



EASTERN PLATINUM LIMITED

AUDIT COMMITTEE CHARTER

1. Purpose and Mandate of the Committee

1.1 This Charter sets out the authority and responsibilities of the Audit Committee (the “**Committee**”) of the Board of Directors (the “**Board**”) of Eastern Platinum Limited (the “**Company**”).

1.2 The primary function and mandate of the Committee is to assist the Board in fulfilling its oversight responsibilities with respect to the preparation, integrity and dissemination of the financial and related information of the Company, including corporate accounting, financial statements, financial reporting practices and systems of internal financial controls, by among other things:

- reviewing the integrity and effectiveness of the Company's financial reporting processes, system of internal financial controls, accounting practices and audit process;
- reviewing the quality and integrity of the Company's financial statements and related financial disclosure;
- monitoring management's identification of principal risks of the Company's business and processes to manage these risks;
- reviewing qualifications and independence of the Company's independent external Auditor (the “**Auditor**”);
- oversee the performance of the Company's independent Auditor;
- reviewing and settling the terms of engagement of the Auditor; and
- monitoring the Company's compliance with legal and regulatory requirements relating to the foregoing,

all in a manner which is in the best interests of the Company, consistent with the Company's long term goals and objectives and applicable laws.

2. Committee Membership

2.1 *Number of Members.* The Committee shall consist of not fewer than three directors.

2.2 *Appointment of Members.* Members of the Committee will be appointed by the Board, after considering the recommendation of the Corporate Governance and Compensation Committee of

the Board. The Board may at any time and from time to time terminate the appointment of any member, change the membership or appoint additional members to the Committee to fill any vacancy or to increase the size of the Committee, after considering the recommendation of the Corporate Governance and Compensation Committee.

2.3 *Resignation and Removal of Members.* Members of the Committee hold office until the earliest of their ceasing to be a director or their resignation or removal from the Committee.

2.4 *Qualifications of the Committee Members.*

- a) All members of the Committee must: (i) have no material relationship with the Company and be “independent” within the meaning of National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”) as adopted and amended from time to time by the Canadian securities regulatory authorities; and (ii) be “financially literate” as defined in NI 52-110.
- b) Each director proposed for nomination to the Committee shall provide such information or other records of their education, experience and qualifications to allow the Board to assess whether the director satisfies the qualifications for membership on the Committee.

2.5 *Consequences of Committee Failing to Satisfy Requirements.* In the event the Committee, for any reasons, ceases to satisfy the requirements of Sections 2.1 or 2.4, the Board shall as soon as practicable reconstitute the Committee to satisfy those requirements and until such time, the Committee shall not exercise any of the powers or authority contemplated herein.

2.6 *Member’s Role with other Issuers.* In the event a member of the Committee is or becomes a senior officer or a director of another issuer or any committee thereof, the Board shall consider whether any such appointment would interfere with the ability of the member to effectively carry out their duties as a member of this Committee and if so take such steps as the Board may consider appropriate.

2.7 *Director’s Fees, Compensation and Expenses.* Members of the Committee will be entitled to receive such fees, retainers or other payments for acting as Committee members and to reimbursement for their reasonable communications, travel and accommodation expenses for their attendance at or participation in meetings of the Committee as the Board may from time to time determine. Members of the Committee may not receive any compensation from the Company (whether as an employee, contractor consultant or otherwise), except for remuneration for their Board or Committee service.

3. Committee Structure, Operations and Reporting

3.1 *Chair.* The Board, after considering the recommendation of the Corporate Governance and Compensation Committee, will appoint a member of the Committee to be the Chair of the Committee. The Chair shall carry out such duties and responsibilities as prescribed by the Board from time to time.

