

## **TREASURY METALS INC. AUDIT COMMITTEE CHARTER**

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This Charter shall govern the activities of the audit committee (the “**Committee**”) of the board of directors (the “**Board**”) of Treasury Metals Inc. (the “**Company**”).

### **1. PURPOSE**

- 1.1. The primary function of the Committee shall be to assist the Board in fulfilling its oversight responsibilities with respect to:
- (a) the financial reporting process and the quality, transparency and integrity of the Company’s consolidated financial statements and other related public disclosures;
  - (b) the Company’s internal controls over financial reporting;
  - (c) the Company’s compliance with legal and regulatory requirements relevant to the consolidated financial statements and financial reporting;
  - (d) ensuring that there is an appropriate standard of corporate conduct for senior financial personnel and employees including, if necessary, adopting a corporate code of ethics;
  - (e) the external auditors’ qualifications and independence; and
  - (f) the performance of the internal audit function and the external auditors.
- 1.2. The function of the Committee is oversight. The members of the Committee are not full-time employees of the Company. The Company’s management is responsible for the preparation of the Company’s consolidated financial statements in accordance with applicable accounting standards and applicable laws and regulations. The Company’s external auditors are responsible for the audit or review, as applicable, of the Company’s consolidated financial statements in accordance with applicable auditing standards and laws and regulations. Accordingly, in carrying out its oversight responsibilities, the Committee does not provide any expert or special assurance as to the Company’s financial statements or internal controls or any professional certification as to the auditor’s work.

### **2. COMPOSITION**

- 2.1. The Committee shall be comprised of a minimum of three directors. No member of the Committee shall be an officer or employee of the Company or any of its affiliates for the purposes of the applicable corporate statute. Each member of the Committee shall be an unrelated and independent director as determined by the Board in accordance with the applicable requirements of the laws governing the Company, the applicable stock exchanges on which the Company’s securities are listed and applicable securities regulatory authorities.
- 2.2. Each member of the Committee shall be financially literate. Unless the Committee shall otherwise determine, a member of the Committee shall be considered to be financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.
- 2.3. At least one member of the Committee shall be a financial expert as determined by the Board in accordance with the applicable requirements of the laws governing the Company, the applicable stock exchanges on which the Company’s securities are listed and applicable securities regulatory authorities.

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- 2.4. The members of the Committee shall be appointed by the Board annually at the first meeting of the Board after a meeting of the shareholders at which directors are elected and shall serve until: the next annual meeting of the shareholders; they resign; their successors are duly appointed; or such member is removed from the Committee by the Board. The Board shall designate one member of the Committee as the chair of the Committee (the “**Chair**”), but if it fails to do so, then members of the Committee may designate the Chair by a majority vote of the full Committee membership.
- 2.5. No member of the Committee may earn fees from the Company or any of its subsidiaries other than directors’ fees (which fees may include cash, shares and/or other in-kind compensation ordinarily available to directors, as well as all of the regular benefits that other directors receive). For greater certainty, no member of the Committee shall accept any consulting, advisory or other compensatory fee from the Company.

### **3. POWERS OF THE COMMITTEE**

The Committee shall have the authority, including approval of fees and other retention terms, to obtain advice and assistance from outside legal, accounting or other advisors in its sole discretion, at the expense of the Company, which shall provide adequate funding for such purposes. The Company shall also provide the Committee with adequate funding for the ordinary administrative expenses of the Committee. The Committee shall have unrestricted and direct access to the books and records of the Company, management, the external auditors and the head of internal audit, including private meetings, and shall have the authority to conduct any investigation, in each case as it considers necessary or appropriate to discharge its duties and responsibilities.

### **4. MEETINGS**

- 4.1. The Committee shall meet at least quarterly, to coincide with the Company’s financial reporting cycle, or more frequently as required, including to consider specific matters at the request of the external auditors or the head of internal audit.
- 4.2. The time and place of the meetings of the Committee, the calling of meetings and the procedure in all things at such meetings shall be determined by the Chair of the Committee. A meeting of the Committee may be called by notice, which may be given by written notice, telephone, facsimile, email or other communication equipment, given at least 48 hours prior to the time of the meeting provided that no notice of a meeting will be necessary if all of the members are present either in person or by means of telephone or web conference or if those absent waive notice or otherwise signify their consent to the holding of such meeting.
- 4.3. The Committee will hold an in-camera session without any senior officers’ present at each meeting. The Chair will inform the Chief Financial Officer of the substance of these meetings to the extent that action is required by management.
- 4.4. The Committee will keep minutes of its meetings which shall be available for review by the Board. The Committee may appoint any individual, who need not be a member, to act as the secretary at any meeting.
- 4.5. The Committee may invite such directors, senior officers and other employees of the Company and such other advisors and persons as is considered appropriate to attend any meeting of the Committee.

