

AUDIT COMMITTEE CHARTER

OF

GULF RESOURCES, INC.

海湾资源公司

审计委员会章程

MISSION STATEMENT 任务职能

The Audit Committee of Gulf Resources, Inc. (the “Company”) has been established by the board of directors of the Company (the “Board”) to assist the Board in fulfilling its responsibilities to oversee the Company’s financial and accounting operations. The Audit Committee will review and be responsible for, among other things, the Company’s system of internal controls, its financial reporting process, the audit process, and the Company’s processes for monitoring compliance with laws and regulations. In performing its duties, the Audit Committee will maintain effective working relationships with the Board, management, the Company’s internal auditors, and the independent auditors. The Audit Committee will confirm with the independent auditor its understanding that it has access to the Audit Committee at any time.

海湾资源公司(以下简称“本公司”)之审计委员会系由本公司董事会(以下简称“董事会”)设立，其任务为协助董事会履行其监理公司财务及会计运作之义务。审计委员会将负责并审查公司内部控制制度、财务报告程序、审计程序以及本公司的法规遵循程序。为履行前述义务，审计委员会将与董事会保持有效的合作关系，并管理本公司的内部审计人员及独立审计师。审计委员会将确保独立审计师在任何时候都能与本委员会进行沟通。

ORGANIZATION AND MEETINGS 组织及会议

Audit Committee Composition 审计委员会成员

The Audit Committee shall consist of such number of members as the Board shall determine, but in no event less than three members. The Board shall designate one member of the Audit Committee to be the Chairperson. Subject to the exceptions discussed below, each member of the Audit Committee must be independent, as defined under applicable Securities and Exchange Commission (“SEC”) and stock exchange rules and regulations as they currently exist and as they may be amended from time to time.

审计委员会系由董事会决定，但任何情形下皆不得少于三人。董事会并将指派其中一位成员为主席。除以下讨论的例外情形，审计委员会的每一位成员，依美国证券交易委

员会(以下简称“证交会”)及交易所相关现行法规及其后修订所定义, 皆须为独立执行业务。

Each member must be able to read and understand fundamental financial statements, including a company's balance sheet, income statement, and cash flow statement or, if and so long as permitted under applicable stock exchange rules, become able to do so within a reasonable period of time after his or her appointment to the Audit Committee. Audit Committee members shall have such other qualifications as the Board may from time to time deem appropriate in light of the mission of the Audit Committee.

每一成员必须具备基础的理解及阅读财务报表的能力; 包括公司的资产负债表、损益表、现金流量表, 或者是, 在交易所相关法规允许的情形下, 在受指派后一定合理期间内, 能达到具备前述能力。审计委员会成员亦须具备其它董事会随时认为为了能执行审计委员会任务应具备之资格。

At least one member of the Audit Committee shall qualify as a “audit committee financial expert” in compliance with the requirements established under applicable SEC and stock exchange laws and regulations as they currently exist and as they may be amended from time to time.

审计委员会应至少有一位成员应具备“审计委员会财务专家”资格, 以符合证交会及交易所相关现行法规及其后修订。

Notwithstanding anything to the contrary in this charter, if permitted by applicable SEC and stock exchange laws and regulations in effect from time to time, one director who (i) is not independent as defined under applicable stock exchange rules, and (ii) is not a current employee or an immediate family member (as defined under applicable stock exchange rules) of such employee, may be appointed to the Audit Committee if the Board, under exceptional and limited circumstances, determines that membership on the Audit Committee by the individual is required in the best interests of the Company and its stockholders. In such event, the Board will disclose in the Company's next annual proxy statement the nature of that director's relationship with the Company and the reasons for that determination.

不论本章程是否有其它相反规定, 如证交会及交易所相关法律或随时生效的规定允许, 在例外及有限制的情形下, 董事会得为了本公司及股东的最大利益, 指派(i)不符合证交会及交易所相关法规定义具独立性, 及(ii)并非现任公司雇员或其直系亲属的一位董事, 成为审计委员会成员。如有前述情形, 董事会将在下一年度的委托书中陈述这位董事与公司的关系及做这项决定的理由。

If the Company fails to comply with the Audit Committee composition requirements under applicable SEC and stock exchange rules and regulations, the Company shall have an opportunity to cure such defect as provided under such rules.

