



ANGEL WING
METALS INC

**AUDIT COMMITTEE
CHARTER**

**ANGEL WING METALS INC.
(the “Corporation”)**

AUDIT COMMITTEE CHARTER

Mandate

The primary function of the audit committee (the “Committee”) 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 Corporation to regulatory authorities and shareholders, the Corporation’s systems of internal controls regarding finance and accounting, and the Corporation’s auditing, accounting, and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Corporation’s policies, procedures, and practices at all levels. 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.
- Provide an open avenue of communication among the Company's auditors, financial and senior management, and the Board of Directors.

Composition

The Committee shall be comprised of three or more directors as determined by the Board of Directors, the majority of whom shall be independent directors, pursuant to National Instrument 52-110 *Audit Committees* (“NI 52-110”) as such instrument is revised, updated, or replaced from time to time, subject to any waivers or exceptions granted by the TSX Venture Exchange.

All members shall, to the satisfaction of the Board, be "financially literate", and at least one member shall have accounting or related financial management expertise to qualify as a "financial expert" in accordance with applicable legal requirements, including the requirements of NI 52-110, as revised, updated or replaced from time to time. For the purposes of the Corporation’s Charter, the definition of “financially literate” is 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 presumably be expected to be raised by the Corporation’s financial statements.

The members of the Committee and its chair shall be elected by the Board at the annual organizational meeting of the Board and shall serve until: the next annual meeting of shareholders; they resign; their successors are duly appointed; or such member is removed from the Committee by the Board. If the Board fails to designate one member as the chair of the Committee (the “Chair”), the members of the Committee shall appoint the Chair from among its members.

Meetings

The Committee shall meet at least quarterly, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with management and the external auditors in separate sessions.

The minutes of the Committee meetings shall accurately record the decisions reached and shall be distributed to the Committee members with copies to the Board of Directors, the Chief Financial Officer or such other officer acting in that capacity, and the external auditor.

The quorum for meetings shall be a majority of the Members, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak to and to hear each other. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present.

Duties and Responsibilities

To fulfill its responsibilities and duties, the Committee shall:

Documents/Reports Review

- Review and update this Charter annually.
- Review the Corporation's financial statements, MD&A and any annual and interim earnings, press releases as they relate to financial matters of the Corporation, prior to the Corporation publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

- Ensure the external auditors report directly to the Committee.
- Review annually the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
- Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Corporation and confirming their independence from the Corporation.
- Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors
- Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- Review with management and the external auditors, prior to the annual audit, the terms of the external auditors' engagement letter.
- At each meeting, may consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- Review with the management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- 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 Corporation's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - the aggregate amount of all such non-audit services provided to the Corporation constitutes not more than five percent (5%) of the total amount of revenues paid by the Corporation to its external auditors during the fiscal year in which the non-audit

- services are provided;
- such services were not recognized by the Corporation at the time of the engagement to be non-audit services; and
- such services are promptly brought to the attention of the Committee by the Corporation and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.
- Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval, such authority may be delegated by the Committee to one or more independent members of the Committee.

Financial Reporting Processes

- In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles applied in its financial reporting.
- Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- Review significant judgments and estimates made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments and estimates.
- Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- Review any significant disagreement among management and the external auditors regarding financial reporting
- Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- Review the certification process.
 - the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
 - the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

Other

- Review the Company's insurance, including Directors and Officers coverage, and provide recommendations to the Board or Directors.
- Review disclosure of any related-party transactions.
- Establish procedures for:
 - The receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters;
 - The confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
 - Other confidential reporting.

Authority

The Committee may:

- Engage independent outside counsel and other advisors as it determines necessary to carry out its duties;

- Set and pay the compensation for any advisors employed by the Committee; and
- Communicate directly with the internal and external auditors.

The Committee shall have unrestricted access to the Company's personnel and documents and will be provided with the resources necessary to carry out its responsibilities.

Currency of this Charter

This Charter was last approved by the Committee and Board on November 25, 2022.