

Supplementary Prospectus

Montem Resources Limited (ACN 623 236 831) (Company)

THIS IS A SUPPLEMENTARY PROSPECTUS TO THE PROSPECTUS LODGED WITH ASIC ON 31 JULY 2020 AND MUST BE READ TOGETHER WITH THAT PROSPECTUS.

1. Important information

This supplementary prospectus (**Supplementary Prospectus**) is dated 17 August 2020 and was lodged with ASIC on that date. This document supplements, and should be read together with, the prospectus issued by the Company dated 31 July 2020 (**Prospectus**). Neither ASIC, the ASX, nor their respective officers take any responsibility for the contents of this Supplementary Prospectus.

Other than as set out below, all details in relation to the Prospectus remain unchanged. Unless the context otherwise requires, defined terms used in this Supplementary Prospectus have the same meanings as given to them in the Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail.

The Prospectus and this Supplementary Prospectus are important documents and should be read in their entirety. If you do not understand their contents or are in doubt as to the course you should follow, you should consult your professional advisers without delay.

2. Supplementary Information

The purpose of this Supplementary Prospectus is to make the revisions to the Prospectus as set out in Sections 3, 4 and 5 below.

3. Additional Capital

The following further information is added at the end of the third last paragraph in Section 2.3:

"The additional capital required for the Tent Mountain Restart Project is set out in Section 3.3. The proceeds from the IPO will fund licensing, work at the Tent Mountain Mine to prepare for mine construction, and important work to provide customer trials of the Tent Mountain coal to assist securing the required finance for the mine. The Company has during 2019 and 2020 held positive discussions with certain parties to identify the possible sources of finance, including with major banks, Asian trading houses and export finance corporations. In addition to possible further equity raisings, the financing options identified by the Company include traditional project financing, equipment finance, joint venture farm-out financing, offtake finance and contract mining services. The Company believes that the recent significant investment into Riversdale Resources Limited and Atrum Coal Limited (as further described in Section 2.9) evidence strong support for the coking coal development sector in the region of Alberta where the Tent Mountain Mine is located. The ability to raise the required additional capital during 2021 from the sources identified is subject to entry into binding agreements and may be influenced by other factors including those as set out in section 7."

4. Letter from the Chairman

The second last paragraph of the Letter from the Chairman on page 5 of the Prospectus is deleted and replaced with the following:

“Finally, using funds from the Offer we will also investigate the Isola Project which shows outstanding potential, with a recently estimated Exploration Target of 275- 900Mt. Please note the potential quantity and grade of the Exploration Target is conceptual in nature and there has been insufficient exploration carried out to define the relevant Coal Resource and it is uncertain if further exploration will result in the estimation of Mineral Resources. The Exploration Target is not reported as part of any Mineral Resource or Ore Reserve. We do however hope to explore Isola in the future and look forward to informing you on our progress.”

5. Greenfield Projects

The following further information is added at the end of the last paragraph in Section 2.5 of the Prospectus on page 19:

“The extent and timing of the exploration drilling as recommended in the JORC Reports for the Greenfield Projects will be determined by initially undertaking a surface mapping programme planned for September and October 2020. The budget for this work is approximately \$30,000 and is included within the broader Chinook Project geological plans (as the same geologists will undertake the work) captured within the Use of Funds table set out in Section 6.6.”

6. General

The Directors believe that the changes in this Supplementary Prospectus are not materially adverse from the point of view of an investor. Accordingly, no action needs to be taken if you have already applied for New Shares under the Offer.

7. Directors' authorisation

This Supplementary Prospectus is issued by the Company. Each of the Directors has consented to the lodgement of this Supplementary Prospectus in accordance with section 720 of the Corporations Act and has not withdrawn that consent.

This Supplementary Prospectus is signed for and on behalf of the Company by:



Mark Lichtenberg

Chairman