

**AUDIT COMMITTEE CHARTER OF
ELSE NUTRITION HOLDINGS INC. (THE “COMPANY”)**

1. OVERALL PURPOSE & OBJECTIVES

This audit committee charter (the “**Charter**”) of the Company provides that the audit committee (the “**Committee**”) will assist the Board of Directors of the Company (the “**Board**”) in fulfilling its responsibilities. The Committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the Company's process for monitoring compliance with laws and regulations and its own code of business conduct. In performing its duties, the Committee will maintain effective working relationships with the Board, management, and the external auditors and monitor the independence of those auditors. The Committee will also be responsible for reviewing the Company's financial strategies, its financing plans and its use of the equity and debt markets.

To perform his or her role effectively, each Committee member will obtain an understanding of the responsibilities of Committee membership as well as the Company's business, operations and risks.

2. AUTHORITY

The Board authorizes the Committee, within the scope of its responsibilities, to seek any information it requires from any employee and from external parties, to obtain outside legal or professional advice, to communicate directly with the outside legal or professional advice, and to ensure the attendance of the Company officers at meetings as appropriate.

3. ORGANIZATION

3.1 Membership

- a. The Committee will be comprised of at least three directors of the Company, all of whom must meet the independence requirements of the Exchange and applicable securities law.
- b. The chairman of the audit Committee will be nominated by the Committee from time to time (the “**Chairman**”).
- c. Each member will be “financially literate” as defined in the applicable securities regulatory requirements or shall become financially literate within a reasonable period of time after his or her appointment to the Committee.

3.2 Attendance at Meetings

- a. The Committee may invite such other persons (e.g., the CEO or outside legal counsel) to its meetings, as it deems appropriate or to meet with any members of, or consult with, the Committee.
- b. The external auditors may be present at each quarterly audit Committee meeting to comment on the financial statements in accordance with best practices. Proper notice of the arrangements of the meeting shall be given by the Committee to the external auditors.

3.3 Committee Meetings

- a. Meetings shall be held not less than four times a year either in person, by telephone or by way of electronic means. Special meetings shall be convened as required.
- b. The proceedings of all meetings will be minuted.
- c. The Committee shall report its decisions and recommendations to the Board after each meeting.

3.4 Removal & Compensation

- a. A member shall be automatically removed without further action of the Board if the member ceases to be a director of the Company or is found by the Board to no longer be an independent director as required by this Charter. Committee members may otherwise be removed or replaced by a vote of the Board.
- b. No member serving on the Committee shall receive directly or indirectly, any compensation, advisory or other compensation fee from the Company or than director fees for service as a director or as otherwise permitted by applicable securities law.

3.5 Quorum & Majority Voting

Except as otherwise provided by this Charter or applicable laws or regulations, as amended from time to time:

- a. A majority of the members of the Committee meeting, either present in person or by means of remote communication, or represented by proxy, shall constitute quorum for the transaction of business at all meetings of the Committee; and
- b. All actions of the Committee shall be by affirmative vote of a majority of those members so determined to be present or represented by proxy.

4. RESPONSIBILITIES OF THE CHAIRMAN OF THE COMMITTEE

The Chairman will:

- a. Call and set an agenda for the meetings of the Committee.
- b. Chair the Committee meetings and supervise the conduct of the meeting.
- c. Ensure that the members of the Committee are familiar with their duties and obligations under this Charter.

5. RESPONSIBILITIES OF THE COMMITTEE

The following are the general duties and responsibilities of the Committee:

5.1 External Auditors

- a. Recommend to the Board the external auditors to be nominated for the purpose of acting as the Company's external auditors as well as the compensation.
- b. Oversee the work of the external auditors engaged for the purpose of preparing or issuing an auditor's report or performing other audit services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting and to cause the receipt and discussion on a timely basis of any significant findings and recommendations made by the external auditors.
- c. Pre-approve in advance the provision of any services by the external auditors provided to the Company or its subsidiaries other than auditing services.
- d. Review the external auditors' proposed audit scope and approach and ensure no unjustifiable restriction or limitations have been placed on the scope.
- e. Gain an understanding of whether internal control recommendations made by external auditors have been implemented by management and monitor their effectiveness.

5.2 Financial Statements and Disclosure Matters

- a. Review the Company's annual and quarterly financial statements, Management's Discussion and Analysis, and interim earnings press releases before the Company discloses this information; determine whether they are complete and consistent with the information known to Committee members; determine that the external auditors are satisfied, and that the audited financial statements have been prepared in accordance with International Financial Reporting Standards.
- b. Be satisfied that adequate procedures are in place for the review of all other public disclosure of financial information extracted or derived from the Company's financial statements, and to periodically assess the adequacy of those procedures.
- c. Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.

5.3 Risk Management

- a. Gain an understanding of the current areas of greatest financial risk and whether management is managing those effectively.
- b. Review the Company's strategic and financing plans to assist the Board's understanding of the underlying financial risks and the financing alternatives.
- c. Review any legal matters which could significantly impact the financial statements as reported on by the general counsel and meet with outside counsel whenever deemed appropriate.
- d. Pay particular attention to complex and/or unusual transactions such as those involving derivative instruments and consider the adequacy of disclosure thereof.
- e. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company.
- f. Focus on judgmental areas, for example those involving valuation of assets and liabilities and other commitments and contingencies.

5.4 Reporting Responsibilities

The Committee shall report to the Board on a regular basis, and in any event:

- a. annually, with an assessment of the performance of management in the preparation of financial statements and external auditors in conducting the annual audit of the Company following the end of each fiscal year;
- b. before public disclosure by the Company of its financial statements, management's discussion and analysis and any press releases regarding annual and interim profit or loss and any reports or other financial information submitted to any governmental body or to the public;
- c. as required by applicable legislation, regulatory requirements and policies of Canadian Securities Administrators; and
- d. where, in the opinion of the Committee, it is necessary to ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the business.

5.5 Whistleblowing Policy

Establish appropriate procedures for:

- a. the receipt, retention, and treatment of complaints that the Company receives relating to its internal accounting controls or auditing matters;
- b. the confidential, anonymous submissions by employees of the Company regarding concerns with respect to accounting or auditing matters; or
- c. to investigate concerns and complaints of violations to the Code of Business Conduct and Ethics of the Company as mandated therein.

6. POLICY REVIEW

The Committee will review and evaluate this Charter periodically for the purpose of evaluating its effectiveness and changes or additions approved by the Board or as mandated by regulatory changes or developments.