

# GLOBEX MINING ENTERPRISES INC.

## AUDIT COMMITTEE CHARTER

### 1.0 PURPOSE

1.1 The Audit Committee (the "**Committee**") is a standing committee of the Board of Directors (the "**Board**") of Globex Mining Enterprises Inc. ("**Globex**") charged with assisting the Board in fulfilling its responsibility to the shareholders and investment community. Its role is to:

- (a) serve as an independent and objective party to oversee Globex's accounting and financial reporting processes, internal control system and audits of its financial statements;
- (b) review and appraise the audit efforts of Globex's external auditors; and
- (c) provide an open avenue of communication among the external auditors, financial and senior management and the Board.

### 2.0 COMMITTEE MEMBERSHIP

2.1 The Board of Globex shall annually appoint a minimum of three directors to the Committee, all of whom shall be directors of Globex and "independent" within the meaning of Regulation 52-110 *Respecting Audit Committees* (Québec) and within the meaning of Multilateral Instrument 52-110 *Audit Committees*, as such meanings may be amended from time-to-time.

2.2 All members of the Committee must be financially literate, or if not financially literate at the time of their appointments, must become so within a reasonable period of time following their appointments.

2.3 Members of the Committee shall be appointed at the first meeting of the Board of Directors typically held following the Annual General Meeting of Globex.

2.4 A member may resign from the Committee and may be removed and replaced at any time by the Board of Directors. A member of the Committee will automatically cease to be a member at such time as that individual ceases to be a director of Globex.

### 3.0 CHAIR OF THE COMMITTEE

3.1 The Board shall in each year appoint a Chair of the Committee from among the members of the Committee. In the Chair's absence, or if the position is vacant, the Committee may select another member to act as interim Chair.

3.2 The Chair shall have the right to exercise all powers of the Committee between meetings but will attempt to involve all other members as appropriate prior to the exercise of any powers and shall, in any event, advise all other members of any decisions made or powers exercised as soon as practicable thereafter.

3.3 The Chair shall be responsible to:

- (a) ensure the Committee meets regularly and performs its duties as set out herein; and
- (b) report to the Board of Directors on the activities of the Committee.

## 4.0 RESPONSIBILITIES

### 4.1 The Audit Committee is responsible to:

- (a) make recommendations to the Board regarding the selection and compensation of the external auditor to be engaged to prepare or issue an auditor's report or perform other audit, review or attest services for Globex who shall report directly to the Committee;
- (b) obtain and review a report from the external auditor at least annually regarding:
  - (i) the external auditor's internal quality-control procedures;
  - (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the external audit firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more independent audits carried out by the firm;
  - (iii) any steps taken to deal with any such issues; and
  - (iv) all relationships between the external auditor and Globex, including non-audit services,
- (c) evaluate the qualifications, performance and independence of the external auditor, including considering whether the external auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence, taking into account the opinions of management and internal auditors and to present its conclusions with respect to the external auditor to the Board;
- (d) satisfy itself of the rotation of the audit partners as required by law and consider whether, in order to assure continuing auditor independence, it is appropriate to adopt a policy of rotating the external auditing firm on a regular basis;
- (e) meet with the external auditor and financial management of Globex to review the scope of the proposed audit for the current year and the audit procedures to be used;
- (f) oversee the work of the external auditor engaged to prepare or issue an auditor's report or perform other audit, review or attest services for Globex, including the resolution of any disagreements between management and the external auditor regarding financial reporting;
- (g) pre-approve all non-audit services to be provided to Globex or any of its subsidiaries by Globex's external auditor;
- (h) review the performance of the external auditors;
- (i) review with management and the external auditors:
  - (i) Globex's audited financial statements and the notes thereto, MD&A and any annual earnings press releases before Globex publicly discloses this information;
  - (ii) any significant changes required in the external auditors' audit plan and any serious difficulties or disputes with management encountered during the course of the audit; and
  - (iii) other matters related to the conduct of the audit that are to be communicated to the Committee under generally accepted auditing standards;
  - (iv) the Company's critical accounting policies at least annually.

