

Sustainability and Risk Committee Charter

1. Background

The Sustainability and Risk Committee is a Committee of the Board of Directors ('**Board**') of Clean TeQ Holdings Limited (ACN 127 457 916) ('**Clean TeQ**' or the '*Company*') that was established under the Company's Constitution.

This charter sets out the scope of the Sustainability and Risk Committee's responsibilities in relation to the Company and its controlled entities ('*Group*'). The Sustainability and Risk Committee will assist the Board to meet its obligations under its Charter and as required by regulatory compliance, as well as addressing all matters pertaining to audit and risk matters as suggested by the 3rd Edition of the ASX Corporate Governance Principles.

The role of the Sustainability and Risk Committee is not an executive role.

2. Purpose

The purpose of the Charter is to:

- (a) assist the Board to achieve its objective in relation to:
 - (i) occupational health and safety (OHS);
 - (ii) community and stakeholder engagement;
 - (iii) heritage and land access;
 - (iv) security and emergency management;
 - (v) government regulatory compliance; and
 - (vi) risk management.
- (b) overseeing and monitoring the Company's sustainability policies and practices;
- (c) overseeing and monitoring the Company's risk management system;
- (d) overseeing and monitoring the Company's Crisis Management system and processes; and
- (e) assuring the Company is fulfilling its responsibilities through the implementation of HSEC systems, practices and procedures.

Note: Financial risk management is separately monitored and reviewed by the Audit Committee.

3. Duties and responsibilities

The Sustainability and Risk Committee is responsible for:

Sustainability

- (a) approving and recommending to the Board for adoption policies and procedures on sustainability to establish an effective and efficient system for oversight and management;

- (b) regularly reviewing with management, the Company's record of performance on community relationships, health, safety, security and environmental matters along with any proposed actions based on the record of performance;
- (c) review and report to the Board on material non-compliance with legislation and regulations across the Company;
- (d) obtaining an independent judgment from an external auditor regarding the Company's policies, procedures and performance on sustainability; and
- (e) monitoring changes in applicable regulations and legislation and reviewing compliance with all applicable regulations and disclosures.

Risk Management

- (a) overseeing the establishment and implementation of risk management and internal compliance and control systems and ensuring there is a mechanism for assessing the efficiency and effectiveness of those systems;
- (b) approving and recommending to the Board for adoption policies and procedures on risk oversight and management to establish an effective and efficient system for:
 - (i) identifying, assessing, monitoring and managing risk; and
 - (ii) disclosing any material change to the risk profile;
- (c) regularly reviewing, discussing and updating the risk profile;
- (d) assessing the adequacy of the internal risk control system with management and internal (if relevant) and external auditors;
- (e) monitoring the effectiveness of the internal risk control system and processes;
- (f) overseeing and monitoring the effectiveness of the Company's Crisis Management system;
- (g) ensuring the risk management system takes into account all material risks, including risks arising from:
 - (i) implementing strategies (strategic risk);
 - (ii) operations or external events (operational risk);
 - (iii) environmental (environmental risk);
 - (iv) occupational health and safety (OHS risk);
 - (v) changes in community expectation of corporate behaviour (reputation risk);
 - (vi) a counterparty's financial obligations within a contract (credit risk); and
 - (vii) financial activities (financial risk);
- (h) review and report to the Board on the risk management disclosure in the Company's Annual Report, and all other risk management information published by the Company or released to the market;
- (i) ensure that procedures for whistle blower protection are adequate; and

- (j) review and report to the Board on material non-compliance with legislation and regulations across the Company.

