

**Form 52-110F2**

**JERICO EXPLORATIONS INC.**

**(the “Corporation”)**

***Disclosure by Venture Issuers***

**1. The Audit Committee’s Charter**

The text of the Corporation’s audit committee’s (the “**Audit Committee**”) charter is attached hereto as Schedule “A”.

**2. Composition of the Audit Committee**

The members of the Audit Committee are set out below:

Nikolai Vassev	Not Independent <sup>(1)</sup>	Financially Literate <sup>(2)</sup>
Joshua Kasakevich	Independent <sup>(2)</sup>	Financially Literate <sup>(2)</sup>
Sidonio Goncalves	Independent <sup>(2)</sup>	Financially Literate <sup>(2)</sup>

**Note:**

1. Mr. Nikolai Vassev is the Chief Executive Officer and Chief Financial Officer of the Corporation, and as such is not independent within the meaning of NI 52-110 - *Audit Committees* (“**NI 52-110**”).
2. Within the meaning of NI 52-110.

**3. Relevant Education and Experience**

Each member of the Audit Committee has adequate education and experience that is relevant to the performance of his or her responsibilities as a member of the Audit Committee and, in particular, education and experience that have provided the member with:

- (a) an understanding of the accounting principles used by the Corporation to prepare its financial statements;
- (b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements, or experience actively supervising one or more individuals engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting.

The below is a summary of the experience of each member of the Audit Committee.

**Mr. Nikolai Vassev, CEO, CFO & Director** – Mr. Vassev is an entrepreneur and business executive with a strong track record of driving top line growth at disruptive technology companies. Nikolai is the founder and CEO of Mindleap Health Inc., the world’s first telemedicine platform focused on psychedelic treatments and is also a contributor to Forbes, Entrepreneur and other leading business publications.

**Mr. Joshua Kasakevich, Director** – Mr. Kasakevich is an experienced entrepreneur with a track record in the apparel and fashion industry. Mr. Kasakevich has strong skills in the areas of business development, brand building, corporate strategy, business planning, advertising, and retail sales.

**Mr. Sidonio Goncalves, Director** – Mr. Goncalves founded GTX Logistics Inc., a leading third party logistics provider, in 2005. He is presently a partner in GTX Logistics Inc. Mr. Goncalves obtained a CA-CPA designation in 2004 while employed at KPMG., and he obtained a Bachelors of Commerce in 2001 from Ryerson University.

#### **4. Audit Committee Oversight**

Since the commencement of the Corporation’s most recently completed financial year, the Audit Committee has not made a recommendation to nominate or compensate an external auditor that was not adopted by the board of directors of the Corporation (the “**Board of Directors**”).

#### **5. Reliance on Certain Exemptions**

The Corporation, as a venture issuer, is relying on the exemption provided in section 6.1 of NI 52-110, which provides that a venture issuer is not required to comply with Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

#### **6. Pre-Approval Policies and Procedures**

The Audit Committee has not adopted specific pre-approval policies and procedures for the engagement of non-audit services.

#### **7. External Auditor Service Fees (By Category)**

The following table lists by category the fees billed by the Corporation’s external auditors for the Corporation’s financial years ended September 30, 2019 and September 30, 2020.

Type of Fees	September 30, 2019	September 30, 2020
Audit Fees	Nil	Nil
Audit-Related Fees	Nil	Nil
Tax Fees	Nil	Nil

All Other Fees	Nil	Nil
Total	Nil	Nil

**Note:**

1. “Audit Fees” include fees necessary to perform the annual audit of the Corporation’s consolidated financial statements and also fees incurred in relation to the performance of quarterly reviews. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
2. “Audit-Related Fees” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
3. “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
4. “All Other Fees” include all other non-audit services.

**Schedule “A”**  
**Audit Committee's Charter**

(See attached)

**JERICO EXPLORATIONS INC.**  
**(the "Corporation")**  
**CHARTER OF THE AUDIT COMMITTEE**

**PURPOSE OF THE COMMITTEE**

The purpose of the Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of the Corporation is to provide an open avenue of communication between management, the Corporation's external auditor and the Board and to assist the Board in its oversight of:

- the integrity, adequacy and timeliness of the Corporation's financial reporting and disclosure practices;
- the Corporation's compliance with legal and regulatory requirements related to financial reporting; and
- the independence and performance of the Corporation's external auditor.

The Committee shall also perform any other activities consistent with this Charter, the Corporation's articles and governing laws as the Committee or Board deems necessary or appropriate.

The Committee shall consist of at least three directors. Members of the Committee shall be appointed by the Board and may be removed by the Board in its discretion. The members of the Committee shall elect a Chairman from among their number. The quorum for a meeting of the Committee is a majority of the members who are not officers or employees of the Corporation or of an affiliate of the Corporation. With the exception of the foregoing quorum requirement, the Committee may determine its own procedures.

The Committee's role is one of oversight. Management is responsible for preparing the Corporation's financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with international financial reporting standards ("**IFRS**"). Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The external auditor's responsibility is to audit the Corporation's financial statements and provide its opinion, based on its audit conducted in accordance with generally accepted auditing standards, that the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Corporation in accordance with IFRS.

The Committee is responsible for recommending to the Board the external auditor to be nominated for the purpose of auditing the Corporation's financial statements, preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, and for reviewing and recommending the compensation of the external auditor. The Committee is also directly responsible for the evaluation of and oversight of the work of the external auditor. The external auditor shall report directly to the Committee.

## **AUTHORITY AND RESPONSIBILITIES**

In addition to the foregoing, in performing its oversight responsibilities the Committee shall:

1. Monitor the adequacy of this Charter and recommend any proposed changes to the Board.
2. Review the appointments of the Corporation's Chief Financial Officer and any other key financial executives involved in the financial reporting process.
3. Review with management and the external auditor the adequacy and effectiveness of the Corporation's accounting and financial controls and the adequacy and timeliness of its financial reporting processes.
4. Review with management and the external auditor the annual financial statements and related documents and review with management the unaudited quarterly financial statements and related documents, prior to filing or distribution, including matters required to be reviewed under applicable legal or regulatory requirements.
5. Where appropriate and prior to release, review with management any news releases that disclose annual or interim financial results or contain other significant financial information that has not previously been released to the public.
6. Review the Corporation's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made.
7. Review the quality and appropriateness of the accounting policies and the clarity of financial information and disclosure practices adopted by the Corporation, including consideration of the external auditor's judgment about the quality and appropriateness of the Corporation's accounting policies. This review may include discussions with the external auditor without the presence of management.
8. Review with management and the external auditor significant related party transactions and potential conflicts of interest.
9. Pre-approve all non-audit services to be provided to the Corporation by the external auditor.

10. Monitor the independence of the external auditor by reviewing all relationships between the external auditor and the Corporation and all non-audit work performed for the Corporation by the external auditor.
11. Establish and review the Corporation's procedures for the:
  - receipt, retention and treatment of complaints regarding accounting, financial disclosure, internal controls or auditing matters; and
  - confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.
12. Conduct or authorize investigations into any matters that the Committee believes is within the scope of its responsibilities. The Committee has the authority to retain independent counsel, accountants or other advisors to assist it, as it considers necessary, to carry out its duties, and to set and pay the compensation of such advisors at the expense of the Corporation.
13. Perform such other functions and exercise such other powers as are prescribed from time to time for the audit committee of a reporting issuer pursuant to National Instrument 52-110, the *Business Corporations Act* (British Columbia) and the articles of the Corporation.