommendation Not Followed. The Company seeks to treat everyone with fairness and respect which includes valuing diversity and difference and acting without prejudice. The Company believes that decision-making is enhanced through diversity and supports and encourages diversity at all levels of the organisation in accordance with the Company's Diversity Policy. A copy of the

Diversity Policy is located at the Company's website.

Given the size of the Company and status of the Company's operations, the Board believes that it is not appropriate at this stage to set measurable objectives in relation to diversity beyond those included in the Diversity Policy. In addition, the Board did not anticipate that there will be a need to appoint any new directors or senior executives due to the limited nature of the Company's existing activities and the Board's position that existing directors and senior executives have the skill and expertise to execute the Company's plans.

Notwithstanding this, the Company strives to provide the best possible opportunities for current and prospective employees of all backgrounds in such a manner that best adds to overall shareholders' value, and which reflects the values, principles, and spirit of the Diversity Policy. The Board also believes that diversity is a relevant consideration for constitution of an effective Board, as discussed in ASX Guideline 2.2.

For the reporting year ended 30 June 2026, the Company reports as follows:

Gender diversity report	Total Positions	Held by Women
Board	4	-
Senior executives	2	2
Other employees	-	-
Total organisation	**6**	**2**

Recommendation 1.6

A listed entity should:

(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and

(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.

Recommendation Not Followed. The Board recognises that as a result of the Company's size and the scope of its operations, the assessment of the Board's overall performance and its own succession plan is conducted on an ad hoc basis. Whilst Recommendation 1.6 is not strictly followed the Directors consider that at the date of this report the evaluation process of company directors is appropriate and effective. The Board considers that a formal process of Board assessment, beyond the existing ad hoc review process, will be implemented once the Company commences production activities.

The scope of reviews undertaken by the Board take into account various matters including those set out in the Board Charter included in this statement.

Recommendation 1.7

A listed entity should:

(a) have and disclose a process for evaluating the performance of its senior executives at least once every reporting period; and

(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.

Recommendation Followed in Part. The Managing Director (or where relevant the Chairman) reviews the performance of the senior executives under an informal process carried out throughout the financial year. Subject to the evaluation of performance under this process, the relevant performance evaluation may be referred to the Board for discussion and the opportunity to raise any matter in connection with the evaluation process. Performance evaluations take into account criteria such as the achievement and performance of the Company's objectives and (where appropriate) performance benchmarks and the achievement of individual objectives. However, the Board also recognises the need for flexibility in defining performance objectives which must reflect the Company's size and the scope of its operations. Due to the limited nature of the scope of operations, no evaluations of the senior executives were undertaken.

During the financial year, no informal performance evaluations of the senior executives were undertaken by the Company.



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

Recommendation 2.1

The board of a listed entity should:

(a) have a nomination committee which:

i. has at least three members, a majority of whom are independent directors: and

ii. is chaired by an independent director,

and disclose:

iii. the charter of the committee.

iv. the members of the committee; and

v. 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

(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.

Recommendation Followed in Part. The Board has no formal nomination committee. In view of the Company's size and scope of operations, it is considered that a separate nomination committee would not provide any material benefit to the Company or the Board's decision-making process.

The Board carries out the duties and functions ordinarily carried out by a nomination committee including the processes to address succession, ensure the Board has the appropriate balance of expertise, experience, independence, and knowledge of the Company to enable it to discharge its duties and responsibilities effectively.

Recommendation 2.2

A listed entity should have and disclose a board skills matrix setting out the mix of skills that the board currently has or is looking to achieve in its membership.

Recommendation in Part. The Board regularly evaluates the mix of skills,

expertise, and experience at Board level. The Board believes that a highly credentialed Board, with a diversity of background, skills, and perspectives, will be effective in supporting and enabling delivery of good governance for the Company and value for the Company's shareholders. The Board comprises four Directors from diverse backgrounds with a range of business experience, skills, and attributes. The Board has not established a formal skills matrix; however, the skills of each director and the collective skills of the Board are regularly reviewed by the Board. Further, the Board requires that disclosure of each Board member's qualification, expertise and experience, a summary of which is available in the Company's financial report.

