

**BEAR CREEK MINING CORPORATION**  
**(THE "COMPANY")**

**AUDIT COMMITTEE CHARTER**

**1. GENERAL**

The primary function of the Audit Committee is to assist the board of directors of the Company (the “**Board**”) in fulfilling its oversight responsibilities regarding the integrity of the Company's accounting and financial reporting processes and provision of financial information to the shareholders and others, the systems of internal controls and disclosure controls, the internal and external audit processes, the policies with regard to ethics and business practices, and monitoring compliance with the Company's legal and regulatory requirements with respect to its financial statements.

The Audit Committee is accountable to the Board. In the course of fulfilling its specific responsibilities hereunder, the Audit Committee is expected to maintain an open communication between the Company's external auditor, senior management and the Board.

The responsibilities of a member of the Audit Committee are in addition to such member's duties as a member of the Board.

**2. COMPOSITION**

The Audit Committee shall be composed of a minimum of three directors. The members shall be appointed annually by the Board, typically at the first meeting of the Board following the annual shareholder's meeting. Unless a Chair is appointed by the full Board, the members of the Audit Committee may designate a Chair by a majority vote of the full Audit Committee membership.

All members of the Audit Committee shall meet the independence, financial literacy and experience requirements under applicable laws, rules and regulations binding on the Company from time to time, including the applicable rules of any stock exchanges upon which the Company's securities are listed. In addition to the specific independence requirements, each member of the Audit Committee must be free from any relationship that, in the opinion of the Board, could reasonably be expected to interfere with the exercise of his or her independent judgement as a member of the Audit Committee.

On an annual basis, the Board shall make an affirmative determination of the independence of each member of the Audit Committee, with reference to stock exchange requirements and applicable securities laws.

**3. MEETINGS, APPROVALS & PROCEDURAL MATTERS**

The Audit Committee shall be governed by the Board Mandate adopted by the Board, save as modified by the procedural requirements and powers provided in this Charter.

In respect of meetings of the Audit Committee:

- (a) The Audit Committee shall meet at least four times per year.

- (b) Meetings may be held either by telephone conference, web conference or in person. Any member of the Audit Committee may call such a meeting.
- (c) The quorum for the transaction of business at any meeting shall be a majority of the members of the Audit Committee present.
- (d) Decisions by the Audit Committee will be by the affirmative vote of a majority of the members of the Audit Committee present, or by consent resolutions in writing signed by each member of the Audit Committee.
- (e) The Chair may invite the Company's external auditor, the CFO, and such other persons as deemed appropriate by the Audit Committee to attend meetings of the Audit Committee.
- (f) The Audit Committee shall prepare and maintain minutes of its meetings.

The Audit Committee:

- (g) Shall report material decisions and actions of the Audit Committee to the Board, together with such recommendations as the Audit Committee may deem appropriate, at the next Board meeting.
- (h) Shall review the performance of the Audit Committee on an annual basis and report the results of such review to the Board.
- (i) Shall review and assess this Charter for the Audit Committee at least annually and submit any proposed revisions to the Board for approval, when applicable.
- (j) Has the power to conduct or authorize investigations into any matter within the scope of its responsibilities. The Audit Committee has the right to engage independent counsel and other advisors as it determines necessary to carry out its duties, and the right to set and pay the compensation for any such counsel or advisors engaged by the Audit Committee.
- (k) Shall meet at least annually with the CFO and the external auditor in separate sessions.
- (l) Has the right to communicate directly with the CFO and other members of management who have responsibility for the audit process ("**internal audit management**") and the external auditor.

#### 4. RESPONSIBILITIES

Subject to the powers and duties of the Board, the Board hereby delegates to the Audit Committee the following powers and duties to be performed by the Audit Committee on behalf of and for the Board.

##### *Financial Reporting, Accounting and Financial Management*

The Audit Committee has primary responsibility for overseeing the actions of management in all aspects of financial management and reporting practices. The Audit Committee shall:

