

**Approved by Audit Committee
March 13, 2008 and Board March 14, 2008**

QUEST CAPITAL CORP.

AUDIT COMMITTEE CHARTER

MEMBERSHIP

- (a) The Audit Committee (the "**Committee**") of the Board of Directors (the "**Board**") of Quest Capital Corp. (the "**Company**") shall be comprised of no fewer than three directors ("**Members**", and each a "**Member**"), as appointed by the Board. The Committee shall appoint its own chair (the "**Chair**"). In the event of an equality of votes, the Chair shall not have a second casting vote.
- (b) Each Member shall satisfy the independence, financial literacy and/or other membership requirements for audit committee members under applicable securities laws, rules, regulations and stock exchange requirements.
- (c) At least one Member shall satisfy the definition of an "Audit Committee financial expert" as defined in Item 16A of Form 20-F, or such other definition that may be applicable to the Company.
- (d) Each Member shall be a member of the Board.
- (e) Each Member shall serve at the pleasure of the Board for such term as the Board may decide, or until such Member is no longer a director of the Company. The Board may fill vacancies on the Committee. If and whenever a vacancy shall exist on the Committee, the remaining Members may exercise all of the powers of the Committee, so long as a quorum remains.
- (f) No Member shall have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three years.

MEETINGS

- (a) The Committee shall meet in person or by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during such meeting as often as it determines necessary to fulfill its duties, but not less frequently than four times per year on at least a quarterly basis.
- (b) A quorum of the Committee shall be comprised of a majority of the Members.
- (c) Meetings of the Committee to review and approve financial statements should be attended by representatives of the Company's principal external auditor (the "**Auditor**"), and may be attended by the Chief Financial Officer ("**CFO**") and others if, as, and when deemed appropriate by the Committee.
- (d) The Committee shall meet privately with such other persons, whenever the Committee deems it appropriate.
- (e) The Chair shall be responsible for calling the meetings of the Committee, establishing the meeting agenda with input from management and supervising the conduct of the meetings.

PURPOSE

The Committee shall assist the Board in fulfilling their applicable roles by:

- (a) Overseeing the work of the Auditor, including the resolution of any disagreements between the Auditor and management.
- (b) Reviewing and approving any proposed hiring of any current or former partner or employee of the current and former external auditor of the Company or its subsidiaries.
- (c) Establishing procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters, and for the confidential, anonymous submission by employees of the Company or its subsidiaries of concerns regarding questionable accounting or auditing matters.
- (d) Reviewing and approving the annual and interim consolidated financial statements, the related Management's Discussion and Analysis ("**MD&A**"), and other financial information provided by the Company to any regulatory authority, stock exchange or the public before such information is disclosed publicly.
- (e) Satisfying itself that adequate procedures are in place for the review of the Company's public disclosure of financial information, extracted or derived from its financial statements, other than as described in (d) above, including periodically assessing the adequacy of such procedures.

ADDITIONAL ROLES

In addition to the matters described under "Purposes", the Committee shall:

- (a) Review and recommend to the Corporate Governance Committee changes to this Charter, as considered appropriate from time to time.
- (b) Review the public disclosure regarding the Committee required by Multilateral Instrument 52-110 – *Audit Committees* and any other applicable securities laws, rules, regulations and stock exchange requirements.
- (c) Record minutes of its meetings and make them available to the Board if requested.

RELATIONSHIP WITH THE AUDITORS

The Committee shall:

- (a) Recommend to the Board the nomination and compensation of the Auditor.
- (b) Review the compensation and other fees to be paid to the Auditor.
- (c) Review the performance of the Auditor and any proposed discharge of the Auditor when circumstances warrant.

- (d) Communicate directly with the internal audit function and the Auditor, and arrange for the Auditor to report directly to the Committee, and the full Board as needed.
- (e) Monitor the relationship between management and the Auditor including reviewing any management letters or other reports of the Auditor and discussing any material differences of opinion between management and the Auditor.
- (f) Review and discuss, on an annual basis, with the Auditor all significant relationships they have with the Company, its management or employees to determine their independence.

PRE APPROVAL OF NON-AUDIT SERVICES

The Committee shall be responsible for pre-approving all non-audit services (or delegating such pre-approval, if and to the extent permitted by law) to be provided to the Company or its subsidiary entities (“subsidiaries”) by the Auditor.

RESOURCES OF THE COMMITTEE

- (a) The Committee has the authority: (i) to retain independent legal counsel and other advisors as it determines necessary to carry out its duties; and (ii) to set and pay the compensation for any advisors employed by the Committee.
- (b) The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to any consultants and to any other advisors employed by the Committee, provided however that such funding shall not exceed \$25,000 annually without the prior approval of the Board.
- (c) The Company shall provide for appropriate funding, as determined by the Committee, in its capacity as a Committee of the Board, for payment of: (i) compensation to the Auditor for the purpose or preparing or issuing an audit report or performing other audit, review or attest services for the Company, and (ii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

INTERNAL CONTROLS

The Committee shall:

- (a) Review with the Chief Executive Officer (“**CEO**”) and the CFO on an annual basis the Company’s disclosure controls and procedures and internal controls over financial reporting, including any significant deficiencies in, or material non-compliance with, such controls and procedures.
- (b) Discuss with the CEO and CFO all elements of the certification of financial results required under applicable securities laws.

