

## **BIOASIS TECHNOLOGIES INC.**

### **CHARTER OF THE AUDIT COMMITTEE**

#### **MANDATE**

The primary function of the audit committee (the "Committee") of biOasis Technologies Inc. (the "Company") is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. The Committee's primary duties and responsibilities are to:

Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.

Review and appraise the performance of the Company's external auditors (the "Auditor").

Provide an open avenue of communication among the Company's auditors, management and the Board of Directors.

#### **COMPOSITION, PROCEDURES AND ORGANIZATION**

The Committee shall consist of at least three members. Each member must be a director of the Company. A majority of the members of the Committee shall not be officers or employees of the Company or of an affiliate of the Company. At least one (1) member of the Committee shall be financially literate. All members of the Committee who are not financially literate will work towards becoming financially literate to obtain working familiarity with basic finance and accounting practices. For the purposes of this Charter, the term "financially literate" means 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 issues that can reasonably be expected to be raised by the Company's financial statements.

The members of the Committee shall be appointed by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership. The Chair shall be financially literate.

The Board of Directors may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.

#### **MEETINGS OF THE COMMITTEE**

Meetings of the Committee shall be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly. Unless all members are present and waive notice, or those absent waive notice before or after a meeting, the Chairman will give the Committee members 24 hours' advance notice of each meeting and the matters to be discussed at such meeting. Notice may be given personally, by telephone, by facsimile or e-mail.

The Auditor shall be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Company's annual financial statements and, if the Committee determines it to be necessary or appropriate, at any other meeting. On request by the Auditor, the Chair shall call a meeting of the Committee to consider any matter that the Auditor believes should be brought to the attention of the Committee, the Board of Directors or the shareholders of the Company.

At each meeting of the Committee, a quorum shall consist of a majority of members that are not officers or employees of the Company or of an affiliate of the Company. A member may participate in a meeting of the Committee in person or by telephone if all members participating in the meeting, whether in person or by telephone or other communications medium other than telephone are able to communicate with each other and if all members who wish to participate in the meeting agree to such participation.

The Committee may periodically meet separately with each of management and the Auditor to discuss any matters that the Committee or any of these groups believes would be appropriate to discuss privately. In addition, the Committee should meet with the Auditor and management annually to review the Company's financial statements.

The Committee may invite to its meetings any director, any manager of the Company, and any other person whom it deems appropriate to consult in order to carry out its responsibilities.

## **RESPONSIBILITIES AND DUTIES**

To fulfill its responsibilities and duties, the Committee shall:

- (a) Review the Company's financial statements, including any certification, report, opinion, or review rendered by the Auditor, MD&A and any annual and interim earnings press releases before the Company publicly discloses such information.
- (b) Review and satisfy itself that adequate procedures are in place and review the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assess the adequacy of those procedures.
- (c) Be directly responsible for overseeing the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting) engaged for the purpose of preparing or issuing an audit report or performing other audit review services for the Company.
- (d) Require the Auditor to report directly to the Committee.
- (e) Review annually the performance of the Auditor who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
- (f) Review and discuss with the Auditor any disclosed relationships or services that may impact the objectivity and independence of the Auditor.
- (g) Take, or recommend that the Board of Directors take, appropriate action to oversee the independence of the Auditor.

- (h) Recommend to the Board of Directors the external auditor to be nominated at the annual general meeting for appointment as the Auditor for the ensuing year and the compensation for the Auditors, or, if applicable, the replacement of the Auditor.
- (i) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and former independent external auditors of the Company.
- (j) Review with management and the Auditor the audit plan for the annual financial statements.
- (k) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services provided by the Auditor. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - (i) the aggregate amount of all such non-audit services that were not pre-approved is reasonably expected to constitute not more than 5% of the total amount of fees paid by the Company and its subsidiary entities to the Auditor during the fiscal year in which the non-audit services are provided;
  - (ii) such services were not recognized by the Company at the time of the engagement to be non-audit services; and
  - (iii) such services are promptly brought to the attention of the Committee and approved, prior to the completion of the audit, by the Committee or by one or more members of the Committee to whom authority to grant such approvals has been delegated by the Committee.