- 3.2 *Meetings.* The Committee shall meet for the conduct of its business, adjourn and otherwise govern itself as it thinks proper to carry out its duties and responsibilities, subject to the terms of this Charter and applicable law. The Committee will meet at least quarterly at the call of the Chair, and as many times as is necessary for the conduct of its business.
- 3.3 *Absence of Chair.* Should the Chair not attend any meeting or portion of any meeting, the members then in attendance shall designate another member of the Committee to act as chair of that meeting or portion of the meeting.
- 3.4 *Secretary.* The Chair at each meeting of the Committee will designate a person to act as secretary or recording secretary of the meeting (who need not be a member of the Committee or the Company's Corporate Secretary) to keep minutes at that meeting.
- 3.5 *Calling Meetings.* Meetings of the Committee may be called:
- a) by or on behalf of the Chair or by any member of the Committee; or
 - b) by or on behalf of the Chief Executive Officer or the Chief Financial Officer of the Company; or
 - c) by the external Auditors of the Company.
- 3.6 *Notice of Meetings.*
- a) Notice of the place, day and time of meetings of the Committee shall be given by the person calling the meeting to each member of the Committee and to the Auditor not less than 48 hours before the time the meeting is to be held, unless all of the members consent to a shorter period or waive notice of any meeting.
 - b) Notice of any meeting may be given orally in person or by telephone or in writing and delivered by physical delivery, by facsimile to such number or by e-mail to such address as provided by the member for such use and notice will be deemed to have been given on the date and time on which it was so given or delivered.
 - c) The Committee may establish a fixed place, day or time or schedule for the holding of meetings, in which case no further notice of any meeting to be held at such place or time or schedule need be given to any Committee member in advance of any previously scheduled meeting.
 - d) No notice is required to be given for a meeting of the Committee immediately following the annual general meeting of the shareholders of the Company.
 - e) Unless a director attends solely for the purposes of objecting to the calling of or the business to be conducted at a meeting, a director who participates in a meeting will be deemed to have acknowledged or waived notice of and have agreed to participate in the meeting.

- f) Notice of any meeting will include an agenda or summary of the items of business to be dealt with at the meeting.

- 3.7 *Place or Means of Holding Meetings.* Meetings will be held at the time and at such place and by such means as the person calling the meeting may so determine, including meeting in person, by telephone, video-conference or other communications medium or by any combination of the foregoing, provided all of the directors participating in the meeting, whether in person or by other means are able to communicate with each other and all of the directors who wish to participate in the meeting agree to such participation. Unless a director attends solely for the purposes of objecting to the means by which a meeting will be conducted, a director who participates in a meeting in a manner contemplated herein will be deemed for all purposes to be present at the meeting and to have agreed to participate in that manner.
- 3.8 *Information for Meetings.* The person calling a meeting of the Committee will, to the extent possible, provide such information or other documents along with the notice of or in advance of any meeting in order to permit the members to understand the purposes for which the meeting has been called and if necessary to permit the members to form a reasoned decision on the matters to be considered.
- 3.9 *Access to and Inspection of Records.* The members of the Committee shall have the right to inspect and make copies, extracts or summaries of any relevant records of the Company and its subsidiaries or to request such information or assistance from the officers, employees and advisors of the Company and its subsidiaries, as the Committee may consider necessary in order to carry out its duties and responsibilities and such persons shall be directed to cooperate with and provide such records or information as requested.
- 3.10 *Auditor Attendance.* The external Auditors of the Company shall be entitled to attend all meetings of the Committee.
- 3.11 *Officers and Others Required Attendance at Committee Meetings.* If requested to do so by the Chair of the Committee or the person calling a meeting of the Committee, the Chair of the Board, any other director of the Company, the Chief Executive Officer, Chief Financial Officer and any other officer or employee of the Company or any of its subsidiaries shall attend as a non-voting observer or attendee of a meeting of the Committee or any portion thereof at which their attendance is required, provided that for greater certainty, such persons shall not otherwise have the right to attend any meeting or subsequent meeting of the Committee.
- 3.12 *Other Participants Permitted Attendance at Committee Meetings.* The Committee may consent to the attendance of any other person invited by a member of the Committee to attend at a meeting of the Committee as a non-voting observer or attendee, including the attendance of any officer or employee of the Company or any of its subsidiaries, any professional advisor or consultant to the Company, the Committee or any member thereof, provided that for greater certainty such persons shall not have the right to attend any meeting or subsequent meeting of the Committee.