- (c) Review disclosures made to the Committee by the Company's CEO and CFO about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.
- (d) Periodically consult with the Auditor and the internal audit function 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 financial statements, including the adequacy of internal controls to expose any payments, transactions or procedures that might be deemed illegal or otherwise improper.

FINANCIAL STATEMENT AND DISCLOSURE MATTERS

The Committee shall:

- (a) Regularly update the Board about Committee activities and ensure the Board is aware of matters which may significantly impact the financial condition, affairs or reporting of the Company.
- (b) Review and recommend approval by the Board of the Company's annual budgets, and annual and interim financial statements, including any certification, report, opinion or review rendered by the Auditor, and review related MD&A.
- (c) Review and approve any financial information of the Company or its subsidiaries contained in any press release of the Company before the Company publicly discloses this information.
- (d) 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 (other than MD&A, annual and interim earnings and press releases) and periodically assess the adequacy of those procedures.
- (e) Review and discuss with management and the Auditor:
 - All accounting policies and practices to be used.
 - All material alternative disclosures and treatments of financial information within generally accepted accounting principles, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the Auditor.
 - Other material written communications between the Auditor and management, such as any management letter or schedule of unadjusted differences.
 - Significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies.
 - The effect of regulatory and accounting initiatives, as well as of off-balance sheet structures, on the Company's financial statements.

- (f) Discuss with management the Company's earnings press releases (including any use of "pro-forma" or "adjusted non-GAAP information"), and financial information otherwise to be disclosed publicly by the Company.
- (g) Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.
- (h) Discuss with the Auditor the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information, and any disagreements with management.

OVERSIGHT OF THE COMPANY'S RELATIONSHIP WITH THE AUDITORS

The Committee shall:

- (a) At least annually, review a report from the Auditor describing:
 - The Auditor's internal quality-control procedures.
 - Any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by any governmental or professional authority within the preceding five years respecting one or more independent audits carried out by the firm.
 - Any steps taken to deal with any such issues.
 - All relationships between the Auditor and the Company.
- (b) Evaluate the qualifications, performance and independence of the Auditor, including:
 - Seeking confirmation from the Auditor that it is:
 - a "participating audit firm" for the purposes of National Instrument 52-108 - *Auditor Oversight*; and
 - in compliance with any restrictions or sanctions imposed by the Canadian Public Accountability Board or equivalent regulations in jurisdictions in which the Company carries on business.
 - Obtaining a formal written statement of the Auditor delineating all relationships between the Auditor and the Company, consistent with Independence Standards Board Standard No. 1 - *Independence Discussions with Audit Committees*;
 - Actively engaging in a dialogue with the Auditor with respect to disclosed relationships or services that may impact the objectivity and independence of the Auditor; and
 - Taking, or recommending that the Board take, appropriate action to oversee the independence of the Auditor.
- (c) Consider whether the Auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the Auditor's independence. This review should also include an evaluation of the lead audit

partner. The Committee shall present its conclusions with respect to the Auditor and lead audit partner to the Board.

- (d) Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law. Consider whether, in order to assure continuing auditor independence, it is appropriate to adopt a policy of rotating the independent auditing firm on a regular basis.
- (e) As appropriate, seek to discuss with the national office of the Auditor issues on which it was consulted by the Company's audit team and matters of audit quality and consistency.
- (f) Meet with the Auditor prior to the audit to discuss the planning and staffing of the audit.

OVERSIGHT OF TRADING POLICY

The Committee shall be responsible for the implementation and administration of the Company's Trading Policy, a copy of which is attached as Appendix "A" to this Charter.

OVERSIGHT OF PRIVACY POLICY

The Committee shall be responsible for the implementation and administration of the Company's Privacy Policy, consisting of the Company's Customer Privacy Policy and Employee Privacy Policy, copies of which are attached hereto as Appendix "B" and Appendix "C", respectively.

COMPLIANCE OVERSIGHT RESPONSIBILITIES

The Committee shall:

- (a) Review the status of the Company's compliance with applicable accounting, audit and financial reporting requirements.
- (b) Review major legislative and regulatory developments which could materially impact the Company.
- (c) Review management's efforts to monitor compliance with the Company's Code of Conduct.
- (d) Review and investigate any matters pertaining to the integrity of senior management, including conflicts of interest or adherence to standards of conduct as required by Company policy.

WHISTLE-BLOWING PROCEDURES

The Committee shall establish procedures for:

- (a) The engagement, at the Committee's discretion, of a qualified and independent service provider through which complaints or allegations of misconduct may be processed on a confidential basis.

- (b) The receipt, retention and treatment of complaints received by the Company regarding compliance with the Company's Code of Conduct, accounting, internal accounting controls or auditing matters.
- (c) The confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters or other matters pertaining to the proper and lawful conduct of the Company's business.

COMPENSATION

No Member may receive any compensation from the Company other than the fees that they receive for services as members of the Board or any Committee thereof and except as permitted by the rules of the American Stock Exchange.

ANNUAL PERFORMANCE EVALUATION

The Committee shall perform a review and evaluation, at least annually, of the performance of the Committee and its Members, including reviewing the compliance of the Committee with this Charter.

LIMITATION OF AUDIT COMMITTEE'S ROLE

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate or in accordance with generally accepted accounting principles and applicable rules and regulations.

In contributing to the Committee's discharge of its duties under this Charter, each Member shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Nothing in this Charter is intended or shall be construed as imposing on any Member a standard of care or diligence that is in any way more onerous or extensive than the standard to which the directors are otherwise subject.

