

## **TECHNICAL AND OPERATING COMMITTEE CHARTER**

This charter sets forth the purpose, composition, responsibilities, duties, powers and authority of the Technical and Operating Committee. The Committee is a component of the Board's governance activities and as such it will provide the Board with the assurance that the necessary processes and procedures are in place, that they are functioning correctly, and the required levels of performance are being achieved in the following areas: -

- a) Technical matters relating to exploration, engineering, development, construction and operations;
- b) Resources and reserves;
- c) Material technical and construction commercial arrangements regarding project execution activities;
- d) Operating and production plans; and
- e) Ensuring Lydian implements best-in-class property development, engineering and operating practices.

### **1. Composition and Membership**

The Committee will consist of at least two directors and the Board will appoint one of the Members to act as the Chairman of the Committee. In addition, the following Lydian Staff would attend the Technical and Operating Committee.

- COO, VP Sustainability, General Manager, VP Project

The Committee will appoint a person who may, but need not, be a Member to be the secretary for each Committee meeting (the "Secretary") who will maintain minutes of such meetings and deliberations of the Committee. In addition, and in order to comply with the terms of the agreements between the Company, Orion and RCF, representatives from Orion and RCF would attend the meetings and receive all the information and data that the committee would be reviewing.

### **2. Meetings**

The Technical and Operating Committee would initially meet monthly and prior to each Board Meeting draft a paper for review of ongoing Technical and Operating activities. The Committee may invite such persons as it sees fit to attend its meetings and to take part in the discussion and consideration of the affairs of the Committee. The Committee will meet in camera without management at the end of each meeting of the Committee. A site visit by the committee would be scheduled for at least once per year.

### **3. Duties and Responsibilities**

The Committee will have the following duties and responsibilities with respect to the level of assurance activities that have been undertaken by the company to satisfy the Board that the appropriate levels of due diligence have been applied to all the Technical and Operating activities undertaken by the company and that the Technical and Operating activities are in line with and support the company's overall business strategy:

### ***Technical Activities***

Review the key technical aspects of any proposed exploration, development, construction and mining programs to ensure that they are in line with the company's objectives and the approved work plans and budgets. This would include the review of the company's Technical Risk Register and the contingency plans that are in place for the key technical risks. At the Committee's discretion, make recommendations to the Board for consideration in this area.

### ***Resources and Reserves***

Ensure that the resource and reserve estimates for mineral resource properties and management's procedures for the disclosure of resource and reserve information have been developed in accordance with and are compliant with the regulatory guidelines for such activities. This would include ensuring that appropriate steps have been taken to validate the estimates developed and to demonstrate compliance with the regulatory disclosure requirements.

### ***Commercial Arrangements***

Ensure that the major commercial arrangements related to technical activities have been reviewed and are consistent with the company's strategy and are not exposing the company to significant risks and that the commercial agreements are in line with the company's strategy.

### ***Project and Mine Construction Programs***

To provide an overview of the projects progress against the approved cost and schedule for the project and review the Project Assurance activities undertaken by the Project Team. This would include a review of all material proposals for mine construction programs.

### ***Operations***

Ensure that appropriate plans for the transition to operations, for annual operations and production are in place. This would include the mine plan, operational readiness plan, pre-commissioning and commissioning plans and any plans to ensure a seamless transition from the project phase to an efficient and effective operating mine.

### ***HSE***

The Committee would review the Project specific HSE Performance and make any comments or observations to the Chairman of the Sustainability Committee.

### ***Investigations***

Direct and supervise the investigation into any matter brought to its attention within the scope of its duties.

### ***Other Duties***

Perform such other duties as may be assigned to it by the Board from time to time or as may be required by applicable regulatory authorities or legislation.

#### **4. Reporting**

The Chairman will report to the Board at each Board meeting on the Committee's activities since the last Board meeting and where necessary make recommendations based on the findings of the Committee. The Secretary will circulate the minutes of each meeting of the Committee to the members of the Board.

#### **5. Access to Information and Authority**

The Committee will be granted unrestricted access to all information regarding technical and operating matters and all directors, officers, employees, consultants and contractors will be directed to cooperate as requested by members of the Committee. The Committee has the authority to retain consultants and experts, to assist the Committee in fulfilling its duties and responsibilities.

#### **6. Review of Charter**

The Committee will annually review and assess the adequacy of this Charter and recommend any proposed changes to the Board for consideration.

This Charter was approved by the Board of Directors on 14 August 2018.