如本公司违反证交会及交易所关于审计委员会成员组成的法规，本公司得在前述相关法规许可的范围内修正这类瑕疵。

Term; Meetings 任期与集会

The Audit Committee shall meet at least quarterly, or more frequently as it deems appropriate and as circumstances dictate. Any member of the Audit Committee may call a special meeting of the Audit Committee. Meetings of the Audit Committee may be held telephonically.

审计委员会应至少每季举行会议，或依其合理认定或有情势显示必要时举行会议。任何审计委员会的成员皆得召集特别会议。审计委员会得举行电话会议。

The Audit Committee shall periodically meet with each of management (including the Chief Financial Officer) and the independent auditors (including the audit engagement partner) in separate executive sessions to discuss any matters that the Audit Committee or each of these groups believe would be appropriate to discuss privately. In addition, the Audit Committee expects to meet with the independent auditors and management quarterly to review the Company's financial statements.

审计委员会应定期与管理阶层(包括财务长)及独立审计师(包括审计合伙人)个别举行会议，与前述人员就其业务范围内相关事务私下讨论。此外，审计委员会可望与独立审计师及管理阶层每季举行会议审查本公司之财务报表。

The Audit Committee may invite to its meetings any director, member of management of the Company and such other persons as it deems appropriate in order to carry out its responsibilities. The Audit Committee may also exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities.

审计委员会得邀请任何董事会董事、本公司管理阶层人员，或审计委员会认为合适的其它人员，以履行其义务。审计委员会亦得于其认为合适的情形下，排除任何人员参与会议，以履行其义务。

ROLE AND RESPONSIBILITIES 角色及责任

The Audit Committee's primary responsibility is one of oversight and it recognizes that the Company's management is responsible for preparing the Company's financial statements and that the independent auditors are responsible for auditing those financial statements. The Audit Committee also recognizes that financial management, as well as the independent auditors, have more time, knowledge and more detailed information regarding the Company than do Audit Committee members; consequently, in carrying out its oversight responsibilities, the Audit Committee is not providing any expert or special assurance as to the Company's financial statements or any professional certification as to the independent auditor's work. The Audit Committee shall also perform any other activities consistent with this Charter as the Audit Committee or the Board deems necessary or appropriate or as may be required under applicable SEC and stock exchange rules and regulations in effect from time to time.

审计委员会的主要责任是监管。其认知公司管理阶层负责准备本公司的财务报表，而独立审计师系负责审查财务报表。审计委员会亦认知，本公司财务管理阶层及独立审计师比审计委员会更有时间并具备更多知识及知悉更多本公司相关信息的细节，因此审计委员会在履行其义务的同时，并未提供专家或对本公司的财务报表有特别的保证，或对独立审计师的报告提供任何专业认证。审计委员会将执行任何符合本章程规定或董事会认为必须或適切，或依证交会及交易所相关随时生效的法规。

The Audit 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 the decisions of such subcommittee to grant pre-approvals shall be presented to the full Audit Committee at its next scheduled meeting.

审计委员会得于合适的情形下授权成立由一位或数位成员组成的子委员会，包括赋予审计事前核准的权限及许可非审计服务，但前述赋予子委员会审计事前核准权限的决定必须在下一期审计委员会会议提交给所有审计委员会成员。

Corporate Governance 公司治理

The Audit Committee shall: 审计委员会应:

1. report on its meetings, proceedings and other activities at each regularly scheduled meeting of the full Board, to the extent appropriate;

在合适的情形下，向每一次定期举行的董事会报告其会议内容、程序及其它业务活动；

2. review and reassess the adequacy of this Charter at least annually. Submit changes to this Charter to the Board for approval;

至少每年审核及再评估本章程的适足性。向董事会提交本章程之变更并请求董事会许可；

3. review and approve all transactions with affiliates, related parties, directors and executive officers;