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- 4.6. A quorum for the transaction of business at all meetings of the Committee shall be a majority of Members.
- 4.7. Any matter to be determined by the Committee will be decided by a majority of the votes cast at a meeting of the Committee called for such purpose. Each Member will have one vote and decisions of the Committee will be made by an affirmative vote of the majority. The Chair will not have a deciding or casting vote in the case of an equality of votes. Any action of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee (including in counterpart) and any such action will 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.
- 4.8. The Committee will report its determinations and recommendations to the Board.

### **5. DUTIES AND RESPONSIBILITIES**

The responsibilities of a member of the Committee shall be in addition to such Member's duties as a member of the Board. The duties and responsibilities of the Committee shall be as follows:

#### ***Financial Reporting and Disclosure***

- 5.1. The Committee has the duty to determine whether the Company's financial disclosures are complete, accurate, are in accordance with international financial reporting standards and fairly present the financial position and risks of the organization. The Committee should, where it deems appropriate, resolve disagreements, if any, between management and the external auditor, and review compliance with laws and regulations and the Company's own policies.
- 5.2. Review, discuss and recommend to the Board for approval the interim and annual audited financial statements and related management's discussion and analysis of financial and operating results prior to filing with securities regulatory authorities and delivery to shareholders.
- 5.3. Review and discuss with the external auditors the results of their reviews and audit, any issues arising and management's response, including any restrictions on the scope of the external auditors' activities or requested information and any significant disagreements with management, and resolving any disputes.
- 5.4. Review and discuss with management and the external auditors the Company's critical accounting policies and practices, material alternative accounting treatments, significant accounting and reporting judgments, material written communications between the external auditor and management (including management's representation letters and any schedule or unadjusted differences) and significant adjustments resulting from the audit or review.
- 5.5. Review and discuss with management the Company's earnings press releases, as well as type of financial information and earnings guidance (if any) provided to analysts, rating agencies and shareholders.
- 5.6. Review and discuss such other relevant public disclosures containing financial information as the Committee may consider necessary or appropriate and, if thought advisable, recommend the acceptance of such documents to the Board for approval.
- 5.7. Review disclosure respecting the activities of the Committee included in the Company's annual filings.

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- 5.8. Review and approve any changes to the Company's significant accounting policies.
- 5.9. Inquire of the auditors the quality and acceptability of the Company's accounting principles, including the clarity of financial disclosure and the degree of conservatism or aggressiveness of the accounting policies and estimates.
- 5.10. Meet independently with the external auditor and management in separate executive sessions, as necessary or appropriate.
- 5.11. Ensure that management has the proper systems in place so that the Company's consolidated financial statements, financial reports and other financial information satisfy legal and regulatory requirements. Based upon discussions with the external auditor and the consolidated financial statement review, if it deems appropriate, provide the Board with such recommendations and reports with respect to the financial disclosures of the Company.

### ***External Auditor***

- 5.12. Retain and terminate, and/or making recommendations to the Board and the shareholders with respect to the retention or termination of, an external auditing firm to conduct review engagements on a quarterly basis and an annual audit of the Company's consolidated financial statements.
- 5.13. Communicate to the external auditors that they are ultimately accountable to the Board and the Committee as representatives of the shareholders.
- 5.14. Obtain and review an annual report prepared by the external auditors describing: the firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues.
- 5.15. Review any post-audit or management letter containing the recommendations of the external auditor and management's response thereto, and monitoring the subsequent follow-up to any identified weaknesses.
- 5.16. Evaluate the independence of the external auditor and any potential conflicts of interest and (to assess the auditors' independence) all relationships between the external auditors and the Company, including obtaining and reviewing an annual report prepared by the external auditors describing all relationships between the external auditors and the Company.
- 5.17. Approve, or recommend to the Board for approval, all audit engagement fees and terms, as well as all non-audit engagements of the external auditors prior to the commencement of the engagement.
- 5.18. Review with the external auditors the plan and scope of the quarterly review and annual audit engagements.
- 5.19. Set hiring policies with respect to the employment of current or former employees of the external auditors.

