



MARENGO
MINING LIMITED

Audit Committee Charter

The Charter of the audit committee is to:

- review the annual, half-year and concise (if any) financial reports and other financial information distributed externally, including new accounting policies to ensure compliance with Australian Accounting Standards and generally accepted accounting principles
- monitor corporate risk assessment processes
- consider whether non-audit services provided by the external auditor are consistent with maintaining the external auditor's independence. The external auditor is to provide an annual declaration of independence
- review the nomination and performance of the external auditor. The external auditors were appointed in May 2002. The external audit engagement partner will be rotated every five years.
- monitor the establishment of appropriate ethical standards
- monitor the procedures to ensure compliance with the Corporations Act 2001 and the ASX Listing Rules and all other regulatory requirements
- address any matters outstanding with auditors, Australian Taxation Office, Australian Securities and Investments Commission, ASX and financial institutions.
- The Audit Committee will review the performance of the external auditors on an annual basis and normally meets with them during the year as follows:
 - to discuss the external audit, identifying any significant changes in structure, operations, internal controls or accounting policies likely to impact the financial statements and to review the fees proposed for the audit work to be performed
 - prior to announcement of results:
 - to review the half-year and preliminary final report prior to lodgement with the ASX, and any significant adjustments required as a result of the auditor's findings
- recommend Board approval of these documents and to finalise half-year and annual reporting:
- review the results and findings of the auditor, the adequacy of accounting and financial controls, and to monitor the implementation of any recommendations



- review the draft financial report and recommend Board approval of the financial report
- as required, to organise, review and report on any special reviews or investigations deemed necessary by the Board.



D Dunnet
Chairman - Audit Committee
26 August 2004