审合并许可所有与关系企业、关系人、董事及经理人的交易；

4. establish and review the procedures for the receipt and retention of, and the response to, complaints received regarding accounting, internal control or auditing matters;

建立并审核关于会计、内部控制或审计事务的收受、留存、回复及所收受的相关投诉的程序；

5. establish and review the procedures for the confidential and anonymous submission by employees of concerns regarding questionable accounting or auditing matters; and

建立并审核雇员秘密或匿名提交的可疑的会计或审计事务的程序；及

6. review with management and the independent auditors, at least once annually, all correspondence with regulatory authorities and all employees complaints or published reports that raise material issues regarding the financial statements or accounting policies.

至少每年与管理阶层及独立审计师一起审核，所有与主管机关的往来函件及所有雇员的投诉，或产生财务报表或会计政策的重大议题的报告。

Independent Auditors 独立审计师

The Audit Committee shall: 审计委员会应:

1. appoint, compensate, retain and oversee the work of any independent auditor engaged (including resolution of disagreements between management and the auditor regarding financial reporting) for the purpose of conducting the annual audit of the Company's books and records, preparing or issuing an audit report or performing other audit review or attest services for the Company;

为进行本公司年度帐务审计，指派、给予报酬、留存及监督任何独立审计师的工作（包括解决管理阶层及独立审计师间的不同意见）；准备或发出审计报告或为本公司提供其它审计审核或查核服务；

2. obtain and review, at least once annually, a report by the independent auditors describing (i) their internal quality control procedures, (ii) any material issues raised by the most recent internal quality control review or peer review or by any inquiry or investigation by any governmental or professional authority, in each case with respect to one or more independent audits carried out by them, (iii) all material steps taken to deal with any such issues and (iv) all relationships between them and the Company;

至少每年取得并审核独立审计师关于其(i)内部质量管理程序，(ii)就独立审计师所进行的一项或多项的独立审计，任何最近的内部质量管理审核，或同业评核，或任何过去五年内政府机关或职业机构的询问或调查中产生的重大议题；(iii)为处理前述重大议题而采取的的所有的重要步骤，(iv)独立审计师与本公司间的所有关系；

3. review annually the independence of the independent auditors by (i) receiving from the independent auditors a formal written statement delineating all relationships between the independent auditors and the Company in accordance with Independence Standards Board Standard No. 1, (ii) discuss with the independent auditors all disclosed relationships between the independent accounts and the Company and all other disclosed relationships that may impact the objectivity and independence of the independent auditors and (iii) discussing with management its evaluation of the independence of the independent auditors;

依下列事项每年审核独立审计师的独立性(i)独立审计师所提交的依独立性准则委员会第 1 号准则所定标准，详细陈述其与本公司间关系的正式报告，(ii)与独立审计师讨论其所有已揭露的与本公司间可能影响其独立性与客观性的关系，及(iii)与管理阶层讨论其对独立审计师独立性的评估。

4. obtain from the independent auditors assurance that the lead audit partner and the audit partner responsible for reviewing the audit have been and will be rotated at least once every five years and each other audit partner has been and will be rotated at least once every seven years, in each case, in accordance with Section 10A of the Securities Exchange Act of 1934, as amended (the “Act”) and the rules promulgated thereunder;

取得独立审计师的保证，依 1943 证券交易法及后修订(以下简称“证交法”)及依据证交法发布的法规，首席审计合伙人及负责审核该项审计的合伙人已经并且将会至少每五年轮调一次，而每一其它审计合伙人已经并且将会至少每七年轮调一次；

5. review and pre-approve, all audit, review or attest services (including comfort letters in connection with securities underwritings and tax services) and all non-audit services to be provided by the independent auditors as permitted by Section 10A of the Act and the rules promulgated thereunder, and, in connection therewith, the terms of engagement. The Audit Committee may designate one member to approve such non-audit services, but that member must inform the Audit Committee of the approval at the next meeting of the Audit Committee. All such approvals and procedures must be disclosed in periodic reports filed with the SEC;