The Committee is a committee of the Board and is not and shall not be deemed to be an agent of the Company's securityholders for any purpose whatsoever. The Board may, from time to time, permit departures from the terms hereof, either prospectively or retrospectively, and no provision contained herein is intended to give rise to civil liability to securityholders of the Company or any other liability whatsoever.

PUBLIC DISCLOSURE

This Charter shall be made available on the Company's web-site at www.questcapcorp.com and to any shareholder who otherwise requests a copy.

APPENDIX “A” TO AUDIT COMMITTEE CHARTER

**QUEST CAPITAL CORP
TRADING POLICY**

1. GENERAL

The shares of Quest Capital Corp. (“**Quest**” or the “**Company**”) are listed on the Toronto Stock Exchange (the “**TSX**”), the American Stock Exchange (the “**AMEX**”) and the AIM Market of the London Stock Exchange plc (“**AIM**”). As such, purchases and sales of securities in Quest are regulated by the rules under Canadian, United States (under the *Securities Exchange Act of 1934* (the “**Exchange Act**”)) and United Kingdom securities legislation (which includes the *Criminal Justice Act 1993* (UK) and the *Financial Services and Markets Act 2000* (UK)) and the rules and policies of the TSX, the AMEX and AIM.

Violations of insider trading and tipping laws carry severe consequences both for the Company and the individuals involved. Compliance with this Policy is a condition of office or employment with the Company and its subsidiaries. A violation of this Policy may be grounds for discipline, up to and including immediate dismissal. The violation of this Policy may also violate Canadian, United States and United Kingdom securities laws. If it appears that a director, officer, consultant or employee may have violated such securities laws, Quest may refer the matter to the appropriate regulatory authorities, which could lead to penalties, fines or imprisonment.

Under Canadian securities laws, persons who trade securities while in possession of material non-public information (as defined in this Policy below) may face liability as further described in this Policy. Under United States securities laws, persons who trade securities while in the possession of material non-public information may face liability under the Exchange Act. Under the policies of the AMEX, insiders of Quest are prohibited from trading on the basis of information which is not known to the investing public. Further, insiders should refrain from trading, even after material information has been released to the press and other media, for a period sufficient to permit thorough public dissemination and evaluation of the information. Under the laws of the United Kingdom, it is illegal for anyone to purchase or sell or otherwise deal in securities of any public company with knowledge of material information or unpublished price-sensitive information (being information which relates to particular securities or to a particular issuer rather than securities or issuers in general, which is specific or precise, which has not been made public within the meaning of section 58 of the *Criminal Justice Act 1993* (UK) and, if it were made public, would be likely to have a significant effect on the price or value of the securities) relating to the securities of such company that has not been publicly disclosed or published through the prescribed channels.

2. APPLICATION

This Policy applies to and outlines the obligations of all persons as may be determined from time to time bound under Canadian, United States and United Kingdom securities legislation including the following persons (irrespective of the size of his, her or its holding or interest) (collectively, the “**Designated Persons**”):

- (a) all directors (including any person who acts as a director whether or not formally appointed) and officers of the Company or its subsidiaries;
- (b) all employees of the Company and its subsidiaries and other persons who, because of their employment with the Company or any of its subsidiaries, may have possession of or access to material non-public information concerning the Company;
- (c) the spouse and each child under 18 years of age of the persons contemplated in (a) and (b) above; or
- (d) any trust in which the persons contemplated in (a), (b) and (c) above are trustees or beneficiaries and any company over which such persons have control or more than 20% of such company's equity or voting rights in a general meeting of shareholders (excluding any employee share or pension scheme where such persons are beneficiaries rather than trustees).

To reduce potential exposure for liability under applicable securities laws, Designated Persons are required to comply with the general disclosure restrictions set out below and more specifically, must not trade in Quest's securities during the "Blackout Periods" described in this Policy.

All Designated Persons should assume that all information about Quest is confidential unless told otherwise. Under Canadian securities laws, all material information concerning Quest, favourable or otherwise, is required to be released to the public as soon as it is known to Quest. Under the policies of the AMEX, Quest is required to make immediate public disclosure of all material information concerning its affairs, except in unusual circumstances. Disclosure cannot be made to select outside parties before broad public disclosure is made. Material non-public information is not considered to have been publicly disclosed until at least **one** trading day has elapsed after the information has been released to the public through appropriate channels. Under the AIM Rules for Companies, the existence of Unpublished Price Sensitive Information (as defined in Exhibit A to this Policy) will require Quest to notify the AIM market without delay of any new developments which are not public knowledge concerning any changes in: Quest's financial condition; Quest's sphere of activity; Quest's performance; or Quest's expected performance which if made public would be likely to lead to a substantial movement in any securities of Quest which have been admitted to trading on AIM or any securities that are convertible into such securities ("AIM Securities").

3. MATERIAL NON-PUBLIC INFORMATION

It is not possible to define all categories of material information. However, information should be regarded as material if there is a reasonable likelihood that it would be considered important to an investor in making an investment decision regarding the purchase or sale of the Company's securities.

