VELOX ENERGY MATERIALS INC.

AUDIT COMMITTEE CHARTER

Purpose

The Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of Velox Energy Materials Inc. (the "**Corporation**") is appointed by the Board to assist the Corporation and the Board in fulfilling their respective obligations relating to the integrity of the internal financial controls and financial accounting and reporting of the Corporation.

Composition

1. The Committee shall be composed of three or more directors, as designated by the Board from time to time.

2. The Chair of the Committee (the "**Chair**") shall be designated by the Board or the Committee from among the members of the Committee.

3. The Committee shall comply with all applicable securities laws, instruments, rules and policies and regulatory requirements (collectively "**Applicable Laws**"), including those relating to composition, independence and financial literacy. The Chair of the Committee shall be independent within the meaning of National Instrument 52-110 – *Audit Committees* and financially literate within the meaning of Applicable Laws.

4. Each member of the Committee shall be appointed by, and serve at the pleasure of, the Board. The Board may fill vacancies in the Committee by appointment from among the members of the Board.

Meetings

5. The Committee shall meet at least quarterly in each financial year of the Corporation. The Committee shall meet otherwise at the discretion of the Chair, or a majority of the members of the Committee, or as may be required by Applicable Laws.

6. A majority of the members of the Committee shall constitute a quorum.

7. If and whenever a vacancy shall exist in the Committee, the remaining members of the Committee may exercise all powers and responsibilities of the Committee so long as a quorum remains in office. Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board.

8. The Committee shall hold an *in camera* session without any officer's present at each meeting of the Committee, unless such a session is not considered necessary by the members present.

9. The time and place at which meetings of the Committee are to be held, and the procedures at such meetings, will be determined from time to time by the Chair. A meeting of the

Committee may be called by notice, which may be given by written notice, telephone, facsimile, email or other electronic communication at least 48 hours prior to the time of the meeting. However, no notice of a meeting shall be necessary if all of the members are present either in person or by means of telephone or web conference or other communication equipment, or if those absent waive notice or otherwise signify their consent to the holding of such meeting.

10. Members may participate in a meeting of the Committee by means of telephone, web conference or other communication equipment.

11. If the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside. The Chair (or other Committee member, as applicable) presiding at any meeting shall not have a casting vote.

12. The Committee shall keep minutes of all meetings, which shall be available for review by the Board.

13. The Committee may appoint any individual, who need not be a member, to act as the secretary at any meeting.

14. The Committee may invite such other directors, officers and employees of the Corporation and such other advisors and persons as is considered advisable to attend any meeting of the Committee. For greater certainty, the Committee shall have the right to determine who shall, and who shall not, be present at any time during a meeting of the Committee.

15. Any matter to be determined by the Committee shall be decided by a majority of the votes cast at a meeting of the Committee called for such purpose. Any action of the Committee may also be taken by an instrument or instruments in writing signed by all of the members of the Committee (including in counterparts, by facsimile or other electronic signature) and any such action shall be as effective as if it had been decided by a majority of the votes cast at a meeting of the Committee called for such purpose. In case of an equality of votes, the matter will be referred to the Board for decision.

16. The Committee shall report its determinations and recommendations to the Board.

Resources and Authority

17. The Committee has the authority to:

    (a) engage, at the expense of the Corporation, independent counsel and other experts or advisors as is considered advisable;

    (b) determine and pay the compensation for any independent counsel and other experts and advisors retained by the Committee;

    (c) communicate directly with the independent auditor of the Corporation (the "**Independent Auditor**");

    (d) conduct any investigation considered appropriate by the Committee;

(e) request the Independent Auditor, any officer or other employee of, or outside counsel for, the Corporation to attend any meeting of the Committee or to meet with any members of, or independent counsel or other experts or advisors to, the Committee; and

(f) have unrestricted access to the books and records of the Corporation.

