

SCHEDULE "A"
CHARTER FOR THE MANDATE AND RESPONSIBILITIES
OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS
OF TAIGA BUILDING PRODUCTS LTD. (the "Company")

1. Audit Committee Purpose

The Audit Committee is appointed by the Board of Directors to assist the Board in fulfilling its oversight responsibilities.

The Audit Committee's primary duties and responsibilities are to:

- a) Identify and monitor the management of the principal risks that could impact the financial reporting of the Company.
- b) Monitor the integrity of the Company's financial reporting process and system of internal controls regarding financial reporting and accounting compliance.
- c) Monitor the independence and performance of the Company's internal auditors and external auditors.
- d) Provide an avenue of communication among the external auditors, internal auditors, management, and the Board of Directors.
- e) Report to the Board of Directors on its ability to fulfill its mandate and bring to the Board's attention all matters it considers significant.
- f) Monitor compliance with legal and regulatory requirements, applicable to the Company.
- g) Encourage adherence to, and continuous improvements of, the Company's policies, procedures and practices at all levels.
- h) Establish procedures with complaints regarding accounting, internal accounting controls, or auditing matters, and for the confidential, anonymous submission by employees of concerns regarding such matters (whistle-blowing).

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine if the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. Management is responsible for preparing the Company's financial statements, and the independent auditors are responsible for auditing those financial statements on an annual basis. The Audit Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to external auditors, company legal counsel as well as anyone in the organization. The Audit Committee has the ability to retain, at the Company's expense, special legal, accounting, or other consultants or experts it deems necessary in the performance of its duties.

The Audit Committee is entitled to rely in good faith on the financial statements and other representations made to it by management, the external and internal auditors, and other consultants or experts.

2. The Audit Committee Composition and Meetings

- a) The Audit Committee members shall meet the requirements of the Business Corporations Act (British Columbia) and those of the Stock Exchange upon which the Company's shares are listed and traded. The Audit Committee shall be comprised of three or more directors as determined by the Board, each of whom shall be outside directors who are unrelated, free from any relationship that would interfere with the exercise of his or her independent judgment. All members of the Audit Committee shall be financially literate, being defined as being able to read and understand basic financial statements, and at least one member of the Audit Committee shall have accounting or related financial management expertise.
- b) Audit Committee members shall be appointed by the Board on recommendation from the nomination process. If an Audit Committee Chair is not designated or present, the members of the Audit Committee may designate a Chair by majority vote of the Audit Committee membership.

- c) The Audit Committee shall meet at least four times annually or more frequently as circumstances dictate. The Audit Committee Chair shall prepare and/or approve the agenda in advance of the meeting. The Audit Committee should meet privately in executive session at least annually with management, internal auditors, and the external auditors and as a committee to discuss any matters the Audit Committee or each of these groups believe should be discussed. In addition, the Audit Committee should meet with management, internal auditors and the external auditors, if it is part of their engagement, quarterly to review the Company's interim financial statements and any significant events or findings that took place or came to the attention of management or the auditors.

3. Audit Committee Responsibilities and Duties

Review Procedures

- a) Periodically review and reassess the adequacy of this Mandate, make amendments as necessary, and submit the Mandate to the Board for approval.
- b) Review the Company's annual audited financial statements and related documents prior to filing or distribution. The review should include discussion with management and external auditors of significant issues regarding accounting principles, practices, and significant management estimates or judgments.
- c) Annually, in consultation with management, internal auditors, and external auditors, consider the integrity of the Company's financial reporting processes and controls. Discuss significant financial risk exposure and the steps management has taken to monitor, control and report such exposure. Review significant findings prepared by the external auditors together with management's responses.
- d) Review the effectiveness of the overall process for identifying principal risks affecting financial reporting and provide the Committee view to the Board of Directors.
- e) Review with financial management the Company's quarterly financial results and related documents prior to the release of earnings and/or the Company's quarterly financial statements prior to filing or distribution. Consider, discuss and approve any significant changes to the Company's accounting principles as suggested by the external auditors and management.
- f) Establishing regular systems of reporting to the Committee by each of management and the external auditors regarding any significant judgments made in management's preparation of the financial statements and any significant difficulties encountered during the course of the review or audit, including any restrictions on the scope of work or access to required information.
- g) Be aware of any ongoing or significant business relationship among the external auditors and Board of Directors and senior management. Ensure that these relationships will not impair the external auditor's independence.
- h) Exercise oversight over the internal auditor by reviewing the annual work plan, reviewing summary reports on all whistle blower incidents, reviewing the summary reports of work completed, and discussing the major reports with both the internal and external auditor as well as with the CFO.