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### ***Internal Controls and Audit***

- 5.20. Review and discuss with management, the external auditors and the head of internal audit the effectiveness of the Company's internal controls over financial reporting, including reviewing and discussing any significant deficiencies in the design or operation of internal controls, and any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls over financial reporting.
- 5.21. Discuss the Company's process with respect to risk assessment (including fraud risk), risk management and the Company's major financial risks and financial reporting exposures, all as they relate to internal controls over financial reporting, and the steps management has taken to monitor and control such risks.
- 5.22. Review and discuss with management the Company's Code of Conduct and Ethics and anti-fraud program and the actions taken to monitor and enforce compliance.
- 5.23. Establish procedures for:
- (a) the receipt, retention and treatment of complaints regarding accounting, internal controls, or auditing matters;
  - (b) confidential, anonymous submissions by employees of the Company of concerns regarding questionable accounting, internal controls or auditing matters;
  - (c) dealing with the reporting, handling and taking of remedial action in respect to alleged illegal or unethical behavior as provided in the Company's Code of Conduct and Ethics, Whistleblower Policy and Anti-Corruption Policy.
- 5.24. Review and discuss with management, the external auditors and the head of internal audit the responsibilities and effectiveness of the Company's internal audit function, including reviewing the internal audit mandate, independence, organizational structure, internal audit plans and adequacy of resources, receiving periodic internal audit reports and meeting privately with the head of internal audit on a periodic basis.
- 5.25. Approve in advance the retention and dismissal of the head of internal audit.

### ***Related Party Transactions***

- 5.26. Review the financial reporting of any transaction between the Company and any officer, director or other "related party" as defined within the Company's accounting policy (including any shareholder holding an interest greater than 5% in the Company) or any entity in which any such person has a financial interest;

### ***Other***

- 5.27. Meet separately, periodically, with each of management, the head of internal audit and the external auditors.
- 5.28. Review annually the directors' and officers' liability insurance and indemnities of the Company and consider the adequacy of such coverage.

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- 5.29. Report regularly to the Board at such times as the Chair may determine to be appropriate but not less frequently than four times a year.
- 5.30. Review and assess the adequacy of this Charter at least annually and, where necessary or desirable, recommend changes to the Corporate Governance and Nominating Committee.
- 5.31. Evaluate the functioning of the Committee on an annual basis, including with reference to the discharge of its mandate, with the results to be reported to the Corporate Governance and Nominating Committee, which shall report to the Board.

### **6. DUTIES OF THE COMMITTEE CHAIR**

The fundamental responsibility of the Committee Chair is to be responsible for the management and effective performance of the Committee and provide leadership to the Committee in fulfilling its mandate and any other matters delegated to it by the Board. To that end, the Committee Chair's responsibilities shall be as follows:

- (a) chair all meetings of the Committee in a manner that promotes meaningful discussion;
- (b) ensure adherence to the Committee's Charter and that the adequacy of the Committee's Charter is reviewed annually;
- (c) provide leadership to the Committee to enhance the Committee's effectiveness, including:
  - (i) act as liaison and maintain communication with the Board to optimize and coordinate input from directors, and to optimize the effectiveness of the Committee. This includes ensuring that Committee materials are available to any director upon request and reporting to the Board on all decisions of the Committee at the first meeting of the Board after each Committee meeting and at such other times and in such manner as the Committee considers advisable;
  - (ii) ensure that the Committee works as a cohesive team with open communication, as well as to ensure open lines of communication among the independent auditors, financial and senior management and the Board for financial and control matters;
  - (iii) ensure that the resources available to the Committee are adequate to support its work and to resolve issues in a timely manner;
  - (iv) ensure that the Committee serves as an independent and objective party to monitor the Company's financial reporting process and internal control systems, as well as to monitor the relationship between the Company and the independent auditors to ensure independence;
  - (v) ensure that procedures as determined by the Committee are in place to assess the audit activities of the independent auditors and the internal audit functions; and
  - (vi) ensure that procedures as determined by the Committee are in place to review the Company's public disclosure of financial information and assess the adequacy of such procedures periodically, in consultation with any disclosure committee of the Company;

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- (d) ensure that procedures as determined by the Committee are in place for dealing with complaints received by the Company regarding accounting, internal controls and auditing matters, and for employees to submit confidential anonymous concerns;
- (e) manage the Committee, including:
  - (i) adopt procedures to ensure that the Committee can conduct its work effectively and efficiently, including committee structure and composition, scheduling, and management of meetings;
  - (ii) prepare the agenda of the Committee meetings and ensuring pre-meeting material is distributed in a timely manner and is appropriate in terms of relevance, efficient format and detail;
  - (iii) ensure meetings are appropriate in terms of frequency, length and content;
  - (iv) obtain a report from the independent auditors on an annual basis, review the report with the Committee and arranging meetings with the auditors and financial management to review the scope of the proposed audit for the current year, its staffing and the audit procedures to be used;
  - (v) oversee the Committee's participation in the Company's accounting and financial reporting process and the audits of its financial statements;
  - (vi) ensure that the auditor's report directly to the Committee, as representatives of the Company's shareholders;
  - (vii) annually review with the Committee its own performance, 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; and
  - (viii) together with the Board, oversee the structure, composition and membership of, and activities delegated to, the Committee from time to time; and
- (f) perform such other duties as may be delegated from time to time to the Chair by the Board.

### **7. ADOPTION**

This Charter was adopted by the Board on August 9, 2021.