

CWC ENERGY SERVICES CORP. (the "Corporation")

AUDIT COMMITTEE

MANDATE AND TERMS OF REFERENCE

Role and Objective

The Audit Committee (the "**Committee**") is a committee of the Board of Directors (the "**Board**") of CWC Energy Services Corp. ("**CWC**" or the "**Corporation**") established to assist the Board in fulfilling its responsibility for oversight of the Corporation's financial reporting and risk management processes, including:.

1. Its review and approval of the financial statements and related financial reporting documents of CWC as prepared by management of the Corporation;
2. The nature and scope of the annual audit of the Corporation's annual consolidated financial statements;
3. The integrity and effectiveness of the accounting and financial reporting process and related systems of internal controls;
4. The Corporation's compliance with legal and regulatory requirements as they relate to financial reporting matters;
5. The Corporation's compliance with its ethical standards and the Corporation's whistleblower protocols;
6. The external auditor's qualifications, independence and performance; and
7. Management's identification and evaluation of material risks to the Corporation.

Membership of Committee

1. The Committee will be comprised of at least three (3) directors of CWC or such greater number as the Board may determine from time to time and the majority of the members of the Committee shall be "independent" (as such term is used in Multilateral Instrument 52-110 – Audit Committees ("**MI 52-110**") unless the Board determines that the exemption contained in MI 52-110 is available and determines to rely thereon.
2. The Board of Directors may from time to time designate one of the members of the Committee to be the Chair of the Committee.
3. All of the members of the Committee must be "financially literate" (as defined in MI 52-110) unless the Board determines that an exemption under MI 52-110 from such requirement in respect of any particular member is available and determines to rely thereon in accordance with the provisions of MI 52-110.

Mandate and Responsibilities of Committee

It is the responsibility of the Committee to:

1. Oversee the work of the external auditors, including the resolution of any disagreements between management and the external auditors regarding financial reporting.
2. Satisfy itself on behalf of the Board with respect to CWC's internal control and risk management systems:
 - identifying, monitoring and mitigating business risks; and
 - ensuring compliance with legal, ethical and regulatory requirements.

3. Review the annual and interim financial statements of CWC and related management's discussion and analysis ("**MD&A**") prior to their submission to the Board for approval. The process should include but not be limited to:
 - reviewing changes in accounting principles and policies, or in their application, which may have a material impact on the current or future years' financial statements;
 - reviewing significant accruals, reserves or other estimates such as asset impairment calculations;
 - reviewing accounting treatment of unusual or non-recurring transactions;
 - ascertaining compliance with covenants under loan agreements;
 - reviewing disclosure requirements for commitments and contingencies;
 - reviewing adjustments raised by the external auditors, whether or not included in the financial statements;
 - reviewing unresolved differences between management and the external auditors; and
 - obtaining and reviewing explanations of significant variances with comparative reporting periods.
4. Review the financial statements, prospectuses, MD&A, annual information forms ("**AIF**") and all public disclosure containing audited or unaudited financial information (including, without limitation, annual and interim press releases and any other press releases disclosing earnings or financial results) before release and prior to Board approval. The Committee must be satisfied that adequate procedures are in place for the review of CWC's disclosure of all other financial information and will periodically assess the accuracy of those procedures.
5. With respect to the appointment of external auditors by the Board:
 - recommend to the Board the external auditors to be nominated;
 - recommend to the Board the terms of engagement of the external auditor, including the compensation of the auditors and a confirmation that the external auditors will report directly to the Committee;
 - on an annual basis, review and discuss with the external auditors all significant relationships such auditors have with the Corporation to determine the auditors' independence;
 - on an annual basis, review the performance of the external auditor;
 - when there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change; and
 - review and preapprove any non-audit services to be provided to CWC or its subsidiaries by the external auditors and consider the impact on the independence of such auditors. The Committee may delegate to one or more independent members the authority to pre-approve non-audit services, provided that the member(s) report to the Committee at the next scheduled meeting such pre-approval and the member(s) comply with such other procedures as may be established by the Committee from time to time.
6. Review with external auditors (and internal auditor if one is appointed by CWC) their assessment of the internal controls of CWC, their written reports containing recommendations for improvement, and

management's response and follow-up to any identified weaknesses. The Committee will also review annually with the external auditors their plan for their audit and, upon completion of the audit, their reports upon the financial statements of CWC and its subsidiaries.

