

AUDIT COMMITTEE CHARTER

PURPOSE AND PRIMARY RESPONSIBILITY

- 1.1 This charter sets out the Audit Committee's purpose, composition, member qualification, member appointment and removal, responsibilities, operations, manner of reporting to the Board of Directors (the "**Board**") of MyndTec Inc. (the "**Company**"), annual evaluation and compliance with this charter.
- 1.2 The Audit Committee assists the Board in fulfilling its legal and fiduciary obligations with respect to matters involving the financial reporting process on behalf of the Board. This includes oversight responsibility for financial reporting and continuous disclosure, oversight of external audit activities, oversight of financial risk and financial management control, and oversight responsibility for compliance with tax and securities laws and regulations as well as whistle blowing procedures. The Audit Committee is also responsible for the other matters as set out in this charter and/or such other matters as may be directed by the Board from time to time. The Audit Committee should exercise continuous oversight of developments in these areas.
- 1.3 In addition, the Audit Committee provides an avenue for communication between the external auditor, management and other employees of the Company, as well as the Board, concerning accounting, financial reporting and auditing matters.

MEMBERSHIP

- 2.1 At least a majority of the Audit Committee must be comprised of independent directors of the Company as defined in sections 1.4 and 1.5 of National Instrument 52-110 – Audit Committees ("**NI 52-110**"), provided that should the Company become listed on a senior exchange, each member of the Audit Committee will also satisfy the independence requirements of such exchange.
- 2.2 The Audit Committee will consist of at least three members, at least a majority of whom shall be financially literate, provided that an Audit Committee member who is not financially literate may be appointed to the Audit Committee if such member becomes financially literate within a reasonable period of time following his or her appointment. Upon graduating to a more senior stock exchange, if required under the rules or policies of such exchange, the Audit Committee will consist of at least three members, all of whom shall meet the experience and financial literacy requirements of such exchange and of NI 52-110.
- 2.3 The members of the Audit Committee will be appointed by the Board annually (and from time to time thereafter to fill any vacancies). An Audit Committee member may be removed or replaced at any time at the discretion of the Board and will cease to be a member of the Audit Committee on ceasing to be a director of the Company.
- 2.4 The Board appoints one Audit Committee member to act as its chair (the "**Committee Chair**"), provided that if the Board does not so designate a Committee Chair, the Committee, by a majority vote, may designate a Committee Chair. The Committee Chair may be removed at any time at the discretion of the Board. The incumbent Committee Chair continues in office until (i) a successor is appointed, (ii) he or she is removed by the Board, or (iii) he or she ceases to be a director of the Company. If the Committee Chair is absent from a meeting, the Committee will, by majority vote, select another Committee member to preside at that meeting.

AUTHORITY

- 3.1 In addition to all authority required to carry out the duties and responsibilities included in this charter, the Audit Committee has specific authority to:

- (a) engage, set and pay the compensation for independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities, and any such consultants or professional advisors so retained by the Audit Committee will report directly to the Audit Committee;
- (b) communicate directly with management and any internal auditor, and with the external auditor without management involvement;
- (c) communicate directly with the Company's external auditor and the Company's officers and employees and request Company information and documentation from these persons;
- (d) investigate any matter relating to the Company's audit and accounting practices, or anything else within its scope of responsibility, and obtain full access to all Company books, records, facilities and personnel; and
- (e) incur ordinary administrative expenses that are necessary or appropriate in carrying out its duties, which expenses will be paid for by the Company.

