

AUDIT COMMITTEE CHARTER

(Implemented pursuant to National Instrument 52-110 – Audit Committees)

National Instrument 52-110 – Audit Committees (the “**Instrument**”) relating to the composition and function of audit committees was implemented for reporting issuers and, accordingly, applies to every TSX Venture Exchange listed company, including Seasif Exploration Inc. (the Company”). The Instrument requires all affected issuers to have a written audit committee charter which must be disclosed, as stipulated by Form 52-110F2, in the management information circular of the Company wherein management solicits proxies from the security holders of the Company for the purpose of electing directors to the Board of Directors. The Company, as a TSX Venture Exchange listed company is, however, exempt from certain requirements of the Instrument.

This Charter has been adopted by the Board of Directors in order to comply with the Instrument and to more properly define the role of the Audit Committee in the oversight of the financial reporting process of the Company. Nothing in this Charter is intended to restrict the ability of the Board of Directors or Audit Committee to alter or vary procedures in order to comply more fully with the Instrument, as amended from time to time.

1. PURPOSE

1.1. The purpose of the Committee is to:

- (a) assist the Board in fulfilling its financial reporting and controls responsibilities to the shareholders of the Company and the investment community;
- (b) serve as an independent and objective party to oversee and monitor the Company’s financial reporting process and internal controls, the Company’s processes to manage business and financial risk, and its compliance with legal, ethical and regulatory requirements;
- (c) improve the quality of the Company’s financial reporting;
- (d) assist the Board of Directors to properly and fully discharge its responsibilities;
- (e) assist the Board in oversight of the performance of the Company’s internal audit function;
- (f) provide an avenue of enhanced communication between the directors and external auditors;
- (g) enhance the external auditor’s independence;
- (h) increase the credibility and objectivity of financial reports;

- (i) prepare Audit Committee reports as required by applicable regulators and
- (j) strengthen the role of the directors by facilitating in depth discussions between directors, management and external auditors.

2. DEFINITIONS

2.1. “**accounting principles**” has the meaning ascribed to it in National Instrument 52-107 Acceptable Accounting Principles, Auditing Standards and Reporting Currency;

2.2. “**Affiliate**” means a Company that is a subsidiary of another Company or companies that are controlled by the same entity;

2.3. “**audit services**” means the professional services rendered by the Company's external auditor for the audit and review of the Company's financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements;

2.4. “**Charter**” means this audit committee charter;

2.5. “**Committee**” means the audit committee established by and among certain members of the board of directors for the purpose of overseeing the accounting and financial reporting processes of the Company and audits of the financial statements of the Company;

2.6. “**Control Person**” means any individual or company that holds or is one of a combination of individuals or companies that holds a sufficient number of any of the securities of the Company so as to affect materially the control of the Company, or that holds more than 20% of the outstanding voting shares of the Company except where there is evidence showing that the holder of those securities does not materially affect the control of the Company;

2.7. “**financially literate**” means an individual who 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 the Company's financial statements.

2.8. “**immediate family member**” means a person's spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, brother or sister-in-law, and anyone (other than an employee of either the person or the person's immediate family member) who shares the individual's home;

2.9. “**Instrument**” means National Instrument 52-110 – Audit Committees;

2.10. “**MD&A**” has the meaning ascribed to it in National Instrument 51-102;

2.11. “**Member**” means a member of the Committee;

2.12. “**National Instrument 51-102**” means National Instrument 51-102 - Continuous Disclosure Obligations; and

2.13. “**non-audit services**” means services other than audit services

3. AUDIT COMMITTEE

The Board of Directors has hereby established the Committee for, among other purposes, compliance with the Instrument.

4. RELATIONSHIP WITH EXTERNAL AUDITORS

4.1. The Company will require its external auditor to report directly to the Committee and the Members shall ensure that such is the case.

4.2. The Committee will recommend to the Board and approve the selection of the external auditor, consider the independence and effectiveness and approve the fees and other compensation to be paid to the external auditor.

4.3. The Committee will monitor the relationship between management and the external auditor including reviewing any management letters or other reports of the external auditor and discussing any material differences of opinion between management and the external auditor.

4.4. The Committee will review and discuss, on an annual basis, with the external auditor all significant relationships they have with the Company to determine their independence and report to the Board of Directors.

4.5. The Committee will review and approve requests for any non-audit services to be performed by the external auditor and be advised of any other study undertaken at the request of management that is beyond the scope of the audit engagement letter and related fees.

4.6. The Committee will pre-approve non-audit services if:

(a) The aggregate amount of non-audit services not pre-approved expected to constitute no more than 5% of total fees paid by issuer and subsidiaries to external auditor during fiscal year in which the services are provided;

(b) the Company or a subsidiary did not recognize services as non-audit at the time of the engagement; and

(c) the services are promptly brought to Committee’s attention and approved prior to completion of the audit.

