



**Hemlo**

# Audit Committee Charter

January 2026

[www.hemlominig.com](http://www.hemlominig.com)

**FUNCTION AND PURPOSE**

The Audit Committee (the "**Committee**") will assist the Board of Directors (the "**Board**") of Hemlo Mining Corp. (the "**Company**") in fulfilling its oversight responsibilities by:

- a) monitoring the integrity of the Company's financial statements, financial reporting process and systems of internal controls and procedures;
- b) ensuring compliance by the Company with applicable legal and regulatory requirements;
- c) reviewing areas of potential significant financial risk to the Company;
- d) evaluating the external auditor's independence and qualifications; and
- e) monitoring the performance of the independent auditor, as well as any other public accounting firm engaged to perform other audit, review, or attestation services.

While the Committee has the duties and responsibilities set forth in this Charter, the role of the Committee is that of oversight. The Committee is not responsible for planning or conducting the audit or determining whether the financial statements of the Company are complete and accurate and in accordance with applicable accounting rules. Such activities are the responsibility of management and the independent auditor. The Committee and its members are not preparers, auditors, or certifiers of the financial statements or guarantors of the independent auditor's reports. It is not the duty or responsibility of the Committee to ensure that the Company complies with all laws and regulations. The Committee and each of its members will be entitled to rely on:

- a) the integrity of those persons and organizations within and outside of the Company from which it receives information;
- b) the accuracy of the financial and other information provided to the Committee by such persons or organizations absent actual knowledge to the contrary (which will be promptly reported to the Board); and
- c) representations made by management as to any audit and non-audit services provided by the independent auditor.

## COMPOSITION AND ORGANIZATION

### Membership and Qualifications

*Composition:* The Committee will be composed of at least three (3) directors, including a chair of the Committee (the “**Chair**”), all appointed by the Board after considering any recommendation of the H&S, ESG & Technical Committee. Each member of the Committee will serve until his or her successor is duly appointed, or upon resignation or removal by the Board.

*Independence:* Each member of the Committee must qualify as “independent” and meet the experience and expertise requirements of the applicable stock exchange and securities regulatory authorities.

*Financial Literacy:* All members of the Committee must be financially literate, as defined by the applicable securities regulatory authorities and stock exchanges on which the Company’s securities are listed.

*Service on Other Boards.* No member of the Committee may serve simultaneously on the audit committee of more than two other public companies without a determination by the Board that such service would not impair the member’s ability to serve on the Committee.

### Meetings

*Frequency:* The Committee will meet at least four (4) times a year at such times and locations (if any) as the Chair deems necessary to fulfill the Committee’s responsibilities. The Committee may meet with the independent auditor, head of internal audit function, and management, jointly or separately, to the extent the Committee deems necessary and appropriate.

*Agendas and Notice:* In consultation with the Corporate Secretary and the Chief Financial Officer, the Chair will establish the meeting dates and the meeting agenda. The Corporate Secretary will send notice of each Committee meeting and information concerning the business to be conducted at such meeting, to each member of the Committee not less than 48 hours prior to each meeting, provided that notice need not be sent for any regularly scheduled meeting. The Chair, or a majority of the members of the Committee, may call a special meeting of the Committee at any time. Attendance at a meeting shall constitute a waiver of notice of such meeting, except attendance for the express purpose of objecting to the notice. While the Committee is expected to communicate regularly with management of the Company, the Committee will exercise a high degree of independence in establishing its meeting agenda and in carrying out its responsibilities.

*Holding and Recording Meetings:* Committee meetings may be held in person, telephonically or by other electronic means, or action may be taken by written consent in accordance with the applicable corporate law. The Committee may act by a majority vote at a meeting of the Committee or by unanimous written resolution. The Committee will keep written minutes of its meetings, which minutes shall be made available to the Board. The Committee shall report

regularly to the Board on its discussions and actions, including any significant issues or concerns that arise at its meetings, and shall make recommendations to the Board as appropriate.

*Quorum:* A majority of the members of the Committee, present in person or by telephone or other electronic means, will constitute a quorum for meetings of the Committee.