The Committee may delegate to one or more independent members of the Committee the authority to pre-approve non-audit services in satisfaction of the pre-approval requirement set forth in this section provided the pre-approval of non-audit services by any member to whom authority has been delegated must be presented to the Committee at its first scheduled meeting following such pre-approval.

- (l) In consultation with the Auditor, review with management the integrity of the Company's financial reporting process, both internal and external.
- (m) Consider the Auditor's judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (n) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the Auditor and management.
- (o) Review significant judgments made by management in the preparation of the financial statements and the view of the Auditor as to the appropriateness of such judgments.

- (p) Following completion of the annual audit, review separately with management and the Auditor any significant difficulties encountered during the course of the audit, including any restrictions on the scope of the work or access to required information.
- (q) Review any significant disagreement among management and the Auditor in connection with the preparation of the financial statements.
- (r) Review with the Auditor and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (s) Discuss with the Auditor the Auditor's perception of the Company's financial and accounting personnel, any material recommendations which the Auditor may have, the level of co-operation which the Auditor received during the course of their review and the adequacy of their access to records, data or other requested information.
- (t) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (u) Establish procedures for:
  - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
  - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
- (v) Perform such other duties as may be assigned to it by the Board of Directors from time to time or as may be required by applicable regulatory authorities or legislation.
- (w) Report regularly and on a timely basis to the Board of Directors on the matters coming before the Committee.
- (x) Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board of Directors for approval.

## **AUTHORITY**

The Committee is authorized to:

to seek any information it requires from any employee of the Company in order to perform its duties;

to engage, at the Company's expense, independent legal counsel or other professional advisors in any matter within the scope of the role and duties of the Committee under this Charter;

to set and pay compensation for any advisors engaged by the Committee; and

to communicate directly with the internal and external auditors of the Company.

This Charter supersedes and replaces all prior charters and other terms of reference pertaining to the Committee.

## **BIOASIS TECHNOLOGIES INC.**

### **CODE OF BUSINESS CONDUCT AND ETHICS**

#### ***GENERAL***

This code of Business Conduct and Ethics (the "Code") is integral to the way that the Company conducts its business. The Code provides all employees with the same frame of reference for dealing with issues. All directors, officers, employees and consultants ("Members") will comply with the Company's Code of Business Ethics and Conduct, which reaffirms the Company's high standards of conduct.

#### ***PRINCIPLES***

1. The Company is subject to provincial and federal laws, rules and regulations. We have a duty to comply with these laws, rules and regulations. In addition, the Company will respect and comply with the laws, rules and regulations in the countries in which we operate. In interpreting the laws, rules and regulations, we strive to adopt a course that reinforces our reputation and integrity.
2. We respect the confidentiality of information acquired in the course of our work, duties and responsibilities with the Company, except when authorized or otherwise legally obliged to disclose such information.
3. We have an overriding commitment to the health and safety of our Members, and to being an environmentally responsible corporate citizen.
4. We will act honestly and with integrity, and will handle ethically any actual or apparent conflicts of interest between personal and professional relationships.
5. We will carry out our duties with due care, competence and diligence, and with a view to the best interests of the Company.
6. We will, to the best of our abilities, protect the Company's assets and resources and help achieve the responsible use and control of all Company assets and resources employed or entrusted in relation to one's work, duties and responsibilities, and ensure that all Company assets and resources are used only for legitimate business purposes.
7. We will, to the best of our abilities, ensure that our disclosure is full, fair, accurate, timely and understandable in all reports and documents that the Company files with, or submits to, government and regulatory agencies, self-regulatory bodies and stock exchanges and in all of the Company's other public communications.
8. We will encourage and facilitate the internal reporting of any conduct that one believes to be a violation of this Code of Business Ethics and Conduct. It is against the Company's policy to take any action against any employee for his or her reporting in good faith any violation of this Code of Business Ethics and Conduct or any of the Company's other guidelines, codes of conduct or policy statements.
9. We are committed to providing a work environment that enables all Members to pursue their careers free from discrimination or harassment.

