

STRACON GROUP HOLDING INC.
Chair of the Audit and Risk Committee

1. Purpose

Create the conditions for overall effectiveness of the audit and risk committee (the “**Audit and Risk Committee**”) of the board of directors (the “**Board**”) of STRACON Group Holding Inc. (the “**Company**”).

2. Primary Responsibilities

- ▼ Preside over the meetings of the Audit and Risk Committee, schedule meetings and set their agenda. The agenda should take full account of the issues and the concerns of all Audit and Risk Committee members. Agendas should include an appropriate mix of hindsight, oversight and foresight;
- ▼ Provide leadership to members of the Audit and Risk Committee;
- ▼ Seek to ensure that the members of the Audit and Risk Committee receive accurate, timely and clear information, in particular about the Company’s performance, to enable the Audit and Risk Committee to take sound decisions, monitor effectively and provide advice to promote the success of the Company;
- ▼ Seek to ensure effective communication with the Company’s external auditor, and seek to ensure that the members of the Board develop an understanding of the views of the external auditor;
- ▼ Manage the Audit and Risk Committee to ensure that sufficient time is allowed for discussion of complex or contentious issues, where appropriate arranging for informal meetings beforehand to enable thorough preparation for the Audit and Risk Committee discussion;
- ▼ Seek to promote best practices consistent with applicable Canadian securities laws, NI 52-110 and TSX requirements and seek compliance with the provisions of applicable codes wherever possible;
- ▼ Seek to ensure a clear and effective structure and process for running Audit and Risk Committee meetings;
- ▼ Provide a report to the Board on material matters considered by the Audit and Risk Committee at the first Board meeting after the Audit and Risk Committee’s meeting; and
- ▼ Fulfill any additional responsibilities described in the policy of the Audit and Risk Committee.



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