



TMAC RESOURCES INC.

Mandate of the Audit Committee

Purpose

The Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of TMAC Resources Inc. (the "**Corporation**") is appointed by the Board to assist the Corporation and the Board in fulfilling their respective obligations relating to the integrity of the internal financial controls and financial reporting of the Corporation.

Composition

1. The Committee shall be composed of three or more directors, as designated by the Board from time to time.
2. The Chair of the Committee (the "**Chair**") shall be designated by the Board or the Committee from among the members of the Committee.
3. The Committee shall comply with all applicable securities laws, instruments, rules and policies and regulatory requirements (collectively "**Applicable Laws**"), including those relating to independence and financial literacy. Accordingly, each member of the Committee shall be independent within the meaning of National Instrument 52-110 – *Audit Committees*, and financially literate within the meaning of Applicable Laws.
4. Each member of the Committee shall be appointed by, and serve at the pleasure of, the Board. The Board may fill vacancies in the Committee by appointment from among the Board.

Meetings

5. The Committee shall meet at least quarterly in each financial year of the Corporation. The Committee shall meet otherwise at the discretion of the Chair or a majority of the members of the Committee, or as may be required by Applicable Laws.
6. A majority of the members of the Committee shall constitute a quorum. If within one hour of the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same hour on the next business day following the date of such meeting at the same place. If at the adjourned meeting a quorum as hereinbefore specified is not present within one hour of the time appointed for such adjourned meeting, such meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the second adjourned meeting a quorum as hereinbefore specified is not present, the quorum for the adjourned meeting shall consist of the members then present (a "**Reduced Quorum**").
7. If, and whenever a vacancy shall exist in the Committee, the remaining members of the Committee may exercise all powers and responsibilities of the Committee so long as a quorum remains in office or a Reduced Quorum is present in respect of a specific Committee meeting.

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board.

8. The Committee shall hold an *in-camera* session without any directors who are not independent within the meaning of National Instrument 52-110 – Audit Committees and any Senior Executives (as defined in the Mandate of the Compensation Committee) present at each meeting of the Committee, unless such a session is not considered necessary by the members present.
9. The time and place at which meetings of the Committee are to be held, and the procedures at such meetings, will be determined from time to time by the Chair. A meeting of the Committee may be called by notice, which may be given by written notice, telephone, facsimile, email or other electronic communication at least 48 hours prior to the time of the meeting. However, no notice of a meeting shall be necessary if all of the members are present either in person or by means of telephone or web conference, or other communication equipment, if those absent waive notice or otherwise signify their consent to the holding of such meeting or the meeting is an adjourned meeting as contemplated in paragraph 6 of this mandate.
10. Members may participate in a meeting of the Committee by means of telephone or web conference, or other communication equipment which allows all of the members to hear each other.
11. If the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside. The Chair (or other Committee member, as applicable) presiding at the meeting shall not have a casting vote.
12. The Committee shall keep minutes of all meetings, which shall be available for review by the Board.
13. The Committee may appoint any individual, who need not be a member, to act as the secretary at any meeting.
14. The Committee may invite such other directors, Senior Executives and other employees of the Corporation and such other advisors and persons as is considered advisable to attend any meeting of the Committee.
15. Any matter to be determined by the Committee shall be decided by a majority of the votes cast at a meeting of the Committee called for such purpose. Any action of the Committee may also be taken by an instrument or instruments in writing signed by all of the members of the Committee (including in counterparts, by facsimile or other electronic signature) and any such action shall be as effective as if it had been decided by a majority of the votes cast at a meeting of the Committee called for such purpose. In the case of an equality of votes, the matter will be referred to the Board for decision.
16. The Committee shall report its determinations and recommendations to the Board.

Resources and Authority

17. The Committee has the authority to:

- (a) engage, at the expense of the Corporation, independent counsel and other experts or advisors as is considered advisable;
- (b) determine and pay the compensation for any independent counsel and other experts and advisors retained by the Committee;
- (c) communicate directly with the independent auditor of the Corporation (the "**Independent Auditor**");
- (d) conduct any investigation considered appropriate by the Committee;
- (e) request the Independent Auditor, any senior officer or other employee of, or outside counsel for, the Corporation to attend any meeting of the Committee or to meet with any members of, or independent counsel or other experts or advisors to, the Committee; and
- (f) have unrestricted access to the books and records of the Corporation.