7. Review periodically CWC's susceptibility to fraud and oversee management's processes for identifying and managing the risks of fraud.
8. Review risk management policies and procedures of CWC, including but not limited to hedging, litigation, insurance and its system of identifying and mitigating financial and business risks to CWC.
9. Review periodically the status of taxation matters of CWC.
10. Establish a procedure for:
 - the receipt, retention and treatment of complaints received by CWC regarding accounting, internal accounting controls or auditing matters; and
 - the confidential, anonymous submission by employees of CWC of concerns regarding questionable accounting or auditing matters.
11. Review and approve CWC's hiring policies regarding partners and employees and former partners and employees of the present and former external auditors of CWC.

The Committee has authority to communicate directly with the internal auditors (if any) and the external auditors of the Corporation. The Committee will also have the authority to investigate any financial activity of CWC. All employees of CWC are to cooperate as requested by the Committee.

The Committee may also retain persons having special expertise and/or obtain independent professional advice to assist in filling their responsibilities at such compensation as established by the Committee and at the expense of CWC without any further approval of the Board.

Assessment

In conjunction with the Compensation and Corporate Governance Committee, the Committee will periodically review its effectiveness in fulfilling its responsibilities as set out in this mandate.

Reporting

The Committee will regularly report to the Board on:

- its recommendations regarding CWC's interim and annual financial statements, Management's Discussion and Analysis and related news release;
- its review of other public disclosure documents of CWC;
- the status of CWC's internal controls and risk management policies and procedures;
- Management's risk assessment and mitigation processes;
- the external auditor's qualifications and independence; and
- the performance of the external auditor and recommendations regarding its reappointment or termination.

Meetings and Administrative Matters

1. At all meetings of the Committee every question shall be decided by a majority of the votes cast. In case of an equality of votes, the Chairperson of the meeting shall be entitled to a second or casting vote.
2. The Chair will preside at all meetings of the Committee, unless the Chair is not present, in which case the members of the Committee that are present will designate from among such members the Chair for purposes of the meeting.
3. A quorum for meetings of the Committee will be a majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the Committee will be the same as those governing the Board unless otherwise determined by the Committee or the Board.
4. Meetings of the Committee should be scheduled to take place at least four times per year. Minutes of all meetings of the Committee will be taken. The Chief Financial Officer and Corporate Controller will attend meetings of the Committee, unless otherwise excused from all or part of any such meeting by the Chairperson.
5. The Committee will meet with the external auditor at least once per year (in connection with the preparation of the year-end financial statements) and at such other times as the external auditor and the Committee consider appropriate.
6. Agendas, approved by the Chair, will be circulated to Committee members along with background information on a timely basis prior to the Committee meetings.
7. The Committee may invite such officers, directors and employees of the Corporation as it sees fit from time to time to attend at meetings of the Committee and assist in the discussion and consideration of the matters being considered by the Committee.
8. Minutes of the Committee will be recorded and maintained and circulated to directors who are not members of the Committee or otherwise made available at a subsequent meeting of the Board at the request of the director.
9. The Committee may retain persons having special expertise and may obtain independent professional advice to assist in fulfilling its responsibilities at the expense of the Corporation.
10. Any members of the Committee may be removed or replaced at any time by the Board and will cease to be a member of the Committee as soon as such member ceases to be a director. The Board may fill vacancies on the Committee by appointment from among its members. If and whenever a vacancy exists on the Committee, the remaining members may exercise all its powers so long as a quorum remains. Subject to the foregoing, following appointment as a member of the Committee, each member will hold such office until the Committee is reconstituted.
11. Any issues arising from these meetings that bear on the relationship between the Board and management should be communicated to the Chairperson of the Board by the Committee Chair.

Reviewed – April 20, 2022