

## **GP NATURAL RESOURCE PARTNERS LLC AUDIT COMMITTEE CHARTER**

### **Purpose**

The Audit Committee (the “Committee”) is appointed by the Board of Directors of GP Natural Resource Partners LLC (the “Company”) to serve as an independent and objective party to:

- oversee the quality and integrity of the financial statements, reports and other financial information of Natural Resource Partners L.P. (the “Partnership”) that the Partnership provides to any governmental body or to the public;
- oversee the Partnership’s compliance with legal and regulatory requirements;
- oversee the independent public accountant’s qualifications and independence;
- oversee the performance of the independent public accountants;
- oversee the performance of the internal audit functions of the Partnership and the Company;
- oversee the Partnership’s systems of internal controls regarding finance, accounting, legal compliance and ethics that management and the Board of Directors have established;
- prepare on an annual basis a Report of the Audit Committee for inclusion in the Partnership’s annual report on Form 10-K;
- provide an open avenue of communication among the independent public accountants, financial and senior management, the personnel responsible for internal audit functions, and the Board of Directors, always emphasizing that the independent public accountants are accountable to the Committee; and
- perform such other duties as are directed by the Board of Directors and report regularly to the Board of Directors.

Consistent with this purpose, the Committee should encourage continuous improvement of, and should foster adherence to, the Partnership’s policies, procedures and practices at all levels.

### **Committee Membership**

The Committee shall be comprised of three or more Directors, as recommended by the Compensation, Nominating and Governance Committee and approved by the Board of Directors. The members of the Committee shall be recommended by the Compensation, Nominating and Governance Committee and elected by the Board of Directors annually and shall serve until their successors shall be duly elected and qualified. Each member shall meet the independence and

experience requirements of (i) the New York Stock Exchange (the “NYSE”), (ii) Section 10A(m)(3) of the Securities Exchange Act of 1934 and (iii) applicable regulations of the Securities and Exchange Commission (the “SEC”). Accordingly, the Compensation, Nominating and Governance Committee shall determine annually whether each member is free from any relationship that may interfere with his or her independence from management, the Company and the Partnership. No member shall serve on an audit committee of more than two other public companies without approval by the Board of Directors. The Board of Directors may remove or replace the chairperson and any other member of the Committee at any time.

Each member shall be financially literate, and at least one member shall be an “audit committee financial expert” as defined from time to time by applicable regulations of the SEC. Members of the Committee may enhance their familiarity with finance and accounting principals by participating in educational programs that the Company, the Partnership or an outside consultant conducts.

Notwithstanding the foregoing membership requirements, no action of the Committee shall be invalid by reason of any such requirement not being met at the time such action is taken.

### **Accountability of the Independent Public Accountants**

The independent public accountants are accountable to the Committee and shall report directly to the Committee. The Committee shall have the sole authority and responsibility with respect to the selection, engagement, compensation, oversight, evaluation and, where appropriate, dismissal of the Partnership’s independent public accountants.

### **Committee Authority and Responsibilities**

The Committee shall have the authority to take all actions it deems advisable to fulfill its responsibilities and duties. The Committee shall have the authority to retain special legal counsel, accounting experts, or other consultants to advise the Committee, which may be the same as or different from the Company’s or the Partnership’s primary legal counsel, accounting experts and other consultants. The Committee may request any officer or employee of the Company, the Partnership or any of their subsidiaries, the Company’s or the Partnership’s outside legal counsel, and the Company’s or the Partnership’s external auditors to meet with the Committee or any member of the Committee and to provide such information as the Committee deems appropriate.

The Committee shall also have the authority to delegate to its Chairman, any one of its members or any subcommittee it may form, the responsibility and authority for any particular matter as the Committee deems appropriate from time to time under the circumstances. However, subcommittees shall not have the authority to engage independent legal counsel, accounting experts or other advisors unless expressly granted such authority by the Committee. Each subcommittee will keep minutes of each of its meetings and will report regularly to the full Committee.

The General Counsel of the Company shall attend and keep written minutes of Committee meetings unless matters to be discussed make it inappropriate for the General Counsel to be present. If the General Counsel is excused, a member of the Committee will provide to the General Counsel, minutes of the meeting or information sufficient to prepare minutes.

The Committee shall be responsible for the resolution of any disagreements between the independent public accountants and management regarding the Partnership's financial reporting.

The Partnership shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the independent public accountants employed by the Partnership for the purpose of rendering or issuing an audit report and to any advisers employed by the Committee and payment of ordinary administrative expenses of the Committee.

Additionally, the Committee shall have the duties and responsibilities set forth in the Audit Committee Checklist of Duties and Responsibilities attached hereto and made a part hereof.

## **Procedures**

1. *Meetings.* The Committee shall meet at least quarterly before the Partnership files its report on Form 10-Q or Form 10-K, or at the request of its chairperson, two or more members of the Committee, or the Chairman of the Board of Directors. Meetings may, at the discretion of the Committee, include members of the Company's management, independent consultants, and such other persons as the Committee or its chairperson may determine. The Committee may meet in person, by telephone conference call, or in any other manner in which the Board of Directors is permitted to meet under law or the limited liability company agreement of the Company. At a minimum upon completion of any annual audit, but as often as deemed necessary, the Committee shall meet separately with each of the independent public accountants and management and review the Partnership's financial statements and related notes, the results of their audit, any report or opinion rendered in connection therewith, any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information, any significant disagreements with management concerning accounting or disclosure matters and any significant adjustment proposed by the independent public accountants.
2. *Quorum and Approval.* A majority of the members of the Committee shall constitute a quorum. The Committee shall act on the affirmative vote of a majority of members present at a meeting at which a quorum is present. The Committee may also act by unanimous written consent in lieu of a meeting.
3. *Rules.* The Committee may determine additional rules and procedures, including designation of a chairperson pro tempore in the absence of the chairperson, at any meeting thereof.

4. *Reports.* The Committee shall make regular reports to the Board of Directors, directly or through the chairperson. These reports shall include a discussion of any issues that arise with respect to the quality or integrity of the Partnership's financial statements, the Partnership's compliance with legal or regulatory requirements, the performance and independence of the Partnership's independent registered public accounting firm, the performance of the Partnership's internal audit function or any other matter the Committee determines is necessary or advisable to report to the Board of Directors.
5. *Review of Charter.* Each year the Committee shall review the need for changes in this Charter. The Committee shall report the results of the review to the Board of Directors and, if necessary, recommend any proposed changes to the Compensation, Governance and Nominating Committee and the Board of Directors for approval.
6. *Performance Review.* Each year the Committee shall review and evaluate its own performance and shall submit itself to the review and evaluation of the Compensation, Governance and Nominating Committee.
7. *Fees.* Each member of the Committee shall be paid the fee set by the Board of Directors for his or her services as a member of, or chairperson of, the Committee.

#### **Limitation of Committee's Role**

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to establish the systems of internal controls, to plan or conduct audits or to determine that the Partnership's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management and the independent public accountants.