- (a) Review and recommend to the Board for approval the Company's financial statements, Management's Discussion and Analysis ("**MD&A**"), Annual Information Form (if any), future-oriented financial information or *pro-forma* information, and other financial disclosure in continuous disclosure documents, including any annual and interim profit or loss press releases and any certification, report, opinion or review rendered by the external auditor, before the Company publicly discloses such information. (See also "*Interim Financial Statements*" below.)
- (b) Ensure that it is satisfied 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 (other than public disclosure referred to in subsection (a) immediately above) and periodically assess the adequacy of those procedures as necessary.
- (c) Review material financial risks with management, the plan that management has implemented to monitor and deal with such risks, and the success of management in following the plan.
- (d) Consult quarterly and otherwise as required with the Company's CEO and CFO respecting the adequacy of the internal controls and review any breaches or deficiencies.
- (e) Review processes for certifications and obtain certifications by the CEO and CFO attesting to disclosure controls and procedures and internal control over financial reporting as required or advisable.
- (f) Review management's response to significant written reports and recommendations issued by the external auditor and the extent to which such recommendations have been implemented by management. Review such responses with external auditor as necessary.
- (g) Review with management the Company's compliance with applicable laws and regulations respecting financial matters.
- (h) Review with management proposed regulatory changes and their impact on the Company.
- (i) Review with management and approve public disclosure of the Audit Committee Charter, including in the Company's Information Circular and on the Company's website.

#### *External Auditor*

The Audit Committee has primary responsibility for the selection, appointment, dismissal, compensation and oversight of the external auditor, subject to the approval of the Board. For this purpose, the Audit Committee may consult with management, but the external auditor shall report directly to the Audit Committee. The Audit Committee has the right to communicate directly with the external auditors. The specific responsibilities of the Audit Committee with regard to the external auditor are to:

- (a) Recommend to the Board annually:

- (i) the external auditor to be nominated (whether the current external auditor or a suitable alternative) for the purpose of preparing or issuing an auditor's report or performing other audit, review, or attest services for the Company; and
  - (ii) the compensation of the external auditor.
- (b) Oversee 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.
  - (c) Resolve disagreements, if any, between management and the external auditor regarding financial reporting. To resolve such disagreements, the Audit Committee shall query management and the external auditor and take other steps as it deems necessary. The Audit Committee shall provide the Board with such recommendations and reports with respect to the financial statements of the Company as it deems advisable.
  - (d) Take reasonable steps to confirm the independence of the external auditor, including pre-approving any non-audit related services provided by the external auditor to the Company or its subsidiaries with a view to ensuring independence of the auditor. If necessary, recommend to the Board to take appropriate actions to ensure the independence of the external auditor.
  - (e) Review and pre-approve all audit and audit-related services and the fees related thereto, provided by the Company's external auditor.
  - (f) Review and pre-approve all non-audit services to be performed by the Company's external auditor in accordance with any applicable regulatory and securities law requirements and the requirements of any stock exchange upon which the Company's shares are listed. The Audit Committee may delegate certain pre-approval functions for non-audit services to one or more independent members of the Audit Committee if it adopts policies and procedures for such provided that any pre-approval decisions are presented to the full Audit Committee for approval at its next meeting.
  - (g) Obtain from the external auditor confirmation that the external auditor is a 'participating audit' firm for the purpose of National Instrument 52-108 *Auditor Oversight* and is in compliance with governing regulations.
  - (h) Review and evaluate the performance of the external auditor, including the external auditor's internal quality-control procedures.
  - (i) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Company's present and former external auditor.

#### *Audit and Financial Reporting Process*

The Audit Committee has a duty to receive, review and make any inquiry regarding the completeness, fairness and presentation of the Company's financial statements to be satisfied that the financial statements fairly present the financial position of the organization and are prepared in accordance with the applicable generally accepted accounting principles. To accomplish these objectives, the Audit Committee shall:

- (a) review at least annually the Company's internal system of audit and financial controls, internal reporting procedures and results of such controls and procedures;
- (b) prior to the annual audit by the external auditor, review the auditor's engagement letter to consider the scope and general extent of the external auditor's services;
- (c) review with management the external auditor's audit plan and management's intended template for financial statements;
- (d) ensure the external auditor has full, unrestricted access to required information and has the cooperation of management;
- (e) review with the external auditor, in advance of the audit, the audit process and standards, as well as regulatory or Company-initiated changes in accounting practices and policies and the financial impact thereof, and selection or application of appropriate accounting principles;
- (f) review with the external auditor and, if necessary, legal counsel, any litigation, claim or contingency, including tax assessments, or significant judgments made by management that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the financial statements. Review the appropriateness and disclosure of off-balance sheet matters, if any. Review disclosure of related-party transactions;
- (g) receive and review with the external auditor, the external auditor's audit report and the audited financial statements. Make recommendations to the Board respecting approval of the audited financial statements and related MD&A;
- (h) review annually the integrity of the Company's internal and external financial reporting and accounting principles, including the clarity, completeness and accuracy of financial disclosure and the degree of neutrality and representational faithfulness of the accounting policies and estimates, performance of internal audit management, if any, significant disagreements or difficulties in obtaining information, if any, adequacy of internal controls over financial reporting and the degree of compliance of the Company with prior recommendations of the external auditor. The Audit Committee shall direct management to implement such changes as the Audit Committee considers appropriate, subject to any required approvals of the Board arising out of the review; and
- (i) meet at least annually with the external auditor, independent of management, consider external auditor's judgments about the quality and appropriateness of the Company's accounting principles and practices, and report the results of such meetings to the Board.

