

**CHARTER OF THE AUDIT COMMITTEE OF  
BEE VECTORING TECHNOLOGIES INTERNATIONAL INC.  
("CHARTER")**

**ARTICLE I  
MEMBERSHIP**

**Section 1.01** The audit committee (the "**Committee**") of the board of directors (the "**Board**") of Bee Vectoring Technologies International Inc. (the "**Company**") shall consist of three or more directors. The composition of the Committee shall comply with all of the independence requirements applicable pursuant to corporate laws, securities laws, and the policies of the stock exchange upon which shares of the Company are listed.

**Section 1.02** Each member of the Committee must be financially literate, as this term is defined under National Instrument 52-110 - Audit Committees (the "**Instrument**").

**Section 1.03** The Board shall appoint members to the Committee. Each Committee member shall be appointed for a one-year term/shall serve until a successor is duly appointed or until the member's earlier death, resignation, disqualification or removal. The Board may remove any member from the Committee at any time with or without cause. The Board shall fill Committee member vacancies by appointing a member from the Board. If a vacancy on the Committee exists, the remaining members shall exercise all the Committee's powers so long as a quorum exists.

**Section 1.04** New Committee members shall be provided with an orientation program to educate them on the Company, their roles and responsibilities on the Committee, and the Company's financial reporting and accounting practices. In addition, Committee members shall receive training as necessary to increase their understanding of financial, accounting, auditing and industry issues applicable to the Company.

**Section 1.05** The Board shall appoint the chairperson of the Committee ("**Chairperson**") from the Committee members. The Chairperson must be a non-executive Director. Subject to Section 1.04, the Board shall determine the Chairperson's term of office.

**Section 1.06** A quorum for decisions of the Committee shall be two members.

## **ARTICLE II COMMITTEE MEETINGS**

**Section 2.01** The Committee shall meet at least quarterly at such times and places as determined by the Committee. The Committee is governed by the same rules regarding meetings (including the procedure used to call meetings, and conducting meetings electronically, in person or by telephone), notice of meetings and waiver of notice by committee members, written resolutions in lieu of a meeting, and voting at meetings that apply to the Board.

**Section 2.02** The Chairman shall seek input from Committee members, the Company's management, the Auditor and Board members when setting each Committee meeting's agenda.

**Section 2.03** Any written material to be provided to Committee members for a meeting must be distributed in advance of the meeting to give Committee members time to review and understand the information. All material provided to Committee members shall be relevant and concise.

**Section 2.04** The chairperson of the Board, the chief executive officer of the Company ("CEO"), and chief financial officer of the Company ("CFO") may, if invited by the Chairperson, attend and speak at Committee meetings. Other Board members may also, if invited by the Chairperson, attend and speak at Committee meetings.

**Section 2.05** The Chairperson, on the Committee's recommendation, may invite members of the Company's management to attend meetings and give presentations relating to their responsibilities.

**Section 2.06** The Committee may appoint a Committee member or any other attendee to be the secretary of a meeting. The Chairperson shall circulate minutes of all Committee meetings to the Company's Board members and its Auditor (defined below). The Committee shall report its decisions and recommendations to the Board promptly after each Committee meeting.

**Section 2.07** The Committee shall meet for a private session, excluding management and the Auditor, following each Committee meeting.

**ARTICLE III  
PURPOSE, ROLE AND AUTHORITY**

**Section 3.01** The purpose of the Committee is to oversee the Company's accounting and financial reporting processes and the preparation and auditing of the Company's financial statements.

**Section 3.02** The Committee is authorized by the Board to investigate any matter set out in this Charter or otherwise delegated to the Committee by the Board.

**ARTICLE IV  
DUTIES AND RESPONSIBILITIES**

The Committee has the duties and responsibilities set out in sections 5 to 14 of this Charter, as may be amended, supplemented or restated from time to time.

**ARTICLE V  
EXTERNAL AUDITOR - APPOINTMENT AND REMOVAL**

**Section 5.01** To consider and recommend to the Board, to put forward for shareholder approval at the annual meeting, an Auditor that will be appointed or reappointed to prepare or issue an auditor's report as well as perform audit, review, attest or other services for the Company in compliance with the Instrument, and to recommend to the Board the Auditor's removal, if necessary.

**Section 5.02** To set the terms of the Auditor's engagement and its remuneration, including reviewing and negotiating the Auditor's engagement letter.

**Section 5.03** To review and monitor the independence of the Auditor.

**Section 5.04** To, at least once per fiscal year, review the qualifications and performance of the Auditor and the Auditor's lead partners and consider and decide if the Company should adopt or maintain a policy of rotating the accounting firm serving as the Company's external auditor.

