

LARAMIDE RESOURCES LTD.

THE AUDIT COMMITTEE'S CHARTER

1. Overall Purpose / Objectives

The committee will assist the board of directors (the "**Board**") in fulfilling its responsibilities. The committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the Company's process of monitoring compliance with laws and regulations and its own code of business conduct. In performing its duties, the committee will maintain effective working relationships with the Board, management, and the external auditors and monitor the independence of those auditors. The committee will also be responsible for reviewing the Company's financial strategies, its financing plans and its use of the equity and debt markets.

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.

2. Authority

The Board authorizes the committee, within the scope of its responsibilities, to seek any information it requires from any employee and from external parties, to retain outside legal or professional counsel and other experts and to ensure the attendance of company officers at meetings as appropriate.

3. Organization

3.1 Membership

- i. The committee will be comprised of at least three members, each of which should be an independent director.
- ii. The chairman of the audit committee will be nominated by the committee from time to time.
- iii. A quorum for any meeting will be two members.
- iv. The secretary of the committee will be the Company's secretary, or such person as nominated by the Chairman.

3.2 Attendance at Meetings

- i. The committee may invite such other persons (e.g. the CEO) to its meetings, as it deems appropriate.
- ii. The external auditors should be present at the annual audit committee meeting and be expected to comment on the financial statements in accordance with best practices. The committee may invite the external auditors to participate in any other audit committee meeting.
- iii. Meetings shall be held not less than four times a year. Special meetings shall be convened as required. External auditors may convene a meeting if they consider that it is necessary.
- iv. The proceedings of all meetings will be minuted.

4. Roles and Responsibilities

The committee will:

- 4.1** Gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.
- 4.2** Gain an understanding of the current areas of greatest financial risk and whether management is managing these effectively.
- 4.3** Review the company's strategic and financing plans to assist the Board's understanding of the underlying financial risks and the financing alternatives.
- 4.4** Review management's plans to access the equity and debt markets and to provide the Board with advice and commentary.
- 4.5** Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- 4.6** Review any legal matters which could significantly impact the financial statements as reported on by the general counsel and meet with outside counsel whenever deemed appropriate.
- 4.7** Review the annual and quarterly financial statements including Management's Discussion and Analysis and determine whether they are complete and consistent with the information known to committee members; determine that the auditors are satisfied that the financial statements have been prepared in accordance with generally accepted accounting principles.
- 4.8** Pay particular attention to complex and/or unusual transactions such as those involving derivative instruments and consider the adequacy of disclosure thereof.
- 4.9** Focus on judgmental areas, for example those involving valuation of assets and liabilities and other commitments and contingencies.
- 4.10** Review audit issues related to the Company's material associated and affiliated companies that may have a significant impact on the company's equity investment.
- 4.11** Meet with management and the external auditors to review the annual financial statements and the results of the audit.
- 4.12** Assess the fairness of the interim financial statements and disclosures, and obtain explanations from management on whether:
 - a. actual financial results for the interim period varied significantly from budgeted or projected results;
 - b. generally accepted accounting principles have been consistently applied;
 - c. there are any actual or proposed changes in accounting or financial reporting practices;
 - d. there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure.
- 4.13** Review the external auditors' proposed audit scope and approach and ensure no unjustifiable restriction or limitations have been placed on the scope.

- 4.14** Review the performance of the external auditors and approve in advance provision of services other than auditing.
- 4.15** Consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Company.
- 4.16** Make recommendations to the Board regarding the reappointment of the external auditors.
- 4.17** Meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.
- 4.18** Endeavour to cause the receipt and discussion on a timely basis of any significant findings and recommendations made by the external auditors.
- 4.19** Obtain regular updates from management and the company's legal counsel regarding compliance matters, as well as certificates from the Chief Financial Officer as to required statutory payments and bank covenant compliance and from senior operating personnel as to permit compliance.
- 4.20** Report to the Board of Directors after each Committee meeting, all matters which the Audit Committee has become aware, which may significantly impact the financial condition or affairs of the business.
- 4.21** Perform other functions as requested by the full Board.
- 4.22** If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist.
- 4.23** Review and update the charter; receive approval of changes from the Board