

Charter of the Audit Committee

Charter of the Audit Committee of the Board of Directors

1. PURPOSE OF THIS CHARTER

The Audit Committee (the “**Committee**”) is appointed by the Board of Directors (the “**Board**”) of Awakn Life Sciences Corp. (the “**Corporation**”) to assist the Board in fulfilling its oversight responsibilities relating to financial accounting and reporting processes and internal controls for the Corporation. The Committee’s primary duties and responsibilities are to:

- a. conduct such reviews and discussions with management and the external auditors, relating to the audit and financial reporting, as are deemed appropriate by the Committee;
- b. assess the integrity of internal controls and financial reporting procedures of the Corporation and ensure implementation of such controls and procedures;
- c. ensure that there is an appropriate standard of corporate conduct for senior financial personnel and employees including, if necessary, adopting a corporate code of ethics;
- d. review the quarterly and annual financial statements and management’s discussion and analysis of the Corporation’s financial position and operating results (“**MD&A**”), and in the case of the annual financial statements and related MD&A, report thereon to the Board for approval of same;
- e. select and monitor the independence and performance of the Corporation’s external auditors, including attending private meetings with the external auditors and reviewing and approving their remuneration and all renewals or dismissals of external auditors; and
- f. provide oversight of all disclosure relating to, and information derived from, financial statements and MD&A.

The Committee has the authority to conduct any investigation appropriate to its responsibilities, and it may request the external auditors, as well as any officer of the Corporation or outside counsel for the Corporation, to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee. The Committee shall have unrestricted access to the books and records of the Corporation and has the authority to retain, at the Corporation’s expense, special legal, accounting, or other consultants or experts to assist in the performance of the Committee’s duties.

The Committee shall review and assess the adequacy of this Charter annually and submit any proposed revisions to the Board for approval.

In fulfilling its responsibilities, the Committee will carry out the specific duties set out in Part 4 of this Charter.

2. AUTHORITY OF THE AUDIT COMMITTEE

The Committee shall have the authority to:

- a. engage independent counsel and other advisors as it determines necessary to carry out its duties;
- b. set and pay the compensation for advisors employed by the Committee; and
- c. communicate directly with the internal and external auditors.

3. COMPOSITION AND MEETINGS

The Committee and its membership shall meet all applicable legal, regulatory and listing requirements, including, without limitation, those of the Ontario Securities Commission, the Canadian stock exchange upon which the Corporation's common shares trade, the *Business Corporations Act* (British Columbia) and all applicable securities regulatory authorities.

- a. The Committee shall be composed of three or more directors as shall be designated by the Board from time to time. Unless a Chair is elected by the Board, the members of the Committee shall designate from amongst themselves, by majority vote of the full Committee, a member who shall serve as Chair.
- b. Each member of the Committee shall be "independent" and each shall be "financially literate". An "independent" director is a director who has no direct or indirect material relationship with the Corporation. A "material relationship" is a relationship which, in the view of the Board, could be reasonably expected to interfere with the exercise of the director's independent judgement, or a relationship deemed to be a material relationship pursuant to Sections 1.4 and 1.5 of National Instrument 52-110 – *Audit Committees*. A "financially literate" director is a director who has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the accounting issues that can reasonably be expected to be raised in the Corporation's financial statements.
- c. Each member of the Committee shall sit at the appointment of the Board, and in any event, only so long as he or she shall be independent. The Committee shall report to the Board.
- d. The Committee shall meet at least quarterly, at the discretion of the Chair or a majority of its members, as circumstances dictate or as may be required by applicable legal or listing requirements. A minimum of two and at least 50% of the members of the Committee present, either in person or by telephone, shall constitute a quorum.
- e. If within one hour of the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same hour on the next business day following the date of such meeting at the same place. If at the adjourned meeting a quorum as hereinbefore specified is not present within one hour of the time appointed for such adjourned meeting, such meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the second adjourned meeting a quorum as hereinbefore specified is not present, the quorum for the adjourned meeting shall consist of the members then present.
- f. If and whenever a vacancy shall exist, the remaining members of the Committee may exercise all of their powers and responsibilities so long as a quorum remains in office.
- g. The time and place at which meetings of the Committee shall be held, and procedures at such meetings, shall be determined from time to time by the Committee. A meeting of the Committee may be called by letter, telephone, facsimile, email or other communication equipment by giving at least 48 hours' notice, provided that no notice of a meeting shall be necessary if all of the members are present either in person or by means of conference telephone, or if those absent have waived notice or otherwise signified their consent to the holding of such meeting.
- h. Any member of the Committee may participate in the meeting of the Committee by means of conference telephone or other communication equipment, and the member participating in a meeting pursuant to this paragraph shall be deemed, for purposes hereof, to be present in person at the meeting.
- i. The Committee shall keep minutes of its meetings which shall be submitted to the Board. The Committee may from time to time appoint any person, who need not be a member, to act as a secretary at any meeting.
- j. The Committee may invite such officers, directors and employees of the Corporation and its subsidiaries as the Committee may see fit, from time to time, to attend meetings of the Committee.

