CLEANTECH LITHIUM PLC (the “Company”)

TERMS OF REFERENCE FOR THE ESG COMMITTEE

Constitution and attendance

The ESG Committee (the "**Committee**") is appointed by the Board of Directors of the Company (the "**Board**") and shall only consist of non-executive directors and the CEO.

Following the appointment of a new non-executive directors, the Committee permanent members are amended as follows :

- Todd Ross *(as Chair);* and
- Steve Kesler
- Ignacio Mehech

Additional members may be appointed as the Company grows.

The ESG Committee Secretary, and a non-voting member of the Committee, is Nick Baxter, Head of Communications and ESG.

The Chair of the Committee shall be appointed by the Board and shall not be the Chair of the Board.

In the event only one of the appointed members can attend any meeting, in the absence of the two other members (for whatever reason), the work of the Committee will automatically revert to the Board of Directors of the Company until the missing member/s is/are able to re-attend the Committee. Alternatively, the Board may co-opt another non-executive director to the Committee until the missing member/s is/are able to return.

Only members of the Committee have the right to attend Committee meetings. However, the CFO and other directors may be invited to attend meetings.

Key internal members of the Company and external professional advisers may also be invited to attend on an ad-hoc basis.

Members of the Committee are named in the Annual Report of the Company.

Each member of the Committee shall have one vote. In the event of an equality of votes, the Chair of the Committee shall have a second or casting vote. In the absence of the Chair of the Committee or any appointed deputy, the remaining members present shall elect one of their number to Chair the meeting.

Each member of the Committee shall disclose to the Committee:

a) any personal, financial or other interest in any matter to be decided or discussed by the Committee; and/or

b) any potential conflict of interest arising from a cross-directorship or otherwise; and

any such member shall abstain from voting on resolutions of the Committee in relation to which such interest exists and from participating in the discussions concerning such resolutions and (if so required by the Board) shall resign from the Committee or absent himself from all or part of the meeting of the Committee in question.

Quorum

The quorum necessary for the transaction of business is two members. A duly convened meeting of the Committee at which a quorum is present is competent to exercise all or any of the authorities, powers and discretions vested in, or exercisable, by the Committee.

Members of the Committee may attend meetings of the Committee either in person, by telephone or through other means of electronic communication, provided all participating Committee members can hear each other.

Frequency of meetings

The Committee meets at least six times a year at appropriate times in the reporting cycle and at such other times as the Committee requires.

Notice of meetings

Meetings of the Committee are convened by the ESG Committee Secretary, or the Chair of the Committee.

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, any other person required to attend, no fewer than three working days prior to the date of the meeting, unless a shorter timescale is otherwise approved in advance by the Chair of the Committee. Supporting papers are sent to Committee members and to other attendees, at the same time.

Minutes of meetings

The ESG Committee Secretary, or any other person authorised by the Chair of the Committee, minutes the proceedings and resolutions of all meetings of the Committee, including recording the name of those present and in attendance.

The ESG Committee Secretary ascertains, at the beginning of each meeting, the existence of any conflicts of interest and minutes them accordingly.

Minutes of Committee meetings shall be circulated promptly to:

- all members of the Committee, and;
- all members of the Board.

The Minutes may also be sent to the external auditors of the Company and/or the Company's Nomad, once approved by the Committee, if the Chair of the Committee agrees that is appropriate.

Annual General Meeting

The Committee Chair attends each Annual General Meeting ("**AGM**") of the Company and responds to any shareholder questions on the Committee's activities.

General scope, authority and Duties

The role and primary purpose of the ESG committee is to support and advise the Board in fulfilling its responsibilities to:

- create stakeholder and shareholder value by understanding, managing, monitoring and reporting on sustainability and ESG risks and opportunities to ensure the long-term viability and growth of the Company.
- ensure that ESG principles are applied as a lens against all Company strategic decisions related to ESG outcomes, including environmental, social (including employees, local communities, and wider societal interests e.g. stakeholder engagement), and the way ESG matters are governed by the Company (e.g. stakeholder engagement, application of local and international laws, ESG investor ratings, company structure, etc.).

