

AUDIT COMMITTEE CHARTER

The Audit Committee of the Board of Directors of GobiMin, Inc., (the “**Company**”) (the “**Committee**”) shall assist the Board of Directors in fulfilling its responsibilities with respect to the financial statements, reports and other financial information to be provided by the Company to the shareholders and to the general public, the Company’s internal controls, and the Company’s audit, accounting and financial reporting processes generally. The Committee shall serve as an independent and objective monitor of the performance of the Company’s financial reporting process and system of internal control and review and appraise the efforts of the Company’s independent external auditors (the “**Auditors**”), financial and senior management concerning the Company’s financial position and affairs. The Committee will report its actions to the Board of Directors with such recommendations as the Committee may deem appropriate. The Committee shall be governed in accordance with the By-Laws of the Company and this Charter.

Audit Committee’s Main Purposes

The Committee’s primary duties and responsibilities are to monitor and gain reasonable assurance:

- that the Company complies with the applicable laws, regulations, rules, policies and other requirements of governments, regulatory agencies and stock exchanges having jurisdiction relating to financial reporting and disclosure (the “**Rules**”);
- that management of the Company has assessed areas of potential significant financial risk to the Company and taken appropriate measures;
- of the independence and satisfactory performance of duties by the Auditors;
- that the accounting principles, significant judgements and disclosures that underlie or are incorporated in the Company’s financial statements are the most appropriate in the prevailing circumstances;
- that the Company’s quarterly and annual financial statements present fairly the Company’s financial position and performance in accordance with IFRS; and
- that appropriate information concerning the financial position and performance of the Company is disseminated to the public in a timely manner, including the prior approval of all press releases concerning the financial results of the Company.

Composition

The Committee members shall be appointed by the Board from time to time. The Board shall designate the Chairman of the Committee annually. All of the members of the Committee shall meet the applicable requirements of the Rules.

Reliance on Experts

The Committee is authorized to confer with the Company’s management and other employees to whom it may deem necessary or appropriate to fulfil its duties. The Committee is authorized to conduct or authorize investigations into any matter within the Committee’s scope of responsibilities. The Committee also is authorized to seek outside legal or other advice to the extent it deems necessary or appropriate.

The Committee shall have the authority to approve the compensation for any advisors engaged by it. Management of the Company shall cause such compensation to be paid, without the need to obtain additional approvals. Each member of the Committee shall be entitled to rely in good faith upon any report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement made by any such person.

The Committee shall also have the authority to communicate directly with the Auditors and legal counsel of the Company.

Independence of Committee Members

The majority of the members of the Audit Committee shall be independent, within the meaning of the Rules. None of the independent members of the Committee may earn fees from the Company or any of its subsidiaries other than directors' fees or fees paid to independent members of the committees of the board and stock options (which fees may include cash, options or other in-kind consideration ordinarily available to directors). For greater certainty, no independent member of the Committee shall accept any consulting, advisory or other compensatory fee from the Company.

Limitations on Committee's Duties

In contributing to the Committee's discharging of its duties under this Charter, each member of the Committee 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 may be construed, to impose on any member of the Committee a standard of care or diligence that is in any way more onerous or extensive than the standard to which all Board members are subject.

Meetings & Operating Procedures

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. Members can attend committee meetings by phone. A quorum shall be a majority of the members. In the absence of the Chairman of the Committee, the members shall appoint an acting Chairman. A copy of the minutes of each meeting of the Committee shall be provided to each member of the Committee in a timely fashion. The Chairman of the Committee shall prepare and/or approve an agenda in advance of each meeting.

Review Procedures

- The Committee, in consultation with management and the Auditors, shall develop and participate in a process for review of important financial topics that have the potential to impact the Company's financial policies and disclosures.
- The Committee shall communicate its expectations to management and the Auditors with respect to the nature, timing and extent of its information needs. Written materials shall be received from management and the Auditors in advance of meeting dates.
- The Committee should meet privately in executive session with management, the Auditors and as a committee to discuss any matters that the Committee or each of these groups believes should be discussed.

