

AUDIT COMMITTEE CHARTER

As amended by the Board of Directors of Amerigo Resources Ltd. on September 13, 2021

A. Audit Committee Purpose and Objectives

The Board of Directors (the “**Board**”) of Amerigo Resources Ltd. (the “**Company**”) has an overall responsibility to oversee the affairs of the Company for the benefit of the shareholders. The Audit Committee (the “**Audit Committee**”) of the Company is appointed by the Board to assist the Board in fulfilling its oversight responsibilities. The Audit Committee’s primary duties and responsibilities are to:

- Monitor the integrity of the Company’s financial reporting process and systems of internal controls regarding finance, accounting and legal compliance;
- Oversee the audit process and monitor the independence and performance of the Company’s independent auditors;
- Provide an avenue of communications among the independent auditors, management and the Board;
- Ensure the effectiveness of the overall process of identifying and addressing principal business risk and the adequacy of the related disclosure;
- Oversee the Company’s process for monitoring compliance with laws and regulations and its own code of business conduct; and
- Encourage adherence to, and continuous improvement of, the Company’s policies, procedures and practices at all levels.

To perform his or her role effectively, each Audit Committee member will obtain an understanding of the responsibilities of the Audit Committee membership as well as the Company’s business operations and risks.

B. Authority

The Audit Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to the independent auditors as well as anyone in the organization. The Audit Committee has the ability to retain, at the Company’s expense, special legal, accounting, or other consultants or experts it deems necessary in the performance of its duties. The Board authorizes the Audit Committee, within the scope of its responsibilities, to seek and have access to any information, including Company books and records, it requires from any employee and from external parties, and to ensure the attendance of Company officers at meetings, as the Audit Committee deems appropriate. The internal accounting staff, any external accounting consultant(s) and the external auditors of the Company will have a direct line of communication to the Audit Committee and may bypass management if deemed necessary.



C. Audit Committee Composition

Audit Committee members shall meet the requirements of the TSX. The Audit Committee shall be comprised of three or more directors as determined by the Board, each of whom shall be “independent” (as defined in accordance with National Instrument 52-110 – *Audit Committees* and applicable stock exchange rules) non-executive directors, free from any relationship that would interfere with the exercise of his or her independent judgement. All members of the Audit Committee shall have a basic understanding of finance and accounting and be “financially literate” with the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements. At least one member of the Audit Committee shall have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual’s financial sophistication, which may include being or having been a chief executive officer, chief financial officer or other executive officer with financial oversight responsibilities.

Audit Committee members shall be appointed by the Board. If the Audit Committee Chair is not designated or present, the members of the Audit Committee may designate a Chair by majority vote of the Audit Committee membership.

D. Audit Committee Meetings

The Audit Committee shall meet at least four times annually, or more frequently as circumstances dictate. The majority of the Audit Committee shall constitute a quorum for the purposes of conducting the business of the Audit Committee. Any decision made by the Audit Committee shall be determined by a majority vote of the members of the Audit Committee present or by consent resolution in writing signed by each member of the Audit Committee.

Notice of each meeting of the Audit Committee shall be given to each member of the Audit Committee, and notice shall be given orally or by email or telephone not less than 48 hours before the time fixed for the meeting. The Audit Committee Chair shall prepare and/or approve an agenda in advance of each meeting. A meeting of the Audit Committee may be held by means of telephone, electronic or other communications facilities as permit all persons participating in the meeting to communicate adequately with each other during the meeting. A record of the minutes of, and attendance at, each meeting of the Audit Committee shall be kept. The approved minutes of the Audit Committee shall be circulated to the Board forthwith.

The Audit Committee shall meet privately in executive session at least annually with management, the independent auditors and as a committee to discuss any matters that the Audit Committee or each of these groups deem necessary.