4.7. The Committee will ensure disclosure of any specific policies or procedures adopted by the Committee to satisfy pre-approval requirements for non-audit services by the Company's external auditor.

4.8. The Committee will review the relationship of non-audit fees to audit fees paid to the external auditor to ensure that auditor independence is maintained.

4.9. The Committee will ensure that both the audit and non-audit fees are disclosed to shareholders by category.

4.10. The Committee will review the performance of the external auditor and approve any proposed discharge and replacement of the external auditor when circumstances warrant. The Committee will consider with management and the external auditor the rationale for employing accounting/auditing firms other than the principal external auditor.

4.11. The Committee or Committee Chair will at least annually, consult with the external auditor out of the presence of management about significant risks or exposures, internal controls and other steps that management has taken to control such risks, and the fullness and accuracy of the organization's financial statements. Particular emphasis should be given to the adequacy of internal controls to expose any payments, transactions, or procedures that might be deemed illegal or otherwise improper.

4.12. The Committee will arrange for the external auditor to be available to the Audit Committee and the full Board as needed.

4.13. The Committee will oversee the work of the external auditors engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services.

4.14. The Committee will ensure that the external auditors are prohibited from providing the following non-audit services and determining which other non-audit services the external auditors are prohibited from providing:

(a) bookkeeping or other services related to the accounting records or financial statements of the Company;

(b) financial information systems design and implementation;

(c) appraisal or valuation services, fairness opinions, or contribution-in-kind reports;

(d) actuarial services;

(e) internal audit outsourcing services;

(f) management functions or human resources;

- (g) broker or dealer, investment adviser or investment banking services;
- (h) legal services and expert services unrelated to the audit; and
- (i) any other services which the Committee determines to be impermissible.

4.15. The Committee will approve any permissible non-audit engagements of the independent auditors, in accordance with applicable legislation.

5. COMMITTEE RESPONSIBILITIES

5.1. The Committee shall be responsible for:

- (a) creating an agenda for the ensuing year;
- (b) reviewing and updating this Charter at least annually, as conditions dictate; and
- (c) describing briefly in the Company's annual report and more fully in the Company's Management Information Circular the Committee's composition and responsibilities and how they were discharged.

5.2. The Committee shall be responsible for making the following recommendations to the Board of Directors:

- (a) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and
- (b) the compensation of the external auditor.

5.3. The Committee will be responsible for:

- (a) review with management and the independent auditors, the Company's interim and annual financial statements, management discussion and analysis, earnings releases and any reports or other financial information to be submitted to any governmental and/or regulatory body, or the public, including any certification, report, opinion, or review rendered by the independent auditor for the purpose of recommending their approval to the Board prior to their filing, issue or publication. The Chair of the Committee may represent the entire Committee for purposes of this review in circumstances where time does not allow the full Committee to be available.
- (b) review analyses prepared by management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation

of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements.

(c) review the effect of regulatory and accounting initiatives, as well as off balance sheet structures, on the financial statements of the Company.

(d) review policies and procedures with respect to directors' and officers' expense accounts and management perquisites and benefits, including their use of corporate assets and expenditures related to executive travel and entertainment, and review the results of the procedures performed in these areas by the independent auditor, based on terms of reference agreed upon by the independent auditor and the Audit Committee.

(e) review expenses of the Board Chair and CEO annually.

(f) ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the issuer's financial statements, as well as review any financial information and earnings guidance provided to analysts and rating agencies, and periodically assess the adequacy of those procedures.

5.4. The Committee shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting. This responsibility shall include:

(a) reviewing the audit plan with management and the external auditor;

(b) reviewing with management and the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgements of management that may be material to financial reporting;

(c) questioning management and the external auditor regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;

(d) reviewing any problems experienced by the external auditor in performing the audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management;

(e) reviewing audited annual financial statements, in conjunction with the report of the external auditor, and obtaining an explanation from management of all significant variances between comparative reporting periods;

(f) reviewing the post-audit or management letter, containing the recommendations of the external auditor, and management's response and subsequent follow up to any identified weakness;

- (g) reviewing interim unaudited financial statements before release to the public;
- (h) reviewing all public disclosure documents containing audited or unaudited financial information before release, including any prospectus, the annual report and management's discussion and analysis;
- (i) reviewing the evaluation of internal controls by the external auditor, together with management's response;
- (j) reviewing the terms of reference of the internal auditor, if any;
- (k) reviewing the reports issued by the internal auditor, if any, and management's response and subsequent follow up to any identified weaknesses; and
- (l) reviewing the appointments of the chief financial officer and any key financial executives involved in the financial reporting process, as applicable.

