AUDIT COMMITTEE MANDATE

The Audit Committee (the "**Committee**") is a committee of the board of directors (the "**Board**") of Rubellite Energy Corp. ("**Rubellite**" or the "**Corporation**") to which the Board has delegated the responsibility for the matters set forth herein in respect of financial and audit matters including those contained in National Instrument 52-110 – *Audit Committees* ("**NI 52-110**").

Purpose

The purpose of the Committee is to: (a) assist the Board in fulfilling its responsibilities with respect to oversight and due diligence by reviewing, reporting and making recommendations to the Board on the development and implementation of the policies, standards and practices of the Corporation; and (b) assist the Board in satisfying its responsibilities in respect of the Corporation meeting its legal, regulatory, industry and community obligations, pertaining to financial and audit matters including, among other things, the nature and scope of the annual audit and audit and non-audit services, the oversight of management's reporting on internal accounting standards and practices, the review of financial information and reporting in public disclosure, accounting systems and procedures, and auditor independence.

Composition, Procedures and Organization

1. The Committee will be comprised of three or more directors as determined from time to time by the Board.

2. Each member of the Committee must be "independent" within the meaning of applicable securities laws and as such must be free from any material relationship that may interfere with the exercise of his or her independent judgment as a member of the Committee.

3. Consistent with the appointment of other Board committees, the Chair and members of the Committee will be appointed by the Board at the first meeting of the Board following each AGM or at such other time as may be determined by the Board.

4. If the Chair is not present, the Committee will designate an acting Chair for meetings of the Committee by majority vote. The presence in person or by telephone or video conference of a majority of the Committee's members constitutes a quorum for any meeting.

5. All actions of the Committee will require a vote of the majority of its members present at a meeting of the Committee at which a quorum is present.

6. All members of the Committee must be familiar with audit and financial reporting procedures, guidelines and processes (including those established by the Canadian Securities Administrators and relevant individual securities regulatory authorities) at the time of their appointment or become so within a reasonable period of time following such appointment.

7. All members of the Committee must be financially literate at the time of their appointment or have become financially literate within a reasonable period of time after such appointment. NI 52-110 sets out that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Rubellite's financial statements.

8. The Committee shall have access to such officers and employees of the Corporation and to such information respecting the Corporation, and may engage independent audit or financial consultants and advisors at the expense of the Corporation, all as it considers to be necessary or advisable in order to perform its duties and responsibilities. The Committee will notify the President and Chief Executive Officer as well as the Vice President, Finance and Chief Financial Officer whenever independent consultants are engaged.

Meeting

1. The Committee will meet on a quarterly basis to review and recommend for approval to the Board the interim and year-end financial statements and management's discussion & analysis ("**MD&A**"), related financial public disclosure and regulatory filings including any financial information contained in the Annual Information Form, annual and interim earnings press releases or other continuous disclosure documentation (collectively, the "**Continuous Disclosure Documents**") as described in NI 51-102; and to report to the Board on same.

2. In addition to regularly scheduled quarterly meetings, the Committee may meet on other occasions with the Auditors in order to be advised of current practices in the industry and to discuss and review other matters including the annual work plans, processes and procedures.

3. The Committee must meet at least quarterly with the Auditors in the absence of Rubellite's management and Officers and employees to discuss any matters that the Committee or a committee member believes should be discussed privately.

4. The Chair of the Committee will appoint a Director, Officer or employee of Rubellite to act as secretary for the purposes of recording the minutes of each meeting.

5. Management, advisors, the Auditors and other Directors may be invited to participate in meetings.

6. The Committee shall hold *in camera* sessions, without management present, at every meeting of the Committee.

Accountability and Reporting

1. The Committee is accountable to the Board.

2. The Committee must provide the Board with a summary of all meetings and its recommendations together with a copy of the minutes of each such meeting. If applicable, the Chair will provide written or oral reports as requested.

3. All information reviewed and discussed by the Committee at any meeting must be retained and made available for examination by the Board.