4. Internal Controls

- a) Consider the effectiveness of the Corporation's internal control system, including information technology security and control.
- b) Understand the scope of internal audits and external auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.
- c) Review external auditors' management letters and management's responses to such letters.
- d) As requested by the Board of Directors, discuss with management, internal audit and the external auditors the Corporation's major risk exposures (whether financial, operational or otherwise), the adequacy and effectiveness of the accounting and financial controls, and the steps management has taken to monitor and control such exposures.
- e) Annually review the Corporation's disclosure controls and procedures, including any significant deficiencies in, or material non-compliance with, such controls and procedures

- f) Discuss with the Chief Financial Officer and, as is in the Committee's opinion appropriate, the Chief Executive Officer, all elements of the certification required pursuant to the *NI 52-109*.

5. Internal Auditors:

- a) At least annually review with management, the external auditors and internal audit the charter, plans, activities, staffing and organizational structure of the internal audit function. The Committee shall satisfy itself that the internal audit division has adequate resources and independence to perform its responsibilities.
- b) Ensure there are no unjustified restrictions or limitations on the functioning of the internal audit department, and review and concur in the appointment, replacement, or dismissal of the internal auditors.
- c) On a regular basis, meet separately with the internal auditors to discuss any matters that the Committee or internal auditors believe should be discussed privately. The Committee should provide an open avenue of communication for the internal auditors to raise any internal audit issues or issues with respect to the relationship and interaction between the internal audit division, management, external auditor and Board of Directors.
- d) Review regular reports prepared by the internal auditors with management's response and follow-up on outstanding issues with external auditors, as necessary.
- e) At least annually assess the effectiveness of the internal audit division.

6. External Auditors

- a) The external auditors are primarily accountable to the shareholders and to the Audit Committee and the Board of Directors as representatives of the shareholders. The Audit Committee shall review the independence and performance of the auditors and annually recommend to the Board of Directors the nomination of the external auditors or approve of any discharge of auditors when circumstances warrant.
- b) Approve the fees and other significant compensation to be paid to the external auditors. Pre-approve all non-audit services to be provided by the external auditors.
- c) On an annual basis, the Audit Committee should receive a report from and discuss with the external auditors all significant relationships they have with the Company that could impair the auditors' independence. The report should explicitly acknowledge that the auditors' primary client is the shareholders.
- d) Review the external auditors' audit plan - discuss and approve audit scope, staffing, reliance upon management, locations, and general audit approach.
- e) Prior to releasing the year-end earnings, discuss the results of the audit with the external auditors. Discuss certain matters required to be communicated to audit committees in accordance with the standards established by the Canadian Institute of Chartered Accountants.
- f) Consider the external auditors' judgments about the quality and appropriateness of the company's accounting principles as applied to the Company's financial reporting.

7. Legal Compliance

On at least an annual basis, or otherwise as required, the Audit Committee should review with the Company's counsel any legal matters that could have a significant impact on the organization's financial statements, the Company's compliance with applicable laws and regulations and inquiries received from regulators or government agencies.

8. Other Audit Committee Responsibilities

The Audit Committee shall:

- a) Periodically and at least annually, report to the Board any aspect of the Mandate which they (individually or collectively) feel they have been unable to perform effectively and, in writing, request that the external auditor, the internal auditor, the Secretary, the CFO, the CEO, and the

Chairman of the Board report directly to the Board any failures they have noted in the performance of the Audit Committee.

- b) Prepare and disclose the Mandate to shareholders.
- c) Perform any other activities consistent with this Mandate, the Company's articles, and governing laws, as the Audit Committee or the Board deems necessary.
- d) Maintain minutes of meetings and periodically report to the Board of Directors on significant results of the Audit Committee's activities.
- e) Review financial and accounting personnel succession planning within the Company.