In connection with the Board's review of skills, the Board evaluates skills and experience in the context of seven key factors.

- management and leadership
- governance, regulatory and compliance
- financial performance and risk
- capital raising and capital management
- strategy
- industry experience
- stakeholder management

The directors' objective is to maintain a Board comprised of individuals with the necessary experience and expertise to execute the Company's business plans.

Recommendation 2.3

A listed entity should disclose:

(a) the names of the directors considered by the board to be independent directors;

(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

(c) the length of service of each director.

Recommendation Followed in Part. In the opinion of the Board, subject to materiality considerations, to qualify as being "independent", a director must

be independent of management and free of any business or other relationship of the type set out in Box 2.3.

The Company's financial report discloses the length of service of each director and identifies whether the director is an independent director, an executive or non-executive director.

Recommendation 2.4

A majority of the Board of a listed entity should be independent Directors.

Recommendation Not Followed. Given the current size of the Company's operations, the risks associated with small industrial mineral projects and the extent of the development required of the Company's assets, the Board considers that all board members should have a sufficient interest in the Company to provide shareholders with the confidence that the interests of board members and their own interests are strongly aligned.

In accordance with the ASX Recommendations, the independence of a director is assessed by determining whether the director is independent of management and free of any business or other relationship that could materially interfere with, or could reasonably be perceived to materially interfere with, the exercise of their unfettered and independent judgment. The test of whether a relationship or business is material is based on the nature of the relationship or business and on the circumstances and activities of the director. The level of materiality threshold is considered by the Board from time to time.

Recommendation 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.

Recommendation Followed in Part. The Chairman of the Board is not an independent director and is not the CEO. Given the current size of the Company's operations, the risks associated with small industrial mineral projects and the extent of the development required of the Company's assets, the Board considers that all board members should have a sufficient interest in the Company to provide shareholders with the confidence that the interests of board members and their own interests are strongly aligned.

Recommendation 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.

Recommendation Followed. All new directors are provided with an induction including meetings with the Managing Director and senior executives / management as appropriate and provision of information on the Company including Company and Board policies and other material documents.

All Directors are expected to maintain the skills required to effectively discharge their obligations to the Company. Directors are encouraged to undertake continuing professional education and, if this involves industry seminars and approved education courses, where appropriate, this is paid for by the Company.

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

Recommendation 3.1

A listed entity should articulate and disclose its values.

Recommendation Followed in Part. The Company expects all personnel to treat each other with respect and fulfil their duties honestly, fairly and in compliance with all applicable laws.

Recommendation 3.2

A listed entity should:

(a) have and disclose a code of conduct for its directors, senior executives, and employees; and

(b) ensure that the board or a committee of the board is informed of any material breaches of that Code.

Recommendation Followed. To establish practices the Board supports the need for all personnel to observe the highest standards of behaviour in the course of the fulfilment of their duties in accordance with the Code of Conduct.

Directors and senior executives speak and act consistently with the code and disciplinary action is taken for breaches.

Any material transgressions of these standards are addressed directly by the Board or the Audit and Risk Committee.

Recommendation 3.3

A listed entity should:

(a) have and disclose a whistle-blower policy; and

(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.

Recommendation Followed. The Company's Whistle-Blower Policy is contained in the Code of Conduct policy. The Board's Audit and Rick Committee is directly responsible for monitoring and oversight of all matters relating to whistle-blower conduct and activities and communicating the Company's philosophy, policies and processes in connection with these matters to all employees and ensuring appropriate awareness. The Board is informed of any breaches or general non-compliance with this framework.

Recommendation 3.4

A listed entity should:

(a) have and disclose an anti-bribery and corruption policy; and

(b) ensure that the board or committee of the board is informed of any material breaches of that policy.