Responsibilities

Financial Accounting, Internal Controls and Reporting Process

18. The Committee is responsible for:

- (a) reviewing any management report on, and assessing the integrity of, the internal controls over the financial reporting of the Corporation and monitoring the proper implementation of such controls;
- (b) reviewing and reporting to the Board on, or if mandated by the Board approving, the quarterly unaudited financial statements, management's discussion and analysis ("**MD&A**") thereon and other financial disclosure related thereto that may be required to be reviewed by the Committee pursuant to Applicable Laws;
- (c) reviewing and reporting to the Board on the annual audited financial statements, the MD&A thereon and other financial disclosure related thereto that may be required to be reviewed by the Committee pursuant to Applicable Laws;
- (d) monitoring the conduct of the audit function;
- (e) discussing and meeting with, when considered advisable to do so and in any event no less frequently than annually, the Independent Auditor, the Chief Financial Officer (the "**CFO**") and any other senior officer or other employee of the Corporation which the Committee wishes to meet with, to review accounting principles, practices, judgments of management, internal controls and such other matters as the Committee considers appropriate; and
- (f) reviewing any post-audit or management letter containing the recommendations of the Independent Auditor and management's response thereto and monitoring the subsequent follow-up to any identified weaknesses.

Public Disclosure

19. The Committee shall:

- (a) review the quarterly and annual financial statements, the related MD&A, quarterly and annual earnings press releases and any other public disclosure documents that are required to be reviewed by the Committee pursuant to Applicable Laws;
- (b) consider whether the Corporation's financial disclosures are complete, accurate, prepared in accordance with International Financial Reporting Standards ("IFRS") and fairly present the financial position of the Corporation;
- (c) review and discuss with Senior Executives of the Corporation any guidance being provided on the expected future results and financial performance of the Corporation, and provide its recommendations on such guidance to the Board; and
- (d) review the procedures which are in place for the review of the public disclosure by the Corporation of financial information extracted or derived from the financial statements of the Corporation and periodically assess the adequacy of such procedures.

Risk Management

- 20. The Committee should inquire of the Senior Executives and the Independent Auditor as to the significant risks or exposures, both internal and external, to which the Corporation is subject, and review the actions which the Senior Executives have taken to minimize such risks. In conjunction with the Board, the Committee should annually review the financial risks associated with the directors' and officers' third-party liability insurance of the Corporation.

Corporate Conduct

- 21. The Committee should ensure that there is an appropriate standard of corporate conduct relating to the internal controls and financial reporting of the Corporation.
- 22. The Committee should establish procedures for:
 - (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls and auditing matters; and
 - (b) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

Code of Ethical Business Conduct

- 23. With regard to the Code of Ethical Business Conduct of the Corporation (the "**Code**"), the Committee should:
 - (a) review periodically and recommend to the Board any amendments to the Code, and monitor the policies and procedures established by the Senior Executives to ensure compliance with the Code;
 - (b) review actions taken by the Senior Executives to ensure compliance with the Code, the results of the confirmations and the responses to any violations of the Code;
 - (c) monitor the disclosure of the Code, any proposed amendments to the Code and any waivers to the Code granted by the Board; and

- (d) review the policies and procedures instituted to ensure that any departure from the Code by a director or senior officer which constitutes a "material change" within the meaning of Applicable Laws is appropriately disclosed in accordance with Applicable Laws.

Other Policies

24. The Committee shall periodically review and assess the Corporation's Approval Levels Policy, Anti-Bribery and Anti-Corruption Policy, Whistleblower Policy, Business Travel and Expenses Policy and Treasury Policy (collectively the "**Policies**") and submit any proposed amendments to any of the Policies to the Board for consideration.

