



BOAT ROCKER MEDIA

AUDIT AND RISK COMMITTEE CHARTER

This charter (the “**Charter**”) sets forth the purpose, composition, responsibilities and authority of the Audit and Risk Committee (the “**Committee**”) of the board of directors (the “**Board**”) of Boat Rocker Media Inc. (the “**Company**”).

Section 1 Statement of Purpose

The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities with respect to:

- financial statements and financial reporting processes;
- the systems of internal accounting and financial controls;
- the annual independent audit of the financial statements;
- legal and regulatory compliance;
- reviewing the capital structure of the Company, reviewing and monitoring compliance with debt covenants and reviewing the process and reports with which the Company measures financial results or performance;
- public disclosure items such as quarterly press releases, financial-oriented investor relations materials and other public reporting requirements; and
- oversight of the Company's risk management activities generally.

Section 2 Committee Membership

The Committee shall consist of as many directors of the Board as the Board may determine (the “**Members**”), but in any event, not less than 3 (three) Members. All of the Members should meet the criteria for independence and financial literacy established by applicable laws and the rules of any stock exchanges upon which the Company's securities are listed, including National Instrument 52-110 — *Audit Committees* (“**NI 52-110**”). NI 52-110 requires that, to be independent, a Member be free of any relationship which could, in the view of the Board, reasonably interfere with the exercise of a Member's independent judgment.

Members shall be appointed by the Board, taking into account any recommendation that may be made by the Compensation, Nominating and Corporate Governance Committee of the Board (the “**CNCG Committee**”). Any Member may be removed and replaced at any time by the Board and will automatically cease to be a Member if he or she ceases to meet the qualifications required of Members. The Board will fill vacancies on the Committee by appointment from among qualified directors of the Board, taking into account any recommendation that may be made by the CNCG Committee. If a vacancy exists on the Committee, the remaining Members may exercise all of their powers so long as there is a quorum.

Chair

Unless a Chair of the Committee (the “**Chair**”) is designated by the Board, the Members may designate a Chair by majority vote of the full Committee membership.

Qualifications

All Members should be independent and financially literate as described above, subject to any exceptions permitted under NI 52-110. Members should have suitable experience and must be familiar with auditing and financial matters.

Attendance of Ex Officio Members, Management and other Persons

The Committee may invite, at its discretion, senior executives of the Company or such persons as it sees fit to attend meetings of the Committee and to take part in the discussion and consideration of the affairs of the Committee. Senior executives and other employees of the Company shall attend a Committee meeting if invited by the Committee. The Committee may also require senior executives or other employees of the Company to produce such information and reports as the Committee may deem appropriate in the proper exercise of its duties. The Committee may meet without senior executives in attendance for a portion of any meeting of the Committee.

Delegation

Subject to applicable law, the Committee may delegate any or all of its functions to any of its independent Members or any independent sub-set thereof, from time to time as it sees fit.

Section 3 Committee Operations

Meetings

The Chair, in consultation with the other Members, should determine the schedule and frequency of meetings of the Committee. Meetings of the Committee should be held at such times and places as the Chair may determine. To the extent possible, advance notice of each meeting will be given to each Member unless all Members are present and waive notice, or if those absent waive notice before or after a meeting. Members may attend all meetings of the Committee either in person or by telephone, video or other electronic means. Powers of the Committee may also be exercised by written resolutions signed by all Members.

At the request of the external auditors of the Company, the Chief Executive Officer, the Co-Executive Chairmen or the Chief Financial Officer of the Company or any Member, the Chair should convene a meeting of the Committee. Any such request should set out in reasonable detail the business proposed to be conducted at the meeting so requested.

Agenda and Reporting

To the extent possible and desirable, in advance of every regular meeting of the Committee, the Chair should prepare and distribute, or cause to be prepared and distributed, to the Members and others as deemed appropriate by the Chair, an agenda of matters to be addressed at the meeting together with appropriate briefing materials. The Committee may request that senior executives and other employees of the Company produce such information and reports as the Committee may deem appropriate in order for it to fulfill its duties.

The Chair should report to the Board on the Committee’s activities since the last Board meeting. However, the Chair may report orally to the Board on any matter in his or her view requiring the

immediate attention of the Board. Minutes of each meeting of the Committee should be approved by the Members and then circulated to the Board.