Recommendation Followed. The Company's Anti-Bribery and Anti-Corruption Policy are contained in the Code of Conduct policy. The Board's Audit and Rick Committee is directly responsible for monitoring and oversight of all matters relating to anti-bribery and anti-corruption and communicating the Company's philosophy, policies and processes in connection with these matters to all employees and ensuring appropriate awareness. The Board is informed of any breaches or general non-compliance with this framework.

PRINCIPLE 4 – SAFEGUARD INTEGRITY IN CORPORATE REPORTING

Recommendation 4.1

The board of a listed entity should:

(a) have an audit committee which:

i. has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and

ii. is chaired by an independent director, who is not the chair of the board,

and disclose;

iii. the charter of the committee;

iv. the relevant qualifications and experience of the members of the committee; and.

v. 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

(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.

Recommendation Followed in Part. The Company has established an Audit and Risk Committee which comprises at least 2 directors. The Audit Committee Charter is located on the Company's website.

In view of the size and scope of the Company's operation, the Committee members are not independent directors and include the Chairman and Chief Executive Officer. The Board considers that the experience and expertise of Committee members properly addresses the roles and responsibilities of an Audit and Risk Committee.

The Committee's members and their relevant qualifications and experience, the number of times the Committee met throughout the reporting period and the attendance of the Committee's members at those meetings is set out in the financial report.

Recommendation 4.2

The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that, in their opinion, the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Recommendation Followed. The Board receives a declaration in the form set out in ASX Guideline 4.2 from its CEO or Chief Financial Officer in relation to the financial report and in accordance with the requirements set out in the Company's Audit and Risk Committee Charter.

Recommendation 4.3

A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.

Recommendation Followed. To the extent that the Company releases to the market any report that is unaudited or not reviewed by an external auditor, the Company requires that such report be approved directly by the Board or the Audit and Risk Committee to ensure that the content of the report is accurate and consistent with the Company's audited financial reporting and its technical report issued under the JORC Ore Reserve Committee 2012 Standards.

PRINCIPLE 5 – MAKE TIMELY AND BALANCED DISCLOSURE

Recommendation 5.1

A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.

Recommendation Followed. The Company has a Continuous Disclosure and Communications Policy that outlines the processes followed by the Company to ensure compliance with its continuous disclosure obligations and the corporate governance standards applied by the Company in its communications to the market. The Continuous Disclosure and Communications Policy can be viewed at the Company's website.

The directors are also bound by the Company's Securities Trading Policy which governs the dealings by directors and senior executives in the Company's securities.

Recommendation 5.2

A listed entity should ensure that its board receives copies of all material market announcements promptly after they have made.

Recommendation Followed. Announcements made on the ASX by the Company are distributed to all directors and accessible on the Company's website.

Recommendation 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


A
B
C
D
E

Announcements platform ahead of the presentation.

Recommendation Followed. In accordance with the Company's Continuous Disclosure and Communications Policy, all material market presentations are released to the market in a prompt manner.

PRINCIPLE 6 – RESPECT THE RIGHTS OF SECURITY HOLDERS

Recommendation 6.1

A listed entity should provide information about itself and its governance to investors via its website.

Recommendation Followed. Information about the Company and its operations is located at the Company's website. Information about the Company's corporate governance (including links to the Company's corporate governance policies and charters) can be accessed from the Investors page.

Recommendation 6.2

A listed entity should have an investor relations program that facilitates effective two-way communication with investors.

Recommendation Followed. The Company has a Continuous Disclosure and Communications Policy that outlines the processes followed by the Company to ensure communication with shareholders and the investment community is effective, consistent and adheres to the principles of continuous disclosure. The Continuous Disclosure and Communications Policy is located at the Company's website.

Recommendation 6.3

A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.

Recommendation Followed. The Continuous Disclosure and Communication Policy sets out the policies and processes the Company has in place to facilitate and encourage participation at meetings of security holders. The Company permits shareholders to cast their proxies prior to a General Meeting if they are unable to attend the meeting.

Recommendation 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.