E. Audit Committee Responsibilities and Duties - Detail

The responsibilities and duties of the Audit Committee are as follows:

Review Procedures

1. Oversee the accounting and financial processes of the Company and the audits of the financial statements of the Company.
2. Review the Company's annual audited financial statements and management discussion and analysis prior to filing or distribution. Review should include discussion with management and independent auditors of significant issues regarding accounting principles, practices and judgements.
3. Review with financial management the Company's quarterly financial results and management discussion and analysis prior to the release of earnings.
4. The Chairman of the Audit Committee will review all other disclosure documents to be issued by the Company relating to financial matters, including news releases, annual information forms and information circulars.
5. Assess the fairness of the financial statements and disclosures, and obtain explanations from management on whether:
 - (i) actual financial results for the financial period varied significantly from budgeted or projected results;
 - (ii) generally accepted accounting principles have been consistently applied;
 - (iii) there are any actual or proposed changes in accounting or financial reporting practices; and
 - (iv) there are any significant, complex and/or unusual events or transactions such as related party transactions or those involving derivative instruments and consider the adequacy of disclosure thereof.
6. Review the terms of reference and effectiveness of any internal audit process, and the working relationship between internal financial personnel and the external auditor.
7. In consultation with management and the independent auditors, consider the integrity of the Company's financial reporting processes and controls.
8. Review the process under which the Chief Executive Officer and the Chief Financial Officer evaluate and report on the effectiveness of the Company's design of internal control over financial reporting and disclosure controls and procedures.
9. Gain an understanding of the current areas of greatest financial risk and whether management is managing these effectively.



10. Discuss significant financial risk exposures and the steps management has taken to monitor, control and report such exposures. Review significant findings prepared by the independent auditors together with management's responses.
11. Discuss any significant changes to the Company's accounting principles and any items required to be communicated by the independent auditors.

Independent Auditors

12. The independent auditors are accountable directly to the Audit Committee. The Audit Committee shall review the independence and performance of the auditors and annually recommend to the Board the appointment of the independent auditors or approve any discharge of auditors when circumstances warrant.
13. Approve the fees and other significant compensation to be paid to the independent auditors, and pre-approve any non-audit services that the independent auditors may provide; provided, however, that non-audit engagements may be approved pursuant to a pre-approval policy established by the Audit Committee that (i) is detailed as to the services that may be pre-approved, (ii) does not permit delegation of approval authority to the Company's management, and (iii) requires that the delegate or management inform the Audit Committee of each service approved and performed under the policy. Approval for minor non-audit services is subject to applicable securities laws.
14. If it so elects, delegate to one or more members of the Audit Committee the authority to grant such pre-approvals. The delegatee's decisions regarding approval of services shall be reported by such delegate to the full Audit Committee its first scheduled meeting following such pre-approval.
15. On an annual basis, the Audit Committee should review and discuss with the independent auditors all significant relationships they have with the Company that could impair the auditor's independence.
16. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
17. Review and approve the independent auditors' proposed audit plan and engagement letter, and review the independent auditors' proposed audit scope and approach with the independent auditors and management and ensure no unjustifiable restriction or limitations have been placed on the scope.
18. Prior to releasing the year-end earnings, discuss the results of the audit with the independent auditors.
19. Ascertain whether any significant financial reporting issues were discussed with management and the independent auditors during the fiscal period and the method of resolution.



20. Review and resolve any significant disagreement among management and the independent auditors in connection with the preparation of the financial statements.
21. Consider the independent auditors' judgements about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
22. Review the post-audit or management letter, containing the recommendations of the independent auditors, and management's response and subsequent follow-up to any identified weakness.
23. Review the evaluation of internal controls and management information systems by the independent auditors, and, if applicable, the internal audit process, together with management's response to any identified weaknesses and obtain reasonable assurance that the accounting systems are reliable and that the system of internal controls is effectively designed and implemented.
24. Gain an understanding of whether internal control recommendations made by the independent auditors have been implemented by management.
25. Meet separately with the independent auditors to discuss any matters that the Audit Committee or the independent auditors believe should be discussed privately.

Other Audit Committee Responsibilities

26. On at least an annual basis, review with the Company's counsel, any legal matters that could have a significant impact on the organization's financial statements, the Company's compliance with applicable laws and regulations, and inquiries received from regulators or governmental agencies.
27. Obtain regular updates from management 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.
28. Ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the Company's business.
29. Review and assess the adequacy of insurance coverage for the Company, including directors' and officers' liability coverage.
30. In accordance with the Company's Code of Business Conduct and Ethics, if circumstances arise, review and resolve any issues regarding conflicts of interest.
31. Establish a procedure for the: (i) confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters, and (ii) receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters.



32. Assess the Audit Committee's performance of the duties specified in this Charter and report its finding(s) back to the Board.
33. Perform such other duties as may be assigned to the Audit Committee by the Board from time to time or as may be required by applicable stock exchanges, regulatory authorities or legislation.