- 3.13 *Quorum.* A majority of the members of the Committee constitute a quorum of the Committee, and notwithstanding any vacancy on the Committee, a quorum of the Committee may exercise all of the powers and authority of the Committee. If the number of members of the Committee is an even number, one-half of the number of members plus one shall constitute quorum. Where a quorum for a meeting is established at the commencement of the meeting but is subsequently lost, the meeting will be adjourned or terminated and no further business conducted at that meeting.
- 3.14 *Majority Vote Governs.* Any resolution of the Committee will be decided by a majority vote of the Committee members entitled to vote on that matter, where each member attending or participating in a meeting of the Committee is entitled to one vote unless they are required to abstain from voting under applicable law. In the event of an equality of votes, the Chair will not have a second or casting vote.
- 3.15 *Consent Resolutions in Writing in Lieu of a Meeting.* The powers of the Committee may be exercised by resolution in writing signed by all members of the Committee who would be entitled to vote on that resolution at a meeting of the Committee.
- 3.16 *Minutes and Other Records.* The Committee shall keep or cause to be kept the minutes and other records of its activities in which shall be recorded all actions, decisions and resolutions taken by the Committee.
- 3.17 *Reports of the Committee.*
- a) The Committee Chair will from time to time or at the request of the Board report to the Board regarding the Committee's activities and will provide or cause to be provided copies of the minutes or other resolutions of the Committee to the Company's Corporate Secretary.
 - b) The Committee will be entitled to determine the content, manner and timing of any report on its activities or of the minutes or records to be provided and in doing so may take such steps as the Committee may consider necessary to preserve any confidentiality or privilege over any of its records or deliberations.
- 3.18 *Attendance at Meetings of Shareholders.* The Chair of the Committee, or in his or her absence, another designated member of the Committee shall attend any annual meetings of shareholders of the Company and, if required, be available to respond to questions regarding the activities of the Committee.
- 3.19 *Delegation.* The Committee may from time to time authorize and delegate to a subcommittee of its members (including a single member) such of its duties and responsibilities as the Committee may from time to time determine provided that the Committee shall not delegate any power or authority which must by law be exercised by the Committee as a whole.
- 3.20 *Execution of Instruments.* The Committee may from time to time authorize any member of the Committee, or any officer or other director of the Company, to certify, or execute and deliver, all such statements, forms, instruments, certificates, notices, acknowledgements and other

documents, and to do all such acts and things as the Committee may consider necessary or desirable in connection with the discharge of the duties and responsibilities of the Committee.

4. Duties and Responsibilities of the Committee

4.1 *General Power and Authority.* The Committee will have such power and authority as required by applicable law or as otherwise necessary to assist the Board in fulfilling its oversight responsibilities and to carry out the duties and responsibilities imposed or delegated to the Committee under this Charter.

4.2 *Oversight with respect to the External Auditors.* The Committee shall have authority to approve or make recommendations to the Board in relation to the selection, appointment, oversight, direction, evaluation, remuneration and, where appropriate, the replacement or removal of the external auditors of the Company, and in connection therewith will:

