



MUNDORO

AUDIT COMMITTEE CHARTER

**MUNDORO CAPITAL INC.
(the "Company")**

PURPOSE

The Audit Committee (the "Committee") shall assist the board of directors of the Company (the "Board") in its oversight of the financial reporting process, the independent external auditor, risk management and compliance with applicable laws, rules and regulations.

STRUCTURE AND OPERATIONS

The Committee shall be composed of not less than three directors, all of whom shall be independent and financially literate as defined in National Instrument 52-110, Audit Committees.

Members of the Committee shall be appointed or reappointed annually by the Board, following the Company's annual general meeting. Each member shall continue to be a member of the Committee until a successor is appointed, unless the member resigns, is removed or ceases to be a director. The Board may fill a vacancy that occurs in the Committee at any time.

The Board or, in the event of its failure to do so, the members of the Committee, shall appoint or reappoint, annually following the Company's annual general meeting, a chairman among their number.

Meetings of the Committee shall be held at least quarterly either by telephone conference or in person, provided that due notice is given or waived and a quorum (being majority of the Committee members) is present. Where a meeting is not practicable, resolutions in writing which are signed by all Committee members are deemed valid as if they had been passed at a duly held meeting.

The Committee may ask members of management or others to attend meetings and provide pertinent information as necessary. For purposes of performing their audit related duties, members of the Committee shall have full access to all corporate information and shall be permitted to discuss such information and any other matters relating to the financial position of the Company with senior employees, officers and external auditors of the Company.

SPECIFIC DUTIES

Oversight of the External Auditor

1. Recommend to the Board and approve the selection of the external auditor, consider the independence and effectiveness and approve the fees and other compensation to be paid to the external auditor.
2. Be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including resolution of disagreements between management and the external auditor regarding financial reporting. The external auditor shall report directly to the Committee.

3. Sole authority to pre-approve all audit services as well as non-audit services (including the fees, terms and conditions for the performance of such services) to be performed by the external auditor.
4. Review and discuss, on an annual basis, with the external auditor all significant relationships they have with the Company to determine their independence and report to the Board of Directors.
5. Review and approve requests for any non-audit services to be performed by the external auditor and be advised of any other study undertaken at the request of management that is beyond the scope of the audit engagement letter and related fees.
6. Evaluate the qualifications, performance and independence of the external auditor, including (i) reviewing and evaluating the lead partner on the external auditor's engagement with the Company, and (ii) considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence.
7. Receive the reports of the external auditors, review and assess the findings and the responses and actions taken or proposed by management.
8. Obtain and review a report from the external auditor at least annually regarding: the external auditor's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the external auditor's firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more external audits carried out by the external auditor's firm; any steps taken to deal with any such issues; and all relationships between the external auditor and the Company.
9. Review and discuss with management and the external auditor, prior to the annual audit, the scope, planning, procedures, timing and staffing of the annual audit.
10. Review and approve the rotation of the lead (or coordinating) audit partner having primary responsibility for the external audit activities and the audit partner responsible for reviewing the statutory audit as required by applicable law.
11. Review, as necessary, policies for the Company's hiring of partners and employees or former partners and employees of the external auditor or any former external auditor.
12. Ensure that additional emphasis of the audits (external and internal) is placed on areas where the Committee, management or the auditors believe special attention is warranted.
13. Act as a conduit whereby the external auditors can bring any concerns to the attention of the Board.

Financial Reporting

1. Review and discuss with management and the external auditor the annual audited financial statements and quarterly financial statements prior public disclosure thereof.
2. Review and discuss with management the Company's annual and quarterly disclosures made in Management's Discussion and Analysis and earnings releases prior to public disclosure thereof. The Committee shall approve any reports for inclusion in the Company's annual financial reports, as required by applicable legislation.
3. Periodically review and discuss with management and the external auditor, as appropriate, management's report on its assessment of internal controls over financial reporting to ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements.
4. Review and discuss with management and the external auditor at least annually significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.
5. Review and discuss with management and the external auditor at least annually reports from the external auditors on: critical accounting policies and practices to be used; significant financial reporting issues, estimates and judgments made in connection with the preparation of the financial statements; alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the external auditor; and other material written communications between the external auditor and management, such as any management letter or schedule of unadjusted differences.
6. Discuss with the external auditor at least annually any "management" or "internal control" letters issued or proposed to be issued by the external auditor to the Company.
7. Review and discuss with management and the external auditor at least annually any significant changes to the Company's accounting principles and practices suggested by the external auditor or management.
8. When applicable, discuss with management the Company's earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as financial information and earnings guidance (if any) provided to analysts and rating agencies.
9. Review and discuss with management and the external auditor at least annually the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
10. Review and discuss with the President and CEO, the Chief Financial Officer ("CFO") the procedures undertaken in connection with the CEO and CFO certifications for the annual and

interim filings with applicable securities regulatory authorities.

11. Review disclosures made by the Company's President and CEO and CFO during their certification process for the annual and interim filings with applicable securities regulatory authorities about any significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data or any material weaknesses in the internal controls, and any fraud involving management or other employees who have a significant role in the Company's internal controls.
12. Discuss with legal Counsel at least annually any legal matters that may have a material impact on the financial statements, operations, assets or compliance policies and any material reports or inquiries received by the Company or any of its subsidiaries from regulators or governmental agencies.

Oversight of Risk Management

1. Make inquiries of management and the external auditor to identify significant business, political, financial and control risks and exposures, both internal and external, to which the Company is or may be subject, and assess the steps management has taken to minimize such risks.
2. Ensure that any required disclosure of the process followed by the Board and its committees in the oversight of the Company's management of principal business risks is accurately and fairly presented.
3. Review management's process of risk assessment and steps taken to address significant risks or exposures, including insurance coverage.
4. In conjunction with the Nominating and Corporate Governance Committee and the Board, annually review the directors' and officers' third party liability insurance of the Company.

Oversight of Regulatory Compliance

1. Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
2. Discuss with Management and the external auditor at least annually any correspondence with regulators or governmental agencies and any published reports which raise material issues regarding the Company's financial statements or accounting.
3. Exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board.
4. Report to the Board on its activities after each of its meetings.

5. Conduct an annual assessment of its performance and report the results to the Board of Directors.

Retention and Funding of Independent Advisors

The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the external auditor for the purpose of issuing an audit report and performing related work. The Committee as a whole or each Committee member independently shall also have the authority to retain such other independent advisors as it may from time to time deem necessary or advisable for its purposes and the payment of compensation therefore shall also be funded by the Company.

Approved and adopted by the Board of Directors of Mundoro Capital Inc. on November 8, 2012.