- In addition, the Committee or at least its Chair should communicate with management and the Auditors quarterly to review the Company's financial statements and significant findings based upon the auditor's limited review procedures.
- The Committee shall annually review, discuss and assess its own performance. In addition, the Committee shall periodically review its role and responsibilities.
- The Committee shall establish that, in discharging their responsibilities to the shareholders, the Auditors shall be accountable to the Board through the Committee. The Auditors shall report all material issues or potentially material issues directly to the Committee, through the Chairman.

Detailed Responsibilities and Duties

The Committee shall have the following responsibilities and duties:

- Review and reassess the adequacy of this Charter and submit it to the Board for approval and ensure that it is in compliance with the Rules.
- Review the Company's annual audited financial statements and the accompanying Management Discussion and Analysis prior to filing or distribution, and report its findings for approval to the Board. Review should include discussion with management and Auditors of significant issues regarding accounting principles, practices and judgments.
- Review the Company's quarterly unaudited financial statements and the accompanying Management Discussion and Analysis prior to filing or distribution, and report its findings for approval to the Board. Review should include discussion with management and Auditors of significant issues regarding accounting principles, practices and judgments.
- Review and, if appropriate, recommend approval to Management of news releases and reports to shareholders issued by the Company with respect to the Company's annual and quarterly financial statements.
- Ensure that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements, other than the disclosure stated above, and periodically assess the adequacy of those procedures.
- In consultation with management and the Auditors, consider the integrity of the Company's financial reporting processes and controls. Discuss significant financial risk exposures and the steps management has taken to monitor, control, and report such exposures. Review significant findings prepared by the Auditors together with management's responses.
- Review with management and the Auditors the appropriateness of the Company's accounting policies, disclosures, reserves, key estimates and judgements, including changes or alternatives thereto and to obtain reasonable assurance that they are in compliance with IFRS, and report thereon to the Board.
- Review the following with management with the objective of obtaining reasonable assurance that financial risk is being effectively managed and controlled:
 - i. management's tolerance for financial risks;
 - ii. management's assessment of significant financial risks facing the Company;

- iii. the Company's policies, plans, processes and any proposed changes to those policies for controlling significant financial risks.
- On at least an annual basis, review with the Company's counsel, any legal matters that could have a significant impact on the financial statements, the Company's compliance with the Rules, and inquiries received from regulators or governmental agencies.
 - Assume direct responsibility for overseeing the work of the Auditors engaged to prepare or issue an audit report or perform other audit, review or attest services for the Company, including the resolution of disagreements between management and the Auditors regarding financial reporting.
 - Evaluate and recommend to the Board the Auditors to be nominated to prepare or issue an audit report or perform other audit, review or attest services for the Company, and the compensation of the Auditors.
 - Pre-approve all non-audit services to be provided to the Company or its subsidiary entities by its Auditors. Authority to pre-approve non-audit services may be delegated to one or more members, provided that the pre-approval is presented to the full Committee at its first scheduled meeting following such pre-approval.
 - On an annual basis, the Committee should review and discuss with the Auditors all significant relationships they have with the Company that could impair the Auditors' independence.
 - Review the Auditors' audit plan, discuss scope, staffing, locations, reliance upon management and internal audit and general audit approach.
 - Prior to releasing the year-end earnings, discuss the results of the audit with the Auditors. Discuss certain matters required to be communicated to audit committees.
 - Review any change in accounting practices or policies recommended by the Auditors and their impact on the financial statements.
 - Where there are unsettled issues raised by the Auditors that do not have a material effect on the annual audited financial statements, require that there be a written response identifying a course of action that would lead to their resolution.
 - Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
 - Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former Auditors of the Company.
 - Perform all other tasks or assume all other applicable responsibilities imposed on audit committees by the Rules.