The following are non-exhaustive examples of material non-public information:

- material changes in the Company's financial condition or financial performance, including a significant increase or decrease in near-term earnings prospects;
- significant litigation or developments in existing litigation;
- significant regulatory development or changes in legislation governing the Company's services and/or products;

- capital reorganisations, mergers or amalgamations, takeover bids or issuer bids, significant acquisitions or dispositions of assets, property or joint venture interests, including news of a pending significant merger, acquisition or divestiture, joint venture;
- events relating to Quest's securities, including stock splits, share consolidations, stock dividends, stock repurchases and other changes in capital structure;
- changes in dividend policy and declarations or omissions of dividends;
- the borrowing or lending of a significant amount of funds or any mortgaging or encumbering in any way of Quest's assets, including bank credit facilities or other financing transactions;
- public and private offerings of debt/equity;
- changes in senior management;
- expansion into new markets or material changes in the Company's sphere of activity;
- material changes in prior public statements or news releases;
- significant developments in budgets or long-term plans, including a significant change in capital investment plans or corporate objectives; and
- any other development relating to the business and affairs of the Company that would reasonably be expected to significantly affect the market price or value of any of the Company's securities or that would reasonably be expected to have a significant influence on a reasonable investor's investment decisions.

Both positive or negative information may be material.

3. TRADING IN SECURITIES OF THE COMPANY

(a) Rules Against Insider Trading and Tipping

A Designated Person or person in a "special relationship" (as defined below) with Quest shall not trade in securities of the Company if such person possesses material non-public information about Quest, during any period commencing with the date that he or she possesses material non-public information on the Company and ending at the close of business one trading day after the public disclosure of that information. "Trading day" shall mean a day on which the TSX, AMEX or AIM is open for trading.

A "trade" (as used in this Policy) includes a purchase or sale of securities, an offer or solicitation to purchase or sell securities or an exercise of an option, warrant or other convertible security.

Under the applicable rules of AIM, the following are also trades/dealings in securities of the Company that would be covered by this Policy:

- the grant to, or acceptance by, a Designated Person of any option relating to the securities or of any other right or obligation, present or future, conditional or unconditional, to acquire or dispose of any of the securities;
- trades between Designated Persons;
- off-market trades;
- transfers for no consideration by Designated Persons;
- issuances of securities from treasury and cancellation of securities from treasury;
- the trading of a derivative or similar type security of the Company by a Designated Person; and
- any other change whatsoever in the holding of AIM securities (including options, warrants and convertible securities).

In addition, a Designated Person or person in a “special relationship” with Quest may not disclose (“**tip**”), material non-public information to any other person (including family members), including where such information may be used by such person to his or her benefit by trading in the securities of companies to which such information relates, nor shall such insider or related person make recommendations or express opinions on the basis of material non-public information as to trading in securities of the Company.

There is a “necessary course of business” defence that may be available in certain circumstances in connection with the disclosure of material non-public information. However, persons in possession of material non-public information must always obtain the approval of senior management or the board of directors of the Company (the “**Board**”) before disclosing any material non-public information to any person.

(b) Definition of "Special Relationship"

The "special relationship" definition is broad. Persons in a “special relationship” include, but are not limited to: (i) Designated Persons; (ii) insiders as defined under securities legislation; (iii) persons engaging in professional or business activities for or on behalf of the Company; and (iv) anyone (a "tippee") who learns of material information from someone that the tippee knows or should know is a person in a special relationship with the Company.

(c) Rule As It Applies To Other Entities

Where Quest is involved in an undisclosed material transaction with another entity, each Designated Person is considered to be in a special relationship with such other entity and, therefore, cannot trade in securities of such other entity where material non-public information about such other entity was obtained as a result of such Designated Person’s service as a director, officer or employee of Quest or as a consultant or provider of services to Quest.

4. SPECIFIC TRADING PROHIBITIONS

(a) Blackout Periods

To ensure that material information of the Company is broadly disseminated to the investment community, the Company has established certain Blackout Periods (defined below) during which Designated Persons may not trade in the securities of Quest.

A “Blackout Period” means:

- (i) the period beginning two months immediately preceding the date of publication of Quest’s annual results and ending at the end of the business day one trading day after such publication (or, if shorter, the period beginning from Quest’s financial year end of 31 December to the end of the business day after the date of publication of the annual results);
- (ii) the period beginning one month immediately preceding the date of publication of Quest’s quarterly results and ending at the end of the business day one trading day after such publication (or, if shorter, the period beginning from the end of the relevant financial period – 31 March, 30 June or 30 September – to the end of the business day after the date of publication of the quarterly results);

(iii) for any other news release or publication, other than financial results, the 24 hour period immediately following the time of release or publication;

(iv) any other period when Quest or any Designated Person is in possession of material non-public information concerning Quest that is not generally known to the public or at any time it has become reasonably probable that such information will be required by the rules of the TSX, AMEX or AIM or applicable securities legislation to be notified or to be disclosed to the market; and

(v) any other time and for any length of time as determined by the Company's Disclosure Committee.

(c) *Exceptions to the Blackout Period Trading Restrictions*

(i) **Hardship Exception**

Quest recognises that on rare occasions, circumstances may arise when the prohibition on trading during a Blackout Period will result in severe personal hardship due to an unforeseen or unexpected personal situation. In such circumstances, the Chief Executive Officer or Chief Financial Officer are permitted, in their discretion, to make exceptions to permit selling (but not purchasing) by a Designated Person during a Blackout Period, provided that the Designated Person has provided particulars of the circumstances giving rise to the hardship and has certified in writing no later than two business days prior to the proposed trade that he or she is not in possession of material non-public information. In addition, the pre-approval of the London Stock Exchange and any relevant Canadian [and United States?] securities authority will be required. Quest's Chief Financial Officer should be contacted in the first instance if a Designated Person is aware that a situation of this nature has arisen or is reasonably expected to arise.