- a) subject to confirmation by the Auditor of its compliance with Canadian and other applicable regulatory requirements, recommend to the Board the appointment of the external Auditor for the purpose of preparing or issuing any audit report or performing other audit, review or attest services for the Company;
- b) approve of the terms of engagement of the Auditor in connection with its audit services, including fees and expenses to be paid for or in connection with those services, and for pre-approval of the retention of the Auditor for any permitted non-audit services and serve as the principal avenue for reporting by the Auditor;
- c) approve the retention, replacement or termination of the appointment of the Auditor for the purpose of preparing or issuing any report or performing any other audit, review or attest services for the Company including the terms and conditions thereof;
- d) approve of the resolution of disagreements between management (as defined below for the purposes of this Charter) and the Auditor regarding financial reporting, if any;
- e) review at least annually the independence of the Auditor, including the Auditor's formal written statement of independence delineating all relationships between itself and the Company that may reasonably be thought to bear on the independence of the Auditor with respect to the Company, including the matters set forth in any applicable independence standards or practices of any regulatory or professional body, review any reported relationships or services that may impact the objectivity and independence of the Auditor, take appropriate action to oversee the independence of the Auditor;
- f) ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by applicable law;
- g) review at least annually the Auditor's written report on its internal quality control procedures, any material issues raised by the most recent internal quality control review, or peer review, of the Auditor, or by any inquiry or investigation by regulatory or

- professional authorities, within the preceding five years respecting one or more independent audits carried out by the Auditor, and any steps taken to address these issues;
- h) review and evaluate the experience, qualifications and performance of the senior members of the Auditor involved in audits of the Company;
 - i) evaluate at least annually the performance of the Auditor, including the lead partner, taking into account the opinions of management, and reporting to the Board on its conclusions regarding the Auditor and its recommendation for appointment of the Auditor for the purpose of preparing or issuing any report or performing other audit, review or attest services for the Company;
 - j) meet with the Auditor prior to the annual audit to review the planning, staffing and timing of the annual audit or with respect to any other audit, review or attest engagement;
 - k) as appropriate, implement direct communication channels and procedures between the Auditors and the Committee and with the Board;
 - l) review with the Auditor the adequacy and appropriateness of the accounting policies used in preparation of the Company's financial statements;
 - m) periodically meet separately with the Auditor without management to review any problems or difficulties that the Auditor may have encountered and management's response, specifically:
 - (i) any difficulties encountered during the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management;
 - (ii) any changes required in the planned scope of the audit or audit plan; and
 - (iii) any proposed report to the Board on such meetings;
 - n) when applicable, review the annual post-audit or management representation letter from the Auditor and management's response and follow-up in respect of any identified deficiencies, weaknesses or recommendations;
 - o) on an annual basis review and discuss with the Auditor all significant relationships it or its audit personnel has with the Company that could impair the Auditor's independence or objectivity;
 - p) when there is a proposed change of Auditor, discuss such change in advance with the incumbent Auditor, review any significant issues with respect to any disagreement or unresolved issues with management and settle any required documentation related to the change, as required under applicable laws;

- q) inquire regularly of management and the Auditor whether there have been any significant issues between them regarding financial reporting or other matters and how they have been resolved, and if necessary, intervene or oversee in the resolution thereof;
- r) review all reportable events, including disagreements, unresolved issues and consultations on a routine basis, whether or not there is a change of Auditor;
- s) receive and review annually the Auditor's report on management's evaluation of internal controls and procedures for financial reporting;
- t) confirm through discussions with management and the Auditor that generally accepted accounting principles and all applicable laws or regulations related to financial reporting and disclosure have been complied with;
- u) review the background, experience, authority and organizational reporting lines and the appointment and compensation of the principal financial and accounting personnel of the Company; and
- v) review and approve the Company's hiring policies regarding partners and employees and former partners and employees of the present and former Auditor (as more particularly described in any written hiring policy established by the Committee as the same may be amended by from time to time), including those policies that may have a material impact on the preparation of the financial statements, pre-approve the hiring of any partner or employee or former partner or employee of the Auditor who was involved in audits of the Company during the preceding three fiscal years and, in addition, pre-approve the hiring of any partner or employee or former partner or employee of the Auditor (within the preceding three fiscal years) for senior positions within the Company, regardless whether that person was involved in audits of the Company.