Secretary and Minutes

The secretary of the Company may act as secretary of the Committee unless an alternative secretary is appointed by the Committee. The secretary of the Committee should keep regular minutes of Committee proceedings.

Quorum and Procedure

A quorum for any meeting of the Committee will be a simple majority. The procedure at meetings will be determined by the Committee. The powers of the Committee may be exercised at a meeting where a quorum is present or by resolution in writing signed by all Members. In the absence of the Chair, the Committee may appoint one of its other Members to act as Chair of any meeting.

Exercise of Power between Meetings

Between meetings, the Chair, or any Member designated for such purpose by the Committee, may, if required in the circumstance, exercise any power delegated by the Committee on an interim basis. The Chair or other designated Member should promptly report to the other Members in any case in which this interim power is exercised.

Section 4 The Committee's Role

As part of its function in assisting the Board in fulfilling its oversight role (and without limiting the generality of the Committee's role), the Committee should perform the actions set out below.

Financial Reporting and Disclosure

Review and recommend to the Board for approval, the audited annual financial statements, including the auditors' report thereon, the quarterly financial statements, press releases with financial results, management discussion and analysis, financial reports, financial-oriented investor relations materials, and other applicable financial disclosure, prior to the public disclosure of such information.

Discuss with the independent auditors the matters required to be discussed by the applicable auditing standards from time to time, including any critical audit matters.

Review and recommend to the Board for approval, where appropriate, financial information contained in any prospectuses, annual information forms, annual reports to shareholders, management information circulars, material change disclosures of a financial nature and similar disclosure documents prior to the public disclosure of such documents or information.

Review with senior executives of the Company, and with external auditors, all critical accounting policies and practices to be used by the Company and alternative treatments under International Financial Reporting Standards ("IFRS"), with a view to gaining reasonable assurance that financial statements are accurate, complete and present fairly the Company's financial position and the results of its operations in accordance with IFRS, as applicable.

Review periodically the effect of regulatory and accounting initiatives, as well as off-balance sheet structures (if any), on the financial statements of the Company.

Seek to ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, the Company's

disclosure controls and procedures and periodically assess the adequacy of those procedures and recommend any proposed changes to the Board for consideration.

Internal Controls and Internal Audit

Review the adequacy and effectiveness of the Company's internal control and information systems through discussions with senior executives of the Company and the external auditor relating to the maintenance of: (i) necessary books, records and accounts in sufficient detail to accurately and fairly reflect the Company's transactions; (ii) effective internal control over financial reporting; and (iii) adequate processes for assessing the risk of material misstatements in the financial statements and for detecting control weaknesses or fraud. From time to time the Committee should assess any requirements or changes with respect to the establishment or operations of the internal audit function having regard to the size and stage of development of the Company at such time.

Satisfy itself, through discussions with senior executives of the Company, that the adequacy of internal controls, systems and procedures has been periodically assessed in accordance with regulatory requirements and recommendations.

Periodically review the Company's policies and procedures for reviewing and approving or ratifying related-party transactions.

External Audit

Provide recommendations to the Board relating to the appointment, compensation, retention, oversight and, when necessary, termination of any auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company (including the resolution of disagreements between management and such firm regarding financial reporting).

Consult with the external auditors on a regular basis.

Review, at least annually, the qualifications, performance and the independence of the external auditors.

Review the audit plan of the external auditors prior to the commencement of any audit. Establish and maintain a direct line of communication with the Company's external auditors.

Pre-approve all auditing services and non-audit services to be provided to the Company by its independent external auditor. The Committee may delegate authority to one or more independent members to grant pre-approvals of audit and permitted non-audit services; provided that any such pre-approvals will be presented to the full Committee at its next scheduled meeting.

Meet in camera with only the external auditors, senior executives of the Company, or the Members, where and to the extent that, such parties are present, at any meeting of the Committee.

Review the results of the external audit and the external auditor's report thereon, including discussions with the external auditors as to the quality of accounting principles used and any alternative treatments of financial information that have been discussed with senior executives of the Company and any other matters.

Review any material written communications between senior executives of the Company and the external auditors and any significant disagreements between the senior executives and the external auditors.