(ii) **Binding Commitment Exception**

Subject to the pre-clearance of trades in accordance with this Policy and to applicable securities laws, Blackout Periods may not apply when a Designated Person has entered into a "binding commitment" prior to the Company being in such a Blackout Period where it was not reasonably foreseeable at the time such "binding commitment" was made that a Blackout Period was likely. Examples of "binding commitments" include without limitation automatic securities purchase plans, dividend reinvestment plans and automatic pre-arranged sales plans structured and disclosed in compliance with applicable securities laws.

5. PRE-CLEARANCE OF TRADES

While the onus of complying with all insider trading, insider reporting and filing requirements remains with each individual, subject to this Policy, in order to avoid inadvertent trading during a Blackout Period, all Designated Persons who wish to trade in Quest's securities must contact Quest's Corporate Secretary to obtain trading clearance at least two business days prior to any intended trade. The Chief Financial Officer (or, in the case of any clearance requested by the Chief Financial Officer, the Chief Executive Officer), who is responsible for giving the trading clearance, may, in his/her discretion, decide not to give any reasons for refusing to grant clearance to deal and his/her decision will be final. A written record will be maintained by Quest of the receipt of any advice provided to any Designated Person regarding this Policy

and of any clearance given. The Designated Person will also be entitled to receive from Quest written confirmation that such advice and clearance has been given.

6. CONTINUOUS DISCLOSURE OBLIGATIONS

(a) *Notification under the AIM rules*

Under the rules of AIM, the Company must issue to the best of its knowledge a notification without delay to a Regulatory Information Service (a service approved by The London Stock Exchange for the distribution to the public of AIM announcements and included within the list maintained on the London Stock Exchange's website, www.londonstockexchange.com) for distribution to the public of any trades by:

- (i) its directors; or
- (ii) shareholders holding three per cent or more of any class of AIM security ("**significant shareholders**") where such trade results in the increase or decrease of such holding (above three per cent) through any single percentage.

Accordingly, directors and significant shareholders must disclose to the Chief Financial Officer all information that Quest needs for this purpose under the AIM Rules without delay following the date of each trade. The prescribed information is set out in Exhibit A to this Policy.

(b) *Insider Trading Reporting*

For purposes of this section, an "insider" of Quest means:

- (i) a director or officer of Quest;
- (ii) a director or officer of a company that is itself an insider or subsidiary of Quest (a subsidiary being an issuer in which Quest owns sufficient voting securities to elect a majority of directors of the issuer); or
- (iii) any person or company that beneficially owns, directly or indirectly, voting securities of Quest, or that exercises control or direction over voting securities of Quest, or a combination of both, carrying more than 10 per cent of the voting rights attached to all voting securities of Quest.

It is the personal obligation of each director, officer and other insider to file insider reports following any trade or other change in holdings of securities of Quest (including without limitation, the exercise of any options or transfer of securities into or out of an individual's RRSP account) in accordance with applicable Canadian securities laws. The Canadian securities regulatory authorities have implemented the System for Electronic Disclosure by Insiders ("**SEDI**"). SEDI facilitates the filing and public dissemination of "insider reports" in electronic format through the Internet. The Company assists certain directors and officers with filing procedures by providing administrative support. **This administrative support does not relieve individuals of their personal responsibility to file insider reports in a timely and accurate fashion.** Currently, insider reports must be filed within 10 days after a change in direct or indirect beneficial ownership of, or control or direction over, Quest securities.

Failure of insiders to comply with the prescribed time limits for declaring their control or a change in their control over the securities of Quest, or their failure to provide complete information, constitutes a violation under Canadian securities laws and may result in liability and the penalties described in this Policy.

7. LIABILITY AND PENALTIES

Severe penalties under Canadian, United States and United Kingdom securities laws apply to Designated Persons who trade in securities of Quest using material information about Quest that has not been publicly disclosed or who "tip" persons who may use such information for the purpose of trading.

A Designated Person who is convicted of contravening the Canadian securities laws in this regard is liable for a fine of not less than the profit made or loss avoided by such person by reason of contravention, and not more than the greater of (i) a fine of up to Cdn\$5 million and (ii) triple any profit made. In addition, such person may be liable to imprisonment for a term of not more than two years.

Parties who breach securities laws may furthermore be liable in any civil action taken against themselves or against Quest as a result of, or consequence of, the breach. Any Designated Person may be required to compensate any and all persons for their losses resulting from their sale or purchase of securities of Quest on the basis of the illegal trading or tipping activities of such person.

Finally, regulators may seek other relief, including without limitation an injunction against future violations and prohibitions against an individual acting as a director or officer or participating in the securities markets.

As such, each Designated Person who violates the prohibitions against insider trading, or knows of such violation by any other persons, must report the violation immediately to the Chief Executive Officer or Chief Financial Officer of Quest.

8. MODIFICATIONS AND WAIVERS

Quest reserves the right to amend or modify the policies and procedures set forth herein at any time. Waiver of the provision of these policies and procedures in a specific instance may be authorized in writing only by the Chief Executive Officer or Chief Financial Officer (or his/her designee).

9. INQUIRIES

If a Designated Person has any question as to any of the matters discussed herein, in particular as to whether any proposed action will be within the scope of "trading" as used within the policy or falls within a Blackout Period, he or she should not hesitate to ask for advice and should not act until he or she has received an answer. Requests for advice should be directed to the Chief Financial Officer.