4. Authority

The Sustainability and Risk Committee:

- (a) will act as an advisory body to the Board and, unless otherwise determined or delegated by the Board, its power and authority is limited to making recommendations to the whole Board;
- (b) is authorised by the Board to review and consider any activity within its terms of reference and any additional matters as requested by the Board and is tasked with recommending to the Board appropriate actions emanating from its deliberations;
- (c) shall have unfettered access to personnel, records and senior management of the Company, as appropriate;
- (d) shall have unfettered access to internal and external auditors to seek explanations and information from them, without management being present.
- (e) shall have direct access to the Company's resources as it may reasonably require to carry out its duties;
- (f) is entitled to initiate and direct any special investigation that the Committee considers appropriate in relation to the assessment, reduction and mitigation of technical risk involving the Company or any of its subsidiaries, and to appoint or consult any independent that the Committee considers appropriate to carry out its duties. The Company will bear the cost of any such investigation or consultation; and
- (g) is authorised by the Board to obtain outside legal or other independent professional advice in respect of any matter relating to its terms of reference. It may also secure the attendance of outsiders with relevant experience and expertise, if it considers this necessary. The Sustainability and Risk Committee may meet with these external advisers without management being present. The cost of such advice will be borne by the Company.

5. Sustainability and Risk Committee composition

The composition of the Sustainability and Risk Committee will be in accordance with the following:

- (a) ASX corporate governance guidelines recommend that the Sustainability and Risk Committee should comprise no less than three Non-Executive Directors, all of whom shall also be independent;
- (b) the chairperson of the Sustainability and Risk Committee shall be an independent Non-Executive Director appointed by the Board and should not be the chairperson of the Board;
- (c) the Board will decide appointments, rotations and resignations within the Sustainability and Risk Committee having regard to the ASX Listing Rules and the Act; and
- (d) a member may act by their alternate.

6. Meetings

- (a) The Committee will meet at least two times per year;
- (b) It is expected that the Committee with other Board members will conduct one field audit at an operating site per year;

- (c) A quorum consists for a Sustainability and Risk Committee meeting is two Sustainability and Risk Committee members;
- (d) Sustainability and Risk Committee meetings may be held by any technological means allowing its members to participate in discussions even if all of them are not physically present in the same place. A member who is not physically present but participating by technological means is taken to be present;
- (e) The Sustainability and Risk Committee may pass or approve a resolution without holding a meeting in accordance with the procedures (so far as they are appropriate) in section 284A “Circulating resolutions of companies with more than one director” of the Corporations Acts;
- (f) Unless otherwise determined by the Sustainability and Risk Committee, the Company Secretary shall act as Secretary to the Sustainability and Risk Committee;
- (g) The Sustainability and Risk Committee may invite other persons it regards appropriate to attend Sustainability and Risk Committee meetings;
- (h) Members of the executive team will be invited to attend Committee meetings as required; and
- (i) Sustainability and Risk Committee members and meeting invitees will be asked to disclose conflicts of interest at the commencement of each meeting. Where Sustainability and Risk Committee members or invitees are deemed to have a real or perceived conflict of interest, they will be excused from the Sustainability and Risk Committee discussions where it has been deemed a conflict arises.

7. Minutes of Sustainability and Risk Committee meetings

- (a) The Sustainability and Risk Committee must keep minutes of its meetings.
- (b) Minutes of each Sustainability and Risk Committee meeting must be included in the papers for the next full board meeting after each meeting of the Sustainability and Risk Committee.
- (c) Minutes must be distributed to all Sustainability and Risk Committee members, after the Sustainability and Risk Committee chairperson has approved them.
- (d) Minutes, agenda and supporting papers are available to directors upon request to the Sustainability and Risk Committee secretary, except if there is a conflict of interest.

8. Reporting to the Board

The key matters discussed at each Committee Meeting shall be reported by the Chairman of the Sustainability and Risk Committee to the Board at the next regular Board Meeting.

9. Other matters

This Sustainability and Risk Committee Charter will be made available on the Company's website.

The Sustainability and Risk Committee will review this charter annually or as often as it considers necessary and the Board may change this charter from time to time by resolution.

This charter was approved and adopted by the Board on 24 August 2017.