



## AUDIT COMMITTEE CHARTER

### 1. Purpose

The primary function of the audit committee (the “Committee”) is to assist the Board of Directors (the “Board”) of Medicenna Therapeutics Corp (the “Company”) in fulfilling its financial oversight responsibilities by reviewing the financial statements, financial reports and other financial information provided by the Company to regulatory authorities and shareholders.

The members of the Committee are not full-time employees of the Company and may or may not be accountants or auditors by profession or experts in the fields of accounting or auditing and, in any event, do not serve in such capacity. Consequently, it is not the duty of the Committee to conduct audits or to determine that the Company’s financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the external auditors.

### 2. Composition

(a) At Least Three Members. The Committee shall be comprised of a minimum three directors as determined by the Board. All of the members of the Committee shall be free from any material relationship with the Company. A material relationship means a relationship that could, in the view of the Company’s Board, reasonably interfere with the exercise of a member’s independent judgment. In any event, a member of the Committee has a material relationship with the Company if he is deemed to have one pursuant to National Instrument 52-110 – *Audit Committees*.

All members of the Committee shall also be “financially literate”, meaning 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. The members of the Committee shall be elected by the Board at its first meeting following the annual shareholders’ meeting.

The Board shall designate a Committee member as the Chairperson of the Committee, or if the Board does not do so, the Committee members shall appoint a Compensation Committee member as Chairperson by a majority vote of the full Committee membership.

(b) Appointment and Removal. The Board shall appoint Committee members at the first meeting of the Board following each Annual General Meeting. Members of the Committee shall serve for one year terms and until their successors are appointed. The Board may fill vacancies on the Committee by a majority vote of the authorized numbers of directors, but may remove Committee members only with the approval of a majority of the other independent directors then serving on the full Board.

### 3. Meetings, Reports and Resources of the Audit Committee

(a) Meetings. In discharging its responsibilities, the Committee shall meet as often as it determines necessary or advisable, but not less frequently than quarterly. The Committee may also hold special meetings or act by unanimous written consent as the Committee may decide. The meetings may be in person or telephone. The Committee shall keep written minutes of its meetings and shall deliver a copy of such minutes to the Board and to the corporate secretary of the Company for inclusion in the Company’s minute books, and reports of Committee meetings will be presented at the next regularly scheduled Board meeting. The Committee may meet in separate executive sessions with other directors,

the CEO and other Company employees, agents or representatives invited by the Compensation Committee

(b) Procedures. The Committee may establish its own procedures, including the formation and delegation of authority to subcommittees, in a manner not inconsistent with this charter, the articles, or applicable laws or regulations. The Chairperson or majority of the Committee members may call meetings of the Committee. A majority of the authorized number of Committee members shall constitute a quorum for the transaction of Committee business, and the vote of a majority of the Committee members present at the meeting at which a quorum is present shall be the act of the Committee. The Committee shall review at least annually the adequacy of this charter and recommend any proposed changes to the Board for approval.

(c) Resources. The Committee has been expressly authorized by the Board of the Company 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, and (c) communicate directly with the internal and external auditors.

#### **4. Authority and Responsibilities**

In furtherance of its purpose, the Committee shall have the following authority and responsibilities:

(a) recommend to the Board: (i) 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 (ii) the compensation of the external auditor;

(b) 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;

(c) pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the Company's external auditor in accordance with the pre-approval process noted below;

(d) review the accounting principles and practices to be applied and followed by the Company during the fiscal year and any significant changes from those applied and followed during the previous year;

(e) review the adequacy of the systems of internal accounting and audit policies, practices and controls established by the Company, and discuss with the auditor the results of its reviews and reports;

(f) review all litigation and claims involving or against the Company which could materially adversely affect its financial position and which the auditor or any officer of the Company may refer to the Committee

(g) ensure that the auditor submits on a periodic basis to the Committee, a formal written statement delineating all relationships between the auditor and the Company, consistent with Canadian auditor independence standards, and to review such statement and to actively engage in a dialogue with the auditor with respect to any disclosed or undisclosed relationships or services that may impact on the objectivity and independence of the auditor, and to review the statement and the dialogue with the Board and recommend to the Board appropriate action to ensure the independence of the auditor;

(h) meet with the auditor at least once per quarter without management present to allow a candid discussion regarding any concerns the auditor may have and to resolve any disagreements between the auditor and management regarding the Company's financial reporting;

(i) review the annual consolidated financial statements of the Company and the notes thereto following the examination thereof by the auditor and prior to their approval by the Board and report to the Board thereon;

- (j) review and approve the quarterly financial statements, notes thereto and quarterly management discussion and analysis (MD&A) and related press releases of the Company prior to their release;
- (k) review the annual MD&A, and other public disclosure documents and related press releases, including any prospectus prior to their approval by the directors.
- (l) be satisfied 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, other than the public disclosure referred to in subsections (j) to (j), and must periodically assess the adequacy of those procedures;
- (m) establish procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
- (n) 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;
- (o) review the adequacy of insurance policies maintained by the Company;
- (p) approve the Corporate Disclosure and Trading Policy and review and assess the adequacy of the policy on an annual basis, or more often if deemed appropriate.

## **5. Pre-Approval of Non-Audit Services**

The Committee satisfies the pre-approval requirement of item 4.(c) of its Responsibilities if:

- (a) the aggregate amount of all the non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiary entities to the Company's external auditor during the fiscal year in which the services are provided;
- (b) the Company or the subsidiary entity of the Company, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
- (c) the services are promptly brought to the attention of the Committee of the Company and approved, prior to the completion of the audit, by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee.

The Committee may delegate to one or more members the authority to pre-approve non-audit services in satisfaction of the requirement of item 4.(c) of its Responsibilities. The pre-approval of non-audit services by any member to whom authority has been delegated pursuant hereto must be presented to the Committee at its first scheduled meeting following such pre-approval.

The Committee satisfies the pre-approval requirement of item 4.(c) of its Responsibilities if it adopts specific policies and procedures for the engagement of the non-audit services, if: (i) the pre-approval policies and procedures are detailed as to the particular service; (ii) the Committee is informed of each non-audit service; and (iii) the procedures do not include delegation of the Committee's responsibilities to management.