

**CHARTER FOR  
THE AUDIT COMMITTEE  
OF  
INTER-CITIC MINERALS INC.**

**Adopted – May 29, 2008**

**CHARTER FOR THE AUDIT COMMITTEE OF  
THE BOARD OF DIRECTORS OF INTER-CITIC MINERALS INC.**

**I. MANDATE**

The Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Inter-Citic Minerals Inc. (the “Company”) shall assist the Board in fulfilling its financial oversight responsibilities. The Committee’s primary duties and responsibilities under this mandate are to serve as an independent and objective party to monitor:

1. The quality and integrity of the Company’s financial statements and other financial information;
2. The compliance of such statements and information with legal and regulatory requirements;
3. The qualifications and independence of the Company’s independent external auditor (the “Auditor”); and
4. The receipt of any complaint of alleged violation or concern under the Company’s Whistleblower Policy.

**II. STRUCTURE AND OPERATIONS**

A. Composition

The Committee shall be comprised of three or more members.

B. Qualifications

Each member of the Committee must be a member of the Board.

A majority of the members of the Committee shall not be officers or employees of the Company or of an affiliate of the Company.

Each member of the Committee shall have practical knowledge of finance and accounting and be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement, and cash flow statement, as well as management discussion and analysis (MD&A), annual information form (AIF) and similar regulatory reports.

C. Appointment and Removal

In accordance with the Articles of the Company, the members of the Committee shall be appointed by the Board and shall serve until such member’s successor is duly elected and qualified or until such member’s earlier resignation or removal. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board.

D. Chair

Unless the Board shall select a Chair, the members of the Committee shall designate a Chair by the majority vote of all of the members of the Committee. The Chair shall call, set the agendas for and chair all meetings of the Committee.

E. Sub-Committees

The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant pre-approvals of audit and permitted non-audit services, provided that a decision of such subcommittee to grant a pre-approval shall be presented to the full Committee at its next scheduled meeting.

F. Meetings

The Committee shall meet at least quarterly in each fiscal year, or more frequently as circumstances dictate. The Auditor shall be given reasonable notice of, and be entitled to attend and speak at, each meeting of the Committee concerning the Company's annual financial statements and, if the Committee feels it is necessary or appropriate, at every other meeting. On request by the Auditor, the Chair shall call a meeting of the Committee to consider any matter that the Auditor believes should be brought to the attention of the Committee, the Board or the shareholders of the Company.

At each meeting, a quorum shall consist of a majority of members who are not officers or employees of the Company or of an affiliate of the Company.

As part of its goal to foster open communication, the Committee may periodically meet separately with each of management and the Auditor to discuss any matters that the Committee or any of these groups believes would be appropriate to discuss privately. In addition, the Committee should meet with the Auditor and management annually to review the Company's financial statements in a manner consistent with Section III of this Charter.

The Committee may invite to its meetings any director, any manager of the Company, and any other person whom it deems appropriate to consult in order to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems appropriate to exclude in order to carry out its responsibilities.

The Committee shall, through its Chair, report regularly to the Board following meetings of the Committee, addressing the Company's financial statements, compliance with legal and regulatory reporting requirements, the performance and independence of the Auditor, or other matters related to the Committee's functions and responsibilities.

### III. DUTIES

#### A. Introduction

The following functions shall be the common recurring duties of the Committee in carrying out its purposes outlined in Section I of this Charter. These duties should serve as a guide with the understanding that the Committee may fulfill additional duties and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section I of this Charter.

The Committee, in discharging its oversight role, is empowered to study or investigate any matter of interest or concern with respect to the Audit Committee Charter which the Committee in its sole discretion deems appropriate for study or investigation by the Committee.

The Committee shall be given full access to the Company's internal accounting staff, managers, other staff and Auditor as necessary to carry out these duties. While acting within the scope of its stated purpose, the Committee shall have all the authority of, but shall remain subject to, the Board.

In carrying out its oversight responsibilities, the Committee is not providing any expert or special assurances as to the Company's financial statements or any professional certification as to the Auditor's work.

