CHARTER OF THE AUDIT, RISK AND ESG COMMITTEE

Lynas Rare Earths Limited

ACN 009 066 648

3439-0269-3930v5

Table of Contents

CHARTER OF THE AUDIT, RISK & ESG COMMITTEE

1. Introduction

The Audit, Risk & ESG Committee (the Committee) is a committee of the board of directors (**Board**) of Lynas Rare Earths Ltd (**Company**).

The Board has established the Committee:

(1) to assist the Board in fulfilling its responsibilities in overseeing the Company’s financial and sustainability reporting, compliance with legal and regulatory requirements, setting the Company’s risk appetite, and overseeing the Company’s systems of internal control and its risk management framework; and

(2) to assist the Board in providing stewardship for identifying, managing and responding to environmental, corporate social responsibility, corporate governance, and sustainability (including climate) (**ESG**) trends and appropriate reporting to and communication with investors and other key stakeholders.

(3) To assist the Board in oversight of internal and external audit.

The Committee is accountable to the Board.

This Charter governs the roles, responsibilities, composition, administration and membership of the Committee.

The operation of the Committee is also governed, where applicable, by the constitution of the Company.

2. Role of the Committee – Financial, sustainability and other reporting

In relation to financial, sustainability and reporting -related matters, the role of the Committee is to oversee, monitor, review and report to the Board in relation to the following matters:

(1) the adequacy of the Company’s corporate reporting processes and internal control framework;

(2) whether the Company’s financial statements reflect the understanding of the Committee members of, and otherwise provide a true and fair view of, the financial position and performance of the Company (including review of the CEO and CFO declarations);

(3) whether the sustainability report reflects the understanding of the Committee members in relation to the climate-related risks and opportunities of the Company that could reasonably be expected to affect the Company’s prospects, and complies with legal requirements and applicable sustainability standards;

(4) the appropriateness of the accounting policies, significant judgements and estimates, and changes there to, chosen by management in financial, sustainability and other reporting;

(5) any material changes in accounting or reporting requirements, and assessing subsequent effects on the Company's financial statements, sustainability report and the Company's policies and practices;

(6) whether the Company's annual reports, half-year reports and other financial reports reflect the understanding of the Committee members;

3. Role of the Committee – Audit

In relation to audit-related matters, the role of the Committee is to oversee, monitor, review and report to the Board in relation to the following matters:

3.1 External audit

(1) the Company's external audit and review arrangements for financial and sustainability reporting, including:

(a) the appointment or removal of the external auditor, with due consideration of their qualifications;

(b) rotation of the audit engagement partner(s);

(c) scope and adequacy of the external audit(s) and/or review(s) of financial statements and sustainability reports;

(d) independence and performance of the external auditor, which includes obtaining an independence declaration from the external auditor as required;

(e) any proposal for and review of any non-audit services by the external auditor and whether it might compromise the external auditor's independence;

(f) the terms of engagements and fees or remuneration payable to the auditor for audit, review and other non-audit work;

(g) discussions with the external auditor relating to the conduct of the audit(s) and/or review of financial statements and the sustainability report, including any difficulties encountered, any restrictions on the scope of activities or access to information, significant disagreements with management, the adequacy of management response, and the degree of co-ordination with the internal audit team; and

(h) the attendance of the external auditor at the Company's annual general meeting and the availability of the external auditor to answer questions from shareholders relevant to the audit(s) and any review of the sustainability report.

3.2 Internal audit

(1) in relation to internal audit-related matters:

(a) the appointment or removal of the internal auditor, with due consideration of their qualifications;

(b) the scope and adequacy of the internal audit work plan and individual audits, the internal audit function's independence, objectivity and performance, any significant internal audit findings and their closure, and the resourcing, budget and staffing of the internal audit function

(c) the terms of engagements and fees or remuneration payable to the auditor; and

(d) discussions with the internal auditor relating to the conduct of the audit(s), including any difficulties encountered, any restrictions on the scope of activities or access to information, significant disagreements with management, the adequacy of management response, and the degree of co-ordination with the external audit team.