DUTIES AND RESPONSIBILITIES

4.1 The duties and responsibilities of the Audit Committee include:

- (a) recommending to the Board the external auditor to be nominated by the Board;
- (b) recommending to the Board the compensation of the external auditor to be paid by the Company in connection with (i) preparing and issuing the audit report on the Company's financial statements, and (ii) performing other audit, review or attestation services;
- (c) overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attestation services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (d) regularly meeting with the external auditor without management present to discuss matters that fall under its mandate;
- (e) reviewing the external auditor's annual audit plan, fee schedule and any related services proposals (including meeting with the external auditor to discuss any deviations from or changes to the original audit plan, as well as to ensure that no management restrictions have been placed on the scope and extent of the audit examinations by the external auditor or the reporting of their findings to the Audit Committee);
- (f) ensuring that the external auditor is independent by receiving a report annually from the external auditors with respect to their independence, such report to include (i) disclosure of all engagements (and fees related thereto) for non-audit services provided to the Company, (ii) a written statement delineating all relationships between the external auditor and the Company (assuring that lead audit partner rotation is carried out, as required by law, and delineating any other relationships that may adversely affect the independence of the external auditor);
- (g) ensuring that the external auditor is in good standing with the Canadian Public Accountability Board by receiving, at least annually, a report by the external auditor on the audit firm's internal quality control processes and procedures and all relationships between the external auditor or any affiliates thereof and the Company or persons in financial reporting oversight roles at the Company that, as of the report's date, may reasonably be

thought to bear on independence, such report to include any material issues raised by the most recent internal quality control review, or peer review, of the firm, or any governmental or professional authorities of the firm within the preceding five years, and any steps taken to deal with such issues, and discussing with the external auditor the potential effects of any relationships described in the report which may reasonably be thought to bear on independence;

- (h) ensuring that the external auditor meets the rotation requirements for partners and staff assigned to the Company's annual audit by receiving a report annually from the external auditors setting out the status of each professional with respect to the appropriate regulatory rotation requirements and plans to transition new partners and staff onto the audit engagement as various audit team members' rotation periods expire;
- (i) resolving disputes between management and the external auditor regarding financial reporting;
- (j) pre-approving all non-audit services to be provided to the Company or any subsidiaries by the Company's external auditor (or delegating such pre-approval to one or more independent to the extent permitted by applicable laws, regulations, rules and listing standards) and considering whether the auditor's provision of permissible non-audit services is compatible with the auditor's independence;
- (k) reviewing and discussing with management and the external auditor, prior to their public disclosure, the annual audited and quarterly unaudited financial statements and related Management Discussion and Analysis ("**MD&A**"), including the appropriateness of the Company's accounting policies, disclosures (including material transactions with related parties), reserves, key estimates and judgements (including changes or variations thereto) and obtaining reasonable assurance that the financial statements are presented fairly in accordance with IFRS and the MD&A is in compliance with appropriate regulatory requirements;
- (l) reviewing and discussing with management and the external auditor, prior to their public disclosure, all earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies;
- (m) reviewing and discussing with management and the external auditor, prior to their public disclosure, any annual information form and prospectus-type documents (including financial outlook, future-oriented financial information and other forward-looking information, and any pro-forma or non-IFRS information included therein);
- (n) to the extent not previously reviewed by the Committee, reviewing and discussing with management and the external auditor, prior to their public disclosure, all financial statements included in any prospectus, business acquisition report or offering memoranda and all other financial reports required by regulatory authorities and/or requiring approval by the Board;
- (o) reviewing and supervising, to the extent deemed appropriate, the preparation by management of (i) any information of the Company required to be filed by the Company with applicable securities regulators or stock exchanges, (ii) press releases of the Company containing material financial information, earnings guidance, forward-looking statements, information about operations or any other material information, (iii) correspondence broadly disseminated to the shareholders of the Company, and (iv) other relevant material written and oral communications or presentations

