



ATACAMA PACIFIC GOLD CORPORATION

CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

(1) PURPOSE

The Audit Committee is a committee of the Board of Directors (the “**Board**”) of Atacama Pacific Gold Corporation (the “**Company**”). The primary function of the Audit Committee is to assist the Board in fulfilling its financial reporting and controls responsibilities to the shareholders of the Company. The external auditors will report directly to the Audit Committee. The Audit Committee's primary duties and responsibilities are:

- (a) overseeing the integrity of the Company's financial statements and reviewing the financial reports and other financial information provided by the Company to any governmental body or the public and other relevant documents;
- (b) recommending the appointment and reviewing and appraising the audit efforts of the Company's external auditor, overseeing the external auditor's qualifications and independence and providing an open avenue of communication among the external auditor, financial and senior management and the Board;
- (c) serving as an external and objective party to oversee and monitor the Company's financial reporting process and internal controls, the Company's processes to manage business and financial risk, and its compliance with legal, ethical and regulatory requirements.

(2) COMPOSITION

The Audit Committee shall consist of a minimum of three Directors of the Company, including the Chair of the Audit Committee, at least two of whom shall be "independent" Directors as such term is defined in National Instrument 52-110 (“NI 52-110”). All members shall, to the satisfaction of the Boards, be “financially literate” as defined in NI 52-110.

The members of the Audit Committee shall be elected by the Board at the annual organizational meeting of the Board or until their successors are duly elected and qualified. The Board may remove a member of the Audit Committee at any time in its sole discretion by resolution of the Board. Unless a Chair is elected by the full Board, the members of the



Audit Committee may designate a Chair by majority vote of the full membership of the Audit Committee.

(3) DUTIES AND RESPONSIBILITIES

(a) The Audit Committee shall review and recommend to the Board for approval:

(i) The annual audited consolidated financial statements.

(ii) Review with senior management and the external auditor the Company's financial statements, MD&A's and press releases to be filed with regulatory bodies prior to filing or prior to the dissemination of a press release.

(iii) Documents referencing, containing or incorporating by reference the annual audited consolidated financial statements or interim financial results (e.g., prospectuses, press releases with financial results and Annual Information Form - when applicable) prior to their release.

(b) The Audit Committee, in fulfilling its mandate, will:

(i) Satisfy itself that adequate internal controls and procedures are in place to allow the Chief Executive Officer and the Chief Financial Officer to certify financial statements and other disclosure documents as required under securities laws.

(ii) Recommend to the Board the selection of the external auditor, consider the independence and effectiveness and approve the fees and other compensation to be paid to the external auditor. Review the performance of the external auditor and approve any proposed discharge and replacement of the external auditor when circumstances warrant. Review the annual audit plans of the internal and external auditors of the Company.

(iii) Monitor the relationship between management and the external auditor including reviewing any management letters or other reports of the external auditor and discussing any material differences of opinion or disagreements between management and the external auditor.

(iv) Periodically consult with the external auditor out of the presence of management about significant risks or exposures, internal controls and other steps that management has taken to control such risks, and the fullness and accuracy of the organization's financial statements,



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including the adequacy of internal controls to expose any payments, transactions, or procedures that might be deemed illegal or otherwise improper.

- (v) Arrange for the external auditor to be available to the Audit Committee and the full Board as needed. Ensure that the auditors report directly to the Audit Committee and are made accountable to the Board and the Audit Committee, as representatives of the shareholders to whom the auditors are ultimately responsible.
 - (vi) Ensure that the external auditors are prohibited from providing non-audit services and approve any permissible non-audit engagements of the external auditors, in accordance with applicable legislation.
 - (vii) Review with senior management and the external auditor of the Company's major accounting policies, including the impact of alternative accounting policies and key management estimates and judgments that can materially affect the financial results.
 - (viii) Review with management their approach to controlling and securing corporate assets (including intellectual property) and information systems, the adequacy of staffing of key functions and their plans for improvements.
 - (ix) Perform such other duties as required by the Company's incorporating statute and applicable securities legislation and policies.
 - (x) Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls, or auditing matters.
- (c) The Audit Committee may engage and communicate directly and independently with outside legal and other advisors for the Audit Committee.

(4) SECRETARY

The Secretary of the Audit Committee will be appointed by the Chair.

(5) MEETINGS

- (a) The Audit Committee shall meet at such times and places as the Audit Committee may determine, but no less than four times per year. At least



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annually, the Audit Committee shall meet separately with management and with the external auditors.

- (b) Meetings may be conducted with members in attendance in person, by telephone or by video conference facilities.
 - (c) A resolution in writing signed by all the members of the Audit Committee is valid as if it had been passed at a meeting of the Audit Committee.
 - (d) The external auditors or any member of the Audit Committee may call a meeting of the Audit Committee.
 - (e) The external auditors of the Company will receive notice of every meeting of the Audit Committee.
- (6) QUORUM

A quorum is established with a majority on the Audit Committee Members in attendance.