



## AUDIT COMMITTEE CHARTER

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### 1. PURPOSE

The primary function of the Audit Committee (the “Committee”) of Evrim Resources Corp. (the “Company”) is to provide an open avenue of communication between management, the independent auditor, and the Board and to assist the Board in its oversight of the:

- a) integrity, adequacy and timeliness of the company’s financial reporting and disclosure practices;
- b) processes for identifying and managing the principal financial risks of the company and the company’s internal control systems that ensures fair, complete and accurate financial reporting;
- c) company’s compliance with legal and regulatory requirements related to financial reporting; and
- d) independence and performance of the company’s external auditor.

The Committee shall also perform any other activities consistent with this Charter, the company’s by-laws and governing laws as the Committee or Board deems necessary or appropriate.

### 2. MEMBERSHIP AND OPERATIONS

The Committee shall consist of at least three directors. At least one of the members of the Committee shall be independent and, where possible, the Committee should be composed entirely of “independent” directors, as such term is defined in National Instrument 52-110, *Audit Committees*, as may be amended or replaced from time to time.

All members shall have sufficient financial literacy, which means the ability to read and understand a balance sheet, income statement, cash flow statement and the notes attached thereto, to enable them to discharge their responsibilities in accordance with applicable laws and/or requirements of the TSX Venture Exchange on which the company’s securities trade. At least one member of the Committee shall have accounting or related financial management expertise that allows that member to read and understand financial statements and the related notes attached thereto in accordance with International Financial Reporting Standards (“IFRS”).

Committee members shall serve until qualified successors are duly designated and appointed by the Board. Any member may be removed at any time, with or without cause, by a majority of the Board then in office. Any vacancy in the Committee occurring for any cause may be filled by a majority of the Board then in office.

The Committee's chairperson shall be designated by the Board. A majority of the members of the Committee shall constitute a quorum for the transaction of business and the act of a majority of those present at any meeting at which there is a quorum shall be the act of the Committee.

### **3. AUTHORITY**

The Board of Directors has granted the Committee the authority herein provided. The Committee has been, and shall be, granted unrestricted access to all information and all employees have been, and shall be, directed to cooperate as requested by members of the Committee. The Committee has the authority to retain, at the Company's expense, persons having special competencies (including, without limitation, legal, accounting, compensation or other consultants and experts) to assist the Committee in fulfilling its responsibilities. The Committee has the sole authority to terminate the Committee's engagement of its experts and to approve the fees and other terms of retention of such experts.

### **4. RESPONSIBILITIES**

The Committee's role is one of oversight. Management is responsible for preparing the company's financial statements and other financial information and for the fair presentation of the information set forth in the financial statements in accordance with IFRS. Management is also responsible for establishing systems of internal control and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The external auditor's responsibility is to audit the company's financial statements and provide its opinion, based on its audit conducted in accordance with generally accepted auditing standards, that the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the company in accordance with IFRS. The external auditor is also responsible for issuing an attestation report on management's assessment of the effectiveness of the Company's systems of internal control as of the end of the Company's most recent fiscal year end. The Committee is directly responsible for the appointment, compensation, evaluation, termination and oversight of the work of the external auditor. The external auditor shall report directly to the Committee, as they are accountable to the Board and the Committee as representatives of the company's shareholders. As such, it is not the duty or responsibility of the Committee or any of its members to plan or conduct any type of audit or accounting review or procedure.

In performing its oversight responsibilities, the Committee shall:

- a) Review and assess the adequacy of this Charter and recommend any proposed changes to the Board for approval at least once per year.
- b) Review the appointments of the company's Chief Financial Officer and any other key financial executives involved in the financial reporting process.
- c) Review with management and the external auditor the adequacy and effectiveness of the company's systems of internal control and the adequacy and timeliness of its financial reporting processes.
- d) Review with management and the external auditor the annual audited financial statements, management discussion and analysis reports and other financial reporting documents, including the CEO and CFO certifications, prior to filing or distribution,

including financial matters required to be reported under applicable legal or regulatory requirements.

- e) Review with management the unaudited quarterly financial statements, management discussion and analysis reports and other financial reporting documents, including the CEO and CFO quarterly certifications, prior to filing or distribution, including financial matters required to be reported under applicable legal or regulatory requirements.
- f) Review with management and the external auditor and approve earnings news releases and other financial information and earnings guidance disclosures contained in such news releases prior to their release.
- g) Where appropriate and prior to release, review with management and approve any other news releases that contain significant financial information that has not previously been released to the public.
- h) Review the company's financial reporting and accounting standards and principles and significant changes in such standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale
- i) Review the quality and appropriateness, not just the acceptability, of the accounting policies and the clarity of financial information and disclosure practices adopted by the company, including consideration of the external auditors' judgments about the quality and appropriateness of the company's accounting policies. This review shall include discussions with the external auditor without the presence of management.
- j) Review with management and the external auditor significant related party transactions and potential conflicts of interest.
- k) Recommend to the Board and shareholders the external auditor selected to examine the company's accounts and financial statements. The Committee has the responsibility to approve all audit engagement terms and fees. The Committee shall pre-approve all audit, non-audit and assurance services provided to the company by the external auditor, but the Chairman or his appointee may be delegated the responsibility to approve these services where the fee is not significant.
- l) Review with management and the external auditor and approve the annual audit plan and results of and any problems or difficulties encountered during any external audits and management's responses thereto.
- m) Receive the report of the external auditor on completion of the audit.
- n) Monitor the independence of the external auditors by reviewing all relationships between the independent auditor and the company and all audit, non-audit and assurance work performed for the company by the independent auditor on at least a semi-annual basis. The Committee will receive an annual written confirmation of its independence from the external auditor.