**ARTICLE VI  
AUDITOR OVERSIGHT - AUDIT SERVICES**

**Section 6.01** To require the Auditor to report directly to the Committee.

**Section 6.02** To discuss with the Auditor, before an audit commences, the nature and scope of the audit, the Auditor's responsibilities in relation to the audit, the overall audit strategy, the timing of the audit, the processes used by the Auditor to identify risks and reporting such risks to the Committee. To discuss with the Auditor any other matters relevant to the audit, including the coordination of services and processes, where more than one audit firm is involved.

**Section 6.03** To review and discuss with the Auditor all critical accounting policies and practices to be used in the audit, all alternative treatments of financial information within International Financial Reporting Standards (“**IFRS**”) that have been discussed with management, the ramifications of the use of such alternative treatments and the treatment preferred by the Auditor.

**Section 6.04** To review any major issues regarding accounting principles, including IFRS, and financial statement presentation with the Auditor and Company's management, including any significant changes in the Company's selection or application of accounting principles; any significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including the effect of regulatory and accounting initiatives and off-balance sheet structures on the Company's financial statements.

**Section 6.05** To review and discuss with the Auditor and management any problems or difficulties encountered during the audit, including restrictions on the scope of activities or access to information, and any significant disagreements between the Auditor and management in relation to financial reporting. The Committee may meet with the Auditor and management (together or separately) to discuss and resolve such disagreements.

**Section 6.06** To review all material communications between management and the Auditor, including reviewing the Auditor's management letter and management's response.

**Section 6.07** To create (if required), review, and approve the Company's policies respecting the hiring of any (former or current) Auditor's past or present employees or past or present partners that participated in any capacity in any Company audit.

**Section 6.08** To oversee any other matters relating to the Auditor and the performance of audit services on the Company's behalf.

**ARTICLE VII**  
**AUDITOR OVERSIGHT - NON-AUDIT SERVICES**

**Section 7.01** To pre-approve all non-audit services to be provided by the Auditor to the Company or its subsidiaries in accordance with the Instrument.

**Section 7.02** Notwithstanding section 7.1, the Committee may delegate the pre-approval of non-audit services to a member or certain members of the Committee. Such member or members shall notify the Committee at each Committee meeting of the non-audit services they approved since the last Committee meeting.

**ARTICLE VIII**  
**INTERNAL CONTROLS**

**Section 8.01** To monitor and review the effectiveness of the Company's internal audit function (the "**Internal Auditors**"), including ensuring that the Internal Auditors have adequate monetary and other resources to complete their work, and ensuring that the Internal Auditors have appropriate standing within the Company. If the Company has no Internal Auditors, to consider, on an annual basis, whether the Company requires Internal Auditors, and to recommend to the Board whether Internal Auditors should be employed by the Company.

**Section 8.02** To oversee an effective system of internal controls and procedures for the Company relating to the financial reporting process and disclosure of the financial results ("**Internal Controls**").

**Section 8.03** To review with management and the Internal Auditors (with each privately or together) the adequacy and effectiveness of the Company's Internal Controls, including any significant deficiencies or material weaknesses in the design or operation of the Internal Controls, and to determine if any special steps must be adopted by the Auditor during its audit in light of any such deficiencies or weaknesses.

**Section 8.04** To review management's roles, responsibilities, and performance in relation to the Internal Controls.

**Section 8.05** To review, discuss and investigate any alleged fraud involving the Company's management or employees in relation to the Internal Controls, including management's response to any allegations of fraud. To implement corrective and disciplinary action in cases of proven fraud, and to determine if any special steps must be adopted by the Auditor during its audit in light of any proven fraud or any allegations of fraud.

**Section 8.06** To establish and monitor the procedures for: (a) the receipt, retention, and treatment of complaints the Company receives relating to its Internal Controls; (b) the anonymous submission of employees' concerns relating to questionable accounting or audited matters engaged in by the Company; and (c) the independent investigation of the matters set out in (a) and (b), including the appropriate follow up action for each.

**Section 8.07** To review and discuss with the CEO and CFO, or those officers who perform the duties similar to a CEO or CFO, the steps taken to complete the required certifications of the annual and interim filings with the securities commissions.

## **ARTICLE IX FINANCIAL STATEMENTS**

**Section 9.01** To review and discuss with the Auditor and management the Company's annual audited financial statements as well as the accompanying Auditor's report and management discussion and analysis ("**MD&A**"). The Committee's review of the annual audited financial statements will include a review of the notes contained in the financial statements, in particular the notes on: (a) significant accounting policies, including any changes made to them and the effect this may have on the Company; (b) significant estimates and assumptions; (c) significant adjustments resulting from the an audit; (d) the going concern assumption; (e) compliance with accounting standards; (f) investigations and litigation undertaken by regulatory authorities; (g) the impact of unusual transactions; and (h) off-balance sheet and contingent asset and liabilities, and related disclosures.

**Section 9.02** To assess: (a) the quality of the accounting principles applied to the financial statements; (b) the clarity of disclosure in the financial statements; and (c) whether the audited annual financial statements present fairly, in all material respects, in accordance with IFRS, the Company's financial condition, operational results and cash flows.