审核及事前许可所有审计、审核或查核服务(包括与证券承销或税务服务有关的告慰函)，所有依证交法第 10A 项及其后发布的法规许可的由独立审计师提供的非审计服务，及与前述服务有关的缔约函的条件。审计委员会得指派一位成员核准非审计服务，但该成员必须在审计委员会的下次会议告知委员会其核准的服务。所有前述服务的核准及核准程序，必须在向证交会提交的定期报告中披露；

6. review and approve all compensation to the independent auditors for all audit and non-audit services;

审核及许可所有独立审计师提供的审计或非审计服务的薪酬；

7. review regularly with the independent auditors any audit problems or difficulties and management's response, including restrictions on the scope of activities of the independent auditors or access by the independent auditors to requested information, and significant disagreements between the independent auditors and management; and

定期与独立审计师一起审核任何审计问题或困难，及管理阶层的响应，包括对独立审计师行动范围的限制或要求取得的信息的限制，以及独立审计师与管理阶层间的重大争执；及

8. present conclusions with respect to the independent auditors to the Board.

向董事会陈报就独立审计师所做的结论。

Audits and Accounting 审计与会计

Before the commencement of the annual audit, the Audit Committee will meet with financial management and the independent auditor to review and approve the plan, scope, staffing, fees and timing of the annual audit. The Audit Committee shall:

在审计开始前，审计委员会将与财务管理部门及独立审计师共同审核并核准年度审计计划、范围、人员、费用及时程。审计委员会将：

1. after completion of the audit of the financial statements, review with management and the independent auditors the results of the audit, the audit report, the management letter relating to the audit report, all significant questions (resolved or unresolved) that arose and all significant difficulties that were encountered during the audit, the disposition of all audit adjustments identified by the independent auditors, all significant financial reporting issues encountered and judgments made during the course of the audit (including the effect of different assumptions and estimates on the financial statements) and the cooperation afforded or limitations (including restrictions on scope or access), if any, imposed by management on the conduct of the audit;

在财务报表审计完成后，与管理阶层及独立审计师共同审核审计结果、审计报告、与审计报告有关的管理信件、所有重大问题(已解决或未解决)及审计期间遭遇的重大困难、所有独立审计师鉴识出的审计调整的处置、所有财务报告所发生的重大议题、因审计所做的决策(包括对财务报表不同假设及评估所生的效果)，及管理阶层就执行审计提供的合作或所设的限制；

2. review, prior to filing, all annual reports on Form 10-K and all quarterly reports on Form 10-Q, to be filed with the SEC. Discuss with management and the independent

auditors, where practicable, prior to filing, the financial statements (including the notes thereto) and the disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations”;

在向证交会提交年报 Form 10-K 及季报 Form 10-Q 前审查将提交的报告。在务实的情形下，于提交财务报表(包括附注)前，与管理阶层及独立审计师讨论将提交的财报及依“财务状况及营运结果检讨分析”所做的披露；

3. review with management and the independent auditors, at least annually, (i) all significant accounting estimates, (ii) all significant off-balance sheet financing arrangements and their effect on the financial statements, (iii) all significant valuation allowances and liability, restructuring and other reserves, (iv) the effect of regulatory and accounting initiatives, and (v) the adequacy of financial reporting;

至少每年与管理阶层及独立审计师共同审核(i)所有重大的会计预估，(ii)所有财务报表的重大表外事项及其对财务报表的效力，(iii)所有重大价值折让及负债、重组及其它储备金，(iv)法规及会计动议效力，及(v)财务报告的适足性；

4. review with management and the independent auditors all reports delivered by the independent auditors in accordance with Section 10A(k) of the Act with respect to critical accounting policies and practices used, alternative treatments of financial information available under GAAP and other written communications (including letters under SAS No. 50) between the independent auditors and management, together with their ramifications and the preferred treatment by the independent auditors;

与管理阶层及独立审计师共同审核所有独立审计师依证交法第 10A(k)关于重要会计政策及执行所出具的报告，美国公认会计准则内所述财务信息的替代处理方式及其它独立审计师及管理阶层间书面沟通信息(包括 SAS 第 50 号信函)，以及他们的成效及独立审计师较愿意采取的替代方式；

