

## **Vigil Health Solutions Inc.**

### **Audit Committee Charter**

#### **1. GENERAL FUNCTIONS, AUTHORITY, AND ROLE**

The purpose of the Audit Committee is to oversee the accounting and financial reporting processes of the Company and the audits of its financial statements, and thereby assist the Board in monitoring (1) the integrity of the financial statements of the Company, (2) compliance by the Company with legal and regulatory requirements related to financial reporting, (3) the performance of the Company's independent auditors, and (4) performance of the Company's internal controls and financial reporting process.

The Audit Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to the external auditors as well as anyone in the organization. The Audit Committee has the ability to retain, at the Company's expense, special legal, accounting, or other consultants or experts it deems necessary in the performance of its duties.

The Company's independent auditor is ultimately accountable to the Board of Directors and to the Audit Committee, who, as representatives of the Company's shareholders, have the authority and responsibility to evaluate the independent auditor, appoint and replace the independent auditor, and to determine appropriate compensation for the independent auditor. In the course of fulfilling its specific responsibilities hereunder, the Audit Committee must maintain free and open communication between the Company's independent auditors, Board of Directors and Company management. The responsibilities of a member of the Audit Committee are in addition to such member's duties as a member of the Board of Directors.

While the Audit Committee has the responsibilities and powers set forth in this charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements are complete, accurate, and in accordance with generally accepted accounting principles.

#### **2. MEMBERSHIP**

The membership of the Audit Committee will be as follows:

- The Committee shall consist of a minimum of three members of the Board of Directors, appointed annually by the board on recommendation from the nominating process, each of whom is affirmatively confirmed as independent by the Board of Directors, with such affirmation disclosed in the Company's annual Information Circular.
- The Board will elect, by a majority vote, one member as chairperson.
- The membership of the Audit Committee will meet all independence and financial literacy requirements of The Toronto Stock Exchange and the requirements of such other securities exchange or quotations system or regulatory agency as may from time to time apply to the Company.
- A member of the Audit Committee may accept a compensatory fee from the Company only in his or her capacity as a member of the Audit Committee, the Board of Directors, or other Board committee. A member of the Audit Committee may not, other than in his or her capacity as a member of the Audit Committee, the Board of Directors, or any other Board committee, accept any consulting, advisory,

or other compensatory fee from the Company, and may not be an affiliated person of the Company or any subsidiary thereof.

### **3. RESPONSIBILITIES**

The responsibilities of the Audit Committee shall be as follows:

#### **A. Frequency of Meetings**

- The Audit Committee Chair shall prepare and/or approve an agenda in advance of each meeting
- Meet in person, or telephonically, quarterly or more often as may be deemed necessary or appropriate in its judgment.
- The Audit Committee will meet with the independent auditor at least once annually, either in person or telephonically. This will include one “in camera” meeting with the auditors and without officers or employees of the Company present.

#### **B. Reporting Responsibilities**

- Provide to the Board of Directors proper Committee minutes.
- Report Committee actions to the Board of Directors with such recommendations, as the Committee may deem appropriate.

#### **C. Charter Evaluation**

Annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board of Directors for approval.

#### **D. Whistleblower Mechanism**

- Adopt and review annually a procedure through which employees and others can confidentially and anonymously inform the Audit Committee regarding any concerns about the Company's accounting, internal accounting controls or auditing matters. The procedure shall include responding to and keeping of records of, any such complaints.

#### **E. Legal Responsibilities**

- Perform such functions as may be assigned by law, by the Company's certificate of incorporation, memorandum, articles or similar documents, or by the Board of Directors.

### **4. INDEPENDENT AUDITOR**

#### **A. Nominations**

- Appoint annually the independent auditor to be proposed for board and shareholder approval.

#### **B. Compensation and Evaluation**

- Approve for recommendation to the board the compensation of the independent auditor, evaluate the performance of the independent auditor and, if so determined by the Committee and the approved by the board, replace the independent auditor.

#### **C. Engagement Procedures for Non-audit Services**

- Establish policies and procedures for the engagement of the independent auditor to provide non-audit services.

- Ensure that the independent auditor is not engaged for any activities not allowed by any of the Canadian provincial securities commissions, or any securities exchange on which the Company's shares are traded.
- Inform management that the auditors are not to be engaged for any of the following nine types of non-audit services:
  - Bookkeeping or other services related to accounting records or financial statements of the Company;
  - Financial information systems design and implementation consulting services;
  - Appraisal or valuation services, fairness opinions, or contributions-in-kind reports;
  - Actuarial services;
  - Internal audit outsourcing services;
  - Any management or human resources function;
  - Broker, dealer, investment advisor, or investment banking services;
  - Legal services;
  - Expert services related to the auditing service; and
  - Any other service the Board of Directors determines is not permitted.

The auditors are prohibited from providing the services above.

#### D. Hiring Practices

- Ensure that no individual who is, or in the past 3 years has been, affiliated with or employed by a present or former auditor of the Company or an affiliate, is hired by the Company as a senior officer until at least 3 years after the end of either the affiliation or the auditing relationship unless compliance with the Toronto Stock Exchange and the requirements of such other securities exchange or quotations system or regulatory agency as may from time to time apply to the Company is confirmed.