**Section 9.03** Upon satisfactory completion of its review, to recommend the annual audited financial statements, Auditor's report and annual MD&A for Board approval.

**Section 9.04** To review the interim financial statements and related MD&A with the Auditor (if the interim financial statements are audited) and management, and if satisfied that the interim financial statements meet the criteria set out in subsection 9.2 to recommend to the Board that it approve the interim financial statements and accompanying MD&A.

**ARTICLE X  
DISCLOSURE OF OTHER FINANCIAL INFORMATION**

**Section 10.01** To review and discuss with management the design, implementation and maintenance of effective procedures relating to the Committee's prior review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements ("**Disclosure Procedures**"). To ensure that the Disclosure Procedures put in place are followed by the Company's management and employees, and to periodically assess the adequacy of the Disclosure Procedures.

**Section 10.02** To review the Company's profit and loss press releases and other related press releases before they are released to the public, including the Company's annual information form, earnings press releases and any other public disclosure documents required by the securities commissions, and to review the nature of any financial information and ratings information provided to agencies and analysts per the Company's disclosure policy.

**Section 10.03** To monitor and review the Company's policy on confidentiality and disclosure on a yearly basis.

**ARTICLE XI  
RISK MANAGEMENT**

**Section 11.01** To review and discuss with management and the Internal Auditors (each privately or together) policies and guidelines to govern the processes by which management assesses and manages the Company's risks, including the Company's major financial risk exposures and fraud, and the steps management has taken to monitor and control such exposures.

**Section 11.02** To review the periodic reports delivered to the Committee by the Internal Auditors, and to oversee the processes by which major Company risks are reviewed by either the Committee, another Board committee or the full Board.

**ARTICLE XII  
LEGAL COMPLIANCE**

To review with legal counsel any legal matters, including inquiries received from regulators and governmental agencies, that may have a significant impact on the Company's financial statements, cash flows or operations, to review and oversee any policies, procedures and programs designed by the Company to promote legal compliance.

**ARTICLE XIII  
RELATED PARTY TRANSACTIONS**

To review all proposed related party transactions, other than those reviewed by a special committee of disinterested directors in accordance with Canadian corporate or securities laws.

**ARTICLE XIV  
OTHER DUTIES AND RESPONSIBILITIES**

To complete any other duties and responsibilities delegated by the Board to the Committee from time to time.

**ARTICLE XV  
MEETINGS WITH THE AUDITOR**

Notwithstanding anything set out in this Charter to the contrary, the Committee may meet privately with the Auditor or Internal Auditors as frequently as the Committee deems appropriate for the Committee to fulfil its responsibilities and to discuss any concerns of the Committee or Auditor in relation to the matters covered by the Committee's Charter, including the effectiveness of the Company's financial recording procedures and systems, and management's cooperation and responsiveness to matters arising from the audit and non-audit services performed by the Auditor.

**ARTICLE XVI  
MEETINGS WITH MANAGEMENT**

The Committee may meet privately with management and the Company's Internal Auditors (together or separately) as frequently as the Committee deems appropriate for the Committee to fulfil its responsibilities, and to discuss any concerns of the Committee, management or the Internal Auditors.

**ARTICLE XVII  
OUTSIDE ADVISORS**

The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of independent outside counsel and such other advisors as it deems necessary to fulfil its duties and responsibilities under this Charter. The Committee shall set the compensation and oversee the work of any outside counsel and other advisors to be paid by the Company.



## **ARTICLE XVIII REPORTING**

The Committee shall report to the Board on all matters set out in this Charter and other matters assigned to the Committee by the Board, including: (a) the Auditor's independence; (b) the Auditor's performance and the Committee's recommendation to reappoint or terminate the Auditor; (c) the Internal Auditors' performance; (d) the adequacy of the Internal Controls; (e) the Committee's review of the Company's annual and interim financial statements, and any IFRS reconciliation, including any issues respecting the quality and integrity of financial statements, along with the MD&A; (f) the Company's compliance with legal and regulatory matters and such matters impact on the financial statements; and (g) the Company's risk management programs and any risks identified in accordance with this program.

## **ARTICLE XIX CHARTER REVIEW**

The Committee shall review this Charter at least annually and recommend any proposed changes to the Board for approval.

## **ARTICLE XX PERFORMANCE EVALUATION**

The Committee shall conduct an annual evaluation of the performance of its duties and responsibilities under this Charter and shall present the results of the evaluation to the Board. The Committee shall conduct this evaluation in such manner as it deems appropriate.

## **ARTICLE XXI NO RIGHTS CREATED**

This Charter is a broad policy statement and is intended to be part of Committee's flexible governance framework. While this Charter should comply with all applicable laws, regulations and listing requirements, as well as the Company's articles and by-laws, this Charter does not create any legally binding obligations on the Committee, the Board or the Company.

## **ARTICLE XXII EFFECTIVE DATE**

This Charter was implemented by the Board on July 13, 2015.