- o) Review the company's procedures and establish procedures for the Committee for the:
  - i. receipt, retention and resolution of complaints regarding accounting, financial disclosure, internal controls or auditing matters; and
  - ii. confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.
- p) Conduct or authorize investigations into any matter that the Committee believes is within the scope of its responsibilities. The Committee has the authority to retain independent counsel, accountants or other advisors to assist it in the conduct of any investigation, at the expense of the Company.
- q) The Committee shall report its recommendations and findings to the Board after each meeting and shall conduct and present to the Board an annual performance evaluation of the effectiveness of the Committee.

## **5. KEY PRACTICES**

The Committee has adopted the following key practices to assist it in fulfilling its responsibilities.

### **5.1 MEETINGS**

The Committee will meet at least four times per year to perform its responsibilities as set out in this Charter; however, it may perform its duties by consent resolution instead of meetings. The foregoing notwithstanding, the Audit Committee shall meet at least once per year.

The Committee may ask members of management or others to attend meetings to provide information as necessary. The Committee shall meet separately with each of management and the independent auditor, as required, to discuss matters that the Committee, or these groups, believe should be discussed privately with the Committee. Additional meetings shall be held as required in the opinion of the Audit Committee or the external auditor. Minutes of all meetings of the Committee will be provided to the Board. Written or verbal reports on Committee meetings whose minutes have not been completed will be provided at each meeting of the Board.

### **5.2 REVIEW OF FINANCIAL STATEMENTS**

Prior to releasing to the public, the Committee will review and approve the company's annual and quarterly reports, including the financial statements, the management discussion and analysis reports and other information contained therein, in detail with the company's Chief Executive Officer and Chief Financial Officer. The company's external auditors may be present at these meetings. The Committee will require management to review the annual financial statements and related regulatory filings with the full Board prior to their filing with the applicable regulatory agencies.

### **5.3 REVIEW OF THE CEO AND CFO CERTIFICATION PROCESS**

The Committee will review the company's process for the CEO and CFO certifications required by the various regulatory agencies in the jurisdictions in which the company operates with respect to the company's financial statements, disclosures and internal controls, including any significant changes or deficiencies in such controls. The Chairman of the Committee or his appointee shall review the company's disclosure controls and procedures.

### **5.4 REVIEW OF INFORMATION PROVIDED TO ANALYSTS AND RATING AGENCIES**

The Committee shall review other news releases containing significant financial information that has not been previously released to the public with the company's Chief Financial Officer prior to their release. The substance of presentations to analysts and rating agencies involving material changes in the company's strategy or outlook shall be reviewed with the full Board prior to the event.

### **5.5 APPROVAL OF AUDIT AND NON-AUDIT SERVICES**

In addition to approving the engagement of the external auditor to audit the company's financial statements, the Committee will approve all audit, non-audit and assurance services provided by the independent auditor prior to the commencement of any such engagement. The Committee may delegate the responsibility for approving these services to the Chairman or his appointee where the fee is not significant. The Committee will review a summary of all audit, non-audit and assurance work performed for the company at least twice per year. To minimize relationships that could impair the independence of the external auditor, it is the Committee's practice to limit non-audit and assurance services provided by the independent auditor to assistance with financings, taxation, acquisition due diligence and merger integration or other services where there are compelling reasons for the external auditor to provide such services.

### **5.6 HIRING GUIDELINES FOR EMPLOYEES OF THE INDEPENDENT AUDITOR**

The Committee shall review and approve the appointment of any employee or former employee of the company's external auditor to a senior financial management position with the company. The Committee shall request management to annually prepare a report of the profiles of all individuals hired during the past year who were employed by the external auditor at any time during the two years prior to being hired by the company.

### **5.7 COMPLAINTS ABOUT ACCOUNTING, AUDITING AND FINANCIAL REPORTING AND DISCLOSURE MATTERS**

The company's Whistle Blower policy prohibits reprisals or intimidation of employees who draw attention to problems or violations of ethical standards. Employees can report any concerns to their superior or the company's legal counsel, confidentially and anonymously. Employees may also submit, confidentially and anonymously, concerns regarding questionable accounting, auditing and financial reporting and disclosure matters to the Chairman of the Audit Committee. A summary of all complaints related to auditing, accounting and financial reporting and/or disclosure matters will be reported to the Committee at each meeting, and if the Committee so directs, to the full Board. The Committee may retain outside counsel or other advisors to investigate and resolve any complaints disclosed to it.

## **5.8 OTHER MATTERS**

Management shall report any real or suspected incidents of fraud, theft or violations of the Company's Code of Ethics to the Committee. Corporate Counsel shall report to the Committee any litigation, claim or other contingency that could have a significant effect on the company's financial results or disclosures.