Responsibilities

Financial Accounting, Internal Controls and Reporting Process

18. The Committee is responsible for:

(a) reviewing any management report on, and assessing the integrity of, the internal controls over the financial reporting of the Corporation and monitoring the proper implementation of such controls;

(b) reviewing and reporting to the Board on, or if mandated by the Board, approving the quarterly unaudited financial statements, management's discussion and analysis (the "**MD&A**"), press release and other financial disclosure related thereto that is required to be reviewed by the Committee pursuant to Applicable Laws;

(c) reviewing and reporting to the Board on the annual audited financial statements, the MD&A, press release and other financial disclosure related thereto that is required to be reviewed by the Committee pursuant to Applicable Laws;

(d) monitoring the conduct of the audit function;

(e) discussing and meeting with, when considered advisable to do so and in any event no less frequently than annually, the Independent Auditor, the Chief Financial Officer (the "**CFO**") and any other officer or other employee of the Corporation which the Committee wishes to meet with, to review accounting principles, practices, judgments of management, internal controls and such other matters as the Committee considers appropriate; and

(f) reviewing any post-audit or management letter containing the recommendations of the Independent Auditor and management's response thereto and monitoring the subsequent follow-up to any identified weaknesses.

Public Disclosure

19. The Committee shall:

(a) review the quarterly and annual financial statements, the related MD&A, quarterly and annual financial reporting press releases and any other public disclosure documents that are required to be reviewed by the Committee pursuant to Applicable Laws;

(b) review and discuss with officers of the Corporation any guidance being provided on the expected future results and financial performance of the Corporation and provide its recommendations on such guidance to the Board; and

(c) review from time to time the procedures which are in place for the review of the public disclosure by the Corporation of financial information extracted or derived from the financial statements of the Corporation and periodically assess the adequacy of such procedures.

Risk Management

20. The Committee should inquire of the officers and the Independent Auditor as to the significant risks or exposures, both internal and external, to which the Corporation is subject, and review the actions which the officers have taken to minimize such risks. In conjunction with the Board, the Committee should annually review the financial risks associated with the directors' and officers' third-party liability insurance and other insurance of the Corporation.

Corporate Conduct

21. The Committee should ensure that there is an appropriate standard of corporate conduct relating to the internal controls and financial reporting of the Corporation.

22. The Committee should establish procedures for:

(a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls and auditing matters; and

(b) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

Independent Auditor

23. The Committee shall recommend to the Board, for appointment by shareholders, a firm of external auditors to act as the Independent Auditor and shall monitor the independence and performance of the Independent Auditor. The Committee shall arrange and attend, as considered appropriate and at least annually, a private meeting with the Independent Auditor, shall review and approve the remuneration of such Independent Auditor and shall ensure that the Independent Auditor reports directly to the Committee.

24. The Committee shall ensure that the lead audit partner at the Independent Auditor is changed every seven years.

25. The Committee should resolve any otherwise unresolved disagreements between the officers of the Corporation and the Independent Auditor regarding the internal controls or financial reporting of the Corporation.

26. The Committee should pre-approve all audit and non-audit services not prohibited by law, including Applicable Laws, to be provided by the Independent Auditor. The Chair may, and is authorized to, pre-approve non-audit services provided by the Independent Auditor up to a maximum amount of $25,000 per engagement.

27. The Committee should review the audit plan of the Independent Auditor, including the scope, procedures and timing of the audit.

28. The Committee should review the results of the annual audit with the Independent Auditor, including matters related to the conduct of the audit.

29. The Committee should obtain timely reports from the Independent Auditor describing critical accounting policies and practices applicable to the Corporation, the alternative treatment of information in accordance with International Financial Reporting Standards that were discussed with the CFO, the ramifications thereof and the Independent Auditor's preferred treatment and should review any material written communications between the Corporation and the Independent Auditor.

30. The Committee should review the fees paid by the Corporation to the Independent Auditor and any other professionals in respect of audit and non-audit services on an annual basis.

31. The Committee should monitor and assess the relationship between the officers of the Corporation and the Independent Auditor and monitor the independence and objectivity of the Independent Auditor.

32. The Committee shall have the authority to engage the Independent Auditor to review the unaudited interim financial statements of the Corporation.

Other Responsibilities

33. The Committee should review and assess from time to time the adequacy of this mandate and submit any proposed amendments to the Board for consideration.

34. The Committee should perform any other activities consistent with this mandate and Applicable Laws as the Committee or the Board considers advisable.

Policy history

Established:	October 19, 2026
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Review frequency:	Annually