

## 1.0 ROLE OF THE SUSTAINABILITY COMMITTEE AND ITS AUTHORITY

- (a) The Sustainability Committee (**Committee**) assists the board of directors (**Board**) of Arafura Resources Limited (**Arafura or Company**) in fulfilling its responsibilities for:
  - (i) corporate governance (other than those relating to financial matters);
  - (ii) recommending the long-term targets and aspirations contained in the sustainability report;
  - (iii) monitoring progress towards the long-term targets and aspirations contained in the sustainability report; and
  - (iv) review and recommend the sustainability report for release to the market
- (b) The Committee is a committee of the Board established in accordance with the Company's constitution (**Constitution**) and authorised by the Board to assist it in fulfilling its statutory and regulatory responsibilities. It has the authority and power to exercise the role and responsibilities set out in this Charter and granted to it under any separate resolutions of the Board from time to time.

## 2.0 MEMBERSHIP

- (a) The Committee should to the extent practicable given the size and composition of the Board and nature and scope of the operations of the Company from time to time, comprise of:
  - (i) at least three members;
  - (ii) non-executive directors; and
  - (iii) a majority of directors who are independent (and it must satisfy this description if required by statute or regulation).
- (b) All Committee members should have a reasonable understanding of the Company's business and the industry in which it participates.
- (c) The Board will appoint the chair of the Committee (**Committee Chair**). The Committee Chair should be an appropriately qualified independent non-executive director.
- (d) Committee members will be appointed for a fixed period of no more than three years, with Committee members generally being eligible for re-appointment for so long as the Committee will meet the relevant criteria established in paragraph (a) above.
- (e) The appointment and removal of Committee members is the responsibility of the Board.
- (f) A Committee member may resign as a member of the Committee upon reasonable notice in writing to the Committee Chair.

- (g) If a Committee member ceases to be a director of the Board, their appointment as a member of the Committee is automatically terminated with immediate effect.
- (h) The Company Secretary of is secretary to the Committee.

## 3.0 MEETINGS

- (a) The Committee will meet at least two times annually or as frequently as is required to undertake its role effectively.
- (b) Any Committee member may, and the Company Secretary must upon request from any member, convene a meeting of the Committee.
- (c) The Committee may invite any executive director, other staff member or external auditor to attend all or part of a meeting of the Committee. There is an open invitation for all other non-executive directors to attend all meetings of the Committee.
- (d) The proceedings of all meetings will be minuted by the Company Secretary. All minutes of the Committee are available for inspection by any director.
- (e) A quorum for any meeting will be at least two Committee members.

## 4.0 DUTIES AND RESPONSIBILITIES

- (a) The Committee's key responsibilities and functions are to assist the Board in discharging its responsibilities to oversee Arafura's sustainability practices, including:
  - (i) reviewing the policies and management systems relating to safety, environment and community (SEC);
  - (ii) reviewing the systems for compliance with relevant SEC legal and regulatory requirements;
  - (iii) reviewing the Company's performance in relation to SEC measures and targets; and
  - (iv) reviewing the Annual Sustainability Report, as well as other significant public statements as they relate to sustainability and recommend those statements for approval.

## 5.0 REPORTING

- (a) The Committee will:
  - (i) regularly report to the Board on all matters relevant to the Committee's role and responsibilities;
  - (ii) report and, as appropriate, make recommendations to the Board after each Committee meeting on matters dealt with by the Committee; and

- (iii) as and when appropriate, seek direction and guidance from the Board on sustainability and compliance matters.
- (b) The Committee must review and report to the Board on the Company's Annual Sustainability Report.
- (c) Minutes of Committee meetings will be included in the papers of a meeting of the full Board as soon as practically possible.

## 6.0 ACCESS TO INFORMATION AND INDEPENDENT ADVICE

- (a) The Committee may seek any information or advice it considers necessary to fulfil its responsibilities.
- (b) The Committee has access to the Company's management, to seek explanations and information from them.
- (c) The Committee may seek professional advice from appropriate external advisers, at the Company's cost. The Committee may meet with these external advisers without the Company's management being present.

## 7.0 REVIEWS AND CHANGES TO THIS CHARTER

- (a) The Committee will review this charter annually or as often as it considers necessary.
- (b) The Committee will make recommendations to the Board on changes to the Company's risk management framework or the risk appetite set by the Board.
- (c) The Board may change this charter (including the responsibilities of the Committee) from time to time by resolution.

## 8.0 COMMITTEE PERFORMANCE

- (a) The Board will, at least once in each year, review the membership of the Committee to determine its adequacy for current circumstances and the Committee may make recommendations to the Board in relation to the Committee's membership, responsibilities, functions or otherwise.
- (b) The Committee shall make an evaluation of its performance at least once every two years to determine whether it is functioning effectively by reference to current best practice.