



## AUDIT COMMITTEE CHARTER

This Audit Committee Charter has been adopted by the Board of Directors (the "**Board**") of the Tectonic Metals Inc. (the "**Company**") in order to comply with National Instrument 51-102 *Continuous Disclosure Obligations* (the "**Instrument**") and to more properly define the role of the Audit Committee (the "**Committee**") in the oversight of the financial reporting process of the Company. Nothing in this Charter is intended to restrict the ability of the Board or the Committee to alter or vary procedures in order to comply more fully with the Instrument, as amended from time to time.

### I. Purpose

The purpose of the Committee is to:

- (a) improve the quality of the Company's financial reporting;
- (b) assist the Board in properly and fully discharging its responsibilities;
- (c) provide an avenue of enhanced communication between the directors and external auditors;
- (d) enhance the external auditor's independence;
- (e) increase the credibility and objectivity of financial reports; and
- (f) strengthen the role of the directors by facilitating in depth discussions between directors, management and external auditors.

The Board has hereby established the Committee for, among other purposes, compliance with the Instrument. The Board, after each annual shareholders' meeting, must appoint or re-appoint its Committee.

### II. Duties and Responsibilities

#### *Relationship with External Auditors*

The Company will require its external auditor to report directly to the Committee.

#### *Responsibilities*

- (1) The Committee must have a written charter that sets out its mandate and responsibilities.
- (2) The Committee must recommend to the Board:
  - (a) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and

- (b) the compensation of the external auditor.
- (3) The Committee must be directly responsible for 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 attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting.
- (4) Except as exempted by securities regulatory policies, the Committee must pre-approve all non-audit services to be provided to the Company or any of its subsidiaries by the Company's external auditor.
- (5) The Committee must review the Company's financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information.
- (6) The Committee must be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in subsection (5), and must periodically assess the adequacy of those procedures.
- (7) The Committee must establish procedures for:
  - (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
  - (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
- (8) The Committee must review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company.

### *Composition*

The Committee membership shall satisfy the laws governing the Company and the independence, financial literacy and experience requirements under securities law, stock exchange and any other regulatory requirements as are applicable to the Company.

### *Authority*

The Committee shall have the authority to:

- (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,
- (b) to set and pay the compensation for any advisors employed by the Committee,
- (c) to communicate directly with the internal and external auditors; and

- (d) recommend the amendment or approval of audited and interim financial statements to the Board.

*Chair*

The members of the Company shall elect a chair from among their number.

*Meetings*

Meetings of the Committee shall be scheduled to take place at regular intervals and, in any event, not less frequently than once a year. Opportunities shall be afforded periodically to the external auditor, the internal auditor and to members of senior management to meet separately with the members. Minutes shall be kept of all meetings of the Committee.

The quorum for a meeting of the Committee is a majority of the members.

*Effective Date*

This Charter was implemented by the Board on September 17, 2019.