

AUDIT COMMITTEE

RENEX EXPLORATION COMPANY
RENEX[®]

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PURPOSE AND OBJECTIVE

The Audit Committee ("Committee") established by the Board of Directors of RENEX Exploration Company ("RENEX" or "the Corporation") is tasked with supporting the Board in its oversight of the Corporation's financial reporting, accounting practices, and internal controls. The Committee and its members are committed to adhering to all relevant legal, regulatory, and listing requirements, including those set forth by stock exchanges, the Canada Business Corporations Act, and securities regulatory authorities.

COMPOSITION

The Committee will consist of at least three directors appointed by the Board of Directors, each of whom must be financially literate and "independent" as defined by applicable securities laws and exchange standards for audit committees. Committee members should be capable of understanding the Corporation's financial statements, including balance sheets, income statements, cash flow statements, and related notes. Members are appointed at the Board meeting following the annual shareholders' meeting and serve until their successors are appointed, or until they resign, are removed by the Board, or are no longer directors of the Corporation. The Board retains the right to remove or replace members as needed, and vacancies can be filled by a majority vote of the Board. If the Board does not designate a Committee Chair, the members of the Committee can elect one by majority vote. The Chair of the Committee must be an independent director. If the Chair is unavailable for a meeting, a designated member will preside, without having a casting vote. The Committee may also appoint a Secretary to record meeting minutes, who does not need to be a Committee member or Corporation director.

MEETINGS

The Committee will meet at least quarterly or as deemed necessary by the Chair or a majority of Committee members, as well as in accordance with legal or listing requirements. Additional meetings may be convened by the Independent Auditor

or any Committee member per the Canada Business Corporations Act. The Chair will prepare or approve meeting agendas in advance. Notice of meetings must be provided to Committee members at least 48 hours in advance, with flexibility for delivery via oral or written communication, fax, or email. Attendance at a meeting signifies a waiver of notice unless a member attends solely to contest the meeting's validity.

Committee members may participate in meetings via telecommunications, and a majority of members present in person, by video conference, telephone, or a combination, constitutes a quorum. If quorum is not met within one hour of the scheduled time, the meeting will be adjourned and reconvened at the same time and place on the second business day thereafter. If quorum is still not met at the reconvened meeting, the members in attendance will constitute a quorum. A portion of each meeting will be reserved for private, in-camera discussions without management present. The Committee may invite individuals, including officers, directors, employees, and the Independent Auditor, to attend meetings. The Committee has sole authority to determine attendees.

Minutes from Committee meetings will be distributed to all members, and the Chair will provide periodic updates to the Board on key findings and recommendations.

RESOURCES AND AUTHORITY

The Committee has the authority to communicate directly with officers, employees, and access any necessary information for fulfilling its duties. It is authorized to engage external advisors, including legal and accounting experts, at the Corporation's expense, as necessary. The Committee may also communicate directly with the Independent Auditor as needed.

RESPONSIBILITIES

A. Duties of the Committee Chair

The Chair is responsible for overseeing the effective operation of the Committee, ensuring all duties are fulfilled, leading Committee meetings, and reporting on Committee activities to the Board. Additional responsibilities include:

- Leading and chairing Committee meetings and overseeing private discussions.
- Ensuring the Committee meets regularly, at least quarterly, and establishing agendas.
- Ensuring materials are available to all directors and maintaining open communication with the Board.
- Reporting Committee activities and findings to the Board after each meeting and providing an annual report summarizing the Committee's contributions.
- Promoting ethical decision-making, overseeing Committee resources, and supporting the Committee's effectiveness.

B. Committee Duties

The Committee's core responsibilities in supporting the Board's oversight include:

- Conducting investigations, inviting relevant attendees to Committee meetings, and accessing Corporation records as needed.
- Engaging consultants and overseeing accounting and financial reporting practices.
- Reviewing the Corporation's financial statements and assessing key accounting issues and internal controls.
- Annually meeting with the Independent Auditor and Chief Financial Officer to review accounting practices and significant issues.
- Monitoring and ensuring proper adoption of changes to accounting standards.
- Overseeing the provision of non-audit services, with authority over pre-approvals for these services.

Pre-approval for non-audit services must come from the Committee or its Chair in consultation with the Independent Auditor. Any non-audit services that may compromise auditor independence will not be approved. The Chief Financial Officer will maintain documentation of pre-approved services and provide quarterly updates. Certain exemptions from pre-approvals may apply under specific conditions, as outlined by governing standards and laws.