5.5. The Committee shall pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the issuer's external auditor.

5.6. The Committee shall 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, and shall periodically assess the adequacy of those procedures.

5.7. When there is to be a change of auditor, the Committee shall review all issues related to the change, including the information to be included in the notice of change of auditor called for under National Instrument 51-102, and the planned steps for an orderly transition.

5.8. The Committee shall review all reportable events, including disagreements, unresolved issues and consultations, as defined in National Instrument 51-102, on a routine basis, whether or not there is to be a change of auditor.

5.9. The Committee shall, as applicable, establish procedures for:

- (a) the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and
- (b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.

5.10. As applicable, the Committee shall establish, periodically 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 issuer, as applicable.

5.11. The responsibilities outlined in this Charter are not intended to be exhaustive. Members should consider any additional areas which may require oversight when discharging their responsibilities.

6. DELEGATION OF PRE-APPROVAL FUNCTION

6.1. The Committee may delegate to one or more independent Members the authority to preapprove non-audit services.

6.2. The pre-approval of non-audit services by any Member to whom authority has been delegated pursuant to subsection 7.1 must be presented to the Committee at its first scheduled meeting following such pre-approval.

7. COMPOSITION

7.1. The Committee shall be composed of a minimum of three Members.

7.2. Every Member shall be a director of the issuer.

7.3. The majority of Members shall not be employees, Control Persons or officers of the Company.

7.4. If practicable, given the composition of the directors of the Company, each Committee Member shall be financially literate.

8. AUTHORITY

Until the replacement of this Charter, the Committee shall have the authority to:

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the Committee;
- (c) communicate directly with the internal and external auditors; and
- (d) recommend the amendment or approval of audited and interim financial statements to the board of directors.
- (e) in consultation with the independent auditor review the integrity of the organization's financial and accounting controls and reporting processes, both internal and external;
- (f) consider the external auditor's judgments about the quality and appropriateness, not just the acceptability, of the Company's accounting principles and financial disclosure practices, as applied in its financial reporting, particularly about the degree of aggressiveness or conservatism of its accounting principles and underlying estimates and whether those principles are common practices or are minority practices;

(g) consider and approve, if appropriate, major changes to the Company's accounting principles and practices as suggested by management with the concurrence of the independent auditor and ensure that the accountants' reasoning is described in determining the appropriateness of changes in accounting principles and disclosure;

(h) review management's monitoring of the Company's system in place to ensure that the Company's financial statements, reports and other financial information disseminated to governmental organizations, and the public satisfy legal requirements;

(i) ensure that the CEO and CFO provide written certification with annual and interim financial statements and interim MD&A and the Annual Information Form;

(j) make inquires of management and the independent auditors to identify significant business, political, financial and control risks and exposures and assess the steps management has taken to minimize such risk to the Company;

(k) review management's program of risk assessment and steps taken to address significant risks or exposures, including insurance coverage.

9. Meetings

9.1. Meetings of the Committee shall be scheduled to take place at regular intervals and, in any event, not less frequently than quarterly or more frequently as circumstances require. The Committee shall meet within 45 days following the end of each of the first three financial quarters to review and discuss the unaudited financial results for the preceding quarter and the related MD&A and shall meet within 90 days following the end of the fiscal year end to review and discuss the audited financial results for the year and related MD&A prior to their publishing.

9.2. The Committee may ask members of management or others to attend meetings and provide pertinent information as necessary. For purposes of performing their audit related duties, members of the Committee shall have full access to all corporate information and shall be permitted to discuss such information and any other matters relating to the financial position of the Company with senior employees, officers and independent auditors of the Company.

9.3. Opportunities shall be afforded periodically to the external auditor, the internal auditor and to members of senior management to meet separately with the Members.

9.4. Minutes shall be kept of all meetings of the Committee.

Appendix One: Disclosure Items for Audit Committee Responsibility

Under CSA MI 52-110

1	Disclose the text of the Audit Committee's charter.
2	Disclose names of committee members and state whether or not each is (i) independent and (ii) financially literate. Describe each member's education and experience relevant to responsibilities.
3	Disclose whether, at any time since the commencement of most recently completed financial year, the Company has relied on any possible exemptions for Audit Committees.
4	If, at any time since the commencement of the issuer's most recently completed financial year, a recommendation of the audit committee to nominate or compensate an external auditor was not adopted by the board of directors, state that fact and why.
5	Disclose by category how much the auditor is paid for consulting and other services.
6	Disclose any specific policies or procedures adopted by the Audit Committee for preapproval of non-audit services by the external auditor.
7	Prepare and disclose any Audit Committee reports required by applicable regulators.

Appendix Two: AUDIT COMMITTEE TIMETABLE

The timetable on the following pages outlines the Committee’s schedule of activities during the year.