4. Role of the Committee – Risk

It is the role of the Board to set the risk appetite for the Company, to oversee its risk management framework and to satisfy itself that the framework is sound.

The Board oversees the strategic planning of the Company, and that role includes periodically reviewing key risks of the Company and providing suggestions and guidance on the management of those risks.

In relation to risk-related matters, the role of the Committee is to provide the Board with key assurances in relation to the Company's processes for managing risk. That role includes overseeing, monitoring, reviewing and reporting to the Board in relation to the following matters:

4.1 Risk management

(1) key business risks of the Company, including exposure to fraud;

(2) the Company's internal controls, policies, programs, guidelines and procedures which form the risk management framework reporting systems and processes for managing risk and controlling financial impact;

(3) the monitoring of management's performance against the Company's risk management framework, including whether it is operating within the risk appetite set by the Board and recommend changes that should be made to the Company's risk management framework or to the risk appetite set by the Board;

(4) the systems and processes used to identify, assess, prioritise and monitor material climate-related risks and opportunities, and how those systems and processes are integrated into and inform the Company's overall risk management process;

(5) any material incident involving fraud or a break-down of the Company's internal controls, including the findings of investigations and their closure;

(6) the reports received from internal audit on its reviews of the adequacy of the Company's internal controls and processes for managing risk;

(7) consider the risk culture within the Company;

(8) the Company's insurance program, having regard to the Company's business and the insurable risks associated with its business; and

(9) the Company's plans, systems and preparedness to respond to an event that has business continuity implications.

4.2 Compliance

(1) management's processes for ensuring compliance with laws, regulations, industry codes, internal policies, accounting standards and material licences, permits and agreements, and escalating to the Board any breaches of these;

(2) the findings of any examination by regulatory authorities and any auditor observations;

(3) consider the compliance culture within the Company;

(4) any material risks relating to the Company's compliance with statutory requirements;

(5) the effectiveness of the Company's policies and procedures on continuous disclosure; and

(6) the Company's compliance against the ASX Corporate Governance Principles and Recommendations.

4.3 Annual review

In addition, the Committee will review the Company's risk management framework at least annually to satisfy itself that it continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board.

5. Role of the Committee – ESG

It is the role of the Board to oversee the Company's commitment to ESG matters.

In relation to ESG-related matters, the role of the Committee is to oversee, monitor, review and report to the Board in relation to the following matters:

(1) the relevance of ESG trends and developments to the Company's business model and strategy and how the Company should position itself in relation to those ESG trends and developments to either benefit from them or manage and mitigate risks associated with them, having regard to the risk appetite set by the Board;

(2) the Company's policies and/or initiatives in relation to ESG matters and its internal ESG controls, reporting generally, and any associated public or statutory reporting (in addition to the sustainability report), and procedures for keeping sustainability records;

(3) the setting of measurable objectives against the Company's ESG strategy (including climate-related targets and how best to link ESG performance, business strategy and financial and operational performance) and monitoring of progress against those objectives;

(4) the Company's framework for the collection and reporting of ESG data (including seeking external assurance, if required) and the appropriate form for ESG reporting;

(5) specific ESG actions or decisions the Board should consider (including changes to the Company's risk management framework in respect of ESG or ESG-related key performance indicators for senior executives, management and employees, and the committee will liaise with the Nomination, Remuneration and Community Committee in this regard as appropriate);

(6) the Company's policies in respect of ethical behaviour and anti-corruption, including the Company's whistleblower reporting mechanisms, and oversight of the process for the receipt, retention and treatment of information received under those policies;

(7) the Company's policies to combat modern slavery and compliance with modern slavery legislation and reporting requirements; and

(8) the Company's governance arrangements.

6. Other areas of responsibility

The Committee is also responsible for overseeing, monitoring, reviewing and reporting to the Board in relation to:

(1) procedures for complaints received regarding matters relating to audit, financial statements, internal controls, misbehaviour, possible fraud or conduct that is in breach of the Company's policies and procedures;

(2) the capital structure and funding of the Company, capital management planning and initiatives (including capital allocation) and any other matter the Board may refer to the Committee in connection with the Company's capital position;

(3) the Company's tax risk management framework, material tax judgements applied in the preparation of financial reports, the implications of expected changes to tax laws and any findings by regulatory authorities in relation to the Company's tax governance and practices; and

(4) such other matters as may be referred to the Committee from time to time.