4.3 *Accounting Practices and Financial Controls and Financial Statements and Reports.* The Committee will be responsible for oversight with respect to the Company's accounting practices, systems, financial controls and the preparation and dissemination of the financial statements and financial disclosures by the Company, and in connection therewith will:

- a) meet and discuss with the Chief Executive Officer, Chief Financial Officer, Controller and principal financial and accounting personnel for the Company and its subsidiaries (in this Charter, "**management**") and, as necessary, the Auditor to review and discuss, and to recommend to the Board for approval prior to public disclosure, the audited annual financial statements and unaudited quarterly financial statements, including the notes thereto and the disclosures in the Company's annual and interim management's discussion and analysis of financial condition and results of operations;
- b) review, discuss with management and, to the extent necessary, the Auditor, and recommend to the Board for approval prior to filing with any applicable securities or corporate regulatory authority or stock exchange, the relevant disclosure by the Company in:
 - (i) the annual information form;

- (ii) the portions of any management information circular for any annual general or special meeting of securityholders of the Company containing information within the Committee's mandate;
 - (iii) all financial statements, extracts or summaries included in any prospectus or other offering document prepared by the Company;
 - (iv) documents which may be incorporated by reference in a prospectus, management information circular or offering document; and
 - (v) any significant financial information respecting the Company contained in a material change report, business acquisition report or other similar report required to be filed.
- c) review and discuss with management and, as necessary, the Auditor and recommend to the Board prior to filing or public disclosure of:
 - (i) each press release that contains financial information respecting the Company or contains estimates or information regarding the Company's financial condition, performance or prospects;
 - (ii) the type and presentation of information to be included in any such press releases, in particular, the use of "pro forma", "adjusted" or other non-GAAP information or measures; and
 - (iii) any future oriented financial information or earnings guidance.
- d) receive and review reports from the Company's disclosure committee, if any, or under such other processes adopted by the Company with respect to its disclosure obligations;
- e) review the audited annual financial statements and related documents in conjunction with the report of the Auditor and obtain an explanation from management of all significant variances between comparative reporting periods;
- f) review with management and the Auditor material issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, and issues as to the adequacy of the Company's internal controls and any special audit steps or procedures recommended or adopted in light of material control deficiencies;
- g) based on its review with management and the Auditor, satisfy itself as to the adequacy of the Company's procedures that are in place for the review of the Company's public disclosure of financial information that is extracted or derived from the Company's financial statements, and periodically assess the adequacy of those procedures;
- h) review with management and the Auditor (including those of the following that are contained in any report of the Auditor): (1) any analyses prepared by management or the Auditor setting out significant financial reporting issues and judgments made in

connection with the preparation of the financial statements, including analyses of the effects of alternative accounting practices, treatment or methods on the financial statements; (2) all critical accounting policies and practices to be used by the Company in preparing its financial statements; (3) all material alternative practices or treatments of financial information within GAAP that have been discussed with management, ramifications of the use of these alternative treatments, and the treatment preferred by the Auditor and adopted by management; and (4) other material communications between the Auditor and management, such as any management representations letter or schedule of unadjusted differences;

- i) review with management and the Auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures and transactions on the Company's financial statements;
- j) review with management and the Auditor significant reporting issues arising during the most recent fiscal period and the resolution or proposed resolution of such issues;
- k) review the plans of management or the Auditor regarding any significant changes in accounting practices or policies and the financial and accounting impact thereof;
- l) discuss with management and the Auditor any proposed changes in major accounting policies, standards or principles, the presentation and impact of significant risks and uncertainties, key estimates and judgments of management and any significant adjustments proposed by the Auditor that may be material to financial reporting or the financial statements;
- m) review with management, the Auditor and, if necessary, legal counsel, any litigation, claim or contingency, including tax assessments, that could have a material effect on the financial position of the Company or the financial results, and the way these matters have been accounted for and disclosed in the financial statements;
- n) review the certifications proposed to be provided by the Company's Chief Executive Officer and Chief Financial Officer and any disclosures proposed to be regarding any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any possible fraud or illegality relating to the Company's finances involving management or other employees who have a material role in the Company's internal controls;
- o) in consultation with management and the Auditor, consider the integrity of the Company's financial reporting processes and controls, discuss significant financial risk exposures and the steps management has taken to monitor, control and report such exposures;
- p) monitor the quality and integrity of the Company's system of internal controls, disclosure controls and management information systems through discussions with management and the Auditor;
- q) be responsible for monitoring any changes in the Company's internal controls over financial reporting and for ensuring that any change that occurred during the Company's