5. discuss with the independent auditor and management the independent auditor’s judgment about the quality, not just the acceptability, of the Company’s accounting principles, as applied in the Company’s financial reporting in accordance with SAS No. 61;

与独立审计师及管理阶层讨论，当本公司依 SAS 第 61 号准则适用在其财务报告时，独立审计师就公司会计原则品质(不仅是可接受度)所为的判断；

6. review and discuss with management and the independent auditors the Company’s earnings press releases (paying particular attention to the use of any “pro forma” or “adjusted” non-GAAP information), as well as financial information and earnings guidance provided to analysts and rating agencies. This review may be generally of disclosure and reporting policies. The Audit Committee need not discuss in advance

each earnings press release or each instance in which the Company may provide earnings guidance; and

审核并与管理阶层及独立审计师讨论公司就公司收益所做的媒体发布(须特别注意任何“备考”或“调整”这类非公认会计原则信息)，以及由分析师或评级机构所提供的财务信息及收益准则。这样的审核可以只是适用一般的披露及报告政策。审计委员会不需要进一步讨论每一项收益的媒体发布或每一项本公司有提供收益准则的事项；及

7. prepare the report required by the SEC to be included in the Company's annual proxy statement and any other reports of the Audit Committee required by applicable securities laws or stock exchange listing requirements or rules.

准备依证交所要求的报告，并将本公司的年度委托书及审计委员会依证券法或交易所规则所要求制作的报告包含在内。

Monitoring of Internal Controls Systems 内部控制制度的监管

The Audit Committee shall: 审计委员会应:

1. meet separately in executive session, at least annually, with the Company's principal accounting officer to discuss:

至少每年一次在分开的执行场次与本公司的首席会计经理讨论:

- a) the scope of internal accounting and auditing procedures then in effect;
当时有效的内部会计及审计程序的范围；
- b) the Company's means for monitoring compliance by Company personnel with Company policies and procedures and applicable law; and
本公司人员是否遵循本公司政策、程序及相关法规的监管方式；及
- c) the extent to which recommendations made by the principal accounting officer or independent auditor have been implemented.
首席会计经理及独立审计师的建议被执行的程度。

2. review, based upon the recommendation of the independent auditors and financial management, the scope and plan of the work to be done by the internal audit group and the responsibilities, budget and staffing needs of the internal audit group;

基于独立审计师及财务管理部门的建议，审核内部审计部门应执行业务的范围及计划，以及其责任、预算及所需人力；

3. review on an annual basis the performance of the internal audit group;

年度审核内部审计部门的绩效；

4. in consultation with the independent auditors and the internal audit group, the accounting and financial controls, review the adequacy of the Company's internal control structure and procedures designed to insure compliance with laws and regulations, and any special audit steps adopted in light of material deficiencies and controls; and

向独立审计师、内部审计部门、会计及财务控制部门咨询意见后，审核本公司内部控制为确保法规遵循所定的架构及程序以及为了重大缺失及控制所订的任何特殊审计步骤的适足性；及

5. review (i) the internal control report prepared by management, including management's assessment of the effectiveness of the design and operation of the Company's internal control structure and procedures for financial reporting, as well as the Company's disclosure controls and procedures, with respect to each annual and quarterly report that the Company is required to file under the Act and (ii) the independent auditors' attestation, and report, on the assessment made by management.

审核(i)由管理阶层准备的内部控制报告，包括管理阶层就对于财务报告的内部控制制度的架构及程序的设计及执行的有效性评估，以及本公司依证交法规定必须提交的年报及季报所需披露的控制与程序，及(ii)独立审计师就管理阶层评估所做的查核与报告。

Other 其它事务

The Audit Committee shall: 审计委员会应:

1. engage and determine funding for independent counsel and other advisors as it determines necessary to carry out its duties; and
就独立顾问及其它顾问人士就执行期义务所需的范围内，涉入及决定提供资金；及
2. conduct any and all investigations it deems necessary or appropriate.
进行所有其认为必须及适切的调查。

Adopted: June 22, 2009