Independent Auditor

25. The Committee shall recommend to the Board, for appointment by shareholders, a firm of external auditors to act as the Independent Auditor and shall monitor the independence and performance of the Independent Auditor. The Committee shall arrange and attend, as considered appropriate and at least annually, a private meeting with the Independent Auditor and shall review and approve the remuneration of such Independent Auditor.
26. The Committee shall ensure that the lead audit partner at the Independent Auditor is replaced every seven years.
27. The Committee should resolve any otherwise unresolved disagreements between the Senior Executives of the Corporation and the Independent Auditor regarding the internal controls or financial reporting of the Corporation.
28. The Committee should pre-approve all audit and non-audit services not prohibited by law, including Applicable Laws, to be provided by the Independent Auditor. The Committee should review and determine the threshold for such services and recommend such fee thresholds to the Board for approval. The Chair may, and is authorized to, pre-approve non-audit services provided by the Independent Auditor up to a maximum amount of \$25,000 per engagement.
29. The Committee should review the audit plan of the Independent Auditor, including the scope, procedures and timing of the audit.
30. The Committee should review the results of the annual audit with the Independent Auditor, including matters related to the conduct of the audit.
31. The Committee should obtain timely reports from the Independent Auditor describing critical accounting policies and practices applicable to the Corporation, the alternative treatment of information in accordance with IFRS that were discussed with the CFO, the ramifications thereof, and the Independent Auditor's preferred treatment, and should review any material written communications between the Corporation and the Independent Auditor.
32. The Committee should review the fees paid by the Corporation to the Independent Auditor and any other professionals in respect of audit and non-audit services on an annual basis.
33. The Committee should review and approve the Corporation's hiring policy regarding partners, employees and former partners and employees of the present and any former Independent Auditor.

34. The Committee should monitor and assess the relationship between the Senior Executives of the Corporation and the Independent Auditor and monitor the independence and objectivity of the Independent Auditor.

Other Responsibilities

35. The Committee should review and assess the adequacy of this mandate from time to time and at least annually and submit any proposed amendments to the Board for consideration.

36. The Committee should perform any other activities consistent with this mandate and Applicable Laws as the Committee or the Board considers advisable.

Chair

37. The Chair should:

- (a) provide leadership to the Committee and oversee the functioning of the Committee;
- (b) chair meetings of the Committee (unless not present), including *in-camera* sessions, and report to the Board following each meeting of the Committee on the activities and any recommendations and decisions of the Committee, and otherwise at such times and in such manner as the Chair considers advisable;
- (c) ensure that the Committee meets at least quarterly in each financial year of the Corporation, and otherwise as is considered advisable;
- (d) in consultation with the Chair of the Board and the members of the Committee, establish dates for holding meetings of the Committee;
- (e) set the agenda for each meeting of the Committee, with input from other members of the Committee, the Chair of the Board, the Lead Director, if any, and any other appropriate individuals;
- (f) ensure that Committee materials are available to any director upon request;
- (g) act as a liaison, and maintain communication, with the Chair of the Board, the Lead Director, if any, and the Board to co-ordinate input from the Board and to optimize the effectiveness of the Committee;
- (h) report annually to the Board on the role of the Committee and the effectiveness of the Committee in contributing to the effectiveness of the Board;
- (i) assist the members of the Committee to understand and comply with the responsibilities contained in this mandate;
- (j) foster ethical and responsible decision making by the Committee;
- (k) consider complaints covered by the Whistleblower Policy, undertake an investigation of the violation or suspected violation of the Code or as defined in the Whistleblower Policy, and promptly report to the Committee and the Board any complaint that may have material consequences for the Corporation and, for each financial quarter of the

Corporation, the Chair should report to the Committee and to the Independent Auditor, in the aggregate, the number, the nature and the outcome of the complaints received and investigated under the Whistleblower Policy;

- (l) together with the Corporate Governance and Nominating Committee, oversee the structure, composition and membership of, and activities delegated to, the Committee from time to time;
- (m) ensure appropriate information is provided to the Committee by the Senior Executives of the Corporation to enable the Committee to function effectively and comply with this mandate;
- (n) ensure that appropriate resources and expertise are available to the Committee;
- (o) ensure that the Committee considers whether any independent counsel or other experts or advisors retained by the Committee are appropriately qualified and independent in accordance with Applicable Laws;
- (p) facilitate effective communication between the members of the Committee and the Senior Executives of the Corporation, and encourage an open and frank relationship between the Committee and the Independent Auditor;
- (q) attend, or arrange for another member of the Committee to attend, each meeting of the shareholders of the Corporation to respond to any questions from shareholders that may be asked of the Committee;
- (r) in the event a Chair of the Board is not appointed by the Board at the first meeting of the Board following the annual meeting of shareholders each year, the Corporation does not have a Lead Director, and the position of Chair of the Corporate Governance and Nominating Committee is vacant, serve as the interim Chair of the Board until a successor is appointed; and
- (s) perform such other duties as may be delegated to the Chair by the Committee or the Board from time to time.