## **AUTHORITY AND RESPONSIBILITIES**

### **Independent Auditor**

*Selection and Engagement of Independent Auditor:* The Committee will have the sole authority and the direct responsibility for: (1) selecting the independent auditor for the Company and, (2) in accordance with applicable law, making recommendations to the Board with respect to the appointment, retention and termination of the independent auditor for the Company, and as to the compensation and oversight of the independent auditor for the Company (including the resolution of disagreements between management and the independent auditor regarding financial controls or financial reporting). The independent auditor will report directly to the Committee and is ultimately accountable to the Board.

*Evaluation of Independence and Performance of Independent Auditor:* The Committee will evaluate the qualifications and performance and confirm the independence of the independent auditor on an ongoing basis, but not less frequently than annually. The Committee will confirm receipt at least annually from the independent auditor of a formal written statement delineating all relationships between the Company and its subsidiaries and the independent auditor, consistent with applicable accounting rules and standards. The Committee will discuss with the auditor any disclosed relationships or services that may impact the objectivity and independence of the auditor and will take, or recommend that the Board take, appropriate action to oversee the independence of the auditor. The Committee shall review a written report at least annually from the independent auditor explaining the auditor's internal quality-control procedures and any issues raised by the most recent internal quality-control review (or any peer review or inquiry or investigation by governmental or professional authorities), within the preceding five years, and any steps to deal with any such issues.

*Approval of Independent Auditor Services:* The Committee will review and approve the independent auditor's annual engagement letter and all audit, audit-related, tax and other non-audit permissible services proposed to be provided by the independent auditor, and the fees for such services. The Committee is responsible for establishing policies and procedures for the Committee's pre-approval of permitted services by the independent auditor or other registered public accounting firm on an on-going basis. So long as any pre-approval of any transaction or service is presented to the full Committee at its next regularly scheduled meeting, the

Committee can delegate to the Chair the authority to pre-approve audit and permissible non-audit services.

*Oversight of Auditor; Audit Plan.* The Committee will review and discuss with the independent auditor the overall scope and results of the annual audit and any other financial reviews, including the adequacy of staffing and rotation of audit partners as required by applicable law or regulatory authority.

*Review of Independent Auditor Report:* The Committee will review: (i) any reports required to be prepared by the independent auditor on all critical accounting policies and practices to be used; (ii) all alternative treatments within applicable accounting rules for policies and practices related to material items that have been discussed with management, including the ramifications of such alternative disclosures and treatments and the treatment preferred by the independent auditor; (iii) other significant reporting issues and judgments, significant regulatory, legal and accounting initiatives, rules and developments that may have a material impact on the Company's financial statements and their anticipated impact, compliance programs and policies; and (iv) any other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences. The Committee will also discuss with the independent auditor and then disclose those matters whose disclosure is required by applicable accounting or auditing standards.

### **Financial Reporting Process**

*Accounting Procedures:* The Committee will assist the Board in discharging its responsibility in relation to the quality, acceptability, and integrity of the Company's accounting policies and principles, reporting practices and internal controls.

*Open Communication:* The Committee will provide and facilitate an open avenue of communication between the independent auditor, the Board, management and the finance department of the Company. The independent auditor shall have a direct line of communication to the Committee and may bypass management if deemed necessary. The independent auditor shall report to the Committee and is ultimately accountable to the Committee and the Board.

*System of Financial Controls:* The Committee will discuss with management, and provide oversight over, the design, implementation, adequacy and effectiveness of the Company's internal controls and disclosure controls and procedures, and material changes in such controls (including all internal and external people, resources, policies, processes and enforcement) aimed at ensuring the integrity and compliance of the books and records of the Company in accordance with International Financial Reporting Standards ("IFRS") and other applicable laws and regulations and sound business practices.

The Committee will review any material weaknesses, significant deficiencies or control deficiencies in the design or operation of internal control over financial reporting and any fraud involving management or other employees who have a significant role in the Company's internal

control over financial reporting, and any required disclosures regarding the Company's internal controls. The Committee will also review with management and the independent auditor's processes to ensure (i) that the necessary books, records and accounts have sufficient detail to accurately and fairly reflect the Company's transactions; (ii) 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, and for the review of the Company's disclosure controls and procedures and to periodically assess the adequacy of those procedures and recommend any proposed changes to the Board for consideration; and (iii) that adequate processes are in place for assessing the risk of material misstatements in the financial statements and for detecting control weaknesses or fraud.

