



AUDIT COMMITTEE MANDATE

The Committee's primary function is to meet the regulatory responsibilities prescribed for an Audit Committee and to assist the Board in fulfilling its oversight responsibilities with respect to financial reporting and audit matters. The regulatory responsibilities include:

- a) Providing oversight of the accounting, financial reporting, internal audit and financial risk management functions, and procedures, practices and policies of the Corporation related thereto;
- b) Reviewing and recommending to the Board for acceptance, prior to their public release, all material financial information required to be disclosed by the Corporation;
- c) Overseeing the Disclosure Controls and Policies and the Internal Controls Over Financial Reporting (including relevant IT systems), accounting and financial reporting systems and internal controls;
- d) Overseeing and supervising the work of internal audit; and
- e) Overseeing the appointment and the ongoing relationship with the external auditor to the Corporation.

External Auditors:

The Audit Committee will:

- a) Ensure the external auditor reports directly to the Audit Committee;
- b) Recommend to the Board the external auditor to be nominated;
- c) Review and approve the external auditor's compensation and pre approve all audit and non-audit services;
- d) Evaluate the external auditor's qualifications, performance and independence;
- e) Delegate, as considered appropriate authority to pre-approve any engagements for non-audit services to the Chair of the Audit Committee or any member of the Audit Committee, in which case the pre-approval is reported to the next meeting of the Audit Committee;
- f) Oversee 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, including meeting regularly with the external auditor in camera;
- g) Review with the external auditor:
 - i. Proposed changes in accounting policies;
 - ii. New accounting standards likely to have an impact on the Corporation;
 - iii. The presentation and impact of significant risks and uncertainties; and
 - iv. Key estimates and judgments that may be material to financial reporting
- h) Ensure that the external auditor is answerable to the Committee, as representatives of the shareholders and monitor the rotation of partners on the audit engagement team in accordance with applicable regulations;

- i) Meet with the external auditor prior to the audit to review and approve the annual audit plan.
- j) Review significant changes to the audit plan, if any, and any disputes or difficulties with management encountered during the audit, including any disagreements which, if not resolved, would have caused the external auditor to issue a non-standard report on the Corporation's financial statements;
- k) Monitor the level of co-operation received by the external auditor during its audit including access to all requested records, data, explanations and information;
- l) Review with the internal and external auditors the degree of coordination between the two audit groups to determine the efficiency, effectiveness and completeness of the audit programs and the appropriate reliance on internal controls and systems;
- m) Review control weaknesses identified by the external auditor, any significant communications to and from regulators, and any incidents of fraud, misstatement or similar incidents and management's response;
- n) Review with the external auditor its view of the qualifications and performance of the key financial and accounting executives; and
- o) Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation in compliance with the requirements set out in section 2.3 (8) of NI 52-110.

Financial Statements, Management Discussion and Analysis and All External Reporting or Disclosure of Financial Statements or Information (Prior To Public Disclosure):

The Audit Committee will:

- a) Review annual or quarterly financial statements, including the specific items noted below and develop a recommendation to the Board of Directors regarding the filing of the financial statements:
 - i. financial statements and management discussion and analysis of financial condition and results of operations;
 - ii. significant accounting judgments and reporting principles, practices and procedures applied in preparing the financial statements, including newly adopted accounting policies and the reasons for their adoption;
 - iii. related party transactions, particularly those with current or former directors or officers;
 - iv. officer certifications and any sub-certifications that noted matters of significance;
 - v. issues of its choosing with the external auditor, management and corporate counsel including but not limited to potential claims, assessments, contingent liabilities, and legal and regulatory matters that may have a material impact on the financial statements of the Corporation; and
 - vi. results of any audit or independent review of the financial statements or internal controls over financial reporting.



- b) Review the financial component of the following documents prior to public release:
 - i. prospectuses, take-over bid circular, issuer bid circular, rights offering circular, offering memoranda and other fundraising activities of the Corporation prior to their filing;
 - ii. relevant sections of the annual report (if applicable), annual information form and management information circular containing financial information;
 - iii. forecasted financial information and forward looking statements; and
 - iv. press releases and other documents in which financial statements, earnings forecasts, results of operations or other financial information is disclosed.

Accounting Systems, Disclosure Controls and Procedures, Internal Controls and Related Systems and Procedures:

The Audit Committee will:

- a) Oversee the management and operations of the finance group to ensure the integrity of accounting and financial reporting and the underlying systems;
- b) Review the process for selection and performance evaluation of the CFO and other key members of the finance group in consultation with the CEO and CFO, establish roles and objectives and make recommendations as appropriate to the CEO, CFO and/or the Board of Directors;
- c) Review whether the disclosure controls and policies and the internal controls over financial reporting (including relevant IT systems), as those terms are defined in NI 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings, provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Corporation's accounting policies and IFRS.;
- d) Review the Corporation's system for certifications and sub-certifications related to quarterly and annual reporting;
- e) Oversee the Corporation's processes for independent appraisal of real estate property, including the selection and engagement of the independent appraiser, and any public disclosure of the results of the appraisal;
- f) Review and approve the Corporation's policies regarding officer and director expense policy and transactions with the Corporation, and may review the expense claims of any officer or director;
- g) Oversee the Corporation's risk management policies and systems related to major financial risks, including litigation matters and cyber security;
- h) Oversee the Corporation's tax policies and systems related to tax planning, payments, reporting, audits and assessments;
- i) As considered appropriate, direct the external auditor's examinations to particular issues;
- j) Meet separately with Executive Management or Finance personnel as deemed appropriate;



- k) Independently or together with the Board, investigate any identified fraud, illegal acts and conflicts of interest; and
- l) Oversee the procedures for the confidential anonymous submission by employees of the Corporation of concerns or complaints regarding questionable accounting, internal accounting controls or auditing matters as set forth in the Corporation's Whistleblower Policy, including procedures for the retention (for at least 7 years) of copies of complaints or concerns expressed and evidence of investigations.

Internal Audit:

The Audit Committee will:

- a) Maintain direct communications and discuss and review specific issues, as appropriate, with the Internal Auditor;
- b) Review the audit plans of the Internal Auditor and the coordination with the external auditor;
- c) Review the quarterly certification and sub-certification process and the internal audit role with respect to the process;
- d) Review the significant findings of the internal audit programs or the sub-certification process, together with management's response thereto;
- e) As considered appropriate, direct the Internal Auditor's examinations to particular issues;
- f) Review the adequacy of the resources of the Internal Auditor and the objectivity and independence of the internal audit function; and
- g) Meet separately with the Internal Auditor as deemed appropriate.

Approved by the Board of Directors of Genesis Land Development Corp. on March 14, 2019.