While this Policy may not cover all situations, a good rule to follow at all times is: CAREFULLY AVOID ANY TRADING OR DISCLOSURE (TIPPING) WHICH MIGHT BE, OR APPEAR TO BE, UNFAIR TO PUBLIC INVESTORS.

EXHIBIT A

A. Information Required to be Notified by the Company relating to Directors/Significant Shareholders under AIM Rules

1. Identity of the director or significant shareholder.
2. Date on which the disclosure was made to Quest by the director/significant shareholder.
3. Date on which the deal/relevant change to the holding was effected.
4. Price, amount and class of the AIM securities concerned.
5. Nature of the transaction.
6. Nature and extent of the director's or significant shareholder's interest in the transaction.
7. If the trade/deal takes place when it is in any Blackout Period, the date upon which any previous binding commitment was notified to a Regulatory Information Service or the date upon which the London Stock Exchange granted permission to trade/deal in order to mitigate severe personal hardship (see under "Hardship Exception" in the Policy).
8. If the notification concerns any financial product whose value in whole or in part is determined directly/indirectly by reference to the price of the AIM securities (including a contract for difference or a fixed odds bet), the detailed nature of the exposure.

B. Definition of Unpublished Price Sensitive Information

Means any "unpublished price-sensitive information" which relates to the AIM Securities that:

- (a) is specific or precise;
- (b) has not been made public within the meaning of section 58 of *the Criminal Justice Act (UK) 1933*; and
- (c) if it were made public would be likely to have a significant effect on the price or value of any AIM Securities,

and, without prejudice to the generality of the above, it should be considered that any unpublished information regarding transactions required to be notified to a Regulatory Information Service in accordance with the AIM Rules and unpublished information of the kind referred to in the paragraphs of the AIM Rules set out below is price-sensitive: (i) AIM Rule 11 (general obligations of disclosure); (ii) AIM Rules 12, 13, 14 and 15 (substantial transactions, related party transactions, reverse takeovers and disposal resulting in fundamental change of

business); (iii) AIM Rule 17 (disclosure of miscellaneous information); and (iv) AIM Rule 18 and 19 (half-yearly reports and annual accounts).

**Approved by Audit Committee
March 13, 2008 and Board March 14, 2008**

APPENDIX "B" TO AUDIT COMMITTEE CHARTER

Quest Capital Corp.

CUSTOMER PRIVACY POLICY

OUR COMMITMENT TO PRIVACY

Quest is committed to maintaining the security, confidentiality and privacy of your personal information. This Privacy Policy documents our on-going commitment to you and has been developed in compliance with relevant privacy legislation.

SCOPE OF POLICY

This Policy addresses personal information about identifiable individuals and does not apply to information collected, used or disclosed with respect to corporate or commercial entities.

This Policy does not impose any limits on our collection, use or disclosure of the following information:

- information that is aggregated or otherwise made anonymous; and
- your business contact information.

ACCOUNTABILITY

Quest is accountable and responsible for personal information under its control. Quest has designated a Privacy Officer who is responsible for Quest's compliance with this Policy. The contact details for Quest's Privacy Officer are set out at the end of this Policy.

PURPOSES FOR COLLECTION

Quest collects your personal information for the purposes described in this privacy policy and as otherwise may be identified to you at the time of collection. Generally, we only collect your personal information in connection with the extension and administration of the products and services you obtain from us and in connection with our relationship with you.

SOURCE OF YOUR INFORMATION

Most of your personal information will be collected directly from you through the various contracts and other documents you complete and through discussions with our representatives. Some of your information may be collected from other sources such as credit bureaus, financial institutions, employers, landlords, and government sources.

PERSONAL INFORMATION WE COLLECT

The personal information we collect about you will depend on the nature of the services and/or products that you receive from us. Generally the following types of personal information will be collected: your name, address, birthdate, employment information and relevant financial information.

We will not collect personal information indiscriminately and will limit our collection of your personal information to what is reasonably necessary to provide a product or service either directly or indirectly and which is reasonably necessary for the purposes outlined in this Policy or for purposes which you may otherwise consent to. We may also collect information as authorized by law.

HOW WE MAY USE YOUR PERSONAL INFORMATION

Quest and its representatives may collect and use your personal information for the following purposes:

- authenticating your identity;
- determining whether to grant financing to you or your company,
- assessing your credit-worthiness (including through credit and reference checks);
- providing and administering requested products and services;
- processing and collecting payments and debts owed to us;
- administering and enforcing guarantors' obligations to us;
- initiating and prosecuting litigation to enforce security or other obligations in connection with loans and other transactions;
- defending against any claims or litigation;
- protecting Quest, you and others from fraud and error;
- reporting to credit bureaus or other financial institutions;
- providing credit references to other financial institutions; and
- as otherwise permitted or required by law.

If we want to use your personal information for a new purpose, we will obtain your consent to do so.

HOW WE MAY DISCLOSE YOUR PERSONAL INFORMATION

Quest and its representatives may disclose your personal information for the following purposes:

- since our products and accounts are assignable, to the extent your personal information is needed in connection with any products and accounts that are assigned,

(for example in the case of an acquisition or merger, loan syndication, securitization or sale of mortgages, the provision of security for a credit facility or the change of a supplier) your personal information will be transferred to the assignee;

- if insurance coverage is obtained in connection with the products and services you receive from Quest, your personal information will be transferred to the applicable insurance companies in connection with such coverage;
- if you have indicated your consent to us, Quest may use your social insurance number as an aid to identify you with credit bureaus and other financial institutions for credit history file matching purposes;
- your personal information may be transferred to our service providers who assist with the provision, administration and management of the services and products we offer. We require all of our service providers to adhere to applicable laws;
- Your credit history information may be disclosed from time to time to other lenders or credit reporting agencies in order to support the credit process; and
- Your information may be disclosed to government departments and agencies, regulatory bodies, financial institutions, legal advisors and other third parties as permitted or required by law.