Recommendation Followed. It has been the Company's practice for voting on certain resolutions to be conducted by a poll.

Recommendation 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.

Recommendation Followed. The Company gives security holders the option to receive communications from, and send communications to, the Company and its security registry electronically, as provided for in the Company's Continuous Disclosure and Communication Policy.

PRINCIPLE 7 – RECOGNISE AND MANAGE RISK

Recommendation 7.1

The board of a listed entity should:

(a) have a committee or committees to oversee risk, each of which:

   i. has at least three members, a majority of whom are independent directors; and

   ii. is chaired by an independent director,

   and disclose:

   iii. the charter of the committee;

   iv. the members of the committee; and

   v. 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

(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.

Recommendation Followed in Part. The Company has established an Audit and Risk Committee to oversee risk whether financial, operational, or otherwise. The Audit and Risk Committee comprises 3 directors, including the Chair of the Board. The Audit and Risk Committee's Charter is located at the Company's website. The Committee's members and their relevant qualifications and

experience, the number of times the Committee met throughout the reporting period and the attendance of the Committee's members at those meetings is set out in the Annual Report.

Recommendation 7.2

The board or a committee of the board should:

(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

(b) disclose, in relation to each reporting period, whether such a review has taken place.

Recommendation Followed. The Company's Risk Management Policy sets out the framework for risk management including the review of the framework itself. The Risk Management Policy is located on the Company's website. See also the Company's policies in respect of ASX Guideline 7.1.

The Board schedules an annual review of the Company's risk management framework. In light of the size and scope of the Company's activities, the Board addresses individual risks and reviews risks associated with the Company's activities as and when required. In the reporting period, the Board did not complete a review of the Company's risk management framework.

Recommendation 7.3

A listed entity should disclose:

(a) if it has an internal audit function, how the function is structured and what role it performs; or

(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.

Recommendation Not Followed. The Company is committed to management and control of risk and establishing an organisational culture that ensures risk management is included in all activities, decision making and business processes. The Company does not have a formal internal audit function due to its size and scope of operations.

The ongoing mitigation and management of key business risks is addressed by the Board. Where appropriate, these risks are managed with the support of relevant external professional advisers.

Recommendation 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.

Recommendation Followed. The Company undertakes mineral exploration and production activities and, as such, faces risks inherent to its business, including economic, environmental and social sustainability risks, which may materially impact the Company's ability to create or preserve value for security holders over the short, medium or long term.

One of the Company's core values is safety; it prioritises safety and health to people, the environment and community. The Company views sustainable and responsible business practices as an important long-term driver of performance and shareholder value and is committed to transparency, fair dealing, responsible treatment of employees and partners and positive interaction with the community.

PRINCIPLE 8 – REMUNERATE FAIRLY AND RESPONSIBLY

Recommendation 8.1

The board of a listed entity should:

(a) have a remuneration committee which:

   i. has at least three members, a majority of whom are independent directors: and

   ii. is chaired by an independent director,

   and disclose;

   iii. the charter of the committee;

   iv. the members of the committee; and

   v. 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

(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 remuneration is appropriate and not excessive.

Recommendation Not Followed. Due to the size and scope of operations, the Company does not have a remuneration committee. The Board reviews remuneration levels on a case-by-case basis, i.e., assessment of individual personnel is considered more appropriate than formal remuneration policies. In doing so, the Board seeks to retain professional services as and when required to assist it in its deliberations.

Recommendation 8.2

A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.

Recommendation Followed. The full details of the Company's policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives is set out in the Remuneration Report within the Directors' Report of the 2026 Annual Financial Report.

Recommendation 8.3

A listed entity which has an equity-based remuneration scheme should:

(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

(b) disclose that policy or a summary of it.

Recommendation Followed. The Company has an equity-based remuneration scheme. The Company's Securities Trading Policy provides that Directors and senior executives are subject to limitations in respect of trading in financial products issued or created over or in respect of the entity's securities. The Securities Trading Policy is located on the Company's website.

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