



## AUDIT COMMITTEE CHARTER

### Purpose

The purpose of the Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of Gamehost Inc. (the "**Company**") is to:

- Assist the Board in fulfilling its responsibility to oversee the Company's accounting and financial reporting processes and the audits of the Company's financial statements and management discussion and analysis ("**MD&A**");
- Review the financial reports and other financial information provided by the Company, the Company's disclosure controls and procedures, and its internal accounting and financial controls;
- Assume direct responsibility for the appointment, compensation, retention (and where appropriate, replacement), and oversight of the work of the outside auditor in preparing or issuing an audit report or related work;
- Oversee the independence of the outside auditor and approve all auditing services and permitted non-audit services provided by the outside auditor;
- Receive direct reports from the outside auditor and resolve any disagreements between management and the outside auditor regarding financial reporting;
- Review risk management with management and the outside auditor, as well as any proposed changes in major accounting policies and the presentation and impact of significant risks and uncertainties; and
- Carry out the specific responsibilities set forth below in furtherance of this stated purpose.

### Committee Membership and Procedures

The Committee shall consist of at least three directors and may from time to time be comprised of the entire Board. The Board shall appoint the members of the Committee. Every member of the Committee must be a director of the Company. The Board shall appoint one member of the Committee to be the Chair of the Committee.

Except for such times as when the entire Board assumes the responsibilities of the Committee and in circumstances where there is an exemption from the following requirement available to the Company in National Instrument 52-110 entitled "Audit Committees" ("**NI 52-110**"), each director appointed to the Committee by the Board shall be "independent" (as such term is defined in Section 1.4 of NI 52-110).

Unless there is an exemption from the following requirement available to the Company in NI 52-110, each member of the Committee shall be "financially literate" (as such term is defined in Section 1.6 of NI 52-110).

A director appointed by the Board to the Committee shall be a member of the Committee until replaced by the Board or until his or her resignation.

The Committee shall meet not less often than quarterly and shall conduct its meetings in accordance with this Charter, the procedures of the Board set forth in the by-laws for the Board's meetings, and such other procedures as the Committee may adopt.

### **Responsibilities, Resources and Authority**

In discharging its oversight role, the Committee is granted all responsibilities and authority required by NI 52-110, including without limitation the authority to investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Company and the authority to engage independent legal, accounting or other advisors to obtain such advice and assistance as the Committee determines necessary to carry out its duties. The Committee may request any officer or employee of the Company or the Company's outside counsel to attend a meeting of the Committee or to meet with any member of, or consultants to, the Committee.

The Company shall provide the Committee with all appropriate funding, as determined by the Committee, for payment of compensation to any such advisors and any outside auditor, as well as for any ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its responsibilities.

### **Key Responsibilities**

The Committee's role is one of oversight, and it is recognized that the Company's management is responsible for preparing the Company's financial statements and that the outside auditor is ultimately accountable to the Board and the Committee, as representatives of the stockholders, and is responsible for auditing those financial statements and MD&A.

The following functions shall be the common recurring activities of the Committee in carrying out its oversight role. The functions are set forth as a guide and may be varied and supplemented from time to time as appropriate under the circumstances:

#### Appointment of Outside Auditor

The Committee shall have direct responsibility for the appointment, compensation, retention (and where appropriate, replacement), and oversight of the work of any registered public accounting firm selected to be the Company's outside auditor for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company.

#### Appointment and Performance Evaluation of Chief Financial Officer and Internal Auditor

The Chair of the Committee shall participate in the identification of candidates for the positions of Chief Financial Officer and lead of the Company's internal auditing function, if any, and shall advise management with respect to the decision to hire a particular candidate.

### Disclosure Controls and Procedures

The Committee shall review periodically with management the Company's disclosure controls and procedures.

### Internal Controls

The Committee shall discuss periodically with management and the outside auditor the quality and adequacy of the Company's internal controls and internal auditing procedures, if any, including any significant deficiencies in the design or operation of those controls which could adversely affect the Company's ability to record, process, summarize and report financial data and any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls, and discuss with the outside auditor how the Company's financial systems and controls compare with industry practices.

### Accounting Policies

The Committee shall review periodically with management and the outside auditor the quality, as well as acceptability, of the Company's accounting policies, and discuss with the outside auditor how the Company's accounting policies compare with those in the industry and all alternative treatments of financial information within Canadian generally accepted accounting principles and International Financial Reporting Standards (IFRS) that have been discussed with management, the ramifications of use of such alternative disclosures and treatments and the treatment preferred by the outside auditor.

### Pre-approval of All Audit Services and Permitted Non-Audit Services

The Committee shall approve, in advance, all audit services and permitted non-audit services to be provided to the Company by the outside auditor; provided that any non-audit services performed pursuant to an exception to the pre-approval requirement permitted under applicable laws shall not be deemed unauthorized.

### Annual Audit

In connection with the annual audit of the Company's financial statements, the Committee shall:

- request from the outside auditor a formal written statement delineating all relationships between the auditor and the Company, discuss with the outside auditor any such disclosed relationships and their impact on the outside auditor's objectivity and independence, and take appropriate action to oversee the independence of the outside auditor.
- approve the selection and the terms of the engagement of the outside auditor.
- review with management and the outside auditor the audited financial statements and MD&A to be included in the Company's Annual Report filed on the System for Electronic Document Analysis and Retrieval ("**SEDAR**").
- perform the procedures set forth below in "Financial Reporting Procedures" with respect to the annual financial statement to be reported.

- Review with management and the outside auditor the Company's critical accounting policies and practices.
- Recommend to the Board whether, based on the reviews and discussions referred to above, the annual financial statements and MD&A should be included in the Company's Annual Report to be filed on SEDAR.

#### Interim Reports

In connection with the Company's preparation of its interim financial information to be included in the Company's Quarterly Reports filed on SEDAR, the Committee shall:

- review with management the Company's critical account policy practices;
- recommend to the Board whether, based on their reviews and discussions referred to above the interim financial statements and interim MD&A should be included in the Company's Quarterly Report to be filed on SEDAR.

#### Financial Reporting Procedures

In connection with the Committee's review of each reporting of the Company's annual or interim financial information, the Committee shall:

- discuss with the outside auditor whether all material correcting adjustments identified by the outside auditor in accordance with Canadian generally accepted accounting principles, IFRS and the rules of the CSA are reflected in the Company's financial statements.
- review with the outside auditor all material communications between the outside auditor and management, such as any management letter or schedule of unadjusted differences.
- review with management and the outside auditor any material financial or other arrangements of the Company which do not appear on the Company's financial statements and any transactions or courses of dealing with third parties that are significant in size or involve terms or other aspects that differ from those that would likely be negotiated with independent parties, and which arrangements or transactions are relevant to an understanding of the Company's financial statements.
- resolve any disagreements between management and the outside auditor regarding financial reporting.

#### Charter

The Committee shall review and reassess at least annually the adequacy of this Charter and recommend any proposed changes to the Board for approval.

#### **Complaint Procedures**

Any issue of significant financial misconduct shall be brought to the attention of the Committee for its consideration. In this connection, the Committee shall 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.