#### B. Powers and Responsibilities

The Committee will have the following responsibilities and, in order to perform and discharge these responsibilities, will be vested with the powers and authorities set forth below, namely, the Committee shall:

##### *Independence of Auditor*

1. Review and discuss with the Auditor any disclosed relationships or services that may impact the objectivity and independence of the Auditor and obtain a formal written confirmation from the Auditor.
2. Take, or recommend that the Board take, appropriate action to oversee the independence of the Auditor.
3. Require the Auditor to report directly to the Committee.
4. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and former independent external auditor of the Company.

*Performance & Completion by Auditor of its Work*

5. Be directly responsible for the oversight of the work by the Auditor (including resolution of disagreements between management and the Auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work.
6. Review annually the performance of the Auditor and recommend the appointment by the Board of a new, or re-election by the Company's shareholders of the existing, Auditor.
7. Review and make recommendations to the Board on the compensation of the Auditor.
8. Pre-approve all auditing services and permitted non-audit services to be performed for the Company by the Auditor unless such non-audit services:
  - (a) which are not pre-approved, are reasonably expected not to constitute, in the aggregate, more than 5% of the total amount of monies paid by the Company to the Auditor during the fiscal year in which the non-audit services are provided;
  - (b) were not recognized by the Company at the time of the engagement to be non-audit services; and
  - (c) are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee.

*Preparation of Financial Statements*

9. Discuss with management and the Auditor significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles, any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies, if any.
10. Discuss with management and the Auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.
11. Discuss with management and the Auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
12. Discuss with management the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures, including the Company's risk assessment and risk management policies.
13. Discuss with the Auditor the matters required to be discussed relating to the conduct of any audit, in particular:

- (a) The adoption of, or changes to, the Company's significant auditing and accounting principles and practices as suggested by the Auditor, internal auditor or management.
- (b) The management inquiry letter provided by the Auditor and the Company's response to that letter.
- (c) Any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information, and any significant disagreements with management.

*Public Disclosure by the Company*

- 14. Review the Company's annual and quarterly financial statements, management discussion and analysis (MD&A), annual information form, and earnings press releases before the Board approves and the Company publicly discloses this information.
- 15. Review the Company's financial reporting procedures and internal controls to be satisfied that adequate procedures are in place for the review with management of the Company's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically considering the adequacy of those procedures.
- 16. Review disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process of the Company's financial statements about any significant deficiencies in the design or operation of internal controls or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal controls.

*Communications to the Company*

- 17. Review Company procedures which govern the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters.
- 18. Review Company procedures for confidential, anonymous submissions by employees of the Company of concerns regarding questionable accounting or auditing matters and ensure communication of these procedures to the Company's employees by the Company and/or Board.
- 19. Once established, periodically review and reassess the adequacy of communication procedures to ensure that the procedures continue to effectively provide for anonymous, confidential submissions by employees of the Company and govern the receipt, retention and treatment of complaints regarding accounting, internal accounting controls and auditing matters.
- 20. Upon receipt, directly or from the Company's Compliance Officer, of any complaint alleging a violation regarding any legal or regulatory requirement or internal policy

relating to accounting standards and disclosures, internal accounting controls, or matters related to the internal or external audit of the Company's financial statements, the Committee or its designate will determine that investigation and corrective action as required by Sections 2 and 3 of the Company's Whistleblower Policy is performed. The Committee will then report such the results of any investigation and corrective action to the Board.

#### *Manner of Carrying Out its Mandate*

21. Consult with the Auditor, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
22. Request any officer or employee of the Company or the Company's outside counsel or Auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.
23. Meet with management, any internal auditor and the Auditor in separate executive sessions at least quarterly, if deemed necessary by the Committee.
24. Have the authority, to the extent it deems necessary or appropriate, to retain special independent legal, accounting or other consultants to advise the Committee and set and pay the compensation for any such advisors retained by the Committee.
25. Make regular reports at least quarterly to the Board.
26. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
27. Annually review the Committee's own performance.
28. Provide an open avenue of communication among the Auditor, the Company's financial and senior management and the Board.
29. Not delegate these responsibilities other than to one or more independent members of the Committee including the authority to pre-approve, which the Committee must ratify at its next meeting, non-audit services to be provided by the Auditor.

#### C. Limitation of Audit Committee's Role

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the Auditor.