



**VULCAN ENERGY**  
**ZERO CARBON LITHIUM™**

## **PROJECTS OVERSIGHT COMMITTEE CHARTER**

This Charter was approved by the Board of Vulcan Energy Resources Limited  
on 19 August 2022

## 1. Introduction

The Board of Directors (**Board**) of Vulcan Energy Resources Limited (**Vulcan**) has established a Projects Oversight Committee (**Committee**).

This Charter sets out the specific responsibilities delegated by the Board to the Committee and the Committee's objectives, authority, responsibilities, composition and operation.

## 2. Purpose

The purpose of the Committee is to assist the Board in the effective discharge of its responsibilities by providing governance over the development and execution of the programme of projects (**Projects**) to support the growth of Vulcan and to provide expert advice to the management team in the execution of their responsibilities in this area, when requested.

The term Projects shall apply to any discrete programme of work or activity, whether in study, feasibility or execute phase which will materially impact the Company achieving its stated objectives.

## 3. Structure

### 3.1. Membership

The Committee will consist of:

- (a) three permanent non-executive directors one of whom shall act as the chairperson of the Committee<sup>1</sup>;
- (b) the chairperson of the committee shall not be chairman of the Board;
- (c) the CEO of the company or delegate; and
- (d) other persons as requested by the Committee from time to time, including other non-executive directors on an ad-hoc basis.

### 3.2. Expertise

In appointing non-executive directors to the Committee, the Board will have regard to the following composition requirements:

- (a) members having extensive project development and delivery experience; and
- (b) at least 2 members having experience of the industry in which the Company operates.

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<sup>1</sup> There shall be a majority of independent directors, as determined by the Board by reference to the definition of independence set out in Box 2.1 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, or otherwise in accordance with the Board Charter.

## **4. Role of the committee**

### **4.1. Role**

Unless requested otherwise by the Board, the Committee will consider the “endorsement of”, rather than the “approval of” proposals by the Company and does not have executive power to bind the Company or enter into transactions with third parties.

### **4.2. Access to management**

The Committee, in performing its functions and regarding the specific area or Project being considered by the Committee, may, with reasonable notice and with regard to executive/employee workload:

- (a) require the attendance at a meeting of the Committee of:
  - (i) the responsible Company executive;
  - (ii) any employee of the Company or its associated entities
  - (iii) any other Company function or auditor (if any)
  - (iv) an external expert; and
  - (v) a Director who is not a member of the Committee; and
- (b) request access to any document, report, material, or information in the possession of an employee or external adviser of the Company.

## **5. Special investigations**

The Committee may initiate special investigations (Deep Dives) as it sees fit, or as directed by the Board in relation to its responsibilities.

## **6. Access to independent advice**

The Committee may obtain independent professional advice to assist it in the proper exercise of its powers and responsibilities, with the cost to be borne by the Company.

## **7. Committee responsibilities**

### **7.1. Project Oversight**

The Committee shall carry out regular reviews of the status of nominated Projects to advise on whether the agreed objectives and outcomes are on track to being achieved. This includes but is not limited to the areas of:

- (a) Health, Safety, Environmental and Community/Social management;
- (b) business plan development and economic viability;
- (c) organisational structure, capability and capacity;
- (d) strategies to secure and comply with regulatory approvals for Project execution;
- (e) overall project reporting and capital management processes;
- (f) cost, schedule and scope management and change;
- (g) procurement and contracting strategies;

- (h) risk and opportunity management; and
- (i) engineering standards and quality.

## **7.2. Corporate Governance**

The Committee should review and advise:

- (a) on the application of appropriate processes, systems and procedures to meet corporate governance framework of requirements covering; rules, relationships, approvals and authorities to allow the Projects to be progressed efficiently and effectively;
- (b) that the Projects are provided with the appropriate leadership and direction complimentary to maintaining an appropriate awareness of the strategic objectives of the Company; and
- (c) that processes utilised in the governance and management of the Projects align with complimentary processes used at the business and Company level e.g. Risk Management.

## **7.3. Primary Role of the Committee**

The Committee will:

- (a) not be a part of the direct management of the Project;
- (b) provide direction and guidance to the Project (and Executive Team) to ensure that the Project objectives are always aligned with the strategic objectives of the Company;
- (c) review the Project status and make recommendations relating to actions that in the view of the Committee should be considered;
- (d) provide support and coaching to the Project and propose strategies and actions relating to the progress and implementation of the Project where appropriate;
- (e) provide feedback and reporting to the Board with recommendations for any actions required from the Board;
- (f) advise that effective and adequate procedures are established for the implementation of the work and reporting with respect to compliance requirements; and
- (g) advise that the Project has the knowledge, required expertise and resources to meet regulatory and other compliance requirements.

## **8. Meetings**

### **8.1. Holding of meetings**

- (a) the Committee will aim to meet, as a minimum, approximately two weeks prior to the scheduled Company Board meetings;
- (b) the Chairman of the Committee may convene a meeting of the Committee at any time, or if so requested by any member of the Committee; and
- (c) a meeting of the Committee will be preferentially face to face but may be held using any means of audio or audio-visual communication.

### **8.2. Quorum**

The presence of 2 (two) nominated non-executive members of the Committee is necessary to constitute a quorum for a meeting.

### **8.3. Attendance at meetings**

Unless otherwise notified by the Committee attendees at the review/oversight meetings in addition to the Committee members can be:

- (a) any Director by choice or as required;
- (b) head of the Project work to present to the Committee; and
- (c) other relevant personnel as required to contribute to the presentation and proceedings (subject to the Committee's approval).

## **9. Secretary**

The secretary of the Committee is the Company Secretary of the Company or a designated alternate.

## **10. Committee papers and minutes**

The Committee secretary must distribute an agenda and any related Committee papers (including minutes of the previous Committee meeting and copies of the presentations for the meeting) at least three working days in advance of Committee meetings to:

- (a) each member of the Committee and each Director (if requested); and
- (b) head of Project work.

## **11. Performance review**

At least once a year, in a manner determined by the Board, the Committee must review:

- (a) its performance; and
- (b) the performance of each member,

against the Committee charter and (if required) consider making recommendations for improving the effectiveness of the Committee.

## **12. Reporting to the board**

### **12.1. Regular reporting**

The Committee Chairman will report to the Board after each Committee meeting and will make recommendations to the Board as appropriate.

The Committee will also consider if any material matters arising out of the Committee meeting should be advised to any other Committee and, if so, recommend to the Board that this occurs.

### **12.2. Annual Report to the Board**

The Committee shall report to the Board as to the exercise of the responsibilities under this Charter on an annual basis.