

**AMI RESOURCES INC.
AUDIT COMMITTEE MANDATE**

1. Role:

The Board of Directors of AMI RESOURCES INC. (the “Company”) is responsible for overseeing the direction, development and protection of the assets of the Company for the benefit of the shareholders. As the Company is a publicly traded company on the Toronto Stock Exchange – Venture Exchange it must adhere to all Canadian regulatory reporting requirements. The Audit Committee (the “Committee”) is appointed by the Board of Directors to assist the Board in fulfilling the following primary responsibilities:

- a. Identify and monitor the management of the principal risks that could impact financial reporting of the Company.
- b. Monitor the integrity of the Company’s financial reporting process and system of internal controls regarding financial reporting and accounting compliance.
- c. Monitor the independence and performance of the Company’s external auditors and internal auditing departments.
- d. Provide an avenue of communication among the external auditors, management, the internal auditing department and the Board of Directors.

2. Authority:

The Committee will have the resources and authority necessary to discharge its duties and responsibilities. The Committee shall have sole authority to retain and terminate outside counsel, compensation consultants, or other experts or consultants, as it deems appropriate, including sole authority to approve the fees and other retention terms for such persons.

3. Membership:

Members of Committee shall meet the requirements of the British Columbia Securities Act and the Toronto Stock Exchange. The Audit Committee shall be comprised of three or more directors as established by the Board, the majority of which shall be outside directors who are unrelated, free from any relationship that would interfere with the exercise of his or her independent judgement. The Board shall designate the Chairman of the Committee. All Committee members shall be financially literate in their ability to read and understand the Company’s Financial Statements, Management’s Discussion and Analysis and general accounting practices and policies.

4. Responsibilities and Duties:

- a. The Committee shall meet at least four times annually to review the interim and annual financial statements or more frequently as circumstances dictate. Review of the financial statements should include discussion with management and external auditors of significant issues regarding accounting principles, practices and regulatory disclosure.

- b. The Committee chair shall prepare and/or approve an agenda in advance of each meeting.
- c. The Committee shall meet privately in executive session at least annually with management, the director of internal auditing and the external auditors to discuss the integrity of the Company's financial reporting processes and internal controls to identify significant financial risk exposure and the steps management has taken to monitor, control and report such exposures.
- d. The Committee shall review and assess the adequacy of this mandate at least annually and submit the mandate to the Board of Directors.

5. External Auditors:

- a. The Committee shall review the independence and performance of the external auditors and annually recommend to the Board of Directors the appointment or discharge of the auditors for the ensuing year.
- b. Approve the fees and other significant compensation to be paid to the external auditors.
- c. The Committee shall review the external auditor's audit plan and engagement letter to approve the audit scope, staffing, locations, reliance upon management and internal audit and general audit approach.
- d. Prior to releasing the year-end financials, discuss the results of the audit with the external auditors. Discussion of certain matters required to be communicated to audit committees in accordance with the standards established by the Canadian Institute of Chartered Accountants are:
 - The auditors responsibility under Canadian Generally Accepted Accounting Standards.
 - Weakness in internal controls.
 - Fraud, illegal acts and related party transactions.
 - Significant accounting principles and accounting estimates.
 - Significant audit adjustments.
 - Management judgements and accounting estimates.
 - Disagreements with management, including accounting principles, scope of audit disclosures.
 - Major issues discussed with management that influence audit appointment
 - Difficulties encountered in performing the audit.