Discuss with the external auditors their perception of the Company's financial and accounting personnel, records and systems, the cooperation which the external auditors received during their course of their review and availability of records, data and other requested information and any recommendations with respect thereto.

Discuss with the external auditors their perception of the Company's identification and management of risks, including the adequacy or effectiveness of policies and procedures implemented to mitigate such risks.

Review the reasons for any proposed change in the external auditors which is not initiated by the Committee or Board and any other significant issues related to the change, including the response of the incumbent auditors, and enquire as to the qualifications of the proposed auditors before making its recommendations to the Board.

Review annually a report from the external auditors in respect of their internal quality-control procedures, any material issues raised by the most recent internal quality-control review, or peer review of the external auditors, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the external auditors, and any steps taken to address any such issues.

Financial Strategy and Financial Transactions

Review, assess and discuss, including, as and when appropriate, with management, the Company's current and future capital and operating plans and budgets, the Company's capital structure, including debt and equity components, current and expected financial leverage, interest rate and foreign currency exposures and make recommendations to the Board regarding the same.

Review material prepared by management regarding any proposed issues of equity and debt, including public and private debt, credit facilities with banks and others, hybrid securities and other credit arrangements such as capital and operating leases and, in connection therewith, make recommendations to the Board for consideration.

Review and monitor compliance with the debt covenants of the Company, as applicable.

Periodically review and assess the method by which the Company measures and reports financial results and performance, and, in connection therewith, make recommendations to the Board for consideration.

Risk Oversight

Oversee the development of, and review, assess and discuss, as and when appropriate, with management, the Company's policies and procedures related to legal compliance and enterprise risk assessment, management, reporting and response, including limits and tolerances, risk roles and responsibilities, risk appetite and profile and risk mitigation decisions.

Review associated risks that affect or could affect the Company, the Company's employees and the public and seek to ensure proper management of those risks. Such review should include a review of regulatory risks, including those relating to (i) changes to federal, provincial and state funding and incentive programs, including tax credits; (ii) potential loss of "Canadian" status under the *Investment Canada Act* (Canada); and (iii) changes to legislation and regulations affecting or potentially affecting the Company.

Review and oversee the Company's health, safety, sustainability and environmental policies, programs, issues and initiatives.

Review and discuss the Company's major financial risk exposures and the steps taken to monitor and control such exposures, including the use of any financial derivatives and hedging activities.

Assess and make recommendations to the Board relating to the adequacy of insurance coverage maintained by the Company.

Seek to ensure that the Company's business strategy and implementation is consistent with its risk policies, appetite and profile and that risk assessment is an integral aspect of the business strategic planning process.

Review and evaluate management's implementation of the Company's risk strategy.

Other

Establish, monitor and periodically review the Company's applicable procedures for:

- the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters;
- the confidential, anonymous submission by directors, officers and employees of the Company of concerns regarding questionable accounting or auditing matters; and
- if applicable, any violations of applicable law, rules or regulations that relate to corporate reporting and disclosure.

Review and approve the Company's hiring policies regarding employees and partners, and former employees and partners, of the present and former external auditors of the Company.

Direct and supervise the investigation into any matter brought to its attention within the scope of the Committee's role. Address such other matters as may be assigned to it by the Board from time to time or as may be required by applicable law.

Section 5 The Committee Chair

In addition to the role of the Chair described above, the Chair should oversee and report on the evaluations to be conducted by the Committee, as well as monitor developments with respect to accounting and auditing matters in general and report to the Committee on any related significant developments.

Section 6 Committee Evaluation

The performance of the Committee should be evaluated by the Board as part of its regular evaluation of the Board committees.

Section 7 Access to Information and Authority to Retain Independent Advisors

The Committee shall be granted unrestricted access to all information regarding the Company that is necessary or desirable to fulfill its duties and all directors of the Company, officers and employees will be directed to cooperate as requested by Members. The Committee has the authority to retain, at the Company's expense, independent legal, financial, and other advisors, consultants and experts to assist the Committee in fulfilling its duties and responsibilities, including sole authority to retain and to approve their fees. The Committee shall select such advisors, consultants and experts after taking into consideration factors relevant to their independence from management and other relevant considerations.

The Company shall provide appropriate funding, as determined by the Committee, for payment of compensation to the independent registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company and any advisors that the Committee chooses to engage, as well as funding for the payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

