

Form 52-110F1
Audit Committee Disclosure by Non-Venture Issuers

1. An audit committee's charter

State the text of the audit committee's charter.

2. Composition of the audit committee

State the name of each audit committee member and state whether or not the member is considered by the board of directors to be

- (a) independent, and
- (b) financially literate.

3. Relevant education and experience

Describe the education and experience of each audit committee member that is relevant to the performance of his or her responsibilities as an audit committee member and, in particular, describe any education or experience that would provide the member with

- (a) an understanding of the accounting principles used by the issuer to prepare its financial statements;
- (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are reasonably comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the issuer's financial statements, or experience actively supervising one or more individuals engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting.

4. Reliance on certain provisions or exemptions

If, at any time since the commencement of the issuer's most recently completed financial year, the issuer has relied on a provision or exemption set out below, state that fact:

- (a) section 2.4 (Exemption for minimal non-audit services),
- (b) section 3.3 (Initial public offerings),
- (c) section 3.4 (Events outside control of member),
- (d) section 3.5 (Death, disability or resignation of member),

- (e) section 3.6 (Becoming a non-venture issuer),
- (f) section 3.7 (Certain reverse takeovers), or
- (g) an exemption from the Instrument, in whole or in part, referred to in Part 7 (*Exemptions*).

5. Reliance on section 3.8

If, at any time since the commencement of the issuer's most recently completed financial year, the issuer has relied on section 3.8 (*Temporary exemption for limited and exceptional circumstances*), state that fact and state

- (a) the name of the member, and
- (b) the rationale for appointing the member to the audit committee.

6. Reliance on section 3.9

If, at any time since the commencement of the issuer's most recently completed financial year, the issuer has relied on section 3.9 (*Acquisition of financial literacy*), state that fact and state

- (a) the name of the member,
- (b) that the member is not financially literate, and
- (c) the date by which the member expects to become financially literate.

7. Audit committee oversight

If, at any time since the commencement of the issuer's most recently completed financial year, a recommendation of the audit committee to nominate or compensate an external auditor was not adopted by the board of directors, state that fact and describe why.

8. Approval policies and procedures

If the issuer has adopted policies and procedures for the engagement of non-audit services, describe those policies and procedures.

9. External auditor service fees (by category)

- (a) State, under the caption "Audit fees", the aggregate fees billed by the issuer's external auditor in each of the last two financial years for audit services.
- (b) State, under the caption "Audit-related fees", the aggregate fees billed in each of the last two financial years for assurance and related services by the issuer's external auditor that are reasonably related to the performance of the audit or review of the issuer's financial statements and are not

reported under paragraph (a). Include a description of the nature of the services comprising the fees stated under this category.

- (c) State, under the caption “Tax fees”, the aggregate fees billed in each of the last two financial years for professional services rendered by the issuer’s external auditor for tax compliance, tax advice, and tax planning. Include a description of the nature of the services comprising the fees stated under this category.
- (d) State, under the caption “All other fees”, the aggregate fees billed in each of the last two financial years for products and services provided by the issuer’s external auditor, other than the services reported under paragraphs (a), (b) and (c). Include a description of the nature of the services comprising the fees stated under this category.