*Annual Audit Review:* The Committee will review with management and the independent auditor the results of the annual audit of the Company for each fiscal year together with the independent auditor's audit report thereon, including the Company's accounting principles and practices, significant judgments, estimates, known and likely misstatements identified during the audit (other than those the independent auditor believes to be insignificant). In performing such review, the Committee will review the scope of the audit, the audit procedures utilized, any difficulties or disputes encountered during the audit, any changes in accounting practices or principles, and any other matters related to the conduct of the audit brought to the Committee's attention by management or the independent auditor, or which are raised by members of the Committee. Such risks and exposures may include but are not limited to: (i) threatened and pending litigation; (ii) claims against the Company or any of its subsidiaries; (iii) tax matters, regulatory compliance and correspondence from regulatory authorities; and (iv) environmental exposure. Following its review, the Committee will report thereon to the Board and make a recommendation to the Board regarding the approval of the audited annual financial statements by the Board and their filing with applicable securities regulatory authorities.

*Quarterly Reviews:* The Committee will review with management and the independent auditor the financial statements of the Company each quarter and the related notes, including the quarterly financial statements, MD&A, financial reports, financial projections and other applicable financial disclosure, prior to the public disclosure of such information and together with the independent auditor's review thereof pursuant to professional standards and procedures for conducting such reviews, as established by generally accepted auditing standards. Following its review, the Committee will report thereon to the Board and make a recommendation to the Board regarding the approval of the quarterly annual financial statements by the Board and their filing with applicable securities regulatory authorities.

*Financial Reporting Disclosure:* The Committee will review with management and the independent auditor the annual audited and quarterly financial statements and related notes, including the auditor's report thereon, the specific disclosures made under MD&A, financial reports, financial projections and other applicable financial disclosure, prior to the public

disclosure of such information, and the Committee will be responsible for making a recommendation to the Board as to whether the Company's financial statements be included in any report filed, as applicable, with any securities regulatory authority.

*CEO and CFO Certifications.* The Committee will review the development and implementation of the Chief Executive Officer's and Chief Financial Officer's annual certification plan, receive the CEO and CFO certifications of quarterly and annual filings made in accordance with applicable Canadian securities laws and review the interim and annual CEO and CFO certifications.

*Earnings Announcements.* The Committee will review and discuss with management and the independent auditor any earnings press releases, earnings guidance provided to analysts and rating agencies, and other public announcements regarding the Company's results of operations. Following its review, the Committee will make a recommendation to the Board regarding the approval and public filing of such earnings press releases, earnings guidance and other public announcements (except in the case of press releases and other public announcements in connection with the Company's quarterly financial statements, which may be approved by the Committee under authority expressly delegated by the Board to the Committee).

*Sustainability Reporting.* The Committee and the Company's H&S, ESG & Technical Committee shall review the Company's annual public disclosure in relation to sustainability matters, including the Company's ESG/Sustainability Report, and the Committee will make a recommendation to the Board regarding the approval and publication of the Company's ESG/Sustainability Report. The Committee will also review and discuss with management any financial metrics and disclosures contained in ESG-related public statements and disclosures before their publication.

#### General Finance Oversight

*Financial Resources:* As requested by the Board, the Committee will review and make recommendations to the Board with respect to the Company's financial resources, financing requirements, and any significant transactions outside the ordinary course of business of the Company.

*Hedging & Treasury Management:* The Committee will periodically review and receive reports from management with respect to the Company's hedging strategies and investment strategies (if any) and related matters.

*IT & Cybersecurity:* The Committee will periodically review and receive reports from management regarding risks and exposures related to information technology, cyber security, data protection and privacy.

*Risk Management & Insurance:* The Committee will quarterly review and receive reports from management, including the Company's internal audit function, regarding risk management and

insurance programs and other necessary practices and procedures to monitor and control major business, operational and financial risks.