10. We will not use inside information for our own account or provide a family member, friend or any other person with a "tip". This is illegal. All non-public information is inside information and must not be used for personal gain or the personal gain of others.

Any change in or waiver of this Code of Business Ethics and Conduct, any such changes or waivers of this code for directors or officers will be approved by the Board and such change or waiver will be promptly disclosed.

If you have any questions about this Code of Business Ethics and Conduct or what is expected of our Members, please contact the Chief Financial Officer.

## **BIOASIS TECHNOLOGIES INC.**

### **WHISTLEBLOWER POLICY**

#### *Procedures For The Submission of Complaints or Concerns Regarding Accounting, Internal Accounting Controls, or Auditing Matters*

#### ***GENERAL***

As a public company, the integrity of the financial and other information of the Company is vital. The Company's financial and other information guides the decisions of the Board of Directors of the Company (the Board), and is relied upon by our shareholders and the financial markets. For these reasons, the Company must maintain a workplace where the Company can receive, retain and address all reports and complaints received by the Company. In accordance with Canadian securities regulatory requirements, the Audit Committee (the "Committee") has established the following procedures for:

- (a) complaints or concerns regarding accounting, internal accounting controls, or auditing matters, and the confidential submission by employees and consultants of the Company of concerns regarding questionable accounting or auditing matters (collectively "Accounting/Audit Matters"); and
- (b) complaints or concerns regarding the potential violation of any law relating to fraud against shareholders, including without limitation the reporting of fraudulent, financial or other information to our shareholders, the government or the financial markets (a "Potential Violation").

The purpose of this Whistleblower policy is to provide the Company's employees and consultants with a mechanism by which they can raise these concerns free of any discrimination, retaliation or harassment.

#### ***SUBMISSION OF COMPLAINTS***

Any person, including employees, may submit a concern or complaint regarding Accounting/Audit Matters to the management of the Company without fear of dismissal or retaliation of any kind.

The Company will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee (or take equivalent action against any consultant) in the terms and conditions of employment based upon any lawful actions of an Employee with respect to good faith reporting of concerns or complaints regarding Accounting/Audit Matters.

Any person, including Employees, may forward concerns or complaints regarding Accounting/Audit Matters on a **confidential or anonymous** basis as follows:

In Writing - the person submitting a complaint or a concern should include a telephone number in the submission at which he or she may be contacted if the person requests contact or if the Audit Committee determines that contact is appropriate. Where the person submitting a concern or complaint wishes to remain anonymous, then a telephone number is not required. However, it may be difficult to adequately investigate the concern or complaint if additional information is required.

#### ***SCOPE OF MATTERS COVERED BY THESE PROCEDURES***

These procedures relate to concerns or complaints relating to any questionable Accounting matters including, without limitation, the following:

- (a) fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Company;
  - (b) fraud or deliberate error in the recording and maintaining of financial records of the Company;
  - (c) deficiencies in or noncompliance with the Company's internal controls over financial reporting;
  - (d) misrepresentation or false statement to or by a senior officer, accountant or external auditor regarding a matter contained in the financial records, financial reports or audit reports of the Company; or
- (e) deviation from full and fair reporting of the Company's financial condition.

#### ***TREATMENT OF COMPLAINTS***

Upon receipt of a concern or complaint, the Chair of the Audit Committee will:

- (a) determine whether the concern or complaint actually pertains to Accounting Matters; and
- (b) when and /or where possible, acknowledge receipt of the concern or complaint to the submitter.

Concerns or complaints relating to Accounting/Audit Matters will be reviewed under Audit Committee direction and oversight by such persons as the Audit Committee determines to be appropriate. Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review.

Prompt and appropriate corrective action will be taken when and as warranted in the judgment of the Audit Committee. When possible and when determined appropriate by the Audit Committee, notice of any corrective action taken will be given to the person who submitted the concern or complaint.

#### ***REPORTING AND RETENTION OF COMPLAINTS AND INVESTIGATIONS***

The Chair of the Audit Committee will maintain a log of all concerns or complaints, tracking their receipt and treatment and shall prepare a periodic summary report thereof for the Audit Committee.