

Audit Committee

The Audit Committee has been structured to comply with the requirements of Multilateral Instrument 52-110 Audit Committees (" **MI 52-110** ") of the Canadian Securities Administrators. The Audit Committee is comprised of Andre Falzon (Chairman), Craig Williams and Laurence Curtis , each of whom is an independent director under MI 52-110.

Both committee members have the appropriate level of financial understanding and industry specific knowledge to be able to perform the duties of the position and in particular are financially literate as defined in MI 52-110.

The main responsibilities of the committee are to: (i) recommend to the Board the external auditor to be nominated and the compensation of the external auditor; (ii) oversee the work of the external auditor; (iii) review and pre-approve all financial statements and MD&A and annual and interim earnings press releases before they are publicly disclosed; (iv) review and report to the Board on the annual and quarterly financial reports and all other financial information; (v) provide assurance to the Board that it is receiving adequate, timely and reliable information; (vi) assist the Board in reviewing the effectiveness of the Company's internal control environment, covering areas such as compliance with applicable laws and regulations, reliability of financial reporting, significant financial risks and effectiveness and efficiency of operations; (vii) liaise with the external auditor and ensure that the annual, half year and quarterly reviews are conducted in an efficient manner; (viii) be involved in the appointment of senior financial executives; (ix) annually review Alturas' insurance coverage and any off-balance sheet transactions; (x) establish procedures for responding to complaints regarding any questionable accounting or auditing matters; (xi) establish procedures for the confidential, anonymous submission by employees of Alturas and its affiliates of any concerns regarding any questionable accounting or auditing matters; (xii) review and pre-approve the terms of the annual audit engagement; (xiii) review the relationship and performance of the external auditor on an annual basis; and (xiv) review the level of non-audit services provided by the external auditors to ensure that it does not compromise auditor independence, and pre-approve all such services to be provided.