If we want to disclose your personal information for a new purpose, we will obtain your consent.

CONSENT

We will obtain your consent to collect, use or disclose personal information except where we are authorized or required by law to do so without consent. For example, we may collect, use or disclose personal information without your knowledge or consent where:

- the information is publicly available, and such collection, use or disclosure is permitted by statute or regulation;
- we are obtaining legal advice; or
- we reasonably expect that obtaining consent would compromise an investigation or proceeding.

Your consent can be express, implied or given through an authorized representative such as a lawyer, agent or broker. It can also be given verbally, in writing, electronically, through inaction (e.g. if we notify you that we want to collect, use or disclose your personal information for various purposes and you do not object) or otherwise. This Privacy Policy forms part of our account agreement with you. By executing our account agreement you consent to our collection, use and disclosure of your personal information as contemplated in this Privacy Policy.

You may withdraw consent at any time (subject to legal, contractual and other restrictions) if you give reasonable notice in writing to us. After we have received such notice, we will inform you

of the likely consequences of withdrawing consent, which may include our inability to provide certain services to you or to continue our relationship with you.

LIMITS FOR USING, DISCLOSING AND RETAINING PERSONAL INFORMATION

We will only use and disclose your personal information for the purposes described in this Policy, for any other purpose you have consented to or for other purposes which are authorized or required by law.

We will keep personal information used to make a decision affecting you for at least one year after using it to make the decision.

We will destroy, erase or make anonymous documents or other records containing personal information as soon as it is reasonable to assume that: (a) the original purpose is no longer being served by retention of the information, and (b) retention is no longer necessary for legal or business purposes.

We will take due care when destroying personal information to prevent unauthorized access to the information.

ACCURACY

We will make a reasonable effort to keep personal information we are using or disclosing accurate and complete. In most cases, we will rely on you to ensure that certain information, such as your street address, e-mail address or telephone number, is current, complete and accurate.

If you demonstrate the inaccuracy or incompleteness of personal information, we will amend the information as required. If appropriate, we will send the amended information to third parties to whom the information has been disclosed.

When a challenge regarding the accuracy of personal information is not resolved to your satisfaction, we will annotate the personal information under our control with a note that a correction was requested but not made.

SAFEGUARDING PERSONAL INFORMATION

Quest protects the personal information in its custody or control by implementing physical, organization and technological safeguards to protect against unauthorized access, collection, use, disclosure, copying, modification, disposal or similar risks.

Quest will utilize contractual or other reasonable means, to require a comparable level of personal information protection from our suppliers, agents and others who assist in providing products and services to you.

Note that confidentiality and security are not assured when information is transmitted through e-mail or wireless communication.

PROVIDING ACCESS

You have a right to access your personal information held by us.

Upon written request and authentication of your identity, we will provide you with your personal information under our control, information about the ways in which your personal information is being used and a description of the individuals and organizations to whom such information has been disclosed.

We will make personal information available within 30 days or provide written notice where additional time is required to fulfill the request.

In some situations, we may not be able to provide access to certain personal information. This may be the case where, for example, disclosure would reveal personal information about another individual, the personal information is protected by solicitor/client privilege, the information was collected for the purpose of an investigation or where disclosure of the information would reveal confidential commercial information that, if disclosed, could harm our competitive position. We may also be prevented by law from providing access to certain personal information.

Where an access request is refused in whole or in part, Quest will notify you in writing, giving the reason for refusal and outlining further steps which are available to you.

COMPLAINTS, INQUIRIES OR QUESTIONS

Upon your request, we will provide information regarding our complaint procedures.

Any inquiries, complaints or questions regarding this policy or our compliance with privacy legislation should be directed in writing to our Privacy Officer as follows:

Name: Sandra Lee
Phone: (604) 689-1428
Facsimile: (604) 681-4692
E-mail: slee@quest-mail.com

**Approved by Audit Committee
March 13, 2008 and Board March 14, 2008**

APPENDIX “C” TO AUDIT COMMITTEE CHARTER

Quest Capital Corp.

EMPLOYEE PRIVACY POLICY

OUR COMMITMENT TO PRIVACY

Quest is committed to maintaining the security, confidentiality and privacy of your personal information. This Privacy Policy documents our on-going commitment to you and has been developed in compliance with relevant privacy laws.

SCOPE OF POLICY

This Policy does not impose any limits on the collection, use or disclosure of the following information by Quest:

- your business contact information; or
- work product information.

ACCOUNTABILITY

Quest is accountable and responsible for personal information under its control. Quest has designated a Privacy Officer who is responsible for Quest’s compliance with this Policy. The contact details for Quest’s Privacy Officer are set out at the end of this Policy.