- (p) satisfying itself on a regular basis through reports from management and related reports, if any, from the external auditors, that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements and for ensuring that such information is fairly presented, and periodically assessing the adequacy of those procedures;
- (q) satisfying itself that management has developed and implemented a system to ensure that the Company meets its continuous disclosure obligations through the receipt of regular reports from management and the Company's legal advisors;
- (r) reviewing and discussing with management and the external auditor major issues regarding accounting principles and financial statement presentation including any significant changes in the selection or application of accounting principles to be observed in the preparation of the financial statements of the Company and its subsidiaries;
- (s) reviewing and discussing with management and the external auditor the external auditor's written communications to the Audit Committee in accordance with generally accepted auditing standards and other applicable regulatory requirements arising from the annual audit and quarterly review engagements;
- (t) reviewing the external auditor's report to the shareholders on the Company's annual financial statements;
- (u) reporting on, and recommending to the Board the approval of, the annual financial statements and the external auditor's report on those financial statements, the quarterly unaudited financial statements, and the related MD&A and press releases for such financial statements, prior to the dissemination of these documents to shareholders, regulators, analysts and the public;
- (v) overseeing the adequacy of the Company's system of internal accounting controls and obtaining from management and the external auditor summaries and recommendations for improvement of such internal controls and processes, together with reviewing management's remediation of identified weaknesses or deficiencies;
- (w) reviewing with management and the external auditors the integrity of disclosure controls and internal controls over financial reporting;
- (x) reviewing and monitoring the processes in place to identify and manage the principal risks that could impact the financial reporting of the Company and assessing, as part of its internal controls responsibility, the effectiveness of the overall process for identifying principal business risks and reporting thereon to the Board;
- (y) reviewing and assessing on an annual basis the code of business conduct and ethics of the Company ("**Code of Conduct**"), and making recommendations to the Board, where appropriate;
- (z) monitoring compliance with the Code of Conduct;
- (aa) reviewing and discussing with the Company's Chief Executive Officer (or an officer carrying out the function of CEO) (the "**CEO**") and Chief Financial Officer (or an officer carrying out the function of CFO) (the "**CFO**") the process for the certifications to be provided under National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*, and receives and reviews any disclosure from the Company's CEO and CFO made in connection with the required certifications of the Company's quarterly and annual reports filed;

- (bb) establishing procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Company from employees and others regarding accounting, internal accounting controls or auditing matters and questionable practises relating thereto; and
 - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
- (cc) reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor of the Company;
- (dd) overseeing compliance with regulatory authority requirements for disclosure of external auditor services and Audit Committee activities;
- (ee) reviewing the findings of any examinations by regulatory agencies, and any external auditors observations made regarding those findings;
- (ff) reviewing, together with management, the creditworthiness, liquidity and important treasury matters including financial plans and strategies of the Company;
- (gg) reviewing the Company's tax strategy, including its tax planning and compliance with applicable tax law;
- (hh) establishing and ensuring the application of procedures for:
 - (i) reviewing, on a periodic basis, the Company's insurance coverage program and related insured risks, including coverage for product liability, property damage, business interruption, liabilities, and directors' and officers' liability;
 - (ii) reviewing activities, organizational structure, and qualifications of the Chief Financial Officer ("**CFO**") and the staff in the financial reporting area and ensuring that matters related to succession planning within the Company are raised for consideration at the Board;
 - (iii) obtaining reasonable assurance as to the integrity of the Chief Executive Officer ("**CEO**") and other senior management and that the CEO and other senior management strive to create a culture of integrity throughout the Company;
 - (iv) reviewing fraud prevention policies and programs, and monitoring their implementation;
 - (v) reviewing regular reports from management and others (e.g., external auditors, legal counsel) with respect to the Company's compliance with laws and regulations having a material impact on the financial statements including:
 - (A) Tax and financial reporting laws and regulations;
 - (B) Legal withholding requirements;
 - (C) Environmental protection laws and regulations; and
 - (D) Other laws and regulations which expose directors to liability.

- 4.2 A regular part of Audit Committee meetings involves the appropriate orientation of new members as well as the continuous education of all members. Items to be discussed include specific business issues as well as new accounting and securities legislation that may impact the organization. The Chair of the Audit Committee will regularly canvass the Audit Committee members for continuous education needs and in conjunction with the Board education program, arrange for such education to be provided to the Audit Committee on a timely basis.
- 4.3 The Audit Committee shall, on an annual basis, review and assess the adequacy of this charter taking into account all applicable legislative and regulatory requirements as well as any best practice guidelines recommended by regulators or stock exchanges with whom the Company has a reporting relationship and, if appropriate, recommend changes to the Audit Committee charter to the Board for its approval.

