



AUREUS MINING INC.
AUDIT COMMITTEE CHARTER

(Approved by the Board of Directors on 19th March 2013)

A. PURPOSE/OBJECTIVES

The overall purpose of the Audit Committee (the "**Committee**") is to ensure that the Company's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements of the Company and related financial information, and to review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. In performing its duties, the Committee will maintain effective working relationships with the Board of Directors (the "Board"), management, and the external auditors and monitor the independence of those auditors. To perform his or her role effectively, each committee member will obtain an understanding of the responsibilities of committee membership as well as the Company's business, operations and risks.

B. COMPOSITION, PROCEDURES AND ORGANIZATION

1. The Committee shall consist of at least three members of the Board, each of which shall be an independent¹ director.
2. All of the members of the Committee shall be "financially literate"¹.
3. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
4. Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.
5. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other. The Committee shall have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties.

¹ As defined in National Instrument 52-110

6. Meetings of the Committee shall be conducted as follows:

- (a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;
- (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee;
- (c) management representatives may be invited to attend all meetings, except executive sessions and private sessions with the external auditors; and
- (d) the proceedings of all meetings will be minuted.

7. The external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Company as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

C. ROLES AND RESPONSIBILITIES

1. The overall duties and responsibilities of the Committee shall be as follows:

- (a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and quarterly consolidated financial statements and related financial disclosure;
- (b) to establish and maintain a direct line of communication with the Company's internal and external auditors and assess their performance;
- (c) to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls;
- (d) to engage independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities;
- (e) to set and pay the compensation for any advisors employed by the Committee; and
- (f) to report regularly to the Board on the fulfilment of its duties and responsibilities.

2. The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:

- (a) to recommend to the Board a firm of external auditors to be engaged by the Company and to verify the independence of such external auditors;
- (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
- (c) review the audit plan of the external auditors prior to the commencement of the audit;
- (d) approve in advance provision by the external auditors of services other than auditing;
- (e) to review with the external auditors, upon completion of their audit:
 - (i) contents of their report;
 - (ii) scope and quality of the audit work performed;
 - (iii) adequacy of the Company's financial and auditing personnel;
 - (vi) co-operation received from the Company's personnel during the audit;
 - (v) internal resources used;
 - (vi) significant transactions outside of the normal business of the Company;
 - (vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
 - (viii) the non-audit services provided by the external auditors;
- (f) to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles;
- (g) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management; and
- (h) review any disagreements between management and the external auditor regarding financial reporting.

3. The duties and responsibilities of the Committee as they relate to the Company's internal auditors are to:

- (a) periodically review the internal audit function with respect to the organization, staffing and effectiveness of the internal audit department;
- (b) review and approve the internal audit plan; and
- (c) review significant internal audit findings and recommendations, and management's response there to.

4. The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:

- (a) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
- (b) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
- (c) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.

5. The Committee is also charged with the responsibility to:

- (a) review the Company's financial statements and related financial disclosure before the Company publically discloses such information, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;
- (b) review and approve the financial sections of:
 - (i) the annual report to shareholders;
 - (ii) the annual information form;
 - (iii) prospectuses;
 - (iv) news releases discussing financial results of the Company;
 - (v) other public financial reports requiring approval by the Board, and report to the Board with respect thereto; and
 - (vi) any other public disclosure of financial information extracted or derived from the financial statements;
- (c) review regulatory filings and decisions as they relate to the Company's consolidated financial statements;
- (d) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other disclosure documents on a periodic basis, and consider recommendations for any material change to such policies;
- (e) review and report on the integrity of the Company's consolidated financial statements;
- (f) 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;
- (g) 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;
- (h) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements;
- (i) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information;
- (j) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board of Directors following each annual general meeting of shareholders;
- (k) review and recommend updates to the charter and receive approval of changes from the Board; and
- (l) perform other functions as requested by the full Board.