PERSONAL INFORMATION WE COLLECT

Quest collects various personal information from employees and potential employees, such as their:

- name, home contact information, marital status, date of birth, SIN (for tax purposes), and information about spouses and dependents (for benefits purposes);
- contact and medical information which might be required in emergencies;
- hiring information, which may include your application for employment, resume, covering letter, letters of reference, interview notes, and reference checks;

- salary, authorized deductions, expense reports and other payroll information;
- hours worked, vacation time and sick time;
- benefits information, including pension and benefits enrolment forms, insurance coverage and claims and pension plan beneficiary information;
- your employment status and history with Quest, including positions held, evaluations and performance reviews (if any), disciplinary records and promotions/demotions;
- information about education, training and courses completed or attended;
- identification (including photograph) and security information such as access card issuance and use;
- information relating to employee adherence to policies and to other security and internal control matters (e.g. dealing with public companies and confidential information); and
- information about work-related accidents and/or illnesses, and medical conditions or disabilities that require special equipment or other accommodation.

LIMITS ON COLLECTING PERSONAL INFORMATION

Quest will not collect personal information indiscriminately and will limit its collection of your personal information to what is reasonably necessary to establish, maintain or terminate your employment relationship with us. Quest may also collect personal information as authorized by law.

HOW WE MAY USE YOUR EMPLOYEE PERSONAL INFORMATION

Quest uses this employee personal information to establish, manage or terminate your employment relationship with Quest and for other purposes authorized or required by law. For example, Quest may use your employee personal information in the following ways:

- to contact you or your family in an emergency;
- for hiring purposes such as verifying your references and background, employment history, education etc.;
- for general employment administration purposes such as administering your employment, salary and benefits, performance reviews, vacations, sick days, promotions, expense claims, etc.;
- to monitor and assess employee use of Quest's communications equipment, computers, electronic mail and the Internet;
- to determine, administer and document training, educational, regulatory and licensing requirements;
- to review and motivate performance results;
- for security purposes such as issuing access cards and providing you with proper identification for Quest premises;

- as may be reasonably required to protect customers, Quest and other employees from theft, fraud and similar risks; and
- to defend against any claims or litigation.

HOW WE MAY DISCLOSE YOUR EMPLOYEE PERSONAL INFORMATION

Quest may disclose personal information to third parties in the process of establishing, managing or terminating your employee relationship with Quest. For example, Quest may disclose your personal information to the following types of third parties:

- benefits providers (e.g. pension and insurance providers);
- Canada Revenue Agency for income tax purposes;
- payroll and data processing suppliers and other service providers;
- the Workers' Compensation Board with respect to claims;
- the applicable provincial medical services or health insurance plan; and
- parties requesting an employment reference (only basic information provided unless you have authorized a full reference).

We require all of our service providers to adhere to applicable laws. Some of our service providers may maintain personal information outside of Canada. In such circumstances your employee personal information will continue to be safeguarded against unauthorized access, use and disclosure but will be subject to local laws within the applicable jurisdiction.

In addition to the foregoing, Quest may disclose your personal information with your consent or for other purposes authorized or required by law.

LIMITS FOR USING, DISCLOSING AND RETAINING PERSONAL INFORMATION

Your employee personal information will only be used or disclosed for the purposes set out above and as authorized by law.

If personal information about an employee is used to make a decision affecting that or another employee, the personal information will be retained for at least one year following the decision.

Quest will destroy, erase or make anonymous documents or other records containing employee personal information as soon as it is reasonable to assume that the original purpose is no longer being served by retention of the information and retention is no longer necessary for legal or business purposes.

Quest will take due care when destroying employee personal information to prevent unauthorized access to such information.

ACCURACY

Quest will make a reasonable effort to keep employee personal information it is using or disclosing accurate and complete. In most cases, Quest will rely on you to ensure that certain information, such as your street address, e-mail address or telephone number, is current, complete and accurate.

If you demonstrate the inaccuracy or incompleteness of personal information, Quest will amend the information as required. If appropriate, Quest will send the amended information to third parties to whom the information has been disclosed.

When a challenge regarding the accuracy of personal information is not resolved to your satisfaction, Quest will annotate the personal information under its control with a note that a correction was requested but not made.

SAFEGUARDING PERSONAL INFORMATION

Quest protects employee personal information in its custody or control by implementing physical, organization and technological safeguards to protect against unauthorized access, collection, use, disclosure, copying, modification, disposal or similar risks.

Quest will utilize contractual or other reasonable means, to require a comparable level of personal information protection from our suppliers, agents and others who assist in the administration of your employment and benefits.

Note that confidentiality and security are not assured when information is transmitted through e-mail or wireless communication.

PROVIDING ACCESS

You have a right to access your personal information held by Quest.

Upon written request and authentication of your identity, Quest will provide you with your employee personal information under our control, information about the ways in which your employee personal information is being used and a description of the individuals and organizations to whom such information has been disclosed.

Quest will make personal information available within 30 days or provide written notice where additional time is required to fulfill the request.

In some situations, Quest may not be able to provide access to certain personal information. This may be the case where, for example, disclosure would reveal personal information about another individual, the personal information is protected by solicitor/client privilege, the information was collected for the purpose of an investigation or where disclosure of the information would reveal confidential commercial information that, if disclosed, could harm the

competitive position of Quest. Quest may also be prevented by law from providing access to certain personal information.

Where an access request is refused in whole or in part, Quest will notify you in writing, giving the reason for refusal and outlining further steps which are available to you.

COMPLAINTS, INQUIRIES OR QUESTIONS

Quest will, on request, provide information regarding its complaint response procedure.

Any inquiries, complaints or questions regarding this policy or our compliance with privacy legislation should be directed in writing to our Privacy Officer as follows:

Name: Sandra Lee
Phone: (604) 689-1428
Facsimile: (604) 681-4692
E-mail: slee@quest-mail.com