7. Composition

7.1 Members

The Committee must only consist of non-executive directors. The Committee must have a minimum of 3 members, with the majority of members being independent directors.

The members of the Committee will be appointed, replaced and removed by the Board.

7.2 Expertise

Each member of the Committee must be able to read and understand financial statements and the sustainability report and have a sufficient understanding of the industries within which the Company operates to discharge the Committee's mandate effectively.

The Committee must also include at least 1 member who is a qualified accountant or other financial professional with experience of financial and accounting matters.

Members of the Committee must have an appropriate level of understanding of the principles of corporate governance, including knowledge of the ASX Corporate Governance Principles and Recommendations.

7.3 Chair and Secretary

The Board will appoint an independent non-executive director to chair the Committee (**Chair**). The Chair must not be the chair of the Board. If the Chair or appointed delegate is absent from a Committee meeting, the Committee members in attendance will appoint a Chair (who must be an independent non-executive director) for that meeting.

The Company secretary will act as secretary of the Committee (**Secretary**) unless determined otherwise by the Board.

8. Meetings

8.1 Frequency

The Committee will meet as frequently as required but must, at a minimum, meet twice a year.

The Secretary must call a meeting of the Committee if requested to do so by any member of the Committee.

8.2 Agenda and notice

The Secretary will be responsible, in conjunction with the Chair, for drawing up the agenda (supported by any necessary explanatory documentation) and circulating it to Committee members prior to each meeting. The Secretary must notify members of the Committee of the date, time and location of Committee meetings as far in advance as possible, but not less than 7 days before the meeting (unless all members of the Committee consent to short notice)

8.3 Quorum

A quorum for Committee meetings will be at least 2 members, save that 1 of the members of the quorum must be an independent director.

8.4 Minutes

The Secretary is responsible for taking minutes of each meeting and distributing them to Committee members as soon as practicable after the meeting.

8.5 Attendance and voting

The Committee may invite any person to attend part or all of any meeting of the Committee as it considers appropriate and may do so with or without management present.

All non-executive directors will be invited to attend each meeting of the Committee where there is no conflict of interest.

Voting at Committee meetings is restricted to Committee members.

9. Powers

9.1 Access

The Committee has the right to obtain information, unrestricted access to management, employees and any internal and external auditors (with or without management present), and access to all Company records for the purpose of carrying out its responsibilities under this Charter.

The Committee will meet with external and internal auditors, in the absence of management, as often as required, but not less than once a year.

9.2 Investigations and External Advice

The Committee has the power to:

(1) conduct any investigations it considers necessary; and

(2) seek explanations and additional information.

The Committee has the power to seek advice from external consultants or specialists where the Committee considers that necessary or appropriate. Costs associated with this will be borne by the Company.

10. Reporting

10.1 Reporting to the Board

The Committee must report to the Board, at the first Board meeting subsequent to each Committee meeting, regarding the proceedings of each Committee meeting, the outcomes of the Committee's reviews and recommendations, and any other relevant issues.

Based on advice and recommendations from management and external specialists, the Committee must provide the Board with advice and recommendations regarding the appropriate material and disclosures to be included in the corporate governance section of the Company's annual report which relate to the Company's audit policies and practices, the Company's risk management policies and practices and any matters related to ESG.

11. Committee's performance and evaluation

The Committee will review its performance from time to time and whenever there are major changes to the management of the Company.

The performance evaluation will have regard to the extent to which the Company has met its responsibilities in terms of this Charter.

12. Review of the Charter

This Charter shall be reviewed periodically and revised by the Board as required to check that it is operating effectively.

The Company Secretary is authorised to make administrative and non-material amendments to this Charter, provided that any such amendments are notified to the Board at or before its next meeting.

Version Number	Revision Date	Document Owner	Document Approver
Version 3	14 May 2026	Sarah Leoanrd	Board of Directors