OPERATIONS

- 5.1 In connection with the discharge of its duties and responsibilities, the Committee shall observe the following procedures:
- (a) **Meetings.** Each of the Committee Chair, members of the Audit Committee, Chair of the Board, external auditor, CEO, CFO or secretary shall be entitled to request that the Chair of the Audit Committee call a meeting which shall be held within 48 hours of receipt of such request to consider any matter that such individual believes should be brought to the attention of the Board or the shareholders. The Audit Committee shall fix its own procedure at meetings and for the calling of meetings. The external auditor must be given reasonable notice of, and has the right to appear before and to be heard at, each meeting of the Audit Committee. The external auditor must be given reasonable notice of, and has the right to appear before and to be heard at, each meeting of the Audit Committee.
 - (b) **Quorum.** The quorum for a meeting of the Audit Committee is a majority of the members of the Audit Committee.
 - (c) **Committee Chair.** The Committee Chair shall be responsible for leadership of the Audit Committee, including scheduling and presiding over meetings, preparing agendas, overseeing the preparation of briefing documents to circulate during the meetings as well as pre-meeting materials, ensuring all matters requiring the Audit Committee's approval are properly tabled and presented for consideration at Audit Committee meetings, and making regular reports to the Board on the work of the Audit Committee. The Committee Chair will also maintain regular liaison with the CEO, CFO, and the lead external audit partner.
 - (d) **Meeting with the CEO and CFO.** The Audit Committee will meet in camera separately with each of the CEO and the CFO of the Company at least annually to review the financial affairs of the Company.
 - (e) **Meeting with external auditor.** The Audit Committee will meet with the external auditor of the Company in camera at least once each year, at such time(s) as it deems appropriate, to review the external auditor's examination and report.
 - (f) **Reporting to the Board.** The Audit Committee will report, at least annually, to the Board regarding the Audit Committee's examinations and recommendations. The Audit Committee will report its activities to the Board to be incorporated as a part of the minutes of the Board meeting at which those activities are reported.
 - (g) **Minutes.** The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board.

- 5.2 The Committee is authorized and empowered to adopt its own rules of procedures not inconsistent with any provision of this Charter, any provision of the Company's by-laws, or the compliance with applicable laws and regulations.

ANNUAL PERFORMANCE EVALUATION

- 6.1 The Board will conduct an annual performance evaluation of the Audit Committee, taking into account the Charter, to determine the effectiveness of the Committee.

GENERAL

- 7.1 The Audit Committee shall discharge its responsibilities and shall assess the information provided by the Company's management and any external advisors, including the external auditor, in accordance with its business judgment. Audit Committee members are not full-time Company employees and are not, and do not represent themselves to be, professional accountants or auditors. The authority and responsibilities set forth in this Charter do not create any duty or obligation of the Audit Committee to (i) plan or conduct any audits, (ii) determine or certify that the Company's financial statements are complete, accurate, fairly presented or in accordance with IFRS, as applicable, and applicable laws, (iii) guarantee the external auditor's reports, or (iv) provide any expert or special assurance as to internal controls or management of risk. Audit Committee members are entitled to rely, absent knowledge to the contrary, on the integrity of the persons from whom they receive information, the accuracy and completeness of the information provided and management's representations as to any audit or non-audit services provided by the external auditor.
- 7.2 Nothing in this Charter is intended or may be construed as to impose on any Audit Committee member or the Board a standard of care or diligence that is in any way more onerous or extensive than the standard to which the directors are subject under Applicable Laws. This Charter is not intended to change or interpret the Company's constating documents, Investor Agreements or Applicable Laws to which the Company is subject, and this Charter should be interpreted in a manner consistent with all such Applicable Laws. The Audit Committee is a committee of the Board and is not and shall not be deemed to be an agent of the Company's shareholders for any purpose whatsoever. The Board may, from time to time, permit departures from the terms hereof, either prospectively or retrospectively, and no provision contained herein is intended to give rise to civil liability on the part of the Company or its directors or officers to shareholders, security holders, customers, suppliers, competitors, employees or other persons, or to any other liability whatsoever on their part.
- 7.3 Any action that may or is to be taken by the Committee may, to the extent permitted by law or regulation, be taken directly by the Board.