#### *Interim Financial Statements*

The Board shall generally approve the Company's interim financial statements and MD&A, on the basis of recommendations by the Audit Committee.

The Audit Committee shall:

- (a) review on an annual basis the Company's practice with respect to review of interim financial statements by the external auditor;
- (b) review the interim financial statements with the external auditor if the external auditor conducts a review of the interim financial statements;
- (c) conduct all such reviews and discussions with the external auditor and management as the Audit Committee deems appropriate;
- (d) review and, make appropriate recommendations to the Board respecting approval of the interim financial statements.

### *Ethics*

The Audit Committee is responsible for ensuring that methods and procedures are in place to: (a) allow any director, officer, employee or contractor to bring concerns regarding accounting, internal accounting controls or auditing matters; and (b) permit the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters to the attention of the Audit Committee and that those who do so are provided protection from any retaliatory action. The Chair of the Audit Committee shall be designated as the person to whom such concerns should be addressed and is responsible for ensuring that such concerns are handled promptly, confidentially and appropriately.

The Audit Committee is responsible to ensure that methods and procedures are in place to: (a) allow any director, officer, employee or contractor to report any ethical concerns or potential or actual violations of the Company's Code of Business Conduct and Ethics (the "**Code**"); and (b) permit the confidential, anonymous submission by employees of any such concerns or violations. The Chair of the Audit Committee shall be designated as the person to whom such concerns should be addressed and is responsible for ensuring that such concerns are handled promptly, confidentially and appropriately.

The Audit Committee shall review at least annually:

1. the Code;
2. management's approach to business ethics and corporate conduct; and
3. programs used by management to monitor compliance with the Code.

## **5. COMPLAINTS AND CONCERNS**

The Audit Committee shall ensure that the Company has adequate procedures in place for the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters and confidential submission by employees of the Company of concerns regarding questionable accounting or auditing matters (collectively, "**complaints**").

Subject to applicable law, complaints, including those under the Company's Whistleblower Policy, may be made anonymously and, if not made anonymously, the identity of the person submitting such complaint will be kept confidential. Upon receipt of a complaint, the Chair will conduct or designate a member of the Audit Committee to conduct an initial investigation. If the results of that initial investigation indicate there may be any merit to the complaint, the matter will be brought before the Audit Committee for a

determination of further investigation and action. Records of complaints made and the resulting action or determination with respect to the complaint shall be documented and kept in the records of the Audit Committee for a period of at least three years or otherwise pursuant to the Company's records retention policy, if any.

## **6. OTHER RESPONSIBILITIES**

- (a) Each year, the Audit Committee shall review and evaluate its own performance.
- (b) The Audit Committee shall review with management the Company's policies with respect to risk assessment and management, including with respect to the potential risk of financial fraud, and shall conduct an annual review of the fraud risks identified by management, and the policies and practices adopted by the Company to mitigate those risks.
- (c) The Audit Committee shall review for fairness any proposed related-party transactions and make recommendations to the Board whether any such transactions should be approved.
- (d) The Audit Committee may retain and terminate the services of outside specialists, counsel, accountants or other consultants and advisors to the extent it deems appropriate and shall have the sole authority to approve their fees and other retention terms. The Company will provide for appropriate funding, as determined by the Audit Committee, for payment of: (i) compensation to any external auditor; (ii) compensation to any outside specialists, counsel, accountants or other consultants and advisors retained by the Audit Committee; and (iii) ordinary administrative expenses of the Audit Committee that are necessary or appropriate in carrying out its duties.
- (e) The Audit Committee may perform other activities related to this Charter, as requested by the Board.

## **7. REPORTING**

The Audit Committee shall report to the Board at its regularly scheduled meetings.

Approved and adopted by the Board on August 29, 2022.