- k. Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose. The Committee shall report its determinations to the Board at the next scheduled meeting of the Board, or earlier as the Committee deems necessary. All decisions or recommendations of the Committee shall require the approval of the Board prior to implementation, other than those relating to non-audit services and annual audit fees, which do not require the approval of the Board.
- l. The Committee members will be elected annually at the first meeting of the Board following the annual general meeting of shareholders.
- m. The Board may at any time amend or rescind any of the provisions hereof, or cancel them entirely, with or without substitution.

4. RESPONSIBILITIES

- a. **Financial Accounting and Reporting Processes and Internal Controls**
 - i. The Committee shall review the annual audited and interim financial statements and related MD&A before the Corporation publicly discloses this information, in order to satisfy itself that the financial statements are presented in accordance with applicable accounting principles and, in the case of the annual audited financial statements and related MD&A, report thereon and recommend to the Board whether or not same should be approved prior to their being filed with the appropriate regulatory authorities. With respect to the annual audited financial statements, the Committee shall discuss significant issues regarding management's accounting principles, practices, and judgements with management and the external auditors, as and when the Committee deems it appropriate to do so. The Committee shall satisfy itself that the information contained in the annual audited and interim financial statements contain no material misstatements and are not misleading or incomplete. The Committee shall also satisfy itself that, in the case of the annual financial statements, the audit function has been effectively carried out by the auditors and, in the case of the interim financial statements, the review function has been effectively carried out.
 - ii. The Committee shall review any internal control reports prepared by management and the evaluation of such reports by the external auditors, together with management's responses thereto.
 - iii. The Committee shall be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, MD&A and annual and interim earnings press releases, and periodically assess the adequacy of these procedures in consultation with any Disclosure Representatives (as such term is defined in the Corporation's Corporate Disclosure and Insider Trading Policy) of the Corporation.
 - iv. The Committee shall review any press releases containing financial information disclosure, if such releases are required to be reviewed by the Committee under any applicable laws or by one of the other Charters, before the Corporation publicly discloses this information.
 - v. The Committee shall meet no less than annually with the external auditors and the Chief Financial Officer ("CFO") or, in the absence of a CFO, with the officer of the Corporation in charge of financial matters, to review accounting practices, internal controls and such other matters as the Committee, CFO or, in the absence of a

CFO, the officer of the Corporation in charge of financial matters, deems appropriate.

- vi. The Committee shall inquire of management and the external auditors about significant financial and internal control risks or exposures, and shall assess the steps management has taken to minimize such risks.
- vii. The Committee shall review the post-audit or management letter, if any, containing the recommendations of the external auditors and management's response and subsequent follow-up to any identified weaknesses.
- viii. The Committee shall ensure that there is an appropriate standard of corporate conduct including, if necessary, adopting a corporate code of ethics for senior financial personnel and all employees.
- ix. The Committee shall follow procedures established for:
 - the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and
 - the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
- x. The Committee shall provide oversight to related party transactions entered into by the Corporation.
- xi. The Committee shall ensure that management establishes and maintains an appropriate budget process, which shall include assumptions regarding economic parameters that are well supported and that the risks facing the Corporation are taken into consideration, as well as periodic reports from the CFO comparing actual spending to the budget.
- xii. The Committee shall have the authority to adopt such policies and procedures as it deems appropriate to operate effectively.

b. Independent Auditors

- i. The Committee shall: recommend to the Board the external auditors to be nominated for the purpose of preparing or issuing an auditors' report or performing other audit, review or attestation services for the Corporation; set the compensation for the external auditors; provide oversight of the external auditors; and ensure that the external auditors report directly to the Committee.
- ii. The Committee shall ensure that procedures are in place to assess the audit activities of the independent auditors and the internal audit functions.
- iii. The pre-approval of the Committee shall be required, prior to the undertaking of any non-audit services not prohibited by law to be provided by the external auditors in accordance with this Charter.
- iv. The Committee shall monitor and assess the relationship between management and the external auditors and monitor, support and assure the independence and objectivity of the external auditors, and shall attempt to resolve disagreements between management and the external auditors regarding financial reporting.
- v. The Committee shall review the external auditors' audit plan, including the scope, procedures and timing of the audit.
- vi. The Committee shall review the results of the annual audit with the external auditors, including matters related to the conduct of the audit.

- vii. The Committee shall obtain timely reports from the external auditors describing: critical accounting policies and practices; alternative treatments of information within International Financial Reporting Standards that were discussed with management, their ramifications, and the external auditors' preferred treatment thereof; and material written communications between the Corporation and the external auditors.
- viii. The Committee shall review fees paid by the Corporation to the external auditors and other professionals in respect of audit and non-audit services on an annual basis.
- ix. The Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former auditors of the Corporation.
- x. The Committee shall have the authority to engage the external auditors to perform a review of the interim financial statements.

c. Other Responsibilities

The Committee shall perform any other activities consistent with this Charter and governing law, as the Committee or the Board deems necessary or appropriate.

As at June 23, 2021.