



Audit Committee Charter

1. Purpose

The Audit Committee ("Committee") of Kemar Minerals Inc. ("Kemar Minerals" or "the Corporation") is responsible for assisting the Board of Directors ("Board") in fulfilling its oversight responsibilities related to financial reporting, internal controls, risk management, and compliance with legal and regulatory requirements.

2. Authority

The Committee has the authority to:

- Conduct or authorize investigations into matters within its scope of responsibility.
- Retain independent legal, accounting, or other advisors as necessary.
- Access all Corporate records, facilities, and personnel required to carry out its duties.
- Recommend actions to the Board on financial, compliance, and risk-related matters.

3. Composition

- The Committee shall consist of at least three independent, non-executive directors appointed by the Board.
- Members must have relevant financial literacy and expertise in accounting, auditing, or corporate finance.
- The Board shall appoint the Committee Chair, who must possess substantial financial management experience.

4. Meetings and Quorum

The remuneration framework comprises fixed and variable components, designed to balance short-term performance incentives with long-term value creation.

- The Committee shall meet at least quarterly, with additional meetings as necessary.
- A majority of members shall constitute a quorum for decision-making.
- The Committee may invite Corporate executives, auditors, and external advisors to attend meetings as needed.

5. Responsibilities

5.1 Financial Reporting

- Review and recommend approval of the Corporation's financial statements, including quarterly and annual reports.
- Assess the appropriateness of accounting policies, estimates, and disclosures.
- Oversee compliance with financial reporting requirements, including IFRS and regulatory filings.
- Review significant financial reporting judgments and ensure transparency.

5.2 External Audit Oversight

- Recommend the appointment, compensation, and retention of the external auditor.
- Evaluate the independence and performance of the external auditor.
- Review audit findings and management's responses.
- Ensure that non-audit services provided by the auditor do not impair independence.

5.3 Internal Controls and Risk Management

- Monitor the effectiveness of the Corporation's internal controls and financial risk management systems.
- Oversee implementation of risk mitigation measures related to fraud, financial misstatements, and regulatory non-compliance.
- Review the effectiveness of the Corporation's internal audit function and management responses.

5.4 Compliance and Ethical Standards

- Ensure adherence to ethical, legal, and regulatory obligations.
- Review the Corporation's policies on anti-corruption, whistleblowing, and fraud prevention.
- Investigate any significant cases of financial misconduct or regulatory breaches.

6. Reporting and Disclosure

- The Committee shall report its findings and recommendations to the Board after each meeting.
- Prepare an annual report for shareholders, summarizing key activities and audit-related matters.
- Ensure that significant audit and compliance issues are disclosed appropriately.

7. Performance Evaluation

- Conduct an annual self-assessment of the Committee's effectiveness.
- Review and update this Charter periodically to ensure alignment with best practices and regulatory requirements.

8. Review and Amendments

- The Board shall review this Charter annually and approve any necessary modifications.
- Changes must comply with legal, regulatory, and governance best practices.

Approved by:



Miles H. Auteberry

Chief Executive Officer

Kemar Minerals Inc.