most recent interim period that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting is disclosed in the Company's most recent annual or interim management's discussion and analysis;

- r) oversee investigations of alleged fraud and illegality relating to the Company's finances and any resulting actions or steps taken or proposed to be taken in connection therewith;
- s) discuss with management the Company's material financial risk exposures and the steps management has taken to monitor and control these exposures, including the Company's financial risk assessment and financial risk management policies;
- t) meet separately, as often as the Committee may see fit, with management and with the Auditor to discuss matters within the Committee's purview;
- u) report regularly to the Board, both with respect to the activities of the Committee generally and with respect to any issues that arise regarding the quality or integrity of the Company's financial statements, compliance with legal or regulatory requirements, or the performance and independence of the Auditor; and
- v) as required by any applicable legal, regulatory or stock exchange requirement, prepare such reports or other disclosure from the Committee to shareholders or others as may be required concerning the scope of the Committee's duties and responsibilities and the work of the Committee in carrying out its duties and responsibilities.

4.4 *Risk Management.* To the extent not otherwise dealt with by another Committee of the Board or in conjunction with any such committee, the Committee will be responsible for developing and reviewing guidelines and policies with respect to the Company's overall risk assessment and risk management systems and practices, and in connection therewith will:

- a) review with management, identify, assess and monitor the material risks and uncertainties inherent in the business of the Company and its subsidiaries and establish and monitor compliance with policies and procedures developed by the Company to address, as much as is reasonably possible, those identified risks;
- b) review and assess the adequacy of the Company's risk management policies, systems, controls and procedures with respect to the Company and its subsidiaries principal business risks and report regularly to the Board thereon;
- c) monitor the integrity of the Company's financial reporting process and system of internal controls regarding risks with respect to financial reporting and accounting compliance;
- d) in conjunction with management, review on an annual basis all aspects of the Company's risk management program, including insurance coverage, disaster recovery and business continuity plans;
- e) review with management the disclosures concerning significant risks and uncertainties associated with the business of the Company and their impact on the business, financial condition and results of the Company;

- f) review with management and to the extent appropriate bring to the attention of the Auditors any correspondence with regulatory authorities or government agencies, material press coverage or other publications (including blogs, bulletin board posts or social media), employee or “whistleblower” complaints or financial analyst reports or publications that raise material issues regarding the Company's financial statements or accounting policies;
- g) review with management any litigation, claim or other contingency or any proposed settlement thereof, including tax assessments, or any other material matter, transaction or event, including treasury functions, hedging or trading activities, off-balance sheet structures, derivative transactions, foreign currency matters or insurance any of which could have a material effect on the financial position or operating results, and the manner in which these matters have been recorded and disclosed in the financial statements or other disclosure documents;
- h) discuss with management, at least annually, the guidelines and policies utilized by management with respect to financial risk assessment and management, and the major financial risk exposures and the procedures to monitor and control such exposures in order to assist the Committee to assess the completeness, adequacy and appropriateness of financial risk disclosure in management's discussion and analysis of financial condition and results of operations and in the Company's annual and quarterly financial statements; and
- i) as directed by the Board or the Corporate Governance and Compensation Committee or as otherwise within the mandate of the Committee, oversee the investigation of alleged fraud, illegal acts and conflicts of interest.