- ensure communication throughout the Company of the importance of developing a culture of ESG risk management, environmental and community responsibility and an awareness of the importance of health and safety and the preservation of human rights.

Specifically, the ESG Committee will be responsible for:

- reviewing and assessing the design, implementation and effectiveness of the ESG strategy, policies and procedures in identifying and managing material sustainability risks and complying with relevant legal and regulatory requirements.
- making recommendations to Management and the Board with respect to actions arising from its review and monitoring activities.
- acting as a listening and learning body (from inputs provided by internal and external stakeholders) for the Company to continue to sharpen its ESG strategy and decision-making processes.
- reviewing the methods of communicating the sustainability performance, policies and procedures throughout the organisation and externally.
- providing oversight and making recommendations to the Board in relation to the approval and integrity of disclosures regarding ESG matters.
- providing relevant guidance on partnerships and suppliers to support the Company's business strategy especially throughout the Environment Impact Assessment (EIA) process

Reporting responsibilities

The Committee, or the Committee Chair, meets formally with the Board at least twice per year to discuss such matters as the Interim Financial Statements, the Annual Report, and the outcomes from the Committee.

In the light of its other duties, the Committee will make whatever recommendations to the Board it deems appropriate. It will also compile a report to shareholders for inclusion in the Annual Report and Financial Statements.

The Committee will act as the Board's preliminary review and recommendation body for any disclosures (Annual Report, sustainability report (integrated or separate), press releases, or other materials) that materially reflect delivery, risk, strategic shift, or other substantial event related to the Company's ESG strategy and activities.

Other matters

The Committee has access to sufficient resources in order to carry out its duties as required.

The Committee is responsible for coordination of the additional internal or external invitees to any of the Committee meetings.

The Committee oversees any investigation of activities, which are within its terms of reference, and acts as "a court of last resort".

The Committee makes a statement in the Annual Report about its composition and activities, including the number of meetings held, its members' attendance and the process used for the appointments (explaining if external advice has been used or not).

The Committee will also contribute to the development of, and monitor, the Company's performance against – the Anti-Corruption and Bribery Policy as well as other Company policies on environmental, social and governance matters.

The Committee considers such other matters as the Board may from time-to-time refer to it.

The Committee's activities include acting as a forum for internal and external inputs on ESG-related matters. The Committee may invite guests to contribute to specific agenda items.

Authority

The Committee is authorised to:

- seek any information it requires from any officer or employee of the Company in order to perform its duties;

- call any member of staff to be questioned at a meeting of the Committee as and when required; and

- sanction the following, subject to prior Board approval, at the Company's expense:

    - the obtaining of outside legal or other professional advice on any matters within its terms of reference and, where necessary, the attendance at its meetings of outsiders with relevant experience and expertise; and

In seeking the approval of the Board under the paragraph above, the Committee shall provide to the Board full details of any expense which is to be incurred in the making of such appointments.

Procedure

Subject to the articles of incorporation of the Company, the Committee determines its own procedures.

Performance

The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

The performance of the Committee may be subject to an annual review by the Board to determine if it is working effectively and in accordance with these terms. The Board will also determine, in any review, if any changes are required to the membership of the Committee, to its professional advisers or other supporting bodies.

Terms of reference

The above terms of reference of the Committee shall be approved by the Board and only be changed with the approval of the Board.

APPENDIX 1

ESG COMMITTEE

POLICIES AND ACTIVITIES* SUBJECT TO REVIEW, APPROVAL AND/OR RECOMMENDATION BY THE COMMITTEE

- Water usage policy
- Emissions policy (Carbon and other air pollutants, carbon capture, carbon offset)
- Biodiversity policy
- Waste management policy
- Local community engagement strategy (indigenous peoples and other communities)
- ESG Investor Engagement (incl. ESG ratings) Strategy
- Education / training policy (CTL staff, training future employees, community education)
- ESG Partnership engagement (NGO, business groups, sponsorship, membership) Strategy
- Diversity, Equity, and Inclusion policy
- Discrimination Policy

***Once a related policy, strategy or activity has been reviewed and approved by the ESG Committee, quarterly (short-form) progress reports on each policy area will be requested to allocated action owners**