- (j) satisfy itself that Globex's annual audited financial statements are fairly presented in accordance with applicable Canadian generally accepted accounting principles and recommend to the Board whether the annual financial statements should be approved and included in Globex's Annual Report;
  - (k) review with management Globex's unaudited interim financial statements and the notes thereto, interim MD&A and any interim earnings press releases before Globex publicly discloses this information;
  - (l) recommend to the Board whether Globex's interim unaudited financial statements should be approved;
  - (m) review with the external auditors and management the quality of Globex's accounting principles as applied in its financial reporting process and any proposed changes in accounting principles;
  - (n) satisfy itself that Globex has implemented appropriate systems of internal control over accounting, financial reporting [and the safeguarding of the Company's assets and other "risk management" functions (including the identification of significant risks and the establishment of appropriate procedures to manage those risks and the monitoring of corporate performance in light of applicable risks) affecting Globex's assets, management and financial and business operations and that these are operating effectively];
  - (o) satisfy itself that adequate procedures are in place for the review of Globex's public disclosure on financial information extracted or derived from Globex's financial statements, other than the public disclosure referred to in paragraph (i)(i) and in paragraph (k) above, and periodically assess the adequacy of those procedures;
  - (p) establish procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls, or auditing matters and for the confidential, anonymous submission by Globex's employees of concerns regarding questionable accounting or auditing matters;
  - (q) review and approve Globex's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of Globex;
  - (r) review and ensure that The Disclosure Committee is adhering the rules of its charter;
  - (s) perform any other activities consistent with this Charter, the Company's By-laws and governing law, as the Committee or the Board deems necessary or appropriate.
- 4.2 The Committee may delegate to one or more independent members the authority to pre-approve non-audit services in satisfaction of Section 4.1(g) above, provided that the pre-approval by any member to whom authority has been delegated must be presented to the Committee at its first scheduled meeting following such pre-approval.

## **5.0 MEETINGS**

- 5.1 The Chairman will appoint a secretary who will keep minutes of all meetings (the "Secretary"). The Secretary does not have to be a member of the Committee or a director and can be changed by simple notice from the Chair.
- 5.2 No business shall be transacted by the Committee unless a quorum of the Committee is present or the business is transacted by resolution in writing signed by all members of the Committee. A majority of the Committee shall constitute a quorum, provided that if the number of members of the Committee is an even number, one half of the number of members plus one shall constitute a quorum.

- 5.3 The Committee shall meet often as it deems necessary to carry out its responsibilities.
- 5.4 The time at which, and the place where the meetings of the Committee shall be held, and the procedure in all respects of such meetings shall be determined by the Committee, unless otherwise provided for in the By-laws of Globex or otherwise determined by resolution of the Board.
- 5.5 Meetings may be held in person, by teleconferencing or by videoconferencing
- 5.6 Any decision made by the Committee shall be determined by a majority vote of the members of the Committee present. A member will be deemed to have consented to any resolution passed or action taken at a meeting of the Committee unless the member dissents.
- 5.7 Minutes of the Committee will be kept by the Secretary. The approved minutes of the Committee shall be circulated to the Board forthwith and shall be duly entered in the books of Globex.

## **6.0 ACCESS TO MANAGEMENT AND OUTSIDE ADVISORS**

- 6.1 The Committee shall have full, free and unrestricted access to management and employees and to the relevant books and records of Globex.
- 6.2 The Committee may invite such other persons (i.e. the CEO, CFO, and Controller) to its meetings, as it deems necessary.
- 6.3 The Committee shall have the authority to retain independent legal, accounting or other relevant advisors as it may deem necessary or appropriate to allow it to discharge its responsibilities, at the expense of Globex.
- 6.4 Any advisors retained shall report directly to the Committee and will provide the Board and management with written copies of all findings on a timely basis.

## **7.0 REPORTING REQUIREMENTS**

- 7.1 The Committee shall make regular reports to the Board, through the Chair, following meetings of the Committee.
- 7.2 The Committee shall prepare, if it deems it advisable or necessary an annual report to shareholders for inclusion in Globex's annual Management Information Circular.

## **8.0 ANNUAL REVIEW AND ASSESSMENT**

- 8.1 The Committee shall review and assess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
- 8.2 The Committee shall review its own performance annually.

## **9.0 REMUNERATION**

- 9.1 The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determined.