		Q1	Q2	Q3	Q4
A	Create agenda for the ensuing year				X
B	Review and update Committee charter				X
C	Committee Report for annual report and management information circular	X			
D	Documents/Reports Review				
	i) Review with management and independent auditors, interim and annual financial statements, MD&A, earnings releases and any reports or other financial information to be submitted to any governmental and/or regulatory body, or the public and recommend approval to Board	X	X	X	X
	ii) Review analyses prepared by management and/or independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements	X	X	X	X
	iii) Review effect of regulatory and accounting initiatives, as well as off balance sheet structures, on the financial statements	X			
	iv) Review and approve requests for non-audit services to be performed by independent auditor & be advised of any study undertaken at request of management beyond scope of audit engagement letter and related fees	AS REQUIRED			
	v) Review Board Chair & CEO expenses	X			
E	Independent Auditor				
	i) Recommend independent auditor to Board and consider independence and effectiveness and approve compensation for independent auditor				X
	ii) Monitor relationship between management and independent auditor	X	X	X	X
	iii) Review and discuss with independent auditor all significant relationships they have with the Company to determine their independence, and report to Board	X			
	iv) Review and approve requests for non-audit services to be performed by independent auditor & be advised of any study	AS REQUIRED			

	undertaken at request of management beyond scope of audit engagement letter and related fees				
	v) Ensure disclosure of policies or procedures adopted to satisfy pre-approval requirements for non-audit services by independent auditor	X			
	vi) Review relationship of non-audit fees to audit fees paid to independent auditor and ensure they are disclosed by category	X			
	vii) Review independent auditor performance and approve any proposed discharge and replacement of independent auditor. Consider with management and independent auditor the rationale for employing accounting/auditing firms other than the principal independent auditor	X			
	viii) Consult with independent auditor out of the presence of management about significant risks or exposures, internal controls and other steps that management has taken to control such risks, and the fullness and accuracy of the organization's financial statements	X			
	ix) Ensure independent auditors report directly to the Committee and are made accountable to the Board and the Audit Committee	X	X	X	X
	x) Ensure independent auditors are prohibited from providing certain non-audit services	X	X	X	X
F	Financial Reporting Process				
	i) Review with independent auditor the integrity of financial and accounting controls and reporting processes	X			
	ii) Consider independent auditor's judgements about quality and appropriateness of accounting principles and financial disclosure practices	X			
	iii) Consider and approve any major changes to accounting principles and practices	X	X	X	X
G	Process Improvement				
	i) Review and approve hiring policies for employees or former employees of the past and present independent auditors	X			
	ii) Establish reporting system for management and independent auditor regarding significant judgements made in management's preparation of financial statements	X			
	iii) Review scope and plans of independent auditor's audit and reviews				X
	iv) Review with management and independent auditor significant changes to planned procedures, difficulties encountered during course of audit and reviews, and cooperation received by independent auditor during course of audit and reviews	X			

	v) Review significant disagreements among management and independent auditor connected with financial statement preparation	X			
	vi) Ensure course of action for resolving significant unsettled issues	X	X	X	X
	vii) Review with independent auditor and management significant findings and the extent to which changes or improvements in financial or accounting practices have been implemented	X			
	viii) Review activities, organizational structure, and qualifications of CFO and financial reporting staff and ensure matters related to succession planning are raised with Board	X			
H	Ethical and Legal Compliance				
	i) Review management’s monitoring system for ensuring financial statements, reports and other financial information disseminated to governmental organizations, and the public satisfy legal requirements.	X			
	ii) Review with counsel, legal and regulatory compliance matters and matters that could have significant impact on financial statements	X			
	iii) Review implementation of compliance with OSC requirements	X			
	iv) Ensure CEO and CFO certify interim and annual financial statements and interim and annual MD&A	X	X	X	X
I	Risk Management				
	i) Inquire of management and independent auditors to identify significant business, political, financial and control risks and exposures and assess the steps management has taken to minimize such risk	X			
	ii) Ensure disclosure of process followed by Board and committees for oversight of management of principal business risks, is completely and fairly presented	X			
	iii) Review management’s risk assessment program and steps taken to address significant risks or exposures	X			
J	General				
	i) Conduct or authorize investigations into matters within the Committee’s scope of responsibilities	AS REQUIRED			
	ii) Engage and set compensation for outside consultants, advisors	AS REQUIRED			
	iii) Acquire funding from the Company to pay for ordinary administrative expenses	AS REQUIRED			
	iv) Establish procedures for receipt, retention and treatment of complaints regarding accounting, internal accounting controls, or auditing matters; and for anonymous submission by employees of concerns regarding questionable accounting or auditing matters	X			

v) Assess adequacy of these terms of reference and recommend to Board	X			
vi) Conduct annual self-evaluation and report to Board	X			