*Crisis Management & Business Continuity.* The Committee will annually review with management the Company's crisis management, business continuity, resiliency, and disaster preparedness planning.

*Tax.* The Committee will periodically review and receive reports from management regarding tax planning, audits and related risk.

#### Related Party Transactions

The Committee will review and approve or ratify, in accordance with the Company's policies as approved by the Committee, all related party transactions as defined by applicable rules and regulations.

#### Review of Hiring of Individuals Employed by Independent Auditor of the Company

The Committee will oversee the policies and procedures as required by applicable rules and regulations governing how the Company may employ or receive services from individuals who are or once were partners of or employed by the present or former independent auditor of the Company.

#### Internal Audit Function

The Committee will oversee, periodically review, and as appropriate, make recommendations to the Board concerning the design, scope, implementation, resources and performance of the Company's internal audit function (including internal or external personnel responsible for such function), and its mandate, audit plans, procedures and results. In coordination with the independent auditor, the Committee shall periodically discuss responsibilities, objectives, independences, budget and staffing of the internal audit function and continued overall effectiveness of the internal audit function. The Committee will regularly meet with the head of the internal audit function and review summaries of significant findings in the reports of the internal audit function as well as the resolution or remediation of such findings. At least annually, the Committee shall review the performance of the head of internal audit function and convey its findings to management.

#### Legal Compliance; Investigations

The Committee will be responsible for overseeing legal and regulatory matters that may have a material impact on financial statements and the Company's business. The Committee shall have access to and meet separately, periodically, with management, the General Counsel, and internal and independent auditor in connection with such review, and the General Counsel has

express authority to communicate at any time with the Committee about compliance matters and investigations.

Complaint Handling Process (i.e., “Whistleblower Reporting”)

The Committee will establish, maintain and oversee the procedures for: (i) the receipt, retention, and treatment of complaints regarding accounting, internal controls, or audit matters; and (ii) the confidential, anonymous submission by the Company's employees of concerns regarding questionable accounting, audit or internal control matters.

**OTHER AUTHORITY AND RESPONSIBILITIES**

*Access to Records and Personnel:* The Committee will have full access to any relevant records of the Company and its subsidiaries that it deems necessary to carry out its responsibilities. The Committee may request that any officer or other employee of the Company or any of its subsidiaries or any advisor to the Company meet with members of the Committee or its advisors, as it deems necessary to carry out its responsibilities.

*Independent Advisors:* The Committee will have the authority to engage, terminate and determine funding for such independent legal counsel, accounting advisors and other advisors (the “**Advisors**”) as it deems necessary to carry out its responsibilities. Such Advisors may be the regular advisors to the Company. The Committee is empowered to cause the Company or any of its subsidiaries, as applicable, to pay the compensation of the Advisors as established by the Committee.

*Funding:* The Committee shall have the authority to determine and approve funding (which will be supplied by the Company) for: (i) payment of compensation to the independent external auditor or any other registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company; (ii) any other Advisors engaged by the Committee; and (iii) ordinary administrative expenses of the Committee or any other expenses that are necessary or appropriate in carrying out its duties.

*Reports to Board of Directors:* The Committee will report regularly to the Board regarding the meetings of the Committee with such recommendations to the Board as the Committee deems appropriate.

*Review of this Charter:* At least once a year, the Committee will review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for consideration and approval.

*Annual Committee Evaluation:* The Committee will annually evaluate its performance and report to the Board on the results of the review, including any recommended changes contained therein for approval by the Board.

*Delegation:* The Committee may form and delegate authority to subcommittees and may delegate authority to the Chair or one or more designated members of the Committee, provided that any such delegation is permitted under applicable laws, rules and regulations. The Committee cannot delegate its responsibilities to non-committee members.

*Other Responsibilities:* The Committee will take such other action with respect to the matters set out herein as may be delegated from time to time by the Board and shall perform such other duties as may be required by applicable law or requested by the Board or deemed appropriate by the Committee. The Committee will discharge its responsibilities, and will assess the information provided to the Committee, in accordance with its business judgment. The Committee will have the authority to conduct or authorize investigations into any matters within the scope of its responsibilities as it deems appropriate.

**Approved by the Board of Directors on January 26, 2026.**