



PLAZACORP RETAIL
PROPERTIES LTD.

AUDIT COMMITTEE CHARTER

REVIEWED BY THE BOARD OF DIRECTORS ON
NOVEMBER 7, 2011

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1. Establishment of Committee

(i) Committee

The Audit Committee (the “Committee”) is established by the Board of Directors of Plazacorp Retail Properties Ltd. (the “Corporation”) for the purpose of fulfilling its oversight responsibility to the shareholders, potential shareholders, the investment community and others relating to i) the integrity of the Corporation’s financial statements, ii) the financial reporting process, iii) systems of internal accounting and financial controls, iv) the appointment and communication with the independent auditors, and v) the Corporation’s compliance with legal and regulatory requirements with respect to financial reporting matters.

(ii) Composition of Committee

The Committee shall consist of not fewer than three (3) directors. Each member shall be determined by the Board to be:

- 1) a director of the Corporation
- 2) independent (as defined in National Instrument 52-110)
- 3) financially literate (as defined in National Instrument 52-110)

At least one (1) member of the Committee shall have accounting or related financial management experience or expertise.

(iii) Appointment of Committee Members

The members of the Audit Committee shall be appointed by the Board of Directors immediately following each annual meeting and shall hold office until the next annual meeting, or until they are removed by the Board.

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board. The Board also may remove and replace any member of the Committee.

The Board shall appoint a Chair for the Committee. The Chair may be removed and replaced by the Board. Should the Chair be absent at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside at the meeting.

The Committee shall appoint a Secretary.

2. Committee Procedure

(i) Meetings

The Chair, in consultation with Committee members, shall determine the schedule and frequency of the Committee meetings, provided that the Committee shall meet at least quarterly.

The Chair, any two (2) members of the Committee, the independent auditor, the Chief Financial Officer or the Chief Executive Officer may call a special meeting of the Committee.

(ii) Quorum

Three (3) members of the Committee, present in person or by telephone, videoconferencing or other telecommunication device that permits all persons participating in the meeting to speak to each other, shall constitute a quorum.

(iii) Notice of Meetings

Notice of the time and place of every meeting shall be given in writing or by e-mail or facsimile communication to each member of the Committee at least seventy-two (72) hours prior to the time fixed for such meeting, provided that a member may in any manner waive notice of a meeting and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

(iv) Agenda

The Chair shall develop and set the Committee's agenda in consultation with other members of the Committee, the Board and management.

(v) Delegation

The Committee shall have the power to delegate its authority and duties to the subcommittees or individual members of the Committee as it deems appropriate.

(vi) Access

In discharging its responsibilities, the Committee shall have full access to all books, records, facilities and personnel of the Corporation.

(vii) Attendance of Officers at a Meeting

At the invitation of the Chair of the Committee, one or more officers or employees of the Corporation may, and if required by the Committee shall, attend a meeting of the Committee.

(viii) Procedure, Records and Reporting

The Committee shall fix its own procedure at meetings, keep records of its proceedings and report to the Board when the Committee may deem appropriate.

(ix) Outside Consultants or Advisors

The Committee when it considers it necessary or advisable, may retain at the Corporation's expense, outside consultants or advisors to assist or advise the Committee independently on any matter within its mandate. The Committee shall have the sole authority to retain or terminate such consultants or advisors, including the sole authority to approve the fees and other retention terms for such persons.

3. Mandate of Committee

(i) Charter

The Committee must maintain a written Charter setting out the Committee's mandate and responsibilities. The Committee shall assess the adequacy of this Charter on an annual basis and recommend any changes to the Board.

(ii) Appointment of the External Auditor

The Committee shall recommend to the Board the appointment of the independent auditor for purpose of preparing or issuing any audit report or performing other audit, review or attest services for the Corporation, such appointment to be confirmed by the Corporation's shareholders at each annual meeting.

The Committee shall also recommend to the Board the approval of fees to be paid to the independent auditor for audit services and shall pre-approve the retention of the independent auditor for any permitted non-audit service.

The Committee shall also be directly responsible for the retention and oversight of the work of the independent auditor for purposes of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation. This shall include the resolution of any disagreements between management and the independent auditor regarding financial reporting. The independent auditor shall report directly to the Committee.

The Committee shall, through the application of the Committee's Pre-approval Policy, pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation's independent auditor.

The Committee shall review the independence of the external auditor.

(iii) Review of Financial Information and Internal Controls

The Committee shall, prior to any public disclosure, review and discuss with management and the independent auditor and recommend to the Board for approval:

- (1) the audited annual Financial Statements;
- (2) the annual Management Discussion & Analysis;
- (3) the annual earnings press release; and
- (4) all Financial Statements and significant financial information included in a prospectus or other offering document.

The Committee shall, prior to any public disclosure, review and discuss with management and if necessary, the independent auditor and approve:

- (1) the unaudited interim Financial Statements;
- (2) the quarterly Management Discussion and Analysis;
- (3) any other audited financial statements required to be prepared regarding the Corporation or its subsidiaries if required to be made publicly available or filed with a regulatory agency; and,
- (4) any quarterly earnings press release or press release which contains estimates or information regarding the Corporation's future financial performance or prospects.

The Committee must be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements and must periodically assess the adequacy of those procedures.

The Committee will oversee the adequacy of the Corporation's financial reporting processes and internal controls to safeguard assets from loss and unauthorized use and to verify the accuracy of financial records. This shall include receiving annual written confirmation from management regarding any significant changes to the Corporation's internal control systems. This may also include no less than once a year reviewing any significant findings prepared by the external auditors.

The Committee shall review with management and the independent auditor all critical accounting policies and practices to be used by the Corporation in preparing its Financial Statements.

The Committee shall review all other material communication between the independent auditor and management, such as any management letter or schedule of unadjusted differences.

The Committee must establish procedures for:

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

The Committee shall review and approve the hiring by the Corporation of any partners, employees and former partners and employees of the present and former external auditor of the Corporation.