4.5 *Oversight in Respect of Audit and Non-Audit Services.* The Committee will have oversight and approval with respect to the retention of the Auditor for audit and non-audit services, and in connection therewith, will:

- a) monitor compliance with the Company's Audit and Non-Audit Services Pre-Approval Policy as may be developed by the committee and amended from time to time;
- b) adopt and periodically consider necessary amendments to the Company's Audit and Non-Audit Services Pre-Approval Policy; and
- c) have the sole authority to pre-approve all audit services (which may entail providing comfort letters in connection with securities underwritings) and all permitted non-audit services to be provided to the Company by the Auditor, subject to any exceptions provided under applicable law.

4.6 *Oversight with respect to Legal and Regulatory Compliance.* The Committee will oversee and monitor the Company's systems and practices with respect to legal and regulatory compliance, and in connection therewith will:

- a) ensure the preparation and filing of each annual and interim certificate to be signed by each of the Chief Executive Officer and Chief Financial Officer of the Company in accordance with applicable securities laws;
- b) oversee the establishment of any procedures adopted by the Company to ensure the accuracy of the matters certified by the Company's certifying officers as required under applicable securities laws;
- c) make reasonable inquiries to ensure that interim and annual filings are true and accurate and contain all such information as may be required under applicable laws in all material respects and do not contain any misrepresentation;
- d) review with the General Counsel or the Company's principal external legal advisor or advisors the Company's compliance policies, legal matters, and any reports or inquiries received from regulatory authorities or governmental agencies that could have a material effect on the financial position of the Company and that are not subject to the oversight of another committee of the Board;
- e) administer the Company's Whistleblower Policy for the receipt, retention and follow-up of complaints received by the Company regarding accounting, internal controls, disclosure controls or auditing matters and any alleged violation of the Company's Code of Conduct involving the Chief Executive Officer, Chief Financial Officer or other designated officers and the confidential, anonymous submission of concerns by employees of the Company regarding any of these matters;
- f) develop, maintain, monitor and recommend any changes with respect to the Company's Code of Conduct; and
- g) periodically review and make any recommendations with respect to any recommended changes to any disclosure policy adopted by the Company.

4.7 *Oversight in Respect of Other Related Matters.* The Committee, to the extent required by applicable laws or rules, or otherwise considered by the Committee to be necessary or appropriate, will have general oversight responsibilities for other matters ancillary to the foregoing, and in connection therewith will:

- a) review with management at least annually the financing strategy and financial plans of the Company;
- b) enquire into and determine the appropriate resolution of any conflict of interest in respect of audit or financial matters which are directed to the Committee by any member of the Board, a shareholder of the Company, the Auditor or management;
- c) on at least an annual basis, review with the Company's counsel any legal matters that could have a significant impact on the Company's financial statements, the Company's compliance with applicable laws and regulations and inquiries received from regulatory authorities or governmental agencies with respect to the Company's financial practices or disclosures;

- d) monitor compliance with and propose to the Board any recommended changes with respect to the Company's policy regarding transactions with related parties or other transaction which are required to be referred to the Committee for review and approval under the Company's Code of Conduct or other policies or procedures adopted by the Company;
- e) be responsible for the review and if necessary approval of all material related-party transactions or other transactions which are required to be referred to the Committee;
- f) review and monitor policies and procedures with respect to review of officers' expenses, disbursements and perquisites, including use of corporate assets or opportunities, sponsorships, donations, gifts and political contributions ensure that appropriate processes are in place for approval; and
- g) review and approve the appointment, replacement, reassignment, or dismissal of the Chief Financial Officer, Controller or other senior financial personnel of the Company or its subsidiaries.

4.8 *Acknowledgements regarding Management and Auditor Responsibilities and Limitations on the Committee's Oversight Functions.*

- a) While the Committee has the duties, responsibilities and authority set forth in this Charter, the Board and the members of the Committee acknowledge and confirm that management of the Company is responsible for the preparation, presentation and integrity of the interim and annual financial statements of the Company and the design and maintenance of effective systems of internal financial controls and to maintain appropriate accounting and financial reporting principles, policies and procedures to provide reasonable assurance that assets are safeguarded and that transactions are authorized, executed, recorded and reported properly and provide for compliance with accounting standards and applicable laws and regulations and that the Committee is not responsible for such matters or to plan or conduct audits, to guarantee the quality of the Company's accounting practices or to determine that the Company's financial statements are complete and accurate or are in accordance with GAAP, which are the responsibilities of management and the Auditor.
- b) To the extent that procedures included in this Charter exceed what is required of an Audit Committee under existing law and regulation, such procedures are meant to serve as guidelines rather than proscriptive rules and the Committee may adopt such different or additional procedures as it deems necessary from time to time.
- c) The Committee, its Chair, and any of its members who have accounting or related financial management experience or expertise are appointed to the Committee to provide oversight of the financial risk and control related activities of the Company, and are specifically not accountable nor responsible for the day-to-day operation or performance of these activities. A member having accounting or related financial management experience or expertise is not to have imposed upon him or her a higher duty of care or degree of individual responsibility or obligation than that imposed on other directors generally.

- d) Each member of the Committee shall be entitled to rely, without further investigation or confirmation, on the accuracy and integrity of any information, report or statement provided to them by the applicable officers of the Company and its subsidiaries and of any professional or other experts (including the Company's Auditor), in either case acting within their scope of their authority, duty or expertise and, absent actual knowledge to the contrary, the accuracy of the financial and other information provided by such person to the Committee.

5. Resources and Outside Advisors

5.1 Access to Resources and Personnel.

- a) The Company shall provide the Committee with such resources as may be necessary for the Committee to discharge its responsibilities hereunder without any further requirement for approval of the Board.
- b) The Committee may make recommendations to the Board and shall approve the compensation payable to the Auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review, or attest services, and administrative expenses necessary or appropriate to carrying out the Committee's duties.
- c) The Committee may request and the Company shall use its best efforts to cause any of its or its subsidiaries directors, officers, employees, accountants, controller, external legal, financial or other professional advisors, or other contractors or consultants, to provide such information or assistance, attend any meeting of the Committee or to meet with any members of, or advisors to, the Committee as the Committee may reasonably request to carry out its duties and responsibilities.

5.2 Advisors to the Committee. The Committee may, without the prior approval or consent of the Board, conduct or authorize such investigations into or studies of matters within the scope of the authority and responsibilities of the Committee on such terms and conditions as the Committee may so determine, including as to the confidentiality of such investigations or studies or to preserve any privilege over any advice received. The Committee shall have the authority to retain such consultants, legal counsel and other advisors of the Committee's choice and at the Company's expense, as the Committee may consider necessary to assist it in carrying out its duties and responsibilities. Any such advisor may be any of the firms or persons who presently or in the past have represented the Company. The Company shall pay all fees and disbursements of any person or firm retained by the Committee.

6. Committee Evaluations

6.1 Committee Review. The effectiveness of the Committee and its members in carrying out their duties and responsibilities will be assessed, not less frequently than annually, in accordance with such procedures as developed by the Corporate Governance and Compensation Committee and the results of that assessment will be reported to that committee and to the Board.

6.2 Review of Charter. The Committee shall review and assess the adequacy of this Charter on a regular basis and consider whether this Charter appropriately addresses the matters that are or

should be within its scope. The Committee shall report to the Corporate Governance and Compensation Committee regarding such review and assessment and, where appropriate, make recommendations to that committee for the alteration, modification or amendment of this Charter.

- 6.3 *Amendments of Charter.* This Charter may, at any time, and from time to time, be altered, modified or amended in such manner as may be approved by the Board.

Effective Date: June 13, 2017