

AUDIT AND RISK COMMITTEE CHARTER

June 2014

1. Introduction

- (a) The audit and risk committee (the “**Committee**”) is a committee of the board of directors (the “**Board**”) of the Company.
- (b) The Committee’s purpose is to assist the Board in fulfilling its obligations and responsibilities relating to financial reporting, internal controls, risk management, corporate governance and the internal and external audit processes.
- (c) In this Charter, a reference to the “**Company**” means Perseus Mining Limited and the economic entity constituted by Perseus Mining Limited and the entities that it controls from time to time.

2. Committee Membership

- (a) The Committee shall consist of not less than three independent, non-executive members of the Board, each of whom shall satisfy the independence and financial literacy requirements of applicable securities regulatory requirements. Members of the Committee shall be selected by the Board. Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee upon ceasing to be a director of the Company.
- (b) Rotation of members, if required by the Committee, shall be limited to one per year. The decision as to which member to rotate, when appropriate, will be made by the Board. The Board shall review Committee membership on an annual basis and at other times as the Board may deem appropriate.
- (c) 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 determine.

3. Responsibilities of the Committee

- (a) While the Committee has the responsibilities and powers set forth in this Charter, the role of the Committee is oversight. Accordingly, the responsibilities of the Committee are to assist the Board fulfil its oversight responsibilities with respect to:
 - (i) reporting of financial information to users of financial reports;
 - (ii) systems of internal controls;
 - (iii) risk management systems and the management of material business risks;
 - (iv) application of accounting policies and improving financial management;
 - (v) the internal and external audit process;

- (vi) compliance with applicable laws, regulations, standards and relevant best practice guidelines;
- (vii) improving the effectiveness of the external audit functions and being a forum for communication between the Board and the external auditor;
- (viii) improving the quality of internal and external reporting of financial information; and
- (ix) improving the credibility and objectivity of the accounting process (including financial reporting).

4. Authority of the Committee

- (a) In order to ensure the Committee is able to discharge its responsibilities efficiently and effectively, it is authorised by the Board to:
 - (i) investigate any activity within its terms of reference or involving financial accounting and financial reporting and internal controls;
 - (ii) seek any information it requires from any employee and require all employees to co-operate with any relevant request made by the Committee;
 - (iii) engage independent counsel and other advisors as it determines necessary to carry out its duties, set and pay the compensation for any advisors employed by the Committee, the cost of which shall be borne by the Company; and
 - (iv) communicate directly with the internal and external auditors.

5. Meetings

- (a) The Committee shall have a chairman appointed by the Board (the “**Chairman**”), who shall not be the chairman of the Board. The Chairman shall have the duties and responsibilities set out in Schedule A hereto.
- (b) The Committee shall meet at least twice per annum, with those two meetings designed to coincide with the Company’s reporting of its half-year and annual results, and the Committee shall hold additional Committee meetings as and when the Committee may otherwise deem appropriate.
- (c) Committee meetings may be held in person, over the telephone or as the Committee may otherwise deem fit. The time at which, and the place where 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 by the Company’s Constitution or by the Board.
- (d) No business may be transacted by the Committee except at a meeting at which a quorum of the Committee is present. Two committee members shall constitute a quorum.

- (e) The secretary of the Committee (the “**Secretary**”) will be the company secretary or such other person appointed by the Board. Minutes of the Committee meetings shall be maintained by the Secretary who shall ensure that they are maintained in a secure environment.
- (f) The Committee may invite such other persons to attend its meetings, including the managing director, the chief financial officer, the company secretary, general counsel and the external auditor, as it deems necessary.

6. Specific Duties

- (a) In carrying out its oversight responsibilities, the Committee will:
 - (i) Review and assess the adequacy of this Charter from time to time and recommend any changes to the Board for approval;
 - (ii) Review, prior to public disclosure, the Company’s annual and interim financial statements and MD&A, including any financial statement contained in a AIF, information circular, registration statement or similar document;
 - (iii) Review and approve earnings press releases before the Company public disclosure;
 - (iv) Review, with reasonable frequency, the adequacy of the Company’s accounting and financial reporting controls (include the procedures for the review of the Company’s public disclosure financial information extracted or derived from the Company’s financial statements) ;
 - (v) Review, with reasonable frequency, whether the Company’s systems and processes for determining, managing and reporting material business risks are appropriate and effective;
 - (vi) Review whether the insurance maintained by the Company is adequate;
 - (vii) Prepare a statement, in accordance with applicable law, for inclusion in the Company’s annual report that describes the Committee’s composition, activities and responsibilities;
 - (viii) Recommend to the Board the external auditor to be nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company and the compensation to be paid to the external auditors;
 - (ix) Oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting;
 - (x) Ensure that the external auditor is “independent” (within the meaning of applicable law) and that the external auditor reports directly to the Committee;

- (xi) Either:
 - (A) pre-approve all non-audit services to be provided to the Company or its subsidiaries by the external auditor (the Committee may delegate authority to pre-approve non-audit services to one or more members of the Committee, however, pre-approval of any non-audit services must be presented by any member to whom authority has been delegated to the full Committee at its first scheduled meeting after such approval); and
 - (B) adopt specific policies and procedures for the engagement of non-audit services, provided that:
 - (1) the policies and procedures are detailed as to the particular service;
 - (2) the Committee is informed of each non-audit service; and
 - (3) the procedures do not include delegation of the Committee's responsibilities to management;
- (x) Review and approve the Company's hiring policies regarding current and former partners and employees of the present and former external auditor;
- (xi) Establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
- (xii) Make regular reports to the Board concerning its activities.

SCHEDULE A

In addition to the duties and responsibilities set out in the Charter of the Audit Committee, the chairman of the Audit Committee has the duties and responsibilities described below:

- (a) Provide overall leadership to facilitate the effective functioning of the Committee, including:
 - (i) overseeing the structure, composition, membership and activities delegated to the Committee;
 - (ii) chairing every meeting of the Committee and encouraging free and open discussion at meetings of the Committee;
 - (iii) scheduling and setting the agenda for Committee meetings with input from other Committee members, the Chair of the Board of Directors and management as appropriate;
 - (iv) facilitating the timely, accurate and proper flow of information to and from the Committee;
 - (v) arranging for management, internal and external auditors and others to attend and present at Committee meetings as appropriate;
 - (vi) arranging sufficient time during Committee meetings to fully discuss agenda items;
 - (vii) encouraging Committee members to ask questions and express viewpoints during meetings; and
 - (viii) taking all other reasonable steps to ensure that the responsibilities and duties of the Committee, as outlined in its Charter, are well understood by the Committee members and executed as effectively as possible.
- (b) Foster ethical and responsible decision making by the Committee and its individual members.
- (c) Encourage the Committee to meet in separate, regularly scheduled, non-management, closed sessions with the independent auditors.
- (d) Following each meeting of the Committee, report to the Board of Directors on the activities, findings and any recommendations of the Committee.
- (e) Carry out other such duties as may reasonably be requested by the Board of Directors.