4. Rubellite's Auditors report directly to the Committee.

Responsibilities

The Committee's responsibilities are as follows:

Financial Accounting and Reporting

- Review and, if appropriate, recommend to the Board the approval of the annual and quarterly financial statements, MD&A and the financial information contained in Rubellite's Annual Information Form, annual and interim earnings press releases, or other Continuous Disclosure Documents, prior to public disclosure;
- Liaise with the Reserves Committee on matters relating to reserves valuations which impact the financial statements of Rubellite;
- Monitor the selection and application of proper accounting principles and practices, as well as any changes thereto, and to review the status of all relevant financial and related fiduciary aspects of Rubellite including ensuring that there are adequate resources for management to carry out their duties;

Auditors

- Review and recommend to the Board the nomination, appointment, retention and termination of, and the compensation to be paid to, the external auditors ("**Auditors**");
- Oversee the work and performance of the Auditors, including approval of the Auditor's audit plan, planning report, and annual engagement letter, review the independence of the Auditors and report to the Board on these matters;
- Resolve disagreements between management and the Auditors regarding financial reporting;
- Inform the Auditors of whether the Committee has knowledge of any actual, suspected or alleged fraud affecting Rubellite, including complaints regarding financial reporting and confidential submissions by employees;
- Review the Auditors' report on the annual audited financial statements and the Auditor's review letters on interim financial statements;
- Meet with the Auditors, without management being present, at each time the interim and financial statements are being considered, to ensure that no management restrictions have been placed on the scope of the Auditors' work and to discuss the working relationship between the Auditors and management and other matters that the Committee or the Auditors may wish to raise;
- Review and pre-approve or recommend to the Board all non-audit services provided by the Auditors prior to the performance of those services;
- Evaluate the performance of the Auditors;
- Review and approve Rubellite's hiring policies regarding former and existing partners and employees of past or present Auditors of the issuer;

Public Disclosure and Compliance

- Be satisfied that adequate procedures are in place for the review of Rubellite's public disclosure of financial information extracted or derived from the financial statements, and must periodically assess the adequacies of those procedures;
- Receive periodic certificates and reports from management with respect to compliance with financial, regulatory, taxation and continuous disclosure requirements, and satisfy itself (a) that adequate procedures are in place to ensure timely and full public disclosure of Continuous Disclosure Documents; and, (b) that a system of internal controls over financial reporting has been implemented and is being maintained in accordance with applicable Rubellite policies; and

additionally, must consider whether any identified deficiencies in internal controls are significant or are material weaknesses;

- Review annual ESTMA report and recommend to the Board for approval;
- Review and monitor the implementation and adequacy of various corporate policies which pertain to financial disclosure and audit matters including the Delegation of Authority Policy, Disclosure Policy, Executive Compensation and Recoupment Policy, GAAR Compliance and Voluntary Disclosure Policy, Hedging and Commodity Price Risk Management Policy, Investment Policy, Management Responsibility for Internal Control Policy and Whistleblower Policy (collectively, the "**Audit Committee Related Policies**") annually and update as necessary to reflect changes in law, guidance, or corporate strategy;
- Review compliance with applicable laws, regulations and policies;

Whistleblower Reporting and Investigations

- Establish procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls, or auditing matters, and for the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters (the "**Whistleblower Process**");
- Ensure that Rubellite management regularly advises employees of the existence of the Whistleblower Process;
- Receive regular reports respecting complaints made under the Whistleblower Process;
- Be notified in writing within three business days of any fraud, litigation, regulatory action or investigation (internal or external) which, in the opinion of the Corporation's management, is material. Confirmation of receipt of such notification by each member of the Committee will additionally be required. Any fraud, material litigation, regulatory action or investigation (internal or external) not reported as outlined above will be reported quarterly to the Board at the March, May, August, and November meetings immediately following the discovery of such occurrence;

Internal Controls

- Review programs and policies regarding the maintenance and effectiveness of disclosure controls and internal controls over the Corporation's accounting and financial reporting systems;
- Be advised of and review the results of any internal audits of Rubellite and report on same to the Board;

Risk Management

- Review Rubellite's insurance coverage, including Directors' and Officers' liability insurance;
- Review and monitor the implementation and adequacy of hedging policies and controls;
- Review and validate Rubellite management's annual review of fraud risk assessment;
- Review and monitor the implementation and adequacy of cyber-security policies and procedures;
- Review and monitor the implementation and adequacy of Enterprise Risk Management policies and procedures;

Governance and Administration

- Annually review this Mandate and the accompanying Annual Work Plan and recommend any changes to the Corporate Governance Committee; and
- If required by the Committee, review, in consultation with corporate counsel, the laws, rules and regulations that pertain to the operation of the Committee and this Mandate.