#### E. Independence Test

- Take reasonable steps to confirm the independence of the independent auditor, which shall include:
  - Ensuring receipt from the independent auditor of a formal written statement delineating all relationships between the independent auditor and the Company, consistent with the Toronto Stock Exchange and the requirements of such other securities exchange or quotations system or regulatory agency as may from time to time apply to the Company;
  - Considering and discussing with the independent auditor any relationships or services provided to the Company, including non-audit services, that may impact the objectivity and independence of the independent auditor; and

- As necessary, taking, or recommending that the Board of Directors take, appropriate action to oversee the independence of the independent auditor.

#### F. Audit Committee Meetings

- Notify the independent auditor of every Audit Committee meeting and permit the independent auditor to appear and speak at those meetings.
- At the request of the independent auditor, convene a meeting of the Audit Committee to consider matters the auditor believes should be brought to the attention of the directors or shareholders.
- Keep minutes of its meetings and report to the Board for approval of any actions taken or recommendations made.

#### G. Restrictions

- Confirm with management and the independent auditor that no restrictions are placed on the scope of the auditors' review and examination of the Company's accounts.

### **5. OTHER PROFESSIONAL CONSULTING SERVICES**

#### Engagement Review

- As necessary, consider with management the rationale and selection criteria for engaging professional consulting services firms.
- Authority and responsibility to select evaluate and approve professional consulting services engagements.

### **6. AUDIT AND REVIEW PROCESS AND RESULTS**

#### A. Scope

- Consider, in consultation with the independent auditor, the audit scope and plan of the independent auditor.

#### B. Review Process and Results

- Consider and review with the independent auditor the matters required to be discussed by all applicable regulatory and legal requirements.
- Review and discuss with management and the independent auditor at the completion of the annual examination:
  - The Company's audited financial statements and related notes;
  - The Company's MD&A and news releases related to financial results;
  - The independent auditor's audit of the financial statements and its report thereon;
  - Any significant changes required in the independent auditor's audit plan;
  - The appropriateness of the presentation of any non-GAAP related financial information;
  - Any serious difficulties or disputes with management encountered during the course of the audit; and

- Other matters related to the conduct of the audit, which are to be communicated to the Audit Committee under generally accepted auditing standards.
- Review the management letter delivered by the independent auditor in connection with the audit.
- Review with financial management and the external auditors the company's quarterly financial results and related documents prior to the release of earnings and/or the company's quarterly financial statements prior to filing or distribution. Discuss any significant changes to the Company's accounting principles. The Chair of the Committee may represent the entire Audit Committee for purposes of this review.
- Review and discuss with management and the independent auditor the adequacy of the Company's internal accounting and financial controls that management and the Board of Directors have established and the effectiveness of those systems, and inquire of management and the independent auditor about significant financial risks or exposures and the steps management has taken to minimize such risks to the Company.
- Meet separately with the independent auditor and management, as necessary or appropriate, to discuss any matters that the Audit Committee or any of these groups believe should be discussed privately with the Audit Committee.
- Review and discuss with management and the independent auditor the accounting policies which may be viewed as critical, including all alternative treatments for financial information within generally accepted accounting principles that have been discussed with management, and review and discuss any significant changes in the accounting policies of the Company and industry accounting and regulatory financial reporting proposals that may have a significant impact on the Company's financial reports.
- Review with management and the independent auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures, if any, on the Company's financial statements.
- Review with management and the independent auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports, which raise material issues regarding the Company's financial statements or accounting policies.
- Review with the Company's General Counsel legal matters that may have a material impact on the financial statements, the Company's financial compliance policies and any material reports or inquiries received from regulators or governmental agencies related to financial matters.
- Following satisfactory review recommend the financial statements and associated material to the board for approval.

## **7. SECURITIES REGULATORY FILINGS**

- Review filings with the Canadian provincial securities commissions and other published documents containing the Company's financial statements.

- At the completion of any review engagement or other examination review, with management and the independent auditor, the interim quarterly financial reports (including related notes and MD&A). (The chairperson of the Audit Committee may represent the entire Audit Committee for purposes of this review.) Prior to filing with regulatory bodies following satisfactory review recommend the financial statements and associated material to the board for approval.

#### **8. RISK ASSESSMENT**

- Meet periodically with management to review the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.
- Assess risk areas and policies to manage risk including, without limitation, environmental risk, insurance coverage and other areas as determined by the Board of Directors from time to time.
- Review and discuss with management, and approve changes to, the Company's Corporate Treasury Policy.

#### **9. OTHER RESPONSIBILITIES**

- Establish, review and periodically update the Corporate Disclosure Policy and ensure implementation and adherence to this policy.
- Periodically perform self-assessment of audit committee performance.
- Review financial and accounting personnel succession planning within the company.
- Annually